

GENERALI INSURANCE MALAYSIA BERHAD

(Company No. 197501002042 (23820-W))

(Incorporated in Malaysia)

**Unaudited Condensed Interim Financial Statements
For the 6-Month Financial Period From
1 January 2025 to 30 June 2025**

Company No.
197501002042 (23820 W)

GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

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GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	30.06.2025 RM'000	Audited 31.12.2024 RM'000
<u>Assets</u>			
Property and equipment		88,381	66,798
Investment properties		5,332	5,389
Intangible assets		47,868	48,935
Goodwill		165,822	165,822
Investments	11	4,537,785	4,477,423
Right-of-use assets		26,704	30,232
Reinsurance contract assets	12	1,024,994	1,117,644
Other receivables and prepayments		99,870	77,209
Deferred tax assets		17,070	23,145
Tax recoverable		16,590	17,610
Cash and cash equivalents		213,766	146,749
Total assets		6,244,182	6,176,956
<u>Equity and liabilities</u>			
Share capital		955,645	955,645
Merger reserve		(62,338)	(62,338)
Retained earnings		1,295,376	1,327,956
FVOCI reserve		2,153	1,232
Revaluation reserve		12,948	12,948
Share option reserve		5,547	4,524
Total equity		2,209,331	2,239,967
Insurance contract liabilities	12	3,641,926	3,612,467
Reinsurance contract liabilities	12	7,908	14,317
Other payables		245,731	278,281
Dividend payable		110,000	-
Lease liabilities		29,286	31,924
Total liabilities		4,034,851	3,936,989
Total equity and liabilities		6,244,182	6,176,956

The accompanying notes form an integral part of the interim financial statements.

GENERALI INSURANCE MALAYSIA BERHAD
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**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025**

	6 months period ended 30.06.2025 RM'000	6 months period ended 30.06.2024 RM'000
Insurance revenue	1,064,410	1,025,339
Insurance service expense	(798,114)	(868,504)
Insurance service result before reinsurance contracts held	<u>266,296</u>	<u>156,835</u>
Allocation of reinsurance premiums	(190,248)	(203,897)
Amounts recoverable from reinsurers for incurred claims	2,283	137,753
Net expense from reinsurance contracts held	<u>(187,965)</u>	<u>(66,144)</u>
Insurance service result	78,331	90,691
Investment income	84,617	84,040
Net fair value gains/(losses) on financial assets	22,748	(644)
Total investment income	<u>107,365</u>	<u>83,396</u>
Insurance finance expenses for insurance contracts issued	(80,668)	(60,854)
Reinsurance finance income for reinsurance contracts held	24,365	15,416
Net insurance financial result	<u>(56,303)</u>	<u>(45,438)</u>
Net other income and expenses	(30,559)	(25,728)
Profit before tax	<u>98,834</u>	<u>102,921</u>
Income tax expense	(22,677)	(27,461)
Net profit for the financial period	<u>76,157</u>	<u>75,460</u>
Basic earnings per share (sen)	<u>40.8</u>	<u>40.5</u>

The accompanying notes form an integral part of the interim financial statements.

GENERALI INSURANCE MALAYSIA BERHAD
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**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025**

	6 months period ended 30.06.2025 RM'000	6 months period ended 30.06.2024 RM'000
Net profit for the financial period	76,157	75,460
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss		
Financial assets at FVOCI:		
Net fair value gain arising during the financial period	1,212	755
Net realised loss transferred to profit or loss	-	(110)
	<u>1,212</u>	<u>645</u>
Tax effect thereon	(291)	(155)
Total other comprehensive income	<u>921</u>	<u>490</u>
Total comprehensive income for the financial period	<u><u>77,078</u></u>	<u><u>75,950</u></u>

The accompanying notes form an integral part of the interim financial statements.

GENERALI INSURANCE MALAYSIA BERHAD
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**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025**

	Non-distributable					Distributable	
	Share capital RM'000	Merger reserve RM'000	Revaluation reserve RM'000	Share option reserve RM'000	FVOCI reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2024	955,645	(62,338)	12,948	2,685	1,386	1,379,239	2,289,565
Total comprehensive income for the financial period	-	-	-	-	490	75,460	75,950
Transactions with owner of the Company:							
Share options exercised/expired	-	-	-	(904)	-	904	-
Equity-settled share-based payment	-	-	-	1,873	-	-	1,873
Dividend payable during the period	-	-	-	-	-	(216,000)	(216,000)
At 30 June 2024	<u>955,645</u>	<u>(62,338)</u>	<u>12,948</u>	<u>3,654</u>	<u>1,876</u>	<u>1,239,603</u>	<u>2,151,388</u>
At 1 January 2025	955,645	(62,338)	12,948	4,524	1,232	1,327,956	2,239,967
Total comprehensive income for the financial period	-	-	-	-	921	76,157	77,078
Transactions with owner of the Company:							
Share options exercised/expired	-	-	-	(1,263)	-	1,263	-
Equity-settled share-based payment	-	-	-	2,286	-	-	2,286
Dividend payable during the period	-	-	-	-	-	(110,000)	(110,000)
At 30 June 2025	<u>955,645</u>	<u>(62,338)</u>	<u>12,948</u>	<u>5,547</u>	<u>2,153</u>	<u>1,295,376</u>	<u>2,209,331</u>

The accompanying notes form an integral part of the interim financial statements.

GENERALI INSURANCE MALAYSIA BERHAD
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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025

	6 months period ended 30.06.2025 RM'000	6 months period ended 30.06.2024 RM'000
Operating activities		
Profit before tax	98,834	102,921
Adjustments for:		
Investment income	(84,617)	(84,123)
Realised gains on financial assets	(131)	(110)
Fair value gains on financial assets	(22,617)	(488)
Depreciation of property and equipment	4,526	3,698
Depreciation of right-of-use assets	4,330	2,792
Depreciation of investment properties	57	66
Amortisation of intangible assets	6,581	9,712
Interest on lease liabilities	693	233
Equity-settled share-based payment transactions	2,286	1,873
Operating profit before working capital changes	9,942	36,574
Changes in working capital:		
Decrease in reinsurance contract assets	92,650	10,785
Decrease in insurance contract assets	-	69,984
Increase in other receivables	(22,661)	(25,130)
Increase in insurance contract liabilities	29,459	52,717
Decrease in reinsurance contract liabilities	(6,409)	(119,561)
Decrease in dividend and other payables	(32,557)	(29,016)
Cash generated from/(used in) operating activities	70,424	(3,647)
Dividend and distribution income received	67,196	39,823
Interest income received	24,602	51,376
Income tax paid	(15,875)	(20,216)
Interest paid	(693)	(233)
Net cash from operating activities	145,654	67,103
Investing activities		
Purchase of financial assets	(988,670)	(280,924)
Proceeds from disposal of financial assets	461,185	20,047
Proceeds from maturities of financial assets	15,000	219,000
Net withdrawals from bank deposits	468,903	51,289
Purchase of property and equipment	(26,113)	(9,507)
Proceeds from disposal of property and equipment	6	2
Purchase of intangible assets	(5,514)	(6,097)
Net cash used in investing activities	(75,203)	(6,190)

GENERALI INSURANCE MALAYSIA BERHAD
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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025

	30.06.2025	30.06.2024
	RM'000	RM'000
Financing activities		
Payment of lease liabilities	(3,434)	(3,102)
Net cash used in financing activities	<u>(3,434)</u>	<u>(3,102)</u>
Net increase in cash and cash equivalents	67,017	57,811
Cash and cash equivalents at the the beginning of the financial period	<u>146,749</u>	<u>149,485</u>
Cash and cash equivalents at the end of the financial period	<u>213,766</u>	<u>207,296</u>
Cash and cash equivalents comprise:		
Cash and bank balances	<u>213,766</u>	<u>207,296</u>

The accompanying notes form an integral part of the interim financial statements.

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2025

1. BASIS OF PREPARATION

Statement of compliance

The unaudited condensed interim financial statements of Generali Insurance Malaysia Berhad ("the Company") as at and for the period ended 30 June 2025 are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting* and International Accounting Standards ("IAS") 34 *Interim Financial Reporting*. They do not include all of the information required for the full annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2024.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

The unaudited condensed interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20 August 2025.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Company for the unaudited condensed interim financial statements are consistent with those adopted in the Company's audited financial statements for the financial year ended 31 December 2024, except for the adoption of the following:

- | | Effective date |
|---|-----------------------|
| • Amendments to MFRS 121, <i>The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability</i> | 1 January 2025 |

The initial application of the abovementioned amendments to published standards do not have any material impact to the current and prior periods financial statements upon their first adoption.

3. COMMENTS ON SEASONALITY OR CYCLICALITY

The business operations of the Company were not significantly affected by seasonality or cyclical factors for the financial period.

4. UNUSUAL ITEM AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no items affecting assets, liabilities, equity, net income, or cash flows which are unusual because of their nature, size, or incidence for the current interim period ended 30 June 2025.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

5. CHANGES IN ESTIMATES

The preparation of these unaudited condensed interim financial statements in conformity with MFRSs require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual audited financial statements.

6. ISSUES, REPURCHASES AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities by the Company during the financial period under review.

7. DIVIDEND PAID

A single-tier final dividend of RM110,000,000 for the financial year ended 31 December 2024 was declared on 28 May 2025 and paid to the entitled shareholder of the Company on 10 July 2025.

8. EVENTS AFTER THE INTERIM PERIOD

There were no material events after the interim period that had not been reflected in the financial statements for the interim period.

9. EFFECT OF CHANGES IN THE COMPOSITION OF THE COMPANY

There were no changes in the composition of the Company during the period under review.

10. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

In August 2016, the Malaysia Competition Commission ("MyCC") had commenced an investigation under Section 15(1) of the Competition Act, 2010 ("the Act") against Persatuan Insurans Am Malaysia ("PIAM") (Malaysian General Insurance Association) and 22 member companies (collectively "Parties") with regards to an alleged infringement of Section 4(2)(a) of the Act in relation to an agreement to fix parts trade discount and labour rates for 6 vehicle makes. On 22 February 2017, MyCC issued a proposed decision to all 22 member companies, proposing to impose a collective penalty of RM213 million on the general insurance industry. PIAM and its members (including the Company) had submitted their respective Written Representation to MyCC in April 2017. The first oral representation was completed in January 2018. However, there was a change of government after the 14th general election. The Competition Committee (new Chairman was appointed) decided to review this case. The case management was held on 21 February 2019 and the oral representation from all relevant insurers (represented by counsels) was held on 13 and 14 May 2019 and 17 and 18 June 2019 respectively.

In September 2020, MyCC issued a final decision against the Parties and it was a finding of infringement under section 4 of the Competition Act 2010. Essentially MyCC maintained its position that the Parties have infringed the section 4 prohibition by participating in an agreement which has the prevention, restriction or distortion in relation to the market of parts trade and labour charges for PIAM Approved Repairers Scheme ("PARS") workshops from 1 January 2012 to 17 February 2017.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

10. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS (CONTINUED)

In view of the impact of the COVID-19 pandemic, MyCC granted a reduction of 25% of the financial penalty imposed on the Parties and a moratorium period for the payment of the financial penalty up to 6-months and payment of the financial penalty by equal monthly installment for up to 6 months. The Company's financial penalty has been reduced from RM16,099,289 to RM12,074,467. The financial penalty exposure of the Company amounted to RM12,555,858, inclusive of RM481,391 arising from business transfer from MPI Generali Berhad (formerly known as MPI Generali Insurans Berhad) on 1 April 2023. In addition to the financial penalty, the parties were also directed to cease and desist from implementing the agreed parts trade discount for 6 vehicle makes, namely, Proton, Perodua, Nissan, Toyota, Honda and Naza and the hourly labour rate for PARS workshops with immediate effect.

Parties appealed against the MyCC decision on the breach and deferment of penalty payment as well as cessation of current practices. Due to the Movement Control Order ("MCO"), the hearing on the appeal before the Competition Appeal Tribunal ("CAT") was postponed. The hearing for the stay application and cessation of current practices commenced on 25 February 2021. In March 2021, CAT decided to allow the stay application and cessation of current practices until the disposal of appeal application.

In September 2022, CAT delivered its final decision in favour of the Parties and overturned the decision by MyCC and its finding of infringement under section 40 of the Competition Act 2010. Subsequently, MyCC filed for a judicial review. The Company has filed a notice to object against MyCC's leave application for judicial review and the hearing has been scheduled on 8 May 2023.

On 16 January 2024, the Court, having considered the Company affidavits, written and oral submissions, has accepted our submissions in full and held that MyCC's application for leave to apply for judicial review did not have merits and dismissed MyCC's leave application for judicial review. On 15 February 2024, MyCC has filed an appeal to the Court of Appeal against the High Court's decision. The Court of Appeal has vacated the hearing date on 22 May 2025 due to unforeseen circumstances and re-fixed 30 April 2026 as the new hearing date for this matter.

The management of the Company believes that the criteria to disclose the above as a contingent liability are met. Saved as disclosed above, the Company does not have any other contingent liabilities.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS

	30.06.2025	Audited 31.12.2024
	RM'000	RM'000
Corporate debt securities	251,409	266,115
Equity securities	1,800	1,800
Unit trust funds	3,978,807	3,428,574
Fixed and call deposits	305,769	780,934
	<u>4,537,785</u>	<u>4,477,423</u>

The investments summarised by categories are as follows:

	30.06.2025	Audited 31.12.2024
	RM'000	RM'000
Financial assets at FVTPL (Note 11(a))	3,978,807	3,428,574
Financial assets at FVOCI (Note 11(b))	253,209	267,915
Financial assets at amortised cost (Note 11(c))	305,769	780,934
	<u>4,537,785</u>	<u>4,477,423</u>

(a) **Financial assets at FVTPL**

	30.06.2025	Audited 31.12.2024
At fair value	RM'000	RM'000
Unit trust funds	3,978,807	3,428,574
	<u>3,978,807</u>	<u>3,428,574</u>

(b) **Financial assets at FVOCI**

	30.06.2025	Audited 31.12.2024
At fair value	RM'000	RM'000
Unquoted in Malaysia		
Corporate debt securities	251,409	266,115
Equity securities	1,800	1,800
	<u>253,209</u>	<u>267,915</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. INVESTMENTS (CONTINUED)

(c) **Financial assets at amortised cost**

	30.06.2025	Audited 31.12.2024
At amortised cost	RM'000	RM'000
Fixed and call deposits with licensed financial institutions	305,769	780,934
	<u>305,769</u>	<u>780,934</u>

The carrying amount of financial assets at amortised cost are reasonable approximations of fair values due to their short term maturity of the financial assets.

(d) **Fair value of financial instruments**

The following tables show financial instruments measured at fair value analysed by the different hierarchy of fair value:

	Level 2	Level 3	Total
	RM'000	RM'000	RM'000
30.06.2025			
Corporate debt securities	251,409	-	251,409
Equity securities	-	1,800	1,800
Unit trust funds	3,978,807	-	3,978,807
	<u>4,230,216</u>	<u>1,800</u>	<u>4,232,016</u>
Audited 31.12.2024			
Corporate debt securities	266,115	-	266,115
Equity securities	-	1,800	1,800
Unit trust funds	3,428,574	-	3,428,574
	<u>3,694,689</u>	<u>1,800</u>	<u>3,696,489</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS

	Note	30.06.2025 RM'000	Audited 31.12.2024 RM'000
(a) Insurance contracts			
Insurance contract liabilities			
- Contracts measured under PAA	(i)	(3,092,711)	(3,009,258)
- Contracts not measured under PAA	(ii)	(549,215)	(603,209)
		<u>(3,641,926)</u>	<u>(3,612,467)</u>
(b) Reinsurance contracts			
Reinsurance contract assets			
- Contracts measured under PAA	(i)	506,554	573,063
- Contracts not measured under PAA	(ii)	518,440	544,581
		<u>1,024,994</u>	<u>1,117,644</u>
Reinsurance contract liabilities			
- Contracts measured under PAA	(i)	(7,908)	(14,317)

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts

(i) **Contracts measured under PAA**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below.

30.06.2025					
Liabilities for remaining coverage			Liabilities for incurred claims		
Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total RM'000	
Opening assets	-	-	-	-	-
Opening liabilities	(543,522)	(35,696)	(2,229,729)	(200,311)	(3,009,258)
Net opening balance as at 1 January 2025	(543,522)	(35,696)	(2,229,729)	(200,311)	(3,009,258)
Insurance revenue	967,815	-	-	-	967,815
Incurring claims and other expenses	-	-	(879,938)	(56,513)	(936,451)
Amortisation of insurance acquisition cash flows	(191,558)	-	-	-	(191,558)
Losses and reversals of losses on onerous contracts	-	(14,923)	-	-	(14,923)
Changes to liabilities of incurred claims	-	-	324,624	48,470	373,094
Insurance service expenses	(191,558)	(14,923)	(555,314)	(8,043)	(769,838)
Insurance service result	776,257	(14,923)	(555,314)	(8,043)	197,977
Net finance expenses from insurance contracts	(23,563)	(2,041)	(39,578)	(2,263)	(67,445)
Total changes in the statement of profit or loss	752,694	(16,964)	(594,892)	(10,306)	130,532

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(i) **Contracts measured under PAA (continued)**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

30.06.2025				
Liabilities for remaining coverage		Liabilities for incurred claims		
Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total RM'000
Cash flows				
Premiums received	(1,111,514)	-	-	(1,111,514)
Claims and other insurance service expenses paid	-	591,393	-	591,393
Insurance acquisition cash flows	216,976	-	-	216,976
Total cash flows	(894,538)	591,393	-	(303,145)
Transfer to other items in statement of financial position	89,475	(315)	-	89,160
Net insurance contracts liabilities	(595,891)	(2,233,543)	(210,617)	(3,092,711)
Closing assets	-	-	-	-
Closing liabilities	(595,891)	(2,233,543)	(210,617)	(3,092,711)
Net closing balance as at 30 June 2025	(595,891)	(2,233,543)	(210,617)	(3,092,711)

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(i) **Contracts measured under PAA (continued)**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

	31.12.2024 (Audited)				
	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening assets	73,742	-	-	-	73,742
Opening liabilities	(654,287)	(32,393)	(2,077,629)	(175,351)	(2,939,660)
Net opening balance as at 1 January 2024	(580,545)	(32,393)	(2,077,629)	(175,351)	(2,865,918)
Insurance revenue	1,897,240	-	-	-	1,897,240
Incurred claims and other expenses	-	-	(1,395,300)	(96,604)	(1,491,904)
Amortisation of insurance acquisition cash flows	(343,022)	-	-	-	(343,022)
Losses and reversals of losses on onerous contracts	-	3,559	-	-	3,559
Changes to liabilities of incurred claims	-	-	76,700	74,246	150,946
Insurance service expenses	(343,022)	3,559	(1,318,600)	(22,358)	(1,680,421)
Insurance service result	1,554,218	3,559	(1,318,600)	(22,358)	216,819
Net finance expenses from insurance contracts	(58,657)	(6,862)	(57,032)	(2,602)	(125,153)
Total changes in the statement of profit or loss	1,495,561	(3,303)	(1,375,632)	(24,960)	91,666

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(i) **Contracts measured under PAA (continued)**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

	31.12.2024 (Audited)				
	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Cash flows					
Premiums received	(1,941,011)	-	-	-	(1,941,011)
Claims and other insurance service expenses paid	-	-	1,225,306	-	1,225,306
Insurance acquisition cash flows	340,908	-	-	-	340,908
Total cash flows	(1,600,103)	-	1,225,306	-	(374,797)
Transfer to other items in statement of financial position	141,565	-	(1,774)	-	139,791
Net insurance contracts liabilities	(543,522)	(35,696)	(2,229,729)	(200,311)	(3,009,258)
Closing assets	-	-	-	-	-
Closing liabilities	(543,522)	(35,696)	(2,229,729)	(200,311)	(3,009,258)
Net closing balance as at 31 December 2024	(543,522)	(35,696)	(2,229,729)	(200,311)	(3,009,258)

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(ii) **Contracts not measured under PAA**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

	30.06.2025				
	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening assets	-	-	-	-	-
Opening liabilities	(89,486)	(62,553)	(392,547)	(58,623)	(603,209)
Net opening balance as at 1 January 2025	(89,486)	(62,553)	(392,547)	(58,623)	(603,209)
Insurance revenue	96,595	-	-	-	96,595
Incurring claims and other expenses	-	-	(51,997)	(6,436)	(58,433)
Amortisation of insurance acquisition cash flows	(26,634)	-	-	-	(26,634)
Losses and reversals of losses on onerous contracts	-	18,247	-	-	18,247
Changes to liabilities of incurred claims	-	-	26,451	12,093	38,544
Insurance service expenses	(26,634)	18,247	(25,546)	5,657	(28,276)
Investment component	(814)	-	814	-	-
Insurance service result	69,147	18,247	(24,732)	5,657	68,319
Net finance expenses from insurance contracts	(3,979)	(1,101)	(7,041)	(1,102)	(13,223)
Total changes in the statement of profit or loss	65,168	17,146	(31,773)	4,555	55,096

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(ii) **Contracts not measured under PAA (continued)**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

30.06.2025				
Liabilities for remaining coverage		Liabilities for incurred claims		
Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total RM'000
Cash flows				
Premiums received	(88,922)	-	-	(88,922)
Claims and other insurance service expenses paid	-	63,103	-	63,103
Insurance acquisition cash flows	27,262	-	-	27,262
Total cash flows	(61,660)	63,103	-	1,443
Transfer to other items in statement of financial position	(2,545)	-	-	(2,545)
Net insurance contracts liabilities	(88,523)	(45,407)	(54,068)	(549,215)
Closing assets	-	-	-	-
Closing liabilities	(88,523)	(45,407)	(54,068)	(549,215)
Net closing balance as at 30 June 2025	(88,523)	(45,407)	(54,068)	(549,215)

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(ii) **Contracts not measured under PAA (continued)**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

	31.12.2024 (Audited)				
	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening assets	-	-	-	-	-
Opening liabilities	(69,607)	(64,112)	(334,053)	(54,008)	(521,780)
Net opening balance as at 1 January 2024	(69,607)	(64,112)	(334,053)	(54,008)	(521,780)
Insurance revenue	191,974	-	-	-	191,974
Incurring claims and other expenses	-	-	(130,077)	(16,816)	(146,893)
Amortisation of insurance acquisition cash flows	(49,422)	-	-	-	(49,422)
Losses and reversals of losses on onerous contracts	-	4,091	-	-	4,091
Changes to liabilities of incurred claims	-	-	24,599	13,794	38,393
Insurance service expenses	(49,422)	4,091	(105,478)	(3,022)	(153,831)
Investment component	42,484	-	(42,484)	-	-
Insurance service result	185,036	4,091	(147,962)	(3,022)	38,143
Net finance expenses from insurance contracts	(4,535)	(2,532)	(9,943)	(1,593)	(18,603)
Total changes in the statement of profit or loss	180,501	1,559	(157,905)	(4,615)	19,540

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(a) Insurance contracts (continued)

(ii) **Contracts not measured under PAA (continued)**

The roll-forward of net assets or liabilities for insurance contracts issued showing the liabilities for remaining coverage and liabilities for incurred claims, is disclosed in the table below (continued).

31.12.2024 (Audited)					
Liabilities for remaining coverage			Liabilities for incurred claims		Total RM'000
Excluding loss component	Loss component		Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Cash flows					
Premiums received	(288,654)	-	-	-	(288,654)
Claims and other insurance service expenses paid	-	-	99,411	-	99,411
Insurance acquisition cash flows	52,033	-	-	-	52,033
Total cash flows	(236,621)	-	99,411	-	(137,210)
Transfer to other items in statement of financial position	36,241	-	-	-	36,241
Net insurance contracts liabilities	(89,486)	(62,553)	(392,547)	(58,623)	(603,209)
Closing assets	-	-	-	-	-
Closing liabilities	(89,486)	(62,553)	(392,547)	(58,623)	(603,209)
Net closing balance as at 31 December 2024	(89,486)	(62,553)	(392,547)	(58,623)	(603,209)

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts

(i) **Contracts measured under PAA**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below.

	30.06.2025				
	Assets for remaining coverage		Assets for incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total RM'000
Opening assets	41,346	7,909	466,589	57,219	573,063
Opening liabilities	(14,317)	-	-	-	(14,317)
Net opening balance as at 1 January 2025	27,029	7,909	466,589	57,219	558,746
Allocation of reinsurance premiums paid	(77,750)	-	-	-	(77,750)
Recoveries of incurred claims and other insurance service expenses	-	-	52,212	5,323	57,535
Loss recoveries and losses on onerous underlying contracts and adjustments	-	(608)	-	-	(608)
Changes to amount recoverable for incurred claims	-	-	(65,950)	(9,101)	(75,051)
Amount recoverable from reinsurers	-	(608)	(13,738)	(3,778)	(18,124)
Net expenses from reinsurance contracts	(77,750)	(608)	(13,738)	(3,778)	(95,874)
Net finance income from reinsurance contracts	2,042	383	7,326	521	10,272
Effect of changes in non-performance risk of reinsurers	-	2	86	-	88
Total changes in the statement of profit or loss	(75,708)	(223)	(6,326)	(3,257)	(85,514)

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(i) **Contracts measured under PAA (continued)**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

30.06.2025					
Assets for remaining coverage		Assets for incurred claims			Total RM'000
Excluding loss- recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		
Cash flows					
Premiums paid	54,532	-	-	-	54,532
Amounts received	-	-	(37,725)	-	(37,725)
Total cash flows	54,532	-	(37,725)	-	16,807
Transfer to other items in statement of financial position	8,607	-	-	-	8,607
Net reinsurance contracts assets	14,460	7,686	422,538	53,962	498,646
Closing assets	22,368	7,686	422,538	53,962	506,554
Closing liabilities	(7,908)	-	-	-	(7,908)
Net closing balance as at 30 June 2025	14,460	7,686	422,538	53,962	498,646

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(i) **Contracts measured under PAA (continued)**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

	31.12.2024 (Audited)				
	Assets for remaining coverage		Assets for incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total RM'000
Opening assets	247,781	4,392	410,089	39,041	701,303
Opening liabilities	(176,570)	-	-	-	(176,570)
Net opening balance as at 1 January 2024	71,211	4,392	410,089	39,041	524,733
Allocation of reinsurance premiums paid	(203,822)	-	-	-	(203,822)
Recoveries of incurred claims and other insurance service expenses	-	-	207,802	28,381	236,183
Loss recoveries and losses on onerous underlying contracts and adjustments	-	2,941	-	-	2,941
Changes to amount recoverable for incurred claims	-	-	(34,334)	(10,886)	(45,220)
Amount recoverable from reinsurers	-	2,941	173,468	17,495	193,904
Net expenses from reinsurance contracts	(203,822)	2,941	173,468	17,495	(9,918)
Net finance income from reinsurance contracts	5,211	572	11,111	683	17,577
Effect of changes in non-performance risk of reinsurers	-	4	(345)	-	(341)
Total changes in the statement of profit or loss	(198,611)	3,517	184,234	18,178	7,318

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(i) **Contracts measured under PAA (continued)**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

31.12.2024 (Audited)					
Assets for remaining coverage		Assets for incurred claims			Total RM'000
Excluding loss- recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		
Cash flows					
Premiums paid	163,247	-	-	-	163,247
Amounts received	-	-	(127,734)	-	(127,734)
Total cash flows	163,247	-	(127,734)	-	35,513
Transfer to other items in statement of financial position	(8,818)	-	-	-	(8,818)
Net reinsurance contracts assets	27,029	7,909	466,589	57,219	558,746
Closing assets	41,346	7,909	466,589	57,219	573,063
Closing liabilities	(14,317)	-	-	-	(14,317)
Net closing balance as at 31 December 2024	27,029	7,909	466,589	57,219	558,746

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(ii) **Contracts not measured under PAA**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

	30.06.2025				
	Assets for remaining coverage		Assets for incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total RM'000
Opening assets	40,366	26,012	410,366	67,837	544,581
Opening liabilities	-	-	-	-	-
Net opening balance as at 1 January 2025	40,366	26,012	410,366	67,837	544,581
Allocation of reinsurance premiums paid	(112,498)	-	-	-	(112,498)
Recoveries of incurred claims and other insurance service expenses	-	-	70,217	10,186	80,403
Loss recoveries and losses on onerous underlying contracts and adjustments	-	(11,036)	-	-	(11,036)
Changes to amount recoverable for incurred claims	-	-	(35,311)	(13,649)	(48,960)
Amount recoverable from reinsurers	-	(11,036)	34,906	(3,463)	20,407
Investment components and premium refund	(2,533)	-	2,533	-	-
Net expenses from reinsurance contracts	(115,031)	(11,036)	37,439	(3,463)	(92,091)
Net finance income from reinsurance contracts	4,312	530	7,841	1,254	13,937
Effect of changes in non-performance risk of reinsurers	122	-	(54)	-	68
Total changes in the statement of profit or loss	(110,597)	(10,506)	45,226	(2,209)	(78,086)

GENERALI INSURANCE MALAYSIA BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(ii) **Contracts not measured under PAA (continued)**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

30.06.2025					
Assets for remaining coverage		Assets for incurred claims			Total RM'000
Excluding loss- recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		
Cash flows					
Premiums paid	72,876	-	-	-	72,876
Amounts received	-	-	(44,191)	-	(44,191)
Total cash flows	72,876	-	(44,191)	-	28,685
Transfer to other items in statement of financial position	23,101	-	159	-	23,260
Net reinsurance contracts assets	25,746	15,506	411,560	65,628	518,440
Closing assets	25,746	15,506	411,560	65,628	518,440
Closing liabilities	-	-	-	-	-
Net closing balance as at 30 June 2025	25,746	15,506	411,560	65,628	518,440

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(ii) **Contracts not measured under PAA (continued)**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

31.12.2024 (Audited)					
	Assets for remaining coverage		Assets for incurred claims		Total RM'000
	Excluding loss- recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	
Opening assets	52,368	23,436	318,852	55,988	450,644
Opening liabilities	-	-	-	-	-
Net opening balance as at 1 January 2024	52,368	23,436	318,852	55,988	450,644
Allocation of reinsurance premiums paid	(185,442)	-	-	-	(185,442)
Recoveries of incurred claims and other insurance service expenses	-	-	192,400	25,273	217,673
Loss recoveries and losses on onerous underlying contracts and adjustments	-	1,363	-	-	1,363
Changes to amount recoverable for incurred claims	-	-	(27,868)	(15,028)	(42,896)
Amount recoverable from reinsurers	-	1,363	164,532	10,245	176,140
Investment components and premium refund	(5,469)	-	5,469	-	-
Net expenses from reinsurance contracts	(190,911)	1,363	170,001	10,245	(9,302)
Net finance income from reinsurance contracts	4,722	1,061	9,849	1,604	17,236
Effect of changes in non-performance risk of reinsurers	74	-	195	-	269
Total changes in the statement of profit or loss	(186,115)	2,424	180,045	11,849	8,203

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

(b) Reinsurance contracts (continued)

(ii) **Contracts not measured under PAA (continued)**

The roll-forward of net assets or liabilities for reinsurance contracts issued showing the assets for remaining coverage and assets for incurred claims, is disclosed in the table below (continued).

31.12.2024 (Audited)					
Assets for remaining coverage		Assets for incurred claims			Total RM'000
Excluding loss- recovery component	Loss-recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk		
Cash flows					
Premiums paid	196,633	-	-	-	196,633
Amounts received	-	-	(88,531)	-	(88,531)
Total cash flows	196,633	-	(88,531)	-	108,102
Transfer to other items in statement of financial position	(22,520)	152	-	-	(22,368)
Net reinsurance contracts assets	40,366	26,012	410,366	67,837	544,581
Closing assets	40,366	26,012	410,366	67,837	544,581
Closing liabilities	-	-	-	-	-
Net closing balance as at 31 December 2024	40,366	26,012	410,366	67,837	544,581

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

13. CAPITAL COMMITMENTS

	30.06.2025	Audited 31.12.2024
	RM'000	RM'000
Capital expenditure contracted but not provided for:		
Property and equipment	4,112	26,823
Intangible asset - software	8,315	20,335
	<u>12,427</u>	<u>47,158</u>

14. CAPITAL STRUCTURE

The capital structure of the Company as at 30 June 2025 and 31 December 2024, as prescribed under the RBC Framework issued by Bank Negara Malaysia ("BNM") is provided below:

	30.06.2025	Audited 31.12.2024
	RM'000	RM'000
Tier 1 capital	2,164,805	2,211,032
Tier 2 capital	(60,970)	(62,914)
Deductions	(263,989)	(266,805)
Total capital available	<u>1,839,846</u>	<u>1,881,313</u>

The above balances are based on statistical returns prepared in accordance with the provisions of Section 65 of the Financial Services Act 2013 (Act) and the Guidance Notes for Submissions of Monthly/Quarterly/Annual Statistical Returns issued by BNM.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company undertakes various transactions with other companies deemed related parties by virtue of them being members of Generali group of companies and related companies of Affin Bank Berhad ("Affin Group") on agreed terms and conditions.

Significant related party transactions of the Company with the related parties during the financial period are as follows:

	6 months period ended 30.06.2025 RM'000	6 months period ended 30.06.2024 RM'000
Transactions with ultimate holding company:		
Reinsurance premium ceded, net of any commission	(22,493)	(23,308)
Payment of project management office support	(674)	-
Reimbursement of shared resources received/receivable	-	187
Reimbursement of HR platform software license cost through Generali Group	-	(229)
Reimbursement of staff cost	(1,171)	-
Reimbursement of staff and travel related expenses	46	-
Staff relocation expenses	-	(107)
Transactions with immediate holding company:		
Reimbursement of expenses	-	332
Transactions with Generali Group:		
Insurance premium (endorsements)/income	(180)	168
IT security and compliance services	(143)	-
Reimbursement of expenses received/receivable	196	425
Reinsurance premium ceded, net of any commission	(1,335)	(7,774)
Rental income and utilities charges on shared branches	127	-
Sharing of IT service costs recovered/recoverable	265	-
Reimbursement of relocation cost and renovation cost on shared branches received/receivable	31	-
Third Party Administrator service charges	(751)	(513)
Transactions with Affin Group:		
Insurance commissions paid	(1,593)	(1,456)
Interest income	-	755
Insurance premium income	1,629	548
Printing cost, marketing expenses and bank charges	(411)	(32)