

# STATEMENT OF CASH FLOWS

| For the year ended 31 December                                | Page<br>(Sustainability and<br>climate impact) | Note          | Page    | 2025              |                     | 2024                |
|---|--|---------------|---------|-------------------|---------------------|---------------------|
|   |  |               |         | Group<br>Rs. '000 | Company<br>Rs. '000 | Company<br>Rs. '000 |
| <b>Cash flows from operating activities</b>                   |  |               |         |                   |                     |                     |
| Profit before taxation  |  |               |         | 6,615,672         | 5,648,784           | 6,332,319           |
| <b>Adjustments for :</b>                                      |  |               |         |                   |                     |                     |
| Depreciation of property, plant and equipment                 |  | 27.10         | 352     | 140,328           | 130,709             | 139,075             |
| Gain on derecognition of intangible assets                    |  |               |         | (93,634)          | -                   | -                   |
| Amortisation of intangible assets                             |  | 25.8          | 347     | 6,445             | 1,798               | 859                 |
| Amortisation of right of use assets                           |  | 28.8          | 357     | 411,741           | 380,893             | 372,655             |
| Interest expenses on lease liabilities and borrowings         |  | 42.6/45.4.3.1 | 390/391 | 429,141           | 421,748             | 692,050             |
| Derecognition of ROU assets/ liabilities                      |  |               |         | (2,133)           | (2,133)             |                     |
| Provision for employee benefit liabilities                    |  | 41.7          | 388     | 97,397            | 95,756              | 72,318              |
| Gain on sale of property, plant and equipment                 |  | 12.2          | 335     | (26,000)          | (26,000)            | (90)                |
| Net realised gains  | 109  | 10.2          | 334     | (1,532,123)       | (1,245,305)         | (2,938,156)         |
| Net fair value (gain) / loss                                  | 109  | 11.2          | 335     | (379,989)         | (267,447)           | 354,957             |
| Net unrealised loss on foreign currency transactions          |  | 20.2          | 341     | (153,401)         | (153,401)           | 300,593             |
| Net amortisation of financial investments                     | 112  | 30.10         | 372     | (804,064)         | (844,762)           | (2,056,433)         |
| Derecognition loss on restructuring of ISB                    | 112  | 18            | 341     | -                 | -                   | 2,237,532           |
| <b>Impairment (charge)/ reversal on financial investments</b> | 112  | 19            | 341     | (60,313)          | (60,313)            | (3,004,984)         |
|   |  |               |         | 4,649,067         | 4,080,327           | 2,502,695           |
| <b>Change in operating assets</b>                             |  |               |         |                   |                     |                     |
| Increase in loans to life policyholders                       | 113  |               |         | (62,695)          | (62,694)            | (18,833)            |
| Decrease / (increase) in reinsurance receivables              | 113  |               |         | 246,576           | 35,839              | (53,105)            |
| Increase in premium receivables                               | 113  |               |         | 978,653           | 985,525             | (455,424)           |
| Increase in receivables and other assets                      | 113  |               |         | (552,257)         | (498,748)           | (363,729)           |
|   |  |               |         | 610,277           | 459,922             | (891,091)           |
| <b>Change in operating liabilities</b>                        |  |               |         |                   |                     |                     |
| Increase in insurance contract liabilities                    | 111  |               |         | 4,265,796         | 4,585,204           | 5,546,939           |
| Increase / (decrease) in reinsurance payables                 |  |               |         | (274,194)         | (94,189)            | 48,884              |
| Increase / (decrease) in other liabilities                    |  |               |         | 45,211            | (17,300)            | 1,108,009           |
|   |  |               |         | 4,036,813         | 4,473,715           | 6,703,832           |
| <b>Net cash generated from operations</b>                     | 109  |               |         | 9,296,157         | 9,013,964           | 8,315,436           |
| Gratuity paid   |  | 41.7          | 388     | (25,958)          | (7,436)             | (27,446)            |
| Income tax Paid   |  |               |         | (1,592,241)       | (1,592,241)         | (1,516,665)         |
| Interest paid   |  | 42.6          | 390     | (369,895)         | (369,895)           | (621,210)           |
| <b>Net cash flows from operating activities</b>               |  |               |         | 7,308,063         | 7,044,392           | 6,150,115           |
| <b>Cash flows from investing activities</b>                   |  |               |         |                   |                     |                     |
| Acquisition of investment securities                          |  | 30.10         | 372     | ( 70,793,456)     | (49,331,348)        | (84,856,891)        |
| Proceeds from sale of investment securities                   |  |               |         | 71,056,437        | 49,621,534          | 90,379,250          |
| Acquisition of property, plant and equipment                  |  | 27.10         | 352     | (232,992)         | (224,181)           | (120,941)           |
| Net Acquisition of right of use asset                         |  |               |         | (28,479)          | (24,596)            | (69,280)            |
| Acquisition of subsidiary net of cash                         |  | 26.11         | 350     | (1,180,242)       | (1,426,349)         | -                   |
| Proceeds from the sale of property and equipment              |  |               |         | 27,819            | 26,000              | 150                 |
| Acquisition of intangible assets                              |  | 25.8          | 347     | (60,401)          | (3,925)             | (2,450)             |
| <b>Net cash flows used in investing activities</b>            |  |               |         | (1,211,314)       | (1,362,865)         | 5,329,838           |
| <b>Cash flows from financing activities</b>                   |  |               |         |                   |                     |                     |
| Dividend paid to equity holders                               |  | 24.2          | 346     | (1,423,828)       | (1,423,828)         | (2,830,078)         |
| <b>Principal Payment of lease liabilities</b>                 |  | 45.4.3.1      | 391     | (446,561)         | (413,372)           | (414,472)           |
| Repurchase of ordinary voting shares                          |  |               |         | -                 | -                   | (6,000,000)         |
| Repayment of long term borrowings                             |  |               |         | (3,017,625)       | (3,017,625)         | (1,454,000)         |
| <b>Net cash flows used in financing activities</b>            |  |               |         | (4,888,014)       | (4,854,825)         | (10,698,550)        |
| <b>Net increase in cash and cash equivalents</b>              |  |               |         | 1,208,735         | 826,702             | 781,403             |
| <b>Net cash and cash equivalents as at 1 January</b>          |  |               |         | 1,501,337         | 1,501,337           | 722,989             |
| Effect of foreign exchange rate changes                       |  |               |         | 2,478             | 2,478               | (3,055)             |
| <b>Net cash and cash equivalents as at 31 December</b>        |  |               |         | 2,712,550         | 2,330,517           | 1,501,337           |
| <b>Analysis of cash and cash equivalents</b>                  |  |               |         |                   |                     |                     |
| Cash in hand and at bank                                      |  | 35.3          | 378     | 3,099,838         | 2,717,805           | 1,869,652           |
| Bank overdrafts   |  | 35.3          | 378     | (387,288)         | (387,288)           | (368,315)           |
| <b>Total cash and cash equivalents as at 31 December</b>      |  | 35.3          | 378     | 2,712,550         | 2,330,517           | 1,501,337           |

The accounting policies and notes appearing on pages 321 to 436 form an integral part of these Financial Statements.