Company No.

201001040438 (924363-W)

AIA GENERAL BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

Company No.

201001040438 (924363-W)

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

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Company No.

201001040438 (924363-W)

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INCOME STATEMENT FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

	Note	6 months period ended 30.06.2026 RM'000	6 months period ended 30.06.2025 RM'000
Insurance revenue	*11*	187,335	178,441
Insurance service expenses		(131,864)	(132,802)
Net expenses from reinsurance contracts		(16,095)	(282)
Insurance service results		39,376	45,357
Interest revenue on:			
Financial asset not measured at fair value through profit or loss	*12a*	4,579	4,942
Other investment revenue	*12b*	5,105	15,077
Net impairment gains/ (loss) on financial assets		110	(419)
Investment return		9,794	19,600
Net finance expenses from insurance contract	*12c*	(4,025)	(4,522)
Net finance expenses from reinsurance contract	*12d*	(76)	(91)
Net investment result		5,693	14,987
Other operating expenses		(7,219)	(7,457)
Profit before tax		37,850	52,887
Tax expense		(8,108)	(10,867)
Net profit		29,742	42,020
Basic earnings per share (sen)		15.65	22.12

The accompanying notes form an integral part of these financial statements.

Company No.

201001040438 (924363-W)

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

	Note	6 months period ended 30.06.2026 RM'000	6 months period ended 30.06.2025 RM'000
Net profit		29,742	42,020
Other comprehensive income/(expense):			
Items that may be subsequently reclassified to profit or loss			
Net fair value (loss)/ gains on financial assets at fair value through other comprehensive income		(1,787)	3,703
Net realised gains on financial assets at fair value through other comprehensive income reclassified to profit or loss		(5)	(4)
Deferred taxation		430	(895)
Change in fair value reserve		(1,362)	2,804
Change in insurance finance reserve	*12c*	776	(1,621)
Deferred taxation		(186)	389
		590	(1,232)
Total other comprehensive (expense)/ income - net of tax, for the period		(772)	1,572
Total comprehensive income for the period		28,970	43,592

The accompanying notes form an integral part of these financial statements.

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Note	30.06.2026	31.12.2025
		RM'000	RM'000
ASSETS			
Intangible asset		2,846	3,020
Property and equipment		528	629
Reinsurance contract assets	*14*	22,561	29,088
Financial investments:	*13*		
Amortised cost		42	125
Fair value through other comprehensive income		179,401	206,035
Fair value through profit or loss		492,138	449,142
Current tax assets		-	2,701
Other assets		45,035	46,316
Cash and cash equivalents		22,008	25,357
Total assets		**764,559**	**762,413**
LIABILITIES			
Insurance contract liabilities	*14*	238,817	240,758
Deferred tax liabilities		46,507	46,406
Current tax liabilities		4,060	-
Other liabilities		11,873	10,917
Total liabilities		**301,257**	**298,081**
EQUITY			
Share capital		190,000	190,000
Retained earnings		268,791	269,049
Other comprehensive income:			
Fair value reserve		6,003	7,365
Insurance finance reserve		(1,492)	(2,082)
Total equity		**463,302**	**464,332**
Total equity and liabilities		**764,559**	**762,413**

The accompanying notes form an integral part of these financial statements.

Company No.

201001040438 (924363-W)

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

		Non-distributable			Distributable	
	Share capital	Fair value reserves	Insurance Finance reserves	Share-based reserves	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2026	190,000	7,365	(2,082)	-	269,049	464,332
Net profit	-	-	-	-	29,742	29,742
Other comprehensive income for the period	-	(1,362)	590	-	-	(772)
Share based compensation:						
- value of employee services	-	-	-	209	-	209
- repayment to ultimate holding company	-	-	-	(209)	-	(209)
Dividend paid during the financial period	-	-	-	-	(30,000)	(30,000)
At 30 June 2026	190,000	6,003	(1,492)	-	268,791	463,302

The accompanying notes form an integral part of these financial statements.

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

		Non-distributable			Distributable	
	Share capital	Fair value reserves	Insurance Finance reserves	Share-based reserves	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	190,000	5,484	(781)	-	216,824	411,527
Net profit	-	-	-	-	42,020	42,020
Other comprehensive income for the period	-	2,804	(1,232)	-	-	1,572
Share based compensation:						
- value of employee services	-	-	-	49	-	49
- repayment to ultimate holding company	-	-	-	(49)	-	(49)
Dividend paid during the financial period	-	-	-	-	(20,000)	(20,000)
At 30 June 2025	190,000	8,288	(2,013)	-	238,844	435,119

The accompanying notes form an integral part of these financial statements.

Company No.
201001040438 (924363-W)

AIA GENERAL BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

	6 months period ended 30.06.2026 RM'000	6 months period ended 30.06.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	37,850	52,887
Interest and dividend income	(14,836)	(13,801)
Realised loss/ (gains)	221	(1,404)
Fair value loss/ (gains)	5,296	(4,247)
Depreciation		
- property and equipment	20	17
- right-of-use assets	81	81
Amortisation		
- premium on investments	39	(42)
- intangible assets	174	159
Interest expense	11	15
Operating profit before working capital changes	28.856	33,665
Changes in working capital:		
Increase in FVOCI and FVTPL financial assets	(23,926)	(1,016)
Decrease/ (Increase) in reinsurance contract assets	6,527	(7,771)
Decrease/ (Increase) in other assets	1,364	(5,970)
Decrease in insurance contract liabilities	(1,165)	(5,013)
Increase in other liabilities	1,046	1,959
Cash generated from operating activities	12,702	15,854
Income taxes paid and refunds received	(1,002)	(417)
Interest income received	4,834	4,934
Interest paid	(11)	(15)
Dividend income received	10,218	8,818
Net cash generated from operating activities	26,741	29,176

AIA GENERAL BERHAD
(Incorporated in Malaysia)

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

	6 months period ended 30.06.2026 RM'000	6 months period ended 30.06.2025 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible assets	-	(9)
Proceeds from disposal of intangible assets	-	21
Net cash outflow from investing activities	-	12
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(90)	(88)
Dividend paid	(30,000)	(20,000)
Net cash outflow from financing activities	(30,090)	(20,088)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(3,349)	9,100
CASH AND CASH EQUIVALENTS AT 1 JANUARY	25,357	24,385
CASH AND CASH EQUIVALENTS AT 30 JUNE	22,008	33,485

Cash and cash equivalents comprised:

Cash and bank balances	22,008	33,015
Fixed and call deposits with licensed financial institutions with maturity of equal and less than 3 months	-	470
	22,008	33,485

The Company classifies cash flows from the acquisition and disposal of financial assets as operating cash flows as the purchases are funded from cash flows predominantly associated with the origination of insurance contracts, net of cash flows for payments of benefits and claims incurred for insurance contracts, which are respectively treated under the operating activities.

The accompanying notes form an integral part of these financial statements.

AIA GENERAL BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

1 CORPORATE INFORMATION

The Company is engaged principally in the underwriting of all classes of general insurance business.

There has been no significant change in the principal activity during the financial period.

The Company is a public limited liability company, incorporated under the Companies Act 2016 and Financial Services Act, 2013 (“FSA”) and domiciled in Malaysia. The registered office and principal place of business of the Company are located at Level 13 and Level 29, Menara AIA, 99 Jalan Ampang, 50450 Kuala Lumpur.

The immediate holding company of the Company is AIA Bhd., a company incorporated in Malaysia. The Directors regard AIA Group Limited, a company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited, as the ultimate holding company.

The interim financial statements are authorised for issue by the Board on 20 August 2026.

2 Basis of preparation

The condensed interim financial statements of the Company are prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting.

The Company have adopted the MFRS framework issued by the Malaysian Accounting Standards Board (“MASB”) and Policy Document on Financial Reporting for Insurers issued by Bank Negara Malaysia (“BNM”).

The 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 financial year ended 31 December 2025.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted by the Company’s audited financial statements for the financial year ended 31 December 2025, except for the adoption of the following:

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 Changes in accounting policies and effects arising from adoption of revised MFRS

Standards, amendments to published standards and interpretations to existing standards that are effective and relevant to the Company's financial period beginning on or after 1 January 2026

(i) The following accounting standards, amendments and interpretations are effective for the financial period beginning on or after 1 January 2026:

- Amendments to MFRS 9 and MFRS 7, Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to MFRS Accounting Standards- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107

The adoption of the above accounting standards, amendments and interpretations does not have any significant financial impact on the financial statements.

The preparation of the interim condensed financial statements in conformity with MFRS 134 requires management to make judgement on estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates. The interim condensed financial statements contain condensed financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the 2025 annual financial statements. The interim condensed financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with MFRS.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Critical accounting estimates and judgements in applying accounting policies

In the preparation of the interim condensed financial statements, the Company makes estimates and assumptions that affect the reported amounts of assets, liabilities, and revenue and expenses. All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and predictions of future events and actions. Actual results can always differ from those estimates, possibly significantly.

Items that are considered particularly sensitive to changes in estimates and assumptions, and the relevant accounting policies are those which relate to insurance contracts and impairment of financial assets.

The following are the judgements made by management that have the most significant effect on the amounts recognised in the interim condensed financial statements:

3.2.1 Level of aggregation and recognition of group of insurance contracts

For contracts issued to which the Company does not apply the premium allocation approach, the judgements exercised in determining whether contracts are onerous on initial recognition or those that have no significant possibility of becoming onerous subsequently are:

- based on the likelihood of changes in assumptions which, if they occurred, would result in the contracts becoming onerous; and
- using information about profitability estimation for the relevant group of products.

3.2.2 Measurement of insurance contracts not measured under the premium allocation approach

The asset or liability for groups of insurance contracts is measured as the total of fulfilment cash flows and Contractual Service Margin ("CSM").

The fulfilment cash flows of insurance contracts represent the present value of estimated future cash outflows, less the present value of estimated future cash inflows and adjusted for a provision for the risk adjustment for non-financial risk. The assumptions used and the techniques for estimating fulfilment cash flows and risk adjustments for non-financial risk are based on actual experience and policy form. The Company exercises significant judgement in making appropriate assumptions and techniques.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Critical accounting estimates and judgements in applying accounting policies (continued)

3.2.2 Measurement of insurance contracts not measured under the premium allocation approach (continued)

CSM represents the unearned profits that the Company will recognise as it provides services under the insurance contracts in a group. The amounts of CSM recognised in profit or loss are determined by identifying the coverage units in the group, allocating the CSM at the end of period equally to each coverage unit provided in the current period and expected to be provided in the future. The number of coverage units in a group is the quantity of the services provided by the contracts in the group, determined by considering for each contract the quantity of the services provided under a contract and its expected coverage duration. The Company exercises judgements in determining the quantity of the services provided under a contract which will affect the amounts recognised in the financial statements as insurance revenue from insurance contracts issued.

The judgements exercised in the valuation of insurance contracts affect the amounts recognised in the financial statements as assets or liabilities of insurance contracts.

3.2.3 Determination of coverage unit

The CSM of a group of contracts is recognised as insurance revenue in each period based on the number of coverage units provided in the period, which is determined by considering for each contract the quantity of the services provided, its expected coverage duration and time value of money.

The quantity of services provided by insurance contracts could include insurance coverage, investment-return service and investment-related service, as applicable. In assessing the services provided by insurance contracts, the terms and benefit features of the contracts are considered.

For contracts providing predominately insurance coverage, the quantity of services is determined for the contract as a whole based on the expected maximum benefits less investment component. For contracts providing multiple services, the quantity of services is determined based on the benefits provided to policyholder for each service with the relative weighting considered in the calculation through the use of factors. Relevant elements are considered in determining the quantity of service including among others, benefit payments and premiums. The Company applies judgement in these determinations.

Expected coverage duration is derived based on the likelihood of an insured event occurring to the extent they affect the expected duration of contracts in the group. Determining the expected coverage duration is judgemental since it involves making an expectation of when claims and lapse will occur.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2.4 Measurement of insurance contracts under the premium allocation approach

Other than insurance contracts not measured under the Premium Allocation Approach ("PAA"), the Company applies the PAA for the other short term insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under MFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

4 SEASONALITY OR CYCLICALITY

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

5 UNUSUAL ITEMS

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

6 CHANGES IN ESTIMATES

There were no material changes in the basis used for the accounting estimates for the current financial period ended 30 June 2026.

7 ISSUES, REPURCHASES AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase and repayment of debt and equity securities during the current financial period ended 30 June 2026.

AIA GENERAL BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

8 DIVIDEND PAID

The members had, on 9 June 2026, approved a final dividend for the financial year ended 31 December 2025 as follows:

In respect of the financial year ended 31 December 2025:

	RM'000
Final single-tier dividend of RM0.1579 per ordinary share on 190,000,000 ordinary shares, paid on 11 June 2026	30,000

9 CHANGES IN THE COMPOSITION OF THE COMPANY

There was no change in the composition of the Company during the period under review.

10 MATERIAL EVENT SUBSEQUENT TO THE END OF THE PERIOD

There was no material event subsequent to the financial period ended 30 June 2026 that has not been reflected in the condensed interim financial statements.

11 INSURANCE REVENUE

	Note	30.06.2026 RM'000	30.06.2025 RM'000
Contracts not measured under the PAA			
Amounts related to changes in liabilities for remaining coverage:			
Contractual service margin recognised for services provided	*14(ii)*	26,371	28,835
Change in risk adjustment for non-financial risk for risk expired		4,002	3,899
Expected incurred claims and other insurance service expenses		54,898	55,650
Others		(943)	5,725
Recovery of insurance acquisition cash flows		47,574	39,267
	14(i)	131,902	133,376
Contracts measured under the PAA	*14(v)*	55,433	45,065
Total insurance revenue		187,335	178,441

AIA GENERAL BERHAD
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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

12 NET INVESTMENT RESULT

a. Interest revenue on financial assets

	30.06.2026 RM'000	30.06.2025 RM'000
Interest revenue on financial assets		
Financial assets measured at amortised cost	201	341
Financial assets measured at fair value through other comprehensive income	4,378	4,601
Total interest revenue on financial assets	4,579	4,942

b. Other investment return

	30.06.2026 RM'000	30.06.2025 RM'000
Other investment revenue		
Dividend income	10,218	8,818
Others	404	608
	10,622	9,426
Net gains/ (loss) of financial assets not at fair value through profit or loss		
Net realised gains of debt securities measured at fair value through other comprehensive income	5	4
Net (loss)/ gains of other financial instruments at fair value through profit or loss		
Net (loss)/ gains of mutual funds	(5,522)	5,647
Net (loss)/ gains in respect of financial instruments at fair value through profit or loss	(5,522)	5,647
Net (loss)/ gains	(5,517)	5,651
Total other investment revenue	5,105	15,077

12 NET INVESTMENT RESULT (CONTINUED)

c. Net finance expenses from insurance contracts

	30.06.2026 RM'000	30.06.2025 RM'000
Net finance expenses from insurance contracts		
Interest accreted	(4,008)	(4,504)
Effect of changes in interest rates and other financial assumptions	760	(1,640)
Effect of measuring changes in estimates at current rates and adjusting the CSM at the rates on initial recognition	(1)	1
Total net finance expenses from insurance contracts	(3,249)	(6,143)
Net finance expenses from insurance contracts are represented by:		
Amount recognised in income statement	(4,025)	(4,522)
Amount recognised in other comprehensive income	776	(1,621)
Total net finance expenses from insurance contracts	(3,249)	(6,143)

d. Net finance expenses from reinsurance contracts

	30.06.2026 RM'000	30.06.2025 RM'000
Net finance expenses from reinsurance contracts held		
Interest accreted	(76)	(91)
Total net finance income from reinsurance contracts held	(76)	(91)

13 FINANCIAL INVESTMENTS

Fair value of financial investments

The Company classifies all financial assets as either at fair value through profit or loss, or as at fair value through other comprehensive income, or at amortised cost. Financial liabilities are classified as either at fair value through profit or loss or at amortised cost.

The following tables present the fair values of the Company's financial assets and financial liabilities:

	30.06.2026		31.12.2025	
	FVTPL	FVOCI	FVTPL	FVOCI
	RM'000	RM'000	RM'000	RM'000
Corporate bonds	-	179,401	-	206,035
Mutual funds	492,138	-	449,142	-
Total	492,138	179,401	449,142	206,035

	30.06.2026	31.12.2025
	RM'000	RM'000
Current	8,029	33,169
Non current	663,510	622,008
	671,539	655,177

Loans and deposits

	30.06.2026	31.12.2025
	RM'000	RM'000
Amortised cost		
Loans		
Other secured loans	252	253
Expected credit loss of loans	(210)	(128)
Total	42	125

Loans are generally expected to be recovered above 12 months after the end of the reporting period

AIA GENERAL BERHAD
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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

13 FINANCIAL INVESTMENTS (CONTINUED)

Fair value of financial investments (continued)

	Fair value					
	Mandatory FVTPL RM'000	**Designated FVTPL RM'000**	**FVOCI RM'000**	**Amortised cost RM'000**	**Total carrying value RM'000**	**Total fair value RM'000**
30 June 2026						
Financial investments						
Loans and deposits	-	-	-	42	42	42
Debt securities	-	-	179,401	-	179,401	179,401
Mutual funds	492,138	-	-	-	492,138	492,138
Receivables	-	-	-	43,052	43,052	43,052
Accrued investment income	-	-	-	1,983	1,983	1,983
Cash and cash equivalents	-	-	-	22,008	22,008	22,008
Financial assets	**492,138**	**-**	**179,401**	**67,085**	**738,624**	**738,624**

	Amortised cost RM'000	**Total carrying value RM'000**	**Total fair value RM'000**
30 June 2026			
Other liabilities	11,297	11,297	11,297
Financial liabilities	**11,297**	**11,297**	**11,297**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

13 FINANCIAL INVESTMENTS (CONTINUED)

Fair value of financial investments (continued)

	Fair value					
	Mandatory FVTPL RM'000	**Designated FVTPL RM'000**	**FVOCI RM'000**	**Amortised cost RM'000**	**Total carrying value RM'000**	**Total fair value RM'000**
31 December 2025						
Financial investments						
Loans and deposits	-	-	-	125	125	125
Debt securities	-	-	206,035	-	206,035	206,035
Mutual funds	449,142	-	-	-	449,142	449,142
Receivables	-	-	-	44,118	44,118	44,118
Accrued investment income	-	-	-	2,198	2,198	2,198
Cash and cash equivalent	-	-	-	25,357	25,357	25,357
Financial assets	**449,142**	**-**	**206,035**	**71,798**	**726,975**	**726,975**

	Amortised cost RM'000	**Total carrying value RM'000**	**Total fair value RM'000**
31 December 2025			
Other liabilities	10,249	10,249	10,249
Financial liabilities	**10,249**	**10,249**	**10,249**

13 FINANCIAL INVESTMENT (CONTINUED)

Fair value measurements on a recurring basis

A summary of the fair value hierarchy of assets carried at fair value on a recurring basis:

	Fair value hierarchy			
30 June 2026	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Financial assets				
At fair value through other comprehensive income				
Debt securities	-	179,401	-	179,401
At fair value through profit or loss				
Mutual funds	-	492,138	-	492,138
Total assets on a recurring fair value measurement basis	-	671,539	-	671,539

	Fair value hierarchy			
31 December 2025	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Financial assets				
At fair value through other comprehensive income				
Debt securities	-	206,035	-	206,035
At fair value through profit or loss				
Mutual funds	-	449,142	-	449,142
Total assets on a recurring fair value measurement basis	-	655,177	-	655,177

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD

Insurance contracts and reinsurance contracts held

	Note	30 June 2026 RM'000	31 December 2025 RM'000
Insurance contract liabilities not measured under the PAA	(i), (ii)	241,029	237,498
Insurance contract liabilities measured under the PAA	(v)	133,831	141,069
Assets for insurance acquisition cash flows not measured under the PAA	(vii)	(136,043)	(137,809)
Insurance contract liabilities		**238,817**	**240,758**
Reinsurance contracts not measured under the PAA	(iii),(iv)	1,460	1,533
Reinsurance contracts measured under the PAA	(vi)	21,101	27,555
Reinsurance contract assets		**22,561**	**29,088**

Movement in carrying amounts

The following reconciliations show how the net carrying amounts of insurance contracts and reinsurance contracts held in each presentation segment changed during the year as a result of cash flows and amounts recognised in the income statement and statement of comprehensive income. The Company presents a table separately analyses movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the income statement and statement of comprehensive income. A second reconciliation is presented for contracts not measured under the premium allocation approach, which separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the contractual service margin.

Portfolio that are measured under PAA are mainly from Motor and Fire line of business, wherelse those contracts not measured under PAA relate to Personal Accident line of business.

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(i) Analysis by remaining coverage and incurred claims of insurance contracts not measured under the premium allocation approach

		30 June 2026				31 December 2025			
		Liabilities for remaining coverage				Liabilities for remaining coverage			
	Note	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Liabilities for incurred claims	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets		-	-	-	-	-	-	-	-
Opening liabilities		42,488	627	194,383	237,498	62,097	71	184,716	246,884
Net opening balance		**42,488**	**627**	**194,383**	**237,498**	**62,097**	**71**	**184,716**	**246,884**
Insurance revenue	*11*	**(131,902)**	**-**	**-**	**(131,902)**	**(264,481)**	**-**	**-**	**(264,481)**
Insurance service expenses									
Incurred claims and other insurance service expenses		-	(169)	49,409	49,240	-	(1,903)	100,899	98,996
Amortisation of insurance acquisition cash flows		47,574	-	-	47,574	91,942	-	-	91,942
Losses and reversal of losses on onerous contacts		-	(21)	-	(21)	-	2,364	-	2,364
Adjustments to liabilities for incurred claims		-	-	3	3	-	-	(1,857)	(1,857)
Total insurance service expenses		**47,574**	**(190)**	**49,412**	**96,796**	**91,942**	**461**	**99,042**	**191,445**
Insurance service result		**(84,328)**	**(190)**	**49,412**	**(35,106)**	**(172,539)**	**461**	**99,042**	**(73,036)**
Net finance expenses from insurance contracts		789	18	2,442	3,249	1,937	95	9,070	11,102
Total changes in the income statement and statement of comprehensive income		**(83,539)**	**(172)**	**51,854**	**(31,857)**	**(170,602)**	**556**	**108,112**	**(61,934)**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(i) Analysis by remaining coverage and incurred claims of insurance contracts not measured under the premium allocation approach (continued)

		30 June 2026				31 December 2025			
		Liabilities for remaining coverage				Liabilities for remaining coverage			
	Note	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Liabilities for incurred claims	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows									
Premium received		123,346	-	-	123,346	240,673	-	-	240,673
Claims and other insurance service expenses paid, including investment components		-	-	(42,952)	(42,952)	-	-	(98,301)	(98,301)
Insurance acquisition cash flows paid		(36,568)	-	-	(36,568)	(71,271)	-	-	(71,271)
Total cash flows		**86,778**	**-**	**(42,952)**	**43,826**	**169,402**	**-**	**(98,301)**	**71,101**
Adjusted for:									
Non-cash operating expenses		(58)	-	(79)	(137)	(105)	-	(144)	(249)
Allocation from assets for insurance acquisition cash flows	*14(vii)*	(8,301)	-	-	(8,301)	(18,304)	-	-	(18,304)
Total non-cash items		**(8,359)**	**-**	**(79)**	**(8,438)**	**(18,409)**	**-**	**(144)**	**(18,553)**
Net closing liabilities		**37,368**	**455**	**203,206**	**241,029**	**42,488**	**627**	**194,383**	**237,498**
Closing assets		-	-	-	-	-	-	-	-
Closing liabilities		37,371	455	203,206	241,029	42,488	627	194,383	237,498
Net closing balance		**37,368**	**455**	**203,206**	**241,029**	**42,488**	**627**	**194,383**	**237,498**

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14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(ii) Analysis by measurement component of insurance contracts not measured under the premium allocation approach

	30 June 2026						
			CSM				
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets	-	-	-	-	-	-	-
Opening liabilities	197,793	15,576	24,129	-	-	24,129	237,498
Net opening balance	**197,793**	**15,576**	**24,129**	**-**	**-**	**24,129**	**237,498**
Changes that relate to current services	**(12,132)**	**3,414**	**(26,371)**	**-**	**-**	**(26,371)**	**(35,089)**
CSM recognised for services provided	-	-	(26,371)	-	-	(26,371)	(26,371)
Change in risk adjustment for non-financial risk	-	3,414	-	-	-	-	3,414
Experience adjustments	(12,132)	-	-	-	-	-	(12,132)
Changes that relate to future services	**(28,665)**	**3,979**	**24,666**	**-**	**-**	**24,666**	**(20)**
Contracts initially recognised in the year	(32,361)	4,014	29,479	-	-	29,479	1,132
Changes in estimates that adjust the CSM	4,841	(28)	(4,813)	-	-	(4,813)	-
Changes in estimates that result in losses and reversal of losses on onerous contracts	(1,145)	(7)	-	-	-	-	(1,152)
Changes that relate to past services	**7,198**	**(7,195)**	**-**	**-**	**-**	**-**	**3**
Total insurance service result	**(33,599)**	**198**	**(1,705)**	**-**	**-**	**(1,705)**	**(35,106)**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(ii) Analysis by measurement component of insurance contracts not measured under the premium allocation approach

	Note	30 June 2026						
					CSM			
	Note	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net finance expenses from insurance contracts		2,660	-	589	-	-	589	3,249
Total changes in the income statement and statement of comprehensive income		**(30,939)**	**198**	**(1,116)**	**-**	**-**	**(1,116)**	**(31,857)**
Cash flows		43,826	-	-	-	-	-	43,826
Non-cash operating expenses		(137)	-	-	-	-	-	(137)
Allocation from assets for insurance acquisition cash flows	*14(vii)*	(8,301)	-	-	-	-	-	(8,301)
Net closing balance		**202,242**	**15,774**	**23,013**	**-**	**-**	**23,013**	**241,029**
Closing assets		-	-	-	-	-	-	-
Closing liabilities		202,242	15,774	23,013	-	-	23,013	241,029
Net closing balance		**202,242**	**15,774**	**23,013**	**-**	**-**	**23,013**	**241,029**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(ii) Analysis by measurement component of insurance contracts not measured under the premium allocation approach (continued)

	31 December 2025						
				CSM			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets	-	-	-	-	-	-	-
Opening liabilities	208,287	14,533	24,064	-	-	24,064	246,884
Net opening balance	**208,287**	**14,533**	**24,064**	**-**	**-**	**24,064**	**246,884**
Changes that relate to current services	**(19,305)**	**2,478**	**(56,717)**	**-**	**1**	**(56,718)**	**(73,544)**
CSM recognised for services provided	-	-	(56,717)	-	1	(56,718)	(56,717)
Change in risk adjustment for non-financial risk	-	2,478	-	-	-	-	2,478
Experience adjustments	(19,305)	-	-	-	-	-	(19,305)
Changes that relate to future services	**(60,995)**	**7,993**	**55,367**	**-**	**(1)**	**55,368**	**2,365**
Contracts initially recognised in the year	(65,342)	8,124	65,845	-	-	65,845	8,627
Changes in estimates that adjust the CSM	10,617	(138)	(10,478)	-	(1)	(10,477)	1
Changes in estimates that result in losses and reversal of losses on onerous contracts	(6,270)	7	-	-	-	-	(6,263)
Changes that relate to past services	**7,571**	**(9,428)**	**-**	**-**	**-**	**-**	**(1,857)**
Total insurance service result	**(72,729)**	**1,043**	**(1,350)**	**-**	**-**	**(1,350)**	**(73,036)**

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14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(ii) Analysis by measurement component of insurance contracts not measured under the premium allocation approach (continued)

	31 December 2025						
				CSM			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net finance expenses from insurance contracts	9,687	-	1,415	-	-	1,415	11,102
Total changes in the income statement and statement of comprehensive income	**(63,042)**	**1,043**	**65**	**-**	**-**	**65**	**(61,934)**
Cash flows	70,852	-	-	-	-	-	70,852
Allocation from assets for insurance acquisition cash flows	(18,304)	-	-	-	-	-	(18,304)
Net closing balance	**197,793**	**15,576**	**24,129**	**-**	**-**	**24,129**	**237,498**
Closing assets	-	-	-	-	-	-	-
Closing liabilities	197,793	15,576	24,129	-	-	24,129	237,498
Net closing balance	**197,793**	**15,576**	**24,129**	**-**	**-**	**24,129**	**237,498**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(iii) Analysis by remaining coverage and incurred claims of reinsurance contracts held not measured under the premium allocation approach

		30 June 2026				31 December 2025			
		Asset for remaining coverage				Asset for remaining coverage			
	Note	Excluding loss-recovery component	Loss recovery component	Asset for incurred claims	Total	Excluding loss-recovery component	Loss recovery component	Asset for incurred claims	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets		(3,019)	-	4,552	1,533	(3,364)	-	4,236	872
Opening liabilities		-	-	-	-	-	-	-	-
Net opening balance		**(3,019)**	**-**	**4,552**	**1,533**	**(3,364)**	**-**	**4,236**	**872**
Changes in the income statement and statement of comprehensive income									
Net expenses from reinsurance contracts held (excluding effect of changes in non performance risk of reinsurers)		(413)	-	(186)	(599)	(808)	-	501	(307)
Net expenses from reinsurance contracts held		(413)	-	(186)	(599)	(808)	-	501	(307)
Net finance income from reinsurance contracts held	*12d*	(76)	-	-	(76)	(173)	-	-	(173)
Total changes in the income statement and statement of comprehensive income		**(489)**	**-**	**(186)**	**(675)**	**(981)**	**-**	**501**	**(480)**

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(iii) Analysis by remaining coverage and incurred claims of reinsurance contracts held not measured under the premium allocation approach (continued)

	30 June 2026				31 December 2025			
	Asset for remaining coverage				Asset for remaining coverage			
	Excluding loss-recovery component	Loss recovery component	Asset for incurred claims	Total	Excluding loss-recovery component	Loss recovery component	Asset for incurred claims	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows								
Premiums paid	(1,006)	-	-	(1,006)	1,326	-	-	1,326
Amounts received	-	-	1,594	1,594	-	-	(222)	(222)
Other amounts paid	-	-	14	14	-	-	37	37
Total cash flows	**(1,006)**	**-**	**1,608**	**602**	**1,326**	**-**	**(185)**	**1,141**
Net closing balance	**(4,514)**	**-**	**5,974**	**1,460**	**(3,019)**	**-**	**4,552**	**1,533**
Closing assets	(4,514)	-	5,974	1,460	(3,019)	-	4,552	1,533
Closing liabilities	-	-	-	-	-	-	-	-
Net closing balance	**(4,514)**	**-**	**5,974**	**1,460**	**(3,019)**	**-**	**4,552**	**1,533**

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(iv) Analysis by measurement component of reinsurance contracts held not measured under the premium allocation approach

		30 June 2026					
					CSM		
	Note	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under fair value approach	Other contracts	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets		(3,460)	299	4,694	4,694	-	1,533
Opening liabilities		-	-	-	-		-
Net opening balance		**(3,460)**	**299**	**4,694**	**4,694**	**-**	**1,533**
Changes that relate to current services		**3,863**	**445**	**(352)**	**(352)**	**-**	**3,956**
CSM recognised for services received		-	-	(352)	(352)		(352)
Change in risk adjustment for non-financial risk		-	445	-	-	-	445
Experience adjustments		3,863	-	-	-	-	3,863
Changes that relate to future services		**(758)**	**-**	**758**	**758**	**-**	**-**
Changes that relate to past services		**(4,255)**	**(300)**	**-**	**-**	**-**	**(4,555)**
Total net (expenses) / income from reinsurance contracts held		**(1,150)**	**145**	**406**	**406**	**-**	**(599)**
Net finance expenses from insurance contracts	12d	(165)	-	89	89	-	(76)
Total changes in the income statement and statement of comprehensive income		**(1,315)**	**145**	**495**	**495**	**-**	**(675)**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(iv) Analysis by measurement component of reinsurance contracts held not measured under the premium allocation approach (continued)

	30 June 2026					
				CSM		
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under fair value approach	Other contracts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows						
Premium paid	(1,006)	-	-	-	-	(1,006)
Other amount paid	14	-	-	-	-	14
Amount received	1,594	-	-	-	-	1,594
Total cash flow	**602**	**-**	**-**	**-**	**-**	**602**
Net closing balance	**(4,173)**	**444**	**5,189**	**5,189**	**-**	**1,460**
Closing assets	(4,173)	444	5,189	5,189	-	1,460
Closing liabilities	-	-	-	-	-	-
Net closing balance	**(4,173)**	**444**	**5,189**	**5,189**	**-**	**1,460**

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(iv) Analysis by measurement component of reinsurance contracts held not measured under the premium allocation approach (continued)

	31 December 2025						
				CSM			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets	(2,593)	241	3,224	-	3,224	-	872
Opening liabilities	-	-	-	-	-	-	-
Net opening balance	**(2,593)**	**241**	**3,224**	**-**	**3,224**	**-**	**872**
Changes that relate to current services	**3,977**	**300**	**(610)**	**-**	**(610)**	**-**	**3,667**
CSM recognised for services received	-	-	(610)	-	(610)	-	(610)
Change in risk adjustment for non-financial risk	-	300	-	-	-	-	300
Experience adjustments	3,977	-	-	-	-	-	3,977
Changes that relate to future services	**(1,922)**	**-**	**1,922**	**-**	**1,922**	**-**	**-**
Changes that relate to past services	**(3,732)**	**(242)**	**-**	**-**	**-**	**-**	**(3,974)**
Total net (expenses) / income from reinsurance contracts held	**(1,677)**	**58**	**1,312**	**-**	**1,312**	**-**	**(307)**
Net finance expenses from insurance contracts	(331)	-	158	-	158	-	(173)
Total changes in the income statement and statement of comprehensive income	**(2,008)**	**58**	**1,470**	**-**	**1,470**	**-**	**(480)**

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(iv) Analysis by measurement component of reinsurance contracts held not measured under the premium allocation approach (continued)

	31 December 2025						
				CSM			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total CSM	Contracts under modified retrospective approach	Contracts under fair value approach	Other contracts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows							
Premium paid	1,326	-	-	-	-	-	1,326
Other amount paid	(222)	-	-	-	-	-	(222)
Amount received	37	-	-	-	-	-	37
Total cash flow	**1,141**	**-**	**-**	**-**	**-**	**-**	**1,141**
Net closing balance	**(3,460)**	**299**	**4,694**	**-**	**4,694**	**-**	**1,533**
Closing assets	(3,460)	299	4,694	-	4,694	-	1,533
Closing liabilities	-	-	-	-	-	-	-
Net closing balance	**(3,460)**	**299**	**4,694**	**-**	**4,694**	**-**	**1,533**

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14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(v) Analysis by remaining coverage and incurred claims of insurance contracts measured under the premium allocation approach

		30 June 2026				
		Liabilities for remaining coverage		Liabilities for incurred claims		
	Note	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		-	-	-	-	-
Opening liabilities		27,616	2,464	103,201	7,788	141,069
Net opening balance		**27,616**	**2,464**	**103,201**	**7,788**	**141,069**
Insurance revenue	*11*	**(55,433)**	**-**	**-**	**-**	**(55,433)**
Insurance service expenses						
Incurred claims and other insurance service expenses		-	-	23,929	4,140	28,069
Amortisation of insurance acquisition cash flows		17,594	-	-	-	17,594
Losses and reversal of losses on onerous contracts		-	(207)	-	-	(207)
Adjustments to liabilities for incurred claims		-	-	(6,167)	(4,221)	(10,388)
Total insurance service expenses		**17,594**	**(207)**	**17,762**	**(81)**	**35,068**
Insurance service result		**(37,839)**	**(207)**	**17,762**	**(81)**	**(20,365)**
Total changes in the income statement and statement of comprehensive income		**(37,839)**	**(207)**	**17,762**	**(81)**	**(20,365)**

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14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(v) Analysis by remaining coverage and incurred claims of insurance contracts measured under the premium allocation approach (continued)

	30 June 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	RM'000	RM'000	RM'000	RM'000
Cash flows					
Premium received	55,677	-	-	-	55,677
Claims and other insurance service expenses paid including investment components	-	-	(23,679)	-	(23,679)
Insurance acquisition cash flows paid	(18,776)	-	-	-	(18,776)
Total cash flows	**36,901**	**-**	**(23,679)**	**-**	**13,222**
Adjusted for:					
Non-Cash operating expenses	(45)	-	(50)		(95)
Total non-cash items	**(45)**	**-**	**(50)**		**(95)**
Net closing balance	**26,633**	**2,257**	**97,234**	**7,707**	**133,831**

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14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(v) Analysis by remaining coverage and incurred claims of insurance contracts measured under the premium allocation approach (continued)

	31 December 2025				
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets	-	-	-	-	-
Opening liabilities	24,793	5,096	105,118	9,279	144,286
Net opening balance	**24,793**	**5,096**	**105,118**	**9,279**	**144,286**
Insurance revenue	**(96,251)**	**-**	**-**	**-**	**(96,251)**
Insurance service expenses					
Incurred claims and other insurance service expense	(175)	-	50,384	6,401	56,610
Amortisation of insurance acquisition cash flows	35,509	-	-	-	35,509
Losses and reversal of losses on onerous contracts	-	(2,632)	-	-	(2,632)
Adjustments to liabilities for incurred claims	-	-	(248)	(7,892)	(8,140)
Total insurance service expenses	**35,334**	**(2,632)**	**50,136**	**(1,491)**	**81,347**
Insurance service result	**(60,917)**	**(2,632)**	**50,136**	**(1,491)**	**(14,904)**
Total changes in the income statement and statement of comprehensive income	**(60,917)**	**(2,632)**	**50,136**	**(1,491)**	**(14,904)**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(v) Analysis by remaining coverage and incurred claims of insurance contracts measured under the premium allocation approach (continued)

	31 December 2025				
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows					
Premium received	96,555	-	-	-	96,555
Claims and other insurance service expenses paid, including investment components	-	-	(51,951)	-	(51,951)
Insurance acquisition cash flows paid	(32,815)	-	-	-	(32,815)
Total cash flows	**63,740**	**-**	**(51,951)**	**-**	**11,789**
Adjusted for:					
Non-cash operating expenses	-	-	(102)	-	(102)
Total non-cash items	**-**	**-**	**(102)**	**-**	**(102)**
Net closing balance	**27,616**	**2,464**	**103,201**	**7,788**	**141,069**

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(vi) Analysis by measurement component of reinsurance contracts held measured under the premium allocation approach

	30 June 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	RM'000	RM'000	RM'000	RM'000
Opening assets	1,770	61	24,780	944	27,555
Opening liabilities	-	-	-	-	-
Net opening balance	**1,770**	**61**	**24,780**	**944**	**27,555**
Changes in the income statement and statement of comprehensive income					
Net expenses from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)	(11,014)	(5)	(5,579)	1,102	(15,496)
Net expenses from reinsurance contracts held	(11,014)	(5)	(5,579)	1,102	(15,496)
Total changes in the income statement and statement of comprehensive income	**(11,014)**	**(5)**	**(5,579)**	**1,102**	**(15,496)**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(vi) Analysis by measurement component of reinsurance contracts held measured under the premium allocation approach (continued)

	30 June 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	RM'000	RM'000	RM'000	RM'000
Cash flows					
Premiums paid	13,798	-	-	-	13,798
Amounts received	-	-	(4,961)	-	(4,961)
Other amounts paid	-	-	203	-	203
Total cash flow	**13,798**	**-**	**(4,758)**	**-**	**9,040**
Non-cash operating expenses	**-**	**-**	**2**	**-**	**2**
Net closing balance	**4,554**	**56**	**14,445**	**2,046**	**21,101**
Closing assets	4,554	56	14,445	2,046	21,101
Closing liabilities	-	-	-	-	-
Net closing balance	**4,554**	**56**	**14,445**	**2,046**	**21,101**

AIA GENERAL BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(vi) Analysis by measurement component of reinsurance contracts held measured under the premium allocation approach (continued)

	31 December 2025				
	Assets for remaining coverage		Assets for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Opening assets	4,282	127	16,258	613	21,280
Opening liabilities	-	-	-	-	-
Net opening balance	**4,282**	**127**	**16,258**	**613**	**21,280**
Changes in the income statement and statement of comprehensive income					
Net expenses from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)	(24,795)	(66)	13,590	331	(10,940)
Net expenses from reinsurance contracts held	**(24,795)**	**(66)**	**13,590**	**331**	**(10,940)**
Net finance income from reinsurance contracts held	-	-	-	-	-
Total changes in the income statement and statement of comprehensive income	**(24,795)**	**(66)**	**13,590**	**331**	**(10,940)**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(vi) Analysis by measurement component of reinsurance contracts held measured under the premium allocation approach (continued)

	31 December 2025				
	Assets for remaining coverage		Assets for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non- financial risk	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows					
Premiums paid	22,283	-	-	-	22,283
Amounts received	-	-	(5,560)	-	(5,560)
Other amounts paid	-	-	492	-	492
Total cash flow	**22,283**	**-**	**(5,068)**	**-**	**17,215**
Net closing balance	**1,770**	**61**	**24,780**	**944**	**27,555**
Closing assets	1,770	61	24,780	944	27,555
Closing liabilities	-	-	-	-	-
Net closing balance	**1,770**	**61**	**24,780**	**944**	**27,555**

AIA GENERAL BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(vii) Analysis by Reconciliation of assets for insurance acquisition cash flows not measured under the premium allocation approach

	Note	30 June 2026 RM'000	31 December 2025 RM'000
Opening balance		**137,809**	**142,222**
Assets recognised for insurance acquisition cash flows paid during the period		6,535	13,891
Allocation to groups of insurance contracts	*14(i)*	(8,301)	(18,304)
Net closing balance		**136,043**	**137,809**
Closing assets		-	-
Closing liabilities		136,043	137,809
Net closing balance		**136,043**	**137,809**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Effect of contracts initially recognised in the year

The following tables summarise the effect on the measurement components of insurance contracts and reinsurance contracts held arising from the initial recognition of contracts not measured under the premium allocation approach that were initially recognised in the year.

Insurance contracts

	Profitable contracts issued	Onerous contracts issued	Total
	RM'000	RM'000	RM'000
30 June 2026			
Estimates of present value of future cash outflows			
Insurance acquisition cash flows	33,219	6,827	40,046
Claims payable and other expenses	48,842	5,145	53,987
Total estimates of present value of future cash outflows	82,061	11,972	94,033
Estimates of present value of future cash inflows	(115,001)	(11,394)	(126,395)
Risk adjustment for non-financial risk	3,461	554	4,015
Contractual service margin	29,479	-	29,479
Losses recognised on initial recognition	**-**	**1,132**	**1,132**

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Effect of contracts initially recognised in the year (continued)

The following tables summarise the effect on the measurement components of insurance contracts and reinsurance contracts held arising from the initial recognition of contracts not measured under the premium allocation approach that were initially recognised in the year. (continued)

Insurance contracts (continued)

	Profitable contracts issued	Onerous contracts issued	Total
	RM'000	RM'000	RM'000
31 December 2025			
Estimates of present value of future cash outflows			
Insurance acquisition cash flows	56,831	24,863	81,694
Claims payable and other expenses	95,893	14,222	110,115
Total estimates of present value of future cash outflows	152,724	39,085	191,809
Estimates of present value of future cash inflows	(224,898)	(32,253)	(257,151)
Risk adjustment for non-financial risk	6,329	1,795	8,124
Contractual service margin	65,845	-	65,845
Losses recognised on initial recognition	**-**	**8,627**	**8,627**

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Effect of contracts initially recognised in the year (continued)

Analysis of assets for insurance acquisition cash flows (continued)

	Total	Five year or less	After five years through ten years	After ten years
	RM'000	RM'000	RM'000	RM'000
30 June 2026				
Assets for insurance acquisition cash flows	136,043	55,670	33,264	47,109
31 December 2025				
Assets for insurance acquisition cash flows	137,809	56,677	33,866	47,266

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Effect of contracts initially recognised in the year (continued)

Analysis of contractual service margin

The following table illustrates when the Company expects to recognise the remaining contractual service margin as revenue for contracts not measured under the premium allocation approach.

	Total	Five year or less	After five years through ten years	After ten years
	RM'000	RM'000	RM'000	RM'000
30 June 2026				
Insurance contracts	23,013	23,013	-	-
Reinsurance contracts held	5,189	2,100	1,233	1,856
31 December 2025				
Insurance contracts	24,129	24,129	-	-
Reinsurance contracts held	4,694	1,899	1,116	1,679

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Fulfilment cash flows

Estimates of future cash flows

The Company's objective in estimating future cash flows is to determine the expected value or probability-weighted mean of the full range of possible outcomes. The Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Company's view of current conditions at the reporting date and the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Company takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted.

Cash flows are within the boundary of a contract if they arise from substantive right and obligations that existing during the reporting period. They relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include claims handling, maintenance and administration costs, and recurring commissions payable on instalment premiums receivable within the contract boundary.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Methodology and assumptions

Mortality

Assumptions have been developed by the Company based on recent historical experience, and expectations of current and expected future experience including mortality improvement. Where historical experience is not credible, reference has been made to pricing assumptions supplemented by market data, where available.

Mortality assumptions have been expressed as a percentage of either standard industry experience tables or, where experience is sufficiently credible, as a percentage of tables that have been developed internally by the Company.

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Fulfilment cash flows (Continued)

Morbidity

Assumptions have been developed by the Company based on recent historical experience, and expectations of current and expected future experience. Morbidity rate assumptions have been expressed as a percentage of standard industry experience tables or as expected claims ratios.

Persistency

Persistency covers the assumptions required, where relevant, for policy lapse (including surrender) and premium persistency.

Assumptions have been developed by the Company based on recent historical experience, and best estimate expectations of expected future experience. Persistency assumptions would vary by policy year and product type with different rates for regular and single premium products where appropriate.

Where experience for a particular product was not credible enough to allow any meaningful analysis to be performed, experience for similar products was used as a basis for future persistency experience assumptions.

Expenses

The expense assumptions have been set based on the most recent expense analysis. The purpose of the expense analysis is to allocate total expenses between acquisition, maintenance and other activities that, and then to allocate these acquisition and maintenance expenses that can be directly attributed to the portfolio of insurance contracts to derive unit cost assumptions.

Where the expenses associated with certain activities have been identified as being one-off, these expenses have been excluded from the expense analysis.

Expenses assumptions have been determined for acquisition and maintenance activities that can be directly attributed to the portfolio of insurance contracts, split by product type, and unit costs expressed as a percentage of premiums, sum assured and an amount per policy. Where relevant, expense assumptions have been calculated per distribution channel.

Expense assumptions do not make allowance for any anticipated future expense savings as a result of any strategic initiatives aimed at improving policy administration and claims handling efficiency. Assumptions for commission rates and other sales-related payments have been set in line with actual experience.

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Fulfilment cash flows (Continued)

Reinsurance

Reinsurance assumptions have been developed by the Company based on the reinsurance arrangements in-force as at the reporting date and the recent historical and expected future experience.

An adjustment to reflect the time value of money and the financial risks related to future cash flows

The Company adjusts the estimate of future cash flows to reflect the time value of money and the financial risks related to those cash flows. The cash flows are discounted by the discount rates reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts.

The top-down approach has been primarily adopted for the derivation of discount rates. A top-down approach starts with considering a yield curve that reflects the current market rates of return of a reference portfolio of assets that have similar characteristic of the insurance contracts, and adjust this downwards to eliminate any factors not relevant to the insurance contract (primarily the allowance for credit risk). The assessment of credit risk premium is done on external and internal ratings when the reference portfolio contains assets which are rated. Alternatively, a bottom-up approach could be used under which discount rates are determined by adjusting the liquid risk-free yield curve to reflect the liquidity characteristics of the insurance contracts.

In constructing the discount rates, market observable rates are used up to the last available market data point which is reliable and also relevant in reflecting the characteristic of the insurance contracts. The market observable rates are extrapolated between this point and an ultimate forward rate derived using long-term estimates by applying generally accepted technique such as Smith-Wilson method etc.

14 INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

Fulfilment cash flows (Continued)

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are generally determined by considering the expected cash flows arising from insurance contracts, consistent with the way that non-financial risk is managed. Risk adjustments are determined separately from estimates from the present value of future cash flows, using the confidence level technique.

Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at 75th percentile (the target confidence level) over the expected present value of the future cash flows.

Contractual service margin

The CSM of a group of contracts is recognised as insurance revenue in each period based on the number of coverage units provided in the period, which is determined by considering for each contract the quantity of the services provided, its expected coverage duration and time value of money.

For a group of contracts that is onerous at the start of a reporting period and becomes profitable subsequently that CSM is recognised during the reporting period, the total amount of recognised CSM is released to profit or loss if there are no more future coverage units.

15 BASIC EARNINGS PER SHARE

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

	30.06.2026 RM'000	30.06.2025 RM'000
Profit after tax attributable to the shareholder	29,742	42,020
Weighted average number of shares in issue during the financial period	190,000	190,000
Basic earnings per share (sen)	15.65	22.12

16 REGULATORY CAPITAL REQUIREMENT

The capital structure of the Company as at 30 June 2026 and 31 December 2025, as prescribed under the RBC Framework, is based on the RBC framework and Insurance Companies Statistical System ("ICSS") guidance notes issued by BNM. The financial information to derive the Total Capital Available as at 30 June 2026 and 31 December 2025 is in accordance with the statistical returns, comprising ICSS and RBC reporting forms for the financial period ended 30 June 2026 and 31 December 2025 respectively.

	30.06.2026 RM'000	31.12.2025 RM'000
Eligible Tier 1 Capital		
Share capital (paid up)	190,000	190,000
Reserves, including retained earnings	133,411	132,761
	323,411	322,761
Tier 2 Capital		
Fair value reserves	6,003	7,365
	6,003	7,365
Amount deducted from capital	(2,846)	(3,020)
Total capital available	326,568	327,106

These are based on statistical returns for financial period ended 30 June 2026 and 31 December 2025, including the estimation of insurance contract liabilities based on the valuation methods specified in Part D of the RBC Framework in accordance with the provisions of the FSA 2013 and the accounting policies prescribed in the notes to the statistical returns.

17 CONTINGENCIES

Malaysia Competition Commission ("MyCC") had on 25 September 2020 delivered their decision against the General Insurance Association of Malaysia ("PIAM") and its 22 member companies with regards to an alleged infringement of Section 4(2)(a) of the Act in relation to agreement to fix parts trade discount and labour rates for 6 vehicle makes. MyCC found PIAM and its 22 members companies have infringed Section 4 prohibition by participating in an agreement which has, as its object, the prevention, restriction or distortion in relation to the market of parts trade and labour charge for PIAM approved repairers' scheme (PARS) workshop from 1.1.2012 to 17.2.2017.

MyCC imposed a financial penalty of RM1,837,453.12 on the Company. In view of the impact of COVID-19 pandemic, MyCC granted a reduction of 25% of the financial penalty, accordingly the Company financial penalty has been reduced to RM1,378,089.84. MyCC also granted the Company a moratorium period for the payment of the financial penalty up to 6 months and payment of the financial penalty by equal monthly installment for up to 6 months.

The Company had filed a Notice of Appeal and applied for a stay on the financial penalty in October 2020. The Competition Appeal Tribunal (CAT) has completed the hearing for the appeal at the end of April 2023.

On 2 September 2023, the Malaysian Competition Commission (MyCC) 's Competition Appeal Tribunal (CAT) has decided to allow the appeal of General Insurance Association of Malaysia ("PIAM") and its 22 members' company (including AIA) against the decision of MyCC. With the success of this appeal the decision of MyCC is set aside.

MyCC has filed an application to seek leave to commence judicial review proceedings in the High Court to review the recent decision of CAT. PIAM and its members were given leave from the High Court to appear in MyCC's ex parte application for leave to commence judicial review which has been fixed for hearing on 8 May 2023.

On 8 May 2023, the hearing was converted to case management where the Court fixed the hearing date on 30 November 2023.

Upon the conclusion of the hearing on 30 November 2023, the court dismissed MyCC's application on 16 January 2024, and awarded cost of RM10,000 to each insurer (including AIA) and PIAM. MyCC has filed its notice of appeal to the Court of Appeal on 15 February 2024. The Court of Appeal set 15 May 2024, for the case management.

During the case management on 15 May 2024, the Court scheduled the hearing of appeal on 22 May 2025, to be held at the Court of Appeal. The Court also set the deadline for the parties to submit their written submission on 8 May 2025, with another case management session scheduled for the same date.

The Court has since rescheduled the hearing date to 30 April 2026, with directions for any further submissions (if any) to be filed by 15 April 2026. A case management session has been fixed for 16 April 2026 to monitor compliance with the filing directions.

The hearing was subsequently held on 5 May 2026, following which the Court of Appeal reserved its decision. Further case management held on 6 May 2026, the Court has scheduled on 18 August 2026 for the delivery of its decision. On 18 August 2026, the appeal by MyCC was dismissed with costs.

Saved as disclosed above, the Company does not have any other contingent assets and liabilities since the last annual balance sheet date.