



PROGRESS DRIVEN BY THE STRENGTH OF TRUST



PROGRESS DRIVEN BY THE STRENGTH OF TRUST

In the face of uncertainty and economic challenges, Ceylinco General Insurance has emerged as a beacon of resilience and strength. Much like a seasoned athlete, each hurdle encountered has only fueled their determination to push forward. The leadership at Ceylinco General Insurance mirrors the relentless drive of a seasoned quarterback, guiding the team through the most demanding moments with unwavering focus using strategic plays and quick decisions. Just as a javelin throw demands precision, Company's commitment to transparency and clarity ensures that trust remains the cornerstone of operations.

Amidst a market burdened by import restrictions and heightened competition, the Company's focus on long-term sustainability stands as the true measure of endurance like a hurdle runner overcoming every obstacle in their path. By staying true to their values, they have cultivated trust and positioned themselves for continued success. Having concluded 2024, Ceylinco General Insurance stands strong, poised to move ahead with the strength of trust, leading the way toward a future of stability, optimism, and growth.



CONTENTS

CONTENTS OF THIS REPORT	3
ABOUT US	6
FINANCIAL PERFORMANCE SUMMARY	10
MATTERS OF SUBSTANTIAL RELEVANCE	12
SUSTAINABLE DEVELOPMENT GOALS	14
LEADERSHIP	
EXECUTIVE CHAIRMAN'S MESSAGE	16
INSIGHTS FROM THE CHIEF EXECUTIVE OFFICER	20
BOARD OF DIRECTORS	24
MANAGEMENT DISCUSSION AND ANALYSIS	
ENGAGING WITH STAKEHOLDERS	34
VALUE CREATION MODEL	36
OPERATING ENVIRONMENT	38
FINANCIAL CAPITAL	40
MANUFACTURED CAPITAL	46
INTELLECTUAL CAPITAL	52
SOCIAL AND RELATIONSHIP CAPITAL	60
NATURAL CAPITAL	67
HUMAN CAPITAL	70
CORPORATE MANAGEMENT TEAM	77
MANAGEMENT STAFF	81
<i>CORPORATE SALES</i>	81
<i>REGIONAL/ AREA SALES MANAGERS</i>	83

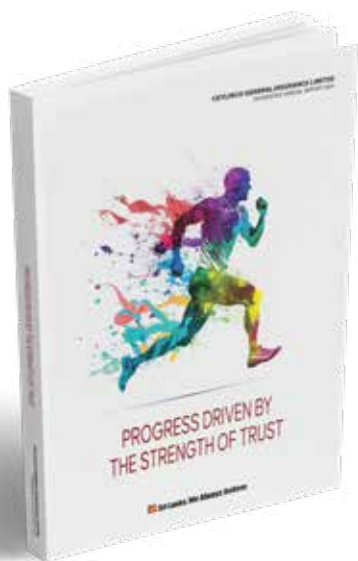
GOVERNANCE

ENTERPRISE RISK MANAGEMENT	90
CORPORATE GOVERNANCE AND INTERNAL CONTROLS	92
REINSURANCE ARRANGEMENTS	98
AUDIT COMMITTEE REPORT	99
REPORT OF THE INVESTMENT COMMITTEE	101
REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE	104
REPORT OF THE REMUNERATION COMMITTEE	105
BOARD NOMINATIONS AND GOVERNANCE COMMITTEE REPORT	106
STATEMENT OF DIRECTORS' RESPONSIBILITY ON FINANCIAL REPORTING	107
REPORT OF THE SENIOR INDEPENDENT DIRECTOR	108

FINANCIAL REPORTS

REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY	110
ACTUARIAL REPORT	114
INDEPENDENT AUDITOR'S REPORT	116
STATEMENT OF FINANCIAL POSITION	118
INCOME STATEMENT	119
STATEMENT OF COMPREHENSIVE INCOME	120
STATEMENT OF CHANGES IN EQUITY	121
STATEMENT OF CASH FLOWS	122
INSURANCE REVENUE ACCOUNT	124
NOTES TO THE FINANCIAL STATEMENTS	125
GLOSSARY OF INSURANCE TERMS	189
NOTICE OF ANNUAL GENERAL MEETING	191
CORPORATE INFORMATION	192

CONTENTS OF THIS REPORT



Purpose Statement of the Report

The purpose of this Annual Report is to inform and educate our stakeholders, mainly our shareholders of the Company's annual performance for the year 2024; this includes substantial information on our financial and non-financial performance. It is also our fifth integrated annual report, based on the integrated reporting principles of IIRC. During the report's compilation, we have made our best efforts to incorporate comprehensive information in a comprehensible manner.

Digital View



The Annual Report is available on our official website, www.ceylonco-general-insurance.com

ACCESS TO REPORTS

The current annual report can be accessed through the link https://www.ceylonco-general-insurance.com/Ceylinco_General_Insurance_AR_2024.pdf. Furthermore, reports of the three preceding financial years can be accessed online.

The report includes information, audited and approved by the Company's independent auditors, Ernst & Young (Chartered Accountants). This signifies that the audit was conducted in accordance with the relevant standards, and the information within has been verified for accuracy and compliance with applicable financial reporting frameworks. This assurance by Ernst & Young provides validation of the financial statements and information, which enhances the credibility and reliability of information presented to stakeholders, including shareholders, regulators and the general reader.

Icon Reference



Financial Capital



Manufactured Capital



Intellectual Capital



Social and Relationship Capital



Natural Capital



Human Capital

Stakeholder



Shareholders



Customers



Employees



Strategic Partners



Banks & Financial Institutions



Brokers & Agents



Reinsurers



Suppliers & Service Providers



Regulators



Government

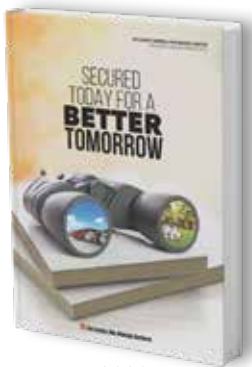


Community

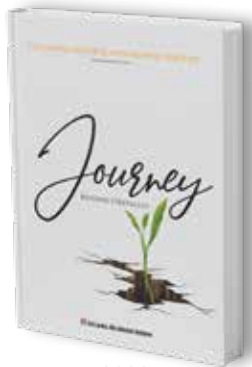
CONTENTS OF THIS REPORT

Welcome to the 2024 Integrated Annual Report of Ceylinco General Insurance (hereafter mentioned as CGI), prepared in accordance with the IR Framework. This year's Annual Report provides a complete account of our performance across the financial year.

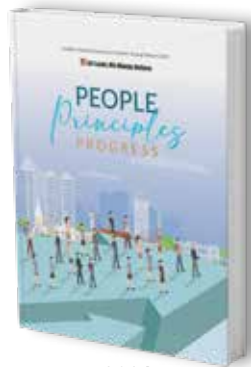
HISTORY OF REPORTING



2023



2022



2021



2020



2019

REPORTING CYCLE AND ASSURANCE

This 05th Integrated Annual Report covers the reporting cycle from 1 January 2024 to 31 December 2024. It has been approved by the Board of Directors on 27th February 2025 and has been reviewed and vetted by the Independent Auditor Messrs Ernst & Young (Chartered Accountants).

INTEGRATED THINKING AND VALUE CREATION

The report includes a relevant and insightful view of the Company's activities and achievements apart from the strategy, governance and Outlook. Inside this report, readers will find insights into our financial performance and non-financial (operational) endeavours. We have also included significant Company events and value created and delivered to stakeholders. The report's non-financial section covers aspects, such as materiality, the value creation model, and the management of the six essential capitals: financial, human, manufactured, intellectual, social & relationship and natural capital.

BASIS OF PREPARATION

The report's main sections include a non-financial narrative, prepared in accordance with the Integrated Reporting Framework and a section on pertinent financials, prepared in accordance with LKAS/SLFRS Accounting Standards. Furthermore, we have provided proof of compliance with the code of best practice on corporate governance, issued by CA Sri Lanka. Across its preparation, the report was guided by several regulatory frameworks and voluntarily adopted guidelines, which apply to core areas.

We have strived to diligently follow the principles of integrated reporting.

- 1. Strategic focus and future orientation:** Provides insight into our strategy and how it relates to our ability to create value in time.
- 2. Connectivity of information:** Highlights the relationships between various elements, illustrating how financial and non-financial factors interact to create value.
- 3. Stakeholder relationships:** Addresses the needs and interests of key stakeholders, showcasing how their engagement influences the organisation's strategy and performance.
- 4. Materiality:** Highlights matters that substantively affect our ability to create value over time.
- 5. Conciseness:** Delivers relevant information in a clear, concise, and accessible manner without overwhelming readers with unnecessary detail.
- 6. Reliability and Completeness:** Balanced and comprehensive insights that faithfully represent all material aspects, both positive and negative.
- 7. Consistency and Comparability:** Consistency in reporting to allow for meaningful comparisons over time and across organisations.

Reporting Frameworks	Assurance
Financial Management <ul style="list-style-type: none"> ★ Sri Lanka Accounting Standards (SLFRS/ LKAS) issued by CA Sri Lanka ★ Regulations of Insurance Industry Act No. 43 of 2000 and amendments ★ Companies Act No. 7 of 2007 Governance and Risk Management: <ul style="list-style-type: none"> ★ Corporate Governance Framework for Insurance ★ Code of Best Practice on Corporate Governance (2017) issued by the Institute of Chartered Accountants of Sri Lanka ★ Listing Requirements of the Colombo Stock Exchange (As a subsidiary under Ceylinco Holdings PLC) Sustainable Contributions <ul style="list-style-type: none"> ★ Sustainable Development Goals (SDGs) of the United Nations Integrated Reporting <ul style="list-style-type: none"> ★ International Integrated Reporting Council's (IIRC) Integrated Reporting Framework ★ Handbook on Integrated Corporate Reporting issued by CA Sri Lanka ★ A Preparer's Guide to Integrated Corporate Reporting issued by CA Sri Lanka 	Financial and Governance Management <ul style="list-style-type: none"> ★ Internal Audit and internal controls ★ Independent Auditor's (Report on page 116) ★ Actuarial Report (On page 114) ★ Compliance with Continuing Listing Requirements of the Colombo Stock Exchange and the Code of Best Practice on Corporate Governance (2017) issued by CA Sri Lanka (Pages 94-96) ★ Company adherence to the Directions 17 issued on 17th December 2018 (On page 96) Sustainability and Integrated Reporting <ul style="list-style-type: none"> ★ Benchmarked against International frameworks ★ UN Goals for Environmental, Social and Governance (ESG)

FORWARD-LOOKING STATEMENT

The 2024 annual report of Ceylinco General Insurance includes estimations, forecasts, goals and other future-forward statements, which are inherently subject to risks, uncertainties and unanticipated circumstances, which could result in different outcomes. These statements relate to the Company (Ceylinco General Insurance) its strategic approaches, the broader economic conditions and industry trends, based on data and information available to the senior management and the team at the time of the report's compilation. Therefore, actual results may differ from the statements mentioned herein, and the company commits to no obligation to update or amend such statements.

SHARE YOUR THOUGHTS

Your thoughts and feedback can be shared with us by emailing: nilikaa@ceyins.lk. We would love to hear your ideas on improvements.

ABOUT US

Ceylinco General Insurance – First in Innovation, First in Trust

Ceylinco General Insurance (CGI), a proud member of Ceylinco Holdings PLC, stands as the nation's premier insurance provider, leading the market in general insurance. The Company is recognised as one of Sri Lanka's most customer-centric companies, backed by a team of expert and dedicated insurance professionals, committed towards exceptional service and innovative thinking.

At Ceylinco General Insurance, our mission is to ensure a stable and secure life for all. But our purpose does not end there. Our commitment goes beyond this nuance, as we strive to empower policyholders to take proactive actions to safeguard life's vitally important aspects.

Our passion for protection continues to transcend the transactional nature of our services to a life-long commitment to safety and stability.

ORGANISATIONAL PROFILE

Established in 1988, CGI has remained atop a highly competitive general insurance market with a 19% market share - providing coverage across a broad spectrum of non-life insurance needs. CGI is authorised to transact all forms of general insurance policies and is regulated by the Insurance Regulatory Commission of Sri Lanka (IRCSL).

Headquartered in Colombo, we are a 2,800-strong team spread throughout the country across 12 regions and over 550 locations. Our organisational structure is designed to foster innovation and collaboration. Led by a forward-thinking executive team, we operate through various divisions, including a robust outfit with a formidable team of sales personnel, and staff members who are the backbone of our legacy.

MISSION

“Our Mission is to provide Protection and Financial Security of the highest quality to society, whilst adding to shareholders' wealth and recognising, rewarding and valuing the dignity of our staff.”

CORPORATE GOALS

- ★ To provide an attractive return on investment to the shareholders, whilst retaining adequate funds for growth and to achieve a high degree of stability, which would enable us to hold true to our mission in all business conditions.
- ★ To be a leading provider of protection and financial security in Sri Lanka and selected international markets.
- ★ To develop highly-satisfied and motivated employees at all levels, who will contribute effectively and efficiently towards achieving the overall objectives of the Company.
- ★ To contribute to the economic development of Sri Lanka and enhance the quality of life of its people.

AWARDS AND RECOGNITION

Our recognitions speak broadly of our progress and achievements.

Ceylinco General Insurance has continually set the standard for excellence within the insurance industry. CGI's unwavering commitment to quality and customer satisfaction has been consistently recognized. The company has earned the prestigious 'People's General Insurance Brand of The Year' award at the SLIM Kantar People's Awards for an unmatched 18 consecutive years.

In 2024, further solidifying its stellar reputation, CGI was named the top insurer for 'Service Excellence' in the general insurance sector by LMD magazine, highlighting its relentless dedication to providing exceptional service to its clients.

Over the years, CGI has also been honoured with a multitude of other accolades, including the esteemed 'Innovation of the Year in Asia' award at the Asia Insurance Industry Awards in both 2003 and 2006. Additionally, CGI has earned the prestigious 'Gold Award' at the National Business Excellence Awards in 2008, 2010, 2011, 2012, 2013, and 2014. These accolades affirm CGI's position as an industry leader.



Innovation of the year - Asia Insurance Industry Awards 2003



Innovation of the year - Asia Insurance Industry Awards 2006



The people's Insurance Company of the year for 18 years 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024



Innovative Brand of the Year - SLIM Brand Excellence Awards 2005



Gold award - National Business Excellence Awards Years 2008, 2010, 2011, 2012, 2013



Gold award - World Quality Commitment Awards 2011

ABOUT US

CGI in Numbers

LKR 9.6 Bn

Claims paid in 2024

55%

Net Claims and Benefits Ratio

2,794

Employees across our offices

LKR 7,969

Net Asset Value per Share

LKR 557 Mn

Paid for Critical Illnesses of Ceylinco VIP Policy Holders
as Additional Benefits

LKR 8.8 Mn

Revenue per Employee

Over **550**

Customer Touch Points

OUR ASSURANCE IN ACTION

At Ceylinco General Insurance, our promise for assurance has seen impactful action. Our work has translated into successful financial action and economic and non-financial value for all internal and external stakeholders.



24X7 Call Center



Employees

At Ceylinco General Insurance, our strong team is at the pinnacle of our value-creation efforts.

856 (31%) female employees

2,794 staff working and thriving

Rs. 13.7 Mn spent on employee training and development



Policyholders and Customers

Our customers are at the heart of everything we do, guiding every strategic decision and driving the core of our mission.

3.2 Mn active customers served

Rs. 9.6 Bn of claims settled (2024)

Customers supported through a unique product mix



Shareholders

Shareholders are the backbone of strategic growth.

Rs. 900 Mn in dividends

Ensuring strong financials for enterprise stability and strategic growth

Initiating and investing in strategic efforts for long-term shareholder value creation



Community and Environment

Providing financial and non-financial resources for communities to be resilient and minimise difficulties.

Over **1,950** employee volunteers for community services (2024)

Rs. 26 Mn allocated for CSR programs (2024)

Completion of **30** community support projects including regional and at branch level

100 Km of coastal stretch cleaned and preserved



Governance

Foster ethical conduct and accountability throughout our operations, while providing transparent and valuable disclosures to our stakeholders, ensuring the continued strength and trust in the State Farm brand.

06 Board Sub Committees appointed to focus on designated areas, where they have greater expertise.

Non-Executive Chairman appointed from 1st January 2025



Strategic Partners, Agents and Brokers

Sharing economic benefits with stakeholders for shared business growth.

Rs. 7.2 Bn in payments to reinsurers

Rs. 2.3 Bn in commission to agents and brokers



Reinsurers

We compensate our reinsurers financially for taking on a portion of our risks.

Rs. 7.2 Bn in payments to reinsurers



Regulators

Together with our regulators, we ensure consumer protection, market stability and fair competition


Rs. 454 Mn in tax expenses


267% capital adequacy ratio (above the 120% minimum)


Adherence to regulations stipulated by IRCSL, without penalties or violations

FINANCIAL PERFORMANCE SUMMARY

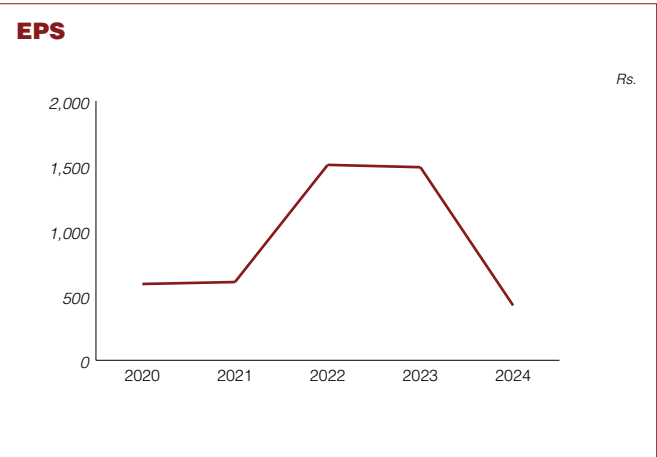
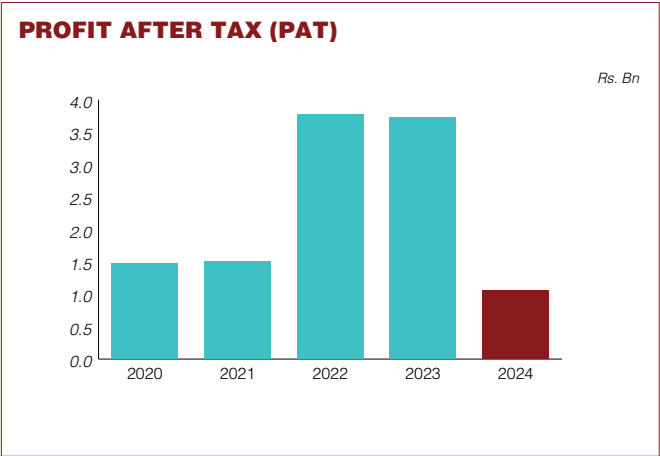
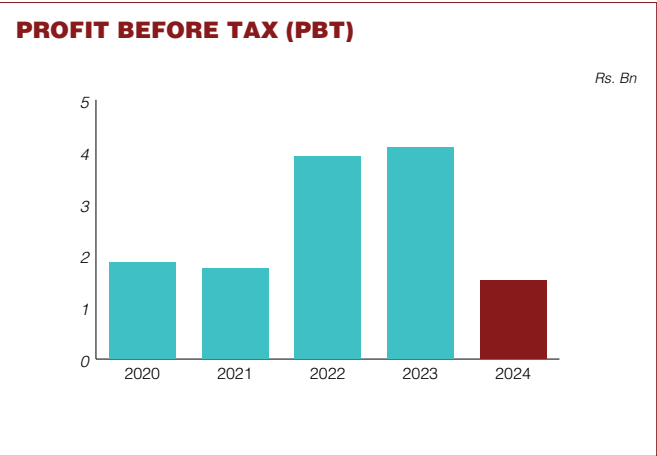
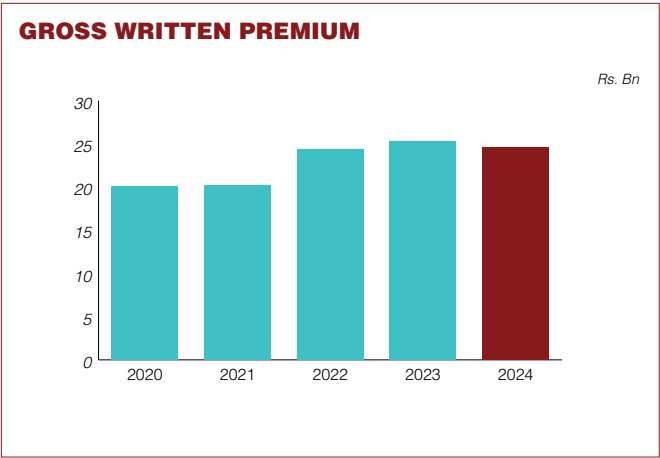
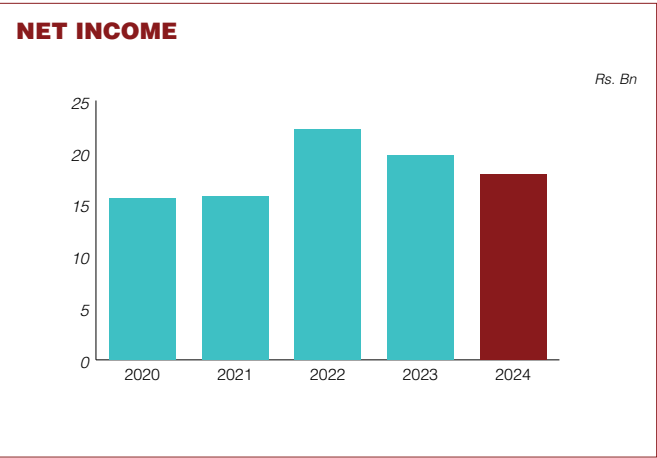
Key Financial Indicators		2024	2023	2022	Change % (2024 and 2023)
Revenue and Profitability					
Gross Written Premium	Rs. Bn	24.5	25.2	24.4	(3)
Net Written Premium	Rs. Bn	14.7	14.5	14.6	2
Net Earned Premium	Rs. Bn	14.8	14.5	14.7	2
Investment income and other operating revenue (incl. fees and commission income)	Rs. Bn	3.1	5.2	7.5	(40)
Net Income	Rs. Bn	17.9	19.8	22.2	(9)
Profit Before Tax (PBT)	Rs. Bn	1.5	4.1	3.9	(63)
Profit After Tax (PAT)	Rs. Bn	1.1	3.7	3.8	(72)
Other Key indicators					
Net claim and benefits	Rs. Bn	8.1	8.2	7.8	(2)
Financial position					
Total Assets	Rs. Bn	48.3	46.7	42.7	3
Total Liabilities	Rs. Bn	28.4	26.5	25.5	7
Total Equity	Rs. Bn	19.9	20.2	17.2	(1)
Share Performance					
Dividends paid	Rs. Mn	900	570	475	58
No of share	No.	2,501,000	2,501,000	2,501,000	-
Dividend per share	Rs.	360	228	190	58
Net asset value per share	Rs.	7,969	8,079	6,866	1
Earning per share (EPS)	Rs.	423	1,489	1,507	(72)
Ratio					
Return on Assets (ROA)	%	3%	9%	9%	(67)
ROE	%	5.31%	18%	22%	(71)
Solvency (CAR Ratio)	%	267	219	193	22

Rs.17.9Bn 
Net Income
Rs.19.8Bn (2023)

Rs.24.5Bn 
Gross Written Premium
Rs.25.2Bn (2023)

Rs.1.5Bn 
Profit Before Tax (PBT)
Rs.4.1Bn (2023)

Rs.1.1Bn 
Profit After Tax (PAT)
Rs.3.7Bn (2023)



MATTERS OF SUBSTANTIAL RELEVANCE

THE CONTEXT

Materiality matters are those factors that have the most significant impact on an organisation's success and stakeholders. These include various topics that evolve due to shifting internal/operational and macroeconomic conditions.















To ensure comprehensive reporting that addresses all relevant aspects of our business and stakeholders, we have

identified and prioritised the key material issues that impact all parties involved.

In identifying materiality matters, we have considered inputs and perceived expectations of a broad spectrum of stakeholders, including investors/ shareholders, regulators, employees, customers and the community. We have also assessed industry developments, regulatory trends and global challenges, such as climate change and digital

innovations/AI. This has not been an overnight assessment but has been an ongoing process to ensure that all relevant topics and issues have been covered.

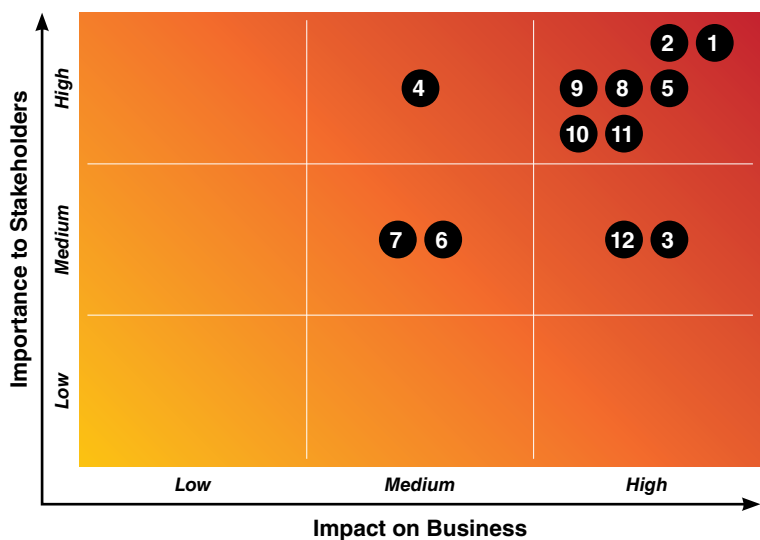
The following materiality table has been revised from last year's representation and includes the latest developments within the local and global macroeconomic contexts.

Materiality	Initiatives	SDG Alignment	
		Primary	Additional
Financial growth	<ul style="list-style-type: none"> ★ Cost controls and expenditure management ★ Targeted campaigns for business growth ★ Strategic investments for a diversified investment portfolio 		 
Financial stability	<ul style="list-style-type: none"> ★ Regularly assessed and adjusted capital reserves ★ Automation and controls to reduce operational costs 		
Technological adoptions	<ul style="list-style-type: none"> ★ Digital service experience ★ AI-based adoptions 		
Customer experience and accessibility	<ul style="list-style-type: none"> ★ 24/7 customer support and digital accessibility ★ Inclusive policy options 		 
Product and service innovations	<ul style="list-style-type: none"> ★ New product for finance companies ★ Digital Certificates and Insurance cards 		
Brand communication	<ul style="list-style-type: none"> ★ Physical campaigns, advertising and branding activities ★ Social media engagements 		
Community contributions	<ul style="list-style-type: none"> ★ Financial support for various needs ★ Inclusive policies for the financially vulnerable 		 
Environmental sustainability	<ul style="list-style-type: none"> ★ Paperless operations (underwriting and claims management) ★ Beach cleanups 		 
Talent management	<ul style="list-style-type: none"> ★ Comprehensive people management strategy and crucial financial allocations 		 
Dynamic corporate culture	<ul style="list-style-type: none"> ★ We have embraced a culture steeped in values and a passion for the business. 		 
Regulatory compliance	<ul style="list-style-type: none"> ★ Assessments to ensure compliance with all statutory regulations. 		 
Proactive assessment of macroeconomics	<ul style="list-style-type: none"> ★ By analysing the impact on business and making informed decisions, we can align strategies through continued monitoring of risks, opportunities, and market competition. 		 

MATERIALITY MATRIX

The following materiality matrix highlights the topics and matters most relevant to our business and the industry, which directly impact how we create value. The following highlights such matters relevant from a two-fold perspective, enabling us to prioritise our focus and resources for sustainable and successful value creation.

The matrix is a visual representation of the relative importance of various Environmental, Social and Governance (ESG) issues and business concerns from the perspective of stakeholders and organisational objectives.



Aspect	
1	Financial growth and stability
2	Financial stability
3	Technological adoptions
4	Customer experience and accessibility
5	Product and service innovations
6	Brand communication
7	Community contributions
8	Environmental sustainability
9	Talent management
10	Dynamic corporate culture
11	Regulatory compliance
12	Proactive assessment of macroeconomics

SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABILITY AGENDA

As a prominent insurer in Sri Lanka, Ceylinco General Insurance plays a key role in offering risk protection to millions, directly supporting the achievement of various SDGs. Our efforts focus on reducing poverty, enhancing social protection, promoting better health and well-being, and ensuring financial security for individuals and communities.

Ceylinco General Insurance is dedicated to fostering sustainable development through initiatives aligned with the United Nations Sustainable Development Goals (SDGs). Over the years, the company has made considerable contributions to social-economic development and environmental sustainability.

KEY CONTRIBUTIONS TO THE SDGs:



No Poverty

We offer affordable insurance solutions, enabling low to middle-

income earners to protect their assets. In 2024, we supported 120 families during the economic crisis by providing financial assistance and continued to offer a cost-of-living allowance to staff in non-managerial roles.



Zero Hunger

During the year, we provided 128,250 meals to over 855 students from 10 rural,

financially vulnerable schools, helping to improve their attendance, focus, and overall well-being.



Good Health and Well-being

As an insurer, we provide financial protection against

health risks, ensuring access to healthcare without financial concerns.



Quality Education

We provide financial protection for education expenses to ensure

uninterrupted learning during unforeseen events. CGI also invests in employee training and development to improve their skills and professional growth.



Gender Equality

In 2024, we increased our female sales staff, recognizing the unique

contributions they bring to customer service. We also offer gender-specific insurance products to empower women and ensure equal remuneration and benefits for all employees.



Affordable and Clean Energy

CGI has invested in renewable energy, including

four hydro power plants and four solar power projects, delivering a combined 4MW of clean energy to Sri Lanka.



Decent Work and Economic Growth

As the largest non-life insurer in Sri Lanka, we

contribute to economic growth by providing decent work opportunities for our employees and ensuring fair financial incentives for our agents, brokers, and partners.



Industry, Innovation, and Infrastructure

We continually innovate by offering inclusive insurance

solutions that cater to a wide range of market segments. We collaborate with the industry regulator to strengthen the stability and growth of the insurance sector.



Reduced Inequalities

Our work culture promotes inclusivity, with equal opportunities for career

growth and development for all employees, irrespective of gender or background. We also ensure fair distribution of economic value to stakeholders.



Sustainable Cities and Communities

CGI provides financial protection for assets,

ensuring the security of property and businesses. We offer inclusive insurance solutions that make financial protection accessible to individuals from all economic backgrounds.



Responsible Consumption and Production

We are reducing our environmental footprint by

replacing plastic insurance cards with digital versions, which we plan to expand further in the future.



Life Below Water and Life on Land

In 2024, over

1,250 CGI staff volunteered for beach cleanup project which covered 100Kms and helped to protect marine life and preserve coastal ecosystems by removing harmful debris.



Peace, Justice, and Strong Institutions

CGI upholds strong corporate governance

principles, ensuring transparency, accountability, and impartiality in all our business operations. We promote a culture of integrity and ensure compliance with legal and regulatory standards.



Partnerships for the Goals

We work closely with various stakeholders, including the government, local

organisations, and global partners, to drive industry and economic growth. Our collaborations with private businesses and global reinsurers help make insurance more accessible and secure for our customers.

LEADERSHIP

In the game of insurance, leadership is about more than just making decisions. It's about making the right ones under immense pressure. Like a seasoned quarterback reading the field, Ceylinco General Insurance navigates complex challenges with strategic foresight and precision. Every play is a calculated move, every decision a step toward securing stability and trust. With unwavering focus, the Company leads from the front, ensuring its team and customers stay protected, no matter the odds.



EXECUTIVE CHAIRMAN'S MESSAGE



**PROFIT
BEFORE
TAX
RS. 1.5 BN**

As a result of effective cost management, our financial performance was commendable, showing strong results for the fiscal year 2024. Persistent financial discipline and strong business growth have driven our profit after tax to Rs. 1,058 Mn (Rs 1 Bn), subsequent to a revenue of Rs. 24.5 Bn.

Respected Stakeholders,

As I reflect on the past fiscal year, we have achieved a commendable financial and operational performance amidst a steadily improving macroeconomic landscape. Despite managing rising costs due to previous high inflation, the Company took tailored measures to prudently manage our insurance portfolios by balancing risk and revenue, and we delivered an enhanced performance and robust financial results.

The year marked a milestone in our nation's journey towards economic recovery and political stability, following the gruelling period since the pandemic in 2020. It was commendable to witness decisive policy measures for sustainable economic growth. In 2024, the country's GDP growth recorded a 4.4% increase, showcasing a spirited rebound. This was the culmination of four consecutive quarters of similar growth, reflecting the strength and resilience of the industrial and services sectors. Inflation remained well below the Central Bank target of 5%, reaching the negative side by the end of the year. The reduction in interest rates and the appreciation of the rupee provided a strong tailwind for key sectors of the economy. Meanwhile, investments reliant on interest income and exchange rate gains faced the short end of the stick, as lower yields and a stronger currency diminished return.

STRATEGIC EFFICIENCIES

During the fiscal year, we addressed several key priorities: expenditure controls, prudent underwriting management, renewed portfolios, and bolstering our already strong distributing methods. With the exception of an exchange rate impact on international financial transactions and exchange gains, all financial and operational targets have been met for the fiscal year. Nevertheless, this was amidst facing heightened competition in a tight regulatory environment.

To harness our robust plans for the year, we had the competitive strengths of

an ambitious team, including a highly competent Board of Directors and a fire-brand team of sales personnel; all of whom were committed to achieving set targets by implementing innovative strategies.

It was also the year, where we introduced Ceylinco Loan Shield, a new product designed specifically for Banks and Financial Institutions to protect them from risks, such as the economic ramifications of potential future pandemics and natural disasters. Moreover, controlling expenditures and prudent financial management became one of the company's priorities, as the team worked diligently to curb the effects of price increases.

We maintained a strong focus on underwriting practices to manage risks and costs effectively. However, in doing so, our focus fell on ensuring that our core principles, including the speed of processing claims and prompt payments, were not compromised.

Moreover, we conducted a comprehensive review of our insurance portfolios, which prompted us to make difficult decisions in posing controls and limitations concerning high-risk portfolios, especially from high-risk industries with poor risk management principles. This was done after thorough risk management inspections. Clients with various risk exposures were advised to maintain robust risk management practices.

During the year, we served over 3 million active insurance policyholders. Our services and assistance to our customers were bolstered by renewing customer policies to align with payment capacities; this encouraged policyholders to renew their policies, ensuring continued financial protection against unexpected losses and risk exposures.

STEADY FINANCIAL SUCCESS

As a result of effective cost management, our financial performance was commendable, showing strong results for the fiscal year 2024. Persistent financial discipline and strong business growth have driven our profit after tax to Rs. 1,058 Mn (Rs 1 Bn), subsequent to a revenue of Rs. 24.5 Bn. Net income amounted to Rs. 18 Bn. Despite seeing a marginal decline in revenue, we have maintained a profitability through our consistent expenditure controls.

Being the largest industry player in Sri Lanka, we fulfil the crucial role of an economic stakeholder. The social protection created through our policies contributes greatly to reducing poverty and providing a financial barrier against unforeseen calamities and health impediments, even pandemics and outbreaks. Encouraging social stability and acting as an economic stabiliser, we continued to provide affordable access to health insurance, and compensate unexpected losses for motor owners, home-owners and businesses. In 2024, we made a total of Rs. 8,053 Mn (Rs. 8 Bn) in claims, which enabled thousands of our policyholders to regain a financial foothold during times of great need.

The only exception to our financial performance was the impact of dollar rate changes, which had a noticeable effect on our top-line performance. Our foreign exchange transactions experienced some disturbance due to the 10.7% appreciation of the rupee and depreciation of the dollar alongside other dominant currencies. Management of our investment portfolio also came under stress due to reduced interest

EXECUTIVE CHAIRMAN’S MESSAGE

rates, which slashed interest earnings by 14% during the year. However, due to a prudent spread of financial investments in multiple sources, the Company maintained adequate buffers to support liquidity concerns.

ENVIRONMENTAL SUSTAINABILITY AND EFFICIENCIES

Cost reductions were also tied to sustainability and the conscious consumption of resources. Through a concentrated effort towards resource efficiency, we successfully optimised various resource usages: this includes minimising unnecessary usage of utilities, such as electricity and water consumption, thereby minimising costly consumption patterns. Additionally, we have actively reduced paper usage by switching to digital processes; this also aligns with our commitment to environmental sustainability and includes a shift towards digital motor insurance.

Digital insurance has played an important part in reducing costs and has a promising outlook for eliminating physical paperwork in the near future. Moreover, through this transition, we have reduced reliance on plastic materials, which greatly reduces the impact of plastic insurance cards and paper certificates on the environment. These combined efforts have reinforced our commitment to efficiency and sustainability.

Furthermore, we organised a beach cleanup around the country for the 3rd consecutive year, demonstrating our commitment to environmental responsibility and community engagement. Employees from across the branch network and head office participated in cleaning a 100km stretch of coastal area.

COMMITMENT TO GOOD GOVERNANCE

I am pleased to confirm that we have operated in full compliance with all regulatory requirements, including maintaining a robust and prudent capital adequacy ratio of 267%, which exceeds the minimum threshold of 120%. Additionally, we have not only complied with but have exceeded all governance-related regulatory frameworks, demonstrating our commitment to best practices beyond the mandated requirements. During the year, we strengthened the board committees, further reinforcing our governance framework.

For over 34 years, Ceylinco General Insurance has been driven by a leadership team rooted in a deeper vision to transform the company and the industry. Our Board of Directors has devoted extensive time to dissecting a rapidly divulging external environment and formulating strategies to safeguard stakeholder interests, during tough times and times of change. During the year, the

Board focused on mitigating the effects of price increases due to inflation, both from a company and stakeholder perspective. We also focused on maintaining strong profitability and strengthening financial strongholds; this was achieved through the synergy between the Board and the senior management team, which helped our decisions to seamlessly translate into impactful results.

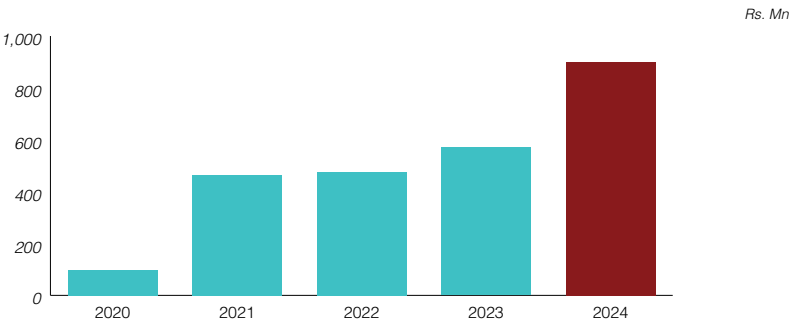
Our governance model, which has been sculpted over decades of continued improvements, and rigorous compliance, served as the backbone of all operations. This framework spans the prevention of fraudulent activities, minimising their effects, ethical conduct and risk oversight. Furthermore, we have determined that the Chairman should not hold the position of Executive Chairman, underscoring our dedication to sound governance and maintaining a clear distinction between oversight and management responsibilities.

APPRECIATION AND CLOSING OUTLOOK

As I conclude my term as Executive Chairman of the Board as per the good governance policies of the company, I wish to express my strong appreciation to the Board of Directors for extending their peer support in all matters of strategic importance throughout the past two years.

On behalf of the company, I would like to extend our deepest gratitude to the Executive Chairman Mr. Ajith Gunawardena and the Board of Directors of the Holding company for their unwavering support and visionary leadership. We also extend our heartfelt thanks to the members of the IRCSL (Commissioners), Executive Directors, and the dedicated staff for their continued commitment, hard work and support shown in matters of strategic importance to the industry. We acknowledge IRCSL's step to strengthen its cadre with qualified actuaries, which is a positive step toward promoting prudent practices in the industry.

DIVIDENDS PAID



I would like to express my deepest gratitude to our shareholders, policyholders and customers, global and domestic partners including reinsurers, direct brokers, reinsurance brokers and other stakeholders. We were able to move beyond the obstacles through your support in various aspects, including the motivation and impetus to create financial value and generate value-added services.

I am immensely pleased to state that the fiscal year has been one of our strongest. Our paralleled strengths and market position continued to reap advantages in maintaining financial resilience and operational prudence. The confidence in our capabilities became a catalyst to creating and delivering greater value to all stakeholders across 2024.

As I look ahead, I am confident that the newly appointed Board Chairman, Mr Prasad Kariyawasam, will guide the Company prudently in all strategic endeavours. I am also greatly confident in the senior corporate management team supported strongly by staff members of all levels in ensuring another year of sustainable growth, from the perspective of the company and stakeholders. I am pleased to state that the Board has received a new appointment and I am delighted to welcome Mr K. Shankaramoorthy who is also being proposed as the principal officer.

Moving forward, agility is vital for the insurance industry, especially in capitalising on digital capabilities and improving economic conditions. It is crucial to reach untapped and underserved markets through digital offerings while adhering to regulatory mandates. Moreover, as Sri Lanka transitions toward sustainable growth in 2025, with projected GDP moderation to 2.8% (as per ADB), insurers must balance short-term gains with long-term resilience, ensuring they support both economic recovery and household security.

The new government came into power with a promise of good governance and anti-corruption efforts, which are essential for the country. Similarly, it will be beneficial for the country and the government to continue fiscal reforms with the IMF and donor countries. Moreover, insurance companies currently allocate 30% of their reinsurance portfolio as compulsory session to NITF. However, they operate without retrocession cover, which could place a significant burden on the government during a major catastrophe. The regulator should address this issue and consider reducing the compulsory session for the greater benefit of the public and the government.

Ceylinco General Insurance will continue to confidently capitalise on our enduring capabilities, scale and impacts, ensuring that our business strategies remain steadfast amid a continuously volatile external environment. Moreover, our plans and goals will not be a success without the support of our shareholders and policyholders, who remain at the core of our strategic thinking and value creation. I am confident in saying that we anticipate another year of innovations and continued value additions based on stakeholder needs and expectations.



Dr. Jagath Alwis
Executive Chairman

27th February 2025

INSIGHTS FROM THE CHIEF EXECUTIVE OFFICER

CLAIMS PAID RS. 9.6 BN

During the fiscal period, the Company incurred a total of Rs 9.6 Bn in claims this substantial amount underscores our ability and commitment to fulfilling our primary obligation to policyholders. Despite expenditure controls, we maintained our commitment to prompt claim settlement, fulfilling our promise to valued policyholders.



Dear Readers,

Ceylinco General Insurance is pleased to look back on a successful year, achieving a range of positive financial indicators. Several key factors contributed to our performance in 2024, which will allow us to confidently accelerate our short-term plans in the upcoming financial year.

Various elements were crucial in shaping this year's financial results. Our careful operational strategies, which included effective cost management, robust financial practices and systems, prudent underwriting, and an emphasis on high-return products, played a significant role in our fiscal accomplishments.

“Across the year, our efforts to strategically improve the business continued with increased momentum on several fronts. Integrating digital technologies continued to be a focal point of our agenda, as we enhanced digital insurance and online portals for enhanced customer experiences.”

Ceylinco General Insurance continued to demonstrate strong operational stability despite macroeconomic and political changes, affirming the resilience of our business model and distribution potential. As we focused on further strategic advancements, we remained committed to offering innovative service solutions and comprehensive insurance solutions while building a more responsive organisation.

ROBUST FINANCIAL OUTCOMES

The Company reported a profit before tax of Rs. 1,512 Mn; at a period when the impacts of inflation and economic recovery were ongoing concerns. Company Gross Written Premiums reached Rs 24.5 Bn compared to the previous year's premium income of Rs. 25.2 Bn. There was a 2.8% marginal decline in revenue driven by several factors; this includes the impact that stemmed from restrictions on vehicle importation, and the reduction of the rupee equivalent from the USD conversation rate as a result of the rupee's appreciation. Additionally, the ban on mobile insurance further limited our ability to capture a higher premium income, as it directly affected new and existing businesses with those at the grassroot levels of society.

Profit after tax stood at Rs 1.1 Bn in 2024 as a result of several initiatives taken to bolster our overall operations. Effective expense management became a key focus, ensuring prudent allocation and management of resources. We also reassessed risks undertaken and adopted comprehensive risk management advice to clientele. To further enhance efficiency, we undertook approaches to improve IT infrastructure. Furthermore, we made significant strides to enhance our online presence, ensuring improved engagement with customers and other stakeholders.

During the fiscal period, the Company incurred a total of Rs 9.6 Bn in claims, this substantial amount underscores our ability and commitment to fulfilling

our primary obligation to policyholders. Despite expenditure controls, we maintained our commitment to prompt claim settlement, fulfilling our promise to valued policyholders. This was particularly evident with our VIP On The Spot policyholders, who received swift resolutions to their claims. Claims under the motor business category increased to Rs 4.9 Bn compared to Rs 4.6 Mn in 2023.

Investment income showed a decline due to the drop in interest rates, which impacted our fixed investments in various financial instruments. Further, the rupee appreciation resulted in less favourable outcomes from foreign transactions and influenced our investments in foreign currency denominations and revenue streams. However, a focus on strengthening premium income offset its effects to a greater extent. Moreover, it has not impacted our market position, which continues to remain at the top position among non-life insurers.

Our financial position remained strong, with total assets being recorded as Rs. 48.4 Bn – the highest in the industry; this corresponded well with our liabilities of Rs. 28.4 Bn, which demonstrated the healthy balance between the assets and liabilities. It is a reflection of less reliance on borrowed funds and lower financial risk to the organisation

DETERMINANTS OF SUCCESS

In 2024, we took considerable approaches to expand and improve operations, which include the expansion of our distribution network with the addition of five new branches and upgrades – enhancing our network of over 550 island-wide locations. I am pleased to announce that we have acquired our very own building in Kandy, marking a significant step towards growth and commitment to service excellence. The branch is equipped with the latest amenities and provides a modern and comfortable environment to both customers and employees. Moreover, we have expanded and strengthened

INSIGHTS FROM THE CHIEF EXECUTIVE OFFICER

our Women's Salesforce, which now makes up nearly 20% of our sales team, reflecting our commitment to diversity and empowerment.

Across the year, our efforts to strategically improve the business continued with increased momentum on several fronts. Integrating digital technologies continued to be a focal point of our agenda, as we enhanced digital insurance and online portals for enhanced customer experiences. Digital insurance continued to take centre stage as we prioritised customer convenience and the safety of data at our touch points. During the year, we made significant investments in AI-related developments that underline our commitment to staying ahead of tech developments. As part of this, 15 of our employees received overseas training in the latest AI technologies, which enables our team to leverage AI to enhance our operations and services.

In recent years, there has been a tremendous shift towards digital processes and a reduction in paper-based workflows. At CGI, our underwriting and claim settlement processes are heavily integrated with digital technologies, ensuring convenience, speed and efficiency for policyholders as well as employees. Our in-house IT team has taken proactive measures to adopt the latest technologies while tightening network and cyber security through advanced protocols and software solutions. IT training also plays

a central role in seamlessly assimilating users with the latest adoptions or upgrades, ensuring that they remain aligned with advancements and security protocols, and placing high value on safeguarding customer and company data.

As a result of adopting advanced development tools, we made significant commitments to enhancing our cyber-security infrastructure. Our operational processes are integrated with the latest operating systems, enabling digital travel quotations, policy renewal, and debit follow-ups. Regular system upgrades ensure faster and more agile customer services with shorter lead times. By eliminating manual processes and reducing physical documentation, we have made our operations leaner and more efficient.

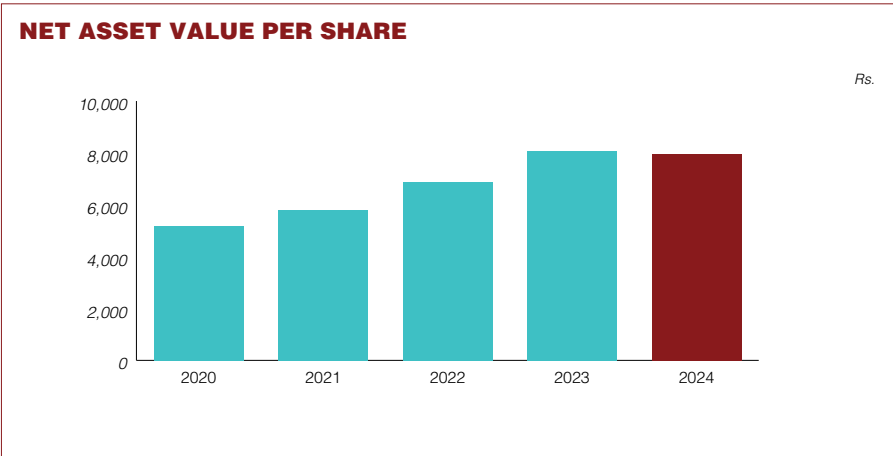
AUGMENTED VALUE PROPOSITIONS

During the year, we introduced the Ceylinco Loan Shield for finance companies and banks, providing protection for their customers against unforeseen events such as loss of income due to retrenching, organisational closures, natural disasters, sudden illnesses and permanent disabilities from accidents. Moreover, we revamped our Motor Bike Product, providing a spectrum of benefits for the rider and pillion riders. Furthermore, we introduced the Guarantee Certificate in 2024, which

covers all vehicle insurance products, enhancing protection and benefits available to clients.

The issuing of digital policies and certificates, in place of physical documents and plastic cards, continued with vigour. It has been the company's focus to promote the use of digital insurance cards and policy documentation, as a means of providing customer convenience and as an approach towards reducing the environmental footprint of insurance activities. However, gaining the support of law enforcement personnel remains a challenge, as a significant shift in mindsets is essential for them to recognise the value of digital insurance and the timely need for it. It is also optimistic to see an increased preference towards digital insurance cards and policies among customers, which underscores a gradual shift in consumer mindsets towards responsible consumerism.

Prudent risk management and governance practices were vital in our effort to sustain growth and market leadership. Our effective approaches became key to navigating uncertainties, which included well-informed decision-making through stringent risk assessments and evaluations of market conditions. Moreover, we focused on fully complying with IRCSL regulations, particularly in addressing customer grievances and complaints. The combination of these practices enabled us to safeguard our key stakeholders.



INVESTMENTS IN TEAM WELL-BEING

During 2024, we made HR-related developments focused on the health and welfare of staff and their families. Recognising the need for comprehensive support, we implemented several initiatives for their well-being. One notable endeavour is continuing health insurance coverage even after retirement. This guarantees that employees and loved ones have access to essential medical care, providing peace of mind.

We continued to invest heavily in employees' professional development to support continuous growth and advancement. During the year, we made a total investment of Rs 13.7 Mn in their professional development, covering training sessions, workshops and opportunities for further education.

We remain committed to employees' health and growth, as we continue to ensure a positive work environment. By putting their well-being to the forefront, we ensure that they remain motivated, engaged and enabled to deliver exceptional service.

FORWARD-LOOKING EXPECTATIONS

Looking at the upcoming fiscal year, we anticipate major developments and strategic changes, especially in the local macroeconomic setting; the removal of automobile import restrictions will likely result in considerable business growth in our motor insurance business. Relaxed conditions will encourage greater market access and help stimulate growth across the non-life insurance sector. Hence, opportunities to capitalise on a growing commercial and personal automobile market provide optimism about higher GWP numbers in the upcoming financial year.

Moreover, economic improvements will likely attract new investments and will include expanded economic activity in industries, such as construction, education, energy and hospitality industries, and will in turn stimulate demand for insurance. Port City developments will play a considerable role in our strategic plans, despite the project still having unrealised potential.

Additionally, we will capitalise on the increasing demand for health insurance to further enhance offerings and meet evolving client needs. This increasing uptake reflects a shift towards greater awareness of health and wellness and the importance of financial security. It also underlines a broader trend of improving economic conditions and disposable

income levels, which demonstrated the willingness of the middle-class population to invest in health insurance – enabling insurers to capitalise on various related products.

In the ensuing financial year, we will maintain our focused approach to disciplined financial management and prudent underwriting processes. A focus on disciplined underwriting is aimed at mitigating risks and ensuring financial stability across all our insurance portfolios. We will continue to renew and revise contracts, especially group policies to redistribute risks in a manner that is low-risk for the organisation and financially helpful for the policyholders.

More effective expenditure controls will continue to take priority as we ensure resource efficiency across the organisation. Resource optimisation will be key to successful cost controls and optimised consumption; this will be enhanced through digital and technological adoptions crucial to optimising resource allocation and improving efficiency. Stringent cost controls will enable greater agility and cost-effectiveness, as we anticipate a fiscal year with a higher growth in profit after tax.

VALUING CONTRIBUTIONS

I begin by expressing my heartfelt appreciation to our esteemed Board of Directors and shareholders for their guidance and support, respectively. The collective wisdom of the Board has been instrumental in sustaining growth and steering the Company through challenges.

Profound gratitude is owed to our Executive Chairman, Dr. Jagath Alwis for his insightful leadership and direction. He was a pillar to the Company in the years of his tenure, as he took impactful decisions together with the Board, for the betterment of the Company and stakeholders. He has continuously inspired us to expand the boundaries while remaining cognisant of stakeholder expectations, including regulators.

I would like to extend a warm welcome to Mr. Prasad Kariyawasam, our newly appointed Non-Executive Chairman of the Board. He has a distinguished career and an impressive portfolio of achievements within the industry. His insights and expertise will be immensely strategic in the Company's success and agility.

Furthermore, I wish to express my gratitude to our strategic and business partners, which include reinsurers, brokerages, agents and global partners. Their time, investments and resources have sustained us through many hard times, driving mutual growth.

I am also grateful to the entire team at CGI, including the Corporate Team and all employees of the Ceylinco family for their contributions towards sustaining our industry leadership, while facing numerous challenges due to market competitiveness and macroeconomic shifts.

Lastly, I share our collective appreciation for the confidence shown in Ceylinco General Insurance to our multitude of policyholders. We are deeply grateful to the people of Sri Lanka for crowning us as the People's General Insurance Brand of the Year at the 2024 SLIM Kantar Awards – for the 18th consecutive year. This recognition, determined through public opinion, represents people's genuine love and respect for Ceylinco General Insurance.



Mr. R.A. Gunathilake
Director/Chief Executive Officer

27th February 2025

BOARD OF DIRECTORS



Left to Right

DR. W.C.J. ALWIS

Executive Chairman

MR. R.A. GUNATHILAKE

Director/Chief Executive Officer

MR. H.D.A.N. PERERA

Director

MR. SATHYAJITH WIJAYAPURA

Director



Left to Right

MR. ROSHAN RANASINGHE

Director

MR. AENDRA BANDARANAIKE

Director

DR. NAYANA DEHIGAMA

Director

PROFESSOR H. JANAKA DE SILVA

Director

BOARD OF DIRECTORS



Left to Right

MR. W J SHAVINDRA FERNANDO

Director

MR. RIENZIE FERNANDO

Director

MR. PRASAD KARIYAWASAM

Director

MR. TAKASHI KISHI

Director



Left to Right

MR. ANURA MEDDEGODA

Director

MR. PREMALAR BRAHMANAGE

Director

MR. UMESH REVANKAR

Director

MR. SENAKA SILVA

Director

BOARD OF DIRECTORS

DR. W.C.J. ALWIS

Executive Chairman

Dr. Jagath Alwis graduated with a Bachelor of Science (B.Sc) majoring in mathematics and physics and joined the National Insurance Corporation in 1982 as a Trainee. He became an Associate Member of the Chartered Insurance Institute, London (ACII) in 1985 and a Fellow (FCII) in 1990. Also a Fellow of the Indian Insurance Institute (FIII), he is a Chartered Insurer by profession. Dr. Alwis is also Fellow of the Institute of Directors, UK.

Dr. Alwis joined Ceylinco Insurance in March 1988 as the Reinsurance Manager and was appointed to the Board as the Director (Technical) in January 1993.

He is also heading the Education Sector of Ceylinco Holdings PLC as the Chairman of CEG Education Holdings, which is the largest private education conglomerate in Sri Lanka, in addition to his responsibilities as the Executive Chairman of Ceylinco General Insurance Limited.

He is one of the past Presidents of the Insurance Association of Sri Lanka (IASL) and is presently an Executive Committee Member.

Dr. Alwis was also the President/Chairman of the Executive Board of the Association of Insurers and Reinsurers of Developing Countries (AIRDC) for the years 2012 to 2014 and is presently a member of the Board of Trustees. He was conferred a Doctorate from the University of Middlesex, United Kingdom in 2013.

Dr. Alwis won the Award for the 'Personality of the Year' at the 18th Asia Insurance Industry Awards Ceremony held in Taipei in November 2014 and also won the Awards for 'Outstanding Contribution for Education' and 'Educational Entrepreneur of the year' at the World Private Universities Awards held in Mumbai, India in 2014.

Dr. Alwis has also presented Technical Papers at many International Insurance/ Reinsurance Conferences and is a regular contributor to the International Insurance/ Reinsurance press. Dr. Alwis was inducted into the Hall of Fame 2024 by the Insurance Institute of Sri Lanka.

MR. R.A. GUNATHILAKE

Director/Chief Executive Officer

Mr. Rex Gunathilake joined Ceylinco Holdings PLC in August 1994 as a Regional Manager and having been progressively promoted to several higher designations, held the post of General Manager (Branches) at the time that he was appointed to the Board of Ceylinco General Insurance Limited in April 2014.

He played a major role in expanding the branch network of the Company, now considered one of the largest distribution networks in the country.

Mr. Gunathilake started his career in the field of sales at Lever Brothers (Ceylon) Limited in 1985 and was the Area Manager in-charge of Kandy, Katugastota, Gampaha, Kegalle and Matale regions, before joining Ceylinco.

He holds a Master of Business Administration from University of West London.

MR. H.D.A.N. PERERA

Director

Mr. Perera joined the Company on 16th September 1981 as a Trainee of Ceylinco Limited. He was appointed as the Manager-Miscellaneous Department, of Ceylinco Holdings PLC in 1988. He was promoted as the General Manager in 2010. He represents the Company at the General Insurance Forum of the Insurance Association of Sri Lanka to date and represented the Working Committee of the Strike, Riots, Civil Commotion and Terrorism Fund (SRCC & TR Fund) till 2016. He represents the Technical Advisory Committee of the SRCC & TR Fund to-date of National Insurance Trust Fund. Mr. Perera was

invited to the Board of Ceylinco General Insurance Ltd., in January 2018.

He is a regular member representing the Company at the Singapore International Reinsurance Conference held annually. He has also represented the Company at many National/International Insurance & Reinsurance Forums and has been a Panellist and presented many papers. Presently, he serves on the boards of many subsidiaries of Ceylinco Holdings PLC as a Director including Ceylinco Insurance Company (Pvt) Ltd., Maldives.

MR. SATHYAJITH WIJAYAPURA

Director

Mr. Sathyajith Wijayapura joined Ceylinco Holdings PLC in June 1990 to the Sales Division of the Company after working for Ceylon Cold Stores from 1982 to 1985 and joining Lever Brothers (Ceylon) Ltd from 1985 until 1990.

Having been promoted progressively to several higher designations and having held the post of General Manager at the time, he was appointed to the Board from 01st January 2023.

He was instrumental in setting up the operations of Ceylinco Insurance Company (Pvt.) Ltd, Maldives from year 2000 and currently function as the Executive Director of this company.

During his Thirty Five years of service with Ceylinco Insurance, he held the record of continuously holding the highest sales achiever for 25 years and was the first member of "Hall of Fame" category from 1996.

He was successful in affiliating worlds largest insurance companies, namely Chubb and AXA XL for Ceylinco Insurance Sri Lanka and Maldives and acts as the country representative for both countries on behalf of Chubb and AXA XL.

MR. ROSHAN RANASINGHE*Director*

Mr. Ranasinghe joined Ceylinco Insurance in 1988 as a Marketing Executive and rapidly rose to the position of AGM – of the Fire Department in 2000. He was subsequently promoted as General Manager of the City Office in 2010, a position he held until his appointment to the Board of Directors in January 2023. He is one of the pioneers to join the prestigious “Hall of Fame” in the company’s elite sales reward scheme, the ‘Ten Million Circle’ and has occupied the top slots since then. He also overlooked several City Office Departments providing much-needed guidance to a large team of Sales Personnel. He played a central role in introducing the first-ever mobile insurance scheme under the Micro Insurance category that benefits a large number of Sri Lankans. Before joining Ceylinco Insurance he was employed at Hatton National Bank and The Finance Co. Ltd. and counts over 40 years of experience in the corporate sector in Sri Lanka. He retains most of the customers he had since the beginning of his career, even up to date.

MR. AENDRA BANDARANAIKE*Director*

Mr. Aendra Bandaranaike has over 25 years of experience in the field of finance, management and marketing. He started his career at Sherman Sons Ltd and subsequently joined Delmege Forsyth and Company Ltd as Marketing Manager. He had been successful in introducing many specialist Interior products to the Sri Lankan market. He is currently the Deputy CEO of the Life Style cluster at Delmege Forsyth.

Mr. Bandaranaike is an Associate of the Chartered Institute of Management Accounts UK.

Having captained his school tennis team, he also represented the National Team in Tennis during his playing days. He

was also involved in the administration of tennis and was a National Selector. He held the post of President of the Sri Lanka Tennis Association (Playing Section) from 2019 to 2022.

DR. NAYANA DEHIGAMA*Director*

Dr. Nayana Dehigama, the visionary Founder and CEO of Epic Technology Group, has been a trailblazer in the field of Fintech and digitalization, leading his company to unprecedented success both in Sri Lanka and internationally. With a passion for innovation and a commitment to excellence, Dr. Dehigama expanded Epic’s operations beyond Sri Lanka, establishing a presence in Malaysia, Singapore, and Japan, further cementing the company’s reputation as a leader in the digital space.

Under his leadership, Epic Technology Group has developed some of the country’s most groundbreaking digital solutions. These include NTB Frimi, Sri Lanka’s first digital bank; NDB Neos; DFCC Virtual Wallet; Smartpay by BOC; the DLB Sweep Digital Lottery Platform, which is the first of its kind in South Asia; and Helaviru, South Asia’s first comprehensive digital Economic Center online platform. These innovations have transformed the way consumers interact with financial services, positioning Epic as a pioneer in the digital financial ecosystem.

Dr. Dehigama’s strategic vision has led to an impressive collection of over 100 national and international accolades over the past decade. Epic Technology Group consistent excellence in the ICT sector is evidenced by its remarkable achievements, including winning the prestigious National Business Excellence Award in the ICT sector for three consecutive years (2008-2010). Moreover, the company was honoured as the overall best software company in Sri Lanka five times at the National Best Quality Software Awards.

Epic Technology Group has also garnered international recognition, winning the Gold Award for Sri Lanka at the Asia Pacific ICT Awards (APICTA) in 2008, 2019, and 2024, showcasing the company’s leadership in global innovation and quality.

PROFESSOR H. JANAKA DE SILVA*Director*

Prof. Janaka de Silva is a Specialist Physician. He is Professor Emeritus of Medicine at the University of Kelaniya. He was Chair Professor of Medicine and served as Dean of the Faculty of Medicine, University of Kelaniya. Prof. de Silva was also Director of the Postgraduate Institute of Medicine, University of Colombo, a member of the University Grants Commission, and Chairman of the National Research Council of Sri Lanka. He was President of the Ceylon College of Physicians in 2004. He is currently an elected member of the Sri Lanka Medical Council.

Prof. De Silva holds degrees from the Universities of Colombo and Oxford. He has wide research interests, and his name is listed in the world’s top 2% of scientists compiled by Stanford University, USA. He has held several editorial appointments and served on committees in health and research organizations including the WHO, Wellcome Trust and National Institute of Health Research, UK. In addition to awards and fellowships from several academic and professional bodies, he was conferred an honorary DSc by his University, and the national titular honour Vidya Jyothi - Sri Lanka’s highest honor for science.

MR. W J SHAVINDRA FERNANDO*Director*

Mr. W J Shavindra Fernando, a distinguished legal professional, retired in May 2016 as an Additional Solicitor General after nearly three decades of service at the Attorney General’s

BOARD OF DIRECTORS

Department. Currently, he is actively practising law. Prior to his legal career, Mr. Fernando also served in the Sri Lanka Navy as a Rear Admiral, holding positions such as Judge Advocate General and Director General of Legal Services. In recognition of his expertise, he was appointed as a President's Counsel in March 2014.

Mr. Fernando holds Master's Degrees from King's College London in Commercial and Corporate Law and from the University of Colombo in Public International Law. His vast experience includes serving as a Judge of the Court of Appeal of Fiji, Senior State Counsel of the Attorney General's Department in the Republic of Seychelles, Legal Advisor to the Ministry of Foreign Affairs, and Legal Consultant to the Securities and Exchange Commission. Additionally, he has provided legal counsel to the Sri Lanka delegation for the Human Rights Commission & Human Rights Council in Geneva from 2003 to 2014.

As a respected legal professional, Mr. Fernando has also shared his knowledge as a visiting lecturer in Military Law and Human Rights at the Kothalawela Defence University. His educational background includes attending St. Peter's College from 1965 to 1975 and Royal College Colombo from 1975 to 1979.

MR. RIENZIE FERNANDO

Director

Mr. Rienzie Fernando is a dynamic and results-driven professional with a strong background in the hospitality industry. As the Managing Director of Roots Global Pvt Ltd, he has successfully led the company to new heights, driving growth and delivering exceptional results.

With a degree in Hotel, Restaurant, and Motel Management, Rienzie brings a wealth of knowledge and expertise to his role. His passion for the industry is evident in his ability to create innovative strategies that enhance customer experiences and maximize profitability. Throughout his career, Rienzie has

demonstrated exceptional leadership skills, inspiring and motivating teams to achieve excellence. His strong business acumen, coupled with his ability to identify and capitalize on emerging trends, has consistently positioned Roots Global Pvt Ltd as a market leader.

Mr. Fernando's commitment to excellence extends beyond his professional life. He actively engages in community initiatives, promoting sustainable practices and giving back to society. His dedication to social responsibility has earned him recognition and respect within the industry.

In summary, Mr. Rienzie Fernando is a visionary leader with a proven track record of success. His strategic mindset, combined with his passion for the hospitality industry, makes him a valuable asset to any organization.

MR. PRASAD KARIYAWASAM

Director

A career diplomat with over three decades of experience in various diplomatic assignments. He was the Foreign Secretary at the Ministry of Foreign Affairs from August 2017 to October 2018 and the International Affairs Adviser to the Hon Speaker of the Parliament of Sri Lanka from 2019 to 2020. Currently, he is an elected member of the UN Committee on Migrant Workers, as an independent expert.

Educated at University of Peradeniya, Kariyawasam obtained a B.Sc (Hons) Special degree in Mathematics. He joined the Sri Lanka Foreign Service in 1981. He has held resident diplomatic assignments in Geneva, Riyadh, Washington, New Delhi, and New York. He served as the Ambassador for Sri Lanka to the United States, concurrently Ambassador to Trinidad & Tobago, México, and High Commissioner for Sri Lanka to India, concurrently Ambassador Bhutan and Afghanistan, as well as Ambassador/ Permanent Representative of Sri Lanka to UN, both in Geneva and New York.

At the Ministry of Foreign Affairs, Kariyawasam held various positions in divisions such as United Nations and Non-Aligned Movement, Political Affairs, Consular Affairs, Administration, and Economic Affairs. He also served as the Official Spokesperson of the Ministry. He has been recognised for his diplomatic service with awards such as the "Grand Cross of the Order of Saint Gregory the Great" bestowed by His Holiness Pope John Paul II.

He has had an extensive career in international organizations as well, serving in expert panels and positions within the United Nations. He was a member of the UN Panel of Experts on Small Arms, and the UN Group of Governmental Experts on Disarmament and Development, and presided over the UN Ministerial Conference on Illicit Trade in Small Arms. He was also Vice-Chairperson of the UN Economic and Social Council, Vice President of the 62nd General Assembly, and President of the Council of the International Organisation for Migration. Additionally, he has been involved in organisations such as the International Commission on Nuclear Non-Proliferation and Disarmament, the World Economic Forum, and the Global Development Network.

MR. TAKASHI KISHI

Director

Mr. Takashi Kishi joined Mitsui Sumitomo Insurance Company Limited in 1989 after graduating from Keio University in Japan.

In 1996, he spent half a year at "The College of Insurance" in NY, USA, and after returning to Japan, he was in charge of Business Management of the Asian operations in the International Business Department for 4 years.

After managing a global insurance program for major Japanese manufacturers for 4 years from 2001, he served as Deputy General Manager of Thailand Branch of Mitsui Sumitomo Insurance from 2005 to 2009.

After returning to Japan, he was again in charge of Asian Business Management in the International Business Department.

In 2016, he was dispatched to Cholamandalam MS General Insurance Co., Ltd. in Chennai, India, a joint venture between Murugappa Group and Mitsui Sumitomo Insurance. He served as Executive Vice President for 3 years and whole-time Director for 3 years.

In August 2022, Mr. Kishi was appointed as the second Non-Executive Director of Ceylinco General Insurance Limited from Mitsui Sumitomo Insurance and is working to strengthen the partnership, including the exchange of networks and technologies between the two companies.

MR. ANURA MEDDEGODA

Director

Mr. Meddegoda is a distinguished individual in the legal profession, possessing a wealth of experience in his field. At present, he is an Attorney-at-Law of the Supreme Court of Sri Lanka and Solicitor, Supreme Court of England and Wales. He was also the Deputy President of the Bar Association of Sri Lanka from 2021-2023.

His professional experience includes State Counsel/Senior State Counsel at the Department of the Attorney General, Sri Lanka (1982-1998) and his work as the Prosecuting Trial Attorney and Legal Adviser at the Office of the Prosecutor, United Nations International Criminal Tribunal, The Hague, The Netherlands (1995-2005).

From 2010 to 2015 he was a Member of the Executive Committee of the Bar Association of Sri Lanka (2010-2012 and 2013-2015). He was the Chairman of the Public Interest Litigation Committee of the Bar Association of Sri Lanka (2013-2015) and the Chairman of the Continuing Legal Education Committee, Bar Association of Sri Lanka (2013-14). Mr Meddegoda was also the Chairman of the National Law Conference Committee of the Bar

Association of Sri Lanka (2014-15) and a Member of the Sri Lanka delegation to the Lawasia Conference New Delhi, India (2009).

Furthermore, he lead the 2015 delegation of the Bar Association of Sri Lanka (BASL) for mid-year sessions of the American Bar Association (ABA) and was the BASL signatory to the BASL-ABA Treaty of Co-operation for Mutual Legal Assistance. He was also Chairman of the Consumer Affairs Authority (2018-2019), a Member of the Committee for Approval of Credit Rating Agencies, GOSL (2015-2017) and a Director of the, Sri Lanka Insurance Corporation (2009-2010).

He was the Keynote Speaker at the ICRC 13th International Humanitarian Law Moot Competition in Hong Kong and was a Judge (Final Round) of the ICRC 13th International Humanitarian Law Moot Competition held in Hong Kong in March 2015.

In April 2017, he was appointed as the President's Counsel in April 2017 and was called to the Inner Bar. He is a Member of the Committee appointed by HE President of Sri Lanka to study and report on the US Department of State Report on incidents during the recent conflict in Sri Lanka and he is a Life Member of the Bar Association of Sri Lanka.

Mr. Meddegoda holds a Master of Laws (International Law) King's College, from the University of London and a Diploma in International Relations from the University of Colombo Sri Lanka.

Mr. Meddegoda was elected President of the Bar Association of Sri Lanka by the Bar Council in August 2024 and will continue in that office until he relinquishes office at the end of March 2025.

MR. PREMALAL BRAHMANAGE

Director

Mr. Premalal Brahmanage is a distinguished entrepreneur and business strategist in Sri Lanka's real estate sector, bringing over 30 years of experience to

the industry. As the Founder and Group Chairman of Prime Lands (Private) Limited, he has been instrumental in establishing the company as a market leader.

His extensive qualifications underscore his expertise and leadership. He is a Fellow Member of the Chartered Institute of Management Accountants (UK) and the Sri Lanka Institute of Marketing. He also holds the prestigious title of Chartered Business Administrator from Canada, a Master of Business Administration from the Open University of Malaysia, and a Postgraduate Diploma in Marketing from the University of Sri Jayawardenapura in 2011.

Mr. Brahmanage was honored with the UCD Entrepreneur of the Year award, recognizing his profound impact on Sri Lanka's real estate sector. In 2017 LMD also named him one of Asia's Greatest Brand Leaders highlighting his success in expanding Prime Lands and building a world-class brand. His influence continued to be acknowledged when LMD included him in its prestigious A-List of 2018, ranking him among the top 50 businessmen in the country, a testament to his role in driving economic growth.

Recognized for his financial acumen and entrepreneurial excellence, he has earned multiple accolades, including the title of Most Outstanding Entrepreneur in Sri Lanka from the International Association of Lions Clubs. Under his leadership, Prime Lands Residencies PLC has received numerous accolades, including the Most Valuable Real Estate Brand award by Brand Finance in LMD's Brands Annual of April 2022, further cementing his industry leadership.

Mr. Brahmanage holds key positions in multiple companies. He serves as an Independent Non-Executive Director of HNB Finance PLC and also an Independent Non-Executive Director of Ceylinco General Insurance Ltd. His passion for the real estate sector is also reflected in his role as the President of The Condominium Developers Association of Sri Lanka.

BOARD OF DIRECTORS

With his strategic vision and dedication, Mr. Brahmanage continues to shape Sri Lanka's real estate landscape, solidifying his reputation as one of the nation's most trusted and influential business leaders.

MR. UMESH REVANKAR

Director

Mr. Umesh Revankar serves as the Executive Vice Chairman at Shriram Finance Ltd. (SFL). Under his astute guidance, SFL has not only diversified its product portfolios but also significantly expanded its market presence while strengthening existing footprints. Committed to preserving the brand's legacy, Mr. Revankar plays a pivotal role in driving the company's growth, emphasizing strategic initiatives, robust corporate governance, and overall business performance. He spearheads efforts to enhance stakeholder engagement and leads the risk management committee, ensuring effective risk assessment and mitigation strategies to enhance operational resilience. His leadership has been instrumental in driving SFL's success and ensuring its sustained growth trajectory.

Integral to the Shriram Group since 1987, Mr. Revankar brings more than three decades of experience in financial services. Throughout his tenure, he has shouldered numerous responsibilities and held key roles in the business operations of various companies within the Shriram Group. He is tirelessly working towards leveraging the lending ecosystem's vast potential to drive the nation's growth.

Currently, Mr. Revankar serves as the Chairman of the Finance Industry Development Council (FIDC), a prominent representative body of Non-Banking Finance Companies (NBFCs). He is also an active member of the Corporate Social Responsibility Committee of SFL and oversees multiple welfare projects, focusing on providing education, vocational training, and promoting healthcare facilities for economically weaker and underprivileged sections of society.

A distinguished alumnus, Mr. Revankar holds an MBA in finance from Mangalore University and has completed an Advanced Management Program at Harvard Business School.

MR. SENAKA SILVA

Director

Educated at Trinity College, Kandy and Aquinas College, Colombo 8, Mr. Silva began his career 55 years ago at Ceylon Tobacco Company Ltd.

He was selected by the Government to visit and study in Japan for 4 months as the leader of a Youth delegation.

Head hunted by Ceylinco, he became the 2nd employee of its Blue Diamonds Ltd., a pioneering venture in Diamond polishing introduced to Sri Lanka. He studied Jewelry designing and gemology in the USA and specialized at the Top of the field.

With the opening of the economy in Sri Lanka, the opportunities expanded, including initiatives such as the Mahaweli Development scheme. Similarly, the war on terrorism brought forth various prospects for those who could focus on Sri Lanka. Every aspect of the military had to be modernized, and the demand in the telecommunication industry increased. With newer horizons in the Gem and jewelry industry, value addition to local export products became the theme of the government.

Focusing on seizing these opportunities and driven by a profound affection for Sri Lanka, he commenced companies to facilitate modernization of the military, and telecommunication industry, representing over 40 international foreign companies as agents for services to Sri Lanka including blue-chip companies. i.e. Fujitsu and Toyocom of Japan, Samsung of South Korea, Tait of New Zealand, GEC and Plessy from the UK, many others from South Africa, Spain, and Brazil and the UK, providing products, services, and maintenance to more than 380 Sri Lankan companies

spanning from government departments and corporations to large medium and small private sector companies. Moreover, he pioneered the supply and successful engineering and installation of the Traffic Lights in Sri Lanka.

He commenced the In-town Duty-Free Industry as a pioneering venture under the leadership of Mr. Lalith Athulathmudali, the then Hon. Minister of Trade.

Mr. Silva was appointed as the Hon. Consul for New Zealand in Sri Lanka approximately 18 years ago and upon completing 14 years of service, he retired after establishing a permanent NZ High Commission in Sri Lanka.

He headed trade delegations to the EU serving as President of the Sri Lanka, Australia, and New Zealand Business Council of the Chamber of Commerce for 2 years, when the first-ever trade delegation to New Zealand from Sri Lanka was organized.

As a committee member of the Sri Lanka Consuls Association he played an active role with great success in the organizing committee for the 2nd FICAC South Asian Regional Conference in Colombo in August 2013 with over 160 delegates from around the world.

He was a member of the NCED in the export sector and of the EDB advisory committee in footwear and leather goods, and a director of IDB.

Mr. Silva also started the pioneering venture to market and sell National Lotteries online with software built in-house, commonly known as 811 NLB by CCWP.

MANAGEMENT DISCUSSION AND ANALYSIS

Success in a volatile market requires the precision of a javelin thrower, where strength, technique, and momentum must align perfectly. Ceylinco General Insurance has embraced this discipline, leveraging its expertise to propel forward despite economic hurdles. With every strategic move, the Company remains focused on its long-term goals, ensuring that each initiative lands with impact. Guided by clarity and vision, Ceylinco General Insurance forges ahead with confidence, securing a future defined by progress and resilience.



ENGAGING WITH STAKEHOLDERS

At CGI, stakeholder engagement is a continuous, proactive process focused on maintaining transparent communication and fostering collaboration with a diverse group of stakeholders. Our primary goal is to ensure open, ongoing dialogue on matters that are crucial to our company's growth and the creation of value that benefits all stakeholders.

Our stakeholders include shareholders, employees, customers, regulatory authorities, and the broader community. These relationships are not only influenced by our operational decisions, but also by the value we create, which directly impacts how we engage with each group. We believe that our success is intertwined with their interests, and thus, we prioritize these connections.

Our stakeholder communication channels include:

- ★ Annual General Meetings (AGM) / Extraordinary General Meetings (EGM)
- ★ Statutory Communication
- ★ Written Communication
- ★ In-person Meetings & Discussions
- ★ Online Meetings
- ★ Formal Agreements
- ★ Email Communication
- ★ Corporate Website
- ★ Events & Projects
- ★ Telecommunications & Digital Platforms (Including Call Centers)
- ★ Rewards & Recognition Programs
- ★ Promotional Material

The following table outlines how we engage with each group:

Stakeholders	AGM / EGM	Statutory Communication	Written Communication	In-person Meetings & Discussions	Online Meetings	Formal Agreements	Email	Corporate Website	Events & Projects	Tele & Digital Communications	Rewards & Recognition	Promotional Material
Shareholders	✓	✓	✓									
Customers			✓	✓	✓	✓	✓	✓	✓			✓
Employees			✓	✓	✓	✓	✓	✓		✓	✓	
Strategic Partners			✓	✓	✓	✓		✓		✓		✓
Banks & Financial Institutions			✓	✓	✓		✓			✓		
Brokers & Agents			✓	✓	✓	✓	✓		✓	✓		✓
Reinsurers		✓	✓	✓			✓					
Suppliers & Service Providers			✓	✓	✓		✓					
Regulators		✓	✓									
Government		✓	✓	✓	✓		✓			✓		
Community									✓	✓		✓

MANAGING STAKEHOLDER EXPECTATIONS

At CGI, we recognize that our responsibilities to our stakeholders are shaped by their expectations. These expectations guide our strategic decisions, influence our operational practices, and are addressed with transparency and care. We continuously integrate stakeholder needs into our approach, ensuring that we communicate clearly and act responsibly in all our dealings.

By staying committed to our stakeholders' needs and managing expectations with transparency and accountability, we ensure long-term, mutually beneficial relationships that contribute to CGI's continued growth and success.

KEY EXPECTATIONS AND OUR APPROACH

Stakeholder	Expectations	Our Approach	Value Created
 Shareholders	<ul style="list-style-type: none"> ★ Financial returns on investments ★ Future growth and viability ★ Risk management 	<ul style="list-style-type: none"> ★ Pragmatic financial management ★ Skilled financial experts 	<ul style="list-style-type: none"> ★ Highest GWP in general insurance sector ★ Financial stability ★ Higher investment returns
 Customers	<ul style="list-style-type: none"> ★ Financial protection for unique needs ★ Personalized solutions ★ Quick claim settlements 	<ul style="list-style-type: none"> ★ Wide range of insurance products ★ Largest distribution network ★ Digital touch points ★ Team of highly skilled and professional staff 	<ul style="list-style-type: none"> ★ Unmatched claim settlement speed ★ Affordable premiums ★ Extensive accessibility
 Employees	<ul style="list-style-type: none"> ★ Competitive remuneration ★ Career growth opportunities ★ Safe work environment 	<ul style="list-style-type: none"> ★ Annual salary increases ★ Targeted training programs 	<ul style="list-style-type: none"> ★ Enhanced staff growth ★ Over 150 training programs for 3500+ employees
 Strategic Partners	<ul style="list-style-type: none"> ★ Respectful, mutually beneficial relationships ★ Honoring agreements 	<ul style="list-style-type: none"> ★ Tailored services for global partners ★ Collaborative partnerships 	<ul style="list-style-type: none"> ★ Diverse solutions for diverse markets ★ Risk management tailored to partner needs
 Banks & Financial Institutions	<ul style="list-style-type: none"> ★ Timely payments ★ Transparent financial conduct 	<ul style="list-style-type: none"> ★ Full and transparent disclosures ★ Strong financial management 	<ul style="list-style-type: none"> ★ Stable financial partnerships ★ Timely repayment of financial obligations
 Brokers & Agents	<ul style="list-style-type: none"> ★ Competitive commissions ★ Timely payments ★ Commitment to agreements 	<ul style="list-style-type: none"> ★ Competitive commission schemes ★ Collaborative solutions 	<ul style="list-style-type: none"> ★ Economic value distributed with agents ★ Support for brokering companies
 Reinsurers	<ul style="list-style-type: none"> ★ Transparent business conduct ★ Commitment to reinsurance contracts 	<ul style="list-style-type: none"> ★ Comprehensive and ethical contracts ★ Collaborative work with reinsurers 	<ul style="list-style-type: none"> ★ Strong risk management practices ★ Premium ceded to reinsurers
 Suppliers & Service Providers	<ul style="list-style-type: none"> ★ Clear communication ★ Timely payments ★ Honoring contractual obligations 	<ul style="list-style-type: none"> ★ Efficient payment practices ★ Understanding supplier needs 	<ul style="list-style-type: none"> ★ Optimized collaborations ★ Mutual marketing and training efforts
 Regulators	<ul style="list-style-type: none"> ★ Compliance with regulations ★ Voluntary governance practices ★ Adequate capital buffers 	<ul style="list-style-type: none"> ★ Full and timely disclosures ★ Commitment to consumer protection 	<ul style="list-style-type: none"> ★ Regulatory adherence ★ Solvency management ★ Integrated risk management processes
 Government	<ul style="list-style-type: none"> ★ Support for economic progress ★ Compliance with regulations ★ Tax contributions 	<ul style="list-style-type: none"> ★ Timely tax payments ★ Ethical practices for policyholder protection 	<ul style="list-style-type: none"> ★ Fair taxation ★ Investments in government instruments ★ Support for social progress
 Community	<ul style="list-style-type: none"> ★ Support for underserved and underprivileged individuals 	<ul style="list-style-type: none"> ★ Community programs ★ Investments in social causes 	<ul style="list-style-type: none"> ★ Over 2,000 lives impacted through CSR initiatives ★ Rs 25 Mn in social contributions

VALUE CREATION MODEL

Capital



Capital Inputs



Value Creation Process



Financial Capital

- ★ Investments **Rs. 19.8 Bn**
- ★ Premiums **Rs. 24.5 Bn**
- ★ Profit Before Tax **Rs. 1.5 Bn**



Manufactured Capital

- ★ Branch Network **190**
- ★ VIP Counters **310**
- ★ Innovative Technology
- ★ Physical Assets **Rs. 7 Bn**



Intellectual Capital

- ★ Tacit Knowledge
- ★ Brand Equity
- ★ Ceylinco VIP Brand Recognition
- ★ Service Excellence
- ★ Impactful Marketing



Social and Relationship Capital

- ★ Customer Relationships
- ★ Partnerships
- ★ Community Development



Natural Capital

- ★ Environmental Resources
- ★ Sustainable Practices



Human Capital

- ★ Skilled Workforce **2,794**
- ★ Investments **Rs. 3 Bn**
- ★ Number of Employees Trained **2,705**

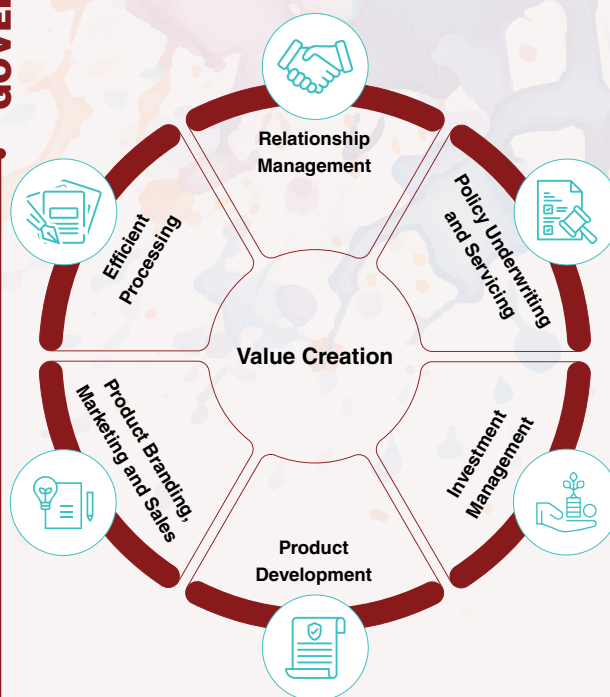
OUR MISSION

“Our Mission is to provide protection and financial security of the highest quality to society, whilst adding to shareholders’ wealth and recognising, rewarding and valuing the dignity of our staff.”

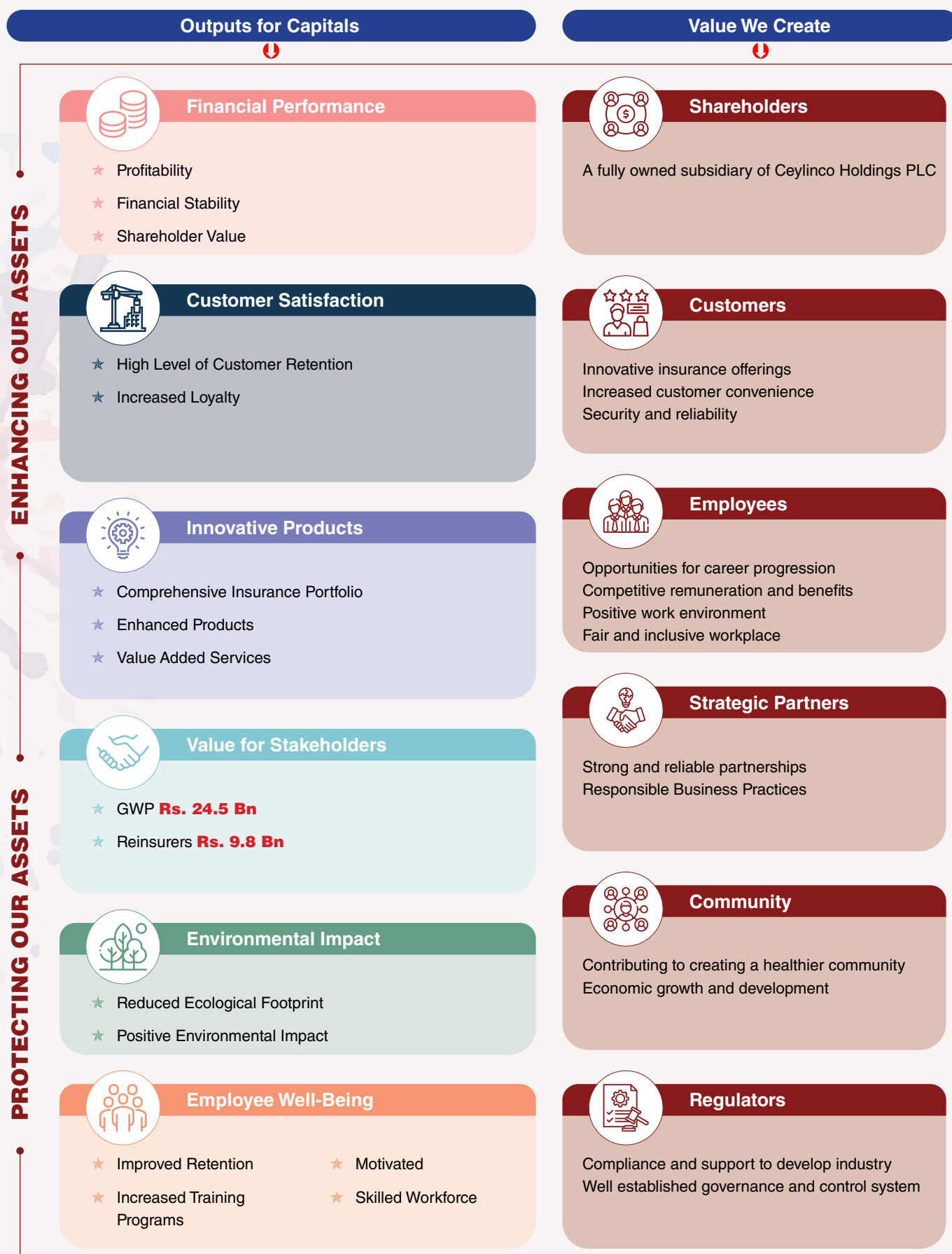
- ★ Corporate Governance
- ★ Managing Key Risks
- ★ Prudent Corporate Strategy
- ★ Regulatory Compliance

GOVERNANCE

Our Strategy



Capital Management



OPERATING ENVIRONMENT

MACROECONOMIC ENVIRONMENT

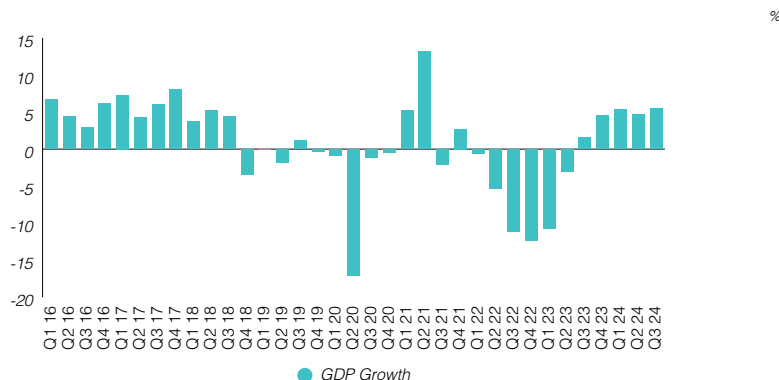
Sri Lanka's economic recovery in 2024 has been encouraging, with signs of stabilisation gaining strength. The severe balance of payments issues experienced in previous years have eased, thanks to strategic policy decisions that have provided some relief from the economic crisis. This improvement follows Sri Lanka's 2022 external debt default, which stemmed from unsustainable debt levels, insufficient reserves, and significant fiscal deficits. Recent tax reforms are beginning to yield positive results, contributing to a foundation for economic stability and long-term recovery. To achieve fiscal sustainability, the government prioritised debt restructuring, a critical step for reducing interest payments and unlocking crucial IMF funding.

While the cost of living remains elevated, the restoration of everyday life to pre-pandemic conditions, with consistent supplies of fuel and other essential goods, has been a welcome development. The stabilisation of these prices has provided a stark contrast to the severe shortages experienced during the peak of the economic crisis.

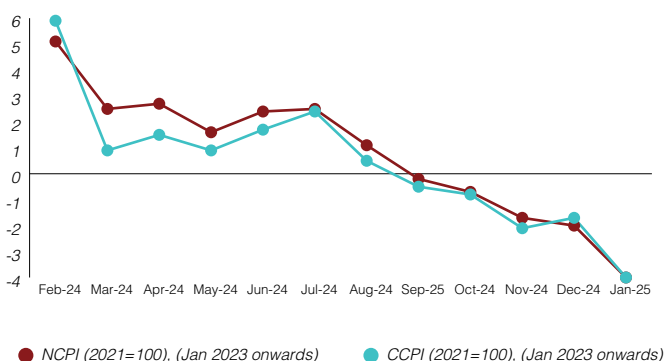
During the third quarter of 2024, the Sri Lankan economy expanded by 5%, a significant increase compared to the 1.6% growth recorded in the same period of 2023. This growth was primarily driven by strong rebounds in key economic sectors. Agriculture saw a 3% increase, industry experienced a 10.8% surge, and the services sector grew by 2.6%. Additionally, taxes less subsidies increased by 13.3%, all contributing to the overall positive economic performance in the third quarter of 2024.

The Central Bank's economic snapshot provides an overview of the economy's progress in 2024. Inflation rose sharply in 2022 and decelerated in 2023, ultimately reaching negative territory in September 2024 and remaining so until the end of the year. Core inflation, reflecting the underlying trends in the economy, remained steady at 2.7% in December 2024.

GDP GROWTH



INFLATION: CCPI AND NCPI Y-O-Y PERCENTAGE CHANGE



EXTERNAL SECTOR REBOUNDS

Across 2024, tourist arrivals continued to surpass estimations and expectations, contributing to growing earnings across the tourism sector. With over 248,000 arrivals in December, the industry received over 2 million visitors compared to 1.4 million in 2023 - denoting a 38.07% growth. This was a significant turnaround in the sector, which suffered due to the effects of the pandemic and the economic crisis, as the tourism sector relies heavily on private sector credit and the inflows through active tourist inflows, from European and Asian destinations. Consequently, tourism-based revenue surpassed USD 3.2 Bn, contributing to the growth in reserves.

The official gross reserves reached healthy levels after its worst conditions in 2022. Levels tipped over USD 6 Bn from USD 4.4 Bn in 2023 through the stimulations from forex purchases by CBSL and funds from financial institutions. Officials also included a swap facility with the People's Bank of China, renewed by the end of 2024; this also provides import coverage for nearly four months.

Merchandise exports surpassed USD 12.7 Mn in 2024, increasing by 7.2% from USD 11.9 Mn gained in 2023. This was driven by higher bunkering volumes of petroleum products, textiles and garment exports and improved performances in tea, food, beverages, tobacco and coconut related products, as well as spices. However, this failed to offset the higher import expenditure of USD 18.8 Mn seen in 2024 (marks a 12.1% increase from 2023). The trade balance increased to USD 6 Bn from USD 4.9 Bn in 2023, due to the expansion in import expenditure.

Workers' remittances improved by 10.1% in 2024, from USD 5.9 Bn in 2023 to USD 6.6 Bn in 2024. Meanwhile, exchange rate movement recorded an appreciation of 10.7% in 2024, but recorded a 1.7% depreciation against the USD in January 2025.

SRI LANKAN NON-LIFE INSURANCE SECTOR

In the year under review, the local general insurance sector moved along a positive trajectory, marking a significant growth in Gross Written Premium (GWP) with a growth of 6.9%. The overall GWP amounted to Rs 131 Mn, which surpassed Rs 122 Bn from the previous year. This growth reflects the growing demand for health and motor insurance. Moreover, motor insurance remained the dominant segment within the non-life insurance sector, earning a substantial growth of 8% in GWP. This sector alone saw Rs 71 Bn in GWP, compared to Rs. 66 Bn from 2023. This is a result of the growing number of vehicles on the road and a rise in premiums.

The non-motor segment of the industry gathered a total GWP of Rs. 60 Bn, marking a 6% growth compared to the Rs 56 Bn earned in 2023. The categories include fire, engineering, marine, medical, general accident including miscellaneous insurance coverage. This highlights the rising demand, particularly for health and property coverage. This also highlights people's growing awareness of the importance of protecting individual interests and businesses against unforeseen events.

The macroeconomic challenges of the country, such as rising cost of living and lower interest rate returns, did not pose substantial hindrance for the growth of the sector; however, there is always potential and more room that exists for growth. Sri Lankan consumers are displaying a growing preference towards digital channels for insurance-related services, as insurers increasingly implement digital services and enhanced customer experience through digital alternatives.

The vehicle import restrictions in Sri Lanka have had a substantial impact on the motor insurance sector. The government's strict measures aimed at reducing foreign currency outflows led to a significant drop in vehicle imports, which consequently resulted in fewer new vehicle registrations.

Additionally, the social and political climate surrounding the elections contributed to a downturn in economic activity, as uncertainty and instability often diminish consumer and investor confidence. Although there were some signs of stabilization in the post-election period, the future of Sri Lanka's economy depends on implementing essential reforms to tackle issues related to fiscal mismanagement and public debt.



OUTLOOK

Sri Lanka's economy is showing signs of recovery from a severe crisis, aided by IMF support and reforms. Positive indicators like rising reserves and falling inflation are present, and tourism and remittances are improving. However, long-term growth depends on fixing structural problems, increasing exports, and managing ongoing challenges like fiscal discipline and global economic risks. The recovery is positive but fragile, reliant on continued policy success and a stable global environment.



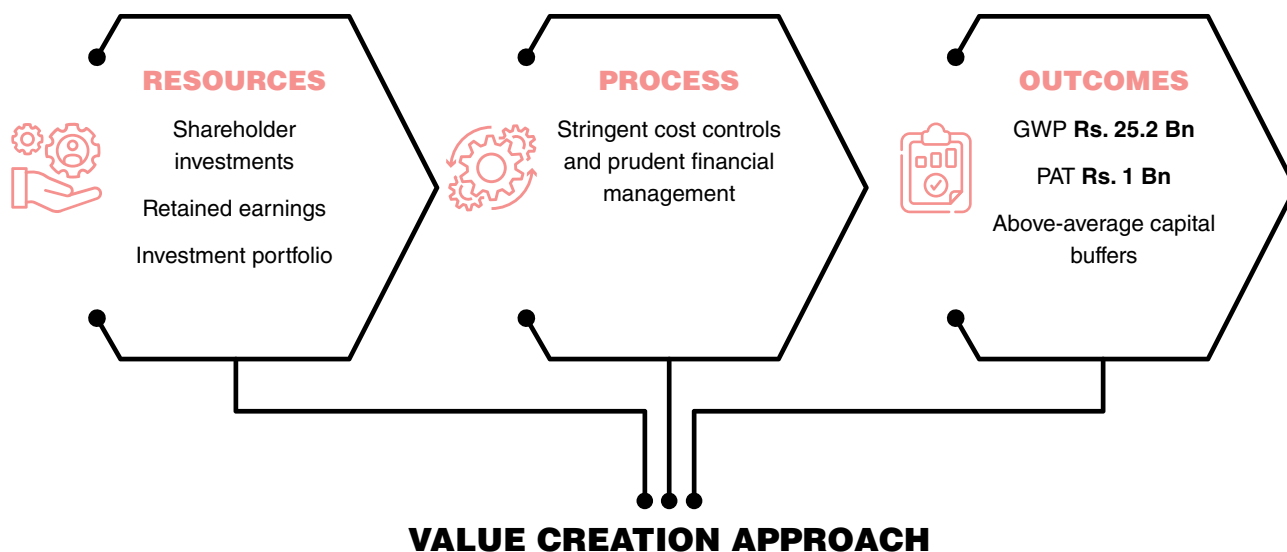
FINANCIAL CAPITAL

FINANCIAL PERFORMANCE

At Ceylinco General Insurance Limited (CGI), effective financial management has resulted in years of sustainable business growth, productivity and financial stability. This has been crucial as it ensures our ability to meet claims, invest in strategic opportunities, offer better services and contribute to stakeholders' economic growth.

Related Goal	Contribution
<div>1</div> <div>NO POVERTY</div> <div></div>	<i>Reducing the financial distress of policyholders through claims disbursement</i>
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<i>Business financial stability, ensuring jobs, and the professional and economic well-being of employees</i>
<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>	<i>Financial capacity to invest in infrastructure projects and technologies</i>
<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> <div></div>	<i>Economic value distribution to partners and stakeholders through mutual gains</i>

Related Stakeholders		
<div></div> <div>Shareholders</div>	<div></div> <div>Employees</div>	<div></div> <div>Customers</div>



KEY FIGURES

25%

Reduction in Underwriting and Acquisition Cost

Rs 1.5 Bn

in Profit Before Tax

Rs 22 Bn

Investment Portfolio

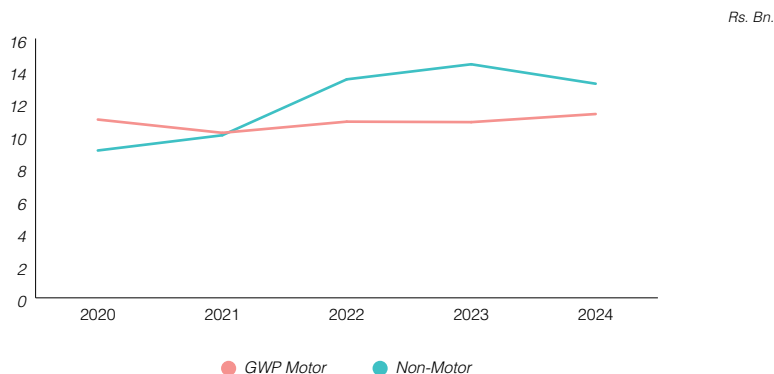
BUSINESS PERFORMANCE AND PREMIUMS

In 2024, Ceylinco General Insurance achieved Gross Written Premiums (GWPs) of Rs. 24.5 Bn. This result fell short of expectations and marked a decline of 2.8% from the Rs. 25.2 Bn recorded in 2023. The total premium figure incorporates earnings from motor insurance, which constitutes 46% of the Company's overall premium income, followed by fire insurance and various other types of coverage.

According to the financial year's overall performance, CGI's motor GWP grew by 5%. Over the last five years, GWP from motor insurance has increased steadily, despite business potentials being capped by the ban on new vehicle

imports. The combined portfolios of non-motor insurance have undergone a decline in 2024, as a result of economic conditions, portfolio renewals and the company's active approaches to rebalance portfolios based on risk and returns. Total non-motor GWP amounts to Rs. 13.2 Bn in 2024, and has declined in comparison to 2023.

MOTOR VS. NON-MOTOR GWP



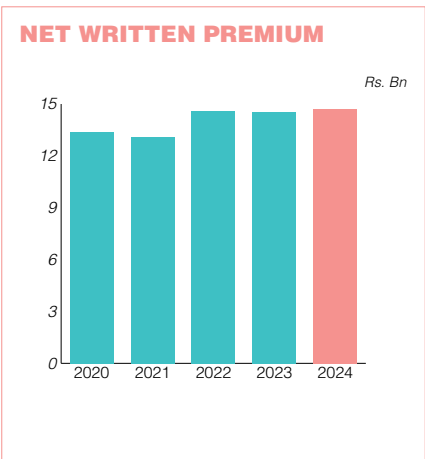
Non-motor insurance includes Fire, Marine, Engineering, Employer's Liability and Miscellaneous Insurance portfolios. Fire insurance leads the non-motor portfolios, with a Rs. 5.5 Bn GWP in 2024. Marine insurance witnessed an 11% increase in 2024 to Rs. 1.1 Bn.

Miscellaneous insurance, which is the second-highest premium-earning insurance category, secured Rs. 5.2 Bn in GWP during 2024, but experienced a 22% overall reduction against the GWP recorded in 2023.

FINANCIAL CAPITAL

NET WRITTEN PREMIUM (NWP)

Net written premiums, which include the value derived after removing the cost of reinsurance, amounted to Rs. 14.7 Bn in 2024, which shows a very marginal increase from the value reported in 2023.



OTHER SOURCES OF INCOME

The Company's secondary income streams include investment income, fees and commissions and other operating revenue. Fees and commission income experienced an upward trajectory as we achieved Rs. 1.4 Bn. This is a result of effective sales and service strategies, and CGI carries the potential to earn higher in the ensuing financial year; this will be done through higher transaction volumes, successful cross-selling, enhanced customer engagements and better service offerings.

Investment income deteriorated significantly due to the significant exchange loss and low interest rate regime, which prevailed across the year.

Moreover, operating revenue also increased to Rs. 294 Mn from Rs. 138 Mn reported in the previous year.

NET INCOME

Consequent to revenue and the removal of expenses, net income amounted to Rs. 18 Bn in comparison to Rs. 20 Bn reported in 2023; this is a 9% reduction in line with the deceleration in revenue streams.

PROFITABILITY AND RETURNS

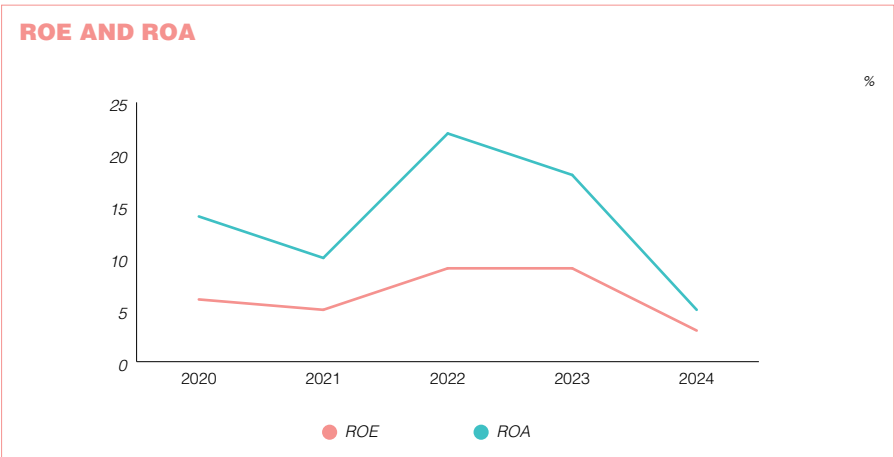
Profit before tax for the fiscal year, 2024, was recorded as Rs. 1.5 Bn compared to Rs. 4 Bn from 2023. The company's profit after tax reached Rs. 1 Bn compared to Rs. 3.7 Bn reported in 2023. PBT marked a decline of 63% while PAT dipped 72%. Underwriting profit stood at Rs. 5.8 Bn compared to Rs. 5 Bn recorded in 2023.



ROE AND ROA

Return on Equity declined by the end of the financial year, which reflects the reduced net income, as a result of inflation, constrained motor segment growth due to reduced vehicle registrations and decreased disposable income. We anticipate better results in the coming year, as we focus on increasing business growth in motor insurance.

The reduction in ROA indicates the decline in profits for the year under review, as a result of constrained business growth, higher corporate taxes and higher operational expenditure driven by the general increase in goods and services, as a result of previously high inflation.

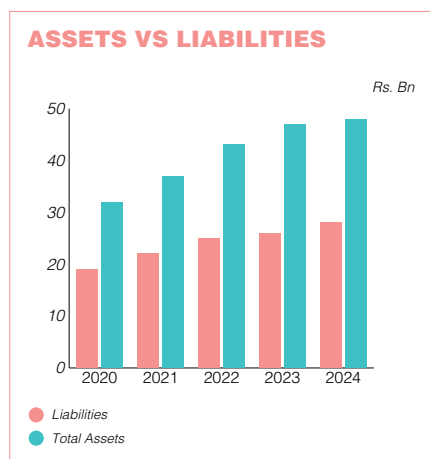


FINANCIAL STABILITY AND ASSETS

TOTAL ASSETS AND LIABILITIES

The company recorded an asset base that exceeded the asset accumulation of Rs. 46.7 Bn, reporting a total of Rs. 48 Bn for the financial year under review. This became a 3% expansion, which included Rs. 4.2 Bn in property, plant and equipment, enhanced by equipment and furniture purchases, as well as a modest investment in new property and plant.

The company's liabilities increased by 7% during the financial period under review. This amounted to Rs. 28 Bn from Rs. 26 Bn reported in 2023 due to several reasons. The primary reason is the 5% increase in insurance contract liabilities which stood at Rs. 16.5 Bn by the end of the fiscal year. Moreover, reinsurance obligations amounted to Rs. 7.5 Bn by 20% while other financial liabilities increased to Rs. 4.4 Bn in the year under review.



FINANCIAL ASSETS

The Company's financial investment portfolio continued to be a prudent mix of investments, which ensured the company's ability to fund its strategic growth activities and debt obligations. Fixed deposits formed the majority of the financial asset portfolio at Rs. 7.5 Bn which declined during the year from Rs. 10 Bn the year before. Treasury bond investments have declined by 4% while investments in repos have amounted to

Rs. 2.2 Bn. Furthermore, Corporate bond investments increased to Rs. 2.3 Bn by 136% due to increased investments in the year.

The investment portfolio reached Rs. 19.8 Bn during the year, while fixed income investment stood at Rs. 18.4 Bn. Equity investments including Unit Trusts amounted to Rs. 515 Mn.

Financial assets	2024	2023	Change (2023-2024)
	Rs.'000	Rs.'000	
Treasury Bonds	6,484,448	6,746,807	(4%)
Repos	2,167,000	-	100%
Corporate Bonds	2,309,583	979,859	136%
Fixed Deposits	7,522,460	10,151,055	(26%)
Staff Loans	419,547	399,723	5%
Other	934,943	940,529	(1%)

REINSURANCE AND PREMIUM RECEIVABLES

Reinsurance Receivables which pertain to amounts the company received through reinsurers and claim-related expenses rose to Rs. 8 Bn by 26% compared to the previous year. This included amounts owed for paid and unpaid claims, estimated losses that have occurred but has not yet been reported.

	2024	2023	2022	2021	2020	Change (2023-2024)
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Reinsurance Receivables	8,071,617	6,383,085	5,279,902	4,821,855	3,419,750	26%
Premium Receivables	6,707,248	7,541,403	6,843,368	5,190,204	5,467,048	(11%)

Premium receivables indicate the value owned by policyholders to the company for premiums that have not yet been fulfilled. We expect this value to decline further in the coming period. In 2024, this amount declined to Rs. 6.7 Bn by 11% from 2023.

CAPITAL ADEQUACY RATIO

Demonstrating financial stability and resilience, we reported a Capital Adequacy Ratio of 267% across the year – well-above the stipulated minimum threshold. An upward trend can be seen in our capital adequacy due to prudent decision-making, which helped trim expenditure and retain better profit levels to ensure that the company remains financially sound.

NET ASSET VALUE PER SHARE

Net asset value per share stood at Rs. 7,969 compared to Rs. 8,079 reported in 2023.

INTEREST COVER

Demonstrating the company's ability to pay interest on outstanding debt, the interest coverage ratio was recorded as 24% compared to 72% in the previous year. Despite the lower percentage, we are optimistic that 2025 will enhance this value by capitalising on improved market conditions and strategic initiatives.

FINANCIAL CAPITAL

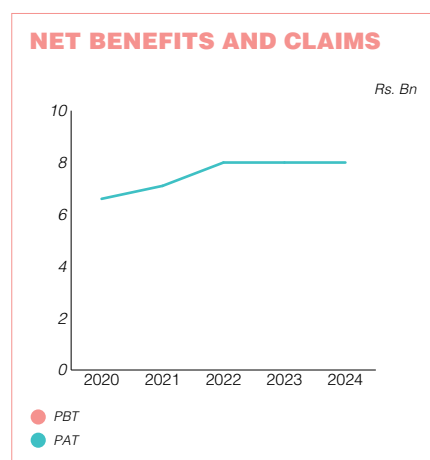
NET INTEREST MARGIN

Influenced by the return on investment portfolios and liabilities, the Company recorded a net interest margin of Rs. 1.9 Bn compared to Rs. 2.3 Bn reported in 2023. The reduction in interest income on fixed income investments was the primary reason for this indication.

CLAIMS AND EXPENDITURE

NET BENEFITS AND CLAIMS

Net claims and benefits totalled Rs. 8.1 Bn against Rs. 8.2 Bn reported in the previous year. This was a 2% drop between the two periods. This indicates a slight reduction in the total claims and benefits paid out, reflecting improved risk management practices, a decrease in claim incidents, and efficient claims processing.



Claims related to motor insurance were registered as Rs. 4.9 Bn, indicating an increase of 5% while fire-related claims were reported as Rs. 1.1 Bn. Claims pertaining to miscellaneous insurance decreased by 24% to Rs. 1.4 Bn while net claims on employers' liability saw an increase of 198% to Rs. 254 Mn in the year under review. 61% of claims are composed of motor insurance-related payouts, this is followed by 18% of claims pertaining to miscellaneous insurance products, while 14% is due to fire-related claims.

With a net claims and benefits ratio of 55% of Net Written Premiums (NWP), the company demonstrates efficient risk management and underwriting practices. The ratio suggests that a smaller portion of the premiums collected is being paid out in claims and benefits, indicating a healthy financial position.

EXPENDITURE

The company has incurred a net cost of Rs. 942 Mn in 2024 from Rs. 1.3 Bn reported in 2023 for underwriting and acquiring new business. This includes the expenses related to assessing, pricing, and issuing new insurance policies, as well as commissions paid to agents and brokers for bringing in new customers. This is with settling of reinsurance commission income.

The total operating and administrative expenses amount to Rs. 5.9 Bn. These expenses cover daily operational expenses, including salaries, traveling, sales & marketing, utilities, and other administrative costs. Moreover, the company has incurred Rs. 454 Mn in income taxes. This amount represents the tax liability on the company's earnings, which is a key factor in determining the overall financial health and net income of the business.

PREMIUM CEDED TO REINSURERS

The premium ceded to reinsurers declined by 8% in the year under review to Rs. 9.8 Bn. This reflects a reduction in reinsurance costs pertaining to miscellaneous segment by 44% and another 4% related to engineering policies. This also reflects the pragmatic decisions taken to optimise these portfolios and reduce reinsurance costs specifically in these portfolios. It also underlines a general decline in the demand for such insurance products in 2024.

Premium ceded to reinsurers pertaining to fire insurance rose marginally to Rs. 4.7 Bn while premium ceded for motor insurance rose by 54% to Rs. 1.6 Bn, due to the requirement to remit SRCC/TC premium of motor 100% to NITF. Premium ceded in relation to miscellaneous insurance declined to Rs 2 Bn while premium ceded pertaining to fire insurance reached Rs 4.6 Bn, making it the highest value from the total premium ceded to reinsurers.

Despite total claims being Rs 8 Bn, premium ceded to reinsurers marked higher values, as a result of CGI's prudent risk management, to protect the Company against potential losses. It also comes as a result of improving the Company's financial health by diminishing the volatility of claims.

Premium Ceded to Reinsurers	2024	2023	Change
	Rs.'000	Rs.'000	
Total	9,830,750	10,705,138	(8%)
Fire	4,650,564	4,580,685	2%
Motor	1,596,508	1,039,778	54%
Marine	710,232	605,536	17%
Miscellaneous	2,003,721	3,573,588	(44%)
Engineering	853,978	891,047	(4%)
Employer's Liability	15,747	14,504	9%

SHAREHOLDER VALUE

The investment portfolio increased by 4% to Rs. 22 Bn in 2024, due to invest in new investment assets. Favourable economic conditions, interest earned from investments, and a well diversified portfolio resulted in this increase.

Earnings per share declined to Rs. 423, marking a 72% decline over the period from 2023. The reduction in net income bore an impact on this downward trajectory. While business growth and sales remained without significant impacts, the aforementioned decline in interest-based income and exchange gain.

Ordinary Shareholders' Equity stood at Rs. 19.9 Bn.

DIVIDEND PER SHARE

The Board passed the decision to make a dividend of Rs 900 Mn for the financial year 2023.

EPS

The Company's earnings per share recorded a steep decline to Rs. 423 from Rs. 1,489 gained in 2023.

LIQUIDITY AND CASH FLOW

Cashflow was maintained to ensure the company's ability to meet short-term financial obligations. Cash generated from operating activities amounted to Rs. 2.3 Bn. However, net cash flows from investing activities dropped due to the reduction in interest rate activity. Net cash used in finance activities increased by 57% due to increased of dividend payment. This indicates a commitment to optimising our financial management strategy, by efficiently managing debt levels and to lowering finance costs.

Cash Flow	2024	2023	Change (2023-2024)
	Rs.'000	Rs.'000	
Net cash generated from operating activities	2,323,475	2,551,227	(9%)
Net cash flows used in investing activities	(1,127,830)	(1,700,925)	(34%)
Net cash used in financing activities	(998,964)	(636,643)	57%
Interest received	2,006,339	2,334,658	(14%)
Proceeds from maturity of financial investment	-	49,753,938	(100%)
Acquisition of financial investments	(130,486,100)	(50,102,802)	160%
Cash and cash equivalents	820,634	623,953	32%



OUTLOOK

The recent easing of vehicle import restrictions brings a wave of optimism for expanding our motor insurance business in the upcoming year. This change is expected to significantly enhance our motor insurance segment, broadening our customer base while driving new sales and revenue growth.

A positive recovery in the country's economy, coupled with a more favorable income tax structure, suggests that disposable income will rise. This presents a valuable opportunity for the company to tap into the growing demand for both health and motor insurance products.

We will prioritize prudent financial and cost management to ensure the company's financial safety and stability. Optimizing revenue will be crucial for boosting profitability while also aiming to reduce operational costs. Additionally, we are on track to fully implement SLFRS 17 by 2026.



MANUFACTURED CAPITAL

STABILITY AND PRAGMATIC GROWTH

Manufactured capital entails tangible assets and infrastructure deployed to create and deliver insurance services. Investments in these assets are crucial for sustaining and improving our operations and allocating resources towards strategic growth objectives. By allocating sufficient funds, timely and judiciously, in plant, property and equipment, advanced technologies, and infrastructure, we have been able to enhance core strengths, support objectives, and strengthen our market position.

Investments in assets investments and the proper management of manufactured capital not only enable demand fulfillment but have enabled us to innovate and adapt to market changes. Moreover, optimising physical resources and technological infrastructure helps reduce wastage and operational expenditures; this, in turn, is crucial for long-term sustainability and profitability.

Related Goal	Contribution
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Advanced technological infrastructure
10 REDUCED INEQUALITIES 	Digital services and touchpoints ensure equal access to insurance services for all.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Adopting fully-fledged tech solutions reduces dependence on physical resources, which reduces the ecological footprint.

Related Stakeholders



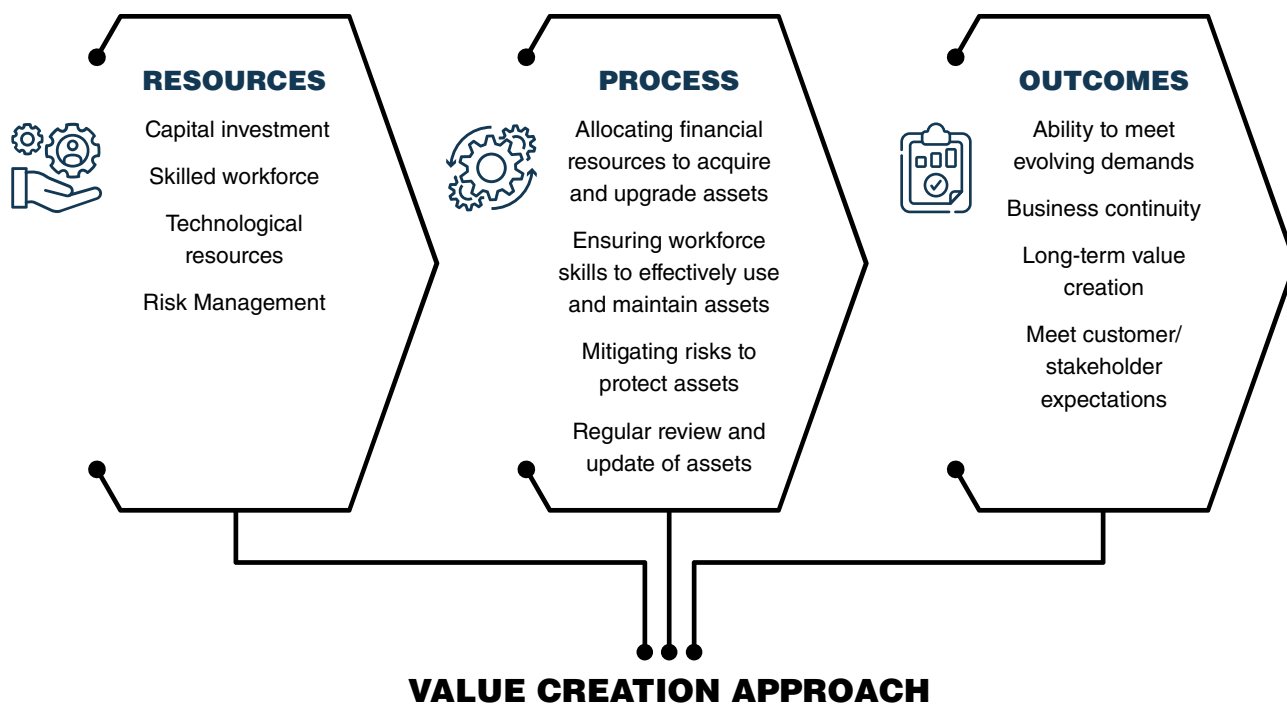
Customers



Employees



Agents/Advisors

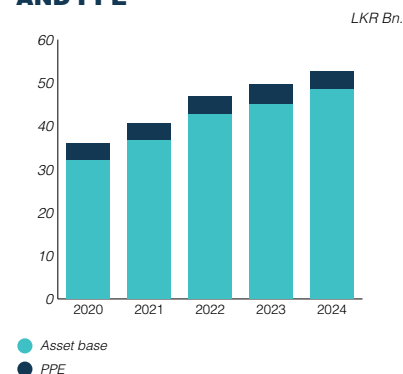


STRATEGIC IMPORTANCE

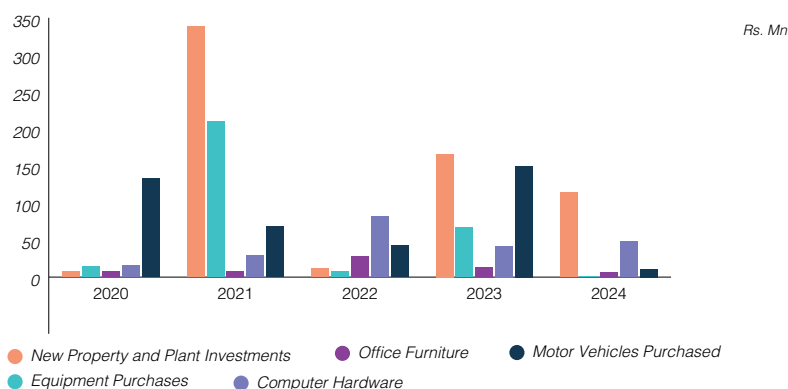
- ★ **Competitive Advantage:** Advanced tech and infrastructure keep Ceylinco General Insurance ahead, attracting customers.
- ★ **Operational Efficiency:** Optimized resources reduce costs and boost profits, enabling reinvestment.
- ★ **Risk Management and Resilience:** Strong risk measures protect assets and ensure continuity, maintaining trust.

- ★ **Innovation and Adaptability:** Continuous improvement introduces new products, ensuring long-term growth.
- ★ **Sustainable Growth:** Efficient capital use balances gains and benefits stakeholders.
- ★ **High-Quality Customer Service:** Improved capabilities enhance service and loyalty.
- ★ **Financial Stability:** Protected assets ensure a stable foundation for expansion.

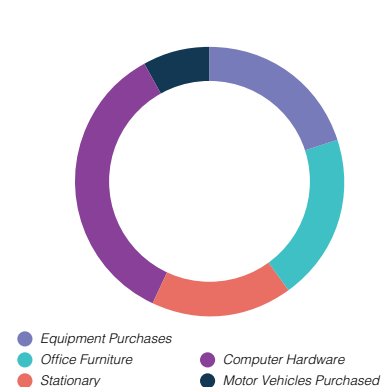
TOTAL ASSET AND PPE



PPE EXPENDITURE



PPE NEW EXPENDITURE 2024



MANUFACTURED CAPITAL

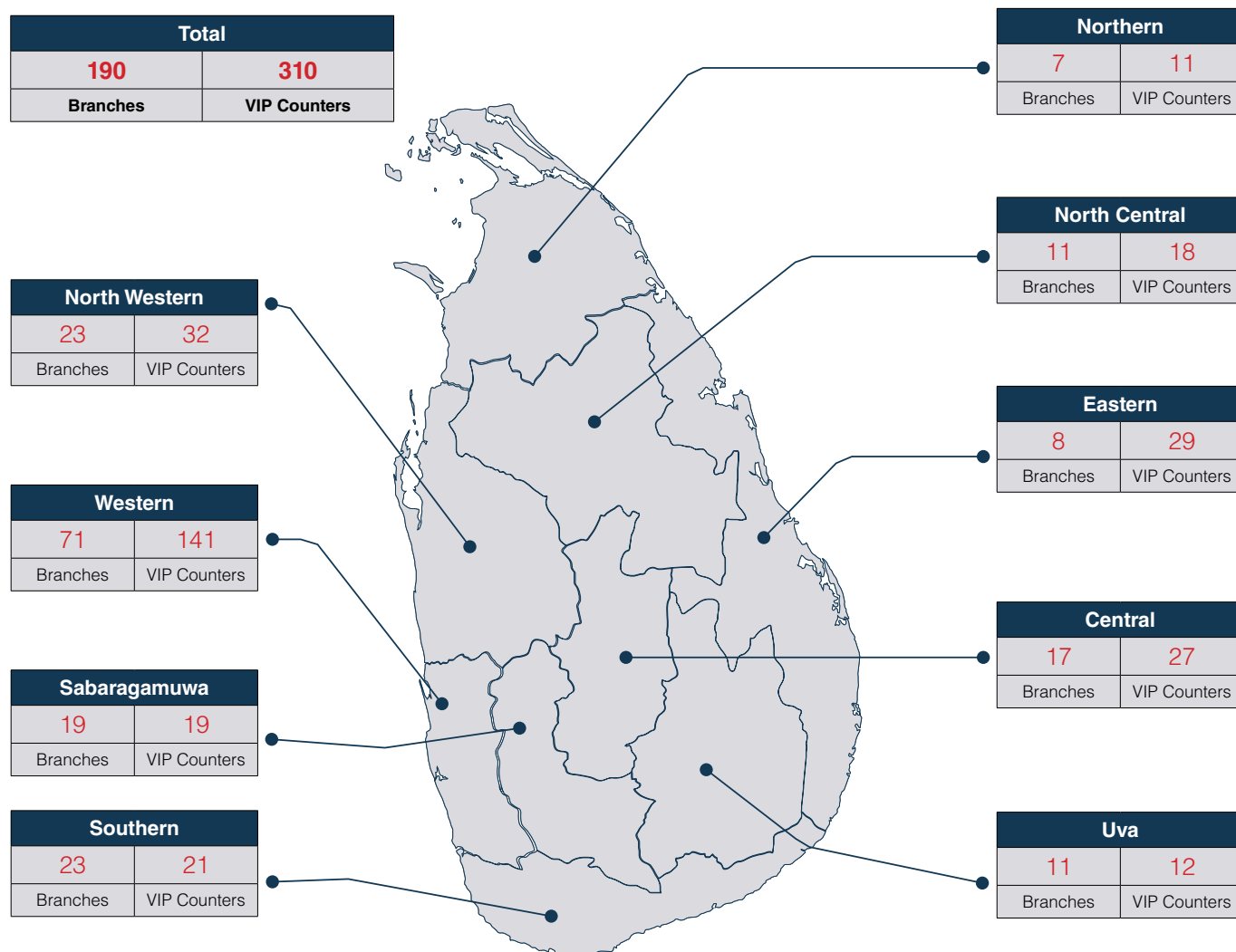
PPE VARIANCE

The Company's PPE base amounted to Rs. 4.2 Bn in 2024, compared to Rs. 4.4 Bn reported in 2023. New investments in Property and Plant were made Rs. 114 Mn in the year under review.

PHYSICAL DISTRIBUTION NETWORK

The branch network remained at 190, which attests to the strong island-wide distribution network spread throughout Sri Lanka. This highly saturated branch network undergoes regular upkeep. The Company also operates and manages 304 VIP Counters (Sub Branches) across the island. The Company operates 13 mobile propaganda vans, which have remained unchanged for the past four years. Ceylinco also operates through post offices (for third-party insurance) through a network of 4,256 locations. The Company also operates 5 Ceylinco VIP spots.

BRANCH NETWORK



Touchpoints	2024	2023	2022
Number of branches	190	190	190
Number of VIP Counters	304	298	296
Number of new VIP Counters	6	2	10
Mobile propaganda vans	13	13	13
Post offices for 3rd party insurance	4,256	4,208	4,112
Ceylinco VIP spots	5	5	5

Our branch network spans the entire island, with the highest concentration of 135 locations in the Western Province. This is followed by 23 locations in both the North Western and Southern Provinces.

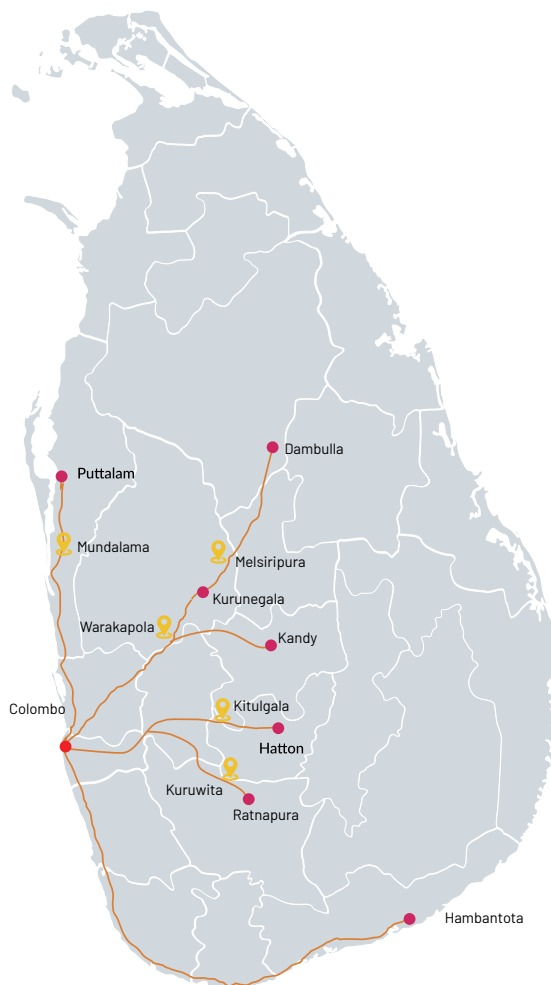
Our branches are a vital link between customers and their insurance requirements. Customers receive the full portfolio of services through branches and have enabled the Company to secure a base of loyal customers over the years. Each branch is operated through a team of trained and experienced personnel, with various competitive strengths in identifying and servicing various customer protection needs.

Branches are operated on a rent basis, with the exception of the properties in Nawam Mawatha, Gampaha, Kurunegala, Kandy and the Head Office.

CEYLINCO VIP SPOTS

VIP SPOTs are a value-adding service that takes care of our most loyal customers. The company operates five VIP Spots on long-distance routes. These provide our VIP on-the-Spot policyholders a facility to refresh themselves on long-distance journeys across the island.

Ceylinco VIP Spots have been strategically placed to offer policyholders a comfortable space to take a break during long journeys. These spots are located in Mundalama, Kuruwita, Warakapola, Kitulgala and Malsiripura.



Mundalama



Kuruwita



Warakapola



Kitulgala



Malsiripura

MANUFACTURED CAPITAL

VIP Counters are critical touchpoints. During the year, we invested in 6 new centres, which expanded the previous counter network of 298.

Furthermore, CGI expanded the third-party services to an additional 48 post offices, enabling policyholders to make premium payments and renew policies.

	2020	2021	2022	2023	2024
Mobile propaganda vans	13	13	13	13	13
Ceylinco VIP spots	5	5	5	5	5

VALUE ADDING ACTIVITIES

In the fiscal year 2024, we opened doors to a newly acquired branch in Kandy. The branch is equipped with advanced facilities and enables the Company to serve customers more efficiently. It is a crucial step in the company's future expansion objectives.



DIGITAL BILLBOARDS

Operating the largest outdoor digital network in the country, we utilise a set of 65 LED screens to display and advertise product information, promotional campaigns and key events. These have been placed strategically at prime locations for optimal visibility, covering all major towns on the island captivating a larger audience compared to traditional outdoor advertising.



DIGITAL STRATEGY: STRENGTHENING THE DIGITAL ECOSYSTEM FOR THE FUTURE

CGI is committed to expanding its digital reach, optimizing customer interactions, and enhancing online accessibility. Moving forward, we will strengthen digital engagement through advanced social media strategies, scale up online insurance adoption via VIPHub.lk and enhance customer experience with AI-driven analytics, automation, and seamless digital transactions. By continuously refining our digital ecosystem and leveraging strategic partnerships, Ceylinco General Insurance remains at the forefront of Sri Lanka's digital insurance revolution—delivering unmatched convenience, efficiency, and engagement.

DIGITAL OPTIMISATIONS

During the year, we actively pursued digital optimisations to enhance services and customer experience.

Ceylinco Hub Revitalisation: One key initiative is the revitalisation of the Ceylinco VIP Hub with a new payment gateway that streamlines the payment process for improved efficiency. The vipub.lk platform experienced an exponential 540% growth, with policy purchases rising from 185 in 2023 to

1,186 by the end of 2024. This upward trajectory highlights a growing consumer preference for self-service insurance solutions.

Key enhancements in 2024 included:

- ★ Launch of online travel insurance, enabling customers to purchase policies instantly and receive digital documents without human intervention.
- ★ Motor insurance (third-party & comprehensive) purchases with instant cover notes and next-business-day digital policy issuance.
- ★ A fully automated, seamless purchasing experience, reducing processing times and enhancing convenience.

These innovations reinforce Ceylinco General Insurance's position as a trailblazer in digital insurance solutions, ensuring greater accessibility and operational efficiency.

The new web portal was developed in partnership with Fagxa, a Sri Lankan and Malaysian joint venture, to facilitate comprehensive motor purchases. The portal has enabled accessibility to VIP on the Spot services, including insurance renewals, fast policy generation, and access to price estimations. Furthermore, it ensures secure payments and streamlined processes for quick turnaround.

The benefits of digital optimisation is evident, as they enhance customer convenience and experience, increase engagement and accessibility, and helped CGI to expand market reach to diverse demographic segments. Moreover, digital optimisation increases brand awareness, enables cost-effective customer acquisition, and allows precision targeting through digital advertising channels, ultimately saving on traditional advertising costs.

WEBSITE PERFORMANCE AND LEAD GENERATION

Our website emerged as a high-performing lead generation engine, with 271,000 visitors in 2024, a significant increase compared to the previous year. With 1,293 qualified leads and a 5% conversion rate, we successfully generated Rs. 3.9 Mn in premium collections directly from online inquiries. This achievement was driven by AI-powered analytics, targeted digital advertising, and SEO enhancements, ensuring a highly optimised and customer-centric online experience.

VALUE CREATION IN TECHNOLOGICAL INFRASTRUCTURE

Our IT Department continued to prioritise technological innovation and development to enhance operational efficiency and future-proof business processes. The Company's commitment to equipping the IT workforce with advanced skills has led to significant initiatives in 2024, focusing on training, system upgrades, and automation.

UPSKILLING FOR TECH INTEGRATION

In 2024, CGI strategically invested in upskilling the IT team by sending them for international training programs. The team attended a five-day Oracle APEX training in India and a twelve-day session in Malaysia, as part of a long-term strategy to transition from an Oracle Forms and Reports-based core solution to an APEX-driven system. Additionally, in collaboration with MSIG, we dispatched a two-member team to Vietnam to gain hands-on experience in Robotic Process Automation (RPA), which is now being integrated into operational processes.

The IT department remains dedicated to driving technological advancement and operational excellence. Through continuous improvements, training, and automation, they are ensuring that Ceylinco General Insurance stays ahead in the ever-evolving digital landscape.

UPGRADES AND ADVANCEMENTS

A major technological advancement in 2024 was the successful upgrade of the Oracle 12c database to Oracle 19c. This transition required modifications to various systems to align with the enhanced capabilities of the new database platform. Additionally, the IT department implemented RPA-driven automation for several key processes, including third-party auto underwriting for digital third-party channels and brokers, significantly streamlining business operations.

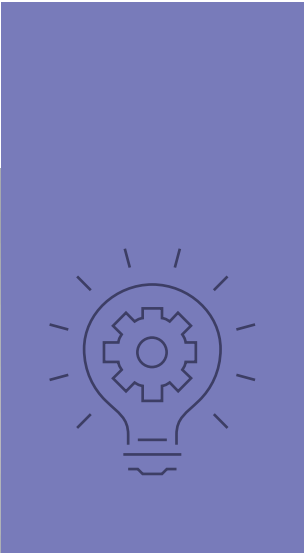
To further enhance efficiency, we expanded the internal reporting system with more dynamic reports that offer improved data insights for decision-making. Additionally, a task management system was introduced to enable users to log system and business-related issues, which are automatically assigned to the respective officers for timely resolution, thereby improving service efficiency.



OUTLOOK

The following strategic initiatives are aimed at significantly improving Ceylinco Insurance's touchpoints and footprint, ensuring that the Company meets customer needs effectively and drives business growth.

- ★ Revamp Online Platforms: Update the corporate website and online purchasing platforms to align with the latest technology.
- ★ Increase Online Presence: Expand reach by increasing online presence, tapping into new customer segments and markets, and fuelling business growth.
- ★ Foster a Digital Culture: Position ourselves at the forefront of the insurance industry by fostering a digital culture, attracting talent, and shaping the future of the sector.



INTELLECTUAL CAPITAL

COMPETENCE IN ACTION

For decades, our success has pivoted on service innovations, a formidable product portfolio and strong brand building that has transcended the non-life insurance industry. Our products and services have become widely accepted assets. Dependent on these competitive and intangible assets, our intellectual assets play a central role in maintaining our industry position and comparative edge.

Related Goal	Contribution
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Fostering innovation to enhance industry standards
17 PARTNERSHIPS FOR THE GOALS 	Exchanging knowledge and expertise, and collaborations for mutual growth

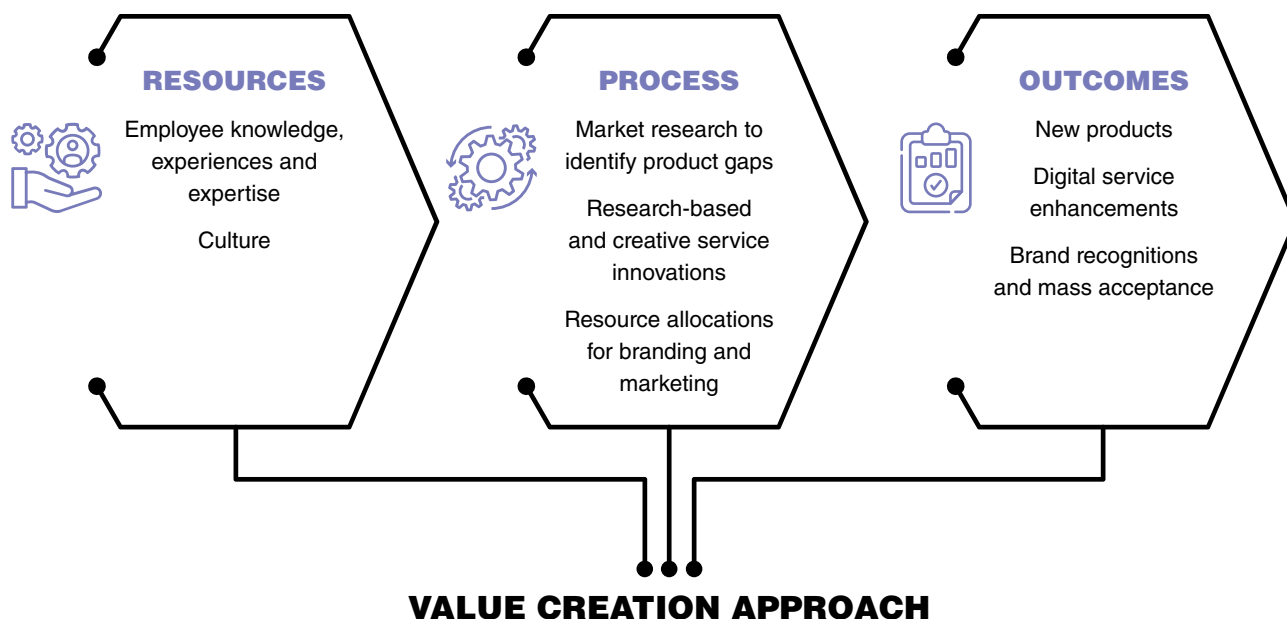
Related Stakeholders		
 Employees	 Customers	 Partners

STRATEGIC IMPORTANCE

Innovation and Creativity: The collective capabilities of employees result in new products, services, and processes.

Operational Efficiency: Enhanced digital services and access to such services result in cost savings and increased productivity.

Customer and Stakeholder Relationships: Providing convenience, innovative services and high accessibility enhances our relationships with customers and other stakeholders.



Market Position and Brand Value:

Enhancing the organization's reputation and brand value by demonstrating thought leadership and expertise in the industry.

TACIT KNOWLEDGE

Ceylinco General Insurance carries an unparalleled level of tacit knowledge that underpins its success and growth. This includes invaluable industry and market expertise, insights, experiences and relational capital that have been acquired over time – undocumented as explicit knowledge.

Our underwriters' abilities to prudently assess the risks of a property or automobile go beyond data and analysis and incorporate their understanding of certain implications and experiences. Similarly, claims adjusters have a keen sense of detecting fraudulent activities in claims submissions, which has come through years of experience. They rely mostly on unspoken cues and intuitions.

Leveraging this knowledge is vital to make informed decisions, better understand customers and improve relationships with policyholders. These capabilities are vital to maintain industry competitiveness, harnessed

and sustained through employee development, knowledge-sharing and mentoring across the company.

843

Underwriters

224

Claim Adjusters/Assessors

NEW PRODUCTS

Two new products were launched during the year, apart from one product revamp.

CEYLINCO LOAN SHIELD

During the year, we introduced a brand-new insurance solution for BFSIs (Banks and Financial Institutions) to safeguard their customers. Named, Ceylinco Loan Shield, the product aims to safeguard BFSI customers against unforeseen events such as loss of income due to various factors such as retrenching, closure of the organization employed for economic reasons or even natural disasters. Similarly, a sudden serious illness could cripple the ability to repay a loan as medical costs too are beyond the reach of the ordinary, permanent disabilities due to accidents etc.

REVAMPED MOTOR BIKE PRODUCT



We are excited to announce the launch of our revamped motorbike insurance product under a new brand name: 'Ceylinco Supiri Motorbike Cover'. This comprehensive insurance plan offers a wide array of benefits, with coverage totalling up to Rs. 2 Mn. These benefits extend to both riders and pillion riders, ensuring maximum protection for everyone on the bike.

COMPREHENSIVE RESEARCH ACTIVITIES

Prior to revamping the motorbike insurance product, we conducted thorough research activities using our in-house resources and sales force. This research involved a sample of over 3,000 motorbike users spread throughout Sri Lanka. The objective was to gather valuable insights into the needs and preferences of motorbike users, ensuring that the new product, 'Ceylinco Supiri Motorbike Cover,' would meet their expectations and provide comprehensive protection.

INTELLECTUAL CAPITAL

OUR COMPREHENSIVE PRODUCT PORTFOLIO

At Ceylinco General, we have put together a truly unmatched portfolio of insurance solutions to help protect the health and assets of individual and group policyholders. Our portfolio also includes certain niche products serving underserved segments of the nation and those with less financial providence in life.

CEYLINCO VIP ON THE SPOT



Ceylinco VIP on the Spot was the first of its kind to redefine the motor insurance industry. It's based on utmost convenience and efficiency, providing exclusive on-the-spot claim settlement to policyholders. A household brand name, the product has garnered unmatched acceptance amongst the masses, with instant recognition and love from the masses. Policyholders receive the following key additional benefits and a host of others .

- ★ Rs. 1 Mn serious illness cover for 20 illnesses
- ★ 10-year warranty against manufacturing defects up to 10 years from year of manufacture
- ★ Rs. 10 Mn accidental health insurance cover
- ★ On the spot claim settlement 24x7
- ★ A similar replacement vehicle up to 14 days when repairs exceed four days

BRAND EQUITY

DIGITALLY-DRIVEN BRANDING

During the year under review, we invested in AI-based advancements

and analytics, concentrated digital advertising, social media engagement, and search engine optimisation (SEO) to enhance brand visibility and drive customer acquisition. These efforts ensure that digital platforms remain a key driver of growth, optimising engagement while streamlining service delivery. By continuously refining its digital ecosystem, we are committed to enhancing customer touchpoints, expanding digital accessibility and maintaining its market leadership in Sri Lanka's evolving insurance landscape.

BRAND RECOGNITIONS AND AWARDS

CGI GAINS DISTINCTION AS THE ONLY GENERAL INSURER AMONG LMD'S 25 OUTSTANDING CORPORATES

In a dazzling tribute to our legacy and operational successes, we distinguished ourselves as the only general insurer to enter the LMD's illustrious records as one of 25 outstanding corporates in Sri Lanka. This prestigious recognition was presented at LMD's 30th-anniversary celebrations in 2024. The recognitions are a testament to CGI's consistent excellence, which spotlights our unrivalled leadership and innovations in the non-life insurance sector.



PEOPLE'S GENERAL INSURANCE BRAND OF THE YEAR

The Company achieved its 18th consecutive People's General Insurance Brand of the Year accolade at the 2024 SLIM Kantar People's Awards. This award is derived from a comprehensive nationwide survey that captures the genuine opinions of Sri Lankans. Regarded as the most esteemed award for corporations, the People's Award symbolises the voice of the public. The selection process involves a nationwide survey conducted by the Kantar Group, UK, utilising a meticulous data collection and analysis method. The survey covers all provinces, with over 6,100 respondents interviewed face-to-face, ensuring it is representative, unbiased, and relevant. Consequently, the winners of the People's Awards genuinely reflect the diverse voices of Sri Lankans from various communities, regions, and social segments.

This recognition underscores the company's dedication to supporting customers amidst tough economic times through the company's pioneering 'Ceylinco VIP on the Spot' vehicle insurance policy. Ceylinco VIP remains the industry's most innovative product, offering unique benefits and rapid, on-the-spot claim settlements. The swift service has

solidified the company's reputation for trust and efficiency. Moreover, it emphasises how this accolade reflects the company's deep connection with Sri Lankans.



SERVICE EXCELLENCE IN GENERAL INSURANCE

During the year, we also received recognition as the most popular insurance company in terms of 'service excellence' in the non-life insurance sector. The recognition is the result of a 12-week survey conducted by LMD magazine in 2024, where we emerged as the top company in the general insurance industry.

The recognition is a culmination of years of pioneered innovations and game-changers within the industry. The honour reflects how we have consistently established benchmarks in service excellence and product innovation to benefit stakeholders and the general public.



In the second half of 2024, we launched a strong marketing initiative titled the "Ceylinco VIP Supiri Motor Bike Cover" campaign, rebranding all hoardings placed in strategic locations across the country, as well as TV, Radio advertising and a host of other promotions on digital platforms and the 65 LED panels. With an investment exceeding Rs 30 million, this campaign targeted all motorbike users among the masses, aiming to capture widespread attention. Spanning from May to December 2024, the effort delivered exceptional results, achieving excellent top-of-mind awareness and ensuring 24/7 visibility throughout the island.

MASS MEDIA CAMPAIGNS

Investing a sum of Rs. 15 Mn, we initiated campaigns to announce the insurance Guarantee and Doorstep Delivery. This was conducted during the second half of 2024, targeting mass audiences. The campaign can be said to have had encouraging and optimistic results.

SOCIAL MEDIA CAMPAIGNS

Paid social media campaigns were conducted across the year, capitalising on the spread and broad reach of these social media networks. We invested in promoting our products across Meta, WhatsApp, Instagram and YouTube, apart from advertisements on the Google search engine.

META CAMPAIGN

A paid campaign focused on two key products and services, the Motorbike Cover and Suwa Sampatha International, was carried out on Meta. The cost of this project was Rs 5.6 Mn and was scheduled to run across the year, targeting Sri Lankans aged 18 and above. The campaign reached 3.5 million users and generated a total of 13 million impressions, demonstrating the broad visibility and engagement of the target audience.

IMPACTFUL MARKETING AND BRANDING

Several highly impactful branding initiatives took place across the year, focused on promoting some of our most prominent insurance products, especially within the motor insurance category.

CEYLINCO VIP SUPIRI MOTOR BIKE COVER



INTELLECTUAL CAPITAL

GOOGLE ADVERTISING

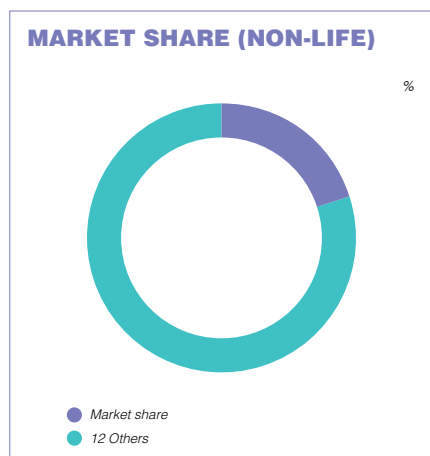
Investing a sum of Rs 0.5 Mn, we expedited a Google pay-per-click campaign, covering motor insurance and motorbike cover. The campaigns ran across the year, targeting audiences 18 and above, and the result of the campaign was an actual reach of 1.08 million users and 2.7 million impressions.

CONTENT MARKETING

Creating content marketing for the Corporate VIP insurance policy, with a spending of Rs. 3.2 Mn, we conducted campaigns across the year, targeting users within the age range of 18-65 and above. Moreover, we carried out a series of successful campaigns dubbed 'Vehicle Tips' on WhatsApp, Meta, Instagram and YouTube platforms, which were accepted by all. The spending for the campaign was Rs. 0.5 Mn, which was spread across three quarters, targeting the entire population of the country. The campaign garnered 13.2 million impressions by the end of the financial year.

MARKET SHARE

In the year under review, market share of CGI was valued as 19%, which represents a major share amongst non-life insurers in the country. The remaining market share is distributed among 12 non-life insurance companies.



SERVICE INNOVATIONS

GUARANTEE CERTIFICATE FOR BENEFITS

Every Ceylinco VIP On The Spot policyholder receives a Guarantee Certificate outlining the exclusive benefits they are entitled to when they obtain a Ceylinco VIP On The Spot vehicle insurance cover. Only Ceylinco VIP provides a Guarantee Certificate for the benefits offered to its vehicle insurance policyholders.

CERTIFICATE — OF — GUARANTEED BENEFITS

We hereby certify that

Mr./Mrs. Miss _____

the owner of vehicle No. _____ and bearing NIC No. _____

will be entitled to the following benefits with the purchase of a Motor Insurance Policy

Health Cover of up to Rs.10 Million in the event of an Accident (up to 70 yrs.)

Medical Cover of up to Rs.1 Million for 21 illnesses, including heart disease, cancer, strokes, kidney ailments etc.(up to 70 yrs.)

A Warranty Cover from 5 to 10 years against manufacturers' defects for specified parts

A Replacement Vehicle up to 14 days, for accident repairs over 4 days



Date



Director / Chief Executive Officer

DIGITAL SERVICE EXPERIENCES

Through the VIPHub.lk and FGXA platforms, customers can now purchase motor policies, travel insurance, health insurance, property insurance and many other online, providing unparalleled convenience and accessibility. As a result of the above innovations, we have experienced a 400 % growth in purchases, especially during long weekends and holiday seasons. A comprehensive digital transformation strategy was implemented to enhance customer engagement, expand market reach, and drive business growth. By leveraging cutting-edge digital technologies, the company has seamlessly integrated online policy purchases, renewals and virtual assessment services, ensuring a smooth and efficient customer experience.

DIGITISED MOTOR INSURANCE CARDS

A modern solution to replace traditional plastic cards, digital motor insurance cards can be accessed through policyholders' mobile devices at any given time. They also provide a barrier against identity insurance fraud, as they are harder to forge. More importantly, they have a positive environmental impact, as paper and plastic cards are eliminated in the long-run.

DOORSTEP DELIVERY










In January 2024, Ceylinco General Insurance launched an innovative service, offering 'Ceylinco VIP on the Spot' vehicle insurance policies delivered to customers' doorsteps within 24 hours of their request, at no extra charge. This initiative demonstrates the company's dedication to exceptional customer service and convenience.

SWIFT CLAIM SETTLEMENTS
















The considerable amounts paid out for claim settlements and benefits reflect Ceylinco General Insurance's steadfast commitment to providing timely and efficient claim resolutions. The company's unmatched reputation for prompt claim settlements, often completed on the spot, sets it apart in the industry.










ON THE SPOT CLAIM SETTLEMENT

An industry-leading, innovative solution, the VIP On-the-Spot claim settlement has been hailed as the first and most consistent service innovation in the industry. It guarantees the immediate payment of genuine claims anytime and anywhere. Born from our exceptional intellectual capabilities, On-the-Spot embodies our dedication to revolutionising customer service and delivering an unrivalled experience.

<p>UNIQUE PRODUCT PORTFOLIO</p> <p>We create insurance solutions that are innovative and carry significant social contributions. As a result, we have created several unique products that address the insurance needs on a mass scale. Moreover, we identify opportunities to reach mass or niche segments to provide unmatched solutions innovatively.</p>	 <p>CEYLINCO VIP ON THE SPOT</p> <p>Ceylinco VIP On The Spot is the most comprehensive vehicle insurance policy available in Sri Lanka with a host exclusive benefits and value additions.</p>	 <p>Ceylinco VIP Double Cab Insurance</p> <p>Ceylinco VIP Double Cab Insurance offers enhanced benefits to double cab users, the insured and passengers.</p>
 <p>Ceylinco VIP Van Insurance</p> <p>Ceylinco VIP Van Insurance is a cover that offers a host of additional benefits to van users that cover passengers and provide security against legal obligations.</p>	 <p>Buddy Lorry</p> <p>Ceylinco VIP Buddy Lorry Cover is a product specially designed for small lorry owners with unique benefits.</p>	 <p>CEYLINCO VIP THREE WHEEL COVER</p> <p>Ceylinco VIP Three Wheel Cover is the only product with the widest coverage.</p>
 <p>CEYLINCO VIP MOTOR BIKE COVER</p> <p>Offers a host of benefits for Motorcycles Riders.</p>	 <p>CEYLINCO VIP 3RD PARTY COVER</p> <p>Ceylinco VIP 3rd Party Motor Cycle Cover is the only 3rd Party insurance that offers benefits to the insured.</p>	 <p>CEYLINCO CHP PLUS</p> <p>The Ceylinco Children's Health Policy provides enhanced benefits to school- going children.</p>
 <p>CEYLINCO SUWA SAMPATHA</p> <p>The most popular Surgical and Hospitalization Insurance Scheme in Sri Lanka for corporates and individuals</p>	 <p>CEYLINCO FAMILY GUARDIAN</p> <p>Ceylinco Family Guardian Insurance is a unique plan which provides a comprehensive cover.</p>	 <p>CEYLINCO HOME OWNER'S DISASTER RELIEF INSURANCE</p> <p>The New Householders Policy protects the house and its contents with a total security plan</p>

INTELLECTUAL CAPITAL


 <p>CEYLINCO TRADERS' DISASTER RELIEF INSURANCE</p> <p>This packaged product provides a complete protection plan for businesses.</p>	 <p>Insurance on the go</p> <p>CEYLINCO ONE DAY COVER</p> <p>This unique product covers an individual against road or home accidents.</p>	 <p>CEYLINCO LIPS INSURANCE</p> <p>This product was specially designed for women.</p>
 <p>CEYLINCO DOO DARUWO RAKSHANAYA</p> <p>Ceylinco Doo Daruwo Rakshanaya is for the entire family and provides cover for children to continue their education in case the breadwinner expires.</p>	 <p>CEYLINCO LEASING COVER</p> <p>The Ceylinco Leasing Cover relieves the Lessee from paying the monthly lease (up to a maximum of two instalments) when the vehicle is in a garage due to an accident.</p>	 <p>CEYLINCO TRAVEL CLASSIC INSURANCE</p> <p>This policy offers a great assurance to travellers and pays up to a maximum of US\$ 1,000,000.</p>
 <p>CEYLINCO SUWA SAMPATHA INTERNATIONAL</p> <p>Suwa Sampatha International is designed for the discerning to provide them with optimum medical facilities in case of a serious illness.</p>	 <p>CEYLINCO GOVI PAWURA / CEYLINCO GURU PAWURA / CEYLINCO LIYA PAWURA</p> <p>"Ceylinco Pawura" is a product specially designed to protect Farmers, Teachers and Housewives.</p>	 <p>CEYLINCO DHEEWARA UDANA</p> <p>This complete protection plan for fishermen and their families covers them for over Rs.580,000/- per annum.</p>
 <p>CEYLINCO NUWANA</p> <p>In an unfortunate event such as the demise or disablement of parents, "Ceylinco Nuwana" takes care of the child's education.</p>	 <p>CEYLINCO HOME & YOU</p> <p>This affordable product includes covers such as Fire and related perils, cover against natural disasters for the house and its contents.</p>	 <p>CEYLINCO TWENTY FOUR SEVEN</p> <p>This is the ideal product to protect the employees: the most valuable asset of an organization.</p>
 <p>CEYLINCO WARRANTY INSURANCE</p> <p>Warranty Insurance is a comprehensive cover which offers compensation for manufacturing defects.</p>	 <p>CEYLINCO ONE AND ONLY</p> <p>Every time a customer purchases goods from any outlet of partner supermarket chains, the customer is entitled to an insurance cover.</p>	 <p>CEYLINCO "A+" INTERNATIONAL STUDENTS' INSURANCE</p> <p>Another unique policy, which provides cover for Sri Lankan students who have gone overseas for studies.</p>

 CEYLINCO CROP AND LIVESTOCK INSURANCE The only insurance policy available to the farming community where they can cover their crops, livestock and farming equipment.	 Ceylinco Suwa Derana Ceylinco Suwa Derana is designed as a mass-market health and accident cover offering hospitalisation coverage, accidental death and permanent disablement benefits for individuals at an easily affordable premium.	 CEYLINCO HIGHER EDUCATION POLICY A comprehensive cover for students wanting to pursue higher education.
 CEYLINCO SERIOUS ILLNESS COVER A cover of up to Rs.500,000 per annum that will reimburse medical costs incurred in the treatment of diagnosed serious illnesses.	 Ceylinco Suwa Divi Ceylinco Suwa Diwi is a medical cover offering daily hospitalisation cash and coverage for twenty serious illnesses for families and individuals under two standard schemes.	 CEYLINCO GEDARA Yet another unique benefit for all Sri Lankan Home Owners for an affordable premium.
 CEYLINCO SUPPORT LINE Ceylinco Support Line offers a total protection plan to small and medium enterprises.	 CEYLINCO NO WORRIES This is yet another unique insurance solution offered to Corporates to safeguard their valuable employees against loss of income.	 Ceylinco Ananthaya 'Ananthaya' is a unique product that addresses a compelling need for affordable health insurance coverage for serious illnesses and accidents at a minimal premium. It's offered as a value addition to customers of corporate entities such as banks, telcos etc...

CEYLINCO
LOAN
SHIELD

CEYLINCO LOAN SHIELD

A product designed for finance companies and banks to safeguard their customers against unforeseen events that may impact their ability to repay loans. These events include loss of income due to retrenchment, organizational closure for economic reasons, or natural disasters. Likewise, sudden serious illnesses or permanent disabilities resulting from accidents that can also affect a borrower's financial stability.



OUTLOOK

In the coming year, our primary focus will be on enhancing customer experiences by delivering more effective digital service solutions that add value and convenience. We plan to amplify our efforts in digital marketing through targeted campaigns and also continue mainstream promotions via our staff, branch teams, and various communication channels. Our focus also includes expanding Social Media Engagement, enhancing the follower base and engagements on social media and digital channels, targeting over 500% growth.

Our product diversification strategy will be guided through market research and stakeholder insights, while taking into consideration changing needs of individuals and businesses.

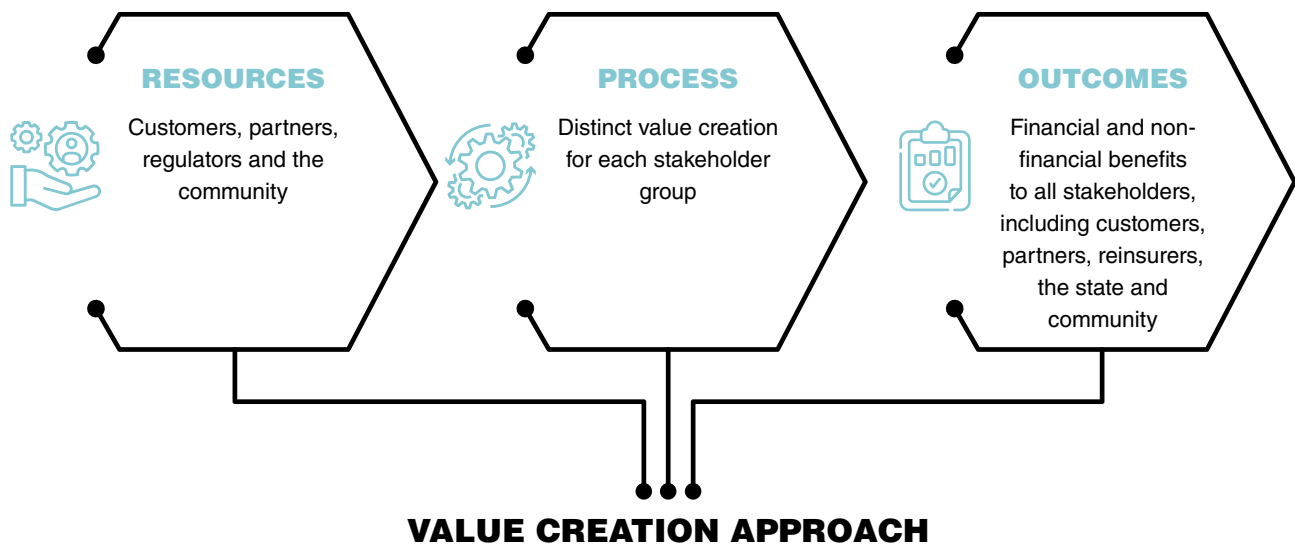


SOCIAL AND RELATIONSHIP CAPITAL

NURTURING GROWTH

At the core of our strategic efforts, stakeholder perspectives take centre stage. Their expectations, their perceptions and their needs have shaped how we develop and innovate products and deliver services, which in turn has significantly added value to our intellectual capital and human capital. Understanding their needs and catering to growing demands, pushes us beyond the boundaries to find new solutions and form new collaborations that extend the limits of our capabilities. Hence, our relationship with our stakeholders reflects the shared journey that we take in all matters of insurance.

Related Goal	Contribution
3 GOOD HEALTH AND WELL-BEING 	Promotes awareness and access to health insurance
8 DECENT WORK AND ECONOMIC GROWTH 	Supporting economic growth through inclusive solutions
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Investments in enhancing digital service accessibility
10 REDUCED INEQUALITIES 	Strong and effective insurance practices to reduce inequalities
17 PARTNERSHIPS FOR THE GOALS 	Enhanced collaborations with local communities for support



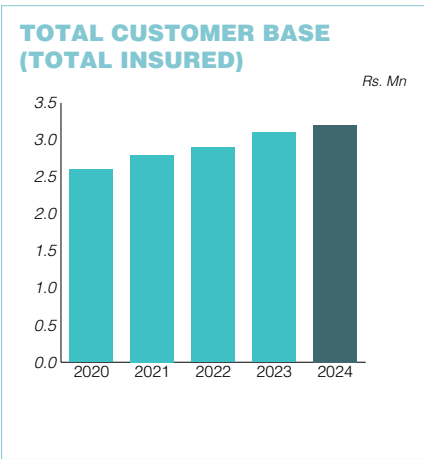
Related Stakeholders		
		
Customers	Partners	Community

STRATEGIC IMPORTANCE

- ★ **Personal Relationships:** Key to personal and professional growth through support systems, collaboration, and knowledge sharing.
- ★ **Community Involvement:** Fosters a sense of belonging and responsibility, building a supportive network to address common goals and challenges.
- ★ **Trust:** Enhances cooperation and reduces friction in social interactions, enabling smoother and more productive collaborations.
- ★ **Resources:** Time and effort invested in relationships yield support, opportunities, and mutual benefits.

CUSTOMERS

We take pride in serving the largest policyholder base in the general insurance industry. Driven by their expectations and evolving insurance needs, we are inspired to provide transformative solutions that have positive impacts across society. Our insurance solutions and services are tailored to address market gaps based on existing and potential customer needs.



We lead the local industry with the largest policyholder community, inspiring us to deliver transformative solutions that ripple positively across society.

Our approach: Products tailored to bridge gaps in financial security.

Our impact: Reduced risks for customers facing unexpected challenges.

GROWTH SNAPSHOT

3.1 Mn
Policyholders (2023)

3.2 Mn
Policyholders (2024)

SOCIAL AND RELATIONSHIP CAPITAL

KEY TOUCHPOINTS

Category	Description	Number
Service Locations	Locations spread across the country, reaching all regions	550
Branches	Largest self-operated branch network in Sri Lanka	190
VIP Counters	Serving over 2 million Ceylinco VIP customers	298
Call Centre	One of the largest insurance call centres on the island	40+ agents, 24/7 service
Mobile Vans	Vans promoting Ceylinco insurance in various locations	13
Sales Force	Largest insurance industry sales force in the country	1,975 members
Ceylinco VIP Rest Spots	Locations for VIP customers to freshen-up during journeys	5
Post Offices	For third-party motor insurance services (e.g., premium payments)	4,208

DIGITAL TOUCHPOINTS

Digital Interaction Point	Description	Details
LED Screens	Displays promotions, company activities, and broadcasts of international events (e.g., Cricket World Cup)	Popular in outstations, showcasing CSR projects and cricket tournaments
Ceylinco VIP Mobile App	Allows customers to track coverage, view claim history, report accidents, make payments, and find branches	500+ downloads, updated with software improvements during the year
Website	Corporate website providing general insurance information, corporate news, and branch locator	Enables online payments for customer convenience
Digital Payment Channels	Various platforms for customer payment convenience	Payable, eZCash, mCash
Ceylinco VIP Hub (viphub.lk)	Revived payment gateway offering online payment services	Provides easy access to payments

RECENT DIGITAL EXPERIENCE ENHANCEMENTS

Issuing of Vehicle Insurance Certificates Digitally to Mobile Phones

The issuing of vehicle insurance certificates commenced in 2023. Motor insurance card details are now sent directly to mobile phones of policyholders. This ensures updated motor insurance information upon purchasing or renewal of policies. This also eliminates the need for physical paperwork, making it convenient and effective for customers. It also reduces the risk of losing vital insurance documents and also contributes to environmental sustainability.

Virtual Assessor App for Remote Assessment of Accidents

This provides a hassle-free experience to policyholders during unfortunate accidents, as it enables them to digitally share images of the damaged vehicle. This has reduced the time it takes to make an assessment of the damages, as it eliminates the need for an assessor to be present at the accident site.

VIP Hub

Designed for customer convenience and ease, the platform offers a selection of products and services. The portal provides access to comprehensive insurance plans, including third party motor cover, motor bike cover, travel insurance, serious illness cover, property cover, expatriates family cover and VISA card offers.

New Website with a Payment Gateway for Obtaining Quotations and Purchasing Comprehensive Vehicle Insurance

The new website is equipped with a user-friendly payment gateway that enables us to process information for quotations conveniently. Customers can easily navigate the website and make payments for their policies.

DOORSTEP DELIVERY - COMPREHENSIVE MOTOR INSURANCE

Ceylinco VIP customers with The On-The-Spot vehicle insurance enjoy doorstep policy delivery within 24 hours at no additional cost. By dialling the short code number 1,334, customers can request delivery, and a sales representative from the nearest branch will bring the insurance coverage directly to them. This service is also available for policy renewals. Payments can be made in cash or through the salesperson's online app at the time of delivery.

24/7 CALL CENTRE (OPERATIONS HUB)

The operations hub of CGI refers to its call centre, which accommodates queries of customers and the general public. To ensure an effective service, the 40 call centre representatives receive regular training; they also initiate claim intimations and provide swift responses to accidents.

Call centre	Information
Average response time	2 Rings
Abandoned call rate	Zero

SERVICE STANDARDS

We have taken steps to closely monitor service standards and improve them consistently. In 2024, we continued to address gaps in our most critical functions, including underwriting and policy generation.

Standards	
Time taken for underwriting decisions	24 hours unless otherwise reinsurers are involved.
Time to formulate policies and reach customers	3 working days
Average time to resolve queries (web/ over the phone)	Within 24 hrs in most cases, unless otherwise more information/investigation is required

PARTNERS

At CGI, our partners are stakeholders that funnel business growth towards the company. Their strengths help amplify our presence by deploying their strengths and distribution networks, while utilising their intellectual and resource capabilities towards mutual business growth.

BANCASSURANCE

Our bancassurance partners offer a seamless blend of banking and insurance services, catering to our discerning clientele. This collaboration allows us to extend our insurance solutions to untapped segments, including niche clientele and those within grassroots. This is made possible through the competitive spread of our eight bancassurance partners, which enables us to access market segments that are beyond the reach of our sales force and distribution network. We have built and maintained strong relationships with our banking partners, working together to create unique policy solutions that meet customer needs. In 2024, we expanded our bancassurance network by adding 2 new partners, further enhancing our ability to provide comprehensive and convenient insurance services.

AGENTS AND BROKERS

Our agents and brokers are the backbone of our business model, providing new business and sales growth from across the island. Our network of agents and broker agencies plays a vital role in extending the reach of our products and connecting with audiences beyond our direct scope. Collaboratively, we identify shared business opportunities and generate financial value, while actively driving industry growth.

STRATEGIC PARTNERS

Our partnerships with global companies have been strategic in sustaining business growth beyond our local borders. Extending beyond the subcontinent, we have successfully forged alliances with leading insurance companies and institutions to provide strategic services. Moreover, through such collaborations, we have secured substantial financial value.

NOTABLE COLLABORATIONS

USA: Collaborations with industry giants, such as Berkshire Hathaway and AIG.

Japan: Partnership with Mitsui Sumitomo Insurance to meet specific insurance needs.

Gulf Region: Joint insurance solutions for migrant workers with regional partners.

LOCAL PARTNERS

Our company has forged partnerships with multiple local businesses across various industries, each aimed at achieving different objectives. Over the years, these partnerships have enabled us to provide flexible insurance solutions that alleviate financial burdens while ensuring financial stability. These alliances are crucial to our dynamic service network, allowing us to reach niche market segments, offer insurance at affordable premiums, and provide financial protection against numerous unforeseen risks.

SOCIAL AND RELATIONSHIP CAPITAL

REINSURANCE PARTNERS

We collaborate with some of the world's top reinsurers, leveraging their expertise to protect the financial interests and risks of our company and stakeholders. This strategic partnership allows us to manage both individual and institutional insurance needs, even those involving substantial financial risks, ensuring that unexpected events do not jeopardise our financial stability or reputation. Our reinsurers are highly rated, with ratings spanning from A- to AA.

SUPPLIERS AND SERVICE PROVIDERS

Our operations are supported by numerous service providers and suppliers, including those specialising in office equipment, technological services, and telecommunications. In addition, we engage reputable and experienced service providers for waste management, maintenance, and engineering and repair services. In 2023, we partnered with Fagxa to enhance our online services.

We collaborate with multiple banks and leading companies to manage our investment portfolios and fund our financial needs. We work with reputable and highly stable institutions to ensure that our investments are secure and yield the best returns. Additionally, we engage an independent auditing firm to maintain financial transparency and accountability.

REGULATORS

During the year, no violations or penalties have taken place, as we ensured adherence to all applicable laws and regulations, related to financial management, insurance technicalities, corporate governance and the regulator's directives.

COMMUNITY



Rs 25 Mn
Community-Driven Investments

Over **4,300**
Individuals Supported

1,150
Families Supported

10
Schools Supported

Four Religious
Establishments

Over **1,900**
Staff Participation

During the year, eight key community development projects took place apart from several smaller projects organised at branch and regional levels. These showcase our commitment to consistently supporting local communities through various initiatives. All Projects were carried out under the Umbrella of our Corporate CSR Brand 'Ceylinco VIP Pihita'.

The total investment in these projects amounted to Rs. 25 Mn, impacting over 4,300 individuals and supporting 1,150 families. Additionally, 10 schools, the Blood Bank, Our Lady of Fatima Church - Malkaduwa, Dalada Maligawa - Kandy, Matale Kovil, and Nallur Kovil - Jaffna were among the institutions that received support.

Names of projects in 2024	Investment 2023	Investment 2024	Number impacted (individuals/families)
1. Living Assistance for 117 Families	Rs. 5,745,000	Rs. 5,730,000	117 Families
2. Providing Meals for School Children	Rs. 17,150,000	Rs. 14,021,250	Over 2,000
3. Island wide Beach Clean-up	Rs. 275,000	Rs 1,460,000	N/A
4. Blood Donation *	Rs. 1.5 million	Rs 2,160,000	Uncounted
5. Assistance to Passara Bus Victims	Rs. 540,000	Rs 540,000	3 Families
6. Repair and relocation of a water cooler machine at Thalawila Church	-	Rs 760,000	Hundreds of Devotees including families and individuals
7. Theru Festival & Nallur Festival	Rs. 400,000	Rs 309,000	Hundreds of Devotees

Annual Blood donation was held in February 2023 in the Head Office premises. Over 280 pints of blood were collected. Our employees as well as others from offices in the surrounding areas participated in donating blood.

As an insurer, we have a role to play in the social and economic well-being of our people. At a time when economic burdens are at their peak, we expedited several initiatives to provide hope and sustenance to many burdened and underprivileged individuals. In 2023, we conducted all CSR projects under our CSR banner 'Ceylinco VIP Pihita'.

COASTAL COMMUNITY SUPPORT

Extensive 100 km Beach Clean-up Initiative

Ceylinco General Insurance recently conducted a major Beach Clean-up campaign along over 100 kilometres of Sri Lanka's coastline, with participation from staff across the island. Now in its third consecutive year, this initiative has become a staple in the company's Corporate Social Responsibility calendar. With pollution increasingly affecting Sri Lankan beaches, Ceylinco General Insurance emphasises the duty of all citizens, both individuals and corporations, to preserve the natural beauty and cleanliness of the shores and surrounding oceans.

Over 1,250 employees volunteered to remove debris, plastics, and polythene waste from the shoreline. The collected waste was then handed over to local municipal and regional waste disposal units for sustainable management. The project aims to restore the coastline to a pristine condition, making it more attractive to tourists and preventing further waste from harming marine life and the ocean ecosystem.

OTHER COMMUNITY ENGAGEMENTS

The Ceylinco VIP team refreshed holidaymakers travelling to Nuwara Eliya with a stimulating hot cup of coffee near St. Clair in Thalawakele and at the Labukele Tea Center on their way to Nuwara Eliya on April 11th. Additionally, they had the opportunity to win prizes by trying their luck with exciting, fun-filled games, which hundreds, including children, participated.



FOOD DISTRIBUTION FOR STUDENTS

Over 2,000 students received meals throughout the year; the total cost of the project amounted to Rs 17.2 Mn.

Each student was provided with a balanced and nutritious lunch on three days of the week; Monday, Wednesday and Friday.



SOCIAL AND RELATIONSHIP CAPITAL

BLOOD DONATION DRIVE

In February 2023, we held our annual blood donation drive at the Head Office premises. We collected over 280 pints of blood, with participation from our employees as well as individuals from nearby offices. The event was organized at an investment of Rs. 1.5 Mn.



The Annual Theru Festival in Matala was held at the Sri Muttumari Amman Thevasathanam and Ceylinco General Insurance organised the Anna Thanam, as done previously for several years.



RELIGIOUS CEREMONIES

MOBILE VEHICLES FOR THE KANDY ESALA PERAHARA

As in previous years, in 2024, we once again provided our mobile vans for logistical support during the Kandy Esala Perahera



OUTLOOK

As a dynamic insurer, we are committed to meeting stakeholder needs through exceptional customer service, innovation, and enhanced policies. Our focus will be on improving customer interaction across both physical and digital channels throughout the policy lifecycle.

To strengthen relationships with partners, we will emphasise on open communication and mutual goal-setting and provide training, support, and marketing tools. We will continue rewarding and recognising brokers and agents to empower their commitment. Additionally, we will collaborate with regulators, industry partners, and foreign insurance partners to promote industry stability and growth. Our community efforts under the 'VIP Pihita' initiative will continue to focus on societal well-being and financial support.



NATURAL CAPITAL

LEVERAGING NATURAL CAPITAL FOR SUSTAINABLE OPERATIONS

Natural capital refers to the environmental resources that CGI directly or indirectly utilizes in its natural or processed forms, such as water, electricity, fuel, and gas, as well as the paper consumed in our operations. The management of waste also plays a key role in minimizing our environmental footprint. We strive to ensure that our activities are not only economically beneficial but also ecologically responsible, ultimately contributing to the well-being of our planet.

Related Goal	Contribution
<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	Digital insurance towards responsible production and consumption
<div>13 CLIMATE ACTION</div> <div></div>	Contributing to climate action through digitalisation

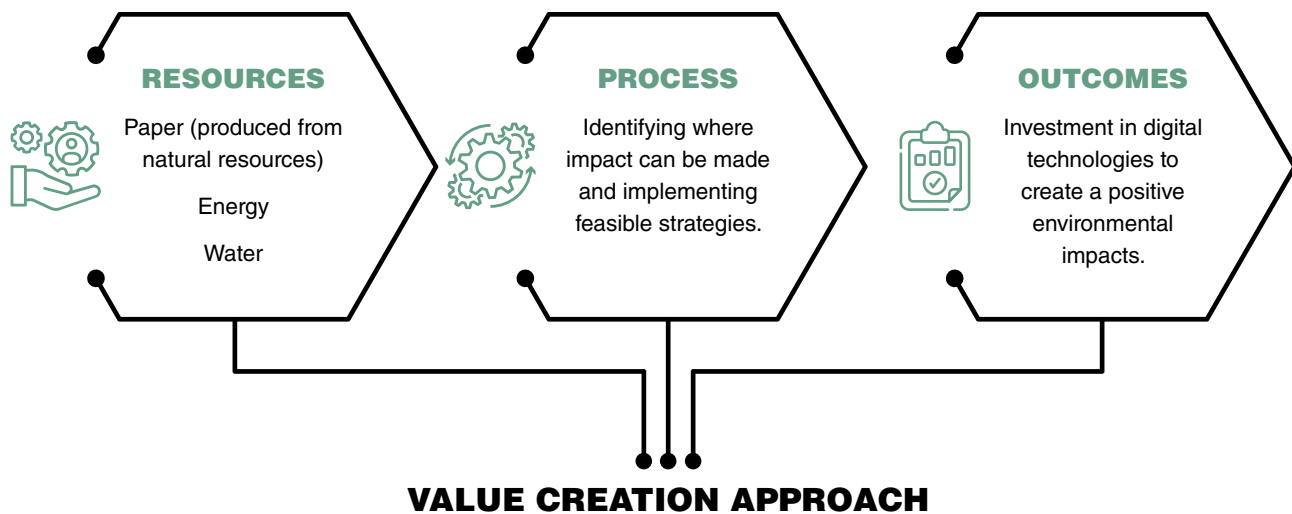
PAPER AND DIGITAL INSURANCE SOLUTIONS

A major area where CGI has made impactful strides is in reducing paper consumption through our digitalization efforts. This initiative plays a pivotal role in reducing waste, lowering operational costs, and creating a more sustainable future.

In 2024, we took a significant step by transitioning to digital insurance policies and certificates. This move brings several environmental benefits:

- ★ **Reduction in Paper and Plastic Use:** By moving away from physical insurance cards on every possible occasion, we reduce both paper and plastic consumption. This is an essential step in cutting down on plastic waste, a major contributor to environmental degradation.

NATURAL CAPITAL



★ **Energy and Carbon Emission Savings:** The shift to digital solutions helps conserve energy and reduces carbon emissions, though the full environmental impact is still being assessed.

★ **Setting an Industry Standard:** By embracing digital insurance technologies, CGI is not only optimizing its operations but also promoting a culture of sustainability within the insurance industry, inspiring a broader shift towards reduced consumption of resources like paper and plastic.

Despite market challenges our large customer base and ongoing investments in technology ensure that we are well-positioned to drive significant long-term change.

Additionally, other digitalisation efforts include:

★ **Digital Claim Approvals:** Moving away from traditional paperwork, CGI has adopted digital claims approvals further reducing paper consumption while also improving efficiency and customer service.

★ **Virtual Meetings:** Reasonable number of meetings are conducted virtually to minimise the need for physical resources, reducing

electricity and water usage while enhancing convenience.

ENERGY MANAGEMENT AND EFFICIENCY

Energy efficiency remains a cornerstone of our sustainability strategy. Recognising the connection between energy use and climate change, CGI has implemented several measures to optimise electricity consumption at both our Head Office and branches, including the use of LED lighting, energy-efficient air conditioning, and ensuring that lights and electronic devices are switched off when not in use. Although tracking the precise impact

across our expansive network remains challenging, these initiatives are a step toward reducing our overall carbon footprint.

WATER CONSERVATION

CGI also takes pride in its investments in water management. As part of our commitment to renewable energy, we operate five mini-hydro projects across Sri Lanka. These projects, which are wholly owned subsidiaries of Ceylinco General Insurance, not only contribute to clean energy production but also play an integral role in supporting water resource management in local communities.





BEACH CLEAN-UP INITIATIVE: A COMMITMENT TO COMMUNITY AND THE ENVIRONMENT

One of our standout environmental initiatives is the Annual Beach Clean-up Project. For the third consecutive year, CGI organised an island-wide beach clean-up covering over 100 kilometres of Sri Lanka's coastline. With the participation of over 1,250 employees, we were able to clear debris, plastic waste, and polythene from beaches, preserving the natural beauty of these areas and preventing further damage to the marine ecosystem.

This project exemplifies our dedication to corporate social responsibility. The collected waste was responsibly segregated and handed over to local municipal councils for proper disposal. This initiative has become a key event in CGI's CSR calendar, highlighting our role in protecting Sri Lanka's coastal environment while raising awareness about marine pollution.



OUTLOOK

STRATEGIC FOCUS ON SUSTAINABILITY

Looking ahead, CGI is committed to further enhancing its environmental sustainability strategy. Our future goals will be focused on continuing to reduce resource consumption, improving waste management, and adopting technologies that further minimize our environmental impact. Data collection and analysis will be critical in tracking and optimizing our resource management practices, and we are taking steps to improve these processes across our entire branch network.

As we move forward, CGI remains committed to being a leader in environmental stewardship, aligning our business strategies with the global push for a more sustainable future. Through collaborative efforts across our team, partners, and stakeholders, we aim to contribute to meaningful environmental change, creating lasting benefits for the planet and the communities we serve.



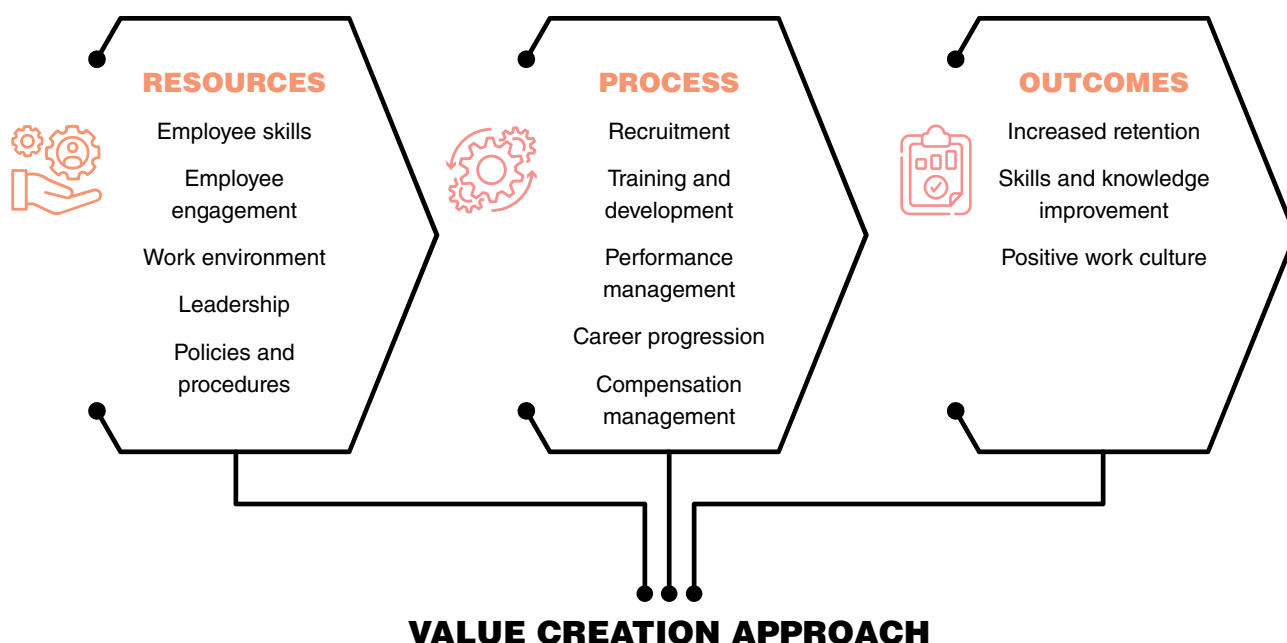
HUMAN CAPITAL

INVESTING IN PEOPLE, DRIVING SUCCESS

At CGI, we place greater value on our human capital, recognising that the collective strengths of our workforce are central to our enduring success. Our employees are our biggest competitive strengths, as their combined years of experience, insights and relationships with our stakeholders are at the heart of how we drive value.

Structured policies and procedures govern our Human Resource Management, under the oversight of the Head of the Human Resource Division. Policies encompass the entire breadth of human resource management aspects, ensuring that each employee receives the right remuneration, training and career growth opportunities.

Related Goal	Contribution
3 GOOD HEALTH AND WELL-BEING 	<i>Implementing employee wellness programs, providing health benefits, and promoting a healthy work-life balance</i>
4 QUALITY EDUCATION 	<i>Offering continuous training and development opportunities</i>
5 GENDER EQUALITY 	<i>Ensuring equal opportunities, fostering diversity and inclusion, and implementing anti-discrimination policies to support workplace gender equality.</i>
8 DECENT WORK AND ECONOMIC GROWTH 	<i>Fair job opportunities, safe conditions, competitive pay, and fostering innovation.</i>
10 REDUCED INEQUALITIES 	<i>Promoting inclusivity, addressing pay gaps, and supporting underrepresented groups.</i>



STRATEGIC IMPORTANCE

- ★ **Talent Acquisition and Retention:** Attracting and keeping top talent to maintain a competitive edge.
- ★ **Employee Development:** Enhancing skills and competencies through continuous training.
- ★ **Performance Management:** Providing fair evaluations and actionable feedback.
- ★ **Employee Engagement:** Promoting trust, dedication, and job satisfaction.
- ★ **Organizational Culture:** Creating a positive work environment.
- ★ **Financial Performance:** Optimizing resources for better financial results.
- ★ **Customer Satisfaction:** Ensuring exceptional service through committed employees.
- ★ **Adaptability and Resilience:** Enabling employees to navigate challenges.

The HRD is responsible for ensuring that employees are provided all necessary channels to present their concerns and those concerns are resolved effectively. The department also ensures adherence with all applicable labour laws and regulations to protect employee rights.

VALUE CREATION

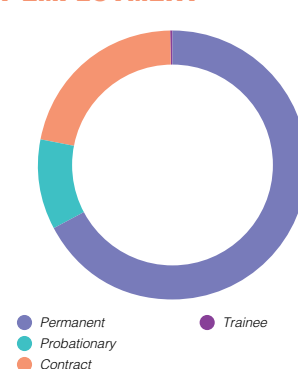
	2024	2023	2022	2021	2020
Revenue per employee	8,830,171	8,924,306	8,567,909	7,025,730	7,093,705

**please note that the above is subject to fluctuations in revenue and changes in the total number of employees, annually.*

THE TEAM

Our team at CGI is a diverse mix of talent, expertise and experiences, with years of industry exposure and technical skills that have defined our success in the market. Our team is one of the industry's most exceptional teams in terms of customer service, innovations and technical insurance aptitudes. In the year under review, there was a reduction in the total team compared to the number in 2023. This is a variance of 32 employees, who have exited the organisation due to various reasons.

CATEGORISATION BY EMPLOYMENT



Related Stakeholders



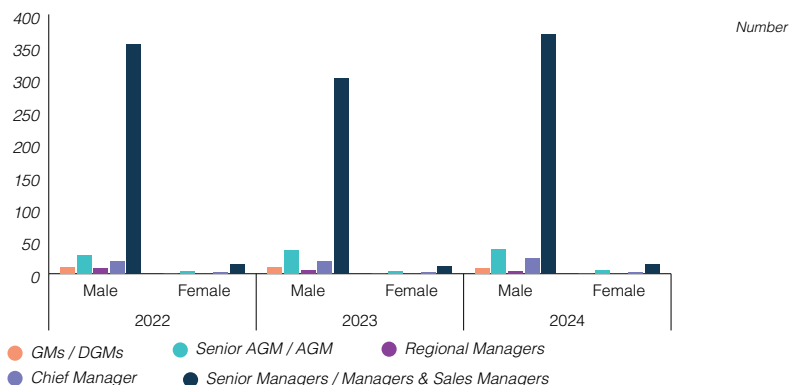
Based on the type of service and employment, 67% of staff represent the permanent carder, followed by 22% of staff employed on a contractual basis. Another 11% work for the company on a probationary basis upon recruitment, and a marginal number work as trainees.

HUMAN CAPITAL

Staff by Employment	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Permanent	1,404	481	1,476	475	1,618	459
Probationary	166	133	165	91	102	86
Contract	370	240	389	225	370	204
Trainee	1	2	3	5	2	1

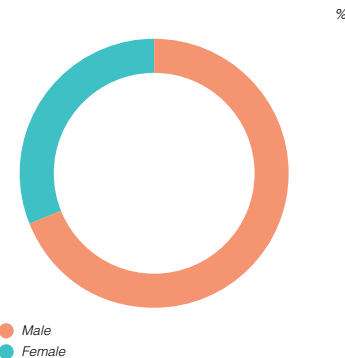
Despite a drop in the overall workforce at CGI, there is a 22.7% increase in senior managers/managers and sales managers. A similar trend can be observed amongst Chief Managers.

STAFF BY JOB CATEGORY



we managed to recruit 489 individuals to the female cadre.

GENDER DISTRIBUTION

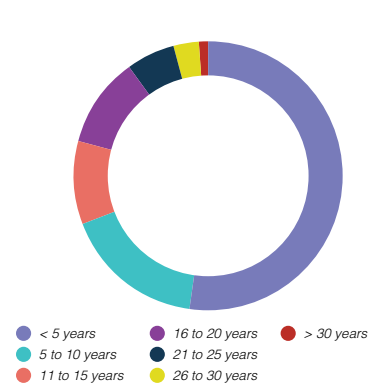


In the year under review, we witnessed a drop in our male staff and a rise in the number of female professionals within the workforce; this is in comparison to the previous few years. Consequently, the female staff representation has increased to 31% from 28% seen in 2023.

Workplace Tenure at CGI	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
< 5 years	889	588	920	516	929	474
5 to 10 years	340	142	344	145	389	147
11 to 15 years	236	40	302	43	324	43
16 to 20 years	267	34	270	37	269	36
21 to 25 years	128	27	118	24	106	24
26 to 30 years	66	16	65	21	64	24
> 30 years	14	7	11	5	9	1

Across our branch network, including our head office, over 53% of staff have worked with the company for less than five years, showcasing a fresh infusion of talent. Another 17% has worked for more than five years but less than a decade. Collectively, 30% have been with the company for more than a decade and 4% for more than 25 years.

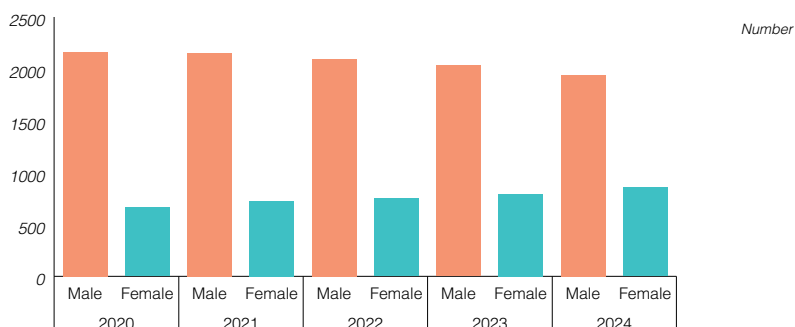
TENURE ANALYSIS



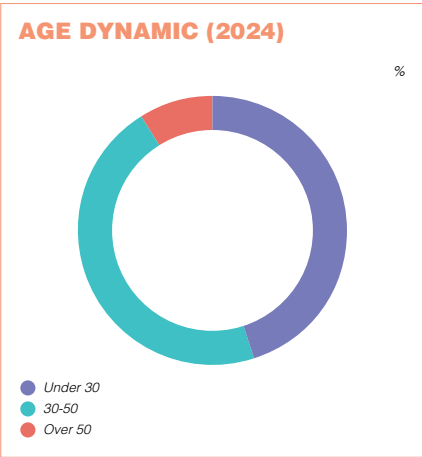
DIVERSITY

During the past year, our workforce consisted of 2,797 (including trainees) employees, including 1,941 men and 856 women. Men make up 69% of our team, while women comprise 31%, resulting in a gender ratio of 1:2.5. Our efforts at increasing the number of female sales force personnel, took a positive turn as

STAFF - GENDER WISE



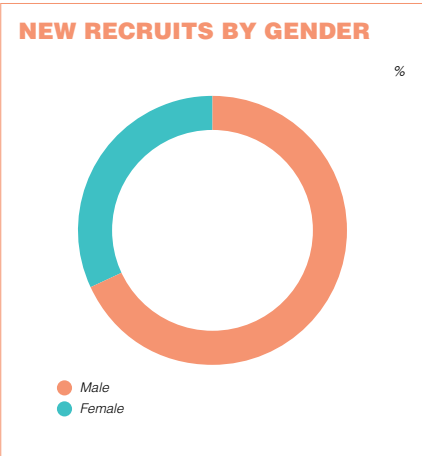
Diversity by age can be seen in the rich mix of various ages across the organisation. CGI has a high concentration of employees between the ages of 30-50, which reaches 46% of the workforce. 45% of staff is under the age of 30 while 9% of employees is above the age of 50 years. During the year, there has been an increase in the number of those under 30 and a corresponding reduction in those between the ages of 30-50 (millennial).



RECRUITMENT

In 2024, a total of 1,536 individuals were recruited as part of the company's annual recruitment drive to fill gaps within the workforce. Amongst this 68% were male while 32% were female recruits.

We effectively utilised a strategic mix of recruitment strategies, to optimise the best possible reach for specific employment categories.



When seeking potential candidates, we use job postings on online platforms, in the press, and on social media to appeal to a wider and diverse audience. Additionally, we approach professional associations and industry groups to tap into their extensive talent pools and networking capabilities. This helps identify and attract qualified candidates with specialised skills relevant to the industry.

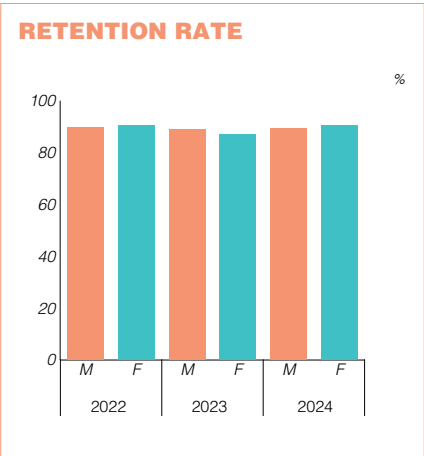
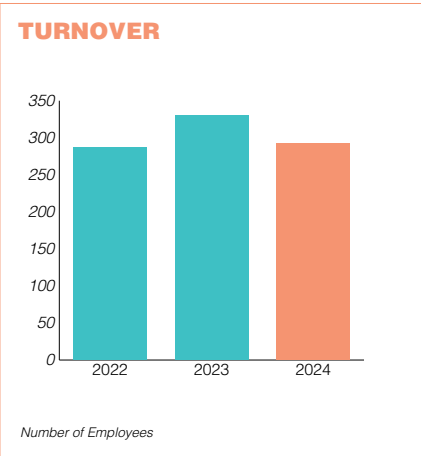
Additionally, participation in job fairs and career expos is another key strategy to engage directly with potential candidates, evaluate their qualifications, and highlight the job opportunities available within the company. Moreover, we seek school leavers with advanced-level qualifications, which enable us to attract young talent.

The following depicts a 6% increase in the number recruited since 2023. More focus was placed in recruiting the right talent as senior executives, executives and junior executives.

	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Chief / Senior Managers	-	1	-	-	-	-
Managers	15		20		13	1
Assistant Managers	27	1	27	2	23	1
Senior Executive / Exec. / Junior Exec.	880	330	849	241	775	301
Clerical	122	157	107	195	61	41
Minor Staff	3	-	8	1	2	-
Total	1,047	489	1,011	439	874	344

TURNOVER

In the period under review, the number of employees who exited the company is less in comparison to the previous year, 2023. 292 employees left the organisation due to various reasons, out of which 211 were male staffers while 81 were female. The reduction is 11% compared to 2023. Among those who have resigned, a larger portion belongs to the 30-50-year age category while there is also a considerable portion of those below the age of 30, who exited the organisation. Nevertheless, these can be attributed to various reasons, including migration, which is an ongoing concern when retaining staff.



HUMAN CAPITAL

Turnover	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Total	211	81	227	103	217	70
Under 30	80	48	85	63	93	48
30-50	123	30	138	36	112	19
over 50	8	3	4	4	12	3

Retention rates show a noticeable improvement in comparison to 2023, with female retention showing an even recognizable improvement in 2024.

RETIREMENT

In the year under review, 29 employees reached their age of retirement. However, as at the end of the financial year, there were 143 employees with extended retirement limits, working with the Company.

	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
No. of employees retired	24	5	21	3	22	4
No. of employees with extended retirement limits	121	22	65	12	46	9

REMUNERATION AND BENEFITS

The best possible way to honour employee contributions and their competencies is to ensure timely remuneration and financial investments in their development and well-being. As one of Sri Lanka's leading insurance sector employers, we have in place a competitive remuneration system designed to reward employees' hard work and performance.

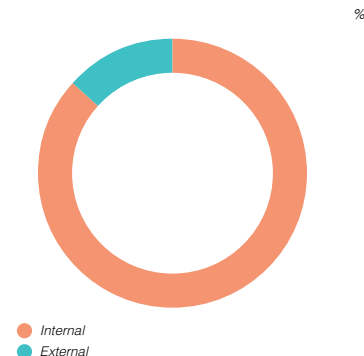
During the year under review, 89% of staff remuneration comprised wages and salaries, including bonuses and incentives. This is followed by other related costs, such as training and development. Additionally, 10% was allocated to EPF and 3% to ETF. Total investments in employees amounted to approximately Rs. 3 Bn. This is a 22% increase in comparison to the previous operational year.

TRAINING AND DEVELOPMENT

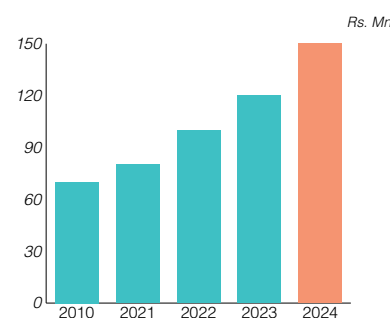
Based on the vast and diverse nature of our workforce, it is essential to maintain a meticulously organised and thoughtfully strategically devised training schedule. Our comprehensive training initiatives encompass a wide array of technical programs and

Program Name	Participants	Audience by Job category
1. Induction Training	1,200	Newly Recruited Employees
2. Management Development Program	25	Senior Managers
3. Management Development Program	40	Middle Level Managers
4. Salesmanship Training	1,350	Sales Staff
5. Technical Training	850	Underwriting Staff
6. Customer Care training	240	Automobile Engineers, Call Centre Staff
7. Personal development Training	200	Non-Sales Staff, Risk, Technical Centre, Nerve Centre Staff

2024 PROGRAMS



TRAINING PROGRAMS



soft skill development sessions, catering to all levels of employees from interns to automobile engineers. Recognising the highly specialised and technical nature of certain roles, we are committed to providing all staff members with the necessary training and continuous knowledge enhancements. This ensures that they perform their duties effectively, aligning with both company and industry standards.



During the year, a total of 130 internal programs and 20 external programs were organised, accommodating 2300 participants. This is an excess of 300 program attendees during the year, and marks 30 additional internal programs in comparison to 2023.

In the past few years, there has been a visibly clear increase in the number of staff training programs, corresponding to the growing training requirements and the need for more updated skills levels, across the organisation.

A variety of training programs were conducted across the year. These ranged from training for fresh batches of hires and technical training for underwriting staff. These training programs were crucial for ensuring that employees at all levels are equipped with the necessary skills and knowledge to perform their roles effectively and contribute to the overall success of the organization.

Number of employees trained (category-wise)	2024	2023
Senior Managers	25	25
Middle Managers	75	40
Underwriters	850	800
Automobile	200	200
Call Centre	38	40
Supporting Staff	140	250
Sales Staff	1,350	1,000

PERFORMANCE MANAGEMENT AND RECOGNITIONS

At CGI, we prioritise rewarding excellence in performance and competencies through a fair and structured approach to employee evaluation. We ensure a balanced and accurate assessment of each employee's achievements, guaranteeing equal opportunity to evaluate their performance and helping to identify areas for growth and improvement.

CAREER ADVANCEMENT

Through the open-door policy, junior staffers receive mentorship from the senior management. This is done to improve the performance of staff with the potential to achieve growth goals. Staff obtain insights and knowledge from seniors that benefit their careers at Ceylinco and their continued existence in the industry.

THE TEN MILLION CIRCLE

The Company has introduced a rewarding scheme called the 'Ten Million Circle,' which classifies sales staff into six segments: Hall of Fame, Gold, Silver, Bronze, Certificate Member, and Member. Each category of employees receives rewards according to their level of merit. For instance, Hall of Fame members are entitled to impressive rewards such as a house, a world tour for their family, and a brand-new car based on their performance.

ANNUAL OVERSEAS TOUR

The annual overseas tour was organised to the great delight of our employees for the 18th consecutive year. A group of over 175 deserving staff members embarked on a journey to Pattaya and Bangkok, Thailand, for a five-day holiday and a half-day brainstorming session held in Bangkok. The staff members were accommodated in luxurious five-star facilities, including a Royal Cruise in Pattaya and Hotel Montien in the heart of Bangkok.



This initiative by the company serves as a token of appreciation for the exceptional contributions made by our staff members and has proven to be a significant motivational factor for both sales and non-sales teams. The opportunity to be a part of this all-expenses-paid overseas holiday has become a coveted experience for every staff member.

CORRUPTION-FREE WORKPLACE

To ensure that there is no room for workplace corruption, we have a 'zero tolerance' policy on fraud and corruption. All our employees are expected to work ethically with transparency while honouring and committing to corporate protocols. They are also responsible for remaining compliant with industry regulations that mandate consumer protection and financial accountability. Whenever such events come to our attention, we commence a thorough and impartial investigation, including an internal audit, before implementing disciplinary actions against the employee.

HUMAN CAPITAL

PROMOTIONS

	2024		2023		2022	
	Male	Female	Male	Female	Male	Female
Total number of Employees promoted	194	54	209	56	289	64
% of Employees promoted	10.0	6.3	10.8	6.5	14.2	8

GRIEVANCE HANDLING

A formal process to manage employee grievances is firmly in place to ensure the swift resolution of staff concerns and issues. Any staff member can confidentially present their concerns through an open-door policy. This policy ensures that employees feel comfortable voicing their issues and suggestions without fear of repercussion.

MERCANTILE FOOTBALL

Our soccer team emerged victorious, becoming the Knockouts 2024 Division 2 Champions, as well as the Runners-up in the League 2024.



MERCANTILE RUGBY

Ceylinco General Insurance emerged as Runners-up of the Mercantile Rugby Sevens Tournament 2024 Shield final after a hard-fought battle.



OUTLOOK

The way forward for employee development remains broadly positive. Our HR Department has laid the necessary plans to support continued employee growth, professional progress and personal development. Investments in training programs for staff to be relevant and on par with demanded skills, career advancement options for better roles within the company and employee well-being through work-life balance are pillars of how we aim to create value for employees. Moreover, recognising and rewarding our most hardworking staff members will continue in full swing through annual and award programs, office felicitations, apart from monetary rewards.

CORPORATE MANAGEMENT TEAM



J.D.S.N. Piyadasa
Chief Financial Officer



C. Kotigalage
Head of Legal



S. Thilakeshwaran
General Manager



S.H. Panangala Liyanage
General Manager



V.D.C. Wickramaratne
General Manager



Senaka Rajapakse
Deputy General Manager (Marketing)



C.E. Wimalasuriya
Deputy General Manager (Technical)



R.S. Arulanandan
Deputy General Manager



K. Sankaramoorthy
Deputy General Manager (Financial Services) (Appointed as an Executive Director w.e.f. 01.01.2025 subject to approval of IRCSL)



S.K. Jayasundara
Senior Assistant General Manager (Miscellaneous Insurance)



H.J.S. Kumara
Senior Assistant General Manager Retired w.e.f. 19.11.2024



R.S. Joseph
Senior Assistant General Manager

CORPORATE MANAGEMENT TEAM



H.A.R. Dharmaratne
*Senior Assistant General Manager
(Information Technology)*



K.J.N. Perera
Senior Assistant General Manager



A.A.U.S.S. Wijeratne
*Senior Assistant General Manager
(Internal Audit)*



S.L.D.C. Sisira
*Senior Assistant General Manager
(Reinsurance)*



L.P.C. Madhavila
*Senior Assistant General Manager
(Legal)*



W.R.S. Fernando
*Senior Assistant General Manager
(Marine Insurance)*



D. Munasinghe
*Assistant General Manager
(Marine Insurance)
Retired w.e.f. 20.06.2024*



Mrs. R.M. Abeywardena
*Assistant General Manager (Legal)
Retired w.e.f. 24.06.2024*



K.S.D. Fernando
*Assistant General Manager
(Risk Management)*



W.P.S. Pemachandra
Assistant General Manager



A.A. Nandana
*Assistant General Manager
(Technical)*



J.M.A.R.P. Jayakody
*Assistant General Manager
(Financial Services - Branches)*

**W.A.M. Susantha***Assistant General Manager (Training)***A.R. Pietersz***Assistant General Manager
(Automobile)***Mrs. Nilika Abhayawardhana***Company Secretary
Assistant General Manager***B.C.P. Kumara***Assistant General Manager (Financial
Services - City)***Mrs. S.H.S.D. Sumanathilaka***Assistant General Manager - Head of
Technical/Compliance***A.K.M. Wickramasinghe***Assistant General Manager (Financial
Services - Head Office)***Mrs. W.P.S. Jayasinghe***Assistant General Manager (Financial
Services - Branches)***B.S.B. Jayasekara***Assistant General Manager
(Automobile)***K.M.C.S. Perera***Assistant General Manager
(Technical)***M.D.R.D. Gunathilaka***Assistant General Manager
(Technical)***V. Nissanka***Assistant General Manager***M.A.L. Ravindra***Assistant General Manager*

CORPORATE MANAGEMENT TEAM



R.B.R. Wijeratne
Assistant General Manager



D.S. Karunaratne
Assistant General Manager



L.A.I.A. Jayasena
Assistant General Manager



V.K. Gunathilaka
Assistant General Manager



L.P.D. Dharmasooriya
Regional Manager



J.S. Rajapaksha
Regional Manager



L.H.M.L. Dayananda
Acting Regional Manager

MANAGEMENT STAFF**CORPORATE SALES****K.K.V.K. Priyasad**

Senior Assistant General
Manager
(Corporate Accounts)

**B.N.T. Rupasinghe**

Senior Assistant General
Manager (Corporate
Accounts)

**W.P.N. De Alwis**

Senior Assistant General
Manager
(Corporate Accounts)

**D.J. Gunewardene**

Senior Assistant General
Manager
(Corporate Accounts)

**L.M.R.S. Lansakara**

Assistant General Manager
(Corporate Accounts)

**W.M.A.C. Sanjana**

Assistant General Manager
(Suwa Sampatha)

**M.A.S. Rupathunga**

Assistant General Manager
(Corporate Accounts)

**U.A.R.S. Udawela**

Assistant General Manager
(Corporate Accounts)

**I.M.N. Jayathilake**

Assistant General Manager
(Corporate Accounts)

**H.C.S. Hemantha**

(Consultant w.e.f. 25.06.2023)

**L.M.M.B. Karaliyadde**

(Consultant w.e.f. 7/03/2019)

**S.A. Priyantha**

Senior Manager
(Corporate Accounts)

**V.S.D. De Mel**

Senior Manager
(Corporate Accounts)

**K. Alikhan**

Senior Manager
(Corporate Accounts)

**B.D.C. Perera**

Senior Manager
(Corporate Accounts)

**M.A.V. Priyadarshana**

Senior Manager
(Corporate Accounts)

**M.D.S.R.L. Jayasekara**

(Consultant w.e.f. 18/12/2022)

**W. George**

(Consultant w.e.f. 13/4/2022)

**N. Hettiarachchi**

Senior Manager
(Corporate Accounts)

**T.M.R.K. Kurukula**

(Consultant w.e.f. 31/12/2018)

MANAGEMENT STAFF

CORPORATE SALES



M.A.S. Priyadarshana
Senior Manager
(Corporate Accounts)



P.C.N. Dias
Senior Manager
(Corporate Accounts)



W.M.C.J. Bandara
Senior Manager
(Corporate Accounts)



T.S.R. Peiris
Senior Manager
(Corporate Accounts)



W.A.M.L. Soloman
Senior Manager
(Corporate Accounts)



B.G.S. Mendis
Senior Manager
(Corporate Accounts)



M.D.J. Thilina
Senior Manager
(Corporate Accounts)



V. Sivakumar
Senior Manager
(Corporate Accounts)



S.A.D.L. Sural
Senior Manager
(Corporate Accounts)



M.C.A. Fernando
Senior Manager
(Corporate Accounts)



J.K.C. Jayawardana
Senior Manager
(Corporate Accounts)



N.P. Wadugodapitiya
(Consultant w.e.f. 26.02.2024)



C.N. Weerasuriya
Manager
(Corporate Accounts)



W.P.G.S.D. De Silva
Manager
(Corporate Accounts)



M.H.M. Rizwan
Senior Manager
(Corporate Accounts)



W.A.C.R. Weerasinge
Senior Manager
(Corporate Accounts)



K.M.S.N. Kumara
Senior Manager
(Corporate Accounts)



R.U. Sampath
Senior Manager
(Corporate Accounts)



H.P.V.U. Mahindaratne
Manager
(Corporate Accounts)



Y.M.N.A.S. Yapa
Manager
(Corporate Accounts)



D.T.N. Kulasekara
Manager
(Corporate Accounts)
(Resigned w.e.f. 29.02.2024)



S.H.N.D. Kumara
Manager
(Corporate Accounts)



A.K.H.M. Somasiri
Manager
(Corporate Accounts)



A.H. Lalith
Manager
(Corporate Accounts)
(Consultant w.e.f. 17/11/2024)



A.M.W.J. Adhikari
Manager
(Corporate Accounts)



D.A.H. Prasad
Manager
(Corporate Accounts)



W.L.D.K. Weerasuriya
Manager
(Corporate Accounts)



T.N.P. Jayarathna
Manager
(Corporate Accounts)



T. Athithan
Manager
(Corporate Sales)

REGIONAL/ AREA SALES MANAGERS



S.K. De Alwis
(Consultant w.e.f. 12/01/2021)



K.P.L.A. Balawardena
Area Sales Manager
(Branches)



P.S.M. Rerukana
Senior Manager
(Corporate Accounts)



H.D. Madugoda
Area Sales Manager
(Branches)
(Resigned w.e.f. 20.01.2025)

MANAGEMENT STAFF

REGIONAL/ AREA SALES MANAGERS



T.A. Nanayakkara
Area Sales Manager
(Branches)



S. Gurusinghe
Area Sales Manager
(Branches)



K.M.R. Ranasinghe
Area Sales Manager
(Branches)



C.S. Mahalekamgedara
Area Sales Manager
(Branches)



P.L.N.C. Sampath
Area Sales Manager
(Branches)



H.K.M. Priyanka
Area Sales Manager
(Branches)



R.P.S.R. Randunu
Area Sales Manager
(Branches)



T.I. Lanthra
Area Sales Manager
(Branches)



N.G.C. Gunarathna
Area Sales Manager
(Branches)



K.C.S. Fernando
Area Sales Manager
(Branches)



S.A.L. Samarasinghe
Area Sales Manager
(Branches)



M.G.A. Jayanath
Area Sales Manager
(Branches)



D.D.S.S. Kumara
Area Sales Manager
(Branches)



M.S. Kosgallana
Area Sales Manager
(Branches)



B.A.S. Priyadarshana
Area Sales Manager
(Branches)



A.D.W.I. Anushan
Area Sales Manager
(Branches)



M.S.R.M Fernando
Area Sales Manager
(Branches)



I.I. Attanayaka
Area Sales Manager
(Branches)

MANAGEMENT STAFF

CHIEF FINANCIAL OFFICER

J.D.S.N. Piyadasa *BSc (Pub. Admin) (Hons), FCA, MBA (Sri J.)*

HEAD OF LEGAL

C.Kotigalage *Attorney-at-Law/ Notary Public Barrister and Solicitor Former Judge of the High Court of Fiji Islands*

GENERAL MANAGERS

S. Thilakeshwaran
S.H. Panangala Liyanage *MBA (UK)*
V.D.C. Wickramaratne *MBA (UK)*

DEPUTY GENERAL MANAGER

(MARKETING)
N.S. Rajapakse *Pg DipM (UK), FCPM, MBA (Wales, UK)*

DEPUTY GENERAL MANAGER

(TECHNICAL)
C.E. Wimalasuriya *ACIC*

DEPUTY GENERAL MANAGER

(VIP CENTRE)
R.S. Arulanandan

DEPUTY GENERAL MANAGER

(Financial Services)
K. Sankaramoorthy *FCA, ACMA, MBA (SriJ.)*
(Appointed as an Executive Director w.e.f 01.01.2025 subject to approval of IRCSL)

SENIOR ASSISTANT GENERAL MANAGER

A.M.D. Alagiyawanna *BA (Econ) (Hons) (Expired on 06/07/2024)*
H.J.S. Kumara *(Retired w.e.f. 19/11/2024)*
R.S. Joseph *Dip. Mkt (UK)*
K.J.N. Perera

SENIOR ASSISTANT GENERAL MANAGER

(MISCELLANEOUS INSURANCE)
S.K. Jayasundara

SENIOR ASSISTANT GENERAL MANAGERS

(CORPORATE ACCOUNTS)
K.K.V.K. Priyasad
B.N.T. Rupasinghe
W.P.N. De Alwis
D.J. Gunewardene *DipM (UK), ACIM (UK), MBA (Aust.)*

SENIOR ASSISTANT GENERAL MANAGER

(INFORMATION TECHNOLOGY)
H.A.R. Dharmaratne *BIT, Dip. Comp. System Design, MBA (USA)*

SENIOR ASSISTANT GENERAL MANAGER

(MARINE INSURANCE)
W.R.S. Fernando

SENIOR ASSISTANT GENERAL MANAGER

(LEGAL)
L.P.C. Madhavila *Attorney-at-Law & Notary Public, Commissioner for Oath*

SENIOR ASSISTANT GENERAL MANAGER

(REINSURANCE)
S.L.D.C. Sisira *B.Com (Hons)*

SENIOR ASSISTANT GENERAL MANAGER

(INTERNAL AUDIT)
A.A.U.S.S. Wijeratne *ACA, ACMA, MBA (Col.)*

ASSISTANT GENERAL MANAGER

(MARINE INSURANCE)
D. Munasinghe *(Retired w.e.f. 20/06/2024)*

ASSISTANT GENERAL MANAGER

(SUWA SAMPATHA)
W.M.A.C. Sanjana

ASSISTANT GENERAL MANAGERS

(LEGAL)
Mrs. H.M. Pethiyagoda *LLB, Attorney-at-Law & Notary Public, Commissioner for Oath*
Mrs. R.M. Abeywardena *Attorney-at-Law & Notary Public (Retired w.e.f. 24/06/2024)*

ASSISTANT GENERAL MANAGER

(RISK MANAGEMENT)
K.S.D. Fernando

ASSISTANT GENERAL MANAGERS

(TECHNICAL)
H.M.T. Herath *BSc (Mkt. Mgt.) (Special), ACII(UK), Dip SLII, LIII (India)*
Chartered Insurer
A.A. Nandana
M.D.R.D. Gunathilaka
K.M.C.S. Perera *Dip.SLII*

ASSISTANT GENERAL MANAGERS

(CORPORATE ACCOUNTS)
L.M.R.S. Lansakara *B.Com (Special)*
U.A.R.S. Udawela
M.A.S. Rupathunga
I.M.N. Jayathilaka *MBA (Sri J.)*

ASSISTANT GENERAL MANAGERS

(FINANCIAL SERVICES - BRANCHES)
J.M.A.R.P. Jayakody *BSc (Busi. Admin) (Special), ACA, MBA (Col.)*
Mrs. W.P.S. Jayasinghe *BSc (Busi. Admin) (Special)*

ASSISTANT GENERAL MANAGER

(FINANCIAL SERVICES- CITY)
B.C.P. Kumara

ASSISTANT GENERAL MANAGER

(FINANCIAL SERVICES- H/O)
A.K.M. Wickramasinghe *BB Mgt (Sp) (Hons)*

ASSISTANT GENERAL MANAGER

(HEAD OF TECHNICAL/ COMPLIANCE)
Mrs. S.H.S.D. Sumanathilake
ACA, ACMA, ACII (UK), MBA(Sri J.) Chartered Insurer

ASSISTANT GENERAL MANAGERS

W.P.S. Pemachandra
M.A.L. Ravindra
V. Nissanka
D.S. Karunaratne
R.B.R. Wijayarathne
V.K. Gunathilaka
L.A.I.A. Jayasena

ASSISTANT GENERAL MANAGERS

(AUTOMOBILE)
A.R. Pietersz *FIAE (SL)*
B.S.B. Jayasekara

ASSISTANT GENERAL MANAGER

(TRAINING)
W.A.M. Susantha *BSc (Busi. Admin) (Special), AMIPM, MSLITAD, MITD (SL), MBA, CMSLIM*

COMPANY SECRETARY/ ASSISTANT GENERAL MANAGER

Mrs. Nilika Abhayawardhana
ACIS (UK) ACCS (SL)

MANAGEMENT STAFF

REGIONAL MANAGERS

L.P.D. Dharmasooriya
J.S. Rajapaksha

ACTING REGIONAL MANAGER

L.H.M.L. Dayananda

CHIEF LEGAL OFFICER

S.T. Lamabadusooriya LLB,
Attorney-at-Law & Notary
Public, Commissioner for Oath,
Regd. Co.Sec.

SENIOR CHIEF RISK ENGINEERS

B.G.N.I.B. Basnayake BSc
(Eng.)
E.M.N. Lasantha BSc (Eng.)
R.K. Wijeyasinghe BSc (Eng.),
AMIE (SL), PG Dip. Elect. Eng.
(SL)

CHIEF RISK ENGINEER

N.S. Weerakoon

CHIEF TECHNICAL MANAGER (UNDERWRITING)

Mrs. N.D.D.J. Serasinghe

CHIEF MANAGER (CLAIMS)

I.M. Karunasena

CHIEF MANAGERS (SOFTWARE DEVELOPMENT)

H.A. Dikkumbura
D.A.L. Manchanayake

CHIEF MANAGER (CUSTOMER CARE)

H.V.C. Dammike

CHIEF MANAGER (COMPANY SECRETARIAL)

Mrs. A.L.D.E.H. De Silva

CHIEF MANAGERS (FINANCIAL SERVICES)

R.M.A. Bandara BSc (Busi.
Admin) (Special)
D.R.N. Damsiri BSc (Busi.
Admin) (Special)
K.L.R.D. Silva
S.L.W.Fernando

CHIEF TECHNICAL MANAGERS

V.A.L.C. De Silva
M.A.G. Perera
A.K.I.K. Ariyaratne ACII (UK),
Dip. SLII, ANZIIF (Snr Assoc)
CIP, Chartered Insurer
P.L. Sumanapala
W.R.N. Dep
Mrs. H.P.R. Dilrukshi

CHIEF TECHNICAL MANAGERS (AUTOMOBILE)

R.B.W.A.M.D.B. Rajaguru
C.J. Amarakoon
K.P.U.D. Gunasekara
A.I. Gunawardana

CHIEF TECHNICAL MANAGER (IMPLEMENTATION)

M.H.M. Sajeendra

CHIEF TECHNICAL MANAGER (DATA CENTER OPERATION)

D.A.T. Dissanayaka MscIT

SENIOR MANAGERS (CORPORATE ACCOUNTS)

K. Alikhan
W.M.C.J. Bandara (MBA)
(Cardiff M.)
M.C.A. Fernando
P.C.N. Dias
V.S.D. De Mel
W. George (Consultant w.e.f.
13/04/2022)
H.C.S. Hemantha (Consultant
w.e.f. 25/06/2023)
N. Hettiarachchi
M.D.S.R.L. Jayasekara
(Consultant w.e.f. 18/12/2022)
J.K.C. Jayawardana
L.M.M.B. Karaliyadde

(Consultant w.e.f. 7/03/2019)

B.G.S. Mendis
B.D.C. Perera
M.A.S. Priyadarshana
M.A.V. Priyadarshana
S.A. Priyantha
T.M.R.K. Kurukula (Consultant
w.e.f. 31/12/2018)
T.S.R. Peiris
S.A.D.L. Sural MBA(Wales), Pg.
Dip Mkt (UK),MCIM
V. Sivakumar
W.A.M.L. Soloman
M.D.J. Thilina MBA (Cardiff.M.)
P.S.M. Rerukana
M.H.M.Rizwan
W.A.C.R. Weerasinghe
K.M.S.N. Kumara
R.U. Sampath

SENIOR LEGAL OFFICER

Mrs. D.R. Wickramasinghe
Attorney-at-Law & Notary
Public, Commissioner for Oath

SENIOR RISK ENGINEERS

H.D.J.K. Perera BSc
H.M.L.R. Jayasundara
S. Jeganesan
K.Hajananan

SENIOR MANAGER (INTERNAL AUDIT)

J.A.Handaragama

SENIOR MANAGERS (FINANCIAL SERVICES)

H.L.N.C. Nanayakkara
J.S. Liyanarachchi
W.A. Soysa
I.A.S.P. Fernando
S.M.A. Ranith
R.R.P. Bandara
S.H.M. Chandrasiri
M.P.C. Costa
L.P.S. Pemakumara
D.R.D. Siriwansha

SENIOR TECHNICAL MANAGERS (UNDERWRITING)

Mrs. M.W.S.N. Mangalie
G.E.S. Roshan
E.M.J.S. Ekanayake
A.S. Ranasinghe
Mrs. W.M.C. Saman Kumari

SENIOR TECHNICAL MANAGERS (AUTOMOBILE)

H.A.K. Hemantha
H.C. Heenatigala
R.G.C. Priyankara
M.S.V. Perera

SENIOR MANAGERS (TECHNICAL)

R.P.I.P.T. Amarasekara
P.G.S. Chandrasiri
M.R.K. Makalandawa
N.G.P. Sampath

SENIOR MANAGER - TECHNICAL (CROP AND LIVE STOCK INSURANCE)

D.D.N.T. Dematagoda B.sc
(Agri) Dip.in Agri.MCPM

SENIOR MANAGER (AUTOMOBILE)

K.M.I. Rajawatta

SENIOR TECHNICAL MANAGERS (CLAIMS)

Mrs. T.K.K. Ratnayake (Retired
w.e.f. 24/12/2024)
Mrs. I.D. Samaranyake

SENIOR MANAGER (APPLICATIONS)

W.M.S.R. Seneviratne

SENIOR MANAGER (CUSTOMER CARE)

M.S.S.S. Hassim

SENIOR MANAGER
(INFORMATION TECHNOLOGY
(OPERATIONS))
P.O.N. Perera

SENIOR APPLICATIONS ENGINEER
J.N.P. Wijerathna

SENIOR DATA CENTRE OPERATIONS ENGINEER
W.W.A.D.S. Sanjaya

SENIOR MANAGER (MARINE SURVEY)
W.M.U. Shantha

DIGITAL MARKETING SPECIALIST
B.K.G. Harshana *B.B. Mgt. (Honors) in Marketing, AMSLIM (SLIM), PDDM (APIDM)*

MANAGER (MARINE SURVEY)
M.S.V.M. Sirimewan

MANAGERS (FINANCIAL SERVICES)
S.S.T. Pinnagasipitiya
S. Rambukwella (*Retired w.e.f. 05/03/2024*)
Mrs. R.H.P.R. Silva (*Retired w.e.f. 14/11/2024*)
G.D.R. Siriwardena (*Retired w.e.f. 17.09.2024*)
R.H.H. Priyankara
S.L.B. Girihagama
H.G.N.S. Gunathilaka
S.C. Mohotti

MANAGERS (INTERNAL AUDIT)
J.D.V. Malan
R. Munasinghe (*Retired 27/04/2024*)
S.P.P. Sarath Kumara
S.A.P. Pradeep
S.R. Karunathilake

TECHNICAL MANAGERS (AUTOMOBILE)
E.M.P.B. Ekanayake
B.I. Moses
W.A.C. Wijesinghe
M.C. Manathunga

TECHNICAL MANAGERS (UNDERWRITING)
Mrs. S.N. Wijesooriya
Mrs. G.P.A. Perera

MANAGERS (TECHNICAL)
H.C.L. Kotigala
B.K.M.T. Rodrigo
G.D.S.D. Thilakarathne (*Resigned w.e.f. 31/08/2024*)
W.V.M.N. Udayarathna
P.S.R. Fernando (*Resigned w.e.f. 13/15/2024*)
M.Z.M. Muzammil
Mrs. K.H.M. Shamendri
R.J. Rozairo
M.R.S. Cooray
Miss. K.K.T. Wickramasinghe
M.S.S. Perera
Mrs. T.K.L.N. Perera
Mrs. K.S.S.K. Peiris
T.S.N. Wijesinghe
Mrs. G.S. Subodanie
T.S.S. Peiris

AREA AUTOMOBILE ENGINEERS
M.E.V. Fernando
W.C.C.L. Kumara
K.M.P.G.U.B. Bandara
H.M.I. Pathmasiri
W.M.K. Wickramaraja

MANAGERS (CUSTOMER CARE)
M.N. Bawa
R.J. Baptiste
P.H. Gallassage
G.S.S. Botheju

SENIOR SOFTWARE ENGINEER
L.R.I.D. Bandara

MANAGER (PROPAGANDA)
W.D.P. Sanjeewa

MANAGERS (CLAIMS)
P.A.J.P. Jayawardena
A.W.G.C.S. Wijethunga

RISK ENGINEERS
R.M.V. Chathuranga
D.M.S.A. Dassanayake
N.L.D.J. Nanayakkara
W.A.P.D. Wickramasinghe
N.D.R. Hemakumara
W.A.J.M. Weerasekara
P.R.H. Karunathilaka
P.M.D. Senevirathna (*Resigned w.e.f. 09/09/2024*)
M.S.M. Razeen (*Resigned w.e.f. 26/03/2024*)
W.M.A.W. Wickramanayake
H.P.M.A.P. Jayasundara
W.D.T. Alwis (*Resigned w.e.f. 22/04/2024*)
S.N.W. Gunarathna
S.R.J. Senaratna
A.K.B.J. Aththanagoda
D.G.G.V. Udayakumara
K.S. Kumarasiri
H.B. Abeywickrama
R.N.K. Kudagama
A.M.D.D. Alagiyawanna

SENIOR CHIEF CLAIMS ADJUSTORS/ ACCOUNTANTS
C.M. Gunawardana
H.R. Kumarasiri

CHIEF CLAIMS ADJUSTORS / ACCOUNTANTS
L.P.R. De Silva
D.M.A. Gunasekara
A.A.D.P. Dias

CHIEF CLAIMS ADJUSTOR
R.A.A. Prasad

REGIONAL SALES MANAGER (BRANCHES)
S.K. De Alwis (*Consultant w.e.f. 12/01/2021*)

AREA SALES MANAGERS (BRANCHES)
K.P.L.A. Balawardena
S. Gurusinghe
H.D. Madugoda (*Resigned w.e.f. 20/01/2025*)
C.S. Mahalekamgedara
T.A. Nanayakkara
H.K.M. Priyanka
P.L.N.C. Sampath
K.M.R. Ranasinghe
R.P.S.R. Randunu
T.I. Lanthra
N.G.C. Gunarathna
K.C.S. Fernando
S.A.L. Samarasinghe
M.G.A. Jayanath
D.D.S.S. Kumara
M.S. Kosgallana
B.A.S. Priyadarshana
A.D.W.I. Anushan
M.S.R.M. Fernando
I.I. Attanayaka

SENIOR SALES MANAGERS (CITY)
K.T.G.N. De Silva
Miss. K.A.D. De Silva
L.A.S. Edirisinghe (*Consultant w.e.f. 16/11/2019*)
W.W.M.A.B.P. Fernando
V.P.S. Jayamanna
P.A.L. Kumara (*Consultant w.e.f. 13/07/2020*)
K.D.D. Kumara
U.I. Kodagoda
S.I. Liyanage
H.R.T. Perera
N.K.P.R.C. Perera
R.V.N.S. Rajapaksha
K.S. Sanjeewa
S.U. Thalakumbura
R.T.D.W. Tilakarathne (*Consultant w.e.f. 26/02/2021*)
W.M.J. Weerasekara
K.D.K. Wijenayake
S.N.D.M.K.M. De Silva

MANAGEMENT STAFF

W.K.N.P. Chandrasiri (*Resigned w.e.f. 21/07/2024*)
D.C. Jayawardana
A.M.P. Perera

SENIOR SALES MANAGERS (BRANCHES)

H.M.T. Hemantha
R.K.M.A.P. Jayasundara
P.P.B.W. Jayalath
M.H.M.S. Jayarathna
M.G.S. Kumara
T.A.B. Peiris
W. Sanjaya
N.M. Uduweralla
I.M. Kalansuriya
B.A. Perera
V.G.D.S. Priyadarshana
H.M. Pushpakumara
R.T. Ranatunga
G.H.U. Roshan
A.M.C. Abeysingha
D.G.P.N. Wimalarathne
N.N.R. Diunugala
H.M.S.B. Herath
M.S.S. Rodrigo
W.P.T. Udegama
Mrs. S.M.P.F. Warnakulasuriya
R.S. Kaluarachchi
T.A.S.C. Kumara
S.T. Somatilake

MANAGERS (CORPORATE ACCOUNTS)

W.P.G.S.D. De Silva
C.N. Weerasuriya
Y.M.N.A.S. Yapa
H.P.V.U. Mahindrathna
D.T.N. Kulasekara (*Resigned w.e.f. 29/02/2024*)
A.K.H.M. Somasiri
A.H. Lalith (*Consultant w.e.f. 17/11/2024*)
A.M.W.J. Adikari
W.L.D.K. Weerasuriya
T.N.P. Jayarathna
S.H.N.D. Kumara
D.A.H. Prasad

**MANAGER
(CORPORATE SALES)**
N.P. Wadugodapitiya
(*Consultant w.e.f. 26/02/2024*)

CORPORATE SALES MANAGER

T. Athithan

SALES MANAGERS (CITY)

H.G.N.L. Ariyaratne
J.D.C. De Alwis
H.M.E.G.P.R. Egodage
W.M.A.M. Fernando
M.R.M. Ruzaik
B.A.C.S. Sarathchandra
N.J. Thavachchelvam
M.R.L. Piyasiri
P.K.K.G. Perera
W.D.D.L. Weerasinghe
G.G.N.J. Gamage
B.P. Jayawardana
W.M.A.M. Fernando
M.K.Dinesh
H.K.R. Senevirathne

SALES MANAGERS (BRANCHES)

K.M.K.M.K. Abeyrathna
W.P.A.M. Asanka
S.R.D.D. Abeykoon
A.H.M.W.B. Agalakotuwa
E.M.C. Bandara
K.M.C.K. Balawardana
Y.M.A.H. Bandara
P.M.G. Chanaka
R.D.T. Dassanayake
D.M.M. Deshapriya
D.G.A. De Silva
D.K. Dahanayake
M.C. Dhammika
W.M.D.C.B. Dissanayake
D.M.R.N.U.B. Dissanayake
H.G.S.De A. Abesiriwardena
P.V.S.P. Vimukthi
A.S.J. De Alwis
M.B.I.N. Fernando
W.M.S.S. Fernando
W.D.R.S. Fernando
K.W.L.P. Fonseka
B.H.F.A.M. Fernando
M.M. Fernando
J.M.R.K.D. Galgamuwa
S.K.K. Gunarathna
Y.W.S.M. Jayarathna
S.P. Jagathsiri (*Consultant w.e.f. 01/03/2024*)
P.H.M.C. Jayalath (*Consultant w.e.f. 01/03/2024*)
J.M.D.C.P. Jayamanna
D.T. Jayathilaka

W.S.A. Kumarasiri
M.R. Kannangara
H.R. Kumara
K.W.T. Kellapatha
K.G.C.P.K. Kumara
N.S.G. Kumara
S.J. Liyanage
P.D.C. Lakchan
M.D.K.G. Munasinghe
R.P. Marasinghe
I.G.K.M. Mudannayake
K.P.C.K. Namarathna
S. Navaneethan
K.A.S. Piyasena
M.W.S.S. Piyarathna
P.K.A.K. Priyadharshana
S.M. Pradeeparathna
H.A.M.A. Perera
M.L.S. Premathilaka
H.I. Prasanga
S.M.J.N. Perera
G.A.M. Pereira
K.D.U.K. Perera
N.J. Rajapakshe
L.R. Rathnasiri
M.R. Raffel (*Resigned w. e f. 25/01/2025*)
D.M.S.R. Rathnayake
H.A.G. Sathyajith
S.A.M.A.N.C. Senanayake
W.R. Suresh
S.A. Sanjeewa
A.D.S.U.K. Samaratunga
K.J.M.S. Silva
Y.G.A.U. Sathyajith
S. Thavakkumar
S.D. Thotawattage
T.M.G.B. Telwadana
T.G.A.N. Thalawatta
W.M.D.C.C.D. Wijayarathne
W.M.T.K. Wijemanna
T.A.S.P. Wimalaweera
S.P. Welikada
W.G.S.E. Wemulla
T.S. Wickramasinghe
A.S. Wijethunga
L.K. Wattededara
D.G.D.S. Yapa
H.B.M. Dhanendra
W.A.W. Perera
H.S. Somathilaka
Y.V. Bulathsinghala
T. Nitharshan
A.G.D.D. Rajapaksha
R.A.C. Kularathna
N.W.P.U. Deshapriya
M.M.P.S.D. Weeraratna

J.A.C.P. Kumara
I.A.B. Herath
M.R. Salgado (*Resigned w.e.f. 13/09/2024*)
S.K. Jayasekara
A.A.J.C. Dias
A.C. Barthelot
A. Alexander
M.D.P.S. Karunarathna
D.L.A.A. Niranjana
P.S.S.N. Premachandra
J.A.R. Perera
W.M.N.K. Wanninayka
G.K.R.C. Dharmarathna
W.A.R.Fernando
T.D. Kumarage
I.L.M. Fernando
E.E.A. De Silva (*Resigned w.e.f. 13/06/2024*)
M.M.P. Shayamal
M.H. Dehimadugedara
K.P.P.N. Dharmaratna
S.A.C. Udayanga
U. Matara Arachchi
B.C. De Silva
L.D.H. Kodikara
L.A.K. Sirilal
B.H.U.I. Bopagoda

BRANCH MANAGERS

D.P. Amarasinghe
D.M.R.N. Dissanayake
D.P.R. Gunasiri
P.V. Kumara
M.T.N.A. Kumara
W.M.R.B. Naranpanawa
L.T.P. Perera
P.S.S. Peiris
C. Pratheepan
N.C. Samarawickrama
C.H. Vitharana *MBA (UK)*
W.M.R.B. Wijekoon
D.J.K. Dadigamuwa
C.P. Abeysekara
B.P.K.D. Pathirana
C.S.K. Wickramanayaka
L.H.R.C. Chandrasiri
R. Ingaran
M.A.D. Nishantha
K.A.H.K. Sirisoma
N.Suranga (*Resigned w. e f. 31/01/2024*)
B.M.D.C.L. Ranasingha
D.G.R. Saliya
D.R.S. Wijeyakulasuriya
E.G.Sirimal
C.I. Abenayaka

GOVERNANCE

Governance at Ceylinco General Insurance is a masterclass in teamwork. Where agility, coordination, and trust become non-negotiable. Just as volleyball players anticipate each move, the Company ensures seamless synergy between leadership, employees, and stakeholders. Communication is key, and every decision is executed with precision, ensuring a strong defence against risks and a powerful mode in seizing opportunities. Through collective strength and shared vision, Ceylinco General Insurance continues to set the standard for industry excellence.



ENTERPRISE RISK MANAGEMENT

Being an Insurance Company, Risk management is inbuilt into the business operations of the Company. The Company's established framework and processes ensure the continuous management of the risks.

In managing the risks, the following table indicates various categories of Risks, the policy on managing the same and Continuous improvement strategies.

Risk	Management Policy	Continuous improvement strategy
Insurance Underwriting Risk	Considering that insurance underwriting risks follow the Law of Large Numbers, the Company shall analyze the characteristics of its risk, set appropriate premium rate, set up retention policy, secure reserves for losses due to changes in such as socio-economic environment or natural catastrophe, and establish a stable and sound insurance-underwriting and claim-payment framework for the future.	Identification of high-risk locations/vehicles, process improvements, regular training to staff, IT system improvements, Detailed analysis of businesses, improving on excesses, exclusions
Asset Management Risk	Considering that holding assets are reserves for paying insurance claims to policyholders, etc., the Company shall maintain sufficient assets, which have appropriate characteristics to perform future obligations from liabilities, analyzing the characteristics and risk of the assets and liabilities, and establish a system that ensures soundness and stability of the assets.	Compliance with investment guidelines, assessment of sufficient assets regularly, especially during challenging times, making timely decisions, diversifying the portfolio, shift strategies to suit the economic environment
Liquidity Risk	The Company shall prevent a lack of funds required for day-to-day operations and establish a framework for efficiently procuring funds for paying back a large amount, such as claims and refunds resulting from major earthquakes, etc., and analyze the characteristics of its risk.	Strict compliance with Regulatory requirements, Forecasting/Monitoring of cash flows, business unit wise with higher supervision, arranging facilities/mechanisms to ensure liquidity, make timely decisions
Operational Risk	The Company shall establish a framework to ensure appropriate operations by the sub-categories below based on its management policies and sufficient analysis of the characteristics of its risk.	Continuous review to improve the strategies in risk categories
Clerical/ Administrative Risk	By recognising that administrative errors, accidents or misconduct could occur in any operations, the Company shall establish a framework for preventing these.	Procedures/controls through manuals and updates, Detailed internal audit activities, Training, supervisory controls
Planning and Development Risk	The Company shall establish a framework for recognizing risks and hindrances that is inherent to the outcome of the business strategy, sales program, and planning tangible risk control measures.	Revisit outcomes of strategies and make improvements in planning activities, Aggressive monitoring of plans and make corrections regularly, Investment committee guidance
Information Asset Risk (Security Policy)	The Company shall ensure confidentiality (protection against unauthorized access), integrity (maintaining in perfect condition) and availability (anytime accessibility) of information and a system for processing and managing "information assets". (Security Policy)	Regular updates/development of systems, training staff timely, improve on disaster recovery plans
Legal Risk	The Company shall acknowledge the fact that there are possibilities to unexpected legal liability, therefore, establish a legal checking system.	Timely addressing the issues by involvement of relevant senior management, analyse any unexpected legal claims experiences and implement systems to recognise such claims, make use of sufficient/relevant legal expertise timely

Risk	Management Policy	Continuous improvement strategy
Accident/ Disaster Risk	The Company shall establish procedures for preventing and taking appropriate countermeasures against accidents and disasters.	Revisit disaster management strategies, Continuously update on possible risks and allocate sufficient resources to prevent risks
Human Resource Risk	The Company shall acknowledge the fact that unfair and unjust treatment and discriminatory practices may cause obligations to pay reparations, therefore, establish procedures for preventing and taking appropriate countermeasures.	Ensure a culture of fair treatment is followed by regular audits, Comply with new legal requirements/ established procedures, Timely inquiry and decisions
Reputational Risk	The Company shall establish procedures for preventing and taking appropriate countermeasures against reputational risk.	Regular communication of offerings of services, Ensuring customer promises are honoured always, Timely actions on incidents which could impact reputation.
Outsourcing Risk	The Company shall establish a framework for the management of outsourcing in order to secure soundness in business, to operate outsourced business appropriately, to be compliant and to protect customers.	Audits on outsourced activities are carried out; Guidelines are available to ensure consistency.
Political Risk	The Company shall establish procedures for preventing and taking appropriate measures against Political risk.	Understanding of the environment and making the necessary plans
Regulatory Risk	The Company shall establish procedures to reduce the impact of Regulatory Risk.	Internal discussion of regulatory requirements/ changes is carried out, Audit check on compliance, Importance of regulatory requirements is communicated frequently

- During the year 2024, the Company had to make strategies and overcome various challenges in carrying out business operations. Some of the strategies implemented to face risks are given below;

Credit risk - Businesses continued to face difficulties in making premium settlements on time even though the economy is recovering from 2023 levels.

By continuous follow-up while maintaining good relationships, the collections were managed.

Investment income drop - Due to macro-economic improvements, interest rates reduced significantly. Further, exchange rate appreciation had a significant impact on dollar assets.

Shifting of an investment portfolio and focused monitoring of rates has reduced the amount of negative impact.

Continuous Ban of Vehicle imports

- Motor business competition has been very high due to no import of vehicles for the last 5 years. With maintenance of relationships and product innovation/value additions, business has been acquired and maintained.

- The ESG (Environment, Social and Governance) committee continue to focus on ESG aspects in order to achieve Sustainable Development Goals in the long run.

ESG Management Committee regularly monitors set goals for Medium-Term Sustainability.

The Company has processes in place to measure set quantified targets with respect to Paper usage, Fuel consumption for vehicles, Electricity usage from renewable energy sources and Plastic card utilisation to achieve by 2030. The progress in achieving targets will be evaluated and monitored quarterly.

In response to Climate Change:

- We do not provide insurance for, nor make investments in new coal-fired power plants.
- With new risk solutions, we support our customers to establish and roll out innovative technologies for a decarbonized society, including things like next-generation energy, such as renewables and hydrogen.

In respect of SDGs, please refer page 14.

CORPORATE GOVERNANCE AND INTERNAL CONTROLS

CORPORATE GOVERNANCE

The global risk landscape continues to become more complex and unpredictable. But we at Ceylinco General Insurance Limited, excel at managing risks during periods of volatility. Our customers will look to us to protect and guide them through these uncertain times. Further, our sound corporate governance frameworks, combined with better decision-making, will ensure we remain a beacon of stability.

The Board of Directors of the Company remains unwavering in its commitment towards upholding robust corporate governance practices whilst advancing the Company's strategic objectives to adopt enduring shareholder value and sustainable progress. The Board affirms that the Company is compliant with the requirements stipulated in the Code, the Rules on Corporate Governance contained in the Listing Rules of the CSE, and the requirements stipulated in the Companies Act, No. 7 of 2007. The Company's Corporate Governance system is subject to ongoing review, assessment and improvement periodically to ensure that the internal governance procedures meet the high standards and deliver current and appropriate information about the Company's financial performance.

Ceylinco General Insurance Limited strongly believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company in a transparent manner and help in maximizing value for all the stakeholders and the society. Good Corporate Governance attempts to help build an environment of trust and confidence among all the people and enable the Company to perform efficiently and ethically towards the long-term wealth and value creation for all its stakeholders. The Company strives to uphold the principles and procedures of Corporate Governance to ensure transparency, integrity and accountability in its operations, which are vital to achieving targets in the long run.

The Company operates under a precisely structured framework of compliance. It comprehensively adheres to the regulatory guidelines given by the Insurance Regulatory Commission of Sri Lanka (IRCSL), and other relevant regulatory authorities. The list of policies together with details with regard to the corporate governance under section 9.2.1 of Listing Rules of the CSE are readily available on the Company's website. This exhibits the Company's commitment towards financial stability, product reliability, and fair play in the insurance industry.

Throughout the Governance process in the Company, the Board along with its sub committees discharge its fiduciary responsibilities towards all its stakeholders by ensuring transparency, answerability, objectivity and independence in its decision making. It helps to adopt sound and prudent principles and practices for the governance of the activities of the Company. The Board is dedicated to meeting stakeholders' expectations and strives hard to accomplish them. This dedication will support for shaping the long-term vision managing and defending the risks of the Company to facilitate towards the success within the regulatory frameworks while balancing stakeholder interests.

This report explains the status of compliance of the Company with the Corporate Governance Framework issued under Direction of the Insurance Regulatory Commission Sri Lanka. It also provides the status of compliance of the Company with other various laws and regulations applicable to the Company. It provides a synopsis of the functions of the various committees established for the purpose of good governance.

BOARD OF DIRECTORS

The Board is held responsible under regulations for the strategic direction and management of the Company, it typically assigns the authority to the Chief Executive Officer (CEO) and the Senior Management to carry out day-to-day

operations of the Company. Once the Board has delegated broad authority, its prime responsibility is to oversee management's performance and ensure compliance with the wide-ranging policies and established governance standards.

The Board is dedicated to and considers it a key priority to act in a responsible manner towards its stakeholders and to manage economic, environmental and social impacts through value creation activities, efficiently and effectively. The Board of Directors of the Company is responsible for setting the financial and operational policies, reviewing and approving the strategic plans and annual budgets and to ensure that the other affairs of the Company are carried out to the highest ethical standards, complying with the regulatory and legal requirements, in the best interests of all the stakeholders of the Company.

The Board of Directors works proactively to strengthen and improve governance policies and practices in line with the latest regulatory requirements applicable to the insurance industry as well as best practices for good corporate governance.

COMPOSITION OF THE BOARD

The Company policy is to continue a healthy balance between the Executive Directors (ED) and Non- Executive Directors (NED) and Independent Non-Executive Directors (IND), in keeping with the applicable rules and codes, with the Executive Directors bringing in deep knowledge of the business and the NED/INDs bringing in experience, objectivity and independent oversight.

As of 31st December 2024, the Board comprised sixteen Directors of whom five are Executive Directors, nine are Independent Non-Executive Directors and two are Non-Executive Directors, one Executive Director being the Chairman of the Board. A brief profile of the members of the Board of Directors is given on pages 24 to 32.

As per the Listing Rule 9.8.3 (ix) of the CSE, Mr. S.A.W. Senaka Silva was appointed as Non-Executive Director w.e.f. 01.01.2025 due to being over 70 years of age. Since Chairman, Dr. W.C.J. Alwis has retired from the Board on 31.12.2024, Mr. Prasad Kariyawasam was appointed as the Non – Executive Chairman of the Company w.e.f. 01.01.2025. Due to the retirement of Dr. W.C.J. Alwis, Mr. K. Sankaramoorthy was appointed to the Board as Executive Director w.e.f. 01.01.2025 subject to approval of IRCSL.

DIVISION OF THE RESPONSIBILITIES BETWEEN THE CHAIRMAN AND CEO

Ceylinco General Insurance Limited leadership model adopts a clear division of roles and responsibilities ensuring that none of the Directors have unfettered powers in the Board decision-making process. Key roles of Chairman and CEO are separated for, strengthening the Board's effectiveness and ensuring objective decision making in the discharge of duties.

Dr. W.C.J. Alwis, Executive Director served as the Executive Chairman of the Company. The Chairman lead and managed the business of the Board to provide direction and focus, while ensuring that there is a clear structure for the effective operation of the Board and its Sub Committees. He established the agenda for Board discussions to promote effective and constructive debate and to support a sound decision-making process, ensuring that the Board receives accurate, timely and clear information about the Company's performance.

Mr. R.A. Gunathilake, Chief Executive Officer, is responsible for the operation and day-to-day management of the Company in line with the direction of the Board and committees set up by the Board. He leads the executive team, while execution of the Company's strategic and operating plans in consultation with the members of the Board.

Going forward with good governance and Listing Rule 9.6.1 of the CSE, Mr. Prasad Kariyawasam was appointed as the Non-Executive Chairman of the Company w.e.f. 01.01.2025. He is responsible for chairing and managing the operations of the Board while ensuring effective participation of all Directors. The Chairman oversees the setting of the agenda of Board Meetings in consultation with the CEO to ensure that there is sufficient information and time to address all agenda items and promotes open discussions by all Directors at Board Meetings.

The executive responsibility for the functioning of the Company's business including implementation of strategies approved by the Board and developing and recommending to the Board the business plans and budgets that support the Company's strategy has been entrusted to the CEO Mr. R.A. Gunathilake which remain unchanged.

BOARD APPOINTMENTS

Board appointments follow a structured and formal process within the purview of the Nominations and Governance Committee of the Company. The Nominations and Governance Committee has the overall responsibility for making recommendations to the Board on all new appointments or re-election and for ensuring that the Board has the appropriate balance of skills. The Board considers the recommendations of the Nominations and Governance Committee for appointment or re-election by the Board, which were sanctioned by the shareholders at the Annual General Meeting.

The Company obtains prior approval from Insurance Regulatory Commission of Sri Lanka (IRC SL), when appointing new Directors to the Board.

BOARD PERFORMANCE EVALUATION

The Company established a formal procedure for the evaluation of Board performance. All Directors dedicate

adequate time and effort to the affairs of the Company. Further, the Board ensures the contributions of all Directors are made to achieve the corporate objectives. The assessment process involves,

- ★ Self-Assessments are carried out by each Board member.
- ★ Assessments are recorded and handed over to the Nominations and Governance Committee by the Company Secretary.
- ★ The Nominations and Governance Committee analyses the recorded information and recommends to the Board the proposals required to enhance Board effectiveness.

BOARD MEETINGS AND ATTENDANCE

During the financial year under review, there were six (06) pre-scheduled Board meetings held. In addition to the Board meetings, the Board of Directors communicate, as appropriate, when issues of strategic importance requiring extensive discussions arise. The Directors were provided with necessary information, well in advance, by way of Board papers and proposals, as relevant, for all Board meetings held during the year, in order to ensure healthy discussion.

The attendance at the Board meetings held during the year 2024 is given page on 111 this annual report.

BOARD SUB COMMITTEES

While retaining final evaluation rights, the Board has delegated certain functions to Board Sub-Committees. Members of these Sub-Committees focus on their designated areas of responsibility and impart knowledge and oversight in areas where they have greater expertise.

The Board Sub-Committees comprise predominantly of Independent Non-Executive Directors.

CORPORATE GOVERNANCE AND INTERNAL CONTROLS

The six (06) Board Sub-Committees are as follows:

1. Board Audit Committee
2. Remuneration Committee
3. Nominations and Governance Committee
4. Related Party Transactions Review Committee
5. Enterprise Risk Management Committee
6. Investment Committee

DIRECTORS REMUNERATION

The Board of Directors has established a Remuneration Committee to develop policies and recommend remuneration for the Executive Directors for approval by the Board. No Director is involved in deciding his own remuneration. The Board follows the Board-approved Directors' Remuneration Policy in proposing remuneration for the Directors.

The compensation of Non-Executive Directors was determined in reference to fees paid to other Non-Executive Directors of comparable Companies and service provided by them, and adjusted, where necessary, in keeping with the contributions made.

Total aggregate of Directors remuneration paid for the year 2024 is given on page 184 in this annual report.

STATEMENT OF COMPLIANCE

Statement of Compliance under Section 9 of the Revised Listing Rules of the CSE on Corporate Governance, effective as at 1st April 2024.

CSE Rule		Compliance Status	Reference within the Annual Report
9.1 Corporate Governance Rules			
9.1.3	A statement confirming compliance with Corporate Governance Rules	Yes	The Company is in compliance with the Corporate Governance Rules and has stated so within the Annual Report
9.2 Policies			
9.2.1	The Company has implemented policies, and which have been disclosed under Company website along with additional information	Yes	The Company is in compliance with implementation of policies
9.3 Board Committees			
9.3.1	Minimum required Board Committees	Yes	The required Committees are maintained, and are functioning effectively
9.3.2	Compliance with the composition, responsibilities and disclosures required in respect of the Board Committees	Yes	The Company is in compliance with the requirements in respect of the Board Committees
9.4 Meeting procedures and the conduct of all General Meetings with shareholders			
9.4.1	Records of all resolutions and the following information upon a resolution being considered at any General Meeting shall be maintained	Yes	The Company maintains all records and information regarding resolutions considered at General Meetings
9.4.2	Communication and relations with shareholders and investors	Yes	Refer Stakeholder Management and Effective Communication Section
9.5 Policy relating to the Board of Directors			
9.5.1 - 9.5.2	The Company has adopted policies along with the information with regard to governing matters of the Board of Directors	Yes	Refer Corporate Governance Report
9.6 Chairperson and CEO			
9.6.1	Requirement for a SID if the positions of Chairperson and CEO are held by the same individual.	Not Applicable	Chairman and CEO positions were held by separate directors.
9.6.2	Market announcement on the rationale behind the appointment of a SID	Yes	IRCSL informed

CSE Rule		Compliance Status	Reference within the Annual Report
9.6.3	Requirement for a SID	Not Applicable	As of 01.01.25 there is no requirement for a SID due to appointment of a Non Executive Chairman. Executive Chairman retired with effect from 31.12.2024
9.6.3	SID shall make a signed explanatory disclosure demonstrating the effectiveness of their duties	Yes	Refer Page 108
9.6.4	Rationale for the appointment of a SID set out in the Annual Report	Yes	Due to Executive Chairman position a senior independent director was appointed until 31.12.2024.
9.7 Fitness of Directors and CEO			
9.7.1 - 9.7.5	Requirement to meet the fit and proper criteria stipulated by the CSE and related disclosures	Yes	Directors are required to provide general disclosures and declarations on fitness and propriety annually and are required to report any material changes to the information provided therein, including any changes to their professional responsibilities and business associations, to the Board. The Nominations and Governance Committee reviews and makes recommendations to the Board on the fitness and propriety of Directors. No non-compliances were reported during the year in this regard
9.8 Board Composition			
9.8.1 - 9.8.2	The Board consists of 16 Directors and 07 are Independent with effect from 01.01.25. Hence 1/3 of the number of Directors are independent	Yes	Details of the independence criteria are explained within the Corporate Governance Report
9.8.3	Requirements for meeting the criteria to be an Independent Director	Yes	Details of the independence criteria are explained within the Corporate Governance Report
9.8.5	The Board shall annually determine the independence or otherwise of IDs and name the Directors who are determined to be 'independent'	Yes	All NED/IDs have submitted declarations as to their independence, and a determination of their independence is evaluated
9.9 Alternate Directors			
	Appointment of Alternate Directors to be in accordance with the Rules and such requirements to be incorporated into the Articles of Association.	Yes	No Alternate Directors were appointed during the financial year.
9.10 Disclosures relating to Directors			
9.10.2 - 9.10.3	Market announcement upon the appointment of a new director and any changes to the Board Committee composition	Yes	IRCSL informed.
9.10.4	Details in relation to the Board members	Yes	Refer Board of Directors section
9.11 Nominations and Governance Committee			
9.11.1 - 9.11.3	The Company possesses a Nominations and Governance Committee and maintains a formal procedure for the appointment of new Directors and re-election of Directors to the Board. The Committee operates under a set of written terms of reference that clearly outline its scope, authority, duties.	Yes	Refer Nominations and Governance Committee Report

CORPORATE GOVERNANCE AND INTERNAL CONTROLS

CSE Rule		Compliance Status	Reference within the Annual Report
9.11.4	Composition of the Committee	Yes	Refer Nominations and Governance Committee Report
9.11.5	Functions of the Committee	Yes	Refer Nominations and Governance Committee Report
9.11.6	Disclosures of the Committee	Yes	Refer Nominations and Governance Committee Report
9.12 Remuneration Committee			
9.12.2 - 9.12.3	The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on EDs and individual Directors	Yes	Refer Remuneration Committee Report
9.12.4	Remuneration for NEDs shall be based on a policy of non-discriminatory pay practices to ensure the independence	Yes	Refer Remuneration Committee Report
9.12.5	The Remuneration Committee shall have written terms of reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings	Yes	Refer Remuneration Committee Report
9.12.6	Composition of the Committee	Yes	Refer Remuneration Committee Report
9.12.7	Functions of the Committee	Yes	Refer Remuneration Committee Report
9.12.8	Disclosures of the Committee	Yes	Refer Remuneration Committee Report
9.13 Audit Committee			
9.13.1	The Company has established a separate Board Sub Committee for risk management function. The Risk Management report has been provided.	Yes	Refer Risk Management Committee Report
9.13.2	The Audit Committee shall have written terms of reference clearly defining its scope, authority and duties.	Yes	Refer Board Audit Committee Report
9.13.3	Composition of the Committee	Yes	Refer Board Audit Committee Report
9.13.4	Functions of the Committee	Yes	Refer Board Audit Committee Report
9.13.5	Disclosures of the Committee	Yes	Refer Board Audit Committee Report
9.14 Related Party Transactions Review Committee			
9.14.2	Related Party Transactions Review Committee shall comprise of a minimum of 3 members, majority of whom should be IDs and an ID shall be appointed as the Chairperson	Yes	Refer Related Party Transactions Review Committee Report
9.14.3	Functions of the Committee	Yes	Refer Related Party Transactions Review Committee Report
9.14.4	General Requirements	Yes	Refer Related Party Transactions Review Committee Report
9.14.5	Review of Related Party Transactions by the Related Party Transactions Review Committee	Yes	Refer Related Party Transactions Review Committee Report
9.14.6	Shareholder Approval	Yes	A situation to obtain the shareholder approval as per revised CSE listing rules has not arisen during the year
9.14.7	Disclosures of the Committee	Yes	Refer Related Party Transactions Review Committee Report

CSE Rule		Compliance Status	Reference within the Annual Report
9.14.8 (1)	Details pertaining to Non-Recurrent Related Party Transactions	Yes	Refer Notes to the Financial Statements
9.14.8 (2)	Details pertaining to Recurrent Related Party Transactions	Yes	Refer Notes to the Financial Statements
9.14.8 (3)	Report of the Related Party Transactions Review Committee	Yes	Refer Report of the Related Party Transactions Review Committee
9.14.8 (4)	Declaration by the Board of Directors as an affirmative statement of compliance with the rules pertaining to Related Party Transactions, or a negative statement otherwise	Yes	Refer Annual Report of the Board of Directors
9.14.9 (1)/ (2)	Shareholder approval for acquisition and disposal of substantial assets	Yes	A situation to obtain the shareholder approval as per revised CSE listing rules has not arisen during the year
9.14.9 (4)/ (5)/ (6)	Competent independent advice on acquisition and disposal of substantial asset	Yes	The group has not acquired/disposed substantial assets from/to related parties

IRCSL DIRECTION 17 ON CORPORATE GOVERNANCE FRAMEWORK FOR INSURERS

The below statement represents the Company adherence to Direction 17 issued on 17th December 2018 (as amended) by The Insurance Regulatory Commission of Sri Lanka. (IRCSL)

Requirement under Direction No: 17	Description	Status of Compliance
Code of Best Practice on Corporate Governance	Details of each compliance is given under Corporate Governance report on pages 94 to 96.	Yes
Board Composition	The Board must be comprised a minimum of two Directors who are citizens as well as residents of Sri Lanka.	Yes
	The total period of service of a Director, other than Executive Director, shall not exceed nine years.	Yes
		Yes
Age Limits	A Director having over 75 years of age shall cease to be a Director, subject to exemptions.	Yes
CSE Listing Rules 9	Adherence to the Listing Rules of CSE	Yes
Serving in other Boards	A Director of an insurance company cannot be a Director of more than 20 other companies including subsidiaries/associates of the insurance company. Out of such 20 companies, a Director cannot hold more than 10 companies classified under Specified Business Entities under the Sri Lanka Accounting and Auditing Standards Act. 15 of 1995.	Yes
Disclosure of Compliance status	Listing Rules of CSE on Corporate Governance and Related Party Transactions	Yes
Demonstration of level of compliance with disclosure requirements in Annual Report.	The Level of compliance with each direction is provided in the Annual Report will be available in the insurance company official website within 05 months after the Balance Sheet date.	Yes
Continuing in service by Director	If any Director wishes to serve beyond the age of 70 years, the company provides certification and written confirmation through the company secretary to IRCSL.	Yes

REINSURANCE ARRANGEMENTS

RETENTION OF RISKS UNDER VARIOUS CLASSES OF INSURANCE

Class	Maximum Net Retention per event including Catastrophic events
Fire including Consequential Loss & Engineering	Rs. 200,000,000/-
Personal Accident including Travel Insurance	Rs. 10,000,000/-
All other Miscellaneous Classes	Rs. 15,000,000/-
Marine Cargo & Marine Hull	Rs. 15,000,000/-
Motor Insurance including Third Party Liabilities	Rs. 100,000,000/-
International Health	USD 100,000/- p.p.
Strike, Riots & Civil Commotion	Nil
Terrorism	Nil

MAJOR TEN REINSURERS

Reinsurer	Credit Rating		Country of Origin
	AM Best	S&P	
Swiss Reinsurance Company	AA	AA-	Switzerland
Munich Reinsurance Company	AA	AA	Germany
Hannover Re	AA	AA-	Germany
Mitsui Sumitomo Insurance Co. Ltd	AA	A+	Japan
Odyssey Reinsurance Corporation	AA-	A+	USA
SCOR Reinsurance	A+	A+	France
Lloyd's of London	AA-	AA-	United Kingdom
MS First Capital Insurance Ltd	A+	-	Singapore
Echo Reinsurance Ltd	A	A	Switzerland
China Reinsurance (Group) Corporation	A+	A	China

The security rating of all Reinsurers are in compliance with the minimum security guidelines issued by the Insurance Regulatory Commission of Sri Lanka dated 28.10.2016.

AUDIT COMMITTEE REPORT

COMPOSITION

The Audit Committee of Ceylinco General Insurance Limited is appointed by the Board of Directors. In line with the Company's activities to adopt high ethics of governance requirements as a non-listed limited liability subsidiary of Ceylinco Holdings PLC and in compliance with the applicable corporate governance standards, the Company continued with the Audit Committee to serve the relevant purposes.

The Chairman of the committee is an associate member of the Chartered Institute of Management Accountants of United Kingdom. The members of the Audit Committee who have been drawn from and out of the Non-Executive Directors serving on the Board possess the required knowledge and expertise to perform their duties of the Audit Committee.

The Committee comprises of the following Directors of the Company as at 31 December 2024.

- ★ **Mr. N.A. Bandaranaike** (IND/NED)
- Committee Chairman - Appointed w.e.f. 01.01.2024.
- ★ **Mr. S.A.W. Senaka Silva** (IND/NED) - Appointed w.e.f. 18.05.2023 - Resigned w.e.f. 31.12.2024.
- ★ **Dr. N.D.P. Dehigama** (IND/NED) - Appointed w.e.f. 18.05.2023.
- ★ **Mr. T.R.T. Fernando** (IND/NED) - Appointed w.e.f. 18.05.2023.
- ★ **Mr. Takashi Kishi** (NED) - Appointed w.e.f. 03.06.2022.

NED - Non - Executive Director

IND/NED - Independent Non - Executive Director

AUDIT COMMITTEE CHARTER

The Audit Committee Charter is reviewed and revised during the period under review with the concurrence of Board of Directors to make sure that new developments relating to the function

of the Committee are included. The terms of reference of the Committee are clearly defined in the Charter of the Audit Committee.

FINANCIAL REPORTING

The Committee is primarily tasked to assist the Board in fulfilling its responsibilities for overseeing the preparation, presentation and the integrity of disclosures of the Company's Financial Statements in accordance with the applicable accounting standards. The Committee recommends the quarterly Financial Statements, annual accounts and connected documents for the approval of the Board. It focuses on a fair presentation and disclosure, reasonability of estimates and judgmental factors and appropriateness of significant accounting policies adopted in preparation of the Financial Statements.

REGULATORY AND STATUTORY REQUIREMENTS

The committee received quarterly updates on statutory and regulatory requirements. Where applicable, the Committee was updated with the regulatory changes that are being implemented and reviewed the action plans to ensure readiness of the Company in meeting such regulatory requirements. The Committee received reports on the status of statutory and regulatory compliance of the Company and the effectiveness of compliance monitoring programmes during the year and was satisfied with the monitoring process.

The compliance reports submitted on quarterly basis to the Committee, provides that the extent of Compliance with the Regulation of Insurance Industry Act No. 43 of 2000 and amendments thereto, the Directions of the Insurance Regulatory Commission of Sri Lanka and any other regulatory and statutory requirements applicable to the Company.

PROGRESS OF IMPLEMENTATION OF SLFRS

The Committee constantly monitored the implementation of the new accounting standard SLFRS 17. The Committee was constantly kept updated on the progress of the implementation plan and received required training and knowledge enhancement with respect to the impact and operation of the new standard.

MEETING AND ATTENDANCE

The Committee held four formal meetings and resolutions in writing was circulated to the Committee during the year under review and the CFO, Deputy General Manager – Finance and the Head of Internal Audit attended these meetings as permanent invitees. The External Auditors attended the external audit plan meeting and management letter discussion with the Committee during the year under review. Other members of the Senior Management attended as invitees as and when required. Apart from the formal meetings there were numerous communications between the Chairman, members of the Committee and Senior Management of the Company.

The Board receives a copy of the minutes of each meeting of the Audit Committee.

RISK, GOVERNANCE AND INTERNAL CONTROL

The Committee constantly reviewed the risks arising from the adverse economic and political situations of the Country and specific risk mitigating actions. The Committee was updated on the effectiveness of the control framework and the key risks faced by the business together with the management action plans to mitigate the identified risks. During the year under review the Company continued with its obligation to develop its risk management framework to align with the business requirements. The Committee is satisfied that the internal controls and procedures in place for evaluating and managing risks are adequately designed and operate effectively and is of the view that they

AUDIT COMMITTEE REPORT

deliver reasonable assurance that the Company's assets are safeguarded and that the Financial Statements of the Company are reliable.

INTERNAL AUDIT

The Committee reviewed the internal audit reports to assess the effectiveness of the internal controls that have been placed to provide reasonable assurance to the Board of Directors that assets are safeguarded, and that the financial reporting system be relied upon in preparation and presentation of Financial Statements.

The Committee receives constant updates on matters relating to the progress of the internal audit plan during the year. In addition, the Committee reviews the quarterly reports presented by the Internal Audit function regarding audit reports and progress of management actions in closing identified issues.

According to the annual internal audit plan, during the year 2024, 291 audits were performed covering all sections of the Company. The committee obtained the significant findings of the internal auditors and reviewed the responses of the management. The recommendations made by the internal auditors for improvements were discussed at the audit committee meetings. The Committee evaluated the Internal Audit function covering key areas such as scope, quality of internal audits and resources. The Head of Internal Audit had free access to the Committee, ensuring independence of the Internal Audit function. The Committee is satisfied with the independence of the Internal Auditor.

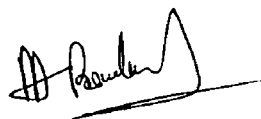
EXTERNAL AUDIT

The Committee held meetings with the External Auditors to review the nature, approach, scope of the external audit, audit plan and to ensure availability of information. Further the Committee review actions taken by the management in response to the management letter while

ensuring appropriate follow-up action is taken.

The Audit Committee has reviewed the other services provided by the External Auditors to the Company to ensure that their independence as Auditors has not been compromised. Corresponding to the Company procedure, the lead Audit Partner is rotated every five years.

The Audit Committee recommended to the Board of Directors that Messrs. Ernst & Young, Chartered Accountants be re-appointed as Statutory Auditors of the Company for the financial year ending 31 December 2025, after evaluating the scope, delivery of the audit, resources and the quality of the assurance initiatives taken during the year 2024, subject to approval by the shareholders at the forthcoming Annual General Meeting.



Mr. N.A. Bandaranaike
Chairman – Audit Committee

27th February 2025

REPORT OF THE INVESTMENT COMMITTEE

OBJECTIVE OF THE COMMITTEE

Investment portfolio of Ceylinco General Insurance Ltd; plays an important role in the overall business and growth strategy of the company. The portfolio comprise the wealth accumulated in the company over the past years. Now, it plays an active role in generating income, liquidity and most importantly meeting the regulatory requirements set by the Insurance Regulatory Commission of Sri Lanka. (IRCSL).

The above three roles of the portfolio, needs to be aligned with the overall business strategy of the company. The Investment committee brings in such goal congruence to the investment strategy. The investment expertise and market norms are brought in to the committee through the investment professionals of the Treasury and Investment management unit.

The overall investment strategy requires this level of attention due to the sensitivity of the assets in the portfolio to the market and economic stimulus. They are often affected by the market perception driven asset price changes and brings in different combinations of risk, return and liquidity levels. It affects the level of meeting regulatory requirements by each asset type. The policy decisions of the Central Bank of Sri Lanka and economic and political developments in other countries also affect the Sri Lankan financial markets, which has an impact on our asset portfolios.

Giving regard to all above external factors and the company's Enterprise Risk Management (ERM) framework, the investment committee, drafts the long term and short term portfolio strategies of the company. Based on them, the approach to managing the portfolios of government securities, bank deposits, debentures, equity and real estate would be different within the overall strategy.

The committee ensures that the above drafted strategy is implemented, the yield targets and structural changes are

achieved by the portfolios and the overall satisfactory outlook of the portfolio. Periodic reviews on above are done by the committee to ensure the proper functioning of investment activities to achieve the above.

FUNCTIONING

The committee holds periodic meetings. At these meetings, one main activity is discussing the macro economic outlook of the country. Factors such as inflation, interest rates, exchange rates, GDP, external trade and reserve positions are given importance. Further, any other influential factors such as government policies, major investment projects and tax policy changes are also discussed. The discussions also look at any recent significant economic or political developments in the world, that can have an impact on our economy and markets.

Taking the above economic factors and views into consideration, the committee looks at the asset structure, market values and asset yields to assess the present portfolio in comparison to desired structure and new macro conditions.

In the event any new instruments or fresh issues of any financial instrument is available for investment; factors such as the impact of capital charges in RBC framework, risk to yield combinations, adherence to overall risk preference of the company board of directors and overall exposure to investment asset category are studied for committee approval. Further, any concerns, necessary approvals or consent is documented along with investment justifications for future reference to ensure transparency, accountability and access to information, following a proper procedure.

Another aspect looked at by the committee is the cash cycle of the company. This is by looking at the cash inflows / originating activities and allocation of it for different uses and the investment allocations. This ensures that optimum quantum is allocated to business operation, yielding assets and

the requirements for other long term assets are met. This is vital in managing the business liquidity, health of the portfolio and long term strength of the company.

The committee also look at the asset database records and accounting ledger balances to ensure proper records are maintained. The starting point in safeguarding assets is having accurate records. The company has a dual control over assets by having a set of records at the finance division in the form of ledgers and schedules and at the treasury and investment unit in the form of databases. All script less assets are audited daily with balance confirmations from live CDS accounts and physical verifications.

The portfolio yield and investment income of the present year, to date is reviewed by the committee in relation to the market yield that prevailed and the benchmarks set. Any deviations are discussed and corrective action if needed are also discussed to ensure that the desired results are achieved. This approach has helped the portfolios achieve the desired yield benchmarks throughout the past.

ECONOMY IN 2024

The Sri Lankan Economy which shrunk 2.3% in 2023, bounced back to recovery in 2024 with a cumulative growth of 5.2% during the first three quarters of 2024. This shows signs of better growth for the year than the 4% growth predicted by the Central Bank of Sri Lanka and the growth rates up to 2.8% estimated by ADB and other economic analysts and organizations. All three sectors of Agriculture, Industry and Services had contributed through improvements for this growth.

The main economic policy decision drive of the Central Bank had been Inflation Targeting. The policy aimed mid-single-digit inflation. The country experienced deflation of 1.7% as measured by CCPI for 2024 with an annual average of mere 1.2 % for the year. The main reason could be identified as the high CCPI index of the previous year. The low economic

REPORT OF THE INVESTMENT COMMITTEE

growth and activity in the previous years had shown the price levels unsupportive for the economic activities, which kept the demand low. This coupled with the appreciation of in LKR in the forex market had brought down the prices in the economy, to record such deflation.

The monetary policy of the Central bank continued its relaxing monetary policy stance. The Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) which stood at 9.00% and 10.00% respectively year ago had been reduced to 7.50% and 8.50% respectively by the end of 2024. The central bank instead of such policy rate corridor, introduced an Overnight Policy Rate of 8.00% by the year end. With passthrough of such policy decisions, the overall interest rates of the country reduced. The Interest rate of 01 year Treasury Bill which was at 12.9% at the end of 2023 came down to 8.9% by the end of 2024. The interest rate reduction benefitted the private sector borrowers with AWPR reducing from 11.9% to 8.9% by the year end. However, the fixed deposit rates had also come down from 11% levels to 7% levels by the year end which was lower than the T bill rates. This shows less credit demand for bank funds in the economy.

The growth of the government total debt was negative by the end of 3rd quarter of 2024, It was Rs.28.7 Trillion in 2023 same period, while in 2024 by the end of 3rd quarter it was Rs.28.6 Trillion. However, the domestic debt has increased by Rs.540bn while The Foreign debt has reduced by Rs.660bn for the said period. Further, with the external debt restructuring program, the foreign debt which is LKR 11Tr (USD terms, USD 37bn) is expected to come down by USD 9bn, Which is equivalent to Rs.2.7Tr, a considerable relief.

Amidst the above developments, the tourism sector and the worker remittances also continued to improve. The income from tourism recorded USD 3.2 bn for the year which was a 53% improvement from last year while worker remittances

increased by 10% to USD 6.5 Bn. The government continued to exercise some controls over imports. However, with the economic recovery and expansion of exports which leads to increased intermediary goods, the trade balanced widened by USD 1,169 Mn, compared to 2023, in 2024. The total Exports of goods recorded USD 12.8 Bn while such imports were USD 18.8 Bn in 2024.

The excess USD after transactions of the above trade, tourism and worker remittances and other balances seems to be mostly purchased by the Central Bank, with Central Bank net purchasing of USD 2.2 Bn USD from the banking sector in the Forex market. This helped the LKR to slow down its value appreciation against the USD. The USD:LKR Exchange Rate which was Rs.325/= by the end 2023 had become Rs.294/= by the end of 2024.

The interaction of above activities, increased the Gross Official Reserves of the country reached USD 6.1bn by the end 2024, from USD 4.4 bn a year earlier.

The All Share Price Index closed the year 2023 at 10,654 points at the end of 2023, recorded a sharp increase to end 2024 at 15,536 points.

INVESTMENT STRATEGIES AND RETURNS

The interest rates faces a downward movement during the year. The bank deposit rates reduced more than the T bill rates to yield lower than the T bills. This created a favorable case for shifting some bank deposits to T bills. The strengthening of the LKR, reduced the rationale for holding USD assets as well. The committee with the advise of the board reduced the overall USD exposure by shifting part of USD investments to LKR investments.

However, the duration of the government securities portfolio was kept low as the interest rates seem to be in a low rate regime and amidst the absence of strong economic growth and low demand for money in the private sector.

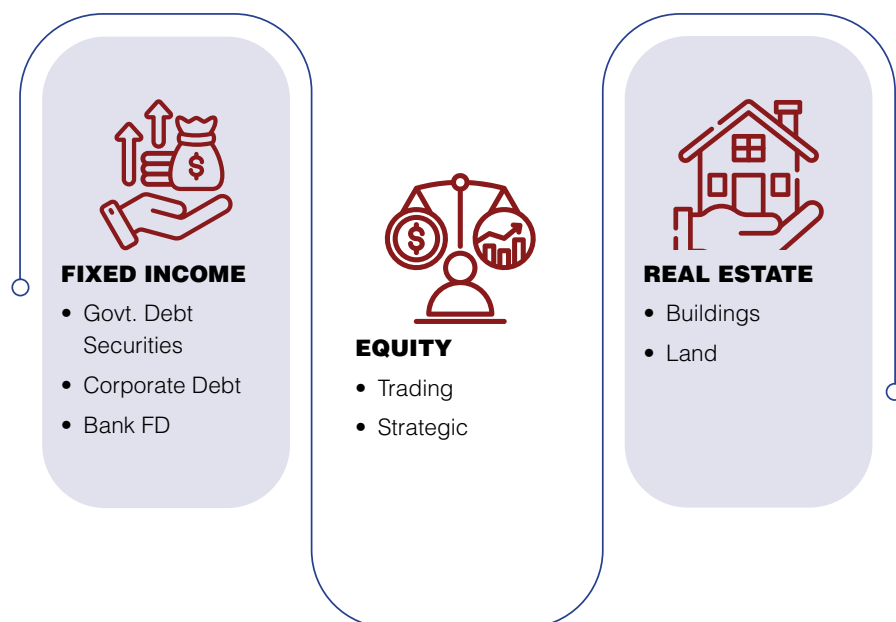
The trading equity trades were mostly on the sell side towards the year end as most equities experienced a sharp increase in market prices. The company strategy was to not reenter with new large purchases as the need was felt for price justifications with more latest earnings and asset updates.

The effective and constant communication with the finance department resulted efficient cash flow planning and daily cash management, which also assisted the smooth functioning of business activities as well as optimum use of funds.

The above approach and strategies provided yields in the government securities portfolio and total portfolio returns which were above that of the market average returns.

PORTFOLIOS

The investment committee directs the following portfolios



MEETINGS

The committee met as scheduled during the year. These meetings followed the agenda of discussing the economy, reviewing the business cash flows, review of portfolio returns and assets, discussing the future short and long term strategy and approval of any investments requiring committee approval. Further when common view on any matter was required, ad hoc meetings were called or the information was circulated among the members by the investment unit for comments.

The following were members of the committee as at 31.12.2024;

Name	Designation
Dr. Jagath Alwis	Chairman – CGI & Investment Committee
Mr. Anura Meddegoda	Director / Committee Member
Mr. Shavindra Fernando	Director / Committee Member
Mr. Aendra Bandaranaike	Director / Committee Member
Mr. Nihal Peiris	Director Finance– Ceylinco Holdings PLC
Mr. Upali Witharana	Director / CFO – Ceylinco Holdings PLC
Mr. Nilantha Piyadasa	Chief Financial Officer
Mr. K. Shankaramoorthy	Deputy General Manager – Financial Services
Mr. Manjula Wickramasinghe	Assistant General Manager – Financial Services
Mr. Kasun Nanayakkara	Director / General Manager – Treasury and Investment Management Unit

Dr. Jagath Alwis

Chairman of the Investment Committee

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

PURPOSE OF THE COMMITTEE

The Related Party Transactions Review Committee ("the Committee") consists of three Non-Executive Directors, a majority of whom are independent. The Related Party Transactions Review Committee was established by the Board of Directors to assist the Board in reviewing all related party transactions carried out by the Company in terms of the CSE Listing rules which required mandatory compliance with effect from 1st January 2016.

The Committee is responsible for independent reviewing of transactions between the Company and its Related Parties, either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such review, prior to the completion of the transaction, save and except transactions exempted under the CSE Rules.

COMPOSITION

The Committee, as at 31st December 2024, is comprised of the following members.

- ★ **Dr. N.D.P. Dehigama** (IND/NED) - Committee Chairman - Appointed w.e.f. 18.05.2023.
- ★ **Mr. S.A.W. Senaka Silva** (IND/NED) - Appointed w.e.f. 18.05.2023 - Resigned from the Committee w.e.f. 31.12.2024.
- ★ **Mr. T.R.T. Fernando** (IND/NED) - Appointed w.e.f. 01.01.2025.
- ★ **Mr. Takashi Kishi** (NED) - Appointed w.e.f. 03.06.2022.

NED - Non - Executive Director

IND/NED - Independent Non- Executive Director

Mr. S.A.W. Senaka Silva, who served as a member of the Related Party Transactions Review Committee resigned from the committee w.e.f. 31.12.2024 due to being classified as non independent being over 70 years of age and Mr. T.R.T. Fernando was appointed to the Committee to serve as a member w.e.f. 01.01.2025.

The Company Secretary functions as the Secretary to the Committee during the year under review.

POLICIES AND PROCEDURES

The Company identifies related parties as defined by LKAS 24. The Board of Directors and General Managers of the Company have been identified as Key Management Personnel.

In accordance with the Related Party Transaction Policy, declarations are obtained from each Key Management Personnel of the Company for the purpose of identifying parties related to them in any company where they hold office. Based on the information furnished in these declarations, the Company retrieves data on related party transactions from the database of the Company.

The Committee will continue to assist the Board of Directors by reviewing all Related Party Transactions, to ensure,

- ★ that there is compliance with the Code of Best Practice on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka and with Section 9 of the Listing Rules of the Colombo Stock Exchange.
- ★ that the shareholder interests are protected, and fairness and transparency are maintained.

MEETINGS

During the year under review, The Committee held four meetings. The attendance of the members at these meetings is given on page 111 of this Annual Report. The Chairman, Chief Executive Officer and other Key Management Personnel attended meetings by invitation to assist the Committee's conversations.

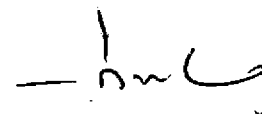
The actions and observations of the Committee have been conveyed to the Board of Directors by tabling the minutes of the Committee's meetings.

DECLARATION

The Committee assessed the process of capturing Related Parties of the Company. The Committee reviewed all related party transactions carried out during the year at its quarterly meetings. The observations of the Committee are communicated to the Board of Directors.

During the year, there were no non-recurrent or recurrent related party transactions that exceeded the respective thresholds mentioned in the Listing Rules requiring disclosure in the Annual Report. Details of other related party transactions entered by the Company during the year are disclosed in Note 40 to the Financial Statements.

A declaration is given by the Board of Directors in the Annual Report page 185 as a negative statement to the effect that no related party transactions falling within the Listing Rules of the Colombo Stock Exchange were entered into by the Company during the year.



Dr. N.D.P. Dehigama

Chairman - Related Party Transactions Review Committee

27th February 2025

REPORT OF THE REMUNERATION COMMITTEE

The Remuneration Committee ("the Committee") consists of exclusively four Independent Non-Executive Directors. The Committee is assigned with the power to assess, decide, and suggest to the Board of Directors any concern that may affect the Human Resources Management of the Company.

COMPOSITION

The following Directors currently serve on the Committee.

- ★ **Mr. S.A.W. Senaka Silva** (IND/NED) - Appointed w.e.f. 18.05.2023 - Resigned as Committee Chairman w.e.f. 31.12.2024.
- ★ **Mr. A.B. Meddegoda** (IND/NED) - Appointed as Committee Chairman w.e.f. 01.01.2025.
- ★ **Dr. N.D.P. Dehigama** (IND/NED) - Appointed w.e.f. 18.05.2023.
- ★ **Mr. T.R.T. Fernando** (IND/NED) - Appointed w.e.f. 18.05.2023.
- ★ **Mr. W.J.S. Fernando** (IND/NED) - Appointed w.e.f. 01.01.2025.

IND/NED - Independent Non - Executive Director

The Company Secretary functions as the Secretary to the Remuneration Committee.

The Board established the Remuneration Committee in accordance with Rule 7.10.5 of the Colombo Stock Exchange's Listing Rules, and its composition and powers are in accordance with the Listing Rules.

The Committee determines the remuneration of the Chairman, CEO and other members of the Board of the Company while ensuring that no Director is involved in setting his or her own compensation. When evaluating and directing these aspects, the Committee also considers workforce remuneration, the impact on other stakeholders and alignment with strategy and culture.

COMMITTEE CHANGES

Mr. S.A.W. Senaka Silva, who served as the Chairman of the Remuneration Committee resigned from the Committee w.e.f. 31.12.2024 due to being classified as Non Independent being over 70 years of age. Mr. A.B. Meddegoda was appointed as Committee Chairman with effect from 01.01.2025.

DUTIES OF REMUNERATION COMMITTEE

- ★ Determining the compensation and benefits of the Chairman, Chief Executive Officer and other members of the Board.
- ★ Planning procedures, guidelines and parameters for the remuneration structures for all Executive Staff of the entity and overseeing the implementation thereof.
- ★ Making recommendations to the Board of Directors from time to time, of the additional/ new expertise required by the Company with regard to the remuneration policy.
- ★ Recommending proposals to the Board in transparent procedure, on deciding the compensation of Chairman, Chief Executive Officer, Executive Directors, and other Members of the Board.
- ★ Monitoring remuneration practices and policies to ensure that they are consistent with the Company's long-term goals and aligned to the interests of all our stakeholders.
- ★ Reviewing and making recommendations on the performance management process, giving due consideration to the performance-based payments for employees at all levels on par with industry standards.

REMUNERATION POLICY

The Remuneration Policy of the Company intends to attract, influence and retain Executive Directors, Senior Management and other employees with the appropriate professional, managerial and operational

expertise required to achieve the Company's objectives. It is the Committee's aim to ensure that the total remuneration package is competitive enough in the industry whilst to attract and retain talent individuals as well.

MEETINGS

The attendance of the committee members at these meetings is given on page 111 of this Annual Report.

DIRECTORS' REMUNERATION

Amount charged as Directors' Remuneration in Income Statement is shown in note 40.(A) of the Financial Statements.



Mr. S.A.W. Senaka Silva
Chairman – Remuneration Committee

31st December 2024

BOARD NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

COMPOSITION

The Board Nominations and Governance Committee ("the Committee") consists of exclusively four Independent Non-Executive Directors.

The following Directors currently serve on the Committee.

- ★ **Mr. S.A.W. Senaka Silva** (IND/NED) - appointed w.e.f. 18.05.2023
- Resigned as Committee Chairman w.e.f. 31.12.2024.
- ★ **Mr. A.B. Meddegoda** (IND/NED)
- appointed as Chairman w.e.f. 01.01.2025.
- ★ **Dr. N.D.P. Dehigama** (IND/NED) - appointed w.e.f. 18.05.2023.
- ★ **Mr. T.R.T. Fernando** (IND/NED) - appointed w.e.f. 18.05.2023.
- ★ **Mr. W.J.S. Fernando** (IND/NED) - appointed w.e.f. 01.01.2025.

IND/NED - Independent Non - Executive Director

The Committee ensure the compliance with the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and recommended best practices.

The Company Secretary serves as the secretary to the Committee.

THE TERMS OF REFERENCE

The Terms of Reference state the purpose of the Committee, its composition, authority, scope and scheduling of meetings. The purpose of the Nominations and Governance Committee is to consider and make recommendations to the Board regarding the suitability of a director's appointment and/or reelection as a Director to the Board. The recommendation of the Committee on new appointments will cover areas such as qualifications, competencies, independence, relationships which have the potential to give rise to conflict of interest.

MAIN OBJECTIVES, RESPONSIBILITIES AND DUTIES OF THE COMMITTEE

- ★ To ensure that the Directors are fit and proper to hold office.
- ★ To recommend the appointment of new Directors to the Board of the Company.
- ★ To consider and recommend the re-election of the Director/s eligible for re-election by considering their performance and the contribution made by them.
- ★ To consider and recommend from time to time the succession planning arrangement for retiring Directors and Key Management Personnel.

MEETINGS

The Committee meets as and when required in order to assess the suitability of individuals for appointment as Directors and Key Management Personnel.

The committee held two meetings during the year under review.

ACTIVITIES IN THE YEAR AHEAD

The Committee will guide the process for the Board appointments and make recommendations to the Board and will assist the Board of Directors in fulfilling its corporate governance responsibilities regarding all matters related to the appointment of the Directors and their performance evaluation.



Mr. S.A.W. Senaka Silva
Chairman – Nominations and Governance Committee

31st December 2024

STATEMENT OF DIRECTORS' RESPONSIBILITY ON FINANCIAL REPORTING

The responsibilities of the Directors in relation to the financial statements of the Company differ from the responsibilities of the Auditors, which are set out in their report appearing on page 116.

The Companies Act No. 7 of 2007, requires the Directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Profit or Loss of the Company for the financial year. In preparing the financial statements, appropriate accounting policies have been selected and applied consistently, reasonable and prudent judgments and estimates have been made and applicable accounting standards have been followed.

The Directors are responsible for ensuring that the Company keeps sufficient accounting records to disclose with reasonable accuracy, the financial position of the Company and for ensuring that the financial statements have been prepared and presented in accordance with the Sri Lanka Accounting Standards, Regulation of Insurance Industry Act No. 43 of 2000 and provide the information required by the Companies Act No. 7 of 2007.

They are also responsible for taking reasonable measures to safeguard the assets of the Company and in that context to have a proper regard to the establishment of appropriate systems of internal control with a view to preventing and detecting fraud and other irregularities.

The Directors continue to adopt the going concern basis in preparing Accounts. The Directors, after making enquiries and following a review of the Company's budget for 2025 to 2026 including cash flows and borrowing facilities, consider that the Company has adequate resources to continue in operation.

BY ORDER OF THE BOARD



Mrs. Nilika Abhayawardhana
Company Secretary

27th February 2025

COMPLIANCE REPORT

In respect of the Financial Year ended 31st December 2024 of Ceylinco General Insurance Limited:

All documents required by the Companies Act No. 7 of 2007 to be filed with the Registrar of Companies have been duly filed and compliance has been made with all other legal requirements in connection with the said Companies Act.

Regulatory Reporting requirements in terms of Insurance Regulatory Commission of Sri Lanka have been complied with.

All Dividend cheques have been dispatched by the due date.



Mrs. Nilika Abhayawardhana
Company Secretary

27th February 2025

REPORT OF THE SENIOR INDEPENDENT DIRECTOR

In order to comply with Section 9. 6. 3 (ii) of the Listing Rules of the Colombo Stock Exchange, the Board of Directors of the Company designated me as the Senior Independent Director (SID) of the Company with effect from 28th November 2023.

Section 9.6.3 of the Listing Rules provide that in circumstances where the Chairman is not an Independent Director, a Senior Independent Director (SID) shall be appointed. At Ceylinco General Insurance Limited although the Chairman is not the CEO, he is not an Independent Director.

The Senior Independent Director (SID) provides guidance to the Chairman on matters of governance of the Company. The role of SID also provides emphasis to transparency on matters relating to governance and calls for a review of the effectiveness of the Board. The Senior Independent Director supports the Executive Chairman and the Chief Executive Officer in ensuring compliance with the rules, regulations and best practices expected by the statutory and regulatory bodies.

The SID makes himself available to any Director or any employee to have confidential discussions on the affairs of the Company where need arise.

The Board is collectively responsible towards ensuring the success and long-term sustainability of the Company whilst adding value to the shareholders and policy holders. The Directors are also mindful of the Company's social responsibilities as evident from the various activities and benefits to society which are mentioned elsewhere in this annual report.

The Board Sub-Committee reports are circulated to the Directors and appropriate concerns are discussed at Board Meetings. The Nominations and Governance Committee has recommended an evaluation process for the Board of Directors and its outcome was deliberated at Board level.

The Company follows a policy of strict compliance with mandatory requirements while embracing voluntary adherence, in order to enhance stakeholder acceptance and make a positive impact on value creation.

I believe that I have fulfilled the obligations entrusted to the SID in accordance with the Corporate Governance guidelines.



Mr. Prasad Kariyawasam
Senior Independent Director

27th February 2025

FINANCIAL REPORTS

Financial success is not a sprint, it's a hurdles race, demanding resilience, adaptability, and relentless momentum. Through every economic challenge and policy shift, Ceylinco General Insurance has maintained its stride, clearing obstacles without losing pace. Just as a hurdler stays focused on the finish line, Ceylinco General Insurance remains committed to financial strength and long-term sustainability. Every step forward reinforces its stability, ensuring a steady path toward growth and an optimistic future.



REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Directors are pleased to submit their report together with the Audited Income Statement, Statements of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and the Statement of Financial Position of Ceylinco General Insurance for the year ended 31st December 2024, and the Report of the Auditors thereon.

REVIEW OF OPERATIONS

The Executive Chairman's Review on pages 16 to 19 contain a detailed description of Insurance operations carried out in the year under review and projected developments.

PRINCIPAL ACTIVITIES OF THE COMPANY

RESULTS OF THE FINANCIAL YEAR

	2024 Rs. '000	2023 Rs. '000
Profit After Taxation	1,058,562	3,723,006
Add : Balance Brought Forward	11,838,270	9,289,603
	12,896,832	13,012,609
Other Comprehensive Income for the year	(716,229)	(604,111)
Funds Available for Appropriation	12,180,603	12,408,498
Appropriation :		
Dividend Paid	(900,360)	(570,228)
Unappropriated Profit Carried Forward	11,280,243	11,838,270

TRANSFER TO RESERVES AND PROVISIONS

There were no transfers other than those mentioned above to or from reserves or provisions except for normal amounts set aside for items such as depreciation, outstanding claims and unexpired risks as shown in the accounts.

SHARE CAPITAL

The Stated Capital of the Company as at 31st December 2024 was Rs. 500,200,000/- and is represented by issued and fully paid 2,501,000 voting ordinary shares.

DIVIDENDS

The Directors will recommend a final dividend subject to regulatory approval from the Insurance Regulatory Commission of Sri Lanka at the forthcoming AGM.

DIRECTORS

Dr. Watuthanthrige Chakrine Jagath Alwis, Mr. Rex Abeyratne Gunathilake, Mr. Hettithantrige Don Ajith Nandana Perera, Mr. Anananda Rihena Sathyajith Wijayapura, Mr. Roshan Aloysius Ranasinghe, Mr. Takashi Kishi, Mr. Umesh Govind Revankar, Mr. Prasad Kariyawasam, Dr. Nayana Darshana Prasad Dehigama, Mr. Brahmanage Premalal, Mr. Wannakuwattewaduge Jude Shavindra Fernando, Mr. Thibiripolage Rienzie Tyrrel Fernando, Mr. Neil Aendra Bandaranaike, Mr. Sembukuti Arachchilage Wimalanath Senaka Silva, Mr. Anura Bandara Meddegoda and Prof. Hithanadura Janaka de Silva served as Directors of the company as at 31st December 2024.

In accordance with the Articles of Association of the Company, Mr. Hettithantrige Don Ajith Nandana Perera, Mr. Anananda Rihena Sathyajith Wijayapura, Mr. Roshan Aloysius Ranasinghe and Mr. Takashi Kishi are subjected to retire by rotation and would offer themselves for re-election. Mr. Kathiresan Sankaramoorthy will seek re-election at the forthcoming AGM.

Mr. Senaka Silva and Mr. Prasad Kariyawasam both being over 70 years of age by December 2025 would seek shareholder approval to be appointed to the Board as per section 211 of the Companies Act No. 07 of 2007. special notices have been received from shareholders to move ordinary resolutions at the next Annual General Meeting that Mr. S. Silva and Mr. P. Kariyawasam be appointed as Directors and that the age limit specified in Section 210 of the Companies Act No. 07 of 2007 shall not apply to them.

Dr. Watuthanthrige Chakrine Jagath Alwis, Executive Chairman retired from the position on 31st December 2024. Mr. K. Sankaramoorthy was appointed to the Board with effect from 01st January 2025 subject to approval of IRCSL. Mr. Prasad Kariyawasam was appointed as Non Executive Chairman on 01st January 2025. Mr. Kariyawasam served in the position of Senior Independent Director of the Board upto 31st December 2024.

DIRECTORS' MEETINGS

The number of Board Meetings held during the financial year under review were six meetings and the number of meetings attended by each Director of the Company were as follows;

Names of Directors	No. of Board Meetings attended
Dr. W.C.J. Alwis	6/6
Mr. R.A. Gunathilake	5/6
Mr. H.D.A.N. Perera	6/6
Mr. Takashi Kishi	6/6
Mr. A.R.S. Wijayapura	6/6
Mr. R.A. Ranasinghe	6/6
Mr. W.J.S. Fernando	5/6
Mr. B. Premalal	2/6
Mr. S.A.W.S. Silva	6/6
Mr. T.R.T. Fernando	6/6
Mr. P. Kariyawasam	6/6
Mr. N.A. Bandaranaike	6/6
Dr. N.D.P. Dehigama	5/6
Mr. A.B. Meddegoda	6/6
Prof. H.J. de Silva	2/6
Mr. U.G. Revankar	4/6

FIT AND PROPER ASSESSMENT CRITERIA

All the Directors of the company have submitted declarations confirming their continuous compliance with the fit and proper assessment criteria set out in the amended corporate governance rules of the Colombo Stock Exchange during the financial year.

DIRECTORS' INTEREST IN CONTRACTS

The Directors of the Company have no direct or indirect interest in any contract or proposed contract with the Company except those specified in the annexed schedule, which have been disclosed and declared at meetings of Directors.

DIRECTORS' INTEREST IN SHARES

The Articles of Association of the Company do not stipulate the Directors to hold shares of the Company, as qualifying shares.

COMPANY SECRETARY

Mrs. Nilika Abhayawardhana was the Company Secretary during the Financial Year ended 31st December 2024.

CORPORATE GOVERNANCE

The Audit Committee held four meetings during the year 2024. The Remuneration Committee held two meetings during the year 2024. The Nomination Committee held two meetings during the year 2024. The Related Party Transaction Committee held four meetings during the year 2024.

The number of meetings attended by each Director (who are members of the committee) are as follows:

Names of Committee Member	Audit Committee	Remuneration Committee	Nomination Committee	Related Party Transaction Committee
Mr. N.A. Bandaranaike	4/4	Not a member	Not a member	Not a member
Mr. Takashi Kishi	4/4	Not a member	Not a member	3/4
Mr. S.A.W.S. Silva	4/4	2/2	2/2	4/4
Dr. N.D.P. Dehigama	4/4	2/2	2/2	4/4
Mr. T.R.T. Fernando	3/4	2/2	1/2	Not a member

DONATIONS

During the year charitable donations amounting to Rs. 1.5 Mn were made by the Company.

TAXATION

The Company is liable for income tax at 30%.

The Income Tax Expense of the Company for the year amounted to Rs. 454 Mn.

CAPITAL EXPENDITURE & CAPITAL COMMITMENTS

The total expenditure on acquisition of Property, Plant and Equipment during the year amounted to Rs. 114 Mn.

REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

PROPERTY, PLANT & EQUIPMENT

The details of Property, Plant and Equipment of the Company are shown in the "Notes to Financial Statements" page 130.

The market value of Property, Plant and Equipment are considered not materially different to the book values as given in "Notes to the Financial Statements". Property, Plant and Equipment are carried in the books at Rs. 4.2 Bn.

CURRENT ASSETS

The Directors of the Company have taken reasonable steps to ascertain that whatever current assets of the Company which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realizable values or adequate provisions have been made for the differences between those values.

POST-BALANCE SHEET EVENTS

Since the end of the financial year, no change in the assets of the Company have arisen which secures the liabilities of any other persons.

In the opinion of the Directors, no item, transaction or event of a material nature has arisen in the interval between the end of the financial year and the date of this report which would affect substantially, the results of the operations of the Company for the current financial year.

HUMAN RESOURCES

It is a Company policy to provide equal opportunities in the recruitment and employment of staff. During the year under review, the Company has taken numerous measures to ensure staff contentment at all levels. As at December 2024, there were 2,794 employees in the service of the Company.

ACTUARIAL VALUATION - IBNR / IBNER

The Company has appointed M/s. K.A. Pandit, Consultant Actuaries to certify the IBNR/IBNER provisions made in the accounts as at 31.12.2024.

After reviewing the relevant information and Actuarial studies the Actuaries have recommended to make a net IBNR/IBNER provision of Rs. 721 Mn. The Company has already made this provision in the accounts as at 31.12.2024.

AUDITORS

The Accounts for the year have been audited by M/s. Ernst & Young (Chartered Accountants) who expressed their willingness to continue in office. In accordance with the Companies Act No. 7 of 2007, a resolution relating to their re-appointment and authorizing the Directors to fix their remuneration will be proposed at the forthcoming Annual General Meeting.

The fees paid to the Auditors are disclosed in Note 30 on page 170 to the Financial Statements.

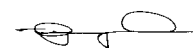
The Auditors of the Company, Messrs. Ernst & Young do not have any relationship with the Company other than that as the Auditors.

RELATED PARTY TRANSACTIONS WITH THE COMPANY

The Company carried out transactions in the ordinary course of business at an arm's length basis with entities where a Director of the Company is the Chairman or a Director of such entities.

There were no non-recurrent related party transactions exceeding 10% of the equity or 5% of the total assets whichever is lower or recurrent related party transactions exceeding 10% of the gross revenue/income requiring disclosure in the Annual Report

BY ORDER OF THE BOARD



Dr. W.C.J. Alwis
Executive Chairman



Mr. R.A. Gunathilake
Director/Chief Executive Officer



Mrs. Nilika Abhayawardhana
Company Secretary

27th February 2025

DIRECTORS' INTERESTS IN CONTRACTS

No Director of the Company is directly or indirectly interested in the contracts of the Company.

The following is a schedule where the Directors and Key Management Personnel of this company held Directorships in other companies during the period 01.01.2024 to 31.12.2024 in which this company has had transactions during the year 2024

Name of Company		Dr. W.C.J. Alwis	Mr. R. A. Gunathilake	Mr. H.D.A.N. Perera	Mr. A.R.S. Wijayapura	Mr. R.A. Ranasinghe	Mr. Takashi Kishi	Mr. N.A. Bandaranaike	Mr. W.J.S. Fernando	Mr. A.B. Meddegoda	Dr. N.D.P. Dehigama	Prof. H.J. De Silva	Mr. T.R.T. Fernando	Mr. S.A.W.S. Silva	Mr. B. Premalal	Mr. U.G. Revankar	Mr. P. Kariyawasam	Mr. K. Sankaramoorthy	Mr. J.D.S.N. Piyadasa	Mr. S.H.P. Liyanage	Mr. V.D.C. Wickramaratne	Mr. S. Thilakeshwaran
1	Ceylinco Holdings PLC	✓					✓															
2	Wycherley International School (Pvt) Ltd	✓																				
3	American Education Centre Ltd	✓																				
4	CEG Education Holdings (Pvt) Ltd	✓																				
5	ANC Modern Montessori International (Pvt) Ltd	✓																				
6	International College of Business & Technology Ltd	✓																				
7	CEC Events (Pvt) Ltd	✓			✓																	
8	Energy Generators (Pvt) Limited		✓	✓																		
9	Ceylinco Investcorp (Pvt) Ltd	✓		✓	✓	✓													✓			
10	Ceylinco Insurance Company (Pvt) Limited – Maldives	✓	✓	✓	✓														✓			
11	Alethea School (Pvt) Ltd	✓																✓				
12	Ceyhydro Developers (Pvt) Ltd		✓																			✓
13	AMK Food Export Pvt Ltd											✓										
14	Ceypower Cascades Pvt Ltd																			✓	✓	
15	Cinnamon Chip Wealth Promoters Pvt Ltd													✓								

ACTUARIAL REPORT



Introduction

I, Kulin Patel, as signing actuary to Ceylinco General Insurance Limited and as Partner of K.A. Pandit Consultants & Actuaries (KAP), have been appointed to estimate and certify the Incurred but Not Reported (IBNR) Reserves of the Company and assess the need to maintain a Premium Deficiency Reserve (PDR) by the Company. If PDR is required, recommend the appropriate amount for the same.

The valuation date for the recommended reserves stated in this report is 31-12-2024.

IBNR Reserves

IBNR Claims Reserves estimate recommended includes a consideration for the below:

- A reserve for claims that have occurred but have not been reported to the insurer. This is referred to as Incurred But Not Yet Reported (IBNYR) Claims Reserve
- A reserve for possible future upward or downward development of reported claims and provided for as case estimates by the Company, referred as Incurred But Not Enough Reported (IBNER) Claims Reserve
- A reserve for claims that may re-open after they have been closed and a consideration for direct claims related expenses.

The IBNR recommended to be booked by Ceylinco General Insurance Limited as at 31-12-2024 is as under:

IBNR Reserves	Figures in LKR 000's
Gross IBNR	1,227,409
Net IBNR	721,355



PDR Reserves

using historical experience on losses, expenses, and commissions to estimate the expected Unexpired Risk Reserve (URR) was assessed for the Company across lines of businesses, future outgo on unexpired risks. The amount is compared to the Unearned Premium Reserve (UPR) provided by the Company to check the need for maintenance of a Premium Deficiency Reserve (PDR). The summary of the premium reserves maintained by the Company is as under:

Premium Reserves	Figures in LKR 000's
Unearned Premium Reserve (UPR)	7,193,254
Premium Deficiency Reserve (PDR)	0

Overall Comments

and take into consideration the existing claims and premium reserves, business profile, The reserves recommended above are based on the data provided to me by the Company current claims reporting and settlement practices, local market practices, any major changes in underwriting and changes in reinsurance programme over the previous year. In my opinion, subject to the above comments, the reserves recommended:

- are computed in accordance with the generally accepted actuarial principles
- are based on sound actuarial methods
- meet the requirements of the Liability Adequacy Test as required under SLFRS-4 satisfactorily
- make a reasonable provision for the IBNR of the Company as at 31-12-2024

Dated: 27-02-2025

Actuary: Kulin Patel (FIAI - #10235, FIA)
Place: Mumbai, India

✉ www.ka-pandit.com 🌐 kap@ka-pandit.com

CHURCHGATE OFFICE | MUMBAI

2nd Floor, Churchgate House, 32 34
Veer Nariman Road, Fort, Mumbai
400001. Tel: +91 22 42922250

ANDHERI OFFICE | MUMBAI

C/201 Remi Bizcourt, Off. Veera Desai
Road, Andheri (W), Mumbai 400058.
Tel: +91 22 42922231

AHMEDABAD OFFICE

509, Golden Triangle, Near Sardar Patel
Stadium, Navrangpura, Ahmedabad 380014.
Tel: +91 79 26460734

INDEPENDENT AUDITOR'S REPORT



Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka
Tel : +94 11 246 3500
Fax : +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

TO THE SHAREHOLDERS OF CEYLINCO GENERAL INSURANCE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ceylinco General Insurance Limited ("the Company"), which comprise the statement of financial position as at 31 December 2024, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Company's 2024 Annual Report

Other information consists of the information included in the Annual Report, other than the financial statements and our auditors' report thereon. The Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ★ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ★ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- ★ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ★ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ★ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

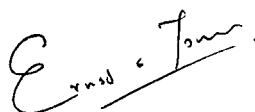
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

As required by the Section 47 (2) of the regulation of insurance industry Act, No.43 of 2000, as far as appears from our examination, the accounting records of the company have been maintained in the manner required by the rules issued by the Insurance Regulatory Commission of Sri Lanka, so as to clearly indicate the true and fair view of the financial position of the Company.



27th February 2025
Colombo

Partners: D K Hulangamuwa FCA FCMA LLB (London), A P A Gunasekera FCA FCMA, Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA, B E Wijesuriya FCA FCMA, R N de Saram ACA FCMA, Ms. N A De Silva FCA, N M Sulaiman FCA FCMA, Ms. L K H L Fonseka FCA, Ms. P V K N Sajeewani FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage ACA ACMA, C A Yalagala ACA ACMA, B Vasanthan ACA ACMA, W D P L Perera ACA

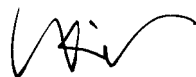
Principals: T P M Ruberu FCCA FCCA MBA (US-JSI), G B Goudan ACMA, Ms. P S Paranavilane ACA ACMA LLB (Colombo), D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Snaathivel B.Com (Sp)

A member firm of Ernst & Young Global Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December	Page	Note	2024 Rs.'000	2023 Rs.'000
ASSETS				
Intangible Assets	128	5	24,567	36,930
Deferred Expenses	129	6	1,292,753	1,243,105
Property, Plant and Equipment	130	7	4,254,439	4,432,760
Right of Use Asset	135	8	212,114	199,890
Investment Properties	137	9	2,794,500	2,556,400
Financial Instruments				
Loans & Receivables	142	10	10,109,007	10,550,778
Available-For-Sale Financial Assets	143	11	9,728,974	8,667,195
Employee Gratuity Benefit Asset	149	12	2,109,992	1,960,253
Employee Pension Benefit Asset	154	13	1,648,220	1,944,700
Reinsurance Receivables	158	15	8,071,617	6,383,085
Insurance Receivables	158	16	6,707,248	7,541,403
Other Assets	159	17	579,242	534,489
Cash and Cash Equivalents	159	18	820,634	627,069
Total Assets			48,353,307	46,678,057
EQUITY AND LIABILITIES				
EQUITY				
Stated Capital	160	19.(A)	500,200	500,200
Retained Earnings			11,280,243	11,838,270
Special Reserves	160	19.(B)	6,848,160	6,848,160
Revaluation Reserves			727,580	727,580
Available-for-Sale Reserve			573,250	290,332
Total Equity			19,929,433	20,204,542
LIABILITIES				
Non Life Insurance Contract Liabilities	161	20	16,504,312	15,723,015
Deferred Revenue	163	21	501,067	562,046
Deferred Tax Liability	156	14	205,416	107,104
Reinsurance Payables	163	22	7,543,437	6,261,491
Income Tax Payable			221,800	217,164
Interest Bearing Borrowings	159	18	-	3,116
Other Liabilities	164	23	3,447,842	3,599,579
Total Liabilities			28,423,874	26,473,515
Total Equity and Liabilities			48,353,307	46,678,057

These Financial Statements are prepared in compliance with the requirements of the Companies Act No.07 of 2007.



Mr. Nilantha Piyadasa
Chief Financial Officer

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by;



Mr. R.A. Gunathilake
Director/Chief Executive Officer



Mr. H.D.A.N. Perera
Executive Director

The notes on pages 125 through 188 form an integral part of the Financial Statements.

27th February 2025
Colombo

INCOME STATEMENT

For the Year ended 31 December	Page	Note	2024 Rs.'000	2023 Rs.'000
Net Income	166	24.(C)	17,923,877	19,763,705
Gross Written Premiums	166	24.(A)	24,548,782	25,246,863
Premiums Ceded to Reinsurers	166	24.(B)	(9,830,750)	(10,705,138)
Net Written Premiums			14,718,032	14,541,725
Net Change in Reserve for Unearned Premium	163	20.(A).II	98,005	(31,074)
Net Earned Premium			14,816,037	14,510,651
Fees and Commission Income	167	25	1,383,284	1,123,157
Investment Income	167	26	1,428,039	4,085,847
Realised Gains	168	27	58,417	37,550
Fair Value Gains			238,100	6,500
Other Revenue			3,107,840	5,253,054
Gross Benefits and Claims Paid	168	28.(A)	(9,612,420)	(11,095,036)
Claims Ceded to Reinsurers	168	28.(B)	749,593	3,160,682
Gross Change in Contract Liabilities	168	28.(C)	(879,302)	(1,058,829)
Change in Contract Liabilities Ceded to Reinsurers	169	28.(D)	1,688,532	753,208
Net Benefits and Claims			(8,053,597)	(8,239,975)
Acquisition Cost	169	29	(2,325,827)	(2,379,727)
Other Operating and Administrative Expenses	170	30	(5,964,579)	(5,008,307)
Finance Cost	170	31	(67,136)	(57,439)
Total Benefits, Claims and Other Expenses			(16,411,139)	(15,685,448)
Profit Before Tax			1,512,738	4,078,257
Income Tax Expense	171	32.(A)	(454,176)	(355,251)
Profit for the Year			1,058,562	3,723,006
Basic/Diluted Earnings Per Share	173	33	423.26	1,488.61
Dividend Per Share - Paid	173	34	360.00	228.00

The notes on pages 125 through 188 form an integral part of the Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

For the Year ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Profit for the Year		1,058,562	3,723,006
Other Comprehensive Income			
Other Comprehensive Income to be reclassified to Income Statement in subsequent period			
Net Gain/(Loss) on Available-For-Sale Assets	35	384,062	678,725
Income Tax relating to Components of Other Comprehensive Income	35	(101,144)	(194,400)
Net Other Comprehensive Income to be reclassified to Income Statement in subsequent period		282,918	484,325
Other Comprehensive Income not to be reclassified to Income Statement in subsequent period			
Actuarial Gain on Defined Benefit Plans	35	(779,825)	(609,781)
Income Tax relating to Comprehensive Income	35	63,596	5,670
Net Other Comprehensive Income not to be reclassified to Income Statement in subsequent period		(716,229)	(604,111)
Other Comprehensive Income for the Year, Net of Tax		(433,311)	(119,786)
Total Comprehensive Income for the Year, Net of Tax		625,251	3,603,220

The notes on pages 125 through 188 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

	Note	Stated Capital	Special Reserves	Revaluation Reserve	Retained Earnings	Available - for Sale Reserve	Total Ordinary Share- Holders' Equity
		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st January 2023		500,200	6,848,160	727,580	9,289,603	(193,993)	17,171,550
Profit for the Year		-	-	-	3,723,006	-	3,723,006
Other Comprehensive Income for the Year	35	-	-	-	(604,111)	484,325	(119,786)
Total Comprehensive Income for the Year		-	-	-	3,118,895	484,325	3,603,220
Final Dividend Paid	34	-	-	-	(570,228)	-	(570,228)
Balance As At 31 December 2023		500,200	6,848,160	727,580	11,838,270	290,332	20,204,542
Profit for the Year		-	-	-	1,058,562	-	1,058,562
Other Comprehensive Income for the Year	35	-	-	-	(716,229)	282,918	(433,311)
Total Comprehensive Income for the Year		500,200	6,848,160	727,580	12,180,603	573,250	20,829,793
Final Dividend Paid	34	-	-	-	(900,360)	-	(900,360)
Balance As At 31 December 2024		500,200	6,848,160	727,580	11,280,243	573,250	19,929,433

The notes on pages 125 through 188 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

For the Year ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Cash Flows from Operating Activities			
Premiums/Revenue Received from Customers		25,382,937	24,556,152
Reinsurance Premiums (Net of Commission) Paid		(7,226,499)	(11,233,008)
Commission Paid		(2,281,675)	(2,412,922)
Claims and Benefits Paid	28.(A)	(9,612,421)	(11,095,036)
Reinsurance Receipts in respect of Claims & Benefits	28.(B)	749,593	3,160,682
Interest and Dividends Received		2,006,339	2,334,658
Other Operating Cash Payments		(6,311,749)	(3,775,194)
Other Income		294,702	1,752,445
Contributions to Gratuity Fund/Gratuity Payments	12.2	(242,938)	(189,549)
Income Taxes Paid		(367,678)	(489,562)
Interest Paid		(67,136)	(57,439)
Net Cash Flows from Operating Activities (Note A)		2,323,475	2,551,227
Cash Flows from Investing Activities			
Purchase of investment property	9	-	(140,400)
Acquisition of Financial Investments	11.(E)	(130,486,100)	(50,102,802)
Acquisition of Other Investments	11.(E)	(12,139,055)	(4,510,811)
Disposal of Other Investments	11.(E)	11,975,682	3,792,685
Proceeds from Financial Investments	11.(E)	129,683,970	49,753,938
Acquisition of Property , Plant & Equipment	7.4	(114,289)	(440,208)
Acquisition of Intangible Assets	5.1	(127,609)	(103,230)
REREPO Borrowings (net)			
Proceeds from Disposal of Property, Plant & Equipment		79,571	49,903
Net Cash Flows used in Investing Activities		(1,127,830)	(1,700,925)
Cash Flows from Financing Activities			
Repayment of Lease Liabilities		(98,604)	(66,415)
Dividends Paid to Equity Holders Including Dividend on WHT	34	(900,360)	(570,228)
Net Cash Flows from Financing Activities		(998,964)	(636,643)
Increase / (Decrease) in Cash & Cash Equivalents (Note B)		196,681	213,659

For the Year ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Note A.			
Reconciliation of Profit Before Tax with Net Cash Flows from Operating Activities			
Profit Before Tax		1,512,738	4,078,257
Adjustments for:			
Depreciation	7	270,561	316,137
Amortisation of Intangible Assets	5	139,972	111,286
Amortisation of Right of Use Assets		86,380	92,163
Change in Trade and Other Receivables	8	(227,744)	232,166
Change in Reinsurance Receivable		(1,688,532)	(1,103,183)
Increase in Non - Life Insurance Provisions		670,670	1,028,861
Change in Trade and Other Payables		1,226,210	(58,048)
Gain on Disposal of Property, Plant & Equipment	27	(57,521)	(36,294)
Foreign Exchange Gain/Loss	26	872,106	(1,614,056)
Impairment of Investments	11.(A)	124,413	-
Revaluation of Investment property		(238,100)	(6,500)
Income Tax Paid		(367,678)	(489,562)
Net Cash Flows from Operating Activities		2,323,475	2,551,227
Note B.			
Cash and Cash Equivalents at 1st January		623,953	410,294
Cash and Cash Equivalents at 31st December	Note C	820,634	623,953
Increase / (Decrease) in Cash and Cash Equivalents		196,681	213,659
Note C			
Cash at Bank		786,194	592,871
Cash in Hand		34,440	34,198
Bank Overdraft		-	(3,116)
		820,634	623,953

The notes on pages 125 through 188 form an integral part of the Financial Statements.

INSURANCE REVENUE ACCOUNT

For the Year ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Non - Life Insurance			
Gross Written Premium	24.(A)	24,548,782	25,246,863
Net Earned Premium		14,816,037	14,510,651
Net Claims Incurred	28	(8,053,597)	(8,239,975)
Underwriting and Net Acquisition Costs (Including Reinsurance)		(942,543)	(1,256,570)
Underwriting Result		5,819,897	5,014,106
Other Operating, Investments Related and Administrative Expenses	30	(5,964,579)	(5,008,307)
Investment and Other Income		1,486,456	4,123,397
Interest Expense	31	(67,136)	(57,439)
Profits From Operations After Interest Expense		1,274,638	4,071,757
Key Ratios Non - Life Insurance			
Net Loss Ratio		54.36	56.79
Net Expense Ratio		47.07	43.57
Net Combined Ratio		101.43	100.36

The notes on pages 125 through 188 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1. GENERAL

Ceylinco General Insurance Limited (the Company) is a public limited liability company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at No. 69, Janadhipathi Mawatha, Colombo 1. The main place of business of General Insurance Ltd is located at "Ceylinco House", No 69, Janadhipathi Mawatha, Colombo 1. The additional corporate information is given on page 191.

1.2. PRINCIPAL ACTIVITIES AND NATURE OF OPERATIONS

During the year, the principal activities of the Company are underwriting of all classes of general insurance.

1.3. PARENT ENTITY AND ULTIMATE PARENT COMPANY

The Company's immediate and ultimate parent Company is Ceylinco Holdings PLC which is incorporated in Sri Lanka.

1.4. DATE OF AUTHORIZATION FOR ISSUE

The financial statements of Ceylinco General Insurance Limited for the year ended 31 December 2024 was authorized for issue in accordance with a resolution of the board of directors on 27th February 2025.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

The Company's Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards comprising SLFRS and LKAS (hereafter referred to as "SLFRS") applicable for periods beginning on or after 1 January 2012, promulgated by the Institute of Chartered Accountants of Sri Lanka (CA-Sri Lanka) 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 amendments thereon.

2.2. BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis except for the following:

- ★ Investment property is measured at fair value
- ★ Available for financial assets have been measured at fair value
- ★ Land and buildings are stated at revalued amount
- ★ The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques
- ★ Employee gratuity and pension benefit assets at fair value

Fair value is the price that would be received to sell as asset or paid to transfer a liability in an orderly transaction between market participants. The fair value measurement is based on the presumption that transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability
- Or
2. In the absence of a principle market, in the most advantageous market for the asset or liability

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability.

2.3. MATERIALITY & AGGREGATION

In compliance with the Sri Lanka Accounting Standard - LKAS 01 on 'Presentation of Financial Statements', each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately, unless they are immaterial.

2.4. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Sri Lankan Rupees, which is the Company's functional currency. All financial information presented in Sri Lankan Rupees rounded to the nearest thousand.

2.5. COMPARATIVE INFORMATION

The comparative information is consistently applied during the year.

2.6. GOING CONCERN

After considering the financial position, operating conditions, regulatory and other factors, the Directors have a reasonable expectation that the Company possesses adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the Going Concern basis in preparing the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies have been applied consistently to all periods presented in these financial statements of the Company.

(a) Product Classification

Insurance contracts are those contracts when the Company (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur.

NOTES TO THE FINANCIAL STATEMENTS

(b) Impairment of Non-Financial Assets

The carrying amounts of the Company's nonfinancial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in income statement. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(c) Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the cost in the

functional currency at the beginning of the period adjusted for payments during the period and the cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognized in income statement.

The Company's financial statements are presented in rupees which is also the parent company's functional currency. The Company determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to the income statement.

3.1. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

There is no impact of standards resulted on the financial statements of the Company due to changes in Accounting Standards and disclosures during the year.

3.2. USE OF JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Sri Lanka Accounting Standards (LKAS and SLFRS) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying amount of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Critical Accounting Judgments, and Assumptions Disclosure Reference

Critical Accounting Judgments, Estimates and Assumptions	Disclosure Reference	
	Note	Page
Impairment of assets (receivables)	16	158
Reserve for gross outstanding claims (IBNR/IBNER)	20	161
Valuation of investment property	09	137
Measurement of defined benefit obligation and pension	12 & 13	149 & 154
Unearned Premium and deferred acquisition cost	20 & 06	161 & 129
Leases - Estimating the incremental borrowing rate and determining the lease term of contracts with renewal and termination options	08	135

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued up to the date of issuance of the Ceylinco General Insurance Limited financial statements but are not effective for the current annual reporting period, are disclosed below. The Ceylinco General Insurance Limited intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

SLFRS 17 Insurance Contracts

SLFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, SLFRS 17 will replace SLFRS 4 Insurance Contracts (SLFRS 4) that was issued in 2005. SLFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. The core of SLFRS 17 is the general model, supplemented by:

- ★ A specific adaptation for contracts with direct participation features (the variable fee approach)
- ★ A simplified approach (the premium allocation approach) mainly for short-duration contracts

SLFRS 17 is effective for annual reporting periods beginning on or after 1 January 2026, with comparative figures required. Early application is permitted, provided the entity also applies SLFRS 9 and SLFRS 15 on or before the date it first applies SLFRS 17.

The Company is currently in process of assessing and finalizing the applicable accounting policies, transition approach including the possible effects on comparative information, impact on current practices of the Company and the appropriate methodology for implementation. As such, the financial impact of initial application of SLFRS 17 Insurance Contracts has not been disclosed in these financial statements as it is not yet reasonably estimable.

Lack of exchangeability – Amendments to LKAS 21

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

Company is currently assessing the impact the amendments will have on current practice.

SLFRS 9 Financial Instruments

SLFRS 9 replaces the existing guidance in LKAS 39 Financial Instruments: recognition and Measurement. SLFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from LKAS 39. SLFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Company meets the eligibility criteria of the temporary exemption from SLFRS 9 and intend to defer the application of SLFRS 9 until annual reporting periods beginning on or after 1 January 2026.

NOTES TO THE FINANCIAL STATEMENTS

5. INTANGIBLE ASSETS

ACCOUNTING POLICY

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or infinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset. The estimated useful lives for the current and comparative periods are as follows:

Item	Useful Life
Computer software	03 - 05 Years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

	Computer Software & License
	Rs.'000
Cost	
At 1 January 2023	579,691
Cost Capitalised	103,230
At 1 January 2024	682,921
Cost Capitalised	127,609
At 31 December 2024	810,530
Accumulated Amortisation and Impairment	
At 1 January 2023	534,705
Amortisation during the year	111,286
At 1 January 2024	645,991
Amortisation during the year	139,972
At 31 December 2024	785,963
Carrying Amount	
At 1 January 2024	36,930
At 31 December 2024	24,567

5.1. ACQUISITION OF INTANGIBLE ASSETS DURING THE YEAR

During the financial year, the Company acquired/capitalised Intangible Assets (Computer Software & License) to the aggregate value of Rs.127,609,000 (2023- 103,230,000). Cash payments amounting to Rs.127,609,000 .(2023 - 103,230,000) were made during the year for purchase of Intangible assets (Computer Software & License).

5.2. FULLY AMORTISED INTANGIBLE ASSETS IN USE

Intangible Assets include Rs.139,897,966 fully amortised Computer Software which are in the use of normal business activities (2023 -Rs. 192,241,654)

5.3. TITLE RESTRICTION ON INTANGIBLE ASSETS

There were no restrictions that existed on the title of the Intangible Assets of the Company as at the Reporting date.

5.4. ASSESSMENT OF IMPAIRMENT OF INTANGIBLE ASSETS

The Board of Directors has assessed potential impairment indicators of intangible assets as at 31st December 2024. Based on the assessment, no impairment indicators were identified.

5.5. CAPITALISATION OF BORROWING COSTS

There were no capitalised borrowing costs related to the acquisition of Intangible Assets during the year (2023 - Nil)

6. DEFERRED EXPENSES**ACCOUNTING POLICY**

Those direct and indirect costs incurred during the financial period arising from the writing or renewing of insurance contracts are deferred to the extent that these costs are recoverable out of future premiums.

DAC for general insurance is amortised over the period in which the related revenues are earned. The reinsurers' share of deferred acquisition costs is amortised in the same manner as the underlying asset amortization is recorded in the income statement. An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value an impairment loss is recognized in the income statement. DAC are also considered in the liability adequacy test for each reporting period. DAC are derecognised when the related contracts are either settled or disposed of.

	Deferred Acquisition Costs (DAC) Insurance Contracts	
	2024	2023
	Rs.'000	Rs.'000
At 1 January	1,243,105	1,140,051
Expenses Deferred	2,644,170	2,625,962
Amortisation	(2,594,522)	(2,522,908)
At 31 December	1,292,753	1,243,105

Deferred Acquisition Cost is those direct and indirect costs incurred during the financial period arising from the writing or renewing of insurance contracts and deferred to the extent that these costs are recoverable out of future premiums.

NOTES TO THE FINANCIAL STATEMENTS

7. PROPERTY, PLANT & EQUIPMENT

ACCOUNTING POLICY

(i) Recognition and Measurement

Items of property, plant and equipment is stated at cost or valuation less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Borrowing costs related to the acquisition or constructions of qualifying assets are capitalised.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within "other income" in income statement. When revalue assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

(ii) Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in income statement as incurred.

(iii) Depreciation

Depreciation is recognised in income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The assets are depreciated from the month it is available for use and cease to depreciate from the month of disposal.

The estimated useful lives for the current and comparative periods are as follows:

Item	Useful Life
Buildings	50 years
Furniture and Fittings	10 Years
Office Equipment	10 Years
Computer Equipment	05 Years
Motor Vehicles	05 Years
Electric Equipment	05 Years
Plant & Machinery	10 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(iv) Revaluations

Revaluation is performed on freehold land and building by professionally qualified valuers using the open market value. Land and buildings are revalued in every three years. Fair values of land and buildings are reviewed at each reporting date to ensure that carrying amount does not differ materially from fair value.

The revaluation surplus is recognized on the net carrying value of the asset and is transferred to a revaluation reserve after restating the asset at the revalued amount. The revaluation reserve is transferred to retained earnings at the point of derecognition.

(v) De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in Income Statement in the year the asset is de-recognised.

	Freehold Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment	Computer Equipment	Furniture & Fittings	Electrical Equipment	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cost/Valuation									
At 1 January 2024	1,151,737	1,601,396	71,367	2,933,687	89,114	373,678	218,404	397,474	6,836,857
Additions	-	-	20,632	11,308	6,827	47,773	27,181	568	114,289
Disposals/Transfer	-	-	(86)	(58,464)	(129)	(484)	(74)	-	(59,236)
At 31 December 2024	1,151,737	1,601,396	91,913	2,886,531	95,812	420,967	245,511	398,042	6,891,910
Accumulated Depreciation									
At 1 January 2024	-	30,773	40,556	1,592,393	63,119	257,175	145,455	274,626	2,404,097
Depreciation	-	32,872	6,637	77,022	6,076	41,751	15,484	90,717	270,561
Disposals	-	-	(86)	(36,446)	(115)	(484)	(56)	-	(37,186)
At 31 December 2024	-	63,645	47,108	1,632,970	69,080	298,442	160,884	365,343	2,637,471
Carrying Amount									
At 1 January 2024	1,151,737	1,570,623	30,811	1,341,294	25,995	116,503	72,949	122,848	4,432,760
At 31 December 2024	1,151,737	1,537,751	44,805	1,253,562	26,732	122,525	84,628	32,699	4,254,439

NOTES TO THE FINANCIAL STATEMENTS

If the land and building were measured using cost model, the carrying value would be as follows.

At Cost	Freehold Land	Building	Total
	Rs.'000	Rs.'000	Rs.'000
Cost/Valuation			
At 1 January 2024	566,454	1,272,781	1,839,235
At 31 December 2024	566,454	1,272,781	1,839,235
Accumulated Depreciation			
At 1 January 2024	-	204,406	204,406
Depreciation	-	25,456	25,456
At 31 December 2024	-	229,862	229,862
Carrying Amount			
At 1 January 2024	566,454	1,068,375	1,634,829
At 31 December 2024	566,454	1,042,919	1,609,373

Revaluation of Land & Building

The Company uses the revaluation model of measurement of land and buildings. The Land and Buildings were revalued by independent expert valuers, Mr. W.M.Chandrasena Incorporated valuer, to determine the fair value of its land and buildings. Fair value is determined by reference to market-based evidence of transaction prices for similar properties. Valuation is based on open market prices, adjusted for any difference in the nature, location or condition of the specific property. Refer note 7.1 for details of revaluations.

7.1. DETAILS OF FREEHOLD LAND & BUILDING

Addresses	Building	Land Extent	Method of Valuation	Significant Unobservable Inputs	Estimation for Unobservable Inputs	Value of Land	Value of Buildings	Total Valuation	Date of the Valuation
	Sq. Ft.					Rs.'000	Rs.'000	Rs.'000	
282, High Level Road, Kottawa	862	Condominium	Investment Method	Price per Sq ft Price per perch	100 2,275,000	10,237	2,762	13,000	31/12/2022
97, Bauddhaloka Mawatha, Gampaha	8,360	A-0-R-0-P 16.50	Market Comparable Method	Price per perch Price per Sq ft	4,500,000 10,000	74,000	68,000	142,000	31/12/2022
42/1, Mihidu Mawatha, Kurunegala	8,425	A-0-R-0-P 8.2	Market Comparable Method	Price per perch Price per Sq ft	8,000,000 12,000	65,500	68,500	134,000	31/12/2022
583/ 63 Liyanagemulla, Seeduwa	43,080	A-3-R-1-P .3.6	Market Comparable Method	Price per perch Price per Sq ft	300,000 800-4500	157,000	81,000	238,000	31/12/2022
60, Yovunpitiya Watte, Gnanawimala Mawatha. Kosgoda, Balapitiya	11,282	A-0-R-1-P 29	Market Comparable Method	Price per perch Price per Sq ft	600,000 7,500	41,000	63,000	104,000	31/12/2022
63, Janadhipathi Mawatha, Colombo 1.	-	A-0-R-0-P 13.84	Market Comparable Method	Price per perch	22,000,000	304,000	-	304,000	31/12/2022
3 rd,4 th, 7 th, 5th & 11 th Floors of Ceylinco House Building 69, “Ceylinco House”, Janadhipathi Mawatha, Colombo 1.	42,656	-	Investment Basis	Rent per Sq.ft per month	200-215	-	1,092,000	1,092,000	31/12/2022

Addresses	Building Sq. Ft.	Land Extent	Method of Valuation	Significant Unobservable Inputs	Estimation for Unobservable Inputs	Value of Land Rs.'000	Value of Buildings Rs.'000	Total Valuation Rs.'000	Date of the Valuation
46 / 34, "VIP Centre", Nawam Mawatha, Colombo 2.	18,068	A-0-R-0-P 19.00	Market Comparable Method	Price per perch Price per Sq ft	16,500,000 12,500	313,500	163,201	476,701	31/12/2022
Madabawita, Warakapola	608	A-0-R-0-P 16.25	Market Comparable Method	Price per perch Price per Sq ft	600,000 5,000	9,000	2,000	11,000	31/12/2022
Malangama, Kuruwita	650	A-0-R-0-P 15.00	Market Comparable Method	Price per perch Price per Sq ft	600,000 5,000	9,000	2,500	11,500	31/12/2022
Induruwa, Kosgoda	856	A-0-R-0-P 24.30	Market Comparable Method	Price per perch	650,000	15,500	-	15,500	31/12/2022
Ibbagamuwa, Melsiripura	620	A-0-R-1-P 00.00	Contractors Method	Price per perch Price per Sq ft	350,000 5,500	14,000	2,500	16,500	31/12/2022
Bibilioya, Kithulgala	5,326	A-0-R-2-P 00.07	Contractors Method	Price per perch Price per Sq ft	350,000 5000-6000	28,000	23,033	51,033	31/12/2022
Puttalam - South, Mundel	705	A-0-R-0-P-20.0	Contractors Method	Price per perch Price per Sq ft	150,000 5,000	3,000	2,500	5,500	31/12/2022
302 and 302 1/1 D.S. Senanayaka Mawatha, Kandy		A-0-R-0-P-13.5	Contractors Method	Price per perch Price per Sq ft	8,000,000 8,000	108,000	30,400	138,400	31/12/2023
Total						1,151,737	1,601,396	2,753,134	

7.2. Description of the above valuation techniques together with narrative descriptions on sensitivity of the fair value measurement to changes in significant unobservable inputs are tabulated below;

The fair value measurement for all of the Freehold Land and Building has been categorized as a Level 3 based on the inputs to the valuation techniques used.

Valuation Technique	Significant Unobservable Valuation Inputs	Sensitivity of the Fair Value Measurement to Inputs
Market Comparable Method This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property in this process outlier transactions, indicative of particularly motivated buyers or sellers are too compensated for since the price may not adequately reflect the fair market value.	Price per perch for Land Price per square foot for Building	Estimated fair value would increase (decrease) if; Price per perch increases (decreases) Price per square foot increases (decreases) Depreciation rate for building (decreases)/increases
Investment Method This method involves capitalisation of the expected rental income at an appropriate Rate of years purchase currently characterised by the real estate market.	Gross Monthly Rental Years	Estimated fair value would increase (decrease) if; Gross Annual Rental increases (decreases) Years Purchase increases (decreases) Void Period (decrease) / increases

NOTES TO THE FINANCIAL STATEMENTS

Valuation Technique	Significant Unobservable Valuation Inputs	Sensitivity of the Fair Value Measurement to Inputs
Cost Method The cost approach is a real estate valuation method that estimates the price a buyer should pay for a piece of property is equal the cost to build an equivalent building. In the cost approach, the property's value is equal to the cost of land, plus total costs of construction, less depreciation.	Current replacement cost	Estimated Fair value would increase (decrease) if; cost of Land , increases (decreases) cost of construction, less depreciation
Contractor's Method This method consists of estimating the "Effective Capital Value" of the property and applying to this a rate percent in order to estimate the rental value	Capital Value	Estimated fair value would increase/ (decrease) if; Effective Capital Value increases/(decreases)

7.3. FULLY DEPRECIATED PROPERTY, PLANT AND EQUIPMENT

The initial cost of fully depreciated Property, Plant and Equipment which are still in use as at the reporting date is as follows;

As at 31 December	2024 Rs.'000	2023 Rs.'000
Plant and Machinery	5,666	4,974
Computer Equipment	70,038	61,482
Office Equipments	55,313	48,556
Furniture and Fittings	24,609	21,513
	155,626	136,525

7.4. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT DURING THE YEAR

During the financial year, the Company acquired Property, Plant and Equipment to the aggregate value of Rs. 114,289,000 (2023 - 440,208,000). Cash payments amounting to Rs. 114,289,000 (2023 - 440,208,000) were made during the year to purchase of Property, Plant and Equipment.

7.5. CAPITAL COMMITMENTS

There were no capital commitments relating to the acquisition of Property, Plant and Equipment during the year. (2023 - Nil)

7.6. PROPERTY, PLANT AND EQUIPMENT PLEDGED AS SECURITY FOR LIABILITIES

There were no items of Property, Plant and Equipment pledged as securities for liabilities during the year. (2023 - Nil)

7.7. TITLE RESTRICTION ON PROPERTY, PLANT AND EQUIPMENT

There are no restrictions that existed on the title of the Property, Plant and Equipment of the Company as at the reporting date.

7.8. ASSESSMENT OF IMPAIRMENT

The Board of Directors has assessed the potential impairment indicators of Property, Plant and Equipment as at 31st December 2024. Based on the assessment, no impairment indicators were identified.

7.9. CAPITALISATION OF BORROWING COSTS

There were no capitalised borrowing costs relating to the acquisition of Property, Plant and Equipment during the year. (2023 - Nil)

7.10. TEMPORARILY IDLE PROPERTY, PLANT AND EQUIPMENT

There were no temporarily idle property as at the year ended 31st December 2024. (2023 - Nil)

8. RIGHT OF USE ASSET**ACCOUNTING POLICY**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings 2 - 10 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 3(b) Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other liabilities.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building and (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

As at 31st December	2024	2023
	Rs.000	Rs.000
Cost		
As at 01 January	662,821	610,710
Additions During the Year	98,604	52,111
As at 31 December	761,425	662,821
Accumulated Depreciation		
As at 01 January	462,931	370,767
Depreciation on Right-of-Use Assets	86,380	92,164
As at 31 December	549,311	462,931
Carring Value as at 31 December	212,114	199,890

The following are the amounts recognised in profit or loss:

	2024	2023
	Rs.000	Rs.000
Depreciation expense of right-of-use assets	86,380	92,164
Interest expense on lease liabilities	17,852	20,744
	104,232	112,908

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of buildings with shorter non-cancellable period (i.e., three to ten years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on operation if a replacement asset is not readily available.

9. INVESTMENT PROPERTIES**ACCOUNTING POLICY**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Fair values are evaluated annually by an accredited external, independent valuer, applying a valuation model, when there are indications of fair value changes in investment property.

Investment properties are derecognised either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use evidenced by the end of owner-occupation, commencement of an operating lease to another party or completion of construction or development. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of the change in use.

	2024	2023
	Rs.'000	Rs.'000
At 1 January	2,556,400	2,409,500
Fair value gains	238,100	6,500
Addition	-	140,400
At 31 December	2,794,500	2,556,400

Revaluation of Investment Properties

The Investment Properties were revalued on 31st December 2024 by independent expert valuer, Mr. W.M. Chandrasena Incorporated valuer, in determining the fair value, the current condition of the properties, future usability and associated redevelopment requirements have been considered. Also the valuers have made reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size of location. The appraised fair values are rounded within the range of values. The fair value of investment property reflects the actual market value as at reporting date. Refer note 9.1 for details of revaluations.

NOTES TO THE FINANCIAL STATEMENTS

9.1. DETAILS OF INVESTMENT PROPERTY

Addresses	Building	Extent Perches	Method of Valuation	Significant Unobservable Inputs	Estimation for Unobservable Inputs	Value of Land	Value of Building	Total	Date of Valuation
	Sq. Ft.					Rs.'000	Rs.'000	Rs.'000	
No,34, Muhandiram ED Dabare Mawatha, Colombo-05 (1 Apartment)	2,663	1/A/1M & 1A/4	Investment Method	Rent per Sq.ft per month	Rs.77.50	-	37,000	37,000	31/12/2024
583/63, Liyanagemulla, Seeduwa	335.5	A-2-R-2-P-21.5	Cost Approach	Price per perch & Price per Sq ft	Rs.675,000	118,000	-	118,000	31/12/2024
232,Baudhhaloka Mawatha Colombo-7	28,948	1A-OR-0.00P	Sales Comparison Approach	Price per perch & Price per Sq ft	Rs.12,300,000, RS.7,000	1,968,000	60,000	2,028,000	31/12/2024
Ceylinco House - Level 6 West and Level 7 East	11,323/ 5,665	X/F6/U1,X/F6/ U2,X/F7/U2	Investment Method	Rent per Sq.ft per month	Rs.220, Rs.222.50	-	470,000	470,000	31/12/2024
Prime Residencies, 23B1	1,423			Rent per Sq.ft per month	Rs.425	-	141,500	141,500	31/12/2024
Sub Total						2,086,000	708,500	2,794,500	

9.2. Description of the above valuation techniques together with narrative descriptions on sensitivity of the fair value measurement to changes in significant unobservable inputs are tabulated below;

The fair value measurement for all of the Freehold Land and Building has been categorized as a Level 3 based on the inputs to the valuation techniques used.

Valuation Technique	Significant Unobservable Valuation Inputs	Sensitivity of the Fair Value Measurement to Inputs
Sales Comparison Approach This method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property in this process outlier transactions, indicative of particularly motivated buyers or sellers are too compensated for since the price may not adequately reflect the fair market value.	Price per perch for Land Price per square foot for building	Estimated fair value would increase(decrease) if; price per perch increases (decreases) price per square foot increases (decreases) depreciation rate for building (decreases)/increases .
Investment Method This method involves capitalisation of the expected rental income at an appropriate Rate of years purchase currently characterised by the real estate market.	Gross Monthly Rental Years	Estimated fair value would increase (decrease) if; Gross Annual Rental increases (decreases) Years Purchase increases (decreases) Void Period (decrease) / increases
Cost Method The cost approach is a real estate valuation method that estimates the price a buyer should pay for a piece of property is equal the cost to build an equivalent building. In the cost approach, the property's value is equal to the cost of land, plus total costs of construction, less depreciation.	Current replacement cost	Cost of land, plus costs of construction, less depreciation

10 & 11. FINANCIAL INSTRUMENTS AND FAIR VALUES OF FINANCIAL INSTRUMENTS**ACCOUNTING POLICY****Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial Assets**Initial recognition and measurement**

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale financial assets, as appropriate.

Financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs that are attributable to the acquisition of the financial asset.

The classification depends on the purpose for which the investments were acquired or originated. Financial assets are classified as at fair value through profit or loss where the Company's documented investment strategy is to manage financial investments on a fair value basis, because the related liabilities are also managed on this basis. The available-for-sale and held to maturity categories are used when the relevant liability (including shareholders' funds) is passively managed and/or carried at amortised cost.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the settlement date.

The financial assets include cash and short-term deposits, loans and receivables, quoted and unquoted financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Available-for-sale financial assets

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

Debt securities in this category are those that are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial assets are subsequently measured at fair value with unrealized gains or losses recognised as other comprehensive income in the available-for-sale reserve until the asset is derecognised, at which time, the cumulative gain or loss is recognised in other operating income, or determined to be impaired, or the cumulative loss is recognised in the income statement in finance costs and removed from the available-for-sale reserve.

The Company evaluated its available-for-sale financial assets to determine whether the ability and intention to sell them in the near term would still be appropriate. In the case where the Company is unable to trade these financial assets due to inactive markets and management's intention significantly changes to do so in the foreseeable future, the Company may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial asset meets the definition of loans and receivables and management has the intention and ability to hold these assets for the foreseeable future or until maturity. The reclassification to held to maturity is permitted only when the entity has the ability and intention to hold the financial asset until maturity. For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired then the amount recorded in equity is reclassified to the income statement.

NOTES TO THE FINANCIAL STATEMENTS

Loans and other receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These investments are initially recognised at cost, being the fair value of the consideration paid for the acquisition of the investment.

After initial measurement, loans and receivables are measured at amortised cost, using the effective interest rate method (EIR) less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement. Gains and losses are recognised in the income statement when the investments are derecognised or impaired, as well as through the amortisation process.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

The rights to receive cash flows from the asset have expired

The Company retains the right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- (i) The Company has transferred substantially all the risks and rewards of the asset; or
- (ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

(b) Impairment of Financial Assets

The Company assesses at each reporting date whether a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of investment income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the 'finance cost' in the income statement.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of the Company's internal credit grading system, which considers credit risk characteristics such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

Future cash flows on a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the Company. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. Estimates of changes in future cash flows reflect, and are directionally consistent with, changes in related observable data from year to year (such as changes in unemployment rates, property prices, commodity prices, payment status, or other factors that are indicative of incurred losses in the Company and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Available-for-sale financial investments

For available-for-sale financial investments, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include a 'significant or prolonged' decline in the fair value of the investment below its cost. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement is removed from other comprehensive income and recognized in the income statement. Impairment losses on equity investments are not reversed through the income statement; increases in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement.

(c) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset derecognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. Income and expense will not be offset in the income statement unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(d) Fair Value of Financial Instruments

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the reporting date, without any deduction for transaction costs. For units in unit trusts and shares in open ended investment companies, fair value is determined by reference to published net asset values.

For financial instruments where there is not an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, net assets, comparison to similar instruments for which market observable prices exist and other relevant valuation models.

The fair value of repo and call deposits with credit institutions is their carrying value. The carrying value is the cost of the investment and accrued interest. The fair value of fixed interest bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

If the fair value can not be measured reliably, these financial instruments are measured at cost, being the fair value of the consideration paid for the acquisition of the investment or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

The Company's Financial Instruments are summarised by categories as follows:

	Note	2024 Rs.'000	2023 Rs.'000
Loans and Receivables (L&R)	10	10,109,007	10,550,778
Available-For-Sale Financial Assets (AFS)	11	9,728,974	8,667,195
Total Financial Instruments		19,837,981	19,217,973

The following table compares the fair values of the Financial Instruments to their carrying values:

Available-For-Sale Financial Assets (AFS) have been valued at fair value and Loans and Receivables (L&R) are valued at amortized cost.

As at 31 December	Note	2024		2023	
		Carrying value	Fair value	Carrying value	Fair value
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
Loans and Receivables (L&R)	10	10,109,007	10,109,007	10,550,778	10,550,778
Available-For-Sale Financial Assets (AFS)	11	9,728,974	9,728,974	8,667,195	8,667,195
Total Financial Instruments		19,837,981	19,837,981	19,217,973	19,217,973

10. LOANS AND RECEIVABLES (L&R)

As at 31 December	Note	2024 Rs.'000	2023 Rs.'000
Staff Loans	10.(A)	419,547	399,723
Repo Investment		2,167,000	-
Term Deposits	10.(B)	7,522,460	10,151,055
Total Loans and Receivables at Amortised Cost		10,109,007	10,550,778

10.(A). STAFF LOANS

	2024 Rs.'000	2023 Rs.'000
At 1 January	399,723	369,296
Loans Granted	369,166	220,430
Recoveries	(349,342)	(190,003)
At 31 December	419,547	399,723

10.(B). TERM DEPOSITS

	2024 Rs.'000	2023 Rs.'000
Licensed Commercial Banks & Specialised Banks	7,390,224	10,040,208
Registered Finance Companies	132,236	110,847
	7,522,460	10,151,055

11. AVAILABLE-FOR-SALE FINANCIAL ASSETS (AFS)

As at 31 December	Note	2024 Rs.'000	2023 Rs.'000
Treasury Bond & Bills		6,484,448	6,746,807
Unquoted Share & Debenture Investment	11.(A)	419,587	544,000
Quoted Debenture Investment	11.(B)	2,309,583	979,859
Quoted Share Investment	11.(C)	110,122	62,735
Unit Trust Investments	11.(D)	405,234	333,794
Total Available-For-Sale Financial Assets at Fair Value		9,728,974	8,667,195

11.(A). UNQUOTED SHARE AND DEBENTURE INVESTMENT

As at 31 December		2024		2023	
		Number of Shares/ Debentures	Fair Value Rs.'000	Number of Shares	Fair Value Rs.'000
Ultratech Cement Lanka (Pvt) Ltd	Shares	9,000,000	544,000	9,000,000	544,000
Provision for Impairment			(124,413)		-
			419,587		544,000

NOTES TO THE FINANCIAL STATEMENTS

11.(B). QUOTED DEBENTURE INVESTMENT

As at 31 December		2024 Rs.'000	2023 Rs.'000
DFCC Bank PLC and Green Borad	12%, 65,480,000 Debentures redeemable on 15/09/2027	71,159	-
NDB PLC	13%, 45,000,000 Debentures redeemable on 26/11/2029	254,721	-
Seylan Bank PLC	15% 2,000,000 Debentures redeemable on 10/04/2024	-	220,914
DFCC Bank PLC	15.25% , 250,000,000 Debentures redeemable on 16/01/2029	325,062	-
Commercial Bank PLC	13% 73,070,000 Debentures redeemable on 10/07/2029	83,815	-
Hatton National Bank	13%, 500,000,000 Debentures redeemable on 27/08/2029	563,290	-
Asia Asset Finance PLC	12.20%, 20,550,000 Debentures redeemable on 05/12/2027	21,871	-
Commercial Credit & Finance PLC	9.00% 1,000,000 Debentures redeemable on 4/3/2026	107,089	99,133
Seylan Bank PLC	9.75% 175,700 Debentures redeemable on 12/4/2026	18,887	17,495
National Development Bank PLC	11.90% 3,000,000 Debentures redeemable on 24/11/2026	315,856	291,371
Commercial Bank PLC	28%, 272,100 Debentures redeemable on 13/12/2027	40,057	39,315
Commercial Bank PLC	15%, 300,000 Debentures redeemable on 20/12/2028	345,517	311,631
Hatton National Bank	13%, 99,613,600 Debentures redeemable on 26/08/2029	112,815	-
NDB PLC	13.5%, 45,000,000 Debentures redeemable on 26/11/2029	49,444	-
		2,309,583	979,859

11.(C). QUOTED SHARE INVESTMENT

As at 31 December	2024		2023	
	Number of Shares	Fair Value Rs.'000	Number of Shares	Fair Value Rs.'000
Hotels and Travels				
Anilana Hotels & Properties PLC	1,053,561	1,054	1,053,561	948
Aitken Spence Hotels Holdings PLC	4,100	344	4,100	258
Citrus Leisure PLC	100,000	450	100,000	560
Dolphin Hotel PLC	20,351	1,140	20,351	710
The Lighthouse Hotel PLC	25,627	1,638	25,627	807
Hikkaduwa Beach Resorts PLC	109,652	395	109,652	570
Sector Total		5,021		3,853
Banks, Finance and Insurance				
Hatton National Bank PLC	12,034	3,863	16,686	2,824
Sampath Bank PLC	37,420	4,416	52,774	3,721
The Finance Company PLC	1,875,000	-	1,875,000	-
Commercial Bank of Ceylon PLC	-	-	7,868	685
DFCC Bank PLC	15,000	1,695	-	-
National Development Bank PLC	31,413	3,558	30,200	1,960
Sector Total		13,531		9,190

As at 31 December

	2024		2023	
	Number of Shares	Fair Value Rs.'000	Number of Shares	Fair Value Rs.'000
Telecommunication				
Sri Lanka Telecom PLC	234	16	234	22
Sector Total		16		22
Manufacturing				
Blue Diamond Jewellery Worldwide PLC	285,100	86	286,100	86
Access Engineering PLC	20,000	690	46,000	934
Lanka Ceramic PLC	718	108	718	68
Lanka Walltile PLC	455	27	455	19
Cable Solutions PLC	295,000	2,950	-	-
Diesel & Motor Engineering PLC	700	658	700	358
Kelani Tyres PLC	10,000	840	10,000	635
ACL Plastics PLC	-	-	800	276
Sector Total		5,358		2,376
Diversified Holdings				
Renuka Holdings PLC	10,856	202	10,593	114
MDT Walkers PLC	62,200	-	62,200	-
Sector Total		202		114
Investment and Trust				
Ceylon Guardian Investment Trust PLC	1,511	238	1,511	126
Sector Total		238		126
Trading				
Singer Sri Lanka (PLC)	-	-	40,000	480
CW Mackie PLC	5,849	619	3,400	29
Sector Total		619		509
Plantations/Property				
Talawakelle Tea Estates PLC	4,939	706	-	-
Watawala Plantations PLC	10,000	1,260	10,000	722
Namukula Plantations PLC	3,028	1,211	3,028	1,152
Prime Land Residencies Ltd.	6,700,000	80,400	6,700,000	43,550
Commercial Developmenet Company PLC	3,915	552	3,915	438
Balangoda Plantations PLC	7,345	529	7,345	373
Agstar PLC	50,000	480	50,000	310
		85,138	-	46,545
Total Investment in Quoted Shares		110,122	-	62,735

NOTES TO THE FINANCIAL STATEMENTS

11.(D). UNIT TRUST INVESTMENTS

	2024		2023	
	Number of Units	Carrying Value Rs.'000	Number of Units	Carrying Value Rs.'000
ASTURE Alpha Fund	8,101,069	199,356	8,101,069	150,555
ASTRUE Active Income Fund	901,850	172,632	497,754	153,525
SENFIN Money Market Fund	1,273,699	33,246	1,273,699	29,714
		405,234		333,794

11.(E). MOVEMENT IN THE CARRYING VALUES OF FINANCIAL INSTRUMENTS

	Loans and Receivables Rs.'000	Available-For-Sale Rs.'000	Total Rs.'000
At 1st January 2024	10,550,778	8,667,195	19,217,973
Purchases	12,139,055	130,486,100	142,625,155
Maturities	(11,975,682)	(129,683,970)	(141,659,652)
Fair Value Gains Recorded in Other Comprehensive Income	-	384,062	384,062
Foreign Exchange Adjustment	(605,144)	-	(605,144)
Impairment Adjustment	-	(124,413)	(124,413)
At 31 December 2024	10,109,007	9,728,974	19,837,981

Fair Value of Financial Assets and Liabilities not Carried at Fair Value

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the financial statements (i.e., loans and receivables).

Assets for which Fair Value Approximates Carrying Value

For financial assets and financial liabilities that have a short-term maturity (less than three months), it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, and savings accounts without a specific maturity.

Fixed Rate Financial Instruments

The fair value of fixed rate financial assets carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates for similar financial instruments.

For quoted debt instruments the fair values are determined based on quoted market prices.

For unquoted equity investments have been fair valued using discounted cash flow method.

For unquoted debt instruments, the carrying value approximates the fair value of the investments.

11.(F). DETERMINATION OF FAIR VALUE AND FAIR VALUES HIERARCHY

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at 31 December		2024				2023				
		Notes	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
			Quoted	Significant	Significant					Total Fair
			Prices	Observable	Unobservable					Value
		in active	Inputs	Inputs		in active	Inputs	Inputs		
		markets				markets				
		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
Financial Assets										
Available-For-Sale										
Financial Assets:										
Equity Securities	11.(a&c)	110,122	-	419,587	529,709	62,735	-	544,000	606,735	
Unit trust	11.(d)	-	405,234	-	405,234	-	333,794	-	333,794	
Debt Securities	11.(b)	6,484,448	2,309,583	-	8,794,031	6,746,807	979,859	-	7,726,666	
Total Financial Assets		6,594,570	2,714,817	419,587	9,728,974	6,809,542	1,313,653	544,000	8,667,195	
Non Financial Assets										
Land and Buildings	7.1	-	-	2,689,488	2,689,488	-	-	2,722,360	2,722,360	
Investment Properties	9.1	-	-	2,794,500	2,794,500	-	-	2,556,400	2,556,400	
Total Non Financial										
Assets		-	-	5,483,988	5,483,988	-	-	5,278,760	5,278,760	
Total Financial and Non										
Financial Assets		6,594,570	2,714,817	5,903,575	15,212,962	6,809,542	1,313,653	5,822,760	13,945,955	

NOTES TO THE FINANCIAL STATEMENTS

11.(G). RECONCILIATION OF MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The following table shows a reconciliation of the opening and closing recorded amount of Level 3 financial assets which are recorded at fair value:

	Note	At 1 January 2024	Total Gains/ (Loss) recorded in Comprehensive Income	Additions/ Disposals	Accumulated Depreciation	At 31 December 2024
		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets						
Available-For-Sale Financial Assets:						
Equity Securities	11 (a)	544,000	(124,413)	-	-	419,587
Total Level 3 Financial Assets		544,000	(124,413)	-	-	419,587
Non Financial Asstes						
Land and Buildings	7.1	2,722,360	-	-	(32,872)	2,689,488
Investment Properties	9.1	2,556,400	238,100	-	-	2,794,500
Total Level 3 Non-Financial Assets		5,278,760	238,100	-	(32,872)	5,483,988
Tota Level 3 Financial and Non-Financial Assets		5,822,760	113,687	-	(32,872)	5,903,575

11.(H). Significant unobservable inputs used to valuation of unquoted investment is as follows.

	2024	2023
1. Growth rate	5%	5.5%
2. Weighted average cost of capital	19.5%	23%

A quantitative sensitivity analysis for significant assumption as at 31 December 2024 as shown below.

Sensitivity Analysis	10% Increase	10% Decrease
1. Revenue growth at terminal value	4,665	(5,116)
2. Weighted average cost of capital	(42,624)	53,460

The Company has used Discounting Cash Flow (DCF) method for valuation.

11.(I). FINANCIAL INSTRUMENTS NOT UNDER THE FAIR VALUE MEASUREMENT HIERARCHY

The following is a list of financial instruments which have not been considered under the fair value measurement hierarchy, because the carrying amount of those financial instruments is a reasonable approximation of fair value since they are short-term in nature or re-prise to current market rates frequently.

Assets

Cash and Cash Equivalents
Term deposits and Repo
Reinsurance Receivables
Premium Receivables

Liabilities

Reinsurance Creditors
Other Liabilities (Excluding Government Levies and Accruals)
Interest Bearing Borrowings

12. GRATUITY BENEFIT ASSET**ACCOUNTING POLICY****Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions (%) into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to a defined contribution pension plan are recognised as an employee benefit expense in income statement when they are due.

Pensions and Other Post-Employment Benefits

The Company operates a defined benefit pension plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined separately using the projected unit credit valuation method. Actuarial gains and losses are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to income statement in subsequent periods.

Past service costs are recognised in income statement on the earlier of:

The date of the plan amendment or curtailment, and

The date that the Company recognises restructuring-related costs

The defined benefit asset or liability comprises the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly.

Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to creditors of the Company nor can they be paid directly to the Company.

Fair value is based on market price information and, in the case of quoted securities, it is the published market price. The value of any defined benefit asset is restricted to the sum of any past service cost and actuarial gains and losses not yet recognised and the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The amount recognised as defined benefit liabilities has been netted with the fair value of the plan assets of the reporting period. Any surplus in plan assets has been measured based on the requirements of LKAS 19 - Employee Benefits, Para 58 and IFRIC 14 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

Actuarial gains and losses for the defined benefit plans are recognized in full in the period in which they occur in other comprehensive income.

However, according to the Payment of Gratuity Act No. 12 Of 1983, the liability for gratuity payments to an employee arises on the completion of five years of continued service with the company. The provision is externally funded.

Short-Term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

This note indicates the assumptions used and the movement in the employee benefit plan. As at 31 December 2024 the gratuity liability was actuarially valued under the projected unit credit Method (PUC) by M/S.K.A.Pandit Actuarial valuer. The valuation performed annually.

NOTES TO THE FINANCIAL STATEMENTS

The amounts recognised in the Income Statement are as follows:

	2024 Rs.'000	2023 Rs.'000
Current Service Cost	94,812	99,646
Interest Cost on Benefit Obligation	222,011	276,971
Expected return on Plan Assets	(469,003)	(617,694)
	(152,180)	(241,077)
Net Actuarial Gain/ (Loss) recognised in the Other Comprehensive Income	(245,379)	(384,540)

12.1. THE AMOUNTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION AT THE REPORTING DATE ARE AS FOLLOWS:

	Note	2024 Rs.'000	2023 Rs.'000
Present value of the Defined Benefit Obligation	12.2	2,047,862	1,761,991
Fair value of Plan Assets	12.3	(4,157,855)	(3,722,244)
Total Net Defined Benefit Asset		(2,109,992)	(1,960,253)

12.2. THE MOVEMENT IN THE DEFINED BENEFIT LIABILITY IS AS FOLLOWS:

	2024 Rs.'000	2023 Rs.'000
At 1 January	1,761,991	1,556,023
Current Service Cost	94,812	99,646
Interest Cost	222,011	276,971
Benefits Paid	(242,938)	(189,549)
Actuarial (Gains)/ Losses	211,987	18,900
At 31 December	2,047,862	1,761,991

The Gratuity Benefit Liability is valued by M/S. K.A. Pandit Actuarial valuer.

12.3. The movement in the Plan Assets is as follows:

	2024 Rs.'000	2023 Rs.'000
At 1 January	(3,722,244)	(3,470,188)
Expected Return on Plan Assets	(469,003)	(617,694)
Actuarial Gains/Losses	33,392	365,638
At 31 December	(4,157,855)	(3,722,244)

The distribution of the Plan Assets at the reporting date is as follows:

	2024 Rs.'000	2023 Rs.'000
Investment in Shares	3,677,422	2,436,948
Other Assets	480,433	1,285,296
Total Plan Assets	4,157,855	3,722,244

Gratuity funds plan assets include investment in equity shares of Ceylinco Holdings PLC, (the parent entity of the company) market value amounting to Rs.315,288,000 /- (2023 - Rs. 657,517,378 /) as at the reporting date

The overall expected rate of return on assets is determined based on market expectations prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal actuarial assumptions used in determining the gratuity benefit obligation for the Company's plan assets are as follows:

	2024	2023
Future salary increases	10.0%	10.0%
Discount rate	11.6%	12.6%
Expected rate of return on plan assets	11.6%	12.6%
Retirement age	60 Yrs	60 Yrs

NOTES TO THE FINANCIAL STATEMENTS

12.4. CHANGES IN THE DEFINED BENEFIT OBLIGATION AND FAIR VALUE OF PLANT ASSETS

	01-Jan-24	Amount charges to Profit or Loss			Benefit paid	Assets Transferred
		Service Cost	Net Interest	Sub Total included in Profit or Loss		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	
Defined Benefit Obligation	(1,761,991)	(94,812)	(222,011)	(316,823)	242,938	-
Fair value of Plan Assets	3,722,244	-	-	-	-	-
Benefit Assets/ (Liability)	1,960,253	(94,812)	(222,011)	(316,823)	242,938	-

	01-Jan-23	Amount charges to Profit or Loss			Benefit paid	Assets Transferred
		Service Cost	Net Interest	Sub Total included in Profit or Loss		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	
Defined Benefit Obligation	(1,556,023)	(99,646)	(276,971)	(376,617)	189,549	-
Fair value of Plan Assets	3,470,188	-	-	-	-	-
Benefit Assets/ (Liability)	1,914,165	(99,646)	(276,971)	(376,617)	189,549	-

Gratuity Benefit Asset has been excess over the Gratuity Benefit Liability due to share investment which has share appreciation annually.

A quantitative sensitivity analysis for significant assumptions as at 31-December 2024 is shown below:

Sensitivity level	Discount Rate		Future Salary Increment Rate		Employee Turnover	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%	1%	1%
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Impact on Defined Benefit Obligation - 2024	(172,221)	200,338	201,507	(176,028)	24,702	(28,083)
Impact on Defined Benefit Obligation - 2023	(133,099)	154,391	156,794	(137,175)	34,358	(38,778)

Following payments are expected contributions to the Defined Benefit Plan Obligation on the future years.

	2024	2023
	Rs.'000	Rs.'000
Within the next 12 Months	252,460	392,671
Between 2 and 5 Years	394,595	194,442
Between 6 and 10 Years	1,160,324	1,075,811
Above 10 Years	7,613,309	7,030,403
Total	9,420,688	8,693,327

The average duration of the defined benefit plan obligation at the end of the reporting period is 20 years.

Return on Plan Assets (Excluding amounts included in Net Interest Expenses)	Remeasurement Gains/(Losses) in Other Comprehensive Income				Contribution by Employers	31-Dec-24
	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Subtotal included in OCI		
Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
-	-	(172,221)	(39,765)	(211,987)	-	(2,047,863)
469,003	-	-	(33,392)	(33,392)	-	4,157,855
469,003	-	(172,221)	(73,157)	(245,379)	-	2,109,992

Return on Plan Assets (Excluding amounts included in Net Interest Expenses)	Remeasurement Gains/(Losses) in Other Comprehensive Income				Contribution by Employers	31-Dec-23
	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Subtotal included in OCI		
Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
-	-	(11,135)	(7,767)	(18,900)	-	(1,761,991)
617,694	-	-	(365,638)	(365,638)	-	3,722,244
617,694	-	(11,135)	(373,405)	(384,538)	-	1,960,253

NOTES TO THE FINANCIAL STATEMENTS

13. EMPLOYEE PENSION BENEFIT ASSET

	01-Jan-24	Amount Charges to Profit or Loss			Benefit Paid	Return on Plan Assets (excluding amounts in net interest expenses)
		Service Cost	Net Interest	Sub Total Included in Profit/Loss		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Defined Benefit Obligation	(243,097)	-	(37,696)	(37,696)	-	-
Fair Value of Plan Assets	2,187,797	275,661	-	275,661	-	-
Total recognised benefit (Liability) / Asset	1,944,700	275,661	(37,696)	237,965	-	-

	01-Jan-23	Amount Charges to Profit or Loss			Benefit Paid	Return on Plan Assets (excluding amounts in net interest expenses)
		Service Cost	Net Interest	Sub Total Included in Profit/Loss		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Defined Benefit Obligation	(327,155)	-	(30,630)	(30,630)	13,178	-
Fair Value of Plan Assets	2,127,107	378,624	-	378,624	(13,178)	-
Total recognised benefit (Liability) / Asset	1,799,952	378,624	(30,630)	347,994	-	-

Projected pension benefit obligation has been valued based on projected unit cost method.

Actuarial gains and losses have been recognised immediately in the statement of Other Comprehensive Income.

The Pension Benefit Assets is valued by M/S. K.A. Pandit Actuarial valuer.

13.1. The principal assumptions used in determining pension and post-employment medical benefit obligations for the Company's plans are shown below:

	2024	2023
Discount Rate	10.0%	12.6%
Rate of Return on Plan Assets	Current	12.6%
Salary Escalation Rate	9.0%	9.0%
Attrition Rate	1%	1%
Retirement Age	60 Yrs	60 yrs
Mortality Table	AMT 2012-15	AMT 2012-15

Past Service costs recognised	Recognised in Income Statement Note	Remeasurement Gains/(Losses) in Other Comprehensive Income				Contributions by Employer	31-Dec-24
		Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub Total included in OCI		
Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
-	-	(170,987)	-	-	(170,987)	-	(451,780)
-	-	(363,459)	-	-	(363,459)	-	2,100,000
-	-	(534,446)	-	-	(534,446)	-	1,648,220

Past Service costs recognised	Recognised in Income Statement Note	Remeasurement Gains/(Losses) in Other Comprehensive Income				Contributions by Employer	31-Dec-23
		Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub Total included in OCI		
Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
-	-	101,510	-	-	101,510	-	(243,097)
-	-	(326,752)	-	-	(326,752)	21,995	2,187,797
-	-	(225,242)	-	-	(225,242)	21,995	1,944,700

NOTES TO THE FINANCIAL STATEMENTS

13.2. A QUANTITATIVE SENSITIVITY ANALYSIS FOR SIGNIFICANT ASSUPMTION AS AT 31 DECEMBER AS SHOWN BELOW

Sensitivity Level	Discount Rate	
	Increase 1%	Decrease 1%
Impact on Pension Benefit Obligation - 2024	(2,319,000)	2,401,000
Impact on Pension Benefit Obligation - 2023	(9,815,000)	10,836,000

13.3. THE DISTRIBUTION OF THE PLAN ASSETS AT THE REPORTING DATE IS AS FOLLOWS:

	2024 Rs.000	2023 Rs.000
Investment in Shares	2,100,000	1,124,332
Others	-	1,063,465
	2,100,000	2,187,797

14. DEFERRED TAX ASSET/(LIABILITY)

ACCOUNTING POLICY

Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, unless it arises from the initial recognition of an asset or liability in a transaction that:

- a) is not a business combination
- b) at the time of transaction, affects neither accounting profit nor taxable (tax loss) and
- c) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside income statement is recognised outside income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

As at 31 December	Other Comprehensive Income		Income Statement		Statement of Financial Position	
	2024	2023	2024	2023	2024	2023
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Temporary Difference from Retirement Benefit Liability	63,596	5,670	(22,165)	(56,120)	614,359	528,598
Temporary Difference from Property Plant and Equipment	-	-	83,482	(84,819)	(300,459)	(216,977)
Temporary Difference from Intangible Assets	-	-	(3,709)	(172)	(7,370)	(11,079)
Available-for-sale Financial Assets (AFS)	(101,144)	(194,400)	-	-	(234,617)	(133,473)
Temporary Difference from Allowance for Impairment	-	-	4,055	(10,391)	52,047	56,102
Temporary difference for unrealised exchange gain			(3,532)	-	3,532	-
Temporary Difference from Allowance for Net of ROU & Lease Creditors			2,634	(7,063)	(21,089)	(18,455)
Revaluation Reserve	-	-	-	-	(311,820)	(311,820)
Deferred Tax Expense/(Income)	(37,548)	(188,730)	60,764	(158,566)		
Deferred Tax Asset/(Liability)					(205,416)	(107,104)

14.(A). TOTAL DEFERRED TAX ASSETS/(LIABILITY)

	Note	2024 Rs.'000	2023 Rs.'000
At 1 January		(107,104)	(77,087)
Amount of deferred tax expense relating to the origination and reversal of temporary differences		(60,764)	158,566
Amount of deferred tax expense (Income) relating to change in tax rates	32.B	(37,548)	(188,730)
At 31 December		(205,416)	(107,104)

NOTES TO THE FINANCIAL STATEMENTS

15. REINSURANCE RECEIVABLES

ACCOUNTING POLICY

Reinsurance

Reinsurance assets include the balances due from both insurance and reinsurance companies for paid and unpaid losses and loss adjustment expenses. Amounts recoverable from reinsurers are estimated in a manner consistent with the claim liability associated with the reinsurance policy.

The Company also assumes reinsurance risk in the normal course of business non-life insurance contracts where applicable. Premiums and claims on assumed reinsurance are recognised as revenue or expenses in the same manner as they would be if the reinsurance were considered direct business, taking into account the product classification of the reinsured business. Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract.

Premiums and claims are presented on a gross basis for both ceded and assumed reinsurance.

Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

If a reinsurance asset is impaired, the Company reduces the carrying amount accordingly and is recognized in the income statement. A reinsurance asset is impaired if there is objective evidence, as a result of an event that occurred after the initial recognition of the reinsurance asset, that the Company may not receive all amounts due to it under the terms of the contract, and the event has a reliably measurable impact on the amount that the Company will receive from the re-insurer.

As at 31 December	2024 Rs.'000	2023 Rs.'000
Reinsurance Receivable on paid claims	1,998,083	1,938,774
Reinsurance Receivable on outstanding claims	6,073,534	4,444,311
Total Reinsurance Receivables	8,071,617	6,383,085

Reinsurance Receivables on paid claims represent dues within 6 months.

The carrying amounts disclosed above is in respect of the reinsurance of insurance contracts approximate fair value at the reporting date.

16. INSURANCE RECEIVABLES

ACCOUNTING POLICY

Insurance Receivables

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration received or receivable. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the income statement.

Insurance receivables are derecognised when the derecognising criteria for financial assets have been met. The Company recognizes an allowance for incurred losses method.

As at 31 December	2024 Rs.'000	2023 Rs.'000
Due from Policyholders	6,868,140	7,632,149
Due from Related Parties	12,599	88,935
Less : Allowance for impairment on Due from Policyholders	(173,491)	(179,681)
Total Insurance Receivables	6,707,248	7,541,403

16.(A). CREDIT QUALITY OF PREMIUM RECEIVABLES THAT ARE NEITHER PAST DUE NOR IMPAIRED IS EXPLAINED BELOW;

	Below 60 days Rs.'000	Above 60 days Rs.'000	Total Rs.'000
As at 31 December 2024	5,402,447	1,304,801	6,707,248
As at 31 December 2023	5,994,585	1,546,818	7,541,403

17. OTHER ASSETS**ACCOUNTING POLICY****Inventories**

Inventories include all consumable items and are measured at the lower of cost and net realizable value. Cost is generally determined by reference to weighted average cost. Net realizable value is the estimated market price in the ordinary course of business less any estimated expense to sell.

The cost incurred in bringing inventories to its present location and condition is accounted using the following cost formulae.

Stationery	} First in First Out Basis
Spare Parts	

	2024 Rs.'000	2023 Rs.'000
Inventories	118,401	174,914
Advances, Deposits & Prepayments	408,217	295,137
Other Receivables	52,624	64,438
	579,242	534,489

18. CASH AND CASH EQUIVALENTS**ACCOUNTING POLICY**

Cash and cash equivalents comprise cash balances and call deposits.

For cash flow purposes, cash and cash equivalents are presented net of bank overdraft.

	2024 Rs.'000	2023 Rs.'000
Favourable Balances		
Cash in Hand	34,440	34,198
Cash at Bank with Licenced Commercial Banks	786,194	592,871
	820,634	627,069
Unfavourable Balances		
Bank Overdrafts included in Interest Bearing Borrowings	-	(3,116)
Total Cash and Cash Equivalents for Cash Flows purposes	820,634	623,953

The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

19. STATED CAPITAL

ACCOUNTING POLICY

The Company has issued ordinary shares that are classified as equity. Incremental external costs that are directly attributable to the issue of these shares are recognised in equity, net of tax.

As at 31 December	2024 Rs.'000	2023 Rs.'000
Issued & Fully Paid		
Ordinary Shares -Voting	500,200	500,200
	500,200	500,200

All issued shares are fully paid. There is one class of Ordinary shares. All shares issued carry equal voting rights.

The holders of ordinary shares - voting are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

19.(A). MOVEMENT OF STATED CAPITAL

	2024 Rs.'000	2023 Rs.'000
At 1 January	500,200	500,200
Issued during the year	-	-
At 31 December	500,200	500,200

Movement of No.of shares	2024	2023
At 1 January	2,501,000	2,501,000
Issued during the year	-	-
At 31 December	2,501,000	2,501,000

19.(B). SPECIAL RESERVES

As at 31 December	2024 Rs.'000	2023 Rs.'000
Special Reserves *	6,848,160	6,848,160
	6,848,160	6,848,160

* This reserve represents the value (Net Book Value) of net assets transferred from Ceylinco Holdings PLC on 1st June 2015 as a result of segregation.

This is a restricted reserve to distribute dividends.

20. INSURANCE CONTRACT LIABILITIES**ACCOUNTING POLICY****Non-life Insurance Contract Liabilities**

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims, therefore the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalization or catastrophe reserves is recognised. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or is cancelled.

The provision comprises of reserve for the net unearned premium, reserve for the deferred acquisition cost (net), reserve for gross outstanding claims and the incurred but not reported (IBNR) provision. Unearned premium, deferred acquisition cost and the reserve for gross outstanding claims are stated according to the industry practices whereas the IBNR reserve is decided by an independent external actuary to estimate the outstanding liabilities as of reporting date.

At each reporting date the Company reviews its unexpired risk and a liability adequacy test is performed as laid out under SLFRS 4 to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognised in the income statement by setting up a provision for premium deficiency.

As at 31 December	Note	2024	2023
		Rs.'000	Rs.'000
Non-Life Insurance Contracts	20.(A)	16,504,312	15,723,015
Total Insurance Contract Liabilities		16,504,312	15,723,015

Unearned Premium Reserve included in non-life insurance contract liabilities had been presented on net basis.

Ceylinco General Insurance Ltd. performed a Liability Adequacy Test (LAT), as required by SLFRS 4 – Insurance Contracts, in respect of Insurance Contract liabilities as at 31st December 2024 with the assistance of external actuaries and it has been concluded that liabilities recorded in financial statements are adequate.

Key assumptions for valuation of liabilities in Non Life Insurance

The principal assumption underlying the liability estimates is that Ceylinco General Insurance Limited's future claims development may follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgments are also used to assess the extent to which liabilities may arise in the future, but excludes one-off occurrences, changes in market factors such as public attitude to claiming, economic conditions, and internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgment is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. The General Insurance claim liabilities are sensitive to the key assumptions. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

NOTES TO THE FINANCIAL STATEMENTS

20.(A). NON-LIFE INSURANCE CONTRACT LIABILITIES

	Note	2024 Insurance Contract Liabilities Rs.'000	2023 Insurance Contract Liabilities Rs.'000
Provision for reported claims by Policyholders		8,589,703	7,755,352
Provision for claims IBNR/IBNER		721,355	676,404
Outstanding claims provision	20.(A).I	9,311,058	8,431,756
Provision for Unearned Premiums	20.(A).II	7,193,254	7,291,259
Total Non Life Insurance Contract Liabilities		16,504,312	15,723,015
Non-life Technical Reserves		9,227,614	9,791,771

20.(A).I. OUTSTANDING CLAIMS PROVISION

	2024			2023		
	Insurance Contract Liabilities Rs.'000	Reinsurance of Liabilities Rs.'000	Net Rs.'000	Insurance Contract Liabilities Rs.'000	Reinsurance of Liabilities Rs.'000	Net Rs.'000
At 1 January	8,431,756	6,383,085	2,048,670	7,372,927	5,279,902	2,093,025
Claims incurred in the current accident year	10,491,722	2,438,125	8,053,597	12,153,865	5,149,101	7,004,775
Claims paid during the year	(9,612,420)	(749,593)	(8,862,827)	(11,095,036)	(4,045,918)	(7,049,130)
At 31 December	9,311,058	8,071,617	1,239,441	8,431,756	6,383,085	2,048,670

Reinsurance receivable on paid claims are included under above Reinsurance receivables are amounting to Rs.1,998,083,242(Rs.1,938,774,000/- in 2023).

Significant delays occur in the notification of claims and a substantial measure of experience and judgment is involved in assessing outstanding liabilities, the ultimate cost of which cannot be known with certainty as of the reporting date.

The incurred but not reported (IBNR) and incurred but not enough reported (IBNER) claim reserve have been actuarially computed by M/S K.A.Pandit - Consultants and Actuaries. The valuation is performed on an annual basis.

The reserves are determined based on the information currently available .However, it is inherent to the nature of the business written that the ultimate liability may vary as a result of subsequent developments.

Outstanding Claims Provisions Class Wise

	2024 Rs.'000	2023 Rs.'000
Fire	2,266,831	2,720,798
Motor	1,726,880	1,858,883
Marine	412,510	443,331
Miscellaneous	4,412,934	2,804,321
Engineering	491,903	604,423
	9,311,058	8,431,756

20.(A).II. PROVISION FOR UNEARNED PREMIUMS

	2024 Insurance Contract Liabilities Rs.'000	2023 Insurance Contract Liabilities Rs.'000
At 1 January	7,291,259	7,260,187
Premiums written in the year	14,718,032	14,541,725
Premiums earned during the year	(14,816,037)	(14,510,651)
At 31 December	7,193,254	7,291,259
Net changes in reserve for unearned premium	98,005	(31,074)

21. DEFERRED REVENUE

As at 31 December	2024 Rs.'000	2023 Rs.'000
SRCC/TC RI Commission Payable	323,802	195,017
Foreign RI Commission Provision	177,265	367,029
	501,067	562,046

21.(A). MOVEMENT OF DEFERRED REVENUE

	2024 Rs.'000	2023 Rs.'000
At 1 January	562,046	520,032
Revenue Deferred	1,322,305	1,165,171
Amortisation	(1,383,284)	(1,123,157)
At 31 December	501,067	562,046

22. REINSURANCE PAYABLE

As at 31 December	2024 Rs.'000	2023 Rs.'000
Domestic Reinsurer - National Insurance Trust Fund (NITF)	1,029,035	121,632
Domestic Reinsurers - Others	162,819	143,158
Foreign Reinsurers	6,351,583	5,996,701
	7,543,437	6,261,491

NOTES TO THE FINANCIAL STATEMENTS

23. OTHER LIABILITIES

ACCOUNTING POLICY

Financial Liabilities – Initial Recognition and Subsequent Measurement

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings, and reinsurance payables.

Subsequent measurement

The subsequent measurement of financial liabilities as follows:

Interest bearing loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Insurance payables

Insurance payables are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs.

Derecognition insurance payables

Insurance payables are derecognised when the obligation under the liability is discharged, cancelled or expired.

Provisions-General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

As at 31 December	Note	2024 Rs.'000	2023 Rs.'000
Agency Commission Payable		1,025,988	981,836
Government Levies		574,661	501,330
Other Creditors		1,169,997	1,252,979
Lease creditor	23.(a)	141,817	137,882
Accrued Expenses		535,379	725,552
		3,447,842	3,599,579

23.(A). LEASE CREDITOR

	2024 Rs.'000	2023 Rs.'000
As at 31 January	137,882	154,390
Addition	53,894	29,163
Accretion of interest	17,852	20,745
Payments	(67,811)	(66,415)
As at 31 December	141,817	137,882

The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

All amounts are payable within one year except lease creditors (un-discounted).

23.(A).I. MATURITY ANALYSIS FOR LEASE CREDITORS ARE AS FOLLOWS,

As at 31 December	Within One Year Rs.'000	1-3 Year Rs.'000	Above 3 Years Rs.'000	Total Rs.'000
2024	47,495	13,741	62,728	123,964
2023	21,457	40,713	54,967	117,137

24. NET PREMIUMS**Gross Written Premium**

Gross written premium is generally recognized as written upon inception of the policy. Upon inception of the contract, premiums are recorded as written and are earned primarily on a pro-rata basis over the term of the related policy coverage. However, for those contracts for which the period of risk differs significantly from the contract period, premiums are earned over the period of risk in proportion to the amount of insurance protection provided.

Reinsurance Premium

Reinsurance premium expense is accounted for in the same accounting period as the gross written premium to which it relates.

Unearned Premiums

Unearned premiums reserve represents the portion of the premium written in the year but relating to the unexpired term of coverage. Unearned premiums are calculated on the 1/365 basis except for the marine and title policies in accordance with the control of insurance regulations.

The basis of calculating unearned premiums for marine and title policies are as follows,

Class of the policy	Basis
Marine	60% in the same month
	40% after three months of underwriting the policy
Title	60% in the same year
	40% is deferred until the validity of the policy expires

Sales Taxes and Premium Taxes Revenues, expenses and assets are recognised net of the amount of sales taxes and premium taxes except: Where the sales or premium tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables that are stated with the amount of sales or premium tax included. Outstanding net amounts of sales or premium tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Gross premiums on Insurance Contracts	24.(A)	24,548,782	25,246,863
Premiums Ceded to Reinsurers on Insurance Contracts	24.(B)	9,830,750	10,705,138

24.(A). GROSS WRITTEN PREMIUM

The premium income for the year by major classes of business is as follows.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Fire	5,528,245	5,344,440
Motor	11,338,026	10,840,749
Marine	1,143,918	1,028,333
Miscellaneous	5,175,235	6,624,561
Engineering	1,108,437	1,167,039
Employers' Liability	254,922	241,741
	24,548,782	25,246,863

The Gross written Premium of 2024 includes Rs. 126,661,905 and US\$ 404,140.50 (2023-Rs.209,765,049 and US\$ 381,750) which are collected on behalf of Co-insurance partners.

24.(B). PREMIUM CEDED TO REINSURERS

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Fire	4,650,564	4,580,685
Motor	1,596,508	1,039,778
Marine	710,232	605,536
Miscellaneous	2,003,721	3,573,588
Engineering	853,978	891,047
Employers' Liability	15,747	14,504
	9,830,750	10,705,138
National Insurance Trust Fund		
Compulsory Reinsurance Cessions	647,864	759,908
Strike, Riots, Civil Commotion	2,734,836	2,103,814
Foreign Reinsurers	6,135,231	7,500,267
Local Coinsurance Partners	312,819	341,149
	9,830,750	10,705,138

24.(C). NET INCOME

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Net Earned Premium	14,816,037	14,510,651
Other Revenue	3,107,840	5,253,054
	17,923,877	19,763,705

25. FEES AND COMMISSION INCOME

Insurance contract policyholders are charged for policy administration services, surrenders and other contract fees. These fees are recognised as revenue when the related services are performed.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Reinsurance Commission Income	1,383,284	1,123,157
Total Fees and Commission Income	1,383,284	1,123,157

26. INVESTMENT INCOME**ACCOUNTING POLICY****Rental Income**

Rental income from property is recognised in income statement on a straight line basis over the term of the relevant contract.

Interest Income

Interest income is recognised in the income statement as it accrues and is calculated by using the effective interest rate method.

Investment Income

Investment Income Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex dividend.

Year Ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Available-For-Sale Financial Assets			
Interest Income	26.(A)	1,196,330	1,049,640
Dividend Income	26.(B)	4,268	6,067
Loans and Receivables - Interest Income		804,845	1,277,695
Other Operating Revenue		294,702	138,389
Exchange Gain/(Loss)		(872,106)	1,614,056
Total Investment Income		1,428,039	4,085,847

26.(A). AVAILABLE-FOR-SALE FINANCIAL ASSETS

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Interest Income		
Debenture Interest	183,847	120,092
Repo Income	46,252	38,957
Tresury Bill & Bonds Income	966,231	890,591
	1,196,330	1,049,640

26.(B). DIVIDEND INCOME

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Dividend Income-Quoted Investment	4,268	6,067
	4,268	6,067

NOTES TO THE FINANCIAL STATEMENTS

27. REALISED GAINS

Realized gains and losses recorded in the income statement on investments include gains and losses on financial assets and investment properties. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Property, Plant and Equipment		
Gain on Disposal of Assets	57,521	36,294
Available-For-Sale Financial Assets		
Realised Gains		
Equity Securities	896	1,256
Total Realised Gains for Available-For-Sale Financial Assets	896	1,256
Total Realised Gains	58,417	37,550

28. NET BENEFITS AND CLAIMS

ACCOUNTING POLICY

Claims

1.) Non Life Insurance

Claims expenses and liabilities for outstanding claims are recognized in respect of direct and inwards reinsurance business. The liability covers claims reported but not yet paid, incurred but not reported claims ("IBNR") and the anticipated direct and indirect costs of settling those claims. Claims outstanding are assessed by review of individual claim files estimating changes in the ultimate cost of settling claim. The provision in respect of IBNR & IBNER (Incurred But Not Enough Reported) are actuarially valued to ensure a more realistic estimation of the future liability based on the past experience and trends.

Actuarial valuation is performed on an annual basis.

While the Directors consider that the provision for claims is fairly stated on the basis of information currently available, the ultimate liability will vary as a result of subsequent information and events. This may result in adjustments to the amounts provided. Such amounts are reflected in the financial statements for estimates of that period. The methods used and the estimates made are reviewed regularly.

2.) Reinsurance on Claims

Reinsurance on claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
(A) Gross Benefits and Claims Paid		
Non-Life Insurance Contracts	9,612,420	11,095,036
Total Gross Benefits and Claims Paid	9,612,420	11,095,036
(B) Claims Ceded to Reinsurers		
Non-Life Insurance Contracts	(749,593)	(3,160,682)
Total Claims Ceded to Reinsurers	(749,593)	(3,160,682)
(C) Gross Change in Contract Liabilities		
Change in Non-Life Insurance Contract Outstanding Claims Provision	879,302	1,058,829
Total Gross Change in Contract Liabilities	879,302	1,058,829

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
(D) Change in Contract Liabilities Ceded to Reinsurers		
Change in Non-Life Insurance Contract Outstanding Claims Provision	(1,688,532)	(753,208)
Total Change in Contract Liabilities Ceded to Reinsurers	(1,688,532)	(753,208)
Net Benefits and Claims	8,053,597	8,239,975
Net Benefits and Claims - Non Life Insurance	8,053,597	8,239,975

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Non - Life Net Claims Incurred		
Gross Claims Incurred	10,491,722	12,153,865
Reinsurance Recoveries	(2,438,125)	(3,913,890)
Total Net Claims Incurred	8,053,597	8,239,975

28.(E). THE ANALYSIS BY MAJOR CLASSES OF BUSINESS IS AS FOLLOWS-NON LIFE

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Fire	1,142,705	1,146,163
Motor	4,912,252	4,692,968
Marine	155,850	144,727
Miscellaneous	1,420,952	1,866,571
Engineering	166,990	303,927
Employer's Liability	254,848	85,619
	8,053,597	8,239,975

29. ACQUISITION COSTS

ACCOUNTING POLICY

Acquisition costs, representing commissions, which vary with and are directly related to the production of business, are deferred and amortized over the period in which the related written premiums are earned. Reinsurance commission is also treated in the same manner within deferred acquisition costs.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Fees and Commission Expenses	2,375,474	2,482,780
Deferred Expenses	(49,647)	(103,053)
	2,325,827	2,379,727

NOTES TO THE FINANCIAL STATEMENTS

30. OTHER OPERATING AND ADMINISTRATIVE EXPENSES

Year Ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Amortisation of Intangible Assets	5	139,972	111,286
Depreciation on Property Plant and Equipment	7	270,561	316,137
Depreciation on Right of Use Assets	8	86,380	92,163
Other Operating Expenses		1,580,972	1,255,259
Auditors' Remuneration - Fees			
Audit		5,665	5,294
Non Audit		515	754
Employee Benefits Expense	30.(A)	3,051,053	2,501,470
Selling Expenses		824,238	718,190
Legal Expenses		3,659	5,476
Donations		1,564	2,278
Total Other Operating and Administrative Expenses		5,964,579	5,008,307

30.(A). EMPLOYEE BENEFITS EXPENSE

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Wages and Salaries including Bonus & Incentives	2,739,518	2,483,570
Employees' Provident Fund	271,915	247,283
Employees' Trust Fund	67,838	61,642
Defined Gratuity Benefit & Pension Costs	(358,662)	(580,829)
Other Staff related Cost	330,444	289,804
Total Employee Benefits Expense	3,051,053	2,501,470

31. FINANCE COSTS

ACCOUNTING POLICY

Finance cost is recognised as expenditure in the period in which they are incurred. However, finance costs are directly attributable to the acquisition, construction or production of assets that take a substantial period of time to get ready for its intended use or sale, are capitalized as part of the assets.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Lease Interest	17,852	20,744
Other Finance Charges	49,284	36,695
Total Finance Cost	67,136	57,439

32. INCOME TAX EXPENSE**ACCOUNTING POLICY****Income Tax**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Inland Revenue Act No. 24 of 2017 and amendments thereto are applied in determining the taxable income/loss of the Company.

Other Taxes**Social Security Contribution Levy**

Social Security Contribution Levy shall be paid by any person carrying on the business of supplying financial services, on the liable turnover specified in the second schedule of the Social security contribution levy Act No. 25 of 2022, at the rate of 2.5%, with effect from 1st October 2022. SSCL is payable on 100% of the value addition attributable to Insurance services.

As per the Social security Contribution Levy Act No. 25 of 2022, the Company is liable for the Social Security Contribution Levy tax of Rs. 50.6Mn pertaining to the year of assessment 2024/25

Crop Insurance Levy

In terms of the Finance Act No. 12 of 2013, all institutions under the purview of Banking Act No. 30 of 1988, Finance Business Act No. 42 of 2011 and Regulation of Insurance Industry Act No. 43 of 2000 are required to pay 1% of the profit after tax as crop Insurance Levy to the National Insurance Trust Fund effective from 1st April 2013. The company is liable for the Crop Insurance Levy tax of Rs. 15.1 Mn pertaining to the year of assessment 2024/25

The major components of Income Tax Expense for the years ended 31 December 2024 is:

32.(A). CURRENT YEAR TAX CHARGE

Year Ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Current Tax			
Income Tax		340,410	340,116
Over/(Under) provision in respect of previous years		53,002	173,701
Total Current Tax		393,412	513,817
Deferred Tax			
Origination of temporary differences	14.(A)	60,764	(158,566)
Total Income Tax Expense		454,176	355,251

32.(B). TAX RECORDED IN OTHER COMPREHENSIVE INCOME (SEE NOTE 35)

Year Ended 31 December	Note	2024 Rs.'000	2023 Rs.'000
Deferred Tax	14.(A)	(37,548)	(188,730)
Total Tax charge to Other Comprehensive Income		(37,548)	(188,730)

NOTES TO THE FINANCIAL STATEMENTS

32.(C). RECONCILIATION OF TAX CHARGE

Reconciliation of Effective Tax Rate

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Profit for the Period	1,172,328	3,687,536
Total Income Tax Expense	340,410	340,116
Profit liable for Income Tax	1,512,738	4,078,257
Income Tax using the Company's Domestic Tax Rate-30%	453,821	1,208,296
Tax Exempt Income	(201,101)	(721,638)
Net non-Deductible/(Deductible) Expenses	87,690	(146,542)
Over / (Under) Provision of Previous Years	53,002	173,701
Deffered Tax (Reversal)/Expenses		
Amount of deferred tax expense relating to the origination and reversal of temporary differences	60,764	(158,566)
	454,176	355,251

32.(D). STATUTORY INCOME TAX RATE APPLICABLE FOR EACH PERIOD

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Tax effect on accounting Profit Before Tax @30%	340,410	340,116
Over/Under Provision of Previous Years	53,002	173,701
Origination of temporary differences	60,764	(158,566)
	454,176	355,251

32.(E). VAT ASSESSMENT ON REINSURANCE

The Department of Inland Revenue has issued VAT assessments for the taxable period in the years 2003 and 2004 mainly imposing VAT on Reinsurance recoveries and reinsurance discounts. Upon the determination of the Commissioner General of Inland Revenue, holding the position they are chargeable with VAT, Company appealed to the Tax appeals Commission. The Tax appeals commission has given its decision in favour of Inland Revenue. Hence, upon the receipt of the decision of the tax appeals commission, company appealed to the Honourable Court of appeal on the questions of Law. Now the matter is pending before the Honourable court of appeal for their opinion. The amount so assessed by Inland Revenue is Rs. 195.9 Million.

33. BASIC/DILUTED EARNINGS PER SHARE**ACCOUNTING POLICY**

Basic earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding at the reporting date.

Basic/Diluted Earnings per Share has been calculated by dividing profit after taxation attributable to ordinary shareholders of the parent by the weighted average Ordinary Shares in issue at the year end.

	2024	2023
Profit for the year (Rs.'000)	1,058,562	3,723,006
Weighted Average Number of Ordinary Shares	2,501,000	2,501,000
Basic/Diluted Earnings Per Ordinary Share (Rs.)	423.26	1,488.61

There were no potential dilutive Ordinary Shares outstanding at any time during the year. Therefore, Diluted Earnings Per Share is same as Basic Earnings Per Share shown above.

34. DIVIDENDS PAID AND PROPOSED**ACCOUNTING POLICY**

Interim dividends are deducted from equity when they are paid. Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date.

Year Ended 31 December	2024	2023
Interim Dividend Paid (Rs.000)	900,360	570,228
	900,360	570,228
No. of Shares in issue for the year	2,501,000	2,501,000
Dividend per share (Rs.)	360.00	228.00

35. INCOME TAX EFFECTS RELATING TO OTHER COMPREHENSIVE INCOME

Year Ended 31 December	2024			2023		
	Before tax amount	Tax (expense) benefit	Net of tax amount	Before tax amount	Tax (expense) benefit	Net of tax amount
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Net Gain/(Loss) on Available-For-Sale Financial Assets	384,062	(101,144)	282,918	678,725	(194,400)	484,325
Actuarial Gain on Defined Benefit Plans	(779,825)	63,596	(716,229)	(609,781)	5,670	(604,111)
Total	(395,763)	(37,548)	(433,311)	68,944	(188,730)	(119,786)

NOTES TO THE FINANCIAL STATEMENTS

36. RISK MANAGEMENT FRAMEWORK

36.(A). GOVERNANCE FRAMEWORK

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

The Company has established a risk management process with specified objectives with clear tasks.

The board of directors and senior management manages the risks through various committees and delegated authorities. The reviews of risks on regular basis and the strategies adopted timely ensures the risk management function an important activity within the organisation.

The risks are identified with clear understanding of market environment, regulatory environment and macro economic changes. The Company has well experienced and skilled directors who could assess the risks and execute appropriate strategies and achieve the targets with less negative effect to shareholders.

36.(B). CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND APPROACH

The Company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- ★ To maintain the required level of stability of the Company thereby providing a degree of security to policyholders
- ★ To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders
- ★ To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets
- ★ To align the profile of assets and liabilities taking account of risks inherent in the business
- ★ To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders

Operations of the Company are also subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities as these arise.

The Company maintains capital, investments and solvency as per the regulations prescribed by Insurance Regulatory Commission of Sri Lanka. (IRC SL). Further, under the parallel run requirements of IRC SL the Company maintains required Capital Adequacy Ratio (CAR) under the Risk Based Capital (RBC) Regime. New changes in regulations are timely adopted and necessary changes are made to internal processes.

Approach to capital management

The Company allocates capital to businesses as required and ensures the sufficient returns to shareholders and policyholders. The assets and liabilities management establishes the required level of liquidity and reduces the risks of the Company and achieves the required capital levels of the Company.

The primary source of capital used by the Company is equity shareholders' funds. The Company also utilises, where efficient to do so, sources of capital such as reinsurance.

The returns expectations are regularly forecast and comparisons are made in order to ensure the requirements of stakeholders are achieved.

Available Capital Resources	2024	2023
	Rs.'000	Rs.'000
Total Equity	19,929,433	20,204,542
Adjustments onto a regulatory basis	(6,534,064)	(8,922,123)
Available Capital Resources	13,395,369	11,282,419

The adjustments onto a regulatory basis represent assets inadmissible for regulatory reporting purposes.

36.(C). REGULATORY FRAMEWORK

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

The Company is regulated by Insurance Regulatory Commission (IRCSL) of Sri Lanka with the objective of protecting shareholders and policyholders. There are various regulations and directive the Company is expected to adhere in order to achieve the expected norms, which leads the Company to maintain required solvency and maintain sufficient capital.

Financial risks arise due to movements in market rates. The risks mainly involve interest rates risks, share price changes etc. The company manages these risks through various strategies adopted at asset liability committee, investment committee and risk management committees.

IRCSL ensures that the Company maintains required solvency position to meet future liabilities. The Company successfully implemented the Risk Based Capital (RBC) framework on solvency margin as required by IRCSL.

The capital positions of the Company as of 31st December 2024 and 2023 are as follows.

	Total Available Capital (TAC) Rs.000	Risk based Capital Requirement Rs.000	Risk-based Capital Adequacy Ratio (CAR) %	Regulatory Minimum CAR %
31st December 2024	13,395,369	5,013,478	267	120
31st December 2023	11,282,419	5,151,020	219	120

NOTES TO THE FINANCIAL STATEMENTS

36.(D). ASSET LIABILITY MANAGEMENT (ALM) FRAMEWORK

ALM is the ongoing process of formulating, implementing, monitoring and revising strategies related to assets and liabilities to achieve an organization's financial objectives, given the organization's risk tolerance and other constraints. ALM deals with the optimal investment of assets in view of meeting current goals and future liabilities.

Various financial risks arise from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements. The main risk that the Company faces, due to the nature of its investments and liabilities, is interest rate risk.

The Investment committee identifies the nature of the liabilities arising from the product portfolio and evaluates the investment options that best suit to hedge the liability. The Company manages these selected positions within a strategically crafted ALM framework that has been developed considering the cyclical nature of the domestic interest rates to achieve investment returns in excess of its obligations in the long term.

37. INSURANCE AND FINANCIAL RISK

37.(A). INSURANCE RISK

The principal insurance risk the Company faces is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Company is to ensure that sufficient reserves are available to cover these liabilities.

The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements. The Company has entered into reinsurance treaties with world's leading reinsurers as a part of its risks mitigation programme. All reinsurance is designed to mitigate the Company's net exposure to a single claim as well as to catastrophe losses.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Company's placement of reinsurance is diversified such that it is not dependent on a single reinsurer. The Company has all reinsurance arrangements with many leading reinsurance companies.

The main risk faced by insurance business is that the actual claims are varying from the expected claims from different types of policies. The Company minimises the risks by evaluating the business in detail and charges the correct premiums so that the Company has sufficient reserves to meet any unforeseen claims.

There are other types of risks such as reinsurance, default risk, credit risk, concentration risk, liquidity risks and market risks. The Company's risk management policies and processes mitigate the impact of these risks and also benefits the organisation by accepting some calculated risks at appropriate times.

37.(A).I. INSURANCE CONTRACTS

The non-life insurance principally issues the following types of general insurance contracts: motor, marine, engineering, fire, suwa sampatha and miscellaneous products. Risks under non-life insurance policies usually cover twelve months duration.

For general insurance contracts, the most significant risks arise from accidents, climate changes, natural disasters and terrorist activities. For longer tail claims that take some years to settle, there is also inflation risk.

These risks do not vary significantly in relation to the location of the risk insured by the Company, type of risk insured and by industry.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the non-life. Further on the spot claims settlement procedures also helps to reduce the exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities.

The non-life has also limited its exposure by arranging reinsurance contracts with rated Reinsurers internationally.

Key assumptions

The principal assumption underlying the liability estimates is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: one-off occurrence; changes in market factors such as public attitude to claiming; economic conditions; as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

Sensitivities

The non-life insurance claim liabilities are sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

Sensitivity of the Value of Insurance Liability as at 31/12/2024	Outstanding Claims reserves based on Bf with a 5% increase in the initial Estimated Ultimate Loss ratio (IEULR)
Impact of the best estimated outstanding net claim Reserve (Rs'000)	(695,451)

NOTES TO THE FINANCIAL STATEMENTS

Claims Development Table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. (Net claims payable)

Year	0	1	2	3	4
2015	570,867,852	(103,140,094)	(38,064,835)	91,881,814	-
2016	(359,345,658)	(201,260,832)	60,691,997	128,184,503	-
2017	1,024,084,173	(364,476,124)	495,972	758,285,869	-
2018	988,889,167	20,145,932	12,012,341	991,526,647	-
2019	952,207,050	30,712,276	19,286,206	934,237,682	-
2020	323,652,514	83,737,967	33,338,721	708,278,966	-
2021	992,194,186	152,937,696	35,758,168	789,134,288	-
2022	972,512,044	110,175,150	31,263,345	-	-
2023	1,194,458,186	74,143,775	-	-	-
2024	344,899,592	-	-	-	-

37.(B). CREDIT RISK

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation.

The following processes/activities of the Company reduces the credit risk of financial instruments.

- ★ Credit risk policy is based on the IRCSL determination. The maximum exposures to each type of financial instrument is limited based on the policy.
- ★ The investment committee evaluates the exposure and the new investments in instruments in order to reduce the risks.
- ★ The regular review by the Board also minimises the credit risks.

Credit Exposure

The table below shows the maximum exposure to credit risk for the components of the statement of financial position and items such as future commitments.

Financial Instruments	Note	2024 Rs.'000	2023 Rs.'000
Loans and Receivables			
Debt Securities	10	9,689,460	10,151,055
Other	10	419,547	399,723
		10,109,007	10,550,778
Available-For-Sale Financial Assets			
Equity Securities	11	529,709	606,735
Unit Trust	11	405,234	333,794
Debt Securities	11	8,794,031	7,726,666
		9,728,974	8,667,195
Other Assets			
Reinsurance Receivables	15	8,071,617	6,383,085
Insurance Receivables	16	6,707,248	7,541,403
Cash and Cash Equivalents	18	820,634	627,069
		15,599,499	14,551,557
Total Credit Risk Exposure		35,437,480	33,769,530

Industry Analysis

31 December 2024	Financial Services Rs.'000	Government Rs.'000	Services Rs.'000	Manufacturing and Power Rs.'000	Others Rs.'000	Total Rs.'000
Assets						
Loans and Receivables						
Term Deposits	7,522,460	-	-	-	-	7,522,460
Repo Investment	2,167,000	-	-	-	-	2,167,000
Staff and Vehicle Loans	-	-	-	-	419,547	419,547
	9,689,460	-	-	-	419,547	10,109,007
Available-For-Sale Financial Assets						
Equity Securities	13,678	-	173	5,140	510,718	529,709
Debt Securities	2,309,583	6,484,448	-	-	-	8,794,031
Unit Trust	405,234	-	-	-	-	405,234
	2,728,495	6,484,448	173	5,140	510,718	9,728,974
	12,417,955	6,484,448	173	5,140	930,265	19,837,981
31 December 2023	Financial Services Rs.'000	Government Rs.'000	Services Rs.'000	Manufacturing and Power Rs.'000	Others Rs.'000	Total Rs.'000
Assets						
Loans and Receivables						
Term Deposits	10,151,055	-	-	-	-	10,151,055
Staff and Vehicle Loans	-	-	-	-	399,723	399,723
	10,151,055	-	-	-	399,723	10,550,778
Available-For-Sale Financial Assets						
Equity Securities	9,316	-	22	592,921	4,476	606,735
Debt Securities	979,859	6,746,807	-	-	-	7,726,666
Unit Trust	333,794	-	-	-	-	333,794
	1,322,969	6,746,807	22	592,921	4,476	8,667,195
	11,474,024	6,746,807	22	592,921	404,199	19,217,973

NOTES TO THE FINANCIAL STATEMENTS

The below table indicates the rating of investments as at 31st December 2024 & 2023

31 December 2024	AAA	AA+	AA	AA-	A+	A	A-
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Instruments							
Held-to-Maturity Financial Assets							
Debt Securities							
Loans and Receivables	2,591,669	-	-	-	19,296	4,355,036	2,588,782
Available-For-Sale Financial Assets							
Equity Securities	-	-	-	-	-	-	-
Debt Securities	6,484,448	-	-	-	21,870	1,145,494	1,035,129
Unit Trust	-	-	-	-	-	-	-
Total	9,076,118	-	-	-	41,166	5,500,531	3,623,911

31 December 2023	AAA	AA+	AA	AA-	A+	A	A-
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Instruments							
Held-to-Maturity Financial Assets							
Debt Securities							
Loans and Receivables	1,812,696	-	-	-	18,688	4,893,018	3,317,817
Available-For-Sale Financial Assets							
Debt Securities	6,757,134	-	-	-	-	650,665	183,163
Total	8,569,830	-	-	-	18,688	5,543,683	3,500,980

37.(C). LIQUIDITY RISK

The liquidity risks in Company is where the company does not have enough cash/arrangements to meet payments./commitments as they fall due. Following processes/activities are in place to minimise the liquidity risk.

- ★ The regular maintenance of investments in accordance with the IRCSL guidelines.
- ★ The investment committee reviews the liquidity levels and take appropriate actions to improve the liquidity
- ★ Efficient forecasting of future commitments and making investments to meet the pay-outs, mitigate any possible liquidity concerns.

BBB+	BBB	BBB-	BB+	BB	BB-	B+	Not rated	Total
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
28,440	-	-	-	-	10,973	5,374	509,435	10,109,007
-	-	-	-	-	-	-	529,709	529,709
-	-	-	-	-	-	-	107,089	8,794,031
-	-	-	-	-	-	-	405,234	405,234
28,440	-	-	-	-	10,973	5,374	1,551,467	19,837,981
BBB+	BBB	BBB-	BB+	BB	BB-	B	Not rated	Total
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
25,807	77,340	-	-	-	-	5,691	399,721	10,550,778
-	99,134	-	-	-	-	-	977,099	8,667,195
25,807	176,474	-	-	-	-	5,691	1,376,820	19,217,973

NOTES TO THE FINANCIAL STATEMENTS

37.(C).I. MATURITY ANALYSIS FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Table below represent the maturity profiles of Financial Assets and Financial Liabilities

As at December 2024	Within one year	After one year not more than three years	Above 3 years	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets				
Financial Instrument				
Measured at Fair Value	1,739,949	3,268,969	4,720,056	9,728,974
Measured at Amortized Cost	9,689,460	419,547	-	10,109,007
Reinsurance Receivable	8,071,617	-	-	8,071,617
Insurance Receivable	6,707,248	-	-	6,707,248
Other Assets	579,242	-	-	579,242
Cash and Cash Equivalents	820,634	-	-	820,634
Total Financial Assets	27,608,149	3,688,516	4,720,056	36,016,722
Financial Liabilities				
Non Life Insurance Contract Liability	16,504,312	-	-	16,504,312
Reinsurance Payable	7,543,437	-	-	7,543,437
Other Liabilities	3,447,842	-	-	3,447,842
Total Financial Liabilities	27,495,591	-	-	27,495,591
Total Excess Liquidity	112,558	3,688,516	4,720,056	8,521,131

As at December 2023	Within one year	After one year not more than three years	Above 3 years	Total
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets				
Financial Instrument				
Measured at Fair Value	-	5,766,066	2,901,129	8,667,195
Measured at Amortized Cost	-	10,550,778	-	10,550,778
Reinsurance Receivable	6,383,085	-	-	6,383,085
Insurance Receivable	7,541,403	-	-	7,541,403
Other Assets	534,489	-	-	534,489
Cash and Cash Equivalents	627,069	-	-	627,069
Total Financial Assets	15,086,046	16,316,844	2,901,129	34,304,019
Financial Liabilities				
Non Life Insurance Contract Liability	15,723,015	-	-	15,723,015
Reinsurance Payable	6,261,491	-	-	6,261,491
Other Liabilities	3,599,579	-	-	3,599,579
Total Financial Liabilities	25,584,085	-	-	25,584,085
Total Excess Liquidity	(10,498,039)	16,316,844	2,901,129	8,719,934

37.(D). MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and equity price risk and commodity prices (price risk).

The investment committee reviews the impact of market risks and corrective actions are suggested regularly.

37.(D).I. CURRENCY RISK

The Company has no significant concentration of currency risk.

However, the investments in foreign currency deposit is subject to currency risks. Since the company makes some payments in foreign currency the impact of risk is minimised.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency.

Year	Change in USD Rate	Effect on Profit before Tax Rs.000	Effect on Pre Tax Equity Rs.000
2024	10%	903,755	903,755
	-10%	(903,755)	(903,755)

37.(D).II. INTEREST RATE RISK

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

Floating rate instruments expose the company to cash flow interest risk, whereas fixed interest rate instruments expose the company to fair value interest risk.

The Company's interest risk policy identifies the volatile nature of Sri Lankan interest rate environment. Therefore the Company closely monitors the re-investment calendar of the investment fund and obtains internal and external expert opinion on the behaviour of interest rate environment in taking re-investment decisions.

Company maintains mix of short term and long term asset mix and also maintains interest rate sensitive and Inflation rate sensitive asset classes in managing the interest rate risk. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on Government Securities.

Year	Change in Interest Rate	Effect on profit before tax Rs'000
2024	10%	63,941
	(10%)	(63,941)

NOTES TO THE FINANCIAL STATEMENTS

37.(E). OPERATIONAL RISKS

Operational risk is the risk of loss arising from system failure, human error, fraud or external events.

The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

Business risks such as changes in environment, technology and the industry are monitored through the strategic management and budgeting process. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss.

38. CONTINGENCIES AND COMMITMENTS

38.(A). LEGAL PROCEEDINGS AND REGULATIONS

The Company operates in the insurance industry and is subject to legal proceeding in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigations) will have a material effect on its results and financial position. However, there is a tax appeal relating on VAT on reinsurance recoveries. (Note 32.(E))

39. ASSETS PLEDGED

The following assets have been pledged as security for liabilities.

Nature of Assets	Nature of Liability	Carrying Amount Pledged Rs.'000	Included under
Fixed Deposits	Pledged to Seylan Bank PLC to obtain bank overdraft facilities	178,677	Loans & Receivables

40. RELATED PARTY DISCLOSURES

40.(A). TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

According to Sri Lanka Accounting Standard (LKAS) 24 Related Party Disclosure, Key Management Personnel (KMP) are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Directors (including Executive and Non-Executive Directors) of the Company and their immediate family members have been classified as Key Management Personnel of the Company. In addition, Chief Executive Officer together with their immediate family members have also been classified as Key Management Personnel of the Company.

Immediate family member is defined as spouse or dependent. A dependent is defined as anyone who depends on the respective KMP for his/her financial needs. As the Ceylinco Holdings PLC (CHPLC) is the ultimate parent of the Company, and the Board of Directors of the CIPLC have the authority and responsibility of planning, directing and controlling the activities of the Company, the Directors of the CIPLC and their immediate family members have also been identified as Key Management Personnel of the Company.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Short-Term Employee Benefits received from the Company (Salaries,Bonus, Medical expenses etc.)	202,661	177,031
Other Long term/Post Employment/Statutory Benefits (EPF, ETF, Gratuity & Pension)	63,095	57,124

40.(B). TRANSACTIONS WITH RELATED PARTIES

The Company carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard (LKAS) - 24, Related Party Disclosures.

Transactions with related parties were made on the basis of the price lists in force with non-related parties, but subject to approved discounts. Outstanding balances with related parties other than balances relating to investment related transactions as at the reporting date are unsecured and interest free. Settlement will take place in cash. Such outstanding balances have been included under respective assets and liabilities together with balances arising from transactions with non-related parties.

Details of related party transactions are reported below.

Year Ended 31 December	2024 Rs.'000	2023 Rs.'000
Aggregate amounts of premium received from the companies under normal terms of insurance contracts	227,603,248	307,422,006
Aggregate amounts of claim paid to the companies under normal terms of Insurance Contracts	66,589,840	166,496,140

40.(B).I. OTHER TRANSACTIONS WITH RELATED PARTIES**40.(B).I.A. TRANSACTIONS WITH PARENT**

	2024 Rs.	2023 Rs.
a) Ceylinco Holdings PLC		
Nature of Transaction		
Dividends paid net	766,215,900	570,228,000

40.(B).I.B. TRANSACTIONS WITH AFFILIATES

	2024 Rs.	2023 Rs.
a) Ceylinco Investcorp (Pvt) Ltd		
Nature of Transaction		
Premium Income	92,749	100,546
Fund Management Fees	3,000,000	2,400,000
b) Ceylinco Life Insurance Limited		
Nature of Transaction		
Premium Income	82,858,800	70,695,139
Claims paid	26,943,608	43,308,489
Premium Receivable	11,186,844	58,167,216
Life Insurance Premium Expenses	42,504,537	39,365,913
c) CEG Education Holdings (Pvt) Ltd		
Nature of Transaction		
Premium Income	855,245	807,927
Claims paid	-	319,501

NOTES TO THE FINANCIAL STATEMENTS

	2024 Rs.	2023 Rs.
d) American Education Center Ltd		
Nature of Transaction		
Premium Income	12,098,273	9,785,561
Claims paid	2,767,955	2,143,441
Premium Receivable	-	8,723,194
e) Ceyhydro Developers (Pvt) Ltd		
Nature of Transaction		
Premium Income	3,720,114	3,393,709
Claims paid	459,584	613,318
Premium Receivable	12,398	12,083
Claims payable	-	110,000
f) Ceypower Cascades (Pvt) Ltd		
Nature of Transaction		
Premium Income	1,493,937	1,500,832
Claims paid	-	1,713,658
Premium Receivable	-	21,067
g) International College of Business & Technology Ltd		
Nature of Transaction		
Premium Income	37,037,115	30,994,729
Claims paid	1,842,398	9,759,358
Premium Receivable	-	3,788,078
h) Energy Generators (Pvt) Ltd		
Nature of Transaction		
Premium Income	6,288,686	5,826,765
Premium Receivable	25,633	24,035
Claims Paid	1,294,992	6,000
i) Citizen Development Business Finance PLC		
Nature of Transaction		
Premium Income	65,103,144	56,749,742
Claims Paid	26,497,380	41,256,441
Premium Receivables	670,297	1,224,671
j) Whcherley International School (Pvt) Ltd.		
Nature of Transaction		
Premium Income	3,628,681	3,746,191
Claims paid	15,943	824,365
Lease Rental Received	7,878,907	11,553,174
Premium Receivables	-	2,258,817

		2024 Rs.	2023 Rs.
k) CEC Events (Pvt) Ltd.			
Nature of Transaction			
Premium Income	1,063,059	938,602	
Claims paid	39,130	-	
Premium Receivables	-	164,511	
l) ANC Modern Motessori			
Nature of Transaction			
Premium Income	489,390	1,009,532	
Claims paid	-	264,311	
Premium Receivables	-	1,022,365	
m) Ceylinco Insurance (Pvt) Ltd. -Maldives			
Nature of Transaction			
Management Fees	20,311,310	22,605,058	

40.(B).I.C. TRANSACTIONS WITH RELATED COMPANIES

Name of the Company	Nature of Transaction	2024 Rs.	2023 Rs.
Ashyaki Holdings (Pvt) Ltd	Premium Income	-	64,135
Asset Trust Management (Pvt) Ltd	Premium Income	-	170,328
	Claim Paid	-	75,310
Industrial Gases (Pvt) Ltd	Premium Income	-	4,062,930
	Claims paid	-	916,188
	Premium Receivable	-	522,691
Ultratech Cement Lanka (Pvt) Ltd	Premium Income	11,161,717	9,040,489
	Claims paid	6,395,135	5,577,593
	Premium Receivable	593,731	70,251
Kavin Polymers (Pvt) Ltd.	Premium Income	-	820,770
	Claims paid	-	1,135,695
	Premium Receivables	-	50,852
Wealthtrust Securities (Pvt) Ltd.	Premium Income	-	853,100
Kent Group	Premium Income	-	1,015,316
	Claims paid	-	185,800
	Premium Receivables	-	301,490
	Claims payable	-	100,000
Union Apparels Group	Premium Income	-	554,977
	Claims paid	-	69,550
	Premium Receivables	-	12,054

NOTES TO THE FINANCIAL STATEMENTS

Name of the Company	Nature of Transaction	2024 Rs.	2023 Rs.
EGL Solar Goup	Premium Income	383,192	1,305,378
	Claims paid	225,900	6,707,003
	Premium Receivable	-	769,152
AMK Food Exports (Pvt) Ltd.	Premium Income	354,046	498,455
	Claims paid	41,200	368,395
	Premium Receivables	110,149	205,823
Cinnamon Chip wealth promoters (Pvt) Ltd.	Premium Income	6,268	51
Delmege Forsyth & Co. Ltd.	Premium Income	-	429,125
Alethea School (Pvt)Ltd	Premium Income	968,832	-
	Claims Paid	66,616	-

41. TEMPORARY EXEMPTION FROM SLFRS 9 -FINANCIAL INSTRUMENTS

The Company's activities are predominatly connected with Insurance and therefore its permitted by SLFRS 9 temporary exemption to defer SLFRS 9 until adoption of IFRS 17 which is expected to be adopted in 2026.

As at balance sheet date % of insurance related liabilities	92%
As required by SLFRS 9 the minimum % to be eligible for the exemption	90%

42. EVENTS AFTER THE REPORTING PERIOD

No circumstances have arisen since the reporting date which would require adjustment to ,or disclosure in the Financial Statements.

GLOSSARY OF INSURANCE TERMS

1. ACQUISITION EXPENSES

All expenses which vary with and are primarily related to the acquisition of new insurance contracts and the renewal of existing insurance contracts.

2. ACTUARY

An expert concerned with the application of probability and statistical theory to problems of insurance, investment, financial management and demography.

3. ADMISSIBLE ASSETS

Assets that are included in determining an insurer's statutory solvency margin, specified under the rules made by the Insurance Regulatory Commission of Sri Lanka under the Regulation of Insurance Industry Act No. 43 of 2000.

4. CLAIMS

The amount payable under a contract of insurance arising from occurrence of an insured event such as destruction or damage of property and related death or injuries, the incurring of hospital or medical bills, death or disability of the insured.

5. CLAIMS INCURRED

The aggregate of all claims paid during the accounting period together with attributable claims handling expenses, where appropriate, adjusted by the gross claims reserve at the beginning and end of the accounting period.

6. CLAIMS INCURRED BUT NOT REPORTED (IBNR)

A Reserve to cover the expected cost of losses that have occurred by the Balance Sheet date but have not yet been reported to the insurer.

7. COMMISSION

Remuneration to an intermediary for services such as selling and servicing an insurer's products. This is one component of acquisition expenses.

8. DEFERRED ACQUISITION EXPENSES / DEFERRED ACQUISITION EXPENSE RESERVE

Expenses which vary with and are primarily related to the acquisition of new insurance contracts and renewal of existing contracts, which are deferred as they relate to a period of risk subsequent to the Balance Sheet date.

9. EARNED PREMIUM

Written premium adjusted by the unearned premium reserve at the beginning and end of the accounting period.

10. EARNINGS PER SHARE

Net Profits of the Company after tax divided by the Number of Ordinary shares in issue.

11. GROSS CLAIMS RESERVE

The amount provided, including claims incurred but not reported and claims handling expenses, to cover the estimated ultimate cost, arising out of events occurred by the end of the accounting period, less amounts already paid in respect of those claims.

12. GROSS WRITTEN PREMIUM

Premium which an insurer is contractually entitled to receive from the insured in relation to contracts of insurance.

13. INSURANCE

Insurance is a contract whereby one party the insurer, in return for a consideration i.e, the premium, undertakes to pay to the other party - the insured, a sum of money or its equivalent in kind, upon the happening of a specified event that is contrary to the interest of the insured.

14. INSURANCE PROVISION

This comprises of the gross claims reserve unearned premium reserve net of re-insurance and the deferred acquisition expenses

15. NET COMBINED RATIO

This ratio indicates the profitability of the insurer's operations by combining the net loss ratio with net expense ratio.

16. NET EARNED PREMIUM

Gross Written Premium adjusted for the reinsurance incurred and for the increase or decrease in Unearned Premium.

17. NET EXPENSE RATIO

A formula used by insurance companies to relate acquisition and other operating and administrative expenses to net earned premium.

Formula :

Acquisition and other operating and administrative expenses

Net Earned Premium

18. NET LOSS RATIO

A formula used by insurers to relate net claims incurred to net earned premium (i.e. after deducting relevant reinsurance)

Formula:

Net claims incurred

Net earned Premium

19. NET ASSETS PER SHARE

Net assets attributable to Shareholders' equity divided by the number of Ordinary shares issued.

20. NET WRITTEN PREMIUM

Gross Written Premium less reinsurance premium

21. NET CLAIMS INCURRED

Claims incurred less reinsurance recoveries.

GLOSSARY OF INSURANCE TERMS

22. NON LIFE INSURANCE

Non Life Insurance and General Insurance have the identical meaning.

23. POLICY

The printed document issued to the policyholder by the Company stating the terms of the insurance contract.

24. PREMIUM

The payment of one of the regular periodic payments that a policyholder makes to own an insurance policy.

25. REINSURANCE

A method of insurance arranged by insurers to share the exposure of risks accepted.

26. REINSURANCE COMMISSION

Commission received or receivable in respect of premium paid or payable to a reinsurer.

27. REINSURANCE PREMIUM

The premium payable to the reinsurer.

28. RETURN ON SHAREHOLDERS' EQUITY

Profits after tax divided by the Capital employed as at Balance Sheet date.

29. RETURN ON TOTAL ASSETS

Profits after Tax divided by Total assets attributable to Shareholders.

30. RISK BASED CAPITAL (RBC)

An amount of capital based on an assessment of risks that company should hold to protect policy holders against adverse developments.

31. UNDERWRITING RESULT

This is the profit generated purely from the Non life Insurance business without taking into account the investment income and other non- technical income and expenses.

32. UNEARNED PREMIUM / UNEARNED PREMIUM RESERVE

It represents the portion of premium already entered in the accounts as due but which relates to a period of risk subsequent to the Balance Sheet date.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the eleventh Annual General Meeting of the Shareholders of the Company will be held by circulation and the business to be brought before the meeting will be :

1. To receive, consider and adopt the Report of the Directors and the Financial Statements for the year ended 31st December 2024 and the Report of the Auditors thereon.
2. To declare a Dividend for the year ended 31st December 2024.
3. To re-elect Mr. Hettithantrige Don Ajith Nandana Perera who retires by rotation at the Annual General Meeting in terms of Article 34(i), as a Director.
4. To re-elect Mr. Takashi Kishi who retires by rotation at the Annual General Meeting in terms of Article 34(i), as a Director.
5. To re-elect Mr. Anananda Rihena Sathyajith Wijayapura who retires by rotation at the Annual General Meeting in terms of Article 34(i), as a Director.
6. To re-elect Mr. Roshan Aloysius Ranasinghe who retires by rotation at the Annual General Meeting in terms of Article 34(i), as a Director.
7. To re-appoint Mr. Kathiresan Sankaramoorthy as a Director, who was appointed to the Board as per Article E.21. (ii). (subject to approval of the IRCSL)
8. To propose election of Mr. Sembukuti Arachchilage Wimalanath Senaka Silva as a Director in terms of Section 211 of the Companies Act No. 07 of 2007. Special Notice has been given pursuant to Sections 210 and 211 of the Companies Act No. 07 of 2007 of the intention to propose the following resolution as an ordinary resolution :

“Resolved that Mr. Sembukuti Arachchilage Wimalanath Senaka Silva who will be 73 years in December, 2025 be elected as a Director of the Company and it is specifically declared that the age limit specified in Section 210 of

the Companies Act No. 07 of 2007 shall not apply to Mr. Sembukuti Arachchilage Wimalanath Senaka Silva”

9. To propose election of Mr. Prasad Kariyawasam as a Director in terms of Section 211 of the Companies Act No. 07 of 2007. Special Notice has been given pursuant to Sections 210 and 211 of the Companies Act No. 07 of 2007 of the intention to propose the following resolution as an ordinary resolution :

“Resolved that Mr. Prasad Kariyawasam who will be 71 years in December, 2025 be elected as a Director of the Company and it is specifically declared that the age limit specified in Section 210 of the Companies Act No. 07 of 2007 shall not apply to Mr. Prasad Kariyawasam”

10. To authorize the Directors to determine payments for charitable purposes for the year 2025.
11. To re-appoint Auditors and authorize the Board of Directors to determine their remuneration.
12. To transact any other business of which due notice shall be given.

By order of the Board of

Ceylinco General Insurance Ltd.



(Mrs.) Nilika Abhayawardhana
Company Secretary

27th February 2025

CORPORATE INFORMATION

REGISTERED OFFICE

"Ceylinco House"
3rd Floor
No. 69, Janadhipathi Mawatha,
Colombo 1, Sri Lanka.

COMPANY REGISTRATION NUMBER

PB 5184

LEGAL FORM

A Public Company with limited liability, incorporated in Sri Lanka on 22nd April 2014. Licensed as a Company authorized to carry on General Insurance business, under the Regulation of Insurance Industry Act No. 43 of 2000.

MAIN PLACE OF BUSINESS

"Ceylinco House",
No. 69, Janadhipathi Mawatha,
Colombo 1, Sri Lanka.
Telephone : 0112 485 757-9
Call Centre: 0112 393 939
Fax : 0112 485 701
E-mail : ceylincoinsurance@ceyins.lk
Website : www.ceylinco-insurance.com

PRINCIPAL ACTIVITIES

Underwriting of all classes of General Insurance

AUDITORS

Ernst & Young, Chartered Accountants,
Rotunda Towers, No 109, Galle Road,
Colombo 03.

CONSULTING ACTUARIES

M/s. K. A. Pandit
Consultants & Actuaries, 2nd Floor -
"Churchgate House", Veer Nariman
Road, Fort, Mumbai - 400 001, India.

BOARD OF DIRECTORS

Mr. P. Kariyawasam BSc, Maths Special
(Hon.)
(Non-Executive Chairman)

Dr. W.C.J. Alwis BSc., FIII, FCII (Lond.),
FloD (UK)
(Executive Chairman) - Retired w.e.f.
31.12.2024

Mr. R.A. Gunathilake FCIC, MBA (UK)
(Director/Chief Executive Officer)

Mr. H.D.A.N. Perera
(Executive Director)

Mr. A.R.S Wijayapura
(Executive Director)

Mr. R.A. Ranasinghe
(Executive Director)

Mr. K. Sankaramoorthy FCA, ACMA,
MBA
(Executive Director) - Appointed w.e.f.
01.01.2025 subject to approval of IRCSL

Mr. Takashi Kishi
(Non-Executive Director)

Mr. N. A. Bandaranaike ACMA
(Independent Non-Executive Director)

Dr. N.D.P. Dehigama PEDM (Sri J), MBA
(Sri J), DBA (AIT, Thailand), FCIM (UK)
(Independent Non-Executive Director)

Prof. H.J. de Silva MD, DPhil (Oxon.),
FRCP, FCCP, FNAS (SL), FRACP (Hon.)
(Independent Non-Executive Director)

Mr. W.J.S. Fernando LL.M (London) LL.M
(Colombo), President's Council
(Independent Non-Executive Director)

Mr. T.R.T. Fernando
(Independent Non-Executive Director)

Mr. A.B. Meddegoda LL.M (King's
College, London), President's Council
(Independent Non-Executive Director)

Mr. B. Premalal Pg.DIP. (Sri J) FCMA
(UK), MBA Pg.DIP. (USJ), MSLIM
(Independent Non-Executive Director)

Mr. S.A.W.S. Silva
(Non-Executive Director)

Mr. U.G. Revankar BBM, MBA
(Mangalore, Ind.)
(Non-Executive Director)

COMPANY SECRETARY

Mrs. Nilika Abhayawardhana ACIS (UK),
ACCS (SL)

BANKERS

Bank of China Limited - Colombo Branch
Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
Nations Trust Bank PLC
National Savings Bank
NDB Bank PLC
Pan Asia Banking Corporation PLC
People's Bank
Regional Development Bank
Sampath Bank PLC
Seylan Bank PLC



www.ceylinco-insurance.com