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 2026 to 30 June 2026

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 2026

	Note	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Assets			
Property and equipment		82,547	81,618
Investment properties		5,218	5,275
Intangible assets		37,693	38,400
Goodwill		165,822	165,822
Investments	11	4,554,558	4,545,844
Right-of-use assets		25,188	25,738
Reinsurance contract assets	12	888,172	1,028,006
Other receivables and prepayments		80,420	71,970
Deferred tax assets		19,485	22,545
Tax recoverable		-	28,488
Cash and cash equivalents		149,597	84,055
Total assets		6,008,700	6,097,761
Equity and liabilities			
Share capital		955,645	955,645
Merger reserve		(50,748)	(50,748)
Retained earnings		1,310,816	1,397,399
FVOCI reserve		1,846	2,292
Revaluation reserve		12,948	12,948
Share option reserve		5,031	8,380
Total equity		2,235,538	2,325,916
Insurance contract liabilities	12	3,363,974	3,486,044
Other payables		231,279	257,074
Dividend payable		147,000	-
Lease liabilities		28,564	28,727
Tax payable		2,345	-
Total liabilities		3,773,162	3,771,845
Total equity and liabilities		6,008,700	6,097,761

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

GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2026

	6 months period ended 30.06.2026	**6 months period ended 30.06.2025 (restated)**
	RM'000	**RM'000**
Insurance revenue	1,076,316	1,034,890
Insurance service expense	(895,581)	(810,188)
Insurance service result before reinsurance contracts held	180,735	224,702
Allocation of reinsurance premiums	(164,564)	(184,242)
Amounts recoverable from reinsurers for incurred claims	42,131	5,348
Net expense from reinsurance contracts held	(122,433)	(178,894)
Insurance service result	58,302	45,808
Investment income	86,472	84,733
Net fair value gains/(losses) on financial assets	(21,988)	22,748
Total investment income	64,484	107,481
Insurance finance expenses for insurance contracts issued	(32,645)	(49,769)
Reinsurance finance income for reinsurance contracts held	10,290	16,720
Net insurance financial result	(22,355)	(33,049)
Net other income and expenses	(35,437)	(30,809)
Profit before tax	64,994	89,431
Income tax expense	(8,747)	(20,420)
Net profit for the financial period	56,247	69,011
Basic earnings per share (sen)	30.2	37.0

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

GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2026

	6 months period ended 30.06.2026	6 months period ended 30.06.2025 (restated)
	RM'000	RM'000
Net profit for the financial period	56,247	69,011
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss		
Financial assets at FVOCI:		
Net fair value (loss)/gain arising during the financial period	(464)	1,212
Net realised (loss)/gain transferred to profit or loss	(23)	-
Reversal of allowance for expected credit loss ("ECL")	(99)	-
Tax effect on net loss/(gain)	117	(291)
Tax effect on reversal of allowance for ECL	23	-
Total other comprehensive income	(446)	921
Total comprehensive income for the financial period	55,801	69,932

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

Company No.
197501002042 (23820 W)

GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2026

		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 2025 (restated)	955,645	(50,748)	12,948	4,524	1,232	1,321,181	2,244,782
Total comprehensive income for the financial period	-	-	-	-	921	69,011	69,932
Transactions with owner of the Company:							
Share options exercised	-	-	-	(1,263)	-	1,263	-
Equity-settled share-based payment	-	-	-	2,286	-	-	2,286
Dividend approved during the period	-	-	-	-	-	(110,000)	(110,000)
At 30 June 2025 (restated)	955,645	(50,748)	12,948	5,547	2,153	1,281,455	2,207,000
At 1 January 2026	955,645	(50,748)	12,948	8,380	2,292	1,397,399	2,325,916
Total comprehensive income for the financial period	-	-	-	-	(446)	56,247	55,801
Transactions with owner of the Company:							
Share options exercised	-	-	-	(4,170)	-	4,170	-
Equity-settled share-based payment	-	-	-	821	-	-	821
Dividend approved during the period	-	-	-	-	-	(147,000)	(147,000)
At 30 June 2026	955,645	(50,748)	12,948	5,031	1,846	1,310,816	2,235,538

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

GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2026

	6 months period ended 30.06.2026 RM'000	6 months period ended 30.06.2025 (restated) RM'000
Operating activities		
Net profit for the financial year	56,247	69,011
Adjustments for:		
Investment income	(86,472)	(84,733)
Reversal of impairment loss on financial assets	(143)	-
Realised losses/(gains) on financial assets	1,228	(131)
Fair value losses/(gains) on financial assets	20,782	(22,617)
Taxation	8,747	20,420
Depreciation of property and equipment	5,908	4,526
Depreciation of right-of-use assets	2,861	4,330
Depreciation of investment properties	57	57
Amortisation of intangible assets	5,203	6,581
Interest on lease liabilities	685	693
Gain on disposal of property and equipment	(1,062)	-
Equity-settled share-based payment transactions	821	2,286
Operating profit before working capital changes	14,862	423
Changes in working capital:		
Changes in reinsurance contract assets/liabilities	139,834	104,504
Changes in insurance contract liabilities	(122,070)	(6,390)
Changes in other receivables	(8,450)	4,310
Changes in other payables	(25,498)	(32,538)
Cash (used in)/generated from operating activities	(1,322)	70,309
Dividend and distribution income received	79,942	67,196
Interest income received	6,969	24,602
Income tax paid	(9,563)	(15,875)
Income tax refund	34,848	-
Interest on lease liabilities paid	(685)	(693)
Rental income received	116	116
Net cash from operating activities	110,305	145,655

GENERALI INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2026

	30.06.2026 RM'000	30.06.2025 (restated) RM'000
Investing activities		
Purchase of financial assets	(313,565)	(988,670)
Proceeds from disposal of financial assets	165,000	461,185
Proceeds from maturities of financial assets	50,008	15,000
Net withdrawals from bank deposits	66,835	468,903
Purchase of property and equipment	(6,882)	(26,113)
Proceeds from disposal of property and equipment	1,107	6
Purchase of intangible assets	(4,497)	(5,515)
Net cash used in investing activities	(41,994)	(75,204)
Financing activities		
Payment of lease liabilities	(2,769)	(3,434)
Net cash used in financing activities	(2,769)	(3,434)
Net increase in cash and cash equivalents	65,542	67,017
Cash and cash equivalents at the the beginning of the financial period	84,055	146,749
Cash and cash equivalents at the end of the financial period	149,597	213,766
Cash and cash equivalents comprise:		
Cash and bank balances	149,597	213,766

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

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2026

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 2026 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 2025.

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 2026.

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 2025, except for the adoption of the following:

	Effective date
• Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments*	1 January 2026
• Amendments that are part of Annual Improvements - Volume 11	1 January 2026
• 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 MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity*	1 January 2026

The initial application of the abovementioned amendments to published standards do not have any material impact on the financial statements of current and prior periods 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 2026.

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 RM147,000,000 for the financial year ended 31 December 2025 was declared on 15 June 2026 and paid to the shareholder of the Company on 12 August 2026.

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.

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 General Insurance Business's financial penalty has been reduced from RM16,099,289 to RM12,074,467. The financial penalty exposure of the General Insurance Business 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 filled for a judicial review. The Company has filled 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's 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. On 18 August 2026, the Court of Appeal unanimously accepted the Company's submissions and dismissed MyCC's appeal with costs.

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 do not have any other contingent liabilities.

11. COMPARATIVES

The comparative figures for the 6-month financial period ended 30 June 2025 have been restated to conform with the change in accounting policy adopted during the financial year ended 31 December 2025. The change was applied retrospectively and the comparative information has been restated accordingly. Further details of the change in accounting policy and its financial effects are disclosed in Note 29 of the audited financial statements for the financial year ended 31 December 2025.

11. INVESTMENTS

	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Corporate debt securities	162,894	209,531
Equity securities	1,800	1,800
Unit trust funds	4,280,841	4,159,447
Fixed and call deposits	109,023	175,066
	4,554,558	4,545,844

The investments summarised by categories are as follows:

	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Financial assets at FVTPL (Note 11(a))	4,280,841	4,159,447
Financial assets at FVOCI (Note 11(b))	164,694	211,331
Financial assets at amortised cost (Note 11(c))	109,023	175,066
	4,554,558	4,545,844

(a) **Financial assets at FVTPL**

At fair value	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Unit trust funds	4,280,841	4,159,447
	4,280,841	4,159,447

(b) **Financial assets at FVOCI**

At fair value	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Unquoted in Malaysia		
Corporate debt securities	162,894	209,531
Equity securities	1,800	1,800
	164,694	211,331

11. INVESTMENTS (CONTINUED)

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

At amortised cost	**30.06.2026 RM'000**	**Audited 31.12.2025 RM'000**
Fixed and call deposits with licensed financial institutions	109,023	175,066
	109,023	175,066

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 RM'000	**Level 3 RM'000**	**Total RM'000**
30.06.2026			
Corporate debt securities	162,894	-	162,894
Equity securities	-	1,800	1,800
Unit trust funds	4,280,841	-	4,280,841
	4,443,735	1,800	4,445,535
31.12.2025 (Audited)			
Corporate debt securities	209,531	-	209,531
Equity securities	-	1,800	1,800
Unit trust funds	4,159,447	-	4,159,447
	4,368,978	1,800	4,370,778

12. INSURANCE AND REINSURANCE CONTRACTS

	Note	30.06.2026 RM'000	Audited 31.12.2025 RM'000
(a) Insurance contracts			
Contracts measured under PAA			
Insurance contract liabilities	(i)	(3,363,974)	(3,486,044)
(b) Reinsurance contracts			
Contracts measured under PAA			
Reinsurance contract assets	(i)	888,172	1,028,006

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.

	30.06.2026				
	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	(633,848)	(132,673)	(2,441,946)	(277,577)	(3,486,044)
Net opening balance as at 1 January 2026	**(633,848)**	**(132,673)**	**(2,441,946)**	**(277,577)**	**(3,486,044)**
Insurance revenue	1,076,316	-	-	-	1,076,316
Incurred claims and other expenses	-	-	(798,082)	(61,913)	(859,995)
Amortisation of insurance acquisition cash flows	(225,359)	-	-	-	(225,359)
Losses and reversals of losses on onerous contracts	-	(12,288)	-	-	(12,288)
Changes to liabilities of incurred claims	-	-	119,761	82,300	202,061
Insurance service expenses	(225,359)	(12,288)	(678,321)	20,387	(895,581)
Investment component	7,894	-	(7,894)	-	-
Insurance service result	858,851	(12,288)	(686,215)	20,387	180,735
Net finance expenses from insurance contracts	-	-	(30,099)	(2,546)	(32,645)
Total changes in the statement of profit or loss	**858,851**	**(12,288)**	**(716,314)**	**17,841**	**148,090**

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).

	30.06.2026				
	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	(1,178,515)	-	-	-	(1,178,515)
Claims and other insurance service expenses paid	-	-	811,641	-	811,641
Insurance acquisition cash flows	239,179	-	-	-	239,179
Total cash flows	**(939,336)**	**-**	**811,641**	**-**	**(127,695)**
Other movements	92,688	-	8,987	-	101,675
Net insurance contracts liabilities	**(621,645)**	**(144,961)**	**(2,337,632)**	**(259,736)**	**(3,363,974)**
Closing assets	-	-	-	-	-
Closing liabilities	(621,645)	(144,961)	(2,337,632)	(259,736)	(3,363,974)
Net closing balance as at 30 June 2026	**(621,645)**	**(144,961)**	**(2,337,632)**	**(259,736)**	**(3,363,974)**

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).

	31.12.2025 (Audited)				
	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	(644,352)	(105,042)	(2,621,415)	(258,934)	(3,629,743)
Net opening balance as at 1 January 2025	**(644,352)**	**(105,042)**	**(2,621,415)**	**(258,934)**	**(3,629,743)**
Insurance revenue	2,129,290	-	-	-	2,129,290
Incurred claims and other expenses	-	-	(1,538,927)	(93,449)	(1,632,376)
Amortisation of insurance acquisition cash flows	(447,633)	-	-	-	(447,633)
Losses and reversals of losses on onerous contracts	-	(27,631)	-	-	(27,631)
Changes to liabilities of incurred claims	-	-	198,459	80,374	278,833
Insurance service expenses	(447,633)	(27,631)	(1,340,468)	(13,075)	(1,828,807)
Investment component	2,651	-	(2,651)	-	-
Insurance service result	1,684,308	(27,631)	(1,343,119)	(13,075)	300,483
Net finance expenses from insurance contracts	-	-	(76,655)	(5,568)	(82,223)
Total changes in the statement of profit or loss	**1,684,308**	**(27,631)**	**(1,419,774)**	**(18,643)**	**218,260**

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).

	31.12.2025 (Audited)				
	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	(2,344,665)	-	-	-	(2,344,665)
Claims and other insurance service expenses paid	-	-	1,588,009	-	1,588,009
Insurance acquisition cash flows	465,747	-	-	-	465,747
Total cash flows	**(1,878,918)**	**-**	**1,588,009**	**-**	**(290,909)**
Other movements	205,114	-	11,234	-	216,348
Net insurance contracts liabilities	**(633,848)**	**(132,673)**	**(2,441,946)**	**(277,577)**	**(3,486,044)**
Closing assets	-	-	-	-	-
Closing liabilities	(633,848)	(132,673)	(2,441,946)	(277,577)	(3,486,044)
Net closing balance as at 31 December 2025	**(633,848)**	**(132,673)**	**(2,441,946)**	**(277,577)**	**(3,486,044)**

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.

	30.06.2026				
	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	(28,781)	54,885	866,323	135,579	1,028,006
Opening liabilities	-	-	-	-	-
Net opening balance as at 1 January 2026	**(28,781)**	**54,885**	**866,323**	**135,579**	**1,028,006**
Allocation of reinsurance premiums paid	(164,564)	-	-	-	(164,564)
Recoveries of incurred claims and other insurance service expenses	-	-	89,802	15,854	105,656
Loss recoveries and losses on onerous underlying contracts and adjustments	-	(934)	-	-	(934)
Changes to amount recoverable for incurred claims	-	-	(29,717)	(32,874)	(62,591)
Amount recoverable from reinsurers	-	(934)	60,085	(17,020)	42,131
Investment component	(848)	-	848	-	-
Net expenses from reinsurance contracts	(165,412)	(934)	60,933	(17,020)	(122,433)
Net finance income from reinsurance contracts	-	-	8,971	1,177	10,148
Effect of changes in non-performance risk of reinsurers	-	-	142	-	142
Total changes in the statement of profit or loss	**(165,412)**	**(934)**	**70,046**	**(15,843)**	**(112,143)**

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).

	30.06.2026				
	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**
Cash flows					
Premiums paid	185,454	-	-	-	185,454
Amounts received	-	-	(213,030)	-	(213,030)
Total cash flows	**185,454**	**-**	**(213,030)**	**-**	**(27,576)**
Transfer to other items in statament of financial position	(115)	-	-	-	(115)
Net reinsurance contracts assets	**(8,854)**	**53,951**	**723,339**	**119,736**	**888,172**
Closing assets	(8,854)	53,951	723,339	119,736	888,172
Closing liabilities	-	-	-	-	-
Net closing balance as at 30 June 2026	**(8,854)**	**53,951**	**723,339**	**119,736**	**888,172**

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).

	31.12.2025 (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	(2,718)	38,889	981,725	125,057	1,142,953
Opening liabilities	(14,317)	-	-	-	(14,317)
Net opening balance as at 1 January 2025	**(17,035)**	**38,889**	**981,725**	**125,057**	**1,128,636**
Allocation of reinsurance premiums paid	(364,391)	-	-	-	(364,391)
Recoveries of incurred claims and other insurance service expenses	-	-	190,896	28,635	219,531
Loss recoveries and losses on onerous underlying contracts and adjustments	-	15,996	-	-	15,996
Changes to amount recoverable for incurred claims	-	-	(26,554)	(20,903)	(47,457)
Amount recoverable from reinsurers	-	15,996	164,342	7,732	188,070
Investment components and premium refund	(4,258)	-	4,258	-	-
Net expenses from reinsurance contracts	(368,649)	15,996	168,600	7,732	(176,321)
Net finance income from reinsurance contracts	-	-	24,260	2,790	27,050
Effect of changes in non-performance risk of reinsurers	-	-	(16)	-	(16)
Total changes in the statement of profit or loss	**(368,649)**	**15,996**	**192,844**	**10,522**	**(149,287)**

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).

	31.12.2025 (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
Cash flows					
Premiums paid	357,179	-	-	-	357,179
Amounts received	-	-	(304,705)	-	(304,705)
Total cash flows	**357,179**	**-**	**(304,705)**	**-**	**52,474**
Transfer to other items in statament of financial position	(276)	-	(3,541)	-	(3,817)
Net reinsurance contracts assets	**(28,781)**	**54,885**	**866,323**	**135,579**	**1,028,006**
Closing assets	(28,781)	54,885	866,323	135,579	1,028,006
Closing liabilities	-	-	-	-	-
Net closing balance as at 31 December 2025	**(28,781)**	**54,885**	**866,323**	**135,579**	**1,028,006**

13. Earnings per share

Basic earnings per share is calculated by dividing the net 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:

	6 months period ended 30.6.2026 RM'000	6 months period ended 30.6.2025 (restated) RM'000
Net profit for the financial period	56,247	69,011
Weighted average number of ordinary shares in issue	186,508	186,508
Basic earnings per share (sen)	30.2	37.0

14. CAPITAL COMMITMENTS

	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Capital expenditure contracted but not provided for:		
Property and equipment	2,220	2,344
Intangible asset - software	6,106	4,326
	8,326	6,670

15. CAPITAL STRUCTURE

The capital structure of the Company as prescribed under the RBC Framework issued by Bank Negara Malaysia ("BNM") is provided below:

	30.06.2026 RM'000	Audited 31.12.2025 RM'000
Tier 1 capital		
Share capital (paid-up)	955,645	955,645
Retained earnings as prescribed under the RBC Framework	1,238,502	1,327,528
	2,194,147	2,283,173
Tier 2 capital		
Eligible reserves as prescribed under the RBC Framework	(61,792)	(57,997)
Less: Amount deductions from capital	(255,584)	(258,840)
Total capital available	1,876,771	1,966,336

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 Monthy/Quarterly/Annual Statistical Returns issued by BNM.

16. 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 30.06.2026 RM'000	**6 months period ended 30.06.2025 RM'000**
Transactions with ultimate holding company:		
Reinsurance premium ceded, net of any commission	(26,087)	(22,493)
Payment of project management office support	-	(674)
Recovery of staff cost and other expenses	1,643	46
Reimbursement of staff cost	(1,047)	(1,171)
Reimbursement of expenses	(47)	-
Transactions with Generali Group:		
Insurance premium refund	(13)	(180)
IT security and compliance services	(11)	(143)
Recovery of expenses	20	196
Reinsurance premium ceded, net of any commission	(1,381)	(1,335)
Rental income and utilities charges on shared branches	779	127
Sharing of IT service costs recovered/recoverable	307	265
Sharing of resources - Investment, Legal and Admin - income	419	-
Sharing of resources - Investment - expense	(427)	-
Reimbursement of relocation cost and renovation cost on shared branches received/receivable	-	31
Third Party Administrator service charges	(3,949)	(751)
Transactions with Affin Group:		
Insurance commissions paid	(1,702)	(1,593)
Insurance premium income	1,623	1,629
Printing cost, marketing expenses and bank charges	(296)	(411)