

# Amana Takaful Life PLC

Interim Report  
30th September 2017



## STATEMENT OF FINANCIAL POSITION

| AS AT  |       | Unaudited as at<br>30.09.2017<br>Rs. | Audited as at<br>31.12.2016<br>Rs. |
|--|-------|--------------------------------------|------------------------------------|
|  | Notes |                                      |                                    |
| <b>ASSETS</b>  |       |                                      |                                    |
| Intangible Assets                                    |       | 22,805,731                           | 23,548,554                         |
| Property, Plant and Equipment                        |       | 17,996,040                           | 17,466,682                         |
| Financial Assets                                     | 3     | 1,097,924,143                        | 1,018,398,153                      |
| Financial Assets - Unit Linked                       | 4     | 1,563,291,374                        | 1,441,276,267                      |
| Retakaful (Reinsurance) Receivables                  |       | 7,691,321                            | 2,250,872                          |
| Contribution (Premium) Receivable                    |       | 27,752,103                           | 27,199,034                         |
| Other Assets   |       | 28,570,719                           | 38,754,561                         |
| Other Assets - Unit Linked                           |       | 53,748,276                           | 32,055,415                         |
| Cash and Bank Balances                               | 5     | 39,783,881                           | 34,456,620                         |
| Cash and Bank Balances - Unit Linked                 | 5     | 22,939,968                           | 72,192,842                         |
| <b>Total Assets</b>                                  |       | <b>2,882,503,557</b>                 | <b>2,707,599,000</b>               |
| <b>LIABILITIES</b>                                   |       |                                      |                                    |
| Insurance Contract Liabilities - Family Takaful Fund |       | 576,405,702                          | 559,913,844                        |
| Insurance Contract Liabilities - Unit Linked         |       | 1,612,305,415                        | 1,504,144,873                      |
| Employee Benefits                                    |       | 6,434,917                            | 4,316,884                          |
| Other Liabilities - Unit Linked                      |       | 53,783,800                           | 50,315,575                         |
| Other Liabilities                                    |       | 72,538,937                           | 59,189,748                         |
| Finance Lease Liability                              |       | 5,421,886                            | 6,200,918                          |
| <b>Total Liabilities</b>                             |       | <b>2,326,890,658</b>                 | <b>2,184,081,841</b>               |
| <b>SHAREHOLDERS' EQUITY</b>                          |       |                                      |                                    |
| Stated Capital                                       |       | 500,000,000                          | 500,000,000                        |
| Revaluation Reserve                                  |       | 120,142                              | 120,142                            |
| Revenue Reserves                                     |       | 55,492,757                           | 23,397,016                         |
| <b>Total Equity</b>                                  |       | <b>555,612,899</b>                   | <b>523,517,158</b>                 |
| <b>Total Liabilities and Equity</b>                  |       | <b>2,882,503,557</b>                 | <b>2,707,599,000</b>               |

The notes form an integral part of the Financial Statements.

I certify that the preparation and presentation of these Financial Statements comply with the requirements under Companies Act, No. 07 of 2007.

Signed  
M. Rinaz Niyas  
Head of Finance

Signed  
Gehan Rajapakse  
Chief Executive Officer

Signed for and on behalf of the Board,

Signed  
M. Fazal Ghaffoor  
Director

Signed  
Dato' Mohd Fadzli Yusof  
Director

Colombo  
13th November 2017

## STATEMENT OF COMPREHENSIVE INCOME

| FOR THE PERIOD ENDED 30TH SEPTEMBER                        | Notes | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. | Change<br>% |
|--|-------|--------------------------|--------------------------|-------------|
| Gross Written Contribution (Premium)                       | 6     | 582,604,049              | 609,271,965              | -4%         |
| Retakaful Contribution (Reinsurance Premium)               |       | (20,329,810)             | (12,434,895)             | -63%        |
| Net Written Contribution (Premium)                         |       | 562,274,239              | 596,837,070              | -6%         |
| Net Change in Reserve for Un-Earned Contribution (Premium) |       | (617,072)                | 2,269,481                | -127%       |
| Net Earned Contribution (Premium)                          |       | 561,657,167              | 599,106,551              | -6%         |
| <b>Other Revenue</b>                                       |       |                          |                          |             |
| Income from investments                                    |       | 191,865,903              | 153,877,478              | 25%         |
| Other income   |       | 11,477,155               | 14,521,840               | -21%        |
| <b>Total Revenue</b>                                       | 7     | 765,000,225              | 773,642,709              | -1%         |
| <b>Benefits, Losses and Expenses</b>                       |       |                          |                          |             |
| Takaful (Insurance) claims and benefits                    |       | (328,885,585)            | (257,137,523)            | -28%        |
| Acquisition Cost (net of reinsurance commission)           |       | (71,039,351)             | (79,268,201)             | 10%         |
| Change in Family Takaful Contract Liability                |       | (121,028,974)            | (227,778,808)            | -47%        |
| Other Operating and Administration Expenses                |       | (207,451,283)            | (191,361,383)            | -8%         |
| Depreciation   |       | (3,869,020)              | (3,413,483)              | -13%        |
| <b>Total Claims, Benefits and Expenses</b>                 |       | (732,274,213)            | (758,959,398)            | 4%          |
| <b>Profit from Operations</b>                              |       | 32,726,012               | 14,683,311               | 123%        |
| Finance cost   |       | (909,057)                | (828,638)                | -10%        |
| <b>Profit Before Taxation</b>                              | 9     | 31,816,955               | 13,854,673               | 130%        |
| Income Tax Expenses  | 10    | -                        | -                        | -           |
| <b>Net Profit for the Period</b>                           |       | 31,816,955               | 13,854,673               | 130%        |
|  |       |                          |                          |             |
| Basic / Diluted Earnings Per Share To Equity Holders       | 15    | Rs<br>0.06               | Rs<br>0.03               | 130%        |
| Dividend per share   |       |                          |                          |             |
| Interim dividend paid per share                            |       | -                        | 0.02                     | -100%       |
| Final proposed dividend per share                          |       | -                        | -                        | -           |

## STATEMENT OF OTHER COMPREHENSIVE INCOME

| FOR THE PERIOD ENDED 30TH SEPTEMBER  | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. | Change<br>% |
|--|--------------------------|--------------------------|-------------|
| <b>Other Comprehensive Income</b>  |                          |                          |             |
| Profit for the period  | <b>31,816,955</b>        | 13,854,673               | 130%        |
| Change in Fair Value of Available for Sale Financial Assets<br>Assets transfer (to) Income Statement               | -                        | (3,961,564)              | -100%       |
| Net Change in Fair Value of Available for Sale Financial<br>Assets transfer (to)/ from Life Policyholder's Reserve | <b>278,785</b>           | (2,175,277)              | 113%        |
| <b>Total Comprehensive Income for the period</b>   | <b>32,095,740</b>        | 7,717,833                | 316%        |

## STATEMENT OF COMPREHENSIVE INCOME

| FOR THE QUARTER ENDED 30TH SEPTEMBER                               | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. | Change<br>% |
|--|--------------------------|--------------------------|-------------|
| Gross Written Contribution (Premium)                               | 196,822,898              | 170,119,572              | 16%         |
| Retakaful Contribution (Reinsurance Premium)                       | (6,203,740)              | 917,829                  | 776%        |
| Net Written Contribution (Premium)                                 | 190,619,158              | 171,037,401              | 11%         |
| Net Change in Reserve for Un-Earned Contribution (Premium)         | 1,713,724                | 1,176,544                | 46%         |
| Net Earned Contribution (Premium)                                  | 192,332,882              | 172,213,945              | 12%         |
| <b>Other Revenue</b>   |                          |                          |             |
| Income from investments  | 27,347,229               | 83,781,068               | -67%        |
| Fair Value Gains and Losses of Available For Sale Financial Assets | -                        | 2,700,822                |             |
| Other income   | 4,219,517                | 2,947,187                | 43%         |
| <b>Total Revenue</b>   | <b>223,899,627</b>       | <b>261,643,022</b>       | <b>-14%</b> |
| <b>Benefits, Losses and Expenses</b>                               |                          |                          |             |
| Takaful (Insurance) claims and benefits                            | (132,664,211)            | (84,605,418)             | -57%        |
| Acquisition Cost (net of reinsurance commission)                   | (24,745,918)             | (25,847,839)             | 4%          |
| Change in Family Takaful Contract Liability                        | 17,458,731               | (78,544,097)             | -122%       |
| Other Operating and Administration Expenses                        | (74,360,006)             | (68,485,604)             | -9%         |
| Depreciation   | (1,601,397)              | (1,739,384)              | 8%          |
| <b>Total Claims, Benefits and Expenses</b>                         | <b>(215,912,801)</b>     | <b>(259,222,342)</b>     | <b>17%</b>  |
| <b>Profit from Operations</b>                                      | <b>7,986,826</b>         | <b>2,420,679</b>         | <b>230%</b> |
| Finance cost   | (278,044)                | (377,942)                | 26%         |
| <b>Profit Before Taxation</b>                                      | <b>7,708,782</b>         | <b>2,042,737</b>         | <b>277%</b> |
| Income Tax Expenses  | -                        | -                        | 0%          |
| <b>Net Profit for the Period</b>                                   | <b>7,708,782</b>         | <b>2,042,737</b>         | <b>277%</b> |
|  |                          |                          |             |
| Basic / Diluted Earnings Per Share To Equity Holders               | Rs<br>0.015              | Rs<br>0.004              | 277%        |
| Dividend per share   |                          |                          |             |
| Interim dividend paid per share                                    | -                        | -                        | -           |
| Final proposed dividend per share                                  | -                        | -                        | -           |

## STATEMENT OF OTHER COMPREHENSIVE INCOME

| FOR THE QUARTER ENDED 30TH SEPTEMBER  | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. | Change<br>% |
|---|--------------------------|--------------------------|-------------|
| <b>Other Comprehensive Income</b>   |                          |                          |             |
| Profit for the period   | 7,708,782                | 2,042,737                | 277%        |
| Change in Fair Value of Available for Sale Financial Assets   | -                        | -                        | -           |
| Assets transfer (to) Income Statement   | -                        | -                        | -           |
| Net Change in Fair Value of Available for Sale Financial Assets transfer (to)/ from Life Policyholder's Reserve | (199,144)                | -                        | -           |
| Defined Benefit Plan Actuarial Losses   | -                        | -                        | -           |
| Income Tax expense for Other Comprehensive Income   | -                        | -                        | -           |
| <b>Total Comprehensive Income for the period</b>  | <b>7,509,639</b>         | <b>2,042,737</b>         | <b>268%</b> |

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30TH SEPTEMBER 2017

|  | Revenue Reserves          |                                |                               |                                      | Total Equity<br>(Rs) |
|--|---------------------------|--------------------------------|-------------------------------|--------------------------------------|----------------------|
|  | Stated<br>Capital<br>(Rs) | Revaluation<br>Reserve<br>(Rs) | Accumulated<br>Profit<br>(Rs) | Policy<br>Holder's<br>Rserve<br>(Rs) |                      |
| Balance as at 01st January 2016  | 500,000,000               | 2,169,475                      | 13,522,946                    | (98,867)                             | 515,593,554          |
| Net Profit for the period  | -                         | -                              | 13,854,673                    | -                                    | 13,854,673           |
| <b>Other Comprehensive Income</b>  |                           |                                |                               |                                      |                      |
| Net Change in Fair Value of Available for Sale Financial Assets transfer<br>- (to)/ from Life Policyholder's Reserve | -                         | -                              | -                             | (2,175,277)                          | (2,175,277)          |
| <b>Total Comprehensive Income</b>  | -                         | -                              | 13,854,673                    | (2,175,277)                          | 11,679,396           |
| Dividend paid  | -                         | -                              | (10,000,000)                  | -                                    | (10,000,000)         |
| Expenses on Initial Public Offer   | -                         | -                              | (13,440,014)                  | -                                    | (13,440,014)         |
| <b>Balance as at 30th September 2016</b>   | <b>500,000,000</b>        | <b>2,169,475</b>               | <b>3,937,605</b>              | <b>(2,274,144)</b>                   | <b>503,832,936</b>   |
| Net Profit for the period  | -                         | -                              | 21,836,396                    | -                                    | 21,836,396           |
| <b>Other Comprehensive Income</b>  |                           |                                |                               |                                      |                      |
| Net Change in Fair Value of Available for Sale Financial Assets<br>- (to)/ from Life Policyholder's Reserve          | -                         | -                              | -                             | (602,368)                            | (602,368)            |
| Net Change in Fair Value of Available for Sale Financial Assets<br>- Transferred to the Income Statement             | -                         | -                              | -                             | 87,434                               | 87,434               |
| Defined Benefit Plan Acturial Losses, Net of deferred Tax  | -                         | -                              | (1,637,240)                   | -                                    | (1,637,240)          |
| <b>Total Comprehensive Income</b>  | -                         | -                              | 20,199,156                    | (514,933)                            | 19,684,222           |
| Transfer of Revaluation Surplus to Retained Earnings, at the disposal  |                           | (2,049,333)                    | 2,049,333                     |                                      | -                    |
| <b>Balance as at 31st December 2016</b>  | <b>500,000,000</b>        | <b>120,142</b>                 | <b>26,186,094</b>             | <b>(2,789,077)</b>                   | <b>523,517,158</b>   |
| Net Profit for the period  | -                         | -                              | 31,816,955                    | -                                    | 31,816,956           |
| <b>Other Comprehensive Income</b>  |                           |                                |                               |                                      |                      |
| Net Change in Fair Value of Available for Sale Financial Assets  | -                         | -                              | -                             | 278,785                              | 278,785              |
| <b>Total Comprehensive Income</b>  | -                         | -                              | 31,816,955                    | 278,785                              | 32,095,741           |
| <b>Balance as at 30th September 2017</b>   | <b>500,000,000</b>        | <b>120,142</b>                 | <b>58,003,049</b>             | <b>(2,510,292)</b>                   | <b>555,612,899</b>   |

**STATEMENT OF CASH FLOW**

| FOR THE PERIOD ENDED 30TH SEPTEMBER                     | Notes | Unaudited<br>2017<br>Rs | Unaudited<br>2016<br>Rs |
|---|-------|-------------------------|-------------------------|
| <b>Cash Flows from Operating Activities</b>             |       |                         |                         |
| Contribution (Premium) received from customers          |       | 583,137,032             | 636,527,267             |
| Retakaful (Reinsurance) Premium paid                    |       | (17,955,053)            | (6,218,135)             |
| Claims and Benefits paid                                |       | (324,263,435)           | (342,616,867)           |
| Cash paid to and behalf of Employees                    |       | (107,385,457)           | (95,170,749)            |
| Profits received from Investments and Other Income      |       | 152,387,505             | 53,479,351              |
| Finance Cost paid                                       |       | (909,057)               | (676,043)               |
| Dividends received                                      |       | 8,017,218               | 6,975,741               |
| Other operating cash payments                           |       | (154,306,831)           | (117,912,969)           |
| <b>Cash Flow from Operating Activities (Note A)</b>     |       | <b>138,721,922</b>      | <b>134,387,596</b>      |
| Gratuity Paid   |       | -                       | -                       |
| <b>Net Cash Flow from Operating Activities</b>          |       | <b>138,721,922</b>      | <b>134,387,596</b>      |
| <b>Cash Flows from used in Investing Activities</b>     |       |                         |                         |
| Net Disposal/(Purchase) of Investment Securities        |       | (134,297,107)           | (232,436,805)           |
| Purchase of Intangible Assets                           |       | 94,939                  | -                       |
| Purchase of Property, Plant & Equipment                 |       | (5,046,262)             | (14,167,802)            |
| <b>Net Cash Flows from used in Investing Activities</b> |       | <b>(139,248,429)</b>    | <b>(246,604,607)</b>    |
| <b>Cash Flows used in Financing Activities</b>          |       |                         |                         |
| Repayment of Finance Lease Liability                    |       | (779,035)               | (638,160)               |
| <b>Net cash flows used in Financing Activities</b>      |       | <b>(779,035)</b>        | <b>(638,160)</b>        |
| <b>Decrease in Cash and Cash Equivalents (Note B)</b>   |       | <b>(1,305,542)</b>      | <b>(112,855,172)</b>    |

**NOTE A**

| <b>Reconciliation of Operating Profit with Cash Flows from Operations</b> |   |                         |                         |
|---|---|-------------------------|-------------------------|
| FOR THE PERIOD ENDED 30TH SEPTEMBER                                       |   | Unaudited<br>2017<br>Rs | Unaudited<br>2016<br>Rs |
| Profit from Operations  |   | 32,726,012              | 14,683,311              |
| Depreciation  |   | 4,516,904               | 1,674,098               |
| Amortisations   |   | 647,884                 | 245,455                 |
| Provision for Gratuity  |   | 2,118,033               | 861,828                 |
| Unrealised (Income)/Losses  |   | 278,785                 | (3,436,018)             |
| (Increase)/Decrease in Debtors and Other Assets                           |   | (39,119,916)            | (34,079,039)            |
| Increase in Family Takaful (Long Term Insurance) Fund                     |   | 121,028,791             | 149,234,528             |
| Increase/(Decrease) in Unearned Contribution (Premium)                    |   | 617,072                 | (1,092,938)             |
| Increase/(Decrease) in Other Creditors                                    |   | 16,817,414              | 6,747,066               |
| Finance Cost Paid   |   | (909,057)               | (450,696)               |
| <b>Cash Flows from Operating Activities</b>                               |   | <b>138,721,922</b>      | <b>134,387,596</b>      |
| <b>Note B</b>   |   |                         |                         |
| <b>Increase/( Decrease ) in Cash and Cash Equivalents</b>                 |   |                         |                         |
| <b>Cash at bank and in Hand and Cash Equivalents</b>                      |   |                         |                         |
| Cash and Cash Equivalents at the end of the period                        | 5 | 295,792,221             | 288,810,615             |
| Cash and Cash Equivalents at the beginning of the year                    |   | 297,097,763             | 401,665,787             |
| <b>Decrease in Cash and Cash Equivalents</b>                              |   | <b>(1,305,542)</b>      | <b>(112,855,172)</b>    |

## STATEMENT OF FINANCIAL POSITION - SEGMENTAL ANALYSIS

| AS AT 30.09.2017   | Unaudited                     |                              |                      |                      |
|--|-------------------------------|------------------------------|----------------------|----------------------|
|  | Family Takaful<br>Fund<br>Rs. | Shareholders'<br>Fund<br>Rs. | Elimination<br>Rs.   | Total<br>Rs.         |
| <b>ASSETS</b>  |                               |                              |                      |                      |
| Intangible Assets  | -                             | 22,805,731                   | -                    | 22,805,731           |
| Property, Plant and Equipment                                    | -                             | 17,996,040                   | -                    | 17,996,040           |
| Investment Property  | -                             | -                            | -                    | -                    |
| Financial Assets   | 649,469,011                   | 448,455,131                  | -                    | 1,097,924,142        |
| Investment in Gold   | -                             | -                            | -                    | -                    |
| Retakaful Receivable   | 7,691,321                     | -                            | -                    | 7,691,321            |
| Contribution (Premium) Receivable                                | 27,752,103                    | -                            | -                    | 27,752,103           |
| Other Assets   | 664,010                       | 27,906,707                   | -                    | 28,570,718           |
| Other Assets - Unit Linked                                       | 53,748,276                    | -                            | -                    | 53,748,276           |
| Financial Assets - Unit Linked                                   | 1,563,291,374                 | -                            | -                    | 1,563,291,374        |
| Management Fee Receivable  | -                             | 118,981,227                  | (118,981,225)        | -                    |
| Interfund Receivable   | 50,709,740                    | -                            | (50,709,742)         | -                    |
| Intercompany Receivable  | -                             | -                            | -                    | -                    |
| Cash and Bank Balances   | 28,088,486                    | 11,695,395                   | -                    | 39,783,881           |
| Cash and Bank Balances - Unit Linked                             | 22,939,968                    | -                            | -                    | 22,939,970           |
| <b>Total Assets</b>  | <b>2,404,354,291</b>          | <b>647,840,232</b>           | <b>(169,690,967)</b> | <b>2,882,503,557</b> |
| <b>LIABILITIES</b>   |                               |                              |                      |                      |
| Insurance Contract Liability - Family Takaful Fund               | 576,405,702                   | -                            | -                    | 576,405,702          |
| Insurance Contract Liability - Family Takaful Linked Unit Linked | 1,612,305,415                 | -                            | -                    | 1,612,305,415        |
| Inter Fund Payables  | -                             | 50,709,741                   | (50,709,742)         | -                    |
| Intercompany Payables  | -                             | -                            | -                    | -                    |
| Employee Benefits  | -                             | 6,434,917                    | -                    | 6,434,917            |
| Finance Lease Liability  | -                             | 5,421,886                    | -                    | 5,421,886            |
| Management Fee Payable   | 118,981,225                   | -                            | (118,981,225)        | -                    |
| Other Liabilities  | 45,388,440                    | 27,150,497                   | -                    | 72,538,937           |
| Other Liabilities - Unit Linked                                  | 53,783,800                    | -                            | -                    | 53,783,800           |
| <b>Total Liability</b>   | <b>2,406,864,583</b>          | <b>89,717,041</b>            | <b>(169,690,967)</b> | <b>2,326,890,658</b> |
| <b>SHAREHOLDERS' EQUITY</b>                                      |                               |                              |                      |                      |
| Stated Capital   | -                             | 500,000,000                  | -                    | 500,000,000          |
| Revaluation Reserve  | -                             | 120,142                      | -                    | 120,142              |
| Revenue Reserves   | (2,510,292)                   | 58,003,049                   | -                    | 55,492,757           |
| <b>Total Equity</b>  | <b>(2,510,292)</b>            | <b>558,123,191</b>           | <b>-</b>             | <b>555,612,899</b>   |
| <b>Total Equity and Liability</b>                                | <b>2,404,354,291</b>          | <b>647,840,232</b>           | <b>(169,690,967)</b> | <b>2,882,503,557</b> |

The above Long Term Insurance ( Family Takaful ) Statement of Financial Position is to be read in conjunction with the Company Statement of Financial Position.



## STATEMENT OF FINANCIAL POSITION - SEGMENTAL ANALYSIS

| AS AT 31.12.2016   | Audited                       |                             |                      |                      |
|--|-------------------------------|-----------------------------|----------------------|----------------------|
|  | Family Takaful<br>Fund<br>Rs. | Shareholders<br>Fund<br>Rs. | Elimination<br>Rs.   | Total<br>Rs.         |
| <b>ASSETS</b>  |                               |                             |                      |                      |
| Intangible Assets  | -                             | 23,548,554                  | -                    | 23,548,554           |
| Property, Plant and Equipment                                    | -                             | 17,466,682                  | -                    | 17,466,682           |
| Financial Assets   | 579,238,017                   | 439,160,136                 | -                    | 1,018,398,153        |
| Retakaful Receivable   | 2,250,872                     | -                           | -                    | 2,250,872            |
| Contribution (Premium) Receivable                                | 27,199,034                    | -                           | -                    | 27,199,034           |
| Other Assets   | 5,716,680                     | 33,037,881                  | -                    | 38,754,561           |
| Other Assets - Unit Linked                                       | 32,055,415                    | -                           | -                    | 32,055,415           |
| Financial Assets - Unit Linked                                   | 1,441,276,267                 | -                           | -                    | 1,441,276,267        |
| Management Fee Receivable  | -                             | 70,255,410                  | (70,255,410)         | -                    |
| Interfund Receivable   | 40,602,551                    | -                           | (40,602,551)         | -                    |
| Intercompany Receivable  | -                             | -                           | -                    | -                    |
| Cash and Bank Balances   | 19,923,347                    | 14,533,273                  | -                    | 34,456,620           |
| Cash and Bank Balances - Unit Linked                             | 72,192,842                    | -                           | -                    | 72,192,842           |
| <b>Total Assets</b>  | <b>2,220,455,023</b>          | <b>598,001,938</b>          | <b>(110,857,961)</b> | <b>2,707,599,000</b> |
| <b>LIABILITIES</b>   |                               |                             |                      |                      |
| Insurance Contract Liability - Family Takaful Fund               | 559,913,844                   | -                           | -                    | 559,913,844          |
| Insurance Contract Liability - Family Takaful Linked Unit Linked | 1,504,144,873                 | -                           | -                    | 1,504,144,873        |
| Inter Fund Payables  | -                             | 40,602,551                  | (40,602,551)         | -                    |
| Employee Benefits  | -                             | 4,316,884                   | -                    | 4,316,884            |
| Finance Lease Liability  | -                             | 6,200,918                   | -                    | 6,200,918            |
| Management Fee Payable   | 70,255,410                    | -                           | (70,255,410)         | -                    |
| Other Liabilities  | 38,614,398                    | 20,575,347                  | -                    | 59,189,744           |
| Other Liabilities - Unit Linked                                  | 50,315,575                    | -                           | -                    | 50,315,575           |
| <b>Total Liability</b>   | <b>2,223,244,100</b>          | <b>71,695,699</b>           | <b>(110,857,961)</b> | <b>2,184,081,838</b> |
| <b>SHAREHOLDERS' EQUITY</b>                                      |                               |                             |                      |                      |
| Stated Capital   | -                             | 500,000,000                 | -                    | 500,000,000          |
| Revaluation Reserve  | -                             | 120,142                     | -                    | 120,142              |
| Revenue Reserves   | (2,789,077)                   | 26,186,097                  | -                    | 23,397,020           |
| <b>Total Equity</b>  | <b>(2,789,077)</b>            | <b>526,306,239</b>          | <b>-</b>             | <b>523,517,162</b>   |
| <b>Total Equity and Liability</b>                                | <b>2,220,455,023</b>          | <b>598,001,938</b>          | <b>(110,857,961)</b> | <b>2,707,599,000</b> |

The above Long Term Insurance ( Family Takaful ) Balance Sheet is to be read in conjunction with the consolidated Statement of Financial Position.

## NOTES TO THE FINANCIAL STATEMENTS

1. Figures in the Interim Financial Statements for the period ended 30th September 2017 are provisional and unaudited.

2. These Interim Financial Statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards (SLAS) prefixed both SLFRS (corresponding to IFRS) and LKAS (corresponding to IAS), promulgated by the Institute of Chartered Accountants of Sri Lanka (ICASL) and comply with the requirements of the Companies Act, No. 7 of 2007 and the Regulation of Insurance Industry Act, No. 43 of 2000.

The same accounting policies and methods of computation as stated in the Audited Financial Statements 2016 have been followed in preparation of these Interim Financial Statements. Comparative information has been re-valued/re-classified where necessary, to confirm to the current period recognition, measurement and presentation.

### 3. Financial Assets

| AS AT   | Unaudited as at<br>30.09.2017<br>Rs. | Audited as at<br>31.12.2016<br>Rs. |
|---|--------------------------------------|------------------------------------|
| Financial Assets at Fair Value Through Profit or Loss (3.1) | 18,050,280                           | 18,939,154                         |
| Available For Sale Financial Assets (3.2)                   | 25,834,822                           | 24,595,623                         |
| Loans & Receivables (3.3)                                   | 1,054,039,041                        | 974,863,376                        |
|   | <b>1,097,924,143</b>                 | <b>1,018,398,153</b>               |

| AS AT   | Unaudited as at<br>30.09.2017<br>Rs. | Audited as at<br>31.12.2016<br>Rs. |
|---|--------------------------------------|------------------------------------|
| <b>3.1 Financial Assets at Fair Value Through Profit &amp; Loss</b> |                                      |                                    |
| Investments in Equity Securities                                    | 18,050,280                           | 18,939,154                         |
|   | <b>18,050,280</b>                    | <b>18,939,154</b>                  |
| <b>3.2 Available For Sale Financial Assets</b>                      |                                      |                                    |
| Unit Trust  | 25,834,822                           | 24,595,623                         |
|   | <b>25,834,822</b>                    | <b>24,595,623</b>                  |
| <b>3.3 Loans and Receivable</b>                                     |                                      |                                    |
| Repurchase Agreements   | 363,648,792                          | 284,299,622                        |
| Commercial Papers   | 164,843,356                          | 233,531,945                        |
| Mudharaba Investments   | 525,546,893                          | 457,031,809                        |
|   | <b>1,054,039,041</b>                 | <b>974,863,376</b>                 |

## NOTES TO THE FINANCIAL STATEMENTS

### 4. Financial Assets - Unit Linked

| AS AT   | Unaudited as at<br>30.09.2017<br>Rs. | Audited as at<br>31.12.2016<br>Rs. |
|---|--------------------------------------|------------------------------------|
| Financial Assets at Fair Value Through Profit or Loss (4.1) | 115,292,722                          | 96,108,685                         |
| Available For Sale Financial Assets (4.2)                   | 24,647,716                           | 21,669,060                         |
| Loans & Receivables (4.3)                                   | 1,423,350,937                        | 1,323,498,522                      |
|   | <b>1,563,291,374</b>                 | <b>1,441,276,267</b>               |

| AS AT   | Unaudited as at<br>30.09.2017<br>Rs. | Audited as at<br>31.12.2016<br>Rs. |
|---|--------------------------------------|------------------------------------|
| <b>4.1 Financial Assets at Fair Value Through Profit &amp; Loss</b> |                                      |                                    |
| Investments in Equity Securities                                    | 115,292,722                          | 96,108,685                         |
|   | <b>115,292,722</b>                   | <b>96,108,685</b>                  |
| <b>4.2 Available For Sale Financial Assets</b>                      |                                      |                                    |
| Unit Trust  | 24,647,716                           | 21,669,060                         |
|   | <b>24,647,716</b>                    | <b>21,669,060</b>                  |
| <b>4.3 Loans and Receivable</b>                                     |                                      |                                    |
| Repurchase Agreements   | 51,593,760                           | 8,068,013                          |
| Mudharaba Investments   | 1,371,757,176                        | 1,315,430,509                      |
|   | <b>1,423,350,937</b>                 | <b>1,323,498,522</b>               |

### 5. Cash and Cash Equivalents in Statement of Cash Flow

|                                      | 30.9.2017<br>Rs.   | 31.12.2016<br>Rs.  |
|--------------------------------------|--------------------|--------------------|
| Cash and Bank Balances               | 39,783,881         | 34,456,620         |
| Cash and Bank Balances - Unit Linked | 22,939,968         | 72,192,842         |
| Investment in Governmnt Securities   | 233,068,372        | 190,448,301        |
|                                      | <b>295,792,221</b> | <b>297,097,763</b> |

## NOTES TO THE FINANCIAL STATEMENTS

### 6. Gross Written Premium (Contribution)

| FOR THE PERIOD ENDED 30TH SEPTEMBER             | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. |
|---|--------------------------|--------------------------|
| <b>6.1 Long Term Insurance (Family Takaful)</b> |                          |                          |
| Family Takaful                                  | 76,776,586               | 77,972,462               |
| Mortgage & Group Family Takaful                 | 32,075,294               | 45,192,793               |
| Unit Linked                                     | 473,752,169              | 486,106,710              |
| <b>Total Gross Written Premium</b>              | <b>582,604,049</b>       | <b>609,271,965</b>       |

### 7. Revenue

#### 7.1 Revenue by Segment

| FOR THE PERIOD ENDED 30TH SEPTEMBER | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. |
|-------------------------------------|--------------------------|--------------------------|
| <b>Segment</b>                      |                          |                          |
| Long Term (Family Takaful)          | 720,210,922              | 741,661,227              |
| Shareholders' Fund                  | 44,789,303               | 31,981,483               |
|                                     | <b>765,000,225</b>       | <b>773,642,709</b>       |

#### 7.2 Revenue

| FOR THE PERIOD ENDED 30TH SEPTEMBER         | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. |
|---|--------------------------|--------------------------|
| <b>Gross written Contribution (Premium)</b> | <b>582,604,049</b>       | 609,271,965              |
| Less :                                      |                          |                          |
| Reinsurance premium                         | (20,329,810)             | (12,434,895)             |
| Net written premium                         | 562,274,239              | 596,837,070              |
| (Increase)/decrease in net unearned premium | (617,072)                | 2,269,481                |
| <b>Net earned premium</b>                   | <b>561,657,167</b>       | 599,106,552.02           |
| Income from investments                     | 191,865,903              | 153,877,477              |
| Other income                                | 11,477,155               | 14,521,840               |
| <b>Revenue</b>                              | <b>765,000,225</b>       | <b>767,505,869</b>       |

8. The Company has not done a valuation of the insurance contract liabilities - Life (Family Takaful) by the consultant actuary for the period ended 30th September 2017. Valuation will be performed annually.

### 9. Profit Before Taxation by Segment

| FOR THE PERIOD ENDED 30TH SEPTEMBER | Unaudited<br>2017<br>Rs. | Unaudited<br>2016<br>Rs. |
|-------------------------------------|--------------------------|--------------------------|
| <b>Segment</b>                      |                          |                          |
| Shareholders' Fund                  | 31,816,955               | 13,854,673               |
| <b>Total</b>                        | <b>31,816,955</b>        | <b>13,854,673</b>        |

## NOTES TO THE FINANCIAL STATEMENTS

10. Amana Takaful Life PLC is liable for income tax at 28% (2016 - 28%)

11. The nature of related party transactions in the current period is similar to those reported in the issued Financial Statements 2016.

12. Comparative figures have been restated wherever necessary to conform to the current periods presentation.

13. There has not been a significant change in the nature of the contingent liabilities as disclosed in the issued Financial Statements 2016.

14. No events have occurred since the reporting date that necessitates adjustments to or disclosure in the Financial Statements.

15. Basic Earnings per Share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

|  | <b>Unaudited<br/>30.9.2017</b> | <b>Unaudited<br/>30.9.2016</b> |
|--|--------------------------------|--------------------------------|
| <b>Amount used as the Numerator</b>                    |                                |                                |
| Net Profit attributable to Ordinary Shareholders (Rs.) | 31,816,955                     | 13,854,673                     |
| <b>Number of Ordinary Shares used as Denominator:</b>  |                                |                                |
| Ordinary shares - Voting                               | 500,000,000                    | 500,000,000                    |

### 16. Share Information

|  | <b>30.9.2017</b> | <b>31.12.2016</b> |
|--|------------------|-------------------|
|  | <b>Rs.</b>       | <b>Rs.</b>        |
| Net asset value per share              | 1.11             | 1.05              |
| Market price per share as at           | 1.40             | 1.30              |
| Highest price per share for the period | 1.70             | 1.70              |
| Lowest price per share for the period  | 1.20             | 1.20              |

## NOTES TO THE FINANCIAL STATEMENTS

### 18. Twenty Largest Shareholders as at 30th September 2017

| Name of Shareholder   | No. of Shares      | %             |
|---|--------------------|---------------|
| Amana Takaful PLC   | 450,000,000        | 90.00         |
| Seylan Bank PLC/Dr.Thirugnanasambandar Senthilverl                | 27,427,441         | 5.49          |
| Sampath Bank PLC/ Dr.T.Senthilverl                                | 3,356,865          | 0.67          |
| Mr. Behman Pestonjee  | 1,962,000          | 0.39          |
| Dr. Thirugnanasambandar Senthilverl                               | 1,562,167          | 0.31          |
| Deutsche Bank Ag As Trustee To Amana Candor Shariah Balanced Fund | 1,000,000          | 0.20          |
| Mr. Abdul Azees Mohamed Anas                                      | 491,000            | 0.10          |
| Merchant Bank Of Sri Lanka Plc Account No.02                      | 431,459            | 0.09          |
| Mr. Ahamad Mohamed Subair   | 344,000            | 0.07          |
| Mr. Mohamed Sahabdeen Mohamed Ikram                               | 319,000            | 0.06          |
| Mr. Puwakgaha Alle Gedara Weerakoon Banda                         | 260,620            | 0.05          |
| Mr. Muhammadu Muyeess Muhammadu Abdul Cader                       | 246,000            | 0.05          |
| Mr. Mohamed Luthufur Rahman                                       | 246,000            | 0.05          |
| Miss Manchanayaka Appuhamilage Yasassri Rangana Manchanayaka      | 246,000            | 0.05          |
| Miss Manchanayake Appuhamilage Buddima Chathuri Manchanayake      | 246,000            | 0.05          |
| Mr. Manchanayaka Appuhamilage Tharindu Ganganath Manchanayaka     | 246,000            | 0.05          |
| Mr. Mohamed Nizamdeen Mohamed Nazir                               | 246,000            | 0.05          |
| Mrs. Epa Ranasinghe Imiya Appuhamilage Anoja Ranasinghe           | 246,000            | 0.05          |
| Mr. Mohamed Fazal   | 229,090            | 0.05          |
| Mrs. Gnanawathie Michel Jayawila                                  | 197,970            | 0.04          |
|   | <b>489,303,612</b> | <b>97.87</b>  |
| Others  | 10,696,388         | 2.13          |
| <b>Total</b>  | <b>500,000,000</b> | <b>100.00</b> |

The percentage of shares held by the public as at 30th September 2017 was 10% (31.12.2016 - 9.9%), where the number of shareholders was 974 (31.12.2016 - 772)

### 19. Directors' Shareholdings

|  | No. of Shares |            |
|--|---------------|------------|
|  | 30.9.2017     | 31.12.2016 |
| Mr. Tyeab Akbarally (Resigned w.e.f. 28-09-2017) | Nil           | Nil        |
| Mr. M.H.M. Rafiq                                 | Nil           | Nil        |
| Dato' Mohd. Fadzli Yusof                         | Nil           | Nil        |
| Dr.I.A. Ismail                                   | Nil           | Nil        |
| Mr. R. Gopinath                                  | Nil           | Nil        |
| Mr. M. Fazal Ghaffoor                            | Nil           | Nil        |
| Mr. Ammar Kassim                                 | Nil           | Nil        |

## CORPORATE INFORMATION

### NAME OF THE COMPANY

Amana Takaful Life PLC

### REGISTERED OFFICE

No. 660 - 1/1, Galle Road, Colombo 03, Sri Lanka

### LEGAL STATUS

Public Quoted Company with Limited Liability incorporated in Sri Lanka on 10th July 2014.

### AUDITORS

Ernst & Young Chartered Accountants

### COMPANY REGISTRATION NUMBER

PB 5202 PQ

### SECRETARIES

Managers & Secretaries (Pvt) Ltd

### TAX PAYER IDENTIFICATION NUMBER(TIN)

139052021

### REINSURANCE PANEL

Score Re  
Hannover Re

### STOCK EXCHANGE LISTING

The shares of the Company are listed in the Second Board of the Colombo Stock Exchange, Sri Lanka on 18th August 2016. Stock Exchange Code for Amana Takaful Life PLC shares is 'ATLL'.

### CONSULTANT ACTUARIES - LONG-TERM INSURANCE

Actuarial Partners Consulting Sdn Bhd  
Suite 17.02 Kenanga International  
Jalan Sultan Ismail 50250  
Kuala Lumpur, Malaysia

### DIRECTORS

Mr. Tyeab Akbarally - Chairman (Resigned w.e.f. 28-09-2017)  
Mr. M.H.M. Rafiq  
Dato' Mohd Fadzli Yusof  
Dr. I.A. Ismail  
Mr. R. Gopinath  
Mr. M. Fazal Ghaffoor  
Mr. Ammar Kassim

### SHARIAH ADVISORY COUNCIL

Mufti M.I.M. Rizwe - Chairman  
Ash-Sheikh Fazil Farook  
Ash-Sheikh Murshid Mulaffar- Secretary

### CHIEF EXECUTIVE OFFICER

Mr. Gehan Shivantha Rajapakse

### PRINCIPAL BANKERS

Amana Bank PLC/Pan Asia Bank/NDB Bank/Bank of Ceylon  
Commercial Bank/Sampath Bank/HNB/Nations Trust Bank/Deutsche Bank