**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**Unaudited Interim Condensed Financial Statements**
**for the six months period ended 30 June 2026**

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**CONTENTS** **PAGE**

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

## UNAUDITED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

| | Note | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|---|
| **Assets** | | | |
| Property, plant and equipment | | 29,600 | 28,402 |
| Investment properties | | 1,034,165 | 1,032,165 |
| Prepaid land lease payments | | 823 | 836 |
| Right-of-use assets ("ROU") | | - | 1 |
| Intangible assets | | 35,627 | 38,179 |
| Investments | 12 | 12,343,995 | 12,447,411 |
| Financing receivables | | 22,548 | 22,181 |
| Reinsurance contract assets | 13 | 76,332 | 70,804 |
| Other assets | 15 | 219,193 | 153,248 |
| Derivative assets | | 1,022 | 4,661 |
| Current tax assets | 16 | 41,711 | 41,711 |
| Cash and bank balances | | 48,177 | 23,513 |
| **Total Assets** | | 13,853,193 | 13,863,112 |
| **Equity** | | | |
| Share capital | | 100,000 | 100,000 |
| Reserves | 17 | 1,557,181 | 1,655,214 |
| **Total Equity** | | 1,657,181 | 1,755,214 |
| **Liabilities** | | | |
| Insurance contract liabilities | 14 | 11,245,045 | 11,207,761 |
| Derivative liabilities | | 3,515 | 102 |
| Deferred tax liabilities, net | | 502,493 | 509,143 |
| Other liabilities | 18 | 410,809 | 363,621 |
| Current tax liabilities | 16 | 34,150 | 27,271 |
| **Total Liabilities** | | 12,196,012 | 12,107,898 |
| **Total Equity and Liabilities** | | 13,853,193 | 13,863,112 |

The accompanying notes form an integrated part of these interim financial statements.

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

## UNAUDITED INTERIM CONDENSED INCOME STATEMENT FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

| | Note | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|---|
| Insurance revenue | 19 | 319,593 | 312,393 |
| Insurance service expenses | 20 | (237,089) | (202,136) |
| Net expenses from reinsurance contracts held | 21 | (9,613) | (8,596) |
| **Insurance service result** | | 72,891 | 101,661 |
| Interest revenue from financial assets not measured at Fair Value through Profit or Loss ("FVTPL") | 22 | 45,558 | 42,192 |
| Net fair value (losses)/gains on financial assets measured at FVTPL | 23 | (25,191) | 18,035 |
| Net fair value gains on derecognition of financial assets measured at Fair Value through Other Comprehensive Income ("FVOCI") | 24 | 1,885 | 3,932 |
| Other investment income | 25 | 220,037 | 217,845 |
| Allowance for impairment losses on financial assets | 26 | (394) | (146) |
| Net foreign exchange gains/(losses) | | 3,477 | (56,810) |
| **Net investment income** | | 245,372 | 225,048 |
| Finance expenses from insurance contract issued | 27 | (220,737) | (204,322) |
| Finance income from reinsurance contract held | 28 | 1,067 | 130 |
| **Net insurance financial result** | | (219,670) | (204,192) |
| **Total net investment income and net insurance financial result** | | 25,702 | 20,856 |
| **Other expenses, net** | 29 | (5,376) | (8,030) |
| **Profit before taxation attributable to policyholders** | | 93,217 | 114,487 |
| Tax expense attributable to policyholders | 32 | (15,276) | (11,746) |
| **Profit before taxation** | | 77,941 | 102,741 |
| Tax expense | 33 | (18,672) | (24,719) |
| **Net profit for the financial period** | | 59,269 | 78,022 |
| Basic and diluted earnings per share (sen) | 34 | 59.27 | 78.02 |

The accompanying notes form an integrated part of these interim financial statements.

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026**

| | Note | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|---|
| **Net profit for the financial period** | | 59,269 | 78,022 |
| **Other comprehensive income/(loss):** | | | |
| **Items that may be subsequently reclassified to income statement:** | | | |
| Net fair value (losses)/gains on investments in debt securities measured at FVOCI | | (21,132) | 38,090 |
| Net fair value losses on derecognition of financial assets measured at FVOCI | | (1,886) | (3,931) |
| Tax effect relating to these items | 33 | 2,553 | (3,616) |
| | | (20,465) | 30,543 |
| Finance income/(expenses) from insurance contracts issued | 27 | 12,943 | (13,972) |
| Tax effect relating to these items | 33 | (517) | 638 |
| | | 12,426 | (13,334) |
| **Items that will not be subsequently reclassified to income statement:** | | | |
| Change in fair value of equity securities at FVOCI | | 2,182 | (12,752) |
| Tax effect relating to these items | 33 | (445) | 1,585 |
| | | 1,737 | (11,167) |
| **Other comprehensive (loss)/income for the financial period, net of tax** | | (6,302) | 6,042 |
| **Total comprehensive income for the financial period** | | 52,967 | 84,064 |

The accompanying notes form an integrated part of these interim financial statements.

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026**

| | <-------- Non-distributable -------> | | | | Retained Earnings | | | |
|---|---|---|---|---|---|---|---|---|
| | Share Capital RM'000 | FVOCI Reserve RM'000 | Insurance/ Reinsurance Finance Reserve RM'000 | Revaluation Reserve RM'000 | Non-Distributable Life Fund Surplus RM'000 | Distributable Shareholder's Fund Surplus RM'000 | Sub-total Retained Profits RM'000 | Total Equity RM'000 |
| **At 1 January 2026** | 100,000 | 78,092 | (82,532) | 78,896 | 1,336,141 | 244,617 | 1,580,758 | 1,755,214 |
| Net profit/(loss) for the financial period | - | - | - | - | 65,945 | (6,676) | 59,269 | 59,269 |
| Other comprehensive (loss)/ income for the financial period | - | (18,728) | 12,426 | - | - | - | - | (6,302) |
| Total comprehensive (loss)/income | - | (18,728) | 12,426 | - | 65,945 | (6,676) | 59,269 | 52,967 |
| Dividend on ordinary shares | - | - | - | - | - | (151,000) | (151,000) | (151,000) |
| **At 30 June 2026** | 100,000 | 59,364 | (70,106) | 78,896 | 1,402,086 | 86,941 | 1,489,027 | 1,657,181 |

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (CONTD.)**
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (CONTD.)**

| | <-------- Non-distributable -------> | | | | Retained Earnings | | | |
|---|---|---|---|---|---|---|---|---|
| | Share Capital RM'000 | FVOCI Reserve RM'000 | Insurance/ Reinsurance Finance Reserve RM'000 | Revaluation Reserve RM'000 | Non-Distributable Life Fund Surplus RM'000 | Distributable Shareholder's Fund Surplus RM'000 | Sub-total Retained Profits RM'000 | Total Equity RM'000 |
| **At 1 January 2025** | 100,000 | 90,513 | (93,285) | 78,896 | 1,326,662 | 51,415 | 1,378,077 | 1,554,201 |
| Net profit/(loss) for the financial period | - | - | - | - | 83,332 | (5,310) | 78,022 | 78,022 |
| Other comprehensive income/ (loss) for the financial period | - | 19,376 | (13,334) | - | - | - | - | 6,042 |
| Total comprehensive income/(loss) | - | 19,376 | (13,334) | - | 83,332 | (5,310) | 78,022 | 84,064 |
| **At 30 June 2025** | 100,000 | 109,889 | (106,619) | 78,896 | 1,409,994 | 46,105 | 1,456,099 | 1,638,265 |

The accompanying notes form an integrated part of these interim financial statements.

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM CONDENSED STATEMENT OF CASH FLOWS**
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026**

| | Note | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Profit before taxation | | 77,941 | 102,741 |
| *Adjustments for:* | | | |
| Amortisation of: | | | |
| - intangible assets | 30 | 3,743 | 3,995 |
| - prepaid land lease payments | 30 | 13 | 13 |
| Net amortisation of premiums | 25 | 4,409 | 4,134 |
| Depreciation of property, plant and equipment | 30 | 3,976 | 2,971 |
| ROU expenses: | | | |
| - depreciation | 30 | - | 21 |
| Fair value gains on investment properties | 25 | (2,000) | - |
| Fair value losses on investments | 23 | 370,343 | 16,507 |
| Losses/(gains) on foreign exchange: | | | |
| - realised | | 53,015 | 526 |
| - unrealised | | (56,492) | 56,284 |
| Gains on disposal of investments | 24 | (347,037) | (38,474) |
| Dividend income | 25 | (44,844) | (40,725) |
| Interest income | 22 | (197,393) | (198,568) |
| Rental income | 25 | (41,452) | (41,062) |
| Allowance for/(reversal of) impairment losses on investments | 26 | 386 | (7) |
| Allowance for impairment losses on financing receivables | 26 | 8 | 153 |
| Allowance for impairment losses on other assets | 29 | 116 | 104 |
| Allowance for/(reversal of) reinsurance contract assets | | 16 | (5) |
| Tax expense incurred on behalf of policyholders | 32 | 15,276 | 11,746 |
| Carried forward | | (159,976) | (119,646) |

**UNAUDITED INTERIM CONDENSED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (CONTD.)**

| | Note | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES (CONTD.)** | | | |
| Operating cash flows before working capital changes, brought forward | | (159,976) | (119,646) |
| Changes in working capital: | | | |
| (Increase)/decrease in placement of deposits with financial institutions | 12 | (322,042) | 121,634 |
| (Increase)/decrease in reinsurance contract assets | | (5,544) | 8,951 |
| (Increase)/decrease in financing receivables | | (375) | 169 |
| Increase in other assets | | (63,278) | (39,211) |
| Increase/(decrease) in insurance contract liabilities | | 49,710 | (241,331) |
| Increase in other liabilities | | 40,253 | 25,534 |
| *Operating cash flows after working capital changes* | | (461,252) | (243,900) |
| Investment income received | | 202,644 | 204,285 |
| Dividends received | | 40,958 | 36,598 |
| Rental income received | | 37,303 | 41,460 |
| Tax paid | | (31,610) | (42,145) |
| *Net cash used in operating activities* | | (211,957) | (3,702) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Purchase of: | | | |
| - property, plant and equipment | | (5,174) | (2,182) |
| - investment properties | | - | (7) |
| - intangible assets | | (1,191) | (2,436) |
| - investments | | (4,083,326) | (1,819,587) |
| Proceeds from disposal of: | | | |
| - property, plant and equipment | | - | 505 |
| - investments | | 4,477,312 | 1,781,738 |
| *Net cash invested in/(used in) investing activities* | | 387,621 | (41,969) |

**ETIQA LIFE INSURANCE BERHAD**
**201701025113 (1239279-P)**
**(Incorporated in Malaysia)**

**UNAUDITED INTERIM CONDENSED STATEMENTS OF CASH FLOWS**
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (CONTD.)**

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Payment of dividends | (151,000) | - |
| Payment of lease liabilities | - | (22) |
| *Net cash used in from financing activities* | (151,000) | (22) |
| **Net increase/(decrease) in cash and cash equivalents** | 24,664 | (45,693) |
| **Cash and cash equivalents at beginning of financial period** | 23,513 | 87,111 |
| **Cash and cash equivalents at end of financial period** | 48,177 | 41,418 |
| **Cash and cash equivalents comprise:** | | |
| **Cash and bank balances of:** | | |
| Shareholders' funds | - | - |
| Life insurance fund | 48,177 | 41,418 |
| | 48,177 | 41,418 |

The accompanying notes form an integrated part of these interim financial statements.

**NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS**
**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026**

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 19, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur, Malaysia.

The immediate, penultimate and ultimate holding companies of the Company are Maybank Ageas Holdings Berhad ("MAHB"), Etiqa International Holdings Sdn Bhd ("EIHSB") and Malayan Banking Berhad ("Maybank") respectively, all of which are incorporated in Malaysia. Maybank is a licensed commercial bank listed on the Main Market of Bursa Malaysia Securities Berhad.

The unaudited interim condensed financial statements for the six months ended 30 June 2026 were approved for issue by the Board of Directors on 24 August 2026.

## 2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

### 2.1 Statement of compliance

The unaudited interim condensed financial statements of the Company for the financial period ended 30 June 2026 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* as issued by the Malaysian Accounting Standards Board ("MASB") and IAS 34 *Interim Financial Reporting* as issued by International Accounting Standards Board ("IASB") and Guidelines/Circulars issued by Bank Negara Malaysia ("BNM").

The unaudited interim condensed financial statements of the Company have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The unaudited interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited annual consolidated financial statements of the Company for the financial year ended 31 December 2025.

The explanatory notes attached to the unaudited interim condensed financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 December 2025.

The Company has met the minimum capital requirements as prescribed by the Risk-Based Capital Framework for Insurers ("RBC Framework") issued by BNM as at the reporting date.

## 2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS (CONTD.)

### 2.2 Functional and presentation currency

The unaudited interim condensed financial statements are presented in Ringgit Malaysia ("RM") and rounded to the nearest thousand ("RM'000") unless otherwise stated.

### 2.3 Use of estimates and judgements

The preparation of unaudited interim condensed financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ.

In preparing these unaudited interim condensed financial statements, the significant judgements made by management in applying the Company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 31 December 2025.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computation adopted in the unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2025 except for the adoption of the following accounting amendments to Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the Company's financial year beginning 1 January 2026:

Amendments that are part of Annual Improvements - Volume 11:
Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*
Amendments to MFRS 7 *Financial Instruments: Disclosures*
Amendments to MFRS 9 *Financial Instruments*
Amendments to MFRS 10 *Consolidated Financial Statements*
Amendments to MFRS 107 *Statement of Cash Flows*

Amendments to the Classification and Measurement of Financial Instruments
(Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures)*

Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9
*(Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures* )

The adoption of the above pronouncements are not expected to have a significant impact on the Company.

## 4. AUDITOR'S REPORT ON PRECEDING AUDITED ANNUAL FINANCIAL STATEMENTS

The auditor's report on the audited annual financial statements for the financial year ended 31 December 2025 was not qualified.

## 5. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Company was not materially affected by any seasonal or cyclical fluctuations during the interim financial period ended 30 June 2026.

However, as is common for Insurer, surplus for Life funds will only be transferred at the financial year end upon approval by the Appointed Actuary.

## 6. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim financial period ended 30 June 2026.

## 7. CHANGES IN ESTIMATES

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim financial period ended 30 June 2026.

## 8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities for the interim financial period ended 30 June 2026.

## 9. DIVIDENDS PAID

An interim dividend of 151 sen per ordinary share on 100,000,000 ordinary shares amounting to RM151,000,000.00 for the financial year ended 31 December 2025 was declared and paid on 31 March 2026.

## 10. MATERIAL EVENTS SUBSEQUENT TO END OF REPORTING PERIOD

There were no material events subsequent to the end of the reporting period that require disclosure or adjustments to the unaudited interim condensed financial statements.

## 11. CHANGES IN THE COMPOSITION OF THE COMPANY

There were no changes in the composition of the Company during the interim financial period ended 30 June 2026.

## 12. INVESTMENTS

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| Malaysian government papers | 995,262 | 1,152,939 |
| Equity securities | 2,036,905 | 2,404,731 |
| Debt securities | 6,929,424 | 7,021,904 |
| Unit and property trust funds | 1,143,556 | 1,115,782 |
| Redeemable loan stocks | 883 | 998 |
| Structured products | 187,804 | 114,443 |
| Negotiable Islamic certificates of deposit ("NICD") | 96,471 | 4,966 |
| Deposits with financial institutions | 953,690 | 631,648 |
| | 12,343,995 | 12,447,411 |

The Company's financial investments are summarised by categories as follows:

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| FVTPL (Note a): | | |
| - Designated upon initial recognition | 6,072,095 | 6,136,509 |
| - Held for trading ("HFT") | 3,705,603 | 4,123,914 |
| | 9,777,698 | 10,260,423 |
| FVOCI (Note b) | 1,612,607 | 1,555,340 |
| Amortised Cost ("AC")(Note c) | 953,690 | 631,648 |
| | 12,343,995 | 12,447,411 |

Of which, the following investments mature after 12 months:

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| FVTPL | | |
| - Designated upon initial recognition | 5,811,279 | 5,596,170 |
| - HFT | 664,783 | 730,425 |
| FVOCI | 1,433,858 | 1,390,319 |
| | 7,909,920 | 7,716,914 |

## 12. INVESTMENTS (CONTD.)

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| **(a) FVTPL** | | |
| **(i) Designated upon initial recognition** | | |
| **At fair value** | | |
| Malaysian government papers | 704,384 | 768,951 |
| Debt securities: | | |
| Unquoted in Malaysia | 4,928,664 | 5,062,771 |
| Unquoted outside Malaysia | 162,810 | 185,440 |
| Structured products | 187,742 | 114,381 |
| NICD | 88,495 | 4,966 |
| **Total financial assets designated as FVTPL upon initial recognition** | 6,072,095 | 6,136,509 |
| **(ii) HFT** | | |
| **At fair value** | | |
| Malaysian government papers | 78,380 | 82,482 |
| Equity securities | | |
| Quoted in Malaysia | 1,748,617 | 2,045,226 |
| Quoted outside Malaysia | - | 73,824 |
| Unquoted in Malaysia | 135,685 | 135,685 |
| Debt securities: | | |
| Unquoted in Malaysia | 598,420 | 669,855 |
| Unit and property trust funds: | | |
| Quoted in Malaysia | 81,679 | 77,481 |
| Quoted outside Malaysia | 1,061,877 | 1,038,301 |
| Redeemable loan stocks | 883 | 998 |
| Structured products | 62 | 62 |
| **Total HFT financial assets** | 3,705,603 | 4,123,914 |
| **Total FVTPL financial assets** | 9,777,698 | 10,260,423 |

## 12. INVESTMENTS (CONTD.)

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| **(b) FVOCI** | | |
| **At fair value** | | |
| Malaysian government papers | 212,498 | 301,506 |
| Equity securities*: | | |
| Quoted in Malaysia | 152,603 | 149,996 |
| Debt securities: | | |
| Unquoted in Malaysia | 1,239,530 | 1,103,838 |
| NICD | 7,976 | - |
| **Total FVOCI financial assets** | 1,612,607 | 1,555,340 |

* The Company has elected to recognise these equity investments at fair value through other comprehensive income as these investments are held as long term strategic investments that are not expected to be sold in the short term to medium term. Gains or losses on the derecognition of these equity investments are not transferred to profit or loss.

In the previous year, the Company has disposed selected equity securities from its portfolio of FVOCI financial assets as the securities no longer aligned with the long term investment strategies of the Company as high dividend yielding stocks. The total fair value on the date of sales (gross of tax) are RM81,873,000 and the realised gains recognised on disposal of these securities amounted to RM47,854,000.

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| **(c) AC** | | |
| Fixed and call deposits with: | | |
| Licensed financial institutions | 781,725 | 549,220 |
| Other licensed financial institutions | 171,965 | 82,428 |
| **Total AC financial assets** | 953,690 | 631,648 |

The carrying amounts of AC financial assets are reasonable approximations of fair values due to the short term maturity of the financial assets.

## 12. INVESTMENTS (CONTD.)

Movements in the allowances for impairment losses on financial assets at FVOCI are as follows:

| 30.6.2026 | Stage 1<br>12 months ECL<br>RM'000 | Stage 2<br>Lifetime ECL not credit impaired<br>RM'000 | Stage 3<br>Lifetime ECL credit impaired<br>RM'000 | Total<br>RM'000 |
|---|---|---|---|---|
| **At 1 January 2026** | 217 | 293 | - | 510 |
| Net adjustment of loss allowance | 10 | - | - | 10 |
| New financial assets originated of purchased | 72 | 606 | - | 678 |
| Financial assets that have been derecognised | (9) | (293) | - | (302) |
| Allowance for impairment losses | 73 | 313 | - | 386 |
| **At 30 June 2026** | 290 | 606 | - | 896 |

| 31.12.2025 | Stage 1<br>12 months ECL<br>RM'000 | Stage 2<br>Lifetime ECL not credit impaired<br>RM'000 | Stage 3<br>Lifetime ECL credit impaired<br>RM'000 | Total<br>RM'000 |
|---|---|---|---|---|
| **At 1 January 2025** | 72 | 443 | - | 515 |
| Net adjustment of loss allowance | 117 | (150) | - | (33) |
| New financial assets originated of purchased | 39 | - | - | 39 |
| Financial assets that have been derecognised | (11) | - | - | (11) |
| Allowance for/(reversal of) impairment losses | 145 | (150) | - | (5) |
| **At 31 December 2025** | 217 | 293 | - | 510 |

**Fair Value of Investments**

An analysis of the different fair value measurement bases used in the determination of the fair values of investments are further disclosed in Note 39(b).

## 13. REINSURANCE CONTRACT ASSETS

### Composition of Statement of Financial Position

The breakdown of groups of reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

| | 30.6.2026 | | | 31.12.2025 | | |
|---|---|---|---|---|---|---|
| | Asset RM'000 | Liability RM'000 | Net RM'000 | Asset RM'000 | Liability RM'000 | Net RM'000 |
| **Reinsurance contracts held** | | | | | | |
| Non-participating: | | | | | | |
| - Proportional Non-Par | 51,821 | - | 51,821 | 43,269 | - | 43,269 |
| - Non-Proportional Excess of Loss | 1,577 | - | 1,577 | 892 | - | 892 |
| | 53,398 | - | 53,398 | 44,161 | - | 44,161 |
| Investment linked: | | | | | | |
| - Proportional: Investment-linked | 22,934 | - | 22,934 | 26,643 | - | 26,643 |
| **Total reinsurance contracts held** | 76,332 | - | 76,332 | 70,804 | - | 70,804 |
| Of which: | | | | | | |
| Measured at PAA | 1,577 | - | 1,577 | 892 | - | 892 |
| Not measured at PAA | 74,755 | - | 74,755 | 69,912 | - | 69,912 |
| | 76,332 | - | 76,332 | 70,804 | - | 70,804 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (a) Analysis by remaining coverage and amounts recoverable on incurred claim measured at Premium Allocation Approach ("PAA")

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage ("ARC") and amounts recoverable on incurred claims ("AIC") arising business ceded to reinsurers is disclosed in the table below:

| 30.6.2026 | ARC Excluding loss recovery component RM'000 | AIC Present value of future cash flows RM'000 | Total RM'000 |
|---|---|---|---|
| **Reinsurance contracts assets as at 1 January 2026** | (633) | 1,525 | 892 |
| Net (expense)/income from reinsurance contracts held | (1,131) | 882 | (249) |
| **Total amount recognised in profit or loss** | (1,131) | 882 | (249) |
| **Cash flows** | | | |
| Premiums paid, net of ceding commission | 1,764 | - | 1,764 |
| Recoveries from reinsurer | - | (830) | (830) |
| **Total cash flows** | 1,764 | (830) | 934 |
| **Reinsurance contracts assets as at 30 June 2026** | - | 1,577 | 1,577 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (a) Analysis by remaining coverage and amounts recoverable on incurred claim measured at PAA (contd.)

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage ("ARC") and amounts recoverable on incurred claims ("AIC") arising business ceded to reinsurers is disclosed in the table below (contd.):

| | ARC | AIC | |
|---|---|---|---|
| **31.12.2025** | **Excluding loss recovery component RM'000** | **Present value of future cash flows RM'000** | **Total RM'000** |
| **Reinsurance contracts assets as at 1 January 2025** | - | 1,359 | 1,359 |
| Net (expense)/income from reinsurance contracts held | (1,579) | 520 | (1,059) |
| **Total amount recognised in profit or loss** | (1,579) | 520 | (1,059) |
| **Cash flows** | | | |
| Premiums paid, net of ceding commission | 946 | - | 946 |
| Recoveries from reinsurer | - | (354) | (354) |
| **Total cash flows** | 946 | (354) | 592 |
| **Reinsurance contracts assets as at 31 December 2025** | (633) | 1,525 | 892 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (a) Analysis by remaining coverage and amounts recoverable on incurred claim not measured at PAA

The roll-forward of the net asset or liability for insurance contracts issued, showing the ARC and the AIC is disclosed in the table below:

| 30.6.2026 | ARC<br>Excluding loss recovery component<br>RM'000 | AIC<br>RM'000 | Total<br>RM'000 |
|---|---|---|---|
| **Reinsurance contracts assets as at 1 January 2026** | 32,745 | 37,167 | 69,912 |
| Net (expense)/income from reinsurance contracts held | (29,692) | 20,328 | (9,364) |
| Finance income from reinsurance contracts held | 1,071 | - | 1,071 |
| Effect of changes in non-performance risk of reinsurers | - | (4) | (4) |
| **Total amount recognised in profit or loss** | (28,621) | 20,324 | (8,297) |
| **Cash flows** | | | |
| Premiums paid, net of ceding commission | 21,276 | - | 21,276 |
| Recoveries from reinsurer | - | (8,136) | (8,136) |
| **Total cash flows** | 21,276 | (8,136) | 13,140 |
| **Reinsurance contracts assets as at 30 June 2026** | 25,400 | 49,355 | 74,755 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (a) Analysis by remaining coverage and amounts recoverable on incurred claim not measured at PAA (contd.)

The roll-forward of the net asset or liability for insurance contracts issued, showing the ARC and the AIC is disclosed in the table below (contd.):

| 31.12.2025 | ARC<br>Excluding loss recovery component<br>RM'000 | AIC<br>RM'000 | Total<br>RM'000 |
|---|---|---|---|
| **Reinsurance contracts assets at 1 January 2025** | 31,254 | 38,633 | 69,887 |
| Net (expense)/income from reinsurance contracts held | (56,683) | 37,718 | (18,965) |
| Finance income from reinsurance contracts held | 711 | - | 711 |
| Effect of changes in non-performance risk of reinsurers | - | (4) | (4) |
| **Total amount recognised in profit or loss** | (55,972) | 37,714 | (18,258) |
| **Cash flows** | | | |
| Premiums paid, net of ceding commission | 57,463 | - | 57,463 |
| Recoveries from reinsurer | - | (39,180) | (39,180) |
| **Total cash flows** | 57,463 | (39,180) | 18,283 |
| **Reinsurance contracts assets as at 31 December 2025** | 32,745 | 37,167 | 69,912 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (b) Analysis showing estimates of present value of future cash flows, risk adjustment and contractual service margin ("CSM") for reinsurance contracts held not measured at PAA

The table below presents a roll-forward of the net asset or liability showing estimates of the present value of future cash flows, risk adjustment, CSM and the impact of the transition approaches adopted to establishing CSMs for Life reinsurance contracts held:

| 30.6.2026 | Estimate of the present value of future cash flows RM'000 | Risk adjustment for non-financial risk RM'000 | Total CSM RM'000 | CSM: New contracts and contracts measured under the full retrospective approach at transition RM'000 | CSM: Contracts measured under the modified retrospective approach at transition RM'000 | CSM: Contracts measured under the fair value approach at transition RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|
| **Reinsurance contracts assets at 1 January 2026** | (87,626) | 84,437 | 73,101 | 41,073 | 12,872 | 19,156 | 69,912 |
| **Changes that relate to current services** | | | | | | | |
| CSM recognised for services received | - | - | (6,391) | (3,519) | (1,049) | (1,823) | (6,391) |
| Change in the risk adjustment for non-financial risks for risks expired | - | (3,946) | - | - | - | - | (3,946) |
| Experience adjustments | (16,354) | - | - | - | - | - | (16,354) |
| **Changes that relate to future services** | | | | | | | |
| Contracts initially recognised in the period | (8,973) | 4,931 | 4,042 | 4,042 | - | - | - |
| Changes in estimates that adjust the CSM | (1,501) | (2,163) | 3,664 | 1,558 | 637 | 1,469 | - |
| **Changes that relate to past services** | | | | | | | |
| Changes in amounts recoverable arising from changes in liability for incurred claims | 17,327 | - | - | - | - | - | 17,327 |
| **Insurance service results** | (9,501) | (1,178) | 1,315 | 2,081 | (412) | (354) | (9,364) |
| Finance (expenses)/income from reinsurance contracts held | (1,323) | 1,041 | 1,353 | 798 | 215 | 340 | 1,071 |
| Effect of changes in non-performance risk of reinsurers | (4) | - | - | - | - | - | (4) |
| **Total amount recognised in profit or loss** | (10,828) | (137) | 2,668 | 2,879 | (197) | (14) | (8,297) |
| **Cash flows** | | | | | | | |
| Premiums paid, net of ceding commission | 21,276 | - | - | - | - | - | 21,276 |
| Recoveries from reinsurer | (8,136) | - | - | - | - | - | (8,136) |
| **Total cash flows** | 13,140 | - | - | - | - | - | 13,140 |
| **Reinsurance contracts assets as at 30 June 2026** | (85,314) | 84,300 | 75,769 | 43,952 | 12,675 | 19,142 | 74,755 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (b) Analysis showing estimates of present value of future cash flows, risk adjustment and CSM for reinsurance contracts held not measured at PAA (contd.)

The table below presents a roll-forward of the net asset or liability showing estimates of the present value of future cash flows, risk adjustment, CSM and the impact of the transition approaches adopted to establishing CSMs for Life reinsurance contracts held (contd.):

| 31.12.2025 | Estimate of the present value of future cash flows RM'000 | Risk adjustment for non-financial risk RM'000 | Total CSM RM'000 | CSM: New contracts and contracts measured under the full retrospective approach at transition RM'000 | CSM: Contracts measured under the modified retrospective approach at transition RM'000 | CSM: Contracts measured under the fair value approach at transition RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|
| **Reinsurance contracts assets at 1 January 2025** | (52,403) | 92,585 | 29,705 | 13,309 | 8,373 | 8,023 | 69,887 |
| **Changes that relate to current services** | | | | | | | |
| CSM recognised for services received | - | - | (10,393) | (5,517) | (1,796) | (3,080) | (10,393) |
| Change in the risk adjustment for non-financial risks for risks expired | - | (8,193) | - | - | - | - | (8,193) |
| Experience adjustments | (20,628) | - | - | - | - | - | (20,628) |
| **Changes that relate to future services** | | | | | | | |
| Contracts initially recognised in the period | (26,804) | 11,876 | 14,928 | 14,928 | - | - | - |
| Changes in estimates that adjust the CSM | (20,558) | (16,384) | 36,942 | 17,319 | 5,864 | 13,759 | - |
| **Changes that relate to past services** | | | | | | | |
| Changes in amounts recoverable arising from changes in liability for incurred claims | 20,249 | - | - | - | - | - | 20,249 |
| **Insurance service results** | (47,741) | (12,701) | 41,477 | 26,730 | 4,068 | 10,679 | (18,965) |
| Finance (expenses)/income from reinsurance contracts held | (5,761) | 4,553 | 1,919 | 1,034 | 431 | 454 | 711 |
| Effect of changes in non-performance risk of reinsurers | (4) | - | - | - | - | - | (4) |
| **Total amount recognised in profit or loss** | (53,506) | (8,148) | 43,396 | 27,764 | 4,499 | 11,133 | (18,258) |
| **Cash flows** | | | | | | | |
| Premiums paid, net of ceding commission | 57,463 | - | - | - | - | - | 57,463 |
| Recoveries from reinsurer | (39,180) | - | - | - | - | - | (39,180) |
| **Total cash flows** | 18,283 | - | - | - | - | - | 18,283 |
| **Reinsurance contracts assets as at 31 December 2025** | (87,626) | 84,437 | 73,101 | 41,073 | 12,872 | 19,156 | 69,912 |

## 13. REINSURANCE CONTRACT ASSETS (CONTD.)

### (c) Impact of contracts recognised in the financial period

The components of new business for Life reinsurance contracts held portfolio is disclosed in the table below:

| | 30.6.2026 Contracts purchased RM'000 | 31.12.2025 Contracts purchased RM'000 |
|---|---|---|
| Estimates of the present value of future cash outflows | (35,132) | (78,891) |
| Estimates of the present value of future cash inflows | 26,159 | 52,087 |
| Risk adjustment for non-financial risks | 4,931 | 11,876 |
| CSM | 4,042 | 14,928 |
| **Cost of retroactive cover on reinsurance contracts assets held at 30 June/31 December** | - | - |

## 14. INSURANCE CONTRACT LIABILITIES

### Composition of Statement of Financial Position

The breakdown of groups of Insurance contracts issued, that are in an asset position and those in a liability position is set out in the table below:

| | 30.6.2026 | | | 31.12.2025 | | |
|---|---|---|---|---|---|---|
| | Asset RM'000 | Liability RM'000 | Net RM'000 | Asset RM'000 | Liability RM'000 | Net RM'000 |
| **Insurance contracts issued** | | | | | | |
| **Group** | - | 2,927 | 2,927 | - | 2,704 | 2,704 |
| **Retail** | | | | | | |
| - Non-partipating | - | 2,925,681 | 2,925,681 | - | 2,838,666 | 2,838,666 |
| - Participating | - | 5,378,764 | 5,378,764 | - | 5,409,689 | 5,409,689 |
| - Investment linked | - | 2,937,673 | 2,937,673 | - | 2,956,702 | 2,956,702 |
| | - | 11,242,118 | 11,242,118 | - | 11,205,057 | 11,205,057 |
| **Total insurance contracts issued** | - | 11,245,045 | 11,245,045 | - | 11,207,761 | 11,207,761 |
| Of which: | | | | | | |
| Measured at PAA | - | 16,598 | 16,598 | - | 20,048 | 20,048 |
| Not measured at PAA | - | 11,228,447 | 11,228,447 | - | 11,187,713 | 11,187,713 |
| | - | 11,245,045 | 11,245,045 | - | 11,207,761 | 11,207,761 |

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (a) Analysis by liability for remaining coverage and the liability for incurred claims measured at PAA

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC") is disclosed in the table below:

| | | LRC | | LIC | | |
|---|---|---|---|---|---|---|
| **30.6.2026** | **Note** | **Excluding loss component RM'000** | **Loss component RM'000** | **Present value of future cash flows RM'000** | **Risk adjustments for non-financial risk RM'000** | **Total RM'000** |
| **Insurance contracts liabilities as at 1 January 2026** | | 5,201 | 1,703 | 12,262 | 882 | 20,048 |
| Insurance service revenue | | (25,417) | - | - | - | (25,417) |
| Insurance service expenses | | 2,817 | (1,002) | 18,317 | (196) | 19,936 |
| **Insurance service result** | | (22,600) | (1,002) | 18,317 | (196) | (5,481) |
| Finance expense from insurance contracts issued | | - | - | 137 | 14 | 151 |
| **Total amount recognised in profit or loss and OCI** | | (22,600) | (1,002) | 18,454 | (182) | (5,330) |
| **Cash flows** | | | | | | |
| Premiums received | | 25,794 | - | - | - | 25,794 |
| Claims and other insurance service expenses paid | | - | - | (19,006) | - | (19,006) |
| Insurance acquisition cash flows | | (3,741) | - | - | - | (3,741) |
| **Total cash flows** | | 22,053 | - | (19,006) | - | 3,047 |
| Transfer to other liabilities | (i) | - | - | (1,167) | - | (1,167) |
| **Insurance contracts liabilities as at 30 June 2026** | | 4,654 | 701 | 10,543 | 700 | 16,598 |

**Note:**

(i) These are the amounts that are classified as deemed settlement. Deemed settlement includes payables to intermediaries on commission of premiums in the course of collection and witholding tax on amount payables.

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (a) Analysis by liability for remaining coverage and the liability for incurred claims measured at PAA (contd.)

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC") is disclosed in the table below (contd.):

| 31.12.2025 | | LRC Excluding loss component RM'000 | LRC Loss component RM'000 | LIC Present value of future cash flows RM'000 | LIC Risk adjustments for non-financial risk RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|
| **Insurance contracts liabilities as at 1 January 2025** | | 2,817 | 1,114 | 12,861 | 842 | 17,634 |
| Insurance service revenue | | (46,061) | - | - | - | (46,061) |
| Insurance service expenses | | 4,871 | 589 | 35,022 | 13 | 40,495 |
| **Insurance service result** | | (41,190) | 589 | 35,022 | 13 | (5,566) |
| Finance expense from insurance contracts issued | | - | - | 270 | 27 | 297 |
| **Total amount recognised in profit or loss and OCI** | | (41,190) | 589 | 35,292 | 40 | (5,269) |
| **Cash flows** | | | | | | |
| Premiums received | | 48,899 | - | - | - | 48,899 |
| Claims and other insurance service expenses paid | | - | - | (35,655) | - | (35,655) |
| Insurance acquisition cash flows | | (5,325) | - | - | - | (5,325) |
| **Total cash flows** | | 43,574 | - | (35,655) | - | 7,919 |
| Transfer to other liabilities | (i) | - | - | (236) | - | (236) |
| **Insurance contracts liabilities as at 31 December 2025** | | 5,201 | 1,703 | 12,262 | 882 | 20,048 |

**Note:**
(i) These are the amounts that are classified as deemed settlement. Deemed settlement includes payables to intermediaries on commission of premiums in the course of collection and witholding tax on amount payables.

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (a) Analysis by liability for remaining coverage and the liability for incurred claims not measured at PAA

The roll-forward of the net asset or liability for insurance contracts issued, showing the LRC and the LIC is disclosed in the table below:

| | | LRC | | | |
|---|---|---|---|---|---|
| **30.6.2026** | **Note** | **Excluding loss component RM'000** | **Loss component RM'000** | **LIC RM'000** | **Total RM'000** |
| **Insurance contracts liabilities as at 1 January 2026** | | 8,217,880 | 12,270 | 2,957,563 | 11,187,713 |
| Insurance service revenue | | (294,176) | - | - | (294,176) |
| Insurance service expenses | | 28,288 | 2,814 | 186,051 | 217,153 |
| Investment components | | (790,444) | - | 790,444 | - |
| **Insurance service result** | | (1,056,332) | 2,814 | 976,495 | (77,023) |
| Finance expense from insurance contracts issued | | 207,227 | 302 | 114 | 207,643 |
| **Total amount recognised in profit or loss and OCI** | | (849,105) | 3,116 | 976,609 | 130,620 |
| **Cash flows** | | | | | |
| Premiums received | | 478,171 | - | - | 478,171 |
| Claims and other insurance service expenses paid | | - | - | (505,769) | (505,769) |
| Insurance acquisition cash flows | | (63,011) | - | - | (63,011) |
| **Total cash flows** | | 415,160 | - | (505,769) | (90,609) |
| Transfer to other liabilities | (i) | - | - | 723 | 723 |
| **Insurance contracts liabilities as at 30 June 2026** | | 7,783,935 | 15,386 | 3,429,126 | 11,228,447 |

**Note:**

(i) These are the amounts that are classified as deemed settlement. Deemed settlement includes payables to intermediaries on commission of premiums in the course of collection and witholding tax on amount payables.

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (a) Analysis by liability for remaining coverage and the liability for incurred claims not measured at PAA (contd.)

The roll-forward of the net asset or liability for insurance contracts issued, showing the LRC and the LIC is disclosed in the table below (contd.):

| | | LRC | | | |
|---|---|---|---|---|---|
| **31.12.2025** | **Note** | **Excluding loss component RM'000** | **Loss component RM'000** | **LIC RM'000** | **Total RM'000** |
| **Insurance contracts liabilities as at 1 January 2025** | | 8,960,722 | 1,633 | 2,330,140 | 11,292,495 |
| Insurance service revenue | | (598,507) | - | - | (598,507) |
| Insurance service expenses | | 50,626 | 10,319 | 322,093 | 383,038 |
| Investment components | | (1,547,060) | - | 1,547,060 | - |
| **Insurance service result** | | (2,094,941) | 10,319 | 1,869,153 | (215,469) |
| Finance expense from insurance contracts issued | | 625,753 | 318 | 417 | 626,488 |
| **Total amount recognised in profit or loss and OCI** | | (1,469,188) | 10,637 | 1,869,570 | 411,019 |
| **Cash flows** | | | | | |
| Premiums received | | 862,683 | - | - | 862,683 |
| Claims and other insurance service expenses paid | | - | - | (1,246,004) | (1,246,004) |
| Insurance acquisition cash flows | | (136,337) | - | - | (136,337) |
| **Total cash flows** | | 726,346 | - | (1,246,004) | (519,658) |
| Transfer to other liabilities | (i) | - | - | 3,857 | 3,857 |
| **Insurance contracts liabilities as at 31 December 2025** | | 8,217,880 | 12,270 | 2,957,563 | 11,187,713 |

**Note:**

(i) These are the amounts that are classified as deemed settlement. Deemed settlement includes payables to intermediaries on commission of premiums in the course of collection and witholding tax on amount payables.

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (b) Analysis by liability for remaining coverage and the liability for incurred claims not measured at PAA

The table below presents a roll-forward of the net asset or liability showing estimates of the present value of future cash flows, risk adjustment, CSM and the impact of the transition approaches adopted to establishing CSMs for Life insurance contracts issued:

| | | | | | CSM | | | |
|---|---|---|---|---|---|---|---|---|
| **30.6.2026** | **Note** | **Estimate of the present value of future cash flows RM'000** | **Risk adjustment for non-financial risk RM'000** | **Total CSM RM'000** | **New contracts and contracts measured under the full retrospective approach at transition RM'000** | **Contracts measured under the modified retrospective approach at transition RM'000** | **Contracts measured under the fair value approach at transition RM'000** | **Total RM'000** |
| **Insurance contracts liabilities as at 1 January 2026** | | 9,714,378 | 414,218 | 1,059,117 | 312,517 | 226,810 | 519,790 | 11,187,713 |
| **Changes that relate to current services** | | | | | | | | |
| CSM recognised for services provided | | - | - | (65,428) | (27,057) | (10,990) | (27,381) | (65,428) |
| Change in the risk adjustment for non-financial risks for risks expired | | - | (22,817) | - | - | - | - | (22,817) |
| Experience adjustments | | (50,988) | - | - | - | - | - | (50,988) |
| **Changes that relate to future services** | | | | | | | | |
| Contracts initially recognised in the period | | (103,562) | 20,915 | 82,648 | 82,648 | - | - | 1 |
| Changes in estimates that adjust the CSM | | 68,225 | (6,917) | (61,308) | (53,097) | 13,411 | (21,622) | - |
| Changes in estimate that do not adjust the CSM | | 3,269 | - | - | - | - | - | 3,269 |
| **Changes that relate to past services** | | | | | | | | |
| Adjustment to liabilities for incurred claims | | 58,930 | 10 | - | - | - | - | 58,940 |
| **Insurance service result** | | (24,126) | (8,809) | (44,088) | 2,494 | 2,421 | (49,003) | (77,023) |
| Finance expenses from insurance contracts issued | | 195,728 | 1,993 | 9,922 | 6,732 | - | 3,190 | 207,643 |
| **Total amount recognised in profit or loss and OCI** | | 171,602 | (6,816) | (34,166) | 9,226 | 2,421 | (45,813) | 130,620 |
| **Cash flows** | | | | | | | | |
| Premiums received | | 478,171 | - | - | - | - | - | 478,171 |
| Claims and other insurance service expenses paid | | (505,769) | - | - | - | - | - | (505,769) |
| Insurance acquisition cash flows | | (63,011) | - | - | - | - | - | (63,011) |
| **Total cash flows** | | (90,609) | - | - | - | - | - | (90,609) |
| Transfer to other liabilities | (i) | 723 | - | - | - | - | - | 723 |
| **Insurance contracts liabilities as at 30 June 2026** | | 9,796,094 | 407,402 | 1,024,951 | 321,743 | 229,231 | 473,977 | 11,228,447 |

**Note:**

(i) These are the amounts that are classified as deemed settlement. Deemed settlement includes payables to intermediaries on commission of premiums in the course of collection and witholding tax on amount payables.

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (b) Analysis by liability for remaining coverage and the liability for incurred claims not measured at PAA (contd.)

The table below presents a roll-forward of the net asset or liability showing estimates of the present value of future cash flows, risk adjustment, CSM and the impact of the transition approaches adopted to establishing CSMs for Life insurance contracts issued (contd.):

| | | | | | CSM | | | |
|---|---|---|---|---|---|---|---|---|
| **31.12.2025** | **Note** | **Estimate of the present value of future cash flows RM'000** | **Risk adjustment for non-financial risk RM'000** | **Total CSM RM'000** | **New contracts and contracts measured under the full retrospective approach at transition RM'000** | **Contracts measured under the modified retrospective approach at transition RM'000** | **Contracts measured under the fair value approach at transition RM'000** | **Total RM'000** |
| **Insurance contracts assets as at 1 January 2025** | | 9,856,209 | 435,467 | 1,000,819 | 251,407 | 225,464 | 523,948 | 11,292,495 |
| **Changes that relate to current services** | | | | | | | | |
| CSM recognised for services provided | | - | - | (152,469) | (45,947) | (24,463) | (82,059) | (152,469) |
| Change in the risk adjustment for non-financial risks for risks expired | | - | (47,313) | - | - | - | - | (47,313) |
| Experience adjustments | | (86,866) | - | - | - | - | - | (86,866) |
| **Changes that relate to future services** | | | | | | | | |
| Contracts initially recognised in the period | | (237,631) | 49,260 | 188,371 | 188,371 | - | - | - |
| Changes in estimates that adjust the CSM | | 30,128 | (35,308) | 5,180 | (92,073) | 25,809 | 71,444 | - |
| Changes in estimate that do not adjust the CSM | | 11,106 | - | - | - | - | - | 11,106 |
| **Changes that relate to past services** | | | | | | | | |
| Adjustment to liabilities for incurred claims | | 59,986 | 87 | - | - | - | - | 60,073 |
| **Insurance service result** | | (223,277) | (33,274) | 41,082 | 50,351 | 1,346 | (10,615) | (215,469) |
| Finance expenses from insurance contracts issued | | 597,247 | 12,025 | 17,216 | 10,759 | - | 6,457 | 626,488 |
| **Total amount recognised in profit or loss and OCI** | | 373,970 | (21,249) | 58,298 | 61,110 | 1,346 | (4,158) | 411,019 |
| **Cash flows** | | | | | | | | |
| Premiums received | | 862,683 | - | - | - | - | - | 862,683 |
| Claims and other insurance service expenses paid | | (1,246,004) | - | - | - | - | - | (1,246,004) |
| Insurance acquisition cash flows | | (136,337) | - | - | - | - | - | (136,337) |
| **Total cash flows** | | (519,658) | - | - | - | - | - | (519,658) |
| Transfer to other liabilities | (i) | 3,857 | - | - | - | - | - | 3,857 |
| **Insurance contracts liabilities as at 31 December 2025** | | 9,714,378 | 414,218 | 1,059,117 | 312,517 | 226,810 | 519,790 | 11,187,713 |

**Note:**

(i) These are the amounts that are classified as deemed settlement. Deemed settlement includes payables to intermediaries on commission of premiums in the course of collection and witholding tax on amount payables.

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (c) Impact of contracts recognised in the financial period

The components of new business for Life insurance contracts issued is disclosed in the table below:

| | 30.6.2026 Contract issued | | | 31.12.2025 Contract issued | | |
|---|---|---|---|---|---|---|
| | Non-Onerous RM'000 | Onerous RM'000 | Total RM'000 | Non-Onerous RM'000 | Onerous RM'000 | Total RM'000 |
| Estimates of the present value of future cash inflows | (854,835) | (125) | (854,960) | (1,558,222) | - | (1,558,222) |
| Estimates of the present value of future cash outflows: | | | | | | |
| Benefits/claims payable and other expenses | 691,461 | 100 | 691,561 | 1,207,117 | - | 1,207,117 |
| Insurance acquisition cash flows | 59,820 | 17 | 59,837 | 113,474 | - | 113,474 |
| Risk adjustment for non-financial risks | 20,906 | 9 | 20,915 | 49,260 | - | 49,260 |
| CSM | 82,648 | - | 82,648 | 188,371 | - | 188,371 |
| **Losses on onerous contracts at initial recognition** | - | 1 | 1 | - | - | - |

## 14. INSURANCE CONTRACT LIABILITIES (CONTD.)

### (d) Expected release of CSM

The disclosure of when the CSM is expected to be in profit or loss in future years is presented below:

| 30.6.2026 | Less than 1 year RM'000 | 1 - 2 years RM'000 | 2 - 3 years RM'000 | 3 - 4 years RM'000 | 4 - 5 years RM'000 | 5 - 10 years RM'000 | More than 10 years RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| Insurance contracts issued | 120,207 | 106,516 | 94,724 | 84,086 | 74,689 | 257,786 | 286,943 | 1,024,951 |
| Reinsurance contracts held | (11,312) | (9,135) | (7,735) | (6,708) | (5,831) | (19,119) | (15,929) | (75,769) |

| 31.12.2025 | Less than 1 year RM'000 | 1 - 2 years RM'000 | 2 - 3 years RM'000 | 3 - 4 years RM'000 | 4 - 5 years RM'000 | 5 - 10 years RM'000 | More than 10 years RM'000 | Total RM'000 |
|---|---|---|---|---|---|---|---|---|
| Insurance contracts issued | 124,035 | 109,761 | 97,578 | 86,503 | 76,743 | 267,276 | 297,221 | 1,059,117 |
| Reinsurance contracts held | (11,083) | (8,843) | (7,449) | (6,430) | (5,607) | (18,324) | (15,365) | (73,101) |

## 15. OTHER ASSETS

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| Sundry receivables, deposits and prepayments | 31,763 | 24,028 |
| Allowance for impairment losses | (265) | (260) |
| | 31,498 | 23,768 |
| Income due and accrued* | 123,305 | 120,633 |
| Allowance for impairment losses | (243) | (132) |
| | 123,062 | 120,501 |
| Amounts due from related companies**: (Note 37(ii)) | | |
| - Ultimate holding company | 434 | - |
| - Other related companies within the EIHSB Group | 124 | - |
| - Other related companies within the MAHB Group | 1,965 | 1,222 |
| Amount due from stockbrokers | 61,627 | 7,757 |
| Amount due from fund manager | 483 | - |
| | 64,633 | 8,979 |
| **Total other assets** | 219,193 | 153,248 |

* Included in the income due and accrued are mainly consist of interest, rental and dividend receivables.

** Amounts due from related companies are non-trade in nature, unsecured, interest-free and repayable in the short term.

The carrying amounts (other than prepayments and deposits) are reasonable approximations of fair values at the reporting date due to the relatively short-term maturity of these balances.

## 16. CURRENT TAX ASSETS/(LIABILITIES)

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| At 1 January | 14,440 | 21,098 |
| Provision of taxation | (38,488) | (93,338) |
| Over provision of taxation | - | 447 |
| Tax paid (Note (a)) | 31,610 | 78,271 |
| Additional assessment during the year | | |
| YA 2019 | - | 1,753 |
| YA 2020 | - | 1,892 |
| YA 2021 | - | 1,971 |
| YA 2022 | - | 2,346 |
| At 30 June/31 December | 7,562 | 14,440 |
| **Represented by:** | | |
| Current Tax Assets | 41,711 | 41,711 |
| Current Tax Liabilities | (34,150) | (27,271) |
| | 7,561 | 14,440 |

(a) The provision for taxation for the Year of Assessment 2025, after accounting for net tax instalments paid, totalling to RM21,249,336.

(b) On 28 April 2026, the Inland Revenue Board of Malaysia ("IRBM") issued a desk audit notification to the Company covering the Years of Assessment ("YA") 2023 and 2024. As at the date of this report, the audit is still in progress and has yet to be finalised.

(c) On 29 August 2025, the IRMB had raised additional assessments to the Company for Years of Assessment (“YA”) 2019 to 2022, totalling to RM7,962,465.

The Company has made full settlement of the additional assessments raised by the IRBM and submitted Notices of Appeal by filing the required Forms Q with the Special Commissioner of Income Tax (“SCIT”).

The issues raised corresponding to additional tax assessments is in respect to disallowance of expense deductions directly attributable to rental income from investment properties. The adjusted Income of Life business is determined in accordance with subsection 60(3), ITA 1967 where under the provision of 60(3)(a)(i), the Company is required to report the amount of Gross Income from any investment in Life business for the basis period of a year of assessment.

The date for hearing concerning the disallowance of expense deductions directly attributable to rental income from investment properties has yet to be scheduled for the Company.

## 17. RESERVES

| | Note | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|---|
| **Reserves:** | | | |
| FVOCI reserve | (i) | 59,364 | 78,092 |
| Insurance finance reserve | (ii) | (70,106) | (82,532) |
| Revaluation reserve | (iii) | 78,896 | 78,896 |
| | | 68,154 | 74,456 |
| **Retained profits:** | | | |
| Distributable | (iv) | 86,941 | 244,617 |
| Non distributable Life funds surplus | (v) | 1,402,086 | 1,336,141 |
| | | 1,489,027 | 1,580,758 |
| **Total reserves** | | 1,557,181 | 1,655,214 |

(i) The FVOCI reserve of the Company arose from changes in the fair values of the financial assets which are measured at fair value through other comprehensive

(ii) The insurance finance reserve represents cumulative OCI and measurement effects attributable to the Policyholders' Risk Fund and/or Policyholders' Investment Fund. These amounts are not distributable to shareholders. On disposal of FVOCI instruments that back the policyholders' funds, cumulative OCI is transferred to this reserve in accordance with the Company’s policy and FSA segregation requirements.

(iii) The revaluation reserve of the Company represents the difference between the carrying amount of properties previously classified as self-occupied properties and subsequently transferred to investment properties upon the end of owner occupation and its fair value at the date of change in use.

(iv) The entire distributable profits of the Company may be distributed to the shareholders, subject to certain regulatory and legal requirements in the respective countries.

(v) Non-distributable Life fund surplus represents the unallocated surplus from the fund. In accordance with the Financial Services Act 2013, in Malaysia, the unallocated surplus is only available for distribution to the shareholders' funds upon approval by the Appointed Actuary of the relevant subsidiaries. Upon such approval, the distribution is presented as a transfer from non-distributable Life fund surplus to distributable retained profits.

## 18. OTHER LIABILITIES

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| Premium deposits | 10,734 | 4,639 |
| Dividend payable to policyholders | 73,188 | 69,549 |
| Provision for restoration costs | - | 2 |
| Amounts due to related companies*: (Note 37(ii)) | | |
| - Ultimate holding company | - | 1,581 |
| - Penultimate holding company | 820 | 92 |
| - Immediate holding company | 4,312 | 2,680 |
| - Other related companies within the EIHSB Group | - | 127 |
| - Other related companies within the Maybank Group | 42 | 42 |
| Amounts due to stockbrokers | 41,305 | 5,931 |
| Amount due to fund manager | - | 358 |
| Unclaimed monies | 32,332 | 39,500 |
| Service tax payable | 3,671 | 2,388 |
| Sundry payables and accrued liabilities** | 236,005 | 228,776 |
| Other components of insurance contract liabilities | 8,400 | 7,956 |
| **Total other liabilities** | 410,809 | 363,621 |

* Amounts due to related companies are non-trade in nature, unsecured, interest free and is repayable in the short term.

** Included in the sundry payables and other liabilities are mainly consist of provision for bonus, accrual, payroll payable and other miscellaneous or provision of expenses.

The carrying amounts of financial liabilities are reasonable approximations of fair values at the reporting date due to the relatively short-term maturity of these balances.

## 19. INSURANCE REVENUE

The table below presents an analysis of the total insurance contracts recognised in the period:

| | Note | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|---|
| **Contracts not measured under the PAA** | | | |
| Amounts relating to changes in liabilities for remaining coverage | | | |
| - Expected claims and insurance service expenses incurred in the period | (i) | 178,545 | 171,572 |
| - Change in the risk adjustment for non financial risks | (ii) | 22,817 | 24,754 |
| - Amount of CSM recognised in profit or loss | (iii) | 65,428 | 72,158 |
| Amounts relating to recovery of insurance acquisition cash flows | (iv) | 28,288 | 24,265 |
| Experience adjustments for premium receipts | | (902) | (1,566) |
| **Insurance revenue from contracts not measured under the PAA** | | 294,176 | 291,183 |
| **Insurance revenue from contracts measured under the PAA** | | | |
| Release of premiums for current period | | 25,417 | 21,210 |
| **Total insurance revenue** | | 319,593 | 312,393 |

**Notes:**

(i) Expected insurance service expenses incurred in the period comprise of claims and other expenses which the Company expects to pay on insured events that occurred during the period.

(ii) Change in risk adjustment shows amount of risk which expired during the period.

(iii) The CSM is recognised in profit or loss over the coverage period of the corresponding group of contracts based on the established coverage units.

(iv) Acquisition cash flows are allocated on a straight-line basis over the coverage period of the group of contracts.

## 20. INSURANCE SERVICE EXPENSES

The table below presents an analysis of the total insurance service expenses recognised in the period:

| | | 1.1.2026 to 30.6.2026 | | | 1.1.2025 to 30.6.2025* | | |
|---|---|---|---|---|---|---|---|
| | | PAA | Non-PAA | Total | PAA | Non-PAA | Total |
| | Note | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Incurred claims and other directly attributable expenses* | | 20,068 | 126,655 | 146,723 | 18,989 | 115,512 | 134,501 |
| Changes that relate to the past service - adjustment to the LIC | | (6,785) | 58,940 | 52,155 | (6,504) | 38,292 | 31,788 |
| Losses on onerous contracts and reversal of those losses* | | 3,835 | 3,270 | 7,105 | 3,075 | 6,417 | 9,492 |
| Insurance acquisition cash flow amortisation | (i) | 2,818 | 28,288 | 31,106 | 2,090 | 24,265 | 26,355 |
| **Total insurance service expenses** | | 19,936 | 217,153 | 237,089 | 17,650 | 184,486 | 202,136 |

**Note:**
* Certain amounts have been reclassified between the line items to conform with current year's presentation and disclosure requirements.
(i) Insurance acquisition cash flows were allocated on a straight-line basis during the coverage period of the respective group of contracts.

## 21. NET EXPENSES FROM REINSURANCE CONTRACT HELD

The Company has disclosed an analysis of the net expenses from reinsurance contracts held during the period, shown in the table below:

| | | 1.1.2026 to 30.6.2026 | | | 1.1.2025 to 30.6.2025 | | |
|---|---|---|---|---|---|---|---|
| | Note | PAA RM'000 | Non-PAA RM'000 | Total RM'000 | PAA RM'000 | Non-PAA RM'000 | Total RM'000 |
| **Amounts relating to the changes in the assets for remaining coverage** | | | | | | | |
| Expected recovery for insurance service expenses incurred in the period | (i) | - | (19,355) | (19,355) | - | (19,245) | (19,245) |
| Net cost recognised in profit or loss | (ii) | (1,131) | (6,391) | (7,522) | (848) | (4,292) | (5,140) |
| Change in the risk adjustment for non-financial risks | (iii) | - | (3,946) | (3,946) | - | (4,282) | (4,282) |
| **Allocation of reinsurance premium** | | (1,131) | (29,692) | (30,823) | (848) | (27,819) | (28,667) |
| Amounts recoverable for claims and other expenses incurred in the period | | 46 | 3,001 | 3,047 | (563) | (4,263) | (4,826) |
| Changes in amounts recoverable arising from changes in liability for incurred claims | | 836 | 17,327 | 18,163 | 166 | 24,731 | 24,897 |
| **Amounts recoverable from reinsurers** | | 882 | 20,328 | 21,210 | (397) | 20,468 | 20,071 |
| **Total net expenses from reinsurance contracts held** | | (249) | (9,364) | (9,613) | (1,245) | (7,351) | (8,596) |

**Notes:**

(i) Expected recovery for insurance service expenses incurred in the period comprise recovery for claims and other expenses which the Company expects to receive from reinsurers on covered events occurred during the period.

(ii) Net cost recognised in profit or loss during the coverage period of the corresponding groups of reinsurance contracts held based on established coverage units.

(iii) Change in risk adjustment reflects the amount of risk which has expired during the period.

## 22. INTEREST REVENUE FROM FINANCIAL ASSETS NOT MEASURED AT FVTPL

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Interest income** | | |
| **(i) Financial Assets at FVOCI** | | |
| Investment | | |
| - Malaysian government papers | 5,461 | 8,714 |
| - Debt securities | 25,468 | 23,617 |
| - NICD | 77 | - |
| **(ii) Financial Assets at AC** | | |
| Investment | | |
| - Deposits with financial institutions | 14,376 | 9,648 |
| Financing receivables | | |
| - Staff loans | 145 | 186 |
| - Non-staff loans | 31 | 27 |
| **Total interest revenue from financial assets not measured at FVTPL** | 45,558 | 42,192 |

## 23. NET FAIR VALUE (LOSSES)/GAINS ON FINANCIAL ASSETS MEASURED AT FVTPL

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Realised gains on financial assets, net** | 345,152 | 34,542 |
| **Fair value (losses)/gains on:** | | |
| Investment | | |
| - Malaysian government papers | (13,981) | 14,538 |
| - Equity securities | (53,823) | (212,639) |
| - Debt securities | (98,986) | 103,144 |
| - Unit and property trust funds | (195,276) | 81,891 |
| - Redeemable loan stocks | (115) | - |
| - Structured products | (639) | (21) |
| - NICD | (471) | - |
| - Derivatives | (7,052) | (3,420) |
| **Total net fair value (losses)/gains on financial assets measured at FVTPL** | (25,191) | 18,035 |

## 24. NET FAIR VALUE GAINS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT FVOCI

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Fair value gains on:** | | |
| - Malaysian government papers | 1,753 | 839 |
| - Debt securities | 132 | 3,093 |
| **Total net fair value gains on derecognition of financial assets measured at FVOCI** | 1,885 | 3,932 |

## 25. OTHER INVESTMENT INCOME

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Dividend/distribution income:** | | |
| - Equity securities | 40,855 | 40,228 |
| - Unit and property trust funds | 3,989 | 497 |
| Fair value gains: | | |
| Investment properties | 2,000 | - |
| **Interest income from financial assets measured at FVTPL:** | | |
| - Investments | 151,835 | 156,376 |
| Rental income | 41,452 | 41,062 |
| Rental related expenses | (14,155) | (14,578) |
| Net amortisation of premiums | (4,409) | (4,134) |
| Investment related expenses, net | (1,530) | (1,606) |
| **Total other investment income** | 220,037 | 217,845 |

## 26. ALLOWANCE FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| (Allowance for)/reversal of impairment losses on: | | |
| - financing receivables | (8) | (153) |
| - investment | (386) | 7 |
| **Total net allowance for impairment losses on financial assets** | (394) | (146) |

## 27. FINANCE EXPENSES FROM INSURANCE CONTRACTS ISSUED

| | 1.1.2026 to 30.6.2026 | | | 1.1.2025 to 30.6.2025* | | |
|---|---|---|---|---|---|---|
| | PAA RM'000 | Non-PAA RM'000 | Total RM'000 | PAA RM'000 | Non-PAA RM'000 | Total RM'000 |
| **Finance expenses from insurance contracts issued** | | | | | | |
| Changes in fair value of underlying assets of contracts measured under the VFA | - | (168,069) | (168,069) | - | (144,520) | (144,520) |
| Change in financial risk on LIC claims reserve component - Direct | - | - | - | (8) | - | (8) |
| Interest accreted using current financial assumptions* | (151) | (36,815) | (36,966) | (145) | (35,582) | (35,727) |
| Effect of changes in interest rates and other financial assumptions* | - | 10,097 | 10,097 | - | (40,253) | (40,253) |
| Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates/Interest accreted using locked-in-rates | - | (12,856) | (12,856) | - | 2,214 | 2,214 |
| **Finance expenses from insurance contracts issued** | (151) | (207,643) | (207,794) | (153) | (218,141) | (218,294) |
| **Represented by:** | | | | | | |
| Amount recognised in profit and loss | (151) | (220,586) | (220,737) | (153) | (204,169) | (204,322) |
| Amount recognised in OCI | - | 12,943 | 12,943 | - | (13,972) | (13,972) |
| | (151) | (207,643) | (207,794) | (153) | (218,141) | (218,294) |

* Certain amounts have been reclassified between the line items to conform with current year's presentation and disclosure requirements.

## 28. FINANCE INCOME FROM REINSURANCE CONTRACTS HELD

| | 1.1.2026 to 30.6.2026 | | | 1.1.2025 to 30.6.2025 | | |
|---|---|---|---|---|---|---|
| | PAA RM'000 | Non-PAA RM'000 | Total RM'000 | PAA RM'000 | Non-PAA RM'000 | Total RM'000 |
| **Finance income from reinsurance contracts held** | | | | | | |
| Interest accreted using current financial assumptions | - | 1,133 | 1,133 | - | 1,182 | 1,182 |
| Effect of changes in interest rates and other financial assumptions | - | 10 | 10 | - | 880 | 880 |
| Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates/interest accreted using locked-in-rates | - | (72) | (72) | - | (1,930) | (1,930) |
| Changes in non-performance risks of reinsurers | - | (4) | (4) | - | (2) | (2) |
| **Finance income from reinsurance contracts held** | - | 1,067 | 1,067 | - | 130 | 130 |
| **Represented by:** | | | | | | |
| Amount recognised in profit or loss | - | 1,067 | 1,067 | - | 130 | 130 |

## 28. FINANCE INCOME FROM REINSURANCE CONTRACTS HELD (CONTD.)

| | 1.1.2026 to 30.6.2026 | | | 1.1.2025 to 30.6.2025 | | |
|---|---|---|---|---|---|---|
| | PAA RM'000 | Non-PAA RM'000 | Total RM'000 | PAA RM'000 | Non-PAA RM'000 | Total RM'000 |
| **<u>Net investment result and net finance income/(expenses):</u>** | | | | | | |
| **Represented by:** | | | | | | |
| Amount recognised in profit or loss | | | | | | |
| Net investment income | - | 245,372 | 245,372 | - | 225,048 | 225,048 |
| Finance expense from insurance contracts | (151) | (220,586) | (220,737) | (153) | (204,169) | (204,322) |
| Finance income from reinsurance contracts | - | 1,067 | 1,067 | - | 130 | 130 |
| | (151) | 25,853 | 25,702 | (153) | 21,009 | 20,856 |
| Amount recognised in OCI | | | | | | |
| Net investment income | - | (23,018) | (23,018) | - | 34,159 | 34,159 |
| Finance expense from insurance contracts | - | 12,943 | 12,943 | - | (13,972) | (13,972) |
| | - | (10,075) | (10,075) | - | 20,187 | 20,187 |

## 29. OTHER EXPENSES, NET

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **(A) Other income** | | |
| Allowance for impairment losses on: | | |
| - other assets | (116) | (104) |
| Sundry income | 442 | 433 |
| **Total other income** | 326 | 329 |
| **(B) Total other expenses (Note 30)** | (5,702) | (8,359) |
| **Total other expenses, net** | (5,376) | (8,030) |

## 30. OTHER EXPENSES

An analysis of the expenses incurred by the Company in the reporting period is included in the table below:

| | | 1.1.2026 to 30.6.2026 | | | | 1.1.2025 to 30.6.2025 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | *Insurance service expenses** | | | | *Insurance service expenses** | | | |
| | Note | Expenses attributed to insurance acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 | Expenses attributed to insurance acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 |
| **Commission expenses** | **(A)** | 31,022 | 29,846 | - | 60,868 | 30,164 | 24,134 | - | 54,298 |
| **Other expenses** | | | | | | | | | |
| Employee benefits expense (Note a) | | 15,577 | 35,512 | 1,157 | 52,246 | 17,373 | 36,862 | 1,027 | 55,262 |
| Directors' remuneration | 31 | - | - | 443 | 443 | - | - | 398 | 398 |
| Auditors' remuneration: | | | | | | | | | |
| - statutory audits | | - | 319 | - | 319 | - | 317 | - | 317 |
| - regulatory related services | | - | 176 | - | 176 | - | 176 | - | 176 |
| - other services | | - | 128 | - | 128 | - | 174 | - | 174 |
| Amortisation of intangible assets | | - | 3,743 | - | 3,743 | - | 3,995 | - | 3,995 |
| Amortisation of prepaid land lease payments | | - | 13 | - | 13 | - | 13 | - | 13 |
| Assured medical fees | | 263 | - | - | 263 | 224 | - | - | 224 |
| Other finance cost | | - | 1,932 | - | 1,932 | - | 1,940 | - | 1,940 |
| Depreciation of property, plant and equipment | | - | 3,976 | - | 3,976 | - | 2,971 | - | 2,971 |
| Right-of-use expenses: | | | | | | | | | |
| -Depreciation | | - | - | - | - | - | 21 | - | 21 |
| -Termination expenses | | - | (7) | - | (7) | - | - | - | - |
| Other management fees | | 50 | (90) | - | (40) | (24) | 17 | (4) | (11) |
| Outside services and others | | - | 347 | - | 347 | - | 248 | - | 248 |
| Professional fees | | - | 222 | - | 222 | - | 625 | - | 625 |
| Short term leases | | 498 | 1,856 | 6 | 2,360 | 560 | 1,857 | 4 | 2,421 |
| Small value assets | | - | (1) | - | (1) | - | - | - | - |
| Office facilities expenses | | 2 | 201 | - | 203 | - | 318 | - | 318 |
| Electronic data processing expenses | | 986 | 1,530 | - | 2,516 | 1,213 | 1,513 | - | 2,726 |
| Information technology outsourcing | | 1,409 | 4,226 | - | 5,635 | 1,164 | 3,491 | - | 4,655 |
| Postage and stamp duties | | 220 | 194 | 1 | 415 | 241 | 744 | 2 | 987 |

## 30. OTHER EXPENSES (CONTD.)

An analysis of the expenses incurred by the Company in the reporting period is included in the table below (contd.):

| | | 1.1.2026 to 30.6.2026 | | | | 1.1.2025 to 30.6.2025 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | *Insurance service expenses* | | | | *Insurance service expenses* | | | |
| | Note | Expenses attributed to insurance acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 | Expenses attributed to insurance acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 |
| Printing and stationery | | - | 226 | - | 226 | - | 227 | - | 227 |
| Promotional and marketing cost | | 16,779 | 91 | 286 | 17,156 | 13,893 | 189 | 290 | 14,372 |
| Training expenses | | 192 | 319 | 1 | 512 | 334 | 218 | 1 | 553 |
| Utilities, assessment and maintenance | | - | 657 | 1 | 658 | - | 548 | 1 | 549 |
| Entertainment | | - | - | 64 | 64 | - | - | 72 | 72 |
| Travelling expenses | | 180 | 163 | 1 | 344 | 238 | 220 | 1 | 459 |
| Legal fees | | - | 72 | - | 72 | - | 48 | - | 48 |
| Licence, subscription and levies | | - | 391 | 34 | 425 | - | 542 | - | 542 |
| Contract staff services | | 246 | 653 | 7 | 906 | 113 | 725 | 1 | 839 |
| Policy related expenses | | 121 | 3,726 | 23 | 3,870 | 2,133 | 4,643 | 1 | 6,777 |
| Others | | - | 611 | 67 | 678 | - | 66 | 157 | 223 |
| **Total other expenses** | **(B)** | 36,523 | 61,186 | 2,091 | 99,800 | 37,462 | 62,708 | 1,951 | 102,121 |
| **<u>Other operating expenses</u>** | | | | | | | | | |
| Sundry expenditure | | - | (1,341) | 3,611 | 2,270 | - | 513 | 6,408 | 6,921 |
| **Total other operating expenses** | **(C)** | - | (1,341) | 3,611 | 2,270 | - | 513 | 6,408 | 6,921 |
| **Total other expenses** | **(A) + (B) + (C)** | 67,545 | 89,691 | 5,702 | 162,938 | 67,626 | 87,355 | 8,359 | 163,340 |

## 30. OTHER EXPENSES (CONTD.)

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Represented by:** | | |
| Insurance service expenses | 157,236 | 154,981 |
| Other expenses (Note 29) | 5,702 | 8,359 |
| | 162,938 | 163,340 |

* Insurance service expenses include acquisition and maintenance expenses which are directly attributable to group of insurance contracts. Insurance acquisition cash flow is subjected to amortisation.

**(a) <u>Employee Benefits Expense:</u>**

| | | |
|---|---|---|
| Wages, salaries and bonuses | 40,469 | 40,927 |
| Employees Provident Fund ("EPF") | 6,412 | 6,687 |
| Social Security Contributions ("SOCSO") | 287 | 310 |
| Employees' Share Grant Plan ("ESGP") | 1,224 | 867 |
| Other benefits | 3,854 | 6,471 |
| | 52,246 | 55,262 |

Included in employee benefits expense above are remuneration of CEOs of the Company amounting to RM978,000 (2025: RM994,000) further disclosed as below:

**(b) <u>The details of remuneration of CEO during the period are as follows:</u>**

| | | |
|---|---|---|
| Salary | 673 | 664 |
| EPF | 108 | 106 |
| ESGP | 190 | 202 |
| Other emoluments | 7 | 22 |
| | 978 | 994 |

## 31. DIRECTORS' FEES AND REMUNERATION

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Non-executive directors:** | | |
| Fees | 355 | 338 |
| Other emoluments | 88 | 60 |
| **Total directors' fee and remuneration** | 443 | 398 |

The total remuneration of the directors of the Company are as follows:

| 1.1.2026 to 30.6.2026 | Fees RM'000 | Other emoluments RM'000 | Total RM'000 |
|---|---|---|---|
| **Non-executive directors:** | | | |
| Datuk Mohd Najib Bin Abdullah | 95 | 13 | 108 |
| Mr. Frank Johan Gerard Van Kempen* | 65 | 13 | 78 |
| Dr. Ariffin Bin Datuk Yahaya | 65 | 22 | 87 |
| Dr. Siew Chan Cheong | 65 | 13 | 78 |
| Pn. Kartina Binti Mohd Tahir *(appointed w.e.f. 16 June 2026)* | 5 | - | 5 |
| Mr. Wong Pakshong Kat Jeong Colin Stewart *(resigned w.e.f. 15 June 2026)* | 60 | 27 | 87 |
| **Total remuneration of the directors of the Company** | 355 | 88 | 443 |

| 1.1.2025 to 30.6.2025 | Fees RM'000 | Other emoluments RM'000 | Total RM'000 |
|---|---|---|---|
| **Non-executive directors:** | | | |
| Datuk Mohd Najib Bin Abdullah | 95 | 11 | 106 |
| Mr. Frank Johan Gerard Van Kempen* | 65 | 9 | 74 |
| Mr. Wong Pakshong Kat Jeong Colin Stewart | 65 | 13 | 78 |
| Dr. Ariffin Bin Datuk Yahaya | 65 | 18 | 83 |
| Dr. Siew Chan Cheong *(appointed w.e.f. 17 February 2025)* | 48 | 9 | 57 |
| **Total remuneration of the directors of the Company** | 338 | 60 | 398 |

* The directors' fees and other emoluments for nominees of Ageas Insurance International N.V. ("Ageas") are remitted directly to Ageas.

## 32. TAX EXPENSE ATTRIBUTABLE TO POLICYHOLDERS

| | **1.1.2026 to 30.6.2026 RM'000** | **1.1.2025 to 30.6.2025 RM'000** |
|---|---|---|
| Income tax: | | |
| Current financial period | 38,501 | 18,179 |
| Deferred taxation: | | |
| Relating to origination and reversal of temporary differences | (23,225) | (6,433) |
| | 15,276 | 11,746 |

**Taxation of life insurance business**

The income tax for life funds are calculated based on the statutory rate of 8% (2025: 8%) of the estimated assessable investment income net of allowable deductions for the financial period for the Malaysian operations.

## 33. TAXATION

**<u>Tax expense</u>**

The major components of income tax expense for the period ended 30 June 2026 and 30 June 2025 are as follows:

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Profit or loss** | | |
| Income tax: | | |
| Current financial period | (11) | 198 |
| Deferred taxation: | | |
| Relating to origination and reversal of temporary differences | 18,683 | 24,521 |
| | 18,672 | 24,719 |
| **Statement of Comprehensive Income:** | | |
| Deferred taxation related to other comprehensive income: | | |
| - Fair value changes on debt securities at FVOCI | (2,553) | 3,616 |
| - Fair value changes on equity securities at FVOCI | 445 | (1,585) |
| - Insurance finance reserve | 517 | (638) |
| | (1,591) | 1,393 |

## 33. TAXATION (CONTD.)

**Reconciliation between tax expense and accounting profit**

The reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company are as follows:

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| Profit before taxation | 77,941 | 102,741 |
| Taxation at Malaysian statutory tax rate of 24% (2025: 24%) | 18,706 | 24,658 |
| Income not subject to tax | (31) | (9) |
| Expenses not deductible for tax purposes | 1,601 | 1,305 |
| Surplus arising from Annuity funds not subject to tax | (1,604) | (1,235) |
| Tax expense for the financial period | 18,672 | 24,719 |

## 34. EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit for the financial period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

| | 1.1.2026 to 30.6.2026 | 1.1.2025 to 30.6.2025 |
|---|---|---|
| Profit attributable to ordinary equity holders (RM'000) | 59,269 | 78,022 |
| Weighted average number of ordinary shares in issue (units '000) | 100,000 | 100,000 |
| Basic and diluted earnings per share (sen) | 59.27 | 78.02 |

There were no potential dilutive effects on the ordinary shares during and at the end of financial period. There have been no other transactions involving ordinary shares between the reporting date and the authorisation date of the financial statements.

## 35. OPERATING LEASE COMMITMENTS

**The Company as a lessor**

The Company has entered into operating lease agreements on its portfolio of investment properties. The leases have remaining lease terms of between 1 and 5 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

The future minimum lease payments receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| Not later than one year | 50,590 | 57,175 |
| Between one and five years | 75,473 | 71,044 |
| | 126,063 | 128,219 |

Rental income on investment properties recognised in the income statement during the financial year are disclosed in Notes 25.

## 36. OTHER COMMITMENTS AND CONTINGENCIES

| | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|
| **Approved and contracted for:** | | |
| Property, plant and equipment | 2,385 | 5,503 |
| Intangible assets | - | - |
| Bank guarantees: | | |
| - in respect of performance bonds (Note a) | 75 | 75 |
| - in respect of security deposits (Note b) | 2,101 | 2,100 |
| | 4,561 | 7,678 |
| **Approved but not contracted for:** | | |
| Property, plant and equipment | 32,774 | 24,392 |

**Bank guarantees:**

a) Performance bonds

Bank guarantees were provided to the Company to secure the policyholders' contractual obligations with insurance business, amounting to RM75,000 (2025: RM75,000). As at the reporting date, the Company does not consider it probable that a claim will be made under these guarantees.

b) Security deposits

These guarantees are held to satisfy regulatory requirements. As at the reporting date, the Company does not consider it probable that a claim will be made under these guarantees.

All of the guarantees issued to the Company for performance bonds and security deposits were made under a bank guarantee facility (with a facility amount of up to RM5 million) obtained from Maybank.

| | 30.6.2026 Full commitment RM'000 | 31.12.2025 Full commitment RM'000 |
|---|---|---|
| **Derivative financial instruments:** | | |
| - Cross currency swaps | | |
| Less than a year | 48,671 | 50,775 |
| - Foreign exchange related contracts | | |
| Less than a year | 160,858 | 176,997 |
| - Equity futures contracts | | |
| Less than a year | 7,517 | - |
| | 217,046 | 227,772 |

## 37. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES DISCLOSURES

For the purpose of these financial statements, parties are considered to be related to the Company if the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the corresponding party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel, defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel includes the Directors and Chief Executive Officers of the Company.

The Company have related party relationships with its shareholders, subsidiaries, associates, key management personnel and the subsidiaries and associates of a company with significant influence over its shareholders.

Related party transactions have been entered into in the normal course of business under normal trade terms.

(i) Significant transactions of the Company with related parties during the financial period were as follows:

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **(Expenses)/income:** | | |
| Ultimate holding company: | | |
| Commission and fee expenses | (40,030) | (36,964) |
| Dividend income | 933 | 914 |
| Interest income | 431 | - |
| Rental income | 1,810 | 3,177 |
| Hedging expenses, net | (26) | (212) |
| Other expenses | (3,141) | (4,365) |
| ESGP expenses | (777) | (582) |
| Immediate holding company: | | |
| Rental income | 682 | 498 |
| Dividend paid | (151,000) | - |
| Shared service costs | (25,189) | (26,441) |
| Remuneration of a seconded employee | (122) | (54) |

## 37. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTD.)

(i) Significant transactions of the Company with related parties during the financial period were as follows (contd.):

| | **1.1.2026 to 30.6.2026 RM'000** | **1.1.2025 to 30.6.2025 RM'000** |
|---|---|---|
| **<u>(Expenses)/income (contd.):</u>** | | |
| Penultimate holding company: | | |
| Rental income | - | 118 |
| Shared service costs | (335) | 90 |
| Reimbursement of expenses | (273) | (483) |
| Fellow subsidiaries within the MAHB Group: | | |
| Rental income | 3,948 | 3,566 |
| Rental expenses | (838) | (899) |
| Claims income | 20 | - |
| Other expenses | (548) | (376) |
| Shared service income | 8,578 | 7,795 |
| Fellow subsidiaries within the EIHSB Group: | | |
| Rental income | 700 | 622 |
| Shared service costs | (22) | (114) |
| Other related companies within the Maybank Group: | | |
| Interest income | 8,430 | 8,007 |
| Rental income | 1,928 | 2,775 |
| Information technology outsourcing | (5,635) | (4,655) |
| Companies with significant influence over the Maybank Group: | | |
| Gross insurance premium income | 11 | 4,446 |
| Claims paid | (476) | (1,217) |

## 37. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTD.)

(ii) Included in the statements of financial position of the Company are investment placed with, obligations due to and amounts due from/(to) related companies as follows:

| | Note | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
|---|---|---|---|
| Ultimate holding company: | | | |
| Fixed and call deposits | | 28,532 | - |
| Quoted shares | | 30,271 | 29,965 |
| Derivatives assets | | 906 | 2,959 |
| Derivatives liabilities | | (2,795) | - |
| Bank balances | | 34,169 | 2,176 |
| Income due and accrued | | 20 | - |
| Amount due from ultimate holding company | 15 | 434 | - |
| Amount due to ultimate holding company | 18 | - | (1,581) |
| Provision for custodian fee | | (45) | (222) |
| Rental receivable | | 8 | 8 |
| Sundry receivables, deposits and prepayments | | 113 | 542 |
| Sundry payables and accrued liabilities | | (159) | (899) |
| Immediate holding company: | | | |
| Amount due to holding company | 18 | (4,312) | (2,680) |
| Penultimate holding company: | | | |
| Amount due to penultimate holding company | 18 | (820) | (92) |
| Fellow subsidiaries within the MAHB Group: | | | |
| Amount due from other related companies | 15 | 1,965 | 1,222 |
| Rental receivable | | 4 | 4 |
| Fellow subsidiaries within the EIHSB Group: | | | |
| Amount due from other related companies | 15 | 124 | - |
| Amount due to other related companies | 18 | - | (127) |
| Other related companies within the Maybank Group: | | | |
| Fixed and call deposits | | 621,586 | 424,934 |
| Futures deposits | | 529 | - |
| Income due and accrued | | 1,392 | 965 |
| Rental receivable | | 11 | 11 |
| Amount due to other related companies | 18 | (42) | (42) |
| Companies with significant influence over the Maybank Group: | | | |
| Insurance receivables | | 37 | 1,398 |
| Insurance payables | | (52) | (1) |

Trade and investments related balances with related companies are subject to normal trade terms.The terms for non-trade balances with related companies are as disclosed in Note 15 and Note18.

## 37. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTD.)

(iii) The remuneration of key management personnel during the period were as follows:

| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
|---|---|---|
| **Short-term employee benefits** | | |
| - Salaries, allowances and bonuses | 737 | 715 |
| - Fees | 355 | 338 |
| - Contribution to EPF | 108 | 106 |
| - Share option granted under ESGP | 190 | 202 |
| - Other emoluments | 31 | 31 |
| | 1,421 | 1,392 |

(iv) The number of shares awarded for ESGP to key management personnel were as follows:

| | 30.6.2026 Units '000 | 31.12.2025 Units '000 |
|---|---|---|
| At 1 January | 83 | - |
| Appointment | - | 57 |
| Awarded | - | 45 |
| Vested | (17) | (20) |
| Additional | - | 1 |
| Forfeited | (2) | - |
| At 30 June/31 December | 64 | 83 |

## 38. OTHER FINANCIAL ASSETS - RECONCILIATION OF ALLOWANCE ACCOUNT

The Company applied the Simplified Approach where the ECL is measured at initial recognition of the financial assets using a provision matrix based on historical data or also known as the roll rate approach. Estimation of credit losses will use a provision matrix where insurance and reinsurance receivables are grouped based on different sales channels and different reinsurance arrangements respectively with forward looking elements being applied to it.

Movements in gross carrying value and allowances for impairment losses recognised for not credit-impaired and credit impaired assets are as follows:

| | Not credit-impaired | | | Credit-impaired | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| | Financing receivables RM'000 | Reinsurance contract assets* RM'000 | Other assets** RM'000 | Financing receivables RM'000 | Reinsurance contract assets* RM'000 | Other assets** RM'000 | Financing receivables RM'000 | Reinsurance contract assets* RM'000 | Other assets** RM'000 |
| **Gross carrying amount** | | | | | | | | | |
| At 1 January 2025 | 23,922 | 5,604 | 156,463 | 436 | 344 | 2,577 | 24,358 | 5,948 | 159,040 |
| (Decrease)/increase | (1,724) | (1,568) | (9,782) | 456 | (334) | 204 | (1,268) | (1,902) | (9,578) |
| At 31 December 2025 | 22,198 | 4,036 | 146,681 | 892 | 10 | 2,781 | 23,090 | 4,046 | 149,462 |
| Increase | 375 | 633 | 62,108 | - | 198 | 1,090 | 375 | 831 | 63,198 |
| At 30 June 2026 | 22,573 | 4,669 | 208,789 | 892 | 208 | 3,871 | 23,465 | 4,877 | 212,660 |
| **Lifetime ECL** | | | | | | | | | |
| At 1 January 2025 | 25 | 15 | 13 | 459 | 43 | 327 | 484 | 58 | 340 |
| (Decrease)/increase | (8) | (5) | 20 | 433 | (42) | 32 | 425 | (47) | 52 |
| At 31 December 2025 | 17 | 10 | 33 | 892 | 1 | 359 | 909 | 11 | 392 |
| Increase/(decrease) | 8 | (1) | 20 | - | 17 | 96 | 8 | 16 | 116 |
| At 30 June 2026 | 25 | 9 | 53 | 892 | 18 | 455 | 917 | 27 | 508 |

* Including receivables from reinsurers net of impairment.
** Other assets is stated net of prepayments, deposits and service tax recoverable.

## 39. FAIR VALUE MEASUREMENTS

### (a) Valuation principles

The levels of the Fair Value hierarchy as defined by MFRS are an indication of the observability of prices or valuation input. It can be classified into the following hierarchies/levels:

- Level 1 : Active Market – Quoted price

  Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Such financial instruments include listed derivatives, quoted equities and unit and property trust funds traded on an exchange.

- Level 2 : No Active Market – Valuation techniques using observable inputs

  Refers to inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

  Examples of level 2 financial instruments include corporate and government bonds, structured products, NCDs/NICDs, and over-the-counter ("OTC") derivatives.

- Level 3 : No Active Market – Valuation techniques using unobservable inputs

  Refers to financial instruments where fair values are measured using unobservable market inputs. The valuation technique is consistent with level 2. The chosen valuation technique incorporates management's assumptions and data.

  Examples of level 3 instruments include corporate bonds in illiquid markets, private equity investments and investment properties.

## 39. FAIR VALUE MEASUREMENTS (CONTD.)

### (b) Fair value measurements and classification within the fair value hierarchy

| | Valuation technique using : | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | |
| | Quoted market prices RM'000 | Using observable inputs RM'000 | Using significant unobservable inputs RM'000 | Total RM'000 |
| **30.6.2026** | | | | |
| **Assets** | | | | |
| **Investment properties** | - | - | 1,034,165 | 1,034,165 |
| **Financial investments at FVTPL** | | | | |
| **(i) Designated upon initial recognition** | | | | |
| Malaysian government papers | - | 704,384 | - | 704,384 |
| Debt securities, structured products and NICDs | - | 5,367,711 | - | 5,367,711 |
| **(ii) HFT** | | | | |
| Malaysian government papers | - | 78,380 | - | 78,380 |
| Equity securities | 1,748,617 | - | 135,685 | 1,884,302 |
| Unit and property trust funds | 81,679 | 1,061,877 | - | 1,143,556 |
| Debt securities and structured products | - | 598,482 | - | 598,482 |
| Redeemable loan stocks | 883 | - | - | 883 |
| **Financial investments at FVOCI** | | | | |
| Malaysian government papers | - | 212,498 | - | 212,498 |
| Equity securities | 152,603 | - | - | 152,603 |
| Debt securities, structured products and NICDs | - | 1,247,506 | - | 1,247,506 |
| **Derivative assets** | - | 1,022 | - | 1,022 |
| **Total assets** | 1,983,782 | 9,271,860 | 1,169,850 | 12,425,492 |
| **Liabilities** | | | | |
| **Derivative liabilities** | - | 3,515 | - | 3,515 |
| **Total liabilities** | - | 3,515 | - | 3,515 |

## 39. FAIR VALUE MEASUREMENTS (CONTD.)

### (b) Fair value measurements and classification within the fair value hierarchy (contd.)

| | Valuation technique using : | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | |
| | Quoted market prices RM'000 | Using observable inputs RM'000 | Using significant unobservable inputs RM'000 | Total RM'000 |
| **31.12.2025** | | | | |
| **Assets** | | | | |
| **Investment properties** | - | - | 1,032,165 | 1,032,165 |
| **Financial investments at FVTPL** | | | | |
| **(i) Designated upon initial recognition** | | | | |
| Malaysian government papers | - | 768,951 | - | 768,951 |
| Debt securities and structured products | - | 5,367,558 | - | 5,367,558 |
| **(ii) HFT** | | | | |
| Malaysian government papers | - | 82,482 | - | 82,482 |
| Equity securities | 2,119,050 | - | 135,685 | 2,254,735 |
| Unit and property trust funds | 77,481 | 1,038,301 | - | 1,115,782 |
| Debt securities and structured products | - | 669,917 | - | 669,917 |
| Redeemable loan stocks | 998 | - | - | 998 |
| **Financial investments at FVOCI** | | | | |
| Malaysian government papers | - | 301,506 | - | 301,506 |
| Equity securities | 149,996 | - | - | 149,996 |
| Debt securities and structured products | - | 1,103,838 | - | 1,103,838 |
| **Derivative assets** | - | 4,661 | - | 4,661 |
| **Total assets** | 2,347,525 | 9,337,214 | 1,167,850 | 12,852,589 |
| **Liabilities** | | | | |
| **Derivative liabilities** | - | 102 | - | 102 |
| **Total liabilities** | - | 102 | - | 102 |

### (c) Transfer between Level 1 and Level 2 in the fair value hierarchy

Assets and liabilities of the Company are recognised in the financial statements on a recurring basis. The Company determine whether transfers have occurred between fair value hierarchy levels by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1 and Level 2 for the Company during the financial period ended 30 June 2026 and 31 December 2025.

## 39. FAIR VALUE MEASUREMENTS (CONTD.)

### (d) Movements of Level 3 assets and financial investments

| | Assets and financial investments measured at fair value | | |
|---|---|---|---|
| | **Investment properties RM'000** | **Unquoted equity securities designated at FVTPL RM'000** | **Total RM'000** |
| **30.6.2026** | | | |
| At 1 January 2026 | 1,032,165 | 135,685 | 1,167,850 |
| Recognised in profit or loss: | | | |
| Fair value gains | 2,000 | - | 2,000 |
| At 30 June 2026 | 1,034,165 | 135,685 | 1,169,850 |
| Total gains recognised in profit or loss for assets and financial instruments measured at fair value at the end of the reporting period | 2,000 | - | 2,000 |
| **31.12.2025** | | | |
| At 1 January 2025 | 1,027,510 | 136,781 | 1,164,291 |
| Recognised in profit or loss: | | | |
| Fair value gains | 4,571 | (1,096) | 3,475 |
| Addition, at cost | 84 | - | 84 |
| At 31 December 2025 | 1,032,165 | 135,685 | 1,167,850 |
| Total gains recognised in profit or loss for assets and financial instruments measured at fair value at the end of the reporting period | 4,571 | (1,096) | 3,475 |

### (e) Sensitivity of fair value measurements to changes in unobservable input assumptions

The Company's exposure to financial investments measured with valuation techniques using significant unobservable inputs comprised a small number of financial investments which constitute an insignificant component of the Company's portfolio of financial investments. Hence, changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

## 39. FAIR VALUE MEASUREMENTS (CONTD.)

### (e) Sensitivity of fair value measurements to changes in unobservable input assumptions (contd.)

#### (i) Investment properties

Recent sale transactions transacted in the real estate market would result in a significant change of estimated fair value for investment properties.

All investment properties of the Company carried at fair values were classified under Level 3. The valuation of investment properties were performed by an accredited independent valuer using a variety of approaches such as the comparison method and the income capitalisation approach.

| | Valuation method | Significant unobservable inputs | Range |
|---|---|---|---|
| **30.6.2026** | | | |
| Building | Income capitalisation | Rental per square foot | RM3.70 to RM11.00 |
| Shop lots | Comparison | Sales price per square foot for similar properties | RM65.00 to RM1,163.00 |
| **31.12.2025** | | | |
| Building | Income capitalisation | Rental per square foot | RM3.70 to RM11.00 |
| Shop lots | Comparison | Sales price per square foot for similar properties | RM65.00 to RM1,163.00 |

Under the comparison method, fair value is estimated by considering the selling price per square foot ("psf") of comparable investment properties sold, adjusted for location, quality and finishes of the building, design and size of the building, title conditions, market trends and time factor. The income capitalisation approach considers the capitalisation of net income of the investment properties such as the gross rental less current maintenance expenses and outgoings. This process also considers the relationships including yield and discount rates. Recent transactions transacted in the market resulting in an increase in these inputs, would result in a significant increase in the estimated fair values of the investment properties.

A significant increase or decrease in the unobservable inputs used in the valuation would result in a correspondingly higher or lower fair value of the investment properties.

## 39. FAIR VALUE MEASUREMENTS (CONTD.)

### (e) Sensitivity of fair value measurements to changes in unobservable input assumptions (contd.)

#### (ii) Unquoted equity instruments

All unquoted equity instruments of the Company at fair values were classified under Level 3. The fair value of investments in unquoted equity instruments that do not have quoted market prices in an active market, are measured based on the net asset method by referencing to the annual financial statements of the entities that the Company invested in.

| | Changes in variables | Impact on carrying value RM'000 | Impact on profit before tax RM'000 | Impact on equity* RM'000 |
|---|---|---|---|---|
| | | <------------- Increase/(Decrease) | | --------------> |
| **30.6.2026** | +5% | 6,784 | 6,784 | 4,744 |
| | -5% | (6,784) | (6,784) | (4,744) |
| **31.12.2025** | +5% | 6,784 | 6,784 | 4,744 |
| | -5% | (6,784) | (6,784) | (4,744) |

* Impact on equity is after tax of 24%.

## 40. REGULATORY CAPITAL REQUIREMENT

The capital structure of the Company as at 30 June 2026 and 31 December 2025, as prescribed under the RBC Framework, is provided below:

| | **30.6.2026 RM'000** | **31.12.2025 RM'000** |
|---|---|---|
| **Eligible Tier 1 Capital** | | |
| Paid up share capital | 100,000 | 100,000 |
| Reserves, including retained earnings | 3,147,208 | 3,243,353 |
| | 3,247,208 | 3,343,353 |
| **Tier 2 Capital** | | |
| Revaluation reserve | 90,362 | 90,362 |
| FVOCI reserve | 82,379 | 102,161 |
| | 172,741 | 192,523 |
| Amount deducted from Capital | (35,832) | (38,345) |
| **Total Capital Available** | 3,384,117 | 3,497,531 |

## 41. INSURANCE FUNDS

### UNAUDITED INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION BY FUNDS
### AS AT 30 JUNE 2026

| | SHF | | Life | | Total | |
|---|---|---|---|---|---|---|
| | 30.6.2026<br>RM'000 | 31.12.2025<br>RM'000 | 30.6.2026<br>RM'000 | 31.12.2025<br>RM'000 | 30.6.2026<br>RM'000 | 31.12.2025<br>RM'000 |
| **Assets:** | | | | | | |
| Property, plant and equipment | - | - | 29,600 | 28,402 | 29,600 | 28,402 |
| Investment properties | - | - | 1,034,165 | 1,032,165 | 1,034,165 | 1,032,165 |
| Prepaid land lease payments | - | - | 823 | 836 | 823 | 836 |
| Right-of-use assets | - | - | - | 1 | - | 1 |
| Intangible assets | - | - | 35,627 | 38,179 | 35,627 | 38,179 |
| Investments | 119,338 | 37,624 | 12,224,657 | 12,409,787 | 12,343,995 | 12,447,411 |
| Financing receivables | 22,548 | 22,181 | - | - | 22,548 | 22,181 |
| Reinsurance contract assets | - | - | 76,332 | 70,804 | 76,332 | 70,804 |
| Other assets | 1,672 | 70 | 217,521 | 153,178 | 219,193 | 153,248 |
| Derivative assets | - | - | 1,022 | 4,661 | 1,022 | 4,661 |
| Current tax assets | 33,749 | 33,749 | 7,962 | 7,962 | 41,711 | 41,711 |
| Cash and bank balances | - | - | 48,177 | 23,513 | 48,177 | 23,513 |
| **Total Assets** | 177,307 | 93,624 | 13,675,886 | 13,769,488 | 13,853,193 | 13,863,112 |
| **Equity and liabilities:** | | | | | | |
| Share capital | 100,000 | 100,000 | - | - | 100,000 | 100,000 |
| Reserves | 1,557,181 | 1,655,214 | - | - | 1,557,181 | 1,655,214 |
| **Total Equity** | 1,657,181 | 1,755,214 | - | - | 1,657,181 | 1,755,214 |

## 41. INSURANCE FUNDS (CONTD.)

### UNAUDITED INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION BY FUNDS (CONTD.) AS AT 30 JUNE 2026 (CONTD.)

| | SHF | | Life | | Total | |
|---|---|---|---|---|---|---|
| | 30.6.2026 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 | 31.12.2025 RM'000 | 30.6.2026 RM'000 | 31.12.2025 RM'000 |
| **Liabilities:** | | | | | | |
| Insurance contract liabilities | (14,244) | (12,823) | 11,259,289 | 11,220,584 | 11,245,045 | 11,207,761 |
| Derivative liabilities | - | - | 3,515 | 102 | 3,515 | 102 |
| Deferred tax liabilities, net | (2,615) | (2,575) | 505,108 | 511,718 | 502,493 | 509,143 |
| Other liabilities[1] | (1,482,797) | (1,667,337) | 1,893,606 | 2,030,958 | 410,809 | 363,621 |
| Current tax liabilities | 19,782 | 21,145 | 14,368 | 6,126 | 34,150 | 27,271 |
| **Total Liabilities** | (1,479,874) | (1,661,590) | 13,675,886 | 13,769,488 | 12,196,012 | 12,107,898 |
| **Total Equity and Liabilities** | 177,307 | 93,624 | 13,675,886 | 13,769,488 | 13,853,193 | 13,863,112 |

[1] Included in other liabilities are the interfund balances elimination, amount due from life fund to shareholder's fund of RM1,485,000,000 (2025: RM1,671,000,000) which is unsecured, not subject to any interest elements and are repayable in short term.

## 41. INSURANCE FUNDS (CONTD.)

### UNAUDITED INTERIM CONDENSED OF INCOME STATEMENTS BY BUSINESS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

| | SHF | | Life | | Total | |
|---|---|---|---|---|---|---|
| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
| Insurance revenue | 1,135 | 329 | 318,458 | 312,064 | 319,593 | 312,393 |
| Insurance service expenses | (5,917) | (5,216) | (231,172) | (196,920) | (237,089) | (202,136) |
| Net expenses from reinsurance contracts held | - | - | (9,613) | (8,596) | (9,613) | (8,596) |
| **Insurance service result** | (4,782) | (4,887) | 77,673 | 106,548 | 72,891 | 101,661 |
| Interest revenue from financial assets not measured at FVTPL | 1,502 | 727 | 44,056 | 41,465 | 45,558 | 42,192 |
| Net fair value gains/(losses) on financial assets measured at FVTPL | 41 | (401) | (25,232) | 18,436 | (25,191) | 18,035 |
| Net fair value gains on derecognition of financial assets measured at FVOCI | - | 1,807 | 1,885 | 2,125 | 1,885 | 3,932 |
| Other investment income | 32 | (2) | 220,005 | 217,847 | 220,037 | 217,845 |
| (Allowance for)/reversal of impairment losses on financial assets | (14) | (148) | (380) | 2 | (394) | (146) |
| Net foreign exchange income/(expenses) | - | - | 3,477 | (56,810) | 3,477 | (56,810) |
| **Net investment income** | 1,561 | 1,983 | 243,811 | 223,065 | 245,372 | 225,048 |

## 41. INSURANCE FUNDS (CONTD.)

### UNAUDITED INTERIM CONDENSED OF INCOME STATEMENTS BY BUSINESS (CONTD.) FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (CONTD.)

| | SHF | | Life | | Total | |
|---|---|---|---|---|---|---|
| | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 | 1.1.2026 to 30.6.2026 RM'000 | 1.1.2025 to 30.6.2025 RM'000 |
| Finance income/(expenses) from insurance contract issued | 57 | (250) | (220,794) | (204,072) | (220,737) | (204,322) |
| Finance income from reinsurance contracts held | - | - | 1,067 | 130 | 1,067 | 130 |
| **Net insurance financial result** | 57 | (250) | (219,727) | (203,942) | (219,670) | (204,192) |
| Total net investment income and net insurance financial results | 1,618 | 1,733 | 24,084 | 19,123 | 25,702 | 20,856 |
| Other expenses, net | (3,555) | (2,128) | (1,821) | (5,902) | (5,376) | (8,030) |
| **(Loss)/profit before taxation attributable to policyholders** | (6,719) | (5,282) | 99,936 | 119,769 | 93,217 | 114,487 |
| Tax expense attributable to policyholders | - | - | (15,276) | (11,746) | (15,276) | (11,746) |
| **(Loss)/profit before taxation** | (6,719) | (5,282) | 84,660 | 108,023 | 77,941 | 102,741 |
| Tax expense | (18,672) | (24,719) | - | - | (18,672) | (24,719) |
| **Net (loss)/profit for the financial period** | (25,391) | (30,001) | 84,660 | 108,023 | 59,269 | 78,022 |