



MCIS INSURANCE BERHAD

Registration No: 199701019821 (435318-U)

(Incorporated in Malaysia)

**Unaudited Condensed Interim Financial Statements
For the six-month period ended 30 June 2025**

MCIS Insurance Berhad
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(Incorporated in Malaysia)

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MCIS Insurance Berhad
Registration No: 199701019821 (435318-U)
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Unaudited condensed statement of financial position
As at 30 June 2025

	Note	30.06.2025 RM'000	31.12.2024 RM'000
Assets			
Property and equipment		61,501	55,873
Right-of-use assets		9,108	11,126
Intangible assets		18,970	20,034
Investments	3	4,250,702	4,333,191
Insurance contract assets	4	30,403	37,490
Reinsurance contract assets	4	179,426	147,779
Other receivables		49,708	43,752
Current tax assets		13,788	9,826
Cash and bank balances		40,036	28,723
		<u>4,653,642</u>	<u>4,687,794</u>
Non-current assets held for sale		696	946
Total assets		<u>4,654,338</u>	<u>4,688,740</u>
Equity			
Share capital		125,024	125,024
Retained profits		194,992	207,468
Total equity		<u>320,016</u>	<u>332,492</u>
Liabilities			
Insurance contract liabilities	4	3,876,105	3,904,880
Reinsurance contract liabilities	4	143,285	131,720
Deferred tax liabilities		54,176	56,773
Lease liabilities		9,907	11,970
Other payables		51,609	51,686
Subordinated notes	5	199,240	199,219
Total liabilities		<u>4,334,322</u>	<u>4,356,248</u>
Total equity and liabilities		<u>4,654,338</u>	<u>4,688,740</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2024 and the accompanying explanatory notes on pages 6 to 55 attached to the unaudited condensed interim financial statements.

MCIS Insurance Berhad
Registration No: 199701019821 (435318-U)
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Unaudited condensed statement of profit or loss
For the six-month period ended 30 June 2025

		01.01.2025 to 30.06.2025 RM'000	01.01.2024 to 30.06.2024 RM'000
	Note		
Insurance revenue	6	237,499	242,027
Insurance service expenses	7	(267,936)	(234,505)
Net income from reinsurance contracts	8	<u>20,478</u>	<u>8,953</u>
Insurance service result		<u>(9,959)</u>	<u>16,475</u>
Investment income		87,882	86,171
Realised gains		7,882	3,532
Fair value (loss)/gains	9	<u>(616)</u>	<u>96,900</u>
Investment return		<u>95,148</u>	<u>186,603</u>
Net finance expense from insurance contracts	10	(70,869)	(179,701)
Net finance income from reinsurance contracts	10	<u>336</u>	<u>1,168</u>
Net financial results		<u>24,615</u>	<u>8,070</u>
Other operating revenue		104	-
Other operating expenses		(19,759)	(3,566)
Finance cost		<u>(5,597)</u>	<u>(5,693)</u>
(Loss)/Profit before taxation		<u>(10,596)</u>	<u>15,286</u>
Taxation		<u>(1,880)</u>	<u>(15,041)</u>
Net (loss)/profit for the period		<u>(12,476)</u>	<u>245</u>
(Loss)/Earnings per share (sen)			
Basic and diluted	11	<u>(12.44)</u>	<u>0.24</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2024 and the accompanying explanatory notes on pages 6 to 55 attached to the unaudited condensed interim financial statements.

MCIS Insurance Berhad
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Unaudited condensed statement of changes in equity
For the six-month period ended 30 June 2025

	<----- Non-distributable ----->				Distributable	
	Retained profits					
Share capital RM'000	Unallocated surplus of non-participating funds RM'000	Accumulated losses of participating fund RM'000	Retained profits of life fund* RM'000	Retained profits of shareholders' fund RM'000	Sub-total RM'000	Total equity RM'000
At 1 January 2024	125,024	206,668	(53,028)	153,640	67,933	346,597
Net loss for the year	-	(14,581)	3,504	(11,077)	(3,028)	(14,105)
At 31 December 2024	125,024	192,087	(49,524)	142,563	64,905	332,492
At 1 January 2025	125,024	192,087	(49,524)	142,563	64,905	332,492
Net loss for the year	-	(4,343)	5,550	1,207	(13,683)	(12,476)
At 30 June 2025	125,024	187,744	(43,974)	143,770	51,222	320,016

* Non-distributable retained earnings comprise of the unallocated surplus of the Life fund (which includes participating and non-participating funds), net of deferred tax, which is wholly attributable to the shareholders. This amount is only distributable upon the actual transfer of surplus from Life fund to the Shareholder's fund as recommended by the Appointed Actuary of the Company.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2024 and the accompanying explanatory notes on pages 6 to 55 attached to the unaudited condensed interim financial statements.

MCIS Insurance Berhad
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Unaudited condensed statement of cash flows
For the six-month period ended 30 June 2025

	01.01.2025 to 30.06.2025 RM'000	01.01.2024 to 30.06.2024 RM'000
(Loss)/Profit before taxation	(10,596)	15,286
<i>Adjustments for:</i>		
Investment income	(87,882)	(86,171)
Interest expense on lease liabilities	289	656
Interest expense on subordinated notes	5,256	5,285
Realised gains	(7,882)	(3,532)
Fair value loss/(gains)	616	(96,900)
Purchases of fair value through profit or loss ("FVTPL") financial instruments	(286,680)	(258,647)
Proceeds from sale of FVTPL financial instruments	498,191	240,071
Investment income received	88,198	86,294
(Increase)/Decrease in loans	(46)	107
Non-cash items:		
Depreciation of property and equipment	3,861	3,883
Gain on disposal of properties	(72)	-
Amortisation of intangible assets	2,786	2,595
Amortisation of right-of-use assets	2,374	2,464
Amortisation of subordinated notes issuance cost	50	47
Net amortisation of investments	781	1,064
Impairment loss on loans receivables	65	43
Written off of property and equipment	-	8
Changes in working capital:		
(Increase)/Decrease in assets:		
Reinsurance contract assets	(31,647)	(25,470)
Insurance contract assets	7,087	(212)
Other receivables	(6,272)	(3,716)
Increase/(Decrease) in liabilities:		
Reinsurance contract liabilities	11,565	13,151
Insurance contract liabilities	(28,793)	60,543
Other payables	(77)	(17,435)
Cash generated from/(used in) operating activities	<u>161,172</u>	<u>(60,586)</u>

MCIS Insurance Berhad
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Unaudited condensed statement of cash flows
For the six-month period ended 30 June 2025 (cont'd.)

	01.01.2025 to 30.06.2025 RM'000	01.01.2024 to 30.06.2024 RM'000
Changes in working capital: (cont'd.)		
Interest paid on lease liabilities	(289)	(656)
Income tax paid	(8,421)	(6,537)
Interest paid on subordinated notes	(5,285)	(5,285)
Net cash flows generated from/(used in) operating activities	<u>147,177</u>	<u>(73,064)</u>
Investing activities		
Proceeds from disposal of properties	102	-
Net proceeds from disposal of non-current assets held for sale	250	-
Purchase of property and equipment	(11,113)	(9,233)
Purchase/(Disposal) of intangible assets	(128)	1
Addition of right-of-use assets	-	(694)
Net cash flows used in investing activities	<u>(10,889)</u>	<u>(9,926)</u>
Financing activities		
Payment of principal portion of lease liabilities	(2,419)	(1,756)
Net cash flows used in financing activities	<u>(2,419)</u>	<u>(1,756)</u>
Cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalents	133,869	(84,746)
Cash and cash equivalents at beginning of period	260,460	287,817
Cash and cash equivalents at end of period	<u>394,329</u>	<u>203,071</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	40,036	17,113
Short term deposits with original maturity periods of less than 3 months	354,293	185,958
	<u>394,329</u>	<u>203,071</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2024 and the accompanying explanatory notes on pages 6 to 55 attached to the unaudited condensed interim financial statements.

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

1. Basis of preparation

The unaudited condensed interim financial statements of MCIS Insurance Berhad ("the Company") have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting as issued by the Malaysian Accounting Standards Board ("MASB") and International Accounting Standard ("IAS") 34 - Interim Financial Reporting as issued by International Accounting Standards Board ("IASB").

The unaudited condensed interim financial statements of the Company have been prepared under the historical cost convention, unless otherwise stated in the accounting policies.

As at the reporting date, the Company has met the minimum capital adequacy requirements as prescribed under the Risk-Based Capital ("RBC") Framework issued by Bank Negara Malaysia ("BNM").

The unaudited condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2024.

The unaudited condensed interim financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

2. Accounting policies

The accounting policies and presentation adopted by the Company for the 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 as follows:

On 1 January 2025, the Company adopted the following MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025:

- | |
|--------------------------------------------------------------------------------------------------------------|
| (i) Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability</i> |
|--------------------------------------------------------------------------------------------------------------|

The adoption of the above amendments to standards issued by Malaysian Accounting Standards Board ("MASB") in the current financial period do not have any material impact to the interim financial statements of the Company.

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

2. Accounting policies (cont'd.)

Standards issued but not yet effective

The following are standards, amendments to standards and interpretation to standards issued by MASB, but not yet effective, up to the date of this report. The Company intends to adopt these standards, amendments to standards and interpretations to standards, if applicable, when they become effective:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9 and MFRS 7 <i>Financial Instruments - Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments that are part of Annual Improvements -Volume 11 <ul style="list-style-type: none"> • Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i> • Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i> • Amendments to MFRS 9 <i>Financial Instruments</i> • Amendments to MFRS 10 <i>Consolidated Financial Statements</i> • Amendments to MFRS 107 <i>Statement of Cash Flows</i> 	1 January 2026
Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7, <i>Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be confirmed

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

2. Accounting policies (cont'd.)

Standards issued but not yet effective (cont'd.)

The initial application of the abovementioned accounting standards, interpretations and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Company except as mentioned below:

MFRS 18, Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101, Presentation of Financial Statements and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal.

Management-defined performance measures ("MPMs") are disclosed in a single note in the financial statements.

Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is currently assessing the impact of adopting MFRS 18.

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Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

3. Investments

	30.06.2025	31.12.2024
	RM'000	RM'000
Malaysian Government securities	974,096	974,018
Government investment issues	232,065	227,001
Malaysian Government guaranteed bonds	406,433	395,976
Unquoted debts securities	1,402,318	1,486,519
Quoted equity securities	343,992	473,615
Quoted exchange traded funds	200,000	213,136
Quoted unit and property trust funds	157,658	141,522
Unquoted equity securities	59,150	60,750
Unquoted unit trust funds	119,054	127,256
Deposits with financial institutions	354,294	231,737
Loans receivables	1,642	1,661
Total	4,250,702	4,333,191

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

	30.06.2025	31.12.2024
	RM'000	RM'000
FVTPL	4,249,060	4,331,530
Amortised cost	1,642	1,661
	4,250,702	4,333,191

(a) FVTPL

	30.06.2025	31.12.2024
	RM'000	RM'000
Mandatorily measured:		
Quoted equity securities	343,992	473,615
Quoted exchange traded funds	200,000	213,136
Quoted unit and property trust funds	157,658	141,522
Unquoted equity securities	59,150	60,750
Unquoted unit trust funds	119,054	127,256
	879,854	1,016,279

Designated upon initial recognition:

Malaysian Government securities	974,096	974,018
Government investment issues	232,065	227,001
Malaysian Government guaranteed bonds	406,433	395,976
Unquoted debt securities	1,402,318	1,486,519
Deposits with financial institutions	354,294	231,737
	3,369,206	3,315,251
	4,249,060	4,331,530

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

3. Investments (cont'd.)

(a) FVTPL (cont'd.)

Included in deposits with financial institutions of the Company are short term deposits with original maturity periods of less than 3 months amounting to RM185,958,000 (31.12.2024: RM231,737,000), which have been classified as cash and cash equivalents for the purpose of the statement of cash flows.

(b) Amortised cost

	30.06.2025	31.12.2024
	RM'000	RM'000
Loans receivables:		
Mortgage loans	2,476	2,430
Other loans	100	100
	2,576	2,530
Loss allowances	(934)	(869)
	<u>1,642</u>	<u>1,661</u>

The carrying value of the other loans are reasonable approximations of fair value due to the insignificant impact of discounting.

The fair values of the mortgage loans have been established by comparing current market interest rates for similar financial instruments to the rates offered when the mortgage loans were first recognised together with appropriate market credit adjustments. As there are no significant differences between these rates, the carrying value of mortgage loans approximates fair value as at 30 June 2025 and 31 December 2024.

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts

	30.06.2025			
	Life risk RM'000	Participating RM'000	Short-term RM'000	Total RM'000
Insurance contracts				
Insurance contract assets	-	(2,717)	33,120	30,403
Insurance contract liabilities				
Liabilities for remaining coverage and liabilities for incurred claims	(635,638)	(3,108,628)	(124,289)	(3,868,555)
Revaluation reserve net of tax	-	(7,550)	-	(7,550)
	<u>(635,638)</u>	<u>(3,116,178)</u>	<u>(124,289)</u>	<u>(3,876,105)</u>
Reinsurance contracts				
Reinsurance contract assets	17,431	8,217	153,778	179,426
Reinsurance contract liabilities	-	(935)	(142,350)	(143,285)
	<u>-</u>	<u>(935)</u>	<u>(142,350)</u>	<u>(143,285)</u>
	31.12.2024			
	Life risk RM'000	Participating RM'000	Short-term RM'000	Total RM'000
Insurance contracts				
Insurance contract assets	-	216	37,274	37,490
Insurance contract liabilities				
Liabilities for remaining coverage and liabilities for incurred claims	(623,536)	(3,129,081)	(144,731)	(3,897,348)
Revaluation reserve net of tax	-	(7,532)	-	(7,532)
	<u>(623,536)</u>	<u>(3,136,613)</u>	<u>(144,731)</u>	<u>(3,904,880)</u>
Reinsurance contracts				
Reinsurance contract assets	12,714	7,003	128,062	147,779
Reinsurance contract liabilities	(18)	(472)	(131,230)	(131,720)
	<u>(18)</u>	<u>(472)</u>	<u>(131,230)</u>	<u>(131,720)</u>

The following table sets out the carrying amounts of insurance and reinsurance contracts expected to be (settled)/ recovered more than 12 months after the reporting date.

	30.06.2025 RM'000	31.12.2024 RM'000
Insurance contract assets	(2,574)	347
Insurance contract liabilities	(3,502,388)	(3,575,349)
Reinsurance contract assets	(20,911)	(23,233)
Reinsurance contract liabilities	<u>(2,389)</u>	<u>(738)</u>

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts

(a) Life risk - Insurance contracts

Analysis by remaining coverage and incurred claims

	30.06.2025			
	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>	<u>Total</u>
	<u>Excluding loss component</u>	<u>Loss component</u>		
	RM'000	RM'000	RM'000	RM'000
Opening assets	-	-	-	-
Opening liabilities	(551,782)	(12,177)	(59,577)	(623,536)
Net opening balance	(551,782)	(12,177)	(59,577)	(623,536)
Changes in the statement of profit or loss				
Insurance revenue				
Contracts under the fair value transition approach	25,999	-	-	25,999
Other contracts	18,266	-	-	18,266
	<u>44,265</u>	<u>-</u>	<u>-</u>	<u>44,265</u>
Insurance service expenses				
Incurred claims and other insurance service expenses	(996)	552	(45,876)	(46,320)
Amortisation of insurance acquisition cash flows	(4,375)	-	-	(4,375)
Losses and reversal of losses on onerous contracts	-	(13,062)	-	(13,062)
Adjustments to liabilities for incurred claims	-	-	202	202
	<u>(5,371)</u>	<u>(12,510)</u>	<u>(45,674)</u>	<u>(63,555)</u>
Investment components	11,012	-	(11,012)	-
Insurance service result	49,906	(12,510)	(56,686)	(19,290)
Net finance income from insurance contracts	(14,834)	(206)	-	(15,040)
Total changes in the statement of profit or loss	35,072	(12,716)	(56,686)	(34,330)
Cash flows				
Premium received	(66,770)	-	-	(66,770)
Claims and other insurance service expenses paid, including investment components	-	-	75,010	75,010
Insurance acquisition cash flows	13,988	-	-	13,988
Total cash flows	(52,782)	-	75,010	22,228
Net closing balance	(569,492)	(24,893)	(41,253)	(635,638)
Closing assets	-	-	-	-
Closing liabilities	(569,492)	(24,893)	(41,253)	(635,638)
Net closing balance	(569,492)	(24,893)	(41,253)	(635,638)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Insurance contracts (cont'd.)

Analysis by remaining coverage and incurred claims (cont'd.)

31.12.2024

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>	<u>Total</u>
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>RM'000</u>	<u>RM'000</u>
	<u>RM'000</u>	<u>RM'000</u>		
Opening assets	-	-	-	-
Opening liabilities	(445,684)	(12,668)	(48,994)	(507,346)
Net opening balance	(445,684)	(12,668)	(48,994)	(507,346)
Changes in the statement of profit or loss				
Insurance revenue				
Contracts under the fair value transition approach	54,640	-	-	54,640
Other contracts	22,702	-	-	22,702
	<u>77,342</u>	<u>-</u>	<u>-</u>	<u>77,342</u>
Insurance service expenses				
Incurred claims and other insurance service expenses	(326)	1,524	(88,721)	(87,523)
Amortisation of insurance acquisition cash flows	(5,096)	-	-	(5,096)
Losses and reversal of losses on onerous contracts	-	(600)	-	(600)
Adjustments to liabilities for incurred claims	-	-	768	768
	<u>(5,422)</u>	<u>924</u>	<u>(87,953)</u>	<u>(92,451)</u>
Investment components	21,203	-	(21,203)	-
Insurance service result	93,123	924	(109,156)	(15,109)
Net finance expenses from insurance contracts	(8,810)	(433)	-	(9,243)
Total changes in the statement of profit or loss	84,313	491	(109,156)	(24,352)
Cash flows				
Premium received	(215,771)	-	-	(215,771)
Claims and other insurance service expenses paid, including investment components	-	-	98,573	98,573
Insurance acquisition cash flows	25,360	-	-	25,360
Total cash flows	(190,411)	-	98,573	(91,838)
Net closing balance	(551,782)	(12,177)	(59,577)	(623,536)
Closing assets	-	-	-	-
Closing liabilities	(551,782)	(12,177)	(59,577)	(623,536)
Net closing balance	(551,782)	(12,177)	(59,577)	(623,536)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Insurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA

	30.06.2025					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	-	-	-	-	-	-
Opening liabilities	(572,509)	(19,265)	(9,591)	(22,171)	(31,762)	(623,536)
Net opening balance	(572,509)	(19,265)	(9,591)	(22,171)	(31,762)	(623,536)
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services provided	-	-	291	1,259	1,550	1,550
Change in risk adjustment for non-financial risk for risk expired	-	163	-	-	-	163
Experience adjustments	(8,143)	-	-	-	-	(8,143)
Changes that relate to future services						
Contracts initially recognised in the year	8,156	66	-	(9,070)	(9,070)	(848)
Changes in estimates that adjust the CSM	(9,222)	195	2,924	6,103	9,027	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	(12,214)	-	-	-	-	(12,214)
Changes that relate to past services						
Adjustments to liabilities for incurred claims	202	-	-	-	-	202
Insurance service result	(21,221)	424	3,215	(1,708)	1,507	(19,290)
Net finance expenses from insurance contracts	(13,372)	(992)	(170)	(506)	(676)	(15,040)
Total changes in the statement of profit or loss	(34,593)	(568)	3,045	(2,214)	831	(34,330)
Cash flows	22,228	-	-	-	-	22,228
Net closing balance	(584,874)	(19,833)	(6,546)	(24,385)	(30,931)	(635,638)
Closing assets	-	-	-	-	-	-
Closing liabilities	(584,874)	(19,833)	(6,546)	(24,385)	(30,931)	(635,638)
Net closing balance	(584,874)	(19,833)	(6,546)	(24,385)	(30,931)	(635,638)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Insurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA (cont'd.)

	31.12.2024					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	-	-	-	-	-	-
Opening liabilities	(455,402)	(18,698)	(14,831)	(18,415)	(33,246)	(507,346)
Net opening balance	(455,402)	(18,698)	(14,831)	(18,415)	(33,246)	(507,346)
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services provided	-	-	879	1,987	2,866	2,866
Change in risk adjustment for non-financial risk for risk expired	-	22	-	-	-	22
Experience adjustments	(18,165)	-	-	-	-	(18,165)
Changes that relate to future services						
Contracts initially recognised in the year	31,107	(5,057)	-	(28,080)	(28,080)	(2,030)
Changes in estimates that adjust the CSM	(33,654)	5,175	4,936	23,543	28,479	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	1,430	-	-	-	-	1,430
Changes that relate to past services						
Adjustments to liabilities for incurred claims	768	-	-	-	-	768
Insurance service result	(18,514)	140	5,815	(2,550)	3,265	(15,109)
Net finance expenses from insurance contracts	(6,755)	(707)	(575)	(1,206)	(1,781)	(9,243)
Total changes in the statement of profit or loss	(25,269)	(567)	5,240	(3,756)	1,484	(24,352)
Cash flows	(91,838)	-	-	-	-	(91,838)
Net closing balance	(572,509)	(19,265)	(9,591)	(22,171)	(31,762)	(623,536)
Closing assets	-	-	-	-	-	-
Closing liabilities	(572,509)	(19,265)	(9,591)	(22,171)	(31,762)	(623,536)
Net closing balance	(572,509)	(19,265)	(9,591)	(22,171)	(31,762)	(623,536)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Reinsurance contracts

Analysis by remaining coverage and incurred claims

	30.06.2025			
	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>	
	<u>Excluding loss-recovery component</u>	<u>Loss-recovery component</u>		<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Opening assets	(17,892)	5,639	24,967	12,714
Opening liabilities	(22)	-	4	(18)
Net opening balance	(17,914)	5,639	24,971	12,696
Changes in the statement of profit or loss				
Allocation of reinsurance premiums paid	(7,281)	-	-	(7,281)
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	-	10,443	10,443
Recoveries and reversals of recoveries of losses on onerous underlying contracts	(90)	145	-	55
	(90)	145	10,325	10,380
Investment components	(338)	-	338	-
Net expenses from reinsurance contracts	(7,709)	145	10,663	3,099
Net finance income from reinsurance contracts	411	-	-	411
Total changes in the statement of profit or loss	(7,298)	145	10,663	3,510
Cash flows				
Premiums paid	6,697	-	-	6,697
Amounts received	-	-	(5,472)	(5,472)
Total cash flows	6,697	-	(5,472)	1,225
Net closing balance	(18,515)	5,784	30,162	17,431
Closing assets	(18,515)	5,784	30,162	17,431
Closing liabilities	-	-	-	-
Net closing balance	(18,515)	5,784	30,162	17,431

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Reinsurance contracts (cont'd.)

Analysis by remaining coverage and incurred claims (cont'd.)

	31.12.2024			
	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>	<u>Total</u>
	<u>Excluding loss-recovery component</u>	<u>Loss-recovery component</u>		
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Opening assets	(12,763)	6,502	20,685	14,424
Opening liabilities	(39)	-	(3)	(42)
Net opening balance	<u>(12,802)</u>	<u>6,502</u>	<u>20,682</u>	<u>14,382</u>
Changes in the statement of profit or loss				
Allocation of reinsurance premiums paid	(14,135)	-	-	(14,135)
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	-	18,228	18,228
Recoveries and reversals of recoveries of losses on onerous underlying contracts	(237)	(863)	-	(1,100)
	<u>(237)</u>	<u>(863)</u>	<u>18,228</u>	<u>17,128</u>
Investment components	(1,123)	-	1,123	-
Net expenses from reinsurance contracts	<u>(15,495)</u>	<u>(863)</u>	<u>19,351</u>	<u>2,993</u>
Net finance income from reinsurance contracts	206	-	-	206
Total changes in the statement of profit or loss	<u>(15,289)</u>	<u>(863)</u>	<u>19,351</u>	<u>3,199</u>
Cash flows				
Premiums paid	10,177	-	-	10,177
Amounts received	-	-	(15,062)	(15,062)
Total cash flows	<u>10,177</u>	<u>-</u>	<u>(15,062)</u>	<u>(4,885)</u>
Net closing balance	<u>(17,914)</u>	<u>5,639</u>	<u>24,971</u>	<u>12,696</u>
Closing assets	(17,892)	5,639	24,967	12,714
Closing liabilities	(22)	-	4	(18)
Net closing balance	<u>(17,914)</u>	<u>5,639</u>	<u>24,971</u>	<u>12,696</u>

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Reinsurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA

	30.06.2025					
			CSM			
	Estimate of present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	16,493	3,033	(5,900)	(912)	(6,812)	12,714
Opening liabilities	2	1	(21)	-	(21)	(18)
Net opening balance	16,495	3,034	(5,921)	(912)	(6,833)	12,696
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services provided	-	-	890	45	935	935
Change in risk adjustment for non-financial risk for risk expired	-	(172)	-	-	-	(172)
Experience adjustments	2,399	-	-	-	-	2,399
Changes that relate to future services						
Contracts initially recognised in the year	174	86	-	(187)	(187)	73
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	(467)	711	244	244
Changes in estimates that adjust the CSM	4,409	64	(4,704)	231	(4,473)	-
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts	(262)	-	-	-	-	(262)
Net expenses from reinsurance contracts	6,602	(22)	(4,281)	800	(3,481)	3,099
Net finance income from reinsurance contracts	439	111	(118)	(21)	(139)	411
Total changes in the statement of profit or loss	7,041	89	(4,399)	779	(3,620)	3,510
Cash flows	1,225	-	-	-	-	1,225
Net closing balance	24,761	3,123	(10,320)	(133)	(10,453)	17,431
Closing assets	24,761	3,123	(10,320)	(133)	(10,453)	17,431
Closing liabilities	-	-	-	-	-	-
Net closing balance	24,761	3,123	(10,320)	(133)	(10,453)	17,431

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(a) Life risk - Reinsurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA (cont'd.)

	31.12.2024					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	20,898	3,330	(7,727)	(2,077)	(9,804)	14,424
Opening liabilities	(39)	3	(6)	-	(6)	(42)
Net opening balance	20,859	3,333	(7,733)	(2,077)	(9,810)	14,382
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services provided	-	-	1,642	133	1,775	1,775
Change in risk adjustment for non-financial risk for risk expired	-	(284)	-	-	-	(284)
Experience adjustments	2,602	-	-	-	-	2,602
Changes that relate to future services						
Contracts initially recognised in the year	1,593	230	-	(973)	(973)	850
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	(1,886)	986	(900)	(900)
Changes in estimates that adjust the CSM	(3,108)	(370)	2,347	1,131	3,478	-
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts	(1,050)	-	-	-	-	(1,050)
Net expenses from reinsurance contracts	37	(424)	2,103	1,277	3,380	2,993
Net finance income from reinsurance contracts	484	125	(291)	(112)	(403)	206
Total changes in the statement of profit or loss	521	(299)	1,812	1,165	2,977	3,199
Cash flows	(4,885)	-	-	-	-	(4,885)
Net closing balance	16,495	3,034	(5,921)	(912)	(6,833)	12,696
Closing assets	16,493	3,033	(5,900)	(912)	(6,812)	12,714
Closing liabilities	2	1	(21)	-	(21)	(18)
Net closing balance	16,495	3,034	(5,921)	(912)	(6,833)	12,696

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Insurance contracts

Analysis by remaining coverage and incurred claims

	30.06.2025			
	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>	
	<u>Excluding loss component</u>	<u>Loss component</u>		<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Opening assets	347	-	(131)	216
Opening liabilities	(2,977,201)	(34,189)	(117,691)	(3,129,081)
Net opening balance	(2,976,854)	(34,189)	(117,822)	(3,128,865)
Changes in the statement of profit or loss				
Insurance revenue				
Contracts under the fair value transition approach	49,404	-	-	49,404
Other contracts	20,478	-	-	20,478
	<u>69,882</u>	<u>-</u>	<u>-</u>	<u>69,882</u>
Insurance service expenses				
Incurred claims and other insurance service expenses	(82)	2,238	(69,389)	(67,233)
Amortisation of insurance acquisition cash flows	(9,330)	-	-	(9,330)
Losses and reversal of losses on onerous contracts	-	(5,807)	-	(5,807)
Adjustments to liabilities for incurred claims	-	-	517	517
	<u>(9,412)</u>	<u>(3,569)</u>	<u>(68,872)</u>	<u>(81,853)</u>
Investment components	201,259	-	(201,259)	-
Insurance service result	261,729	(3,569)	(270,131)	(11,971)
Net finance expenses from insurance contracts	(54,058)	(23)	-	(54,081)
Income tax expenses	476	-	(2,788)	(2,312)
Total changes in the statement of profit or loss	208,147	(3,592)	(272,919)	(68,364)
Cash flows				
Premiums received	(121,807)	-	-	(121,807)
Claims and other insurance service expenses paid, including investment components	-	-	189,973	189,973
Insurance acquisition cash flows	20,718	-	-	20,718
Total cash flows	(104,089)	-	189,973	85,884
Net closing balance	(2,872,796)	(37,781)	(200,768)	(3,111,345)
Closing assets	(2,574)	-	(143)	(2,717)
Closing liabilities	(2,870,222)	(37,781)	(200,625)	(3,108,628)
Net closing balance	(2,872,796)	(37,781)	(200,768)	(3,111,345)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Insurance contracts (cont'd.)

Analysis by remaining coverage and incurred claims (cont'd.)

	31.12.2024			
	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>	
	<u>Excluding loss component</u>	<u>Loss component</u>		<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Opening assets	174	-	(116)	58
Opening liabilities	(3,007,004)	(24,069)	(131,771)	(3,162,844)
Net opening balance	(3,006,830)	(24,069)	(131,887)	(3,162,786)
Changes in the statement of profit or loss				
Insurance revenue				
Contracts under the fair value transition approach	115,885	-	-	115,885
Other contracts	36,961	-	-	36,961
	<u>152,846</u>	<u>-</u>	<u>-</u>	<u>152,846</u>
Insurance service expenses				
Incurred claims and other insurance service expenses	(170)	3,261	(136,396)	(133,305)
Amortisation of insurance acquisition cash flows	(14,562)	-	-	(14,562)
Losses and reversal of losses on onerous contracts	-	(12,707)	-	(12,707)
Adjustments to liabilities for incurred claims	-	-	3,111	3,111
	<u>(14,732)</u>	<u>(9,446)</u>	<u>(133,285)</u>	<u>(157,463)</u>
Investment components	<u>322,574</u>	<u>-</u>	<u>(322,574)</u>	<u>-</u>
Insurance service result	460,688	(9,446)	(455,859)	(4,617)
Net finance expenses from insurance contracts	(237,166)	(674)	-	(237,840)
Income tax expenses	(4,021)	-	(10,659)	(14,680)
Total changes in the statement of profit or loss	219,501	(10,120)	(466,518)	(257,137)
Cash flows				
Premiums received	(241,028)	-	-	(241,028)
Claims and other insurance service expenses paid, including investment components	-	-	480,583	480,583
Insurance acquisition cash flows	51,503	-	-	51,503
Others	-	-	-	-
Total cash flows	(189,525)	-	480,583	291,058
Net closing balance	(2,976,854)	(34,189)	(117,822)	(3,128,865)
Closing assets	347	-	(131)	216
Closing liabilities	(2,977,201)	(34,189)	(117,691)	(3,129,081)
Net closing balance	(2,976,854)	(34,189)	(117,822)	(3,128,865)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Insurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA

	30.06.2025					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	719	(47)	-	(456)	(456)	216
Opening liabilities	(2,977,734)	(53,569)	(96,156)	(1,622)	(97,778)	(3,129,081)
Net opening balance	(2,977,015)	(53,616)	(96,156)	(2,078)	(98,234)	(3,128,865)
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services provided	-	-	5,932	72	6,004	6,004
Change in risk adjustment for non-financial risk for risk expired	-	3,639	-	-	-	3,639
Experience adjustments	(20,009)	-	-	-	-	(20,009)
Revenue recognised for incurred policyholder tax expenses	3,685	-	-	-	-	3,685
Changes that relate to future services						
Contracts initially recognised in the year	3,047	(1,703)	-	(2,328)	(2,328)	(984)
Changes in estimates that adjust the CSM	(43,623)	(3,560)	44,120	3,063	47,183	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	(4,823)	-	-	-	-	(4,823)
Changes that relate to past services						
Adjustments to liabilities for incurred claims	517	-	-	-	-	517
Insurance service result	(61,206)	(1,624)	50,052	807	50,859	(11,971)
Net finance expenses from insurance contracts	(57,462)	3,381	-	-	-	(54,081)
Income tax expenses	(2,312)	-	-	-	-	(2,312)
Total changes in the statement of profit or loss	(120,980)	1,757	50,052	807	50,859	(68,364)
Cash flows	85,884	-	-	-	-	85,884
Net closing balance	(3,012,111)	(51,859)	(46,104)	(1,271)	(47,375)	(3,111,345)
Closing assets	(2,219)	(48)	-	(450)	(450)	(2,717)
Closing liabilities	(3,009,892)	(51,811)	(46,104)	(821)	(46,925)	(3,108,628)
Net closing balance	(3,012,111)	(51,859)	(46,104)	(1,271)	(47,375)	(3,111,345)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Insurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA (cont'd.)

	31.12.2024					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	463	(41)	-	(364)	(364)	58
Opening liabilities	(3,025,176)	(56,987)	(74,982)	(5,699)	(80,681)	(3,162,844)
Net opening balance	(3,024,713)	(57,028)	(74,982)	(6,063)	(81,045)	(3,162,786)
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services provided	-	-	14,038	105	14,143	14,143
Change in risk adjustment for non-financial risk for risk expired	-	1,283	-	-	-	1,283
Experience adjustments	(23,223)	-	-	-	-	(23,223)
Revenue recognised for incurred policyholder tax expenses	12,776	-	-	-	-	12,776
Changes that relate to future services						
Contracts initially recognised in the year	8,925	(4,391)	-	(6,339)	(6,339)	(1,805)
Changes in estimates that adjust the CSM	22,231	2,762	(35,212)	10,219	(24,993)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	(10,902)	-	-	-	-	(10,902)
Changes that relate to past services						
Adjustments to liabilities for incurred claims	3,111	-	-	-	-	3,111
Insurance service result	12,918	(346)	(21,174)	3,985	(17,189)	(4,617)
Net finance expenses from insurance contracts	(241,598)	3,758	-	-	-	(237,840)
Income tax expenses	(14,680)	-	-	-	-	(14,680)
Total changes in the statement of profit or loss	(243,360)	3,412	(21,174)	3,985	(17,189)	(257,137)
Cash flows	291,058	-	-	-	-	291,058
Net closing balance	(2,977,015)	(53,616)	(96,156)	(2,078)	(98,234)	(3,128,865)
Closing assets	719	(47)	-	(456)	(456)	216
Closing liabilities	(2,977,734)	(53,569)	(96,156)	(1,622)	(97,778)	(3,129,081)
Net closing balance	(2,977,015)	(53,616)	(96,156)	(2,078)	(98,234)	(3,128,865)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Reinsurance contracts

Analysis by remaining coverage and incurred claims

	30.06.2025			
	<u>Assets for remaining coverage</u>			
	<u>Excluding loss-recovery component RM'000</u>	<u>Loss- recovery component RM'000</u>	<u>Assets for incurred claims RM'000</u>	<u>Total RM'000</u>
Opening assets	(14,579)	3,599	17,983	7,003
Opening liabilities	(716)	-	244	(472)
Net opening balance	<u>(15,295)</u>	<u>3,599</u>	<u>18,227</u>	<u>6,531</u>
Changes in the statement of profit or loss				
Allocation of reinsurance premiums paid	<u>(5,677)</u>	<u>-</u>	<u>-</u>	<u>(5,677)</u>
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	-	7,052	7,052
Recoveries and reversals of recoveries of losses on onerous underlying contracts	<u>(100)</u>	<u>1,883</u>	<u>-</u>	<u>1,783</u>
	<u>(100)</u>	<u>1,883</u>	<u>6,699</u>	<u>8,482</u>
Investment components	(172)	-	172	-
Net expenses from reinsurance contracts	<u>(5,949)</u>	<u>1,883</u>	<u>6,871</u>	<u>2,805</u>
Net finance income from reinsurance contracts	(119)	-	-	(119)
Total changes in the statement of profit or loss	<u>(6,068)</u>	<u>1,883</u>	<u>6,871</u>	<u>2,686</u>
Cash flows				
Premiums paid	5,312	-	-	5,312
Amounts received	-	-	(7,247)	(7,247)
Total cash flows	<u>5,312</u>	<u>-</u>	<u>(7,247)</u>	<u>(1,935)</u>
Net closing balance	<u>(16,051)</u>	<u>5,482</u>	<u>17,851</u>	<u>7,282</u>
Closing assets	(13,662)	5,482	16,397	8,217
Closing liabilities	(2,389)	-	1,454	(935)
Net closing balance	<u>(16,051)</u>	<u>5,482</u>	<u>17,851</u>	<u>7,282</u>

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Reinsurance contracts (cont'd.)

Analysis by remaining coverage and incurred claims (cont'd.)

	31.12.2024			
	<u>Assets for remaining coverage</u>			
	<u>Excluding loss-recovery component RM'000</u>	<u>Loss- recovery component RM'000</u>	<u>Assets for incurred claims RM'000</u>	<u>Total RM'000</u>
Opening assets	(10,948)	3,775	7,916	743
Opening liabilities	(1,332)	-	302	(1,030)
Net opening balance	<u>(12,280)</u>	<u>3,775</u>	<u>8,218</u>	<u>(287)</u>
Changes in the statement of profit or loss				
Allocation of reinsurance premiums paid	<u>(10,806)</u>	<u>-</u>	<u>-</u>	<u>(10,806)</u>
Amounts recoverable from reinsurers				
Recoveries of incurred claims and other insurance service expenses	-	-	21,803	21,803
Recoveries and reversals of recoveries of losses on onerous underlying contracts	<u>(50)</u>	<u>(176)</u>	<u>-</u>	<u>(226)</u>
	<u>(50)</u>	<u>(176)</u>	<u>21,803</u>	<u>21,577</u>
Investment components	(715)	-	715	-
Net expenses from reinsurance contracts	<u>(11,571)</u>	<u>(176)</u>	<u>22,518</u>	<u>10,771</u>
Net finance income from reinsurance contracts	(209)	-	-	(209)
Total changes in the statement of profit or loss	<u>(11,780)</u>	<u>(176)</u>	<u>22,518</u>	<u>10,562</u>
Cash flows				
Premiums paid	8,765	-	-	8,765
Amounts received	-	-	(12,509)	(12,509)
Total cash flows	<u>8,765</u>	<u>-</u>	<u>(12,509)</u>	<u>(3,744)</u>
Net closing balance	<u>(15,295)</u>	<u>3,599</u>	<u>18,227</u>	<u>6,531</u>
Closing assets	(14,579)	3,599	17,983	7,003
Closing liabilities	(716)	-	244	(472)
Net closing balance	<u>(15,295)</u>	<u>3,599</u>	<u>18,227</u>	<u>6,531</u>

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Reinsurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA

	30.06.2025					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non- financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	948	2,553	2,040	1,462	3,502	7,003
Opening liabilities	(572)	52	48	-	48	(472)
Net opening balance	376	2,605	2,088	1,462	3,550	6,531
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services received	-	-	37	(226)	(189)	(189)
Change in risk adjustment for non-financial risk for risk expired	-	(111)	-	-	-	(111)
Experience adjustments	1,675	-	-	-	-	1,675
Changes that relate to future services						
Contracts initially recognised in the year	410	204	-	3	3	617
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	7	1,445	1,452	1,452
Changes in estimates that adjust the CSM	7,496	(35)	(7,880)	419	(7,461)	-
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts	(286)	-	-	-	-	(286)
Net expenses from reinsurance contracts	8,942	58	(7,836)	1,641	(6,195)	2,805
Net finance income from reinsurance contracts	(233)	115	(27)	26	(1)	(119)
Total changes in the statement of profit or loss	8,709	173	(7,863)	1,667	(6,196)	2,686
Cash flows	(1,932)	-	-	(3)	(3)	(1,935)
Net closing balance	7,153	2,778	(5,775)	3,126	(2,649)	7,282
Closing assets	2,546	2,346	756	2,569	3,325	8,217
Closing liabilities	4,607	432	(6,531)	557	(5,974)	(935)
Net closing balance	7,153	2,778	(5,775)	3,126	(2,649)	7,282

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(b) Participating - Reinsurance contracts (cont'd.)

Analysis by measurement component - Contracts not measured under PAA (cont'd.)

	31.12.2024					
	CSM					
	Estimate of present value of future cash flows RM'000	Risk adjustment for non- financial risk RM'000	Contracts under fair value transition approach RM'000	Other contracts RM'000	Subtotal RM'000	Total RM'000
Opening assets	(2,034)	1,272	996	509	1,505	743
Opening liabilities	153	58	(1,476)	235	(1,241)	(1,030)
Net opening balance	(1,881)	1,330	(480)	744	264	(287)
Changes in the statement of profit or loss						
Changes that relate to current services						
CSM recognised for services received	-	-	150	(236)	(86)	(86)
Change in risk adjustment for non-financial risk for risk expired	-	(172)	-	-	-	(172)
Experience adjustments	11,255	-	-	-	-	11,255
Changes that relate to future services						
Contracts initially recognised in the year	558	279	-	(611)	(611)	226
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	(1,751)	1,408	(343)	(343)
Changes in estimates that adjust the CSM	(5,370)	1,041	4,187	142	4,329	-
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts	(109)	-	-	-	-	(109)
Net expenses from reinsurance contracts	6,334	1,148	2,586	703	3,289	10,771
Net finance income from reinsurance contracts	(333)	127	(18)	15	(3)	(209)
Total changes in the statement of profit or loss	6,001	1,275	2,568	718	3,286	10,562
Cash flows	(3,744)	-	-	-	-	(3,744)
Net closing balance	376	2,605	2,088	1,462	3,550	6,531
Closing assets	948	2,553	2,040	1,462	3,502	7,003
Closing liabilities	(572)	52	48	-	48	(472)
Net closing balance	376	2,605	2,088	1,462	3,550	6,531

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(c) Short-term - Insurance contracts

Analysis by remaining coverage and incurred claims - Contracts measured under PAA

	Liabilities for remaining coverage		30.06.2025 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	RM'000	RM'000	RM'000	RM'000
Opening assets	38,005	-	(730)	(1)	37,274
Opening liabilities	(87,736)	(29)	(54,695)	(2,271)	(144,731)
Net opening balance	(49,731)	(29)	(55,425)	(2,272)	(107,457)
Changes in the statement of profit or loss					
Insurance revenue	123,190	-	162	-	123,352
Insurance service expenses					
Incurred claims and other insurance service expenses	-	-	(120,689)	(326)	(121,015)
Insurance acquisition cash flows	(3,054)	-	-	-	(3,054)
Losses and reversal of losses on onerous contracts	-	(701)	-	-	(701)
Adjustments to liabilities for incurred claims	-	-	2,242	-	2,242
	(3,054)	(701)	(118,447)	(326)	(122,528)
Investment components	(387)	-	387	-	-
Insurance service result	119,749	(701)	(117,898)	(326)	824
Net finance expenses from insurance contracts	(1,748)	-	-	-	(1,748)
Total changes in the statement of profit or loss	118,001	(701)	(117,898)	(326)	(924)
Cash flows					
Premiums received	(106,069)	-	-	-	(106,069)
Claims and other insurance service expenses paid	-	-	108,783	-	108,783
Insurance acquisition cash flows	14,498	-	-	-	14,498
Total cash flows	(91,571)	-	108,783	-	17,212
Net closing balance	(23,301)	(730)	(64,540)	(2,598)	(91,169)
Closing assets	35,740	-	(2,617)	(3)	33,120
Closing liabilities	(59,041)	(730)	(61,923)	(2,595)	(124,289)
Net closing balance	(23,301)	(730)	(64,540)	(2,598)	(91,169)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(c) Short-term - Insurance contracts (cont'd.)

Analysis by remaining coverage and incurred claims - Contracts measured under PAA (cont'd.)

	Liabilities for remaining coverage		31.12.2024 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	RM'000	RM'000	RM'000	RM'000
Opening assets	33,679	-	(764)	-	32,915
Opening liabilities	(105,298)	(24)	(67,162)	(5,703)	(178,187)
Net opening balance	(71,619)	(24)	(67,926)	(5,703)	(145,272)
Changes in the statement of profit or loss					
Insurance revenue	230,542	-	(38)	-	230,504
Insurance service expenses					
Incurred claims and other insurance service expenses	-	-	(222,244)	3,431	(218,813)
Insurance acquisition cash flows	(23,075)	-	-	-	(23,075)
Losses and reversal of losses on onerous contracts	-	(5)	-	-	(5)
Adjustments to liabilities for incurred claims	-	-	1,866	-	1,866
	(23,075)	(5)	(220,378)	3,431	(240,027)
Investment components	6,695	-	(6,695)	-	-
Insurance service result	214,162	(5)	(227,111)	3,431	(9,523)
Net finance expenses from insurance contracts	(4,417)	-	-	-	(4,417)
Total changes in the statement of profit or loss	209,745	(5)	(227,111)	3,431	(13,940)
Cash flows					
Premiums received	(210,947)	-	-	-	(210,947)
Claims and other insurance service expenses paid	-	-	239,612	-	239,612
Insurance acquisition cash flows	23,090	-	-	-	23,090
Total cash flows	(187,857)	-	239,612	-	51,755
Net closing balance	(49,731)	(29)	(55,425)	(2,272)	(107,457)
Closing assets	38,005	-	(730)	(1)	37,274
Closing liabilities	(87,736)	(29)	(54,695)	(2,271)	(144,731)
Net closing balance	(49,731)	(29)	(55,425)	(2,272)	(107,457)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(c) Short-term - Reinsurance contracts

Analysis by remaining coverage and incurred claims

	<u>Liabilities for remaining coverage</u>		<u>30.06.2025 Liabilities for incurred claims</u>		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets	83,193	332	44,537	-	128,062
Opening liabilities	(53,859)	-	(77,738)	367	(131,230)
Net opening balance	29,334	332	(33,201)	367	(3,168)
Changes in the statement of profit or loss					
Allocation of reinsurance premiums paid	(67,211)	-	-	-	(67,211)
Amounts recoverable from reinsurers					
Recoveries of incurred claims and other insurance service expenses	-	-	20,242	77	20,319
Recoveries and reversal of recoveries of claims on onerous contracts	-	(4)	14,045	-	14,041
Adjustments to assets for incurred claims	-	-	47,425	-	47,425
	-	(4)	81,712	77	81,785
Reinsurance investment components	(156)	-	156	-	-
Net expenses from reinsurance contracts	(67,367)	(4)	81,868	77	14,574
Net finance income from reinsurance contracts	44	-	-	-	44
Total changes in the statement of profit or loss	(67,323)	(4)	81,868	77	14,618
Cash flows					
Premiums paid	72,877	-	-	-	72,877
Amounts received	-	-	(72,899)	-	(72,899)
Total cash flows	72,877	-	(72,899)	-	(22)
Net closing balance	34,888	328	(24,232)	444	11,428
Closing assets	102,167	328	51,283	-	153,778
Closing liabilities	(67,279)	-	(75,515)	444	(142,350)
Net closing balance	34,888	328	(24,232)	444	11,428

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.1 Movements in carrying amounts (cont'd.)

(c) Short-term - Reinsurance contracts (cont'd.)

Analysis by remaining coverage and incurred claims (cont'd.)

	Liabilities for remaining coverage		31.12.2024 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	RM'000	RM'000	RM'000	RM'000
Opening assets	29,241	218	32,165	-	61,624
Opening liabilities	(67,533)	-	16,296	775	(50,462)
Net opening balance	(38,292)	218	48,461	775	11,162
Changes in the statement of profit or loss					
Allocation of reinsurance premiums paid	(42,434)	-	-	-	(42,434)
Amounts recoverable from reinsurers					
Recoveries of incurred claims and other insurance service expenses	-	-	46,884	(408)	46,476
Recoveries and reversal of recoveries of claims on onerous contracts	-	114	-	-	114
	-	114	46,884	(408)	46,590
Reinsurance investment components	(294)	-	294	-	-
Effect of changes in non-performance risk of reinsurers	46,680	-	(58,558)	-	(11,878)
Net expenses from reinsurance contracts	3,952	114	(11,380)	(408)	(7,722)
Net finance income from reinsurance contracts	58	-	-	-	58
Total changes in the statement of profit or loss	4,010	114	(11,380)	(408)	(7,664)
Cash flows					
Premiums paid	63,616	-	-	-	63,616
Amounts received	-	-	(70,282)	-	(70,282)
Total cash flows	63,616	-	(70,282)	-	(6,666)
Net closing balance	29,334	332	(33,201)	367	(3,168)
Closing assets	83,193	332	44,537	-	128,062
Closing liabilities	(53,859)	-	(77,738)	367	(131,230)
Net closing balance	29,334	332	(33,201)	367	(3,168)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.2 Effect of contracts initially recognised in the year

(a) Life risk

Insurance contracts

	30.06.2025		
	Profitable contracts issued RM'000	Onerous contracts issued RM'000	Total RM'000
Claims and other insurance service expenses payable	(37,237)	(10,721)	(47,958)
Insurance acquisition cash flows	(8,721)	(2,993)	(11,714)
Estimates of present value of cash outflows	(45,958)	(13,714)	(59,672)
Estimates of present value of cash inflows	55,977	11,851	67,828
Risk adjustment for non-financial risk	(949)	1,015	66
CSM	(9,070)	-	(9,070)
Losses recognised on initial recognition	-	(848)	(848)

	31.12.2024		
	Profitable contracts issued RM'000	Onerous contracts issued RM'000	Total RM'000
Claims and other insurance service expenses payable	(77,621)	(87,342)	(164,963)
Insurance acquisition cash flows	(21,041)	(2,174)	(23,215)
Estimates of present value of cash outflows	(98,662)	(89,516)	(188,178)
Estimates of present value of cash inflows	131,344	87,941	219,285
Risk adjustment for non-financial risk	(4,602)	(455)	(5,057)
CSM	(28,080)	-	(28,080)
Losses recognised on initial recognition	-	(2,030)	(2,030)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.2 Effect of contracts initially recognised in the year (cont'd.)

(a) Life risk (cont'd.)

Reinsurance contracts

	30.06.2025		
	Contracts initiated without loss-recovery component RM'000	Contracts initiated with loss-recovery component RM'000	Total RM'000
Estimates of present value of cash inflows	2,064	673	2,737
Estimates of present value of cash outflows	(1,904)	(659)	(2,563)
Risk adjustment for non-financial risk	66	20	86
Income recognised on initial recognition	-	(73)	(73)
CSM	226	(39)	187

	31.12.2024		
	Contracts initiated without loss-recovery component RM'000	Contracts initiated with loss-recovery component RM'000	Total RM'000
Estimates of present value of cash inflows	7,146	4,129	11,275
Estimates of present value of cash outflows	(6,622)	(3,060)	(9,682)
Risk adjustment for non-financial risk	200	30	230
Income recognised on initial recognition	-	(850)	(850)
CSM	724	249	973

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.2 Effect of contracts initially recognised in the year (cont'd.)

(b) Participating

Insurance contracts

	30.06.2025		
	Profitable contracts issued RM'000	Onerous contracts issued RM'000	Total RM'000
Claims and other insurance service expenses payable	(62,914)	(11,691)	(74,605)
Insurance acquisition cash flows	(12,911)	(4,508)	(17,419)
Estimates of present value of cash outflows	(75,825)	(16,199)	(92,024)
Estimates of present value of cash inflows	79,340	15,731	95,071
Risk adjustment for non-financial risk	(1,187)	(516)	(1,703)
CSM	(2,328)	-	(2,328)
Losses recognised on initial recognition	-	(984)	(984)

	31.12.2024		
	Profitable contracts issued RM'000	Onerous contracts issued RM'000	Total RM'000
Claims and other insurance service expenses payable	(139,008)	(50,332)	(189,340)
Insurance acquisition cash flows	(32,502)	(13,070)	(45,572)
Estimates of present value of cash outflows	(171,510)	(63,402)	(234,912)
Estimates of present value of cash inflows	180,916	62,921	243,837
Risk adjustment for non-financial risk	(3,067)	(1,324)	(4,391)
CSM	(6,339)	-	(6,339)
Losses recognised on initial recognition	-	(1,805)	(1,805)

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.2 Effect of contracts initially recognised in the year (cont'd.)

(b) Participating (cont'd.)

Reinsurance contracts

	30.06.2025		
	Contracts initiated without loss-recovery component RM'000	Contracts initiated with loss-recovery component RM'000	Total RM'000
Estimates of present value of cash inflows	3,330	2,523	5,853
Estimates of present value of cash outflows	(3,114)	(2,329)	(5,443)
Risk adjustment for non-financial risk	131	73	204
Income recognised on initial recognition	-	(617)	(617)
CSM	347	(350)	(3)

	31.12.2024		
	Contracts initiated without loss-recovery component RM'000	Contracts initiated with loss-recovery component RM'000	Total RM'000
Estimates of present value of cash inflows	8,235	1,038	9,273
Estimates of present value of cash outflows	(7,785)	(930)	(8,715)
Risk adjustment for non-financial risk	258	21	279
Income recognised on initial recognition	-	(226)	(226)
CSM	708	(97)	611

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

4. Insurance and reinsurance contracts (cont'd.)

4.3 Contractual service margin

The following table sets out when the Company expects to recognise the remaining CSM in profit or loss after the reporting date for contracts not measured under the PAA.

30.06.2025								
	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance contracts								
Life risk	(3,070)	(2,853)	(2,647)	(2,393)	(2,193)	(8,632)	(9,143)	(30,931)
Participating	(10,773)	(9,120)	(7,657)	(6,379)	(5,260)	(14,617)	6,431	(47,375)
	(13,843)	(11,973)	(10,304)	(8,772)	(7,453)	(23,249)	(2,712)	(78,306)
Reinsurance contracts								
Life risk	1,621	1,316	1,107	953	825	2,651	1,980	10,453
Participating	(349)	(213)	(157)	(122)	(99)	(374)	3,963	2,649
	1,272	1,103	950	831	726	2,277	5,943	13,102
31.12.2024								
	1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance contracts								
Life risk	(2,635)	(2,365)	(2,157)	(1,920)	(1,713)	(6,278)	(14,694)	(31,762)
Participating	(12,977)	(11,083)	(9,427)	(7,978)	(6,707)	(19,898)	(30,164)	(98,234)
	(15,612)	(13,448)	(11,584)	(9,898)	(8,420)	(26,176)	(44,858)	(129,996)
Reinsurance contracts								
Life risk	1,435	1,156	989	861	748	683	961	6,833
Participating	(219)	(120)	(73)	(51)	(38)	(157)	(2,892)	(3,550)
	1,216	1,036	916	810	710	526	(1,931)	3,283

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

5. Subordinated notes

	30.06.2025	31.12.2024
	RM'000	RM'000
RM200.0 million Tier 2 subordinated notes, net of expenses	199,211	199,161
Add: interest payable	29	58
	<u>199,240</u>	<u>199,219</u>
Payable within 12 months	29	58
Payable after 12 months	200,000	200,000
	<u>200,029</u>	<u>200,058</u>
Less: Amortisation of transaction cost	(789)	(839)
	<u>199,240</u>	<u>199,219</u>

In 29 December 2021, the Company issued subordinated notes of RM200.0 million nominal value for a period of 10 years on a 10 non-callable 5 basis with a coupon rate of 5.30% per annum.

The subordinated notes are unsecured liabilities and classified as Tier 2 capital under Risk Based Capital Framework for Insurers.

Reconciliation of changes in liabilities arising from financing activities:

	30.06.2025	31.12.2024
	RM'000	RM'000
As at 1 January 2025/ 1 January 2024	199,219	199,152
Amortisation of transaction cost	50	96
Accrued interest	5,256	10,629
Interest paid	(5,285)	(10,658)
At 30 June 2025/ 31 December 2024	<u>199,240</u>	<u>199,219</u>

The fair value of the subordinated notes amounted to RM223,017,000 (31.12.2024: RM219,189,000), estimated based on discounted cash flow model using current yield curve appropriate for the remaining term to maturity.

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

6. Insurance revenue

	Life risk		Participating		Short-term		Total	
	01.01.2025	01.01.2024	01.01.2025	01.01.2024	01.01.2025	01.01.2024	01.01.2025	01.01.2024
	to	to	to	to	to	to	to	to
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Contracts not measured under the PAA								
Amounts relating to changes in liabilities for remaining coverage								
- CSM recognised for services provided	1,549	1,665	6,003	13,207	-	-	7,552	14,872
- Change in risk adjustment for non-financial risk for risk expired	163	153	3,639	481	-	-	3,802	634
- Expected incurred claims and other insurance service expenses	38,110	33,700	47,294	54,868	-	-	85,404	88,568
Other	68	320	3,617	8,289	-	-	3,685	8,609
Recovery of insurance acquisition cash flows	4,375	2,178	9,329	6,801	-	-	13,704	8,979
	44,265	38,016	69,882	83,646	-	-	114,147	121,662
Contracts measured under the PAA	-	-	-	-	123,352	120,365	123,352	120,365
Total insurance revenue	44,265	38,016	69,882	83,646	123,352	120,365	237,499	242,027

Notes to the unaudited condensed interim financial statements
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7. Insurance service expense

	Life risk		Participating		Short-term		Total	
	01.01.2025	01.01.2024	01.01.2025	01.01.2024	01.01.2025	01.01.2024	01.01.2025	01.01.2024
	to	to	to	to	to	to	to	to
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance service expense								
Incurred claims and other insurance service expense								
- Reported claims	28,909	30,146	30,766	24,225	91,010	107,104	150,685	161,475
- IBNR & RA	(552)	(791)	(2,238)	(1,593)	4,164	(18,278)	1,374	(20,662)
- Insurance acquisition expense incurred	-	-	-	-	3,054	16,335	3,054	16,335
- Insurance acquisition expense experience adjustment	996	77	82	48	-	-	1,078	125
- Incurred maintenance expenses	16,967	14,251	38,623	42,572	25,841	20,062	81,431	76,885
	<u>46,320</u>	<u>43,683</u>	<u>67,233</u>	<u>65,252</u>	<u>124,069</u>	<u>125,223</u>	<u>237,622</u>	<u>234,158</u>
Amortisation of insurance acquisition cash flows	4,375	2,178	9,330	6,801	-	-	13,705	8,979
Losses and reversal of losses on onerous contracts	13,062	(1,902)	5,807	(774)	701	(1,180)	19,570	(3,856)
Adjustments to liabilities for incurred claims	(202)	(368)	(517)	(2,827)	(2,242)	(1,581)	(2,961)	(4,776)
Total insurance service expense	<u>63,555</u>	<u>43,591</u>	<u>81,853</u>	<u>68,452</u>	<u>122,528</u>	<u>122,462</u>	<u>267,936</u>	<u>234,505</u>

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

8. Net income from reinsurance contracts

	01.01.2025 to 30.06.2025			Total
	Life risk RM'000	Participating RM'000	Short-term RM'000	RM'000
Allocation of reinsurance premiums	(7,281)	(5,677)	(67,211)	(80,169)
Amounts recoverable from reinsurers				
- Recoveries of incurred claims and other insurance service expenses	10,443	7,052	20,319	37,814
- Recoveries and reversal of recoveries of claims on onerous underlying contracts	55	1,783	14,041	15,879
Adjustment to assets for incurred claims	(118)	(353)	47,425	46,954
Total net finance expenses from reinsurance contracts	<u>3,099</u>	<u>2,805</u>	<u>14,574</u>	<u>20,478</u>
	01.01.2024 to 30.06.2024			Total
	Life risk RM'000	Participating RM'000	Short-term RM'000	RM'000
Allocation of reinsurance premiums	(7,389)	(5,385)	(23,424)	(36,198)
Amounts recoverable from reinsurers				
- Recoveries of incurred claims and other insurance service expenses	10,698	14,041	23,494	48,233
- Recoveries and reversal of recoveries of claims on onerous underlying contracts	(1,786)	(1,078)	(218)	(3,082)
Adjustment to assets for incurred claims	-	-	-	-
Total net finance expenses from reinsurance contracts	<u>1,523</u>	<u>7,578</u>	<u>(148)</u>	<u>8,953</u>

9. Fair value (loss)/gains

	01.01.2025 to 30.06.2025	01.01.2024 to 30.06.2024
Financial instruments:		
Malaysian Government securities	20,207	999
Government investment issues	5,174	889
Malaysian Government guaranteed bonds	10,589	2,809
Quoted equity securities	(42,621)	29,796
Quoted unit and property trust funds	(989)	41,122
Unquoted equity securities	(1,600)	11,000
Unquoted debts securities	8,624	10,285
	<u>(616)</u>	<u>96,900</u>

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10. Net finance (expense)/income

	01.01.2025 to 30.06.2025			Total
	Life risk RM'000	Participating RM'000	Short-term RM'000	RM'000
Net finance expenses from insurance contracts				
Changes in fair value of underlying items	-	(67,149)	-	(67,149)
Experience adjustment in underlying items	-	9,686	-	9,686
Interest accretion	(15,040)	3,382	(1,748)	(13,406)
Total net finance expenses from insurance contracts	<u>(15,040)</u>	<u>(54,081)</u>	<u>(1,748)</u>	<u>(70,869)</u>
Net finance income from reinsurance contracts	<u>411</u>	<u>(119)</u>	<u>44</u>	<u>336</u>
	01.01.2024 to 30.06.2024			Total
	Life risk RM'000	Participating RM'000	Short-term RM'000	RM'000
Net finance expenses from insurance contracts				
Changes in fair value of underlying items	-	(161,381)	-	(161,381)
Experience adjustment in underlying items	-	(15,645)	-	(15,645)
Interest accretion	1,416	(1,405)	(2,686)	(2,675)
Total net finance expenses from insurance contracts	<u>1,416</u>	<u>(178,431)</u>	<u>(2,686)</u>	<u>(179,701)</u>
Net finance income from reinsurance contracts	<u>687</u>	<u>437</u>	<u>44</u>	<u>1,168</u>

Notes to the unaudited condensed interim financial statements
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11. (Loss)/Earnings per share

(Loss)/Earnings per share is calculated by dividing profit for the financial period attributable to ordinary share holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	01.01.2025 to 30.06.2025	01.01.2024 to 30.06.2024
(Loss)/Profit attributable to ordinary share holders: (RM'000)	(12,476)	245
Weighted average number of shares in issue ('000)	100,284	100,284
Basic and diluted (loss)/earnings per share: (sen)	<u>(12.44)</u>	<u>0.24</u>

There were no potential dilutive ordinary shares as at the reporting date.

There have been no other transactions involving ordinary shares between the reporting date and the date of issuance of these unaudited condensed interim financial statements.

12. Capital commitments

	30.06.2025 RM'000	31.12.2024 RM'000
Approved and contracted for: Property and equipment	<u>7,416</u>	<u>21,986</u>
Approved but not contracted for: Property and equipment	<u>43,237</u>	<u>33,508</u>

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13. Significant related party disclosures

(a) Related parties

The related parties and their relationship with the Company as at 30 June 2025 are as follows:

Name	Relationship
Sanlam Life Insurance Limited	Holding company of SEM
Sanlam Emerging Markets Proprietary Limited ("SEM")	Immediate holding company
SEM South East Asia Sdn Bhd	Subsidiary of SEM
Pacific & Orient Insurance Co. Berhad	Associate of SEM
Koperasi MCIS Berhad	Corporate shareholder

The Directors are of the opinion that the related party transactions were carried out on terms and conditions no more favourable than those available on similar transactions with unrelated parties, unless otherwise stated.

	01.01.2025 to 30.06.2025 RM'000	01.01.2024 to 30.06.2024 RM'000
Transactions with related parties:		
(i) Rental and utility expenses		
Koperasi MCIS Berhad	<u>(2,018)</u>	<u>(1,889)</u>
(ii) Premium for insurance cover paid		
Pacific & Orient Insurance Co. Berhad	<u>(50)</u>	<u>(50)</u>
(iii) End-to-end watch list and sanctions screening solution service paid/payable		
SEM	<u>(3)</u>	<u>(4)</u>
(iv) Management support, internal audit support and actuarial audit adjustments		
Sanlam Life Insurance Limited	<u>-</u>	<u>13</u>

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13. Significant related party disclosures (cont'd.)

(a) Related parties (cont'd.)

	01.01.2025 to 30.06.2025 RM'000	01.01.2024 to 30.06.2024 RM'000
Balances with related parties:		
(i) Reimbursable costs to Koperasi MCIS Berhad	(30)	-
(ii) Recovery from SEM South East Asia Sdn Bhd	14	14

14. Regulatory capital requirement

The capital structure of the Company as prescribed under the RBC Framework is provided below:

	30.06.2025 RM'000	31.12.2024 RM'000
<u>Tier 1 capital</u>		
Share capital (paid-up)	125,024	125,024
Reserves, including retained profits	630,969	702,807
	<u>755,993</u>	<u>827,831</u>
<u>Tier 2 Capital</u>		
Revaluation reserves	7,320	7,532
Subordinated notes	199,240	199,219
	<u>206,560</u>	<u>206,751</u>
Deductions	(27,877)	(27,785)
Total capital available	<u>934,676</u>	<u>1,006,797</u>

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15. Fair value measurement

The following table provides the fair value measurement hierarchy of the Company's assets:

	Fair value measurement using			
	Level 1 - Quoted market price in active market	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total fair value
30 June 2025	RM'000	RM'000	RM'000	RM'000
Assets measured at fair value:				
FVTPL (Note 3(a)):				
Malaysian Government securities	-	974,096	-	974,096
Government investment issues	-	232,065	-	232,065
Malaysian Government guaranteed bonds	-	406,433	-	406,433
Unquoted debt securities	-	1,402,318	-	1,402,318
Quoted equity securities	343,992	-	-	343,992
Quoted exchange traded funds	200,000	-	-	200,000
Quoted unit and property trust funds	157,658	-	-	157,658
Unquoted equity securities	-	-	59,150	59,150
Unquoted unit trust funds	-	119,054	-	119,054
Deposits with financial institutions	-	354,294	-	354,294
	701,650	3,488,260	59,150	4,249,060
Assets measured at revalued amounts:				
- Property and equipment	-	-	9,392	9,392
	701,650	3,488,260	68,542	4,258,452

Notes to the unaudited condensed interim financial statements
For the six-month period ended 30 June 2025

15. Fair value measurement (cont'd.)

The following table provides the fair value measurement hierarchy of the Company's assets:
(cont'd.)

	Fair value measurement using			
	Level 1 - Quoted market price in active market	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total fair value
	RM'000	RM'000	RM'000	RM'000
31 December 2024				
FVTPL (Note 3(a)):				
Malaysian Government securities	-	974,018	-	974,018
Government investment issues	-	227,001	-	227,001
Malaysian Government guaranteed bonds	-	395,976	-	395,976
Unquoted debt securities	-	1,486,519	-	1,486,519
Quoted equity securities	473,615	-	-	473,615
Quoted exchange traded funds	213,136	-	-	213,136
Quoted unit and property trust funds	141,522	-	-	141,522
Unquoted equity securities	-	-	60,750	60,750
Unquoted unit trust funds	-	127,256	-	127,256
Deposits with financial institutions	-	231,737	-	231,737
	828,273	3,442,507	60,750	4,331,530

Assets measured at revalued amounts:

- Property and equipment	-	-	9,488	9,488
	828,273	3,442,507	70,238	4,341,018

The Company categorises its fair value measurements in accordance to the fair value hierarchy which is based on the priority of inputs to the valuation. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets, a lower priority to valuation techniques based on observable inputs and the lowest priority to valuation techniques based on unobservable inputs. An active market for the asset is a market in which transactions for the asset occur with sufficient frequency and volume to provide reliable pricing information on an on-going basis.

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15. Fair value measurement (cont'd.)

A level is assigned to each fair value measurement based on the lowest level input significant to the fair value measurement in its entirety. The three-level hierarchy is defined as follows:

Level 1 - Quoted prices in active markets

Fair value measurements that reflect unadjusted, quoted prices in active markets for identical assets that the Company has the ability to access at the measurement date. Valuations are based on quoted prices reflecting market transactions involving assets or liabilities identical to those being measured.

Level 2 - Valuation technique supported by observable inputs

Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the financial asset or financial liabilities, either directly or indirectly. These include quoted prices for similar financial assets and financial liabilities in active markets, quoted prices for identical or similar financial assets and financial liabilities in inactive markets, inputs that are observable that are no prices (such as interest rates, credit risks, etc.) and inputs that are derived from or corroborated by observable market data.

Level 3 - Valuation technique supported by unobservable inputs

Fair value measurements using significant non market observable inputs. These include valuations for financial assets and financial liabilities that are derived using data, some or all of which is not market observable, including assumptions about risks.

There has been no transfers of financial assets between Level 1 and Level 2 during the six-month period/year ended 30 June 2025 and 31 December 2024.

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15. Fair value measurement (cont'd.)

Reconciliation from opening to closing balances of Level 3 fair value hierarchy is provided as follows:

Valuation methods and assumptions for properties and investment properties

Revalued properties

The revalued land and buildings consist of office building, shop office and an apartment, which are located in various states in Malaysia.

The fair value of the properties was determined by using the cost method, other than fair value of an apartment which was determined by using the sales comparison method. Under the cost method, the apportionment value attributable to the land is adopted whilst making due allowances for factors such as location, plot, size, accessibility and other relevant factors in determining the value of the land, while current estimates on construction costs to erect equivalent buildings. Appropriate adjustments are then made for factors of obsolescence and existing physical condition of the building in determining the cost of the building. The comparison method entails comparing and adopting recent sales evidences involving other similar properties in the vicinity, adjusted for differences in location, size and shapes, accessibility, infrastructure available, improvements made on the site and other value considerations.

The properties' fair values are based on valuations performed by Raine & Horne International Zaki + Partners Sdn. Bhd., a registered independent valuer.

The Company has determined that the highest and best use of the properties is their current use.

Reconciliation of Level 3 fair value measurement:

	Apartment	Shop office/ shop house	Office building	Total
	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	230	5,922	3,517	9,669
Depreciation recognised in profit or loss under management expenses	(10)	(83)	(88)	(181)
As at 31 December 2024 / 1 January 2025	220	5,839	3,429	9,488
Depreciation recognised in profit or loss under management expenses	(5)	(45)	(46)	(96)
As at 30 June 2025	215	5,794	3,383	9,392

Notes to the unaudited condensed interim financial statements
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15. Fair value measurement (cont'd.)

Valuation methods and assumptions for properties and investment properties (cont'd.)

Revalued properties (cont'd.)

Description of valuation techniques used and key inputs to valuation of the properties are stated below:

Type of property	Valuation techniques	Key inputs		per sq. ft.
Apartment	Comparison method	Price per square foot	Building	RM226
Multi-storey shop office /shop house	Cost method	Price per square foot	Land Building	RM1,834 RM120
7 ½-storey office building	Cost method	Price per square foot	Land Building	RM599 RM95

Significant increases/(decreases) in unobservable inputs in isolation would result in a significantly higher/(lower) fair value of the properties.

Investment properties

The fair value of investment properties was determined by using cost method. Under the cost method, the apportionment value attributable to the land is adopted and making due allowances to factors of location, plot, size, accessibility and other relevant factor in determining the value of the land, while current estimates on constructional costs to erect equivalent buildings with appropriate adjustments are then made for factors of obsolescence and existing physical condition of the building are adopted in determining the cost of the building.

The properties' fair values are based on valuations performed by Raine & Horne International Zaki + Partners Sdn. Bhd., a registered independent valuer.

The Company has determined that the highest and best use of the properties is their current use.

During the six month ended 30 June 2025, a building with a carrying amount of RM250,000 have been sold.

Notes to the unaudited condensed interim financial statements
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15. Fair value measurement (cont'd.)

Valuation methods and assumptions for properties and investment properties (cont'd.)

Investment properties (cont'd.)

Reconciliation of Level 3 fair value measurement:

	31.12.2024 RM'000
Shop office/shop house	300
Fair value loss	(50)
Transfer to non-current assets held for sale	(250)
	<u>-</u>

Description of valuation techniques used and key inputs to valuation on investment properties are stated below:

Type of property	Valuation technique	Key inputs	per sq. ft.
Multi-storey shop	Cost method	Price per square foot	Land RM75
office / shop house			Building RM65

Significant increases/(decreases) in unobservable inputs in isolation would result in a significantly higher/(lower) fair value of the properties.

Unquoted equity securities

Reconciliation of Level 3 fair value measurement:

	30.06.2025 RM'000	31.12.2024 RM'000
As at 1 January 2025/ 1 January 2024	60,750	48,750
Fair value (loss)/gains	(1,600)	12,000
As at 30 June 2025 / 31 December 2024	<u>59,150</u>	<u>60,750</u>

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16. Insurance funds

The Company's activities are organised by fund and segregated into the Shareholders' and Life funds in accordance with the Financial Services Act, 2013. The condensed statement of financial position, profit or loss and statement of cash flows by fund are presented as follows:

Statements of financial position by fund
As at 30 June 2025

	Shareholders' fund		Life funds		Total	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets						
Property and equipment	14	29	61,487	55,844	61,501	55,873
Right-of-use assets	-	-	9,108	11,126	9,108	11,126
Intangible assets	-	-	18,970	20,034	18,970	20,034
Investments*	359,233	401,381	3,891,469	3,931,810	4,250,702	4,333,191
Insurance contract assets	-	-	30,403	37,490	30,403	37,490
Reinsurance contract assets	-	-	179,426	147,779	179,426	147,779
Other receivables	9,502	6,630	40,206	37,122	49,708	43,752
Current tax assets	-	-	13,788	9,826	13,788	9,826
Cash and bank balances	534	371	39,502	28,352	40,036	28,723
Non-current assets held for sale	-	-	696	946	696	946
Total assets	369,283	408,411	4,285,055	4,280,329	4,654,338	4,688,740

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16. Insurance funds (cont'd.)

The Company's activities are organised by fund and segregated into the Shareholders' and Life funds in accordance with the Financial Services Act, 2013. The condensed statement of financial position, profit or loss and statement of cash flows by fund are presented as follows (cont'd.):

Statements of financial position by fund
As at 30 June 2025

	Shareholders' fund		Life funds		Total	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total equity*	318,810	189,931	1,206	142,561	320,016	332,492
Liabilities						
Insurance contract liabilities*	24,690	24,690	3,851,415	3,880,190	3,876,105	3,904,880
Reinsurance contract liabilities	-	-	143,285	131,720	143,285	131,720
Deferred tax liabilities*	(4,606)	(3,794)	58,782	60,567	54,176	56,773
Lease liabilities	-	-	9,907	11,970	9,907	11,970
Other payables	(168,851)	(1,635)	220,460	53,321	51,609	51,686
Subordinated notes	199,240	199,219	-	-	199,240	199,219
Total liabilities	50,473	218,480	4,283,849	4,137,768	4,334,322	4,356,248
Total equity and liabilities	369,283	408,411	4,285,055	4,280,329	4,654,338	4,688,740

* Included herein are inter-fund transactions and balances which are eliminated in presenting the Company's total results.

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16. Insurance funds (cont'd.)

Income statement by fund
For the six-month period ended 30 June 2025

	Shareholders' Fund		Life Funds		Total	
	01.01.2025	01.01.2024	01.01.2025	01.01.2024	01.01.2025	01.01.2024
	to	to	to	to	to	to
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance revenue	-	-	237,499	242,027	237,499	242,027
Insurance service expenses	(1,255)	(17,173)	(266,681)	(217,332)	(267,936)	(234,505)
Net income from reinsurance contracts	-	-	20,478	8,953	20,478	8,953
Insurance service result	(1,255)	(17,173)	(8,704)	33,648	(9,959)	16,475
Investment income	7,179	8,059	80,703	78,112	87,882	86,171
Realised gains*	1,438	63	6,444	3,469	7,882	3,532
Fair value (loss)/gains*	1,889	81	(2,505)	96,819	(616)	96,900
Investment return	10,506	8,203	84,642	178,400	95,148	186,603
Net finance expense from insurance contracts	-	-	(70,869)	(179,701)	(70,869)	(179,701)
Net finance income from reinsurance contracts	-	-	336	1,168	336	1,168
Net financial results	10,506	8,203	14,109	(133)	24,615	8,070
Other operating revenue	-	-	104	-	104	-
Other operating expenses	(19,695)	(3,523)	(64)	(43)	(19,759)	(3,566)
Finance cost	(5,307)	(5,333)	(290)	(360)	(5,597)	(5,693)
(Loss)/Profit before taxation	(15,751)	(17,826)	5,155	33,112	(10,596)	15,286
Taxation	813	(1,238)	(2,693)	(13,803)	(1,880)	(15,041)
Net (loss)/profit for the period	(14,938)	(19,064)	2,462	19,309	(12,476)	245

* Included herein are inter-fund transactions which are eliminated in presenting the Company's total results.

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16. Insurance funds (cont'd.)

Statements of cash flows by fund
For the six-month period ended 30 June 2025

	Shareholders' Fund		Life Funds		Total	
	01.01.2025	01.01.2024	01.01.2025	01.01.2024	01.01.2025	01.01.2024
	to	to	to	to	to	to
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows from:						
Operating activities	(10,735)	(4,757)	157,912	(68,307)	147,177	(73,064)
Investing activities	-	-	(10,889)	(9,926)	(10,889)	(9,926)
Financing activities	-	-	(2,419)	(1,756)	(2,419)	(1,756)
Net increase/(decrease) in						
cash and cash equivalents	(10,735)	(4,757)	144,604	(79,989)	133,869	(84,746)
At beginning of period	38,592	22,117	221,868	265,700	260,460	287,817
At end of period	27,857	17,360	366,472	185,711	394,329	203,071
 Cash and cash equivalents comprise of:						
Cash and bank balances	534	144	39,502	16,969	40,036	17,113
Short term deposits with original maturity periods of less than 3 months	27,323	17,216	326,970	168,742	354,293	185,958
	27,857	17,360	366,472	185,711	394,329	203,071

Notes to the unaudited condensed interim financial statements
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17. Seasonal or cyclical factors

The operations of the Company were not materially affected by any seasonal or cyclical fluctuations during the interim financial period.

18. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period ended 30 June 2025.

19. Change in estimates

There were no changes in the basis used for accounting estimates in respect of amounts reported in prior financial periods that would have a material effect on the unaudited condensed interim financial statements.

20. Issues, repurchases, and repayments of debts and equity securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the interim financial period.

21. Significant events during the period

There were no significant events subsequent to the end of the interim reporting period that have not been reported in the unaudited condensed interim financial statements.

22. Material events subsequent to the end of the period

There were no material events subsequent to the end of the interim reporting period that have not been reported in the unaudited condensed interim financial statements.

23. Contingent liabilities

There were no contingent liabilities as at the date of this report.

24. Effect of changes in composition of the Company

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