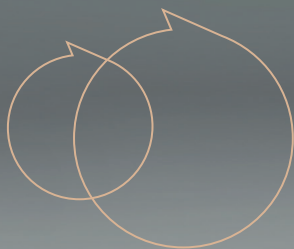




Our strategy is built on four core pillars: preventive health and wellness, personalised products and services, digital transformation and insurtech, and sustainability and ESG.

**Iftikar Ahamed**  
Managing Director





# REFLECTIONS FROM OUR MANAGING DIRECTOR

## TRANSFORMING SRI LANKA'S INSURANCE LANDSCAPE

In 2024, Softlogic Life significantly contributed to insurance penetration in Sri Lanka, driving industry growth through innovation and strategic execution. Our vision has always been to lead transformation in the insurance sector. The remarkable milestones we achieved last year are a testament to the effectiveness and sustainability of our approach, creating substantial value for our stakeholders.

## A DECADE OF EXCEPTIONAL GROWTH

Over the past decade, Softlogic Life has expanded its top line from Rs. 3 Bn in 2014 to an impressive Rs. 31.6 Bn in 2024—a tenfold increase, in ten years. This extraordinary growth highlights the resilience, innovation, and commitment of our leadership and workforce. As we look forward to 2025, we are prepared to continue reshaping the insurance landscape in Sri Lanka with a strong foundation and a clear strategic direction.

Building on this momentum, we remain focused on accelerating growth through digital transformation, product diversification, and an enhanced customer experience. By staying agile and forward-thinking, we aim to strengthen our market leadership and deliver greater value to policyholders. Our commitment to innovation and operational excellence will continue to drive long-term sustainability and reinforce Softlogic Life as the go-to brand in the industry.

## FINANCIAL PERFORMANCE IN 2024

Softlogic Life delivered outstanding financial results in 2024, achieving a record Gross Written Premium (GWP) of Rs. 31.6 Bn reflecting a 20% year-on-year growth. This emphasizes the catalytic influence the Company has on the life insurance sector.

Our diversified distribution channels played a crucial role, with the agency force achieving notable growth and continuing its upward trajectory. Alternate channel surpassed a key milestone, crossing the Rs. 10 Bn mark. The Micro mobile channel, a rapidly expanding segment catering to evolving customer needs, contributed Rs. 2.8 Bn in GWP, reflecting the rising demand for flexible insurance solutions and reinforcing Softlogic Life's commitment to innovation and customer-centric offerings.

The company's profitability was equally impressive, with a Profit After Tax (PAT) of Rs. 4.5 Bn, achieving 160% of the budgeted target. A Return on Equity (ROE) of 38.2% further underscores our efficient capital management. Additionally, the reversal of International Sovereign Bonds (ISB) restructuring provisions boosted profitability, while our Capital Adequacy Ratio (CAR) significantly exceeded the regulatory requirement of 120%, affirming our financial stability.

## STRATEGIC PILLARS FOR FUTURE GROWTH

As we move forward, our strategy is built on four core pillars: preventive health and wellness, personalised products and services, digital transformation and insurtech, and sustainability and ESG. These pillars guide our efforts to redefine the insurance experience for our customers and drive long-term growth.

### 1. Preventive Health and Wellness

In 2025, we will introduce an advanced health monitoring application as part of our Health Score Initiative, integrated into the LifeUp app. This innovation will empower policyholders to proactively manage their health through real-time monitoring of key indicators such as blood sugar and

blood pressure, personalised health recommendations, and digital health records. This initiative positions Softlogic Life as a true partner in health, extending our role beyond traditional insurance.

By aggregating and managing health data in a digital health file, we empower customers with real-time insights, ensuring a healthier, more secure future. This marks a transformative shift. Softlogic Life is not just an insurer but a true partner in health, proactively shaping better outcomes for our customers.

### 2. Personalisation through AI

Recognising AI's transformative potential, we have integrated it across key functions—including actuarial, finance, HR, and marketing—to scale our operations efficiently. Our AI-driven claims processing system, ClaimIt, has redefined customer experience by enabling instant claims validation and settlement, with over 90% of claims processed within a single day.

We are actively exploring Large Language Models (LLMs) to enhance efficiency and accelerate business transformation. This marks a significant step in our AI and digital journey, paving the way for advanced automation, including the integration of robotic tools. By leveraging these innovations, we aim to scale operations seamlessly and strengthen our competitive edge in an evolving digital landscape.

### 3. Digital Transformation and Insurtech

In 2025, we are set to launch a groundbreaking insurance management application—the first of its kind in Sri Lanka. This initiative reflects our commitment to leveraging technology to enhance customer engagement, streamline operations, and set new industry standards.

#### 4. Sustainability and ESG Leadership

Our sustainability strategy is guided by SLFRS S1 and S2 standards, ensuring a structured and transparent approach to sustainability-related and climate-related disclosures. These standards provide a framework for reporting on governance, strategy, risk management, and performance metrics, enabling a comprehensive assessment of sustainability risks and opportunities.

In response to the challenges posed by climate change, we have set a climate target to reduce emissions by 20% (tCO<sub>2</sub>-e/GWP Rs Mn) By end of 2030, using 2024 as the baseline year. This goal will be actively communicated across the organisation, ensuring alignment with our sustainability vision and fostering a culture of environmental responsibility.

In addition to these standards, we align with global frameworks such as the GRI and UN SDGs, reinforcing our commitment to resilience and long-term impact. By integrating these principles, we aim to enhance corporate responsibility, environmental stewardship, and social value creation, ensuring that sustainability remains at the core of our decision-making and business operations.

#### EMPOWERING OUR WORKFORCE

As technology reshapes industries, we are committed to equipping our employees with the skills needed for an AI-driven future. Our structured upskilling programme addresses this need, ensuring that our workforce remains at the forefront of industry innovation. Addressing feedback from the Great Place to Work (GPTW) survey, we have enhanced support for our field force, further strengthening our operational capabilities.

#### MARKET LEADERSHIP AND CUSTOMER COMMITMENT

In 2024, Softlogic Life secured the second-largest market share in Sri Lanka's life insurance sector, capturing 17.2% of the Life Insurance market. We covered 1.3 Mn lives and paid out LKR 11 Bn in claims, excluding maturities and surrenders—the highest in the industry. This achievement reflects our unwavering commitment to fulfilling our promises and reinforcing trust with our customers.

This accomplishment is a testament to our strategic focus on innovation, operational excellence, and customer-centricity. By continuously refining our product offerings and claims processes, we strive to provide seamless, timely support to policyholders, especially when they need it the most. Our strong financial position, coupled with digital advancements, enables us to enhance accessibility and efficiency, further strengthening our role as the go-to brand for Insurance in Sri Lanka.

#### LOOKING AHEAD

Insurance is ultimately about people - their lives, their aspirations and their trust in us. At Softlogic Life, we are deeply committed to delivering on our promises, ensuring that we provide the highest level of protection and care for our customers.

As we step into 2025, we are poised for accelerated growth, guided by our focus on innovation, digital transformation, and customer-centric strategies. With aspirations to expand regionally, our goal is to establish Softlogic Life as a leading name in the insurance industry across South Asia. Our journey is driven by a steadfast commitment to excellence, resilience, and creating lasting value for all stakeholders.

#### APPRECIATION

I extend my heartfelt gratitude to our Chairman, the Board of Directors, and our senior management for their vision and leadership. I also thank our shareholders, partners, and the dedicated team at Softlogic Life for their trust and unwavering support. Together, we will continue to redefine the future of insurance in Sri Lanka, staying true to our theme of the year—'Change Maker'.

Sgd.

**Iftikar Ahamed**

Managing Director

Colombo, Sri Lanka.

04 March 2025