Unaudited Condensed Interim Financial Statements

For The Financial Period From
1 January 2026 to 30 June 2026

BERJAYA SOMPO INSURANCE BERHAD
Registration No: 198001008821 (62605-U)
(Incorporated in Malaysia)

Contents	**Page**

BERJAYA SOMPO INSURANCE BERHAD
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UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Note	Group* 30.06.2026 RM'000	Group* 31.12.2025 RM'000	Company 30.06.2026 RM'000	Company 31.12.2025 RM'000
ASSETS					
Property and equipment		78,841	77,202	78,841	77,202
Intangible assets		26,047	25,346	26,047	25,346
Investment properties	11	13,950	13,950	13,950	13,950
Right-of-use assets	12	1,191	1,287	1,191	1,287
Investments	13	2,752,234	2,764,643	2,859,330	2,802,246
Reinsurance contract assets	14	501,382	1,003,577	501,382	1,003,577
Other receivables	15	136,480	78,282	107,835	50,379
Cash and cash equivalents		311,315	241,696	115,407	127,265
TOTAL ASSETS		3,821,440	4,205,983	3,703,983	4,101,252
EQUITY					
Share capital		118,000	118,000	118,000	118,000
Retained profits		1,340,851	1,337,359	1,340,833	1,337,332
Equity attributable to owner of the Company		1,458,851	1,455,359	1,458,833	1,455,332
Non-controlling interests		85,162	104,058	-	-
TOTAL EQUITY		1,544,013	1,559,417	1,458,833	1,455,332
LIABILITIES					
Insurance contract liabilities	14	2,027,965	2,504,754	2,027,965	2,504,754
Lease liabilities	12	1,182	1,270	1,182	1,270
Tax payable		29,668	21,189	29,668	21,189
Deferred tax liabilities		18,183	17,404	18,183	17,404
Other payables	16	200,429	101,949	168,152	101,303
TOTAL LIABILITIES		2,277,427	2,646,566	2,245,150	2,645,920
TOTAL EQUITY AND LIABILITIES		3,821,440	4,205,983	3,703,983	4,101,252

*Refer to Note 10 for Group definitions.

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

BERJAYA SOMPO INSURANCE BERHAD
Registration No: 198001008821 (62605-U)
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS
FOR THE 6 MONTHS ENDED 30 JUNE 2026

		Group*		Company	
	Note	6 months ended 30.06.2026 RM'000	6 months ended 30.06.2025 RM'000	6 months ended 30.06.2026 RM'000	6 months ended 30.06.2025 RM'000
Insurance revenue	14.1	684,074	657,215	684,074	657,215
Insurance service expense	14.1	(198,335)	(506,272)	(198,335)	(506,272)
Insurance service result before reinsurance contracts held		485,739	150,943	485,739	150,943
Allocation of reinsurance premiums	14.2	(114,056)	(123,733)	(114,056)	(123,733)
Amount recoverable from reinsurers for incurred claims	14.2	(301,216)	33,308	(301,216)	33,308
Net expense from insurance contracts held		(415,272)	(90,425)	(415,272)	(90,425)
Insurance service result		70,467	60,518	70,467	60,518
Interest revenue calculated using the effective interest method		60,486	54,734	1,160	1,011
Other investment (expense)/revenue		(5,629)	23,180	48,150	71,551
Net foreign exchange expense		(403)	(478)	(403)	(478)
Total investment income		54,454	77,436	48,907	72,084
Insurance finance expenses for insurance contracts issued	14.1	(26,096)	(51,536)	(26,096)	(51,536)
Reinsurance finance income for reinsurance contracts held	14.2	6,966	22,934	6,966	22,934
Net insurance financial result		(19,130)	(28,602)	(19,130)	(28,602)
Other operating income		16,024	11,343	16,024	11,343
Other operating expense		(6,514)	(3,979)	(2,338)	(1,107)
Total other income and expenses		9,510	7,364	13,686	10,236
Profit before taxation		115,301	116,716	113,930	114,236
Income tax expense		(18,271)	(17,885)	(18,271)	(17,885)
Net profit for the period		97,030	98,831	95,659	96,351
Earning per share (sen)					
- Basic and Diluted		82.2	83.8	81.1	81.7
Profit attributable to:					
Equity holder of the Company		95,650	96,468	95,659	96,351
Non-controlling interests		1,380	2,363	-	-
		97,030	98,831	95,659	96,351

*Refer to Note 10 for Group definitions.

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

BERJAYA SOMPO INSURANCE BERHAD
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UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 30 JUNE 2026

	Attributable to the owner of the Group				
		Distributable		Non-	
	Share capital	Retained profits	Total equity	Controlling Interest	Total equity
Group*	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 January 2026	**118,000**	**1,337,359**	**1,455,359**	**104,058**	**1,559,417**
Net creation of units in subsidiaries	-	-	-	(20,276)	(20,276)
Net profit for the period	-	95,650	95,650	1,380	97,030
Dividend payable	-	(92,158)	(92,158)	-	(92,158)
At 30 June 2026	**118,000**	**1,340,851**	**1,458,851**	**85,162**	**1,544,013**
At 1 January 2025	**118,000**	**1,337,359**	**1,455,359**	**104,058**	**1,559,417**
Net creation of units in subsidiaries	-	-	-	(39,376)	(39,376)
Net profit for the period	-	96,468	96,468	2,363	98,831
Dividend payable	-	(63,012)	(63,012)	-	(63,012)
At 30 June 2025	**118,000**	**1,370,815**	**1,488,815**	**67,045**	**1,555,860**

*Refer to Note 10 for Group definitions.

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BERJAYA SOMPO INSURANCE BERHAD
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UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2026

	Attributable to the owner of the Group		
		Distributable	
	Share capital	Retained profits	Total equity
Company	**RM'000**	**RM'000**	**RM'000**
At 1 January 2026	**118,000**	**1,337,332**	**1,455,332**
Net profit for the period	-	95,659	95,659
Dividend payable	-	(92,158)	(92,158)
At 30 June 2026	**118,000**	**1,340,833**	**1,458,833**
At 1 January 2025	**118,000**	**1,226,003**	**1,344,003**
Net profit for the period	-	96,351	96,351
Dividend payable	-	(63,012)	(63,012)
At 30 June 2025	**118,000**	**1,259,342**	**1,377,342**

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

BERJAYA SOMPO INSURANCE BERHAD
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UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOW
FOR THE 6 MONTHS ENDED 30 JUNE 2026

	Group*		Company	
	6 months ended 30.06.2026 RM'000	6 months ended 30.06.2025 RM'000	6 months ended 30.06.2026 RM'000	6 months ended 30.06.2025 RM'000
Operating activities				
Profit before tax	115,301	116,716	113,930	114,236
Adjustment for :				
Investment income	(61,001)	(33,781)	(52,953)	(55,400)
Amortisation of premium	7,292	1,972	-	-
Sundry income	(1,131)	(703)	(1,131)	(703)
Loss/(Gain) on disposal of property and equipment	79	(14)	79	(14)
Loss on disposal of FVTPL financial assets	(3,149)	(2,746)	(2,019)	-
Fair value loss/(gain) on FVTPL financial assets recorded in profit or loss	2,001	(43,359)	5,662	(17,162)
Impairment allowance on insurance receivables	2,861	1,284	2,861	1,284
Depreciation of property and equipment	2,517	2,425	2,517	2,425
Depreciation of right-of-use assets	183	160	183	160
Lease interest expenses	20	19	20	19
Lease adjustment/termination	(65)	(13)	(65)	(13)
Amortisation of intangible assets	3,550	3,511	3,550	3,511
Operating cash flows before working capital changes	68,458	45,471	72,634	48,343
(Increase)/Decrease in other assets	(71,562)	16,682	(71,562)	16,682
Decrease/(Increase) in reinsurance contract assets	502,195	(11,352)	502,195	(11,352)
(Decrease)/Increase in insurance contract liabilities	(479,650)	133,746	(479,650)	133,746
(Increase/(Decrease) in other liabilities	6,322	(67,412)	(25,309)	(67,436)
	(42,695)	71,664	(74,326)	71,640
Dividend/distribution received/(paid)	391	(24,460)	51,669	29,503
Interest income received	58,753	51,275	1,160	916
Rental income received	453	188	453	188
Other income received from Takaful Ikhlas	14,906	12,670	14,906	12,670
Income tax paid	(9,011)	(11,750)	(9,011)	(11,750)
Net cash flows generated from operating activities	91,255	145,058	57,485	151,510

UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOW (CONT'D)
FOR THE 6 MONTHS ENDED 30 JUNE 2026

	Group*		Company	
	6 months ended 30.06.2026 RM'000	6 months ended 30.06.2025 RM'000	6 months ended 30.06.2026 RM'000	6 months ended 30.06.2025 RM'000
Investing activities				
Purchase of property and equipment	(4,156)	(1,399)	(4,156)	(1,399)
Purchase of intangible assets	(4,331)	(3,189)	(4,331)	(3,189)
Proceeds from sale of property and equipment	-	77	-	77
Withdrawals/(Placement) of fixed deposits	33,164	(20,510)	3,570	(510)
Purchase of financial assets	(813,549)	(640,017)	(256,535)	(164,462)
Proceeds from sale of financial assets	822,764	498,326	192,239	96,039
Proceeds from redemption	7,500	-	-	-
Net cash flows generating from/(used in) investing activities	41,392	(166,712)	(69,213)	(73,444)
Financing activities				
Cash proceeds from unit created	128,996	45,408	-	-
Payment for cancellation of units	(194,400)	(102,957)	-	-
Distributions paid	(5,975)	(42)	-	-
Lease interest paid	(20)	(19)	(20)	(19)
Payment of lease liabilities	(110)	(144)	(110)	(144)
Net cash flows used in financing activities	(71,509)	(57,754)	(130)	(163)
Net increase/(decrease) in cash and cash equivalents	61,138	(79,408)	(11,858)	77,903
Cash and cash equivalents at beginning of period	250,177	267,950	127,265	75,084
Cash and cash equivalents at end of period	311,315	188,542	115,407	152,987

*Refer to Note 10 for Group definitions.

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

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business of the Company is located at 1-38-1 & 1-38-2, Menara Bangkok Bank, Laman Sentral Berjaya, No 105, Jalan Ampang, 50450, Kuala Lumpur.

The immediate holding company is Sompo Holdings (Asia) Pte. Ltd., which is incorporated in Singapore. The ultimate holding company is Sompo Holdings, Inc which is incorporated in Japan and listed on the Tokyo Stock Exchange.

2. BASIS OF PREPARATION

The unaudited condensed interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting issued by the Malaysia Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IAS") 34 Interim Financial Reporting issued by International Accounting Standards Board ("IASB").

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

As at the reporting date, the Group and the Company had met the minimal 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 Group and the Company's audited financial statements for the financial year ended 31 December 2025.

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

3. MATERIAL ACCOUNTING POLICIES

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

Description	**Effective date**
• Amendments to MFRS 9 and MFRS 7 Classification and Measurement of Financial Instruments	1 January 2026
• Amendments to MFRS 9 and MFRS 7 Contracts Referencing Nature-dependent Electricity	1 January 2026
• Amendments that are part of Annual Improvements - Volume 11	1 January 2026
- Amendments to MFRS 1 First-time Adoption of MFRS Accounting Standards	
- Amendments to MFRS 7 Financial Instruments: Disclosures	
- Amendments to MFRS 10 Consolidated Financial Statements	
- Amendments to MFRS 107 Statement of Cash Flows	

The adoption of the above amendments to MFRSs do not have any significant financial impact to the financial statements of the Group and the Company.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

The standards and amendments/improvements to standards that are issued but not yet effective up to the date of issuance of the Financial Statements for the Group and the Company are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	**Effective date**
• Amendments to MFRS 18 - Presentation and Disclosure in Financial Statements	1 January 2027
• Amendments to MFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027
• Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates	1 January 2027
• Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Distribution of Assets between an Investor and its Associate or Joint Venture	to be determined by MASB

With the exception of MFRS 18, the above standards and amendments are not expected to have a significant impact on the Group's and the Company's financial statements upon initial application. The Group and the Company are currently evaluating the potential impact, if any, of applying MFRS 18.

4. PRINCIPAL ACTIVITY

The principal activity of the Company is underwriting of general insurance business. There has been no significant change in the nature of the principal activity during the interim financial period.

5. MATERIAL CHANGES IN ESTIMATES

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

6. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM PERIOD

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

7. DEBTS AND EQUITY SECURITIES

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities by the Company in the current financial period ended 30 June 2026.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

8. UNUSUAL ITEMS

There were no other unusual items affecting assets, liabilities, equity, net income or cash flow of the Group and the Company for the financial period ended 30 June 2026.

9. DIVIDEND PAYMENT

A proposed dividend of RM92,158,000 has been approved by the Board of Directors and Bank Negara Malaysia. The dividend will be paid to the owners of the Company on 1 July 2026.

10. COMPOSITION OF THE GROUP AND THE COMPANY

The Group consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date have been prepared in conformity with MFRS 10. The subsidiaries consist of six wholesale funds.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

11. INVESTMENT PROPERTIES

Group and Company	30.06.2026 RM'000	31.12.2025 RM'000
At 1 January	13,950	13,950
At 30 June / 31 December	13,950	13,950

Investment properties are stated at fair value based on valuations that reflect market conditions using comparison method. The Group and the Company revalued its investment properties based on an independent valuation performed by an independent accredited valuer.

12. LEASES

Group and Company	Right-of-use assets RM'000	Lease liabilities RM'000
At 1 January 2026	1,287	1,270
Additions	110	58
Terminations	(23)	(36)
Accretion of interest	-	20
Depreciation charge	(183)	-
Rental paid	-	(110)
Interest paid	-	(20)
At 30 June 2026	1,191	1,182
At 1 January 2025	1,085	1,061
Additions	886	886
Terminations	(366)	(400)
Accretion of interest	-	48
Depreciation charge	(318)	-
Rental paid	-	(277)
Interest paid	-	(48)
At 31 December 2025	1,287	1,270

Set out below are the breakdown of the carrying amounts of lease liabilities based on current and non-current classification:

	30.06.2026 RM'000	31.12.2025 RM'000
Current	284	286
Non-Current	898	984
	1,182	1,270

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

13. INVESTMENTS

	Group		Company	
	30.06.2026	**31.12.2025**	**30.06.2026**	**31.12.2025**
MGS/GII*	329,573	372,552	-	-
Corporate Bonds	2,119,588	2,177,423	-	-
Equity securities	173,633	51,614	32,741	51,614
Unit trust funds	-	-	2,826,589	2,747,062
Deposits with financial institutions	129,440	163,054	-	3,570
	2,752,234	2,764,643	2,859,330	2,802,246

* Malaysian Government Securities (MGS)/Government Investment Issues (GII)

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

	Group		Company	
	30.06.2026	**31.12.2025**	**30.06.2026**	**31.12.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Financial assets at fair value through profit or loss ("FVTPL")	2,622,794	2,601,589	2,859,330	2,798,676
Amortised cost ("AC")	129,440	163,054	-	3,570
	2,752,234	2,764,643	2,859,330	2,802,246

(a) Financial assets at FVTPL

	Group		Company	
	30.06.2026	**31.12.2025**	**30.06.2026**	**31.12.2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
MGS/GII*	329,573	372,552	-	-
Corporate Bonds	2,119,588	2,177,423	-	-
Fair value				
Unit Trust Funds	-	-	2,826,589	2,747,062
Equity securities:				
- Quoted in Malaysia	173,515	51,496	32,623	51,496
- Unquoted in Malaysia**	118	118	118	118
	173,633	51,614	2,859,330	2,798,676
	2,622,794	2,601,589	2,859,330	2,798,676

* Malaysian Government Securities (MGS)/Government Investment Issues (GII).

** The unquoted equity securities are value using adjusted net asset value.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

13. INVESTMENTS (CONT'D)

(b) Amortised cost

	Group		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	RM'000	RM'000	RM'000	RM'000
Deposits with financial institutions	129,440	163,054	-	3,570

The carrying value of the deposits approximate fair value due to their relatively short term maturities.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

14. INSURANCE AND REINSURANCE CONTRACTS

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

		30.06.2026			31.12.2025	
Group and Company	**Assets RM'000**	**Liabilities RM'000**	**Net RM'000**	**Assets RM'000**	**Liabilities RM'000**	**Net RM'000**
Insurance contracts issued						
Motor insurance	-	(1,105,742)	(1,105,742)	-	(1,066,579)	(1,066,579)
Fire insurance	-	(309,914)	(309,914)	-	(352,613)	(352,613)
Marine, Aviation & Transit insurance	-	(45,819)	(45,819)	-	(56,062)	(56,062)
Miscellaneous	-	(566,490)	(566,490)	-	(1,029,500)	(1,029,500)
Total insurance contracts issued	-	(2,027,965)	(2,027,965)	-	(2,504,754)	(2,504,754)
Reinsurance contracts held						
Motor insurance	53,754	-	53,754	54,929	-	54,929
Fire insurance	97,044	-	97,044	137,081	-	137,081
Marine, Aviation & Transit insurance	12,740	-	12,740	19,998	-	19,998
Miscellaneous	337,844	-	337,844	791,569	-	791,569
Total reinsurance contracts issued	501,382	-	501,382	1,003,577	-	1,003,577

14. INSURANCE AND REINSURANCE CONTRACTS (CONT'D)

14.1 Roll-forward of net liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The roll-forward of the new liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

	Liabilities for remaining coverage		Liabilities for incurred claims		
Group and Company 30 June 2026	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustment RM'000**	**Total RM'000**
Insurance contract liabilities as at 1 January 2026	**515,488**	**274**	**1,865,391**	**123,601**	**2,504,754**
Insurance revenue	(684,074)	-	-	-	(684,074)
Insurance service expenses	131,105	(219)	93,417	(25,968)	198,335
Incurred claims and other expenses	-	(191)	483,718	23,894	507,421
Amortisation of insurance acquisition cash flows	131,105	-	-	-	131,105
Losses on onerous contracts and reversals of those losses	-	(28)	-	-	(28)
Changes to liabilities for incurred claims	-	-	(390,301)	(49,862)	(440,163)
Insurance service result	**(552,969)**	**(219)**	**93,417**	**(25,968)**	**(485,739)**
Insurance finance expense	-	2	24,506	1,588	26,096
Total changes in the statement of comprehensive income	**(552,969)**	**(217)**	**117,923**	**(24,380)**	**(459,643)**
Cash flows					
Premium received	591,384	-	-	-	591,384
Claim and other expenses paid	-	-	(474,362)	-	(474,362)
Insurance acquisition cash flows	(134,168)	-	-	-	(134,168)
Total cash flows	**457,216**	**-**	**(474,362)**	**-**	**(17,146)**
Net insurance contract liabilities as at 30 June 2026	**419,735**	**57**	**1,508,952**	**99,221**	**2,027,965**

14. INSURANCE AND REINSURANCE CONTRACTS (CONT'D)

14.1 Roll-forward of net liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (Cont'd)

The roll-forward of the new liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below (Cont'd):

	Liabilities for remaining coverage		**Liabilities for incurred claims**		
Group and Company 31 December 2025	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustment RM'000**	**Total RM'000**
Insurance contract liabilities as at 1 January 2025	**385,117**	**449**	**1,872,826**	**105,246**	**2,363,638**
Insurance revenue	(1,351,286)	-	-	-	(1,351,286)
Insurance service expenses	245,882	(233)	780,500	13,038	1,039,187
Incurred claims and other expenses	-	(256)	972,172	38,826	1,010,742
Amortisation of insurance acquisition cash flows	245,882	-	-	-	245,882
Losses on onerous contracts and reversals of those losses	-	23	-	-	23
Changes to liabilities for incurred claims	-	-	(191,672)	(25,788)	(217,460)
Insurance service result	**(1,105,404)**	**(233)**	**780,500**	**13,038**	**(312,099)**
Insurance finance expense	-	58	93,991	5,317	99,366
Total changes in the statement of comprehensive income	**(1,105,404)**	**(175)**	**874,491**	**18,355**	**(212,733)**
Cash flows					
Premium received	1,491,314	-	-	-	1,491,314
Claim and other expenses paid	-	-	(881,926)	-	(881,926)
Insurance acquisition cash flows	(255,539)	-	-	-	(255,539)
Total cash flows	**1,235,775**	**-**	**(881,926)**	**-**	**353,849**
Net insurance contract liabilities as at 31 December 2025	**515,488**	**274**	**1,865,391**	**123,601**	**2,504,754**

14. INSURANCE AND REINSURANCE CONTRACTS (CONT'D)

14.1 Roll-forward of net asset for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

The roll-forward of the new asset for reinsurance contracts issued, showing the asset for remaining coverage and the asset for incurred claims, is disclosed in the table below:

	Assets for remaining coverage		Assets for incurred claims		
Group and Company **30 June 2026**	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustment RM'000**	**Total RM'000**
Reinsurance contract assets as at 1 January 2026	**42,722**	**143**	**897,865**	**62,847**	**1,003,577**
An allocation of reinsurance premiums	(114,056)	-	-	-	(114,056)
Amounts recoverable from reinsurers for incurred claims	-	(123)	(273,952)	(27,141)	(301,216)
Amount recoverable for incurred claims and other expenses	-	(122)	63,557	4,241	67,676
Loss-recovery on onerous underlying contracts and adjustments	-	(1)	-	-	(1)
Changes to amount recoverable for incurred claims	-	-	(337,509)	(31,382)	(368,891)
Net income or expense from reinsurance contracts held	**(114,056)**	**(123)**	**(273,952)**	**(27,141)**	**(415,272)**
Reinsurance finance income	-	2	6,495	469	6,966
Total changes in the statement of comprehensive income	**(114,056)**	**(121)**	**(267,457)**	**(26,672)**	**(408,306)**
Cash flows					
Premium paid	19,377	-	-	-	19,377
Amount received	-	-	(113,266)	-	(113,266)
Total cash flows	**19,377**	**-**	**(113,266)**	**-**	**(93,889)**
Net reinsurance contract assets as at 30 June 2026	**(51,957)**	**22**	**517,142**	**36,175**	**501,382**

14. INSURANCE AND REINSURANCE CONTRACTS (CONT'D)

14.1 Roll-forward of net asset for reinsurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (Cont'd)

The roll-forward of the new asset for reinsurance contracts issued, showing the asset for remaining coverage and the asset for incurred claims, is disclosed in the table below (Cont'd):

	Assets for remaining coverage		Assets for incurred claims		
Group and Company **31 December 2025**	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustment RM'000**	**Total RM'000**
Reinsurance contract assets as at 1 January 2025	**(20,592)**	**311**	**983,701**	**58,010**	**1,021,430**
An allocation of reinsurance premiums	(250,802)	-	-	-	(250,802)
Amounts recoverable from reinsurers for incurred claims	-	(200)	54,079	2,712	56,591
Amount recoverable for incurred claims and other expenses	-	(193)	125,923	7,626	133,356
Loss-recovery on onerous underlying contracts and adjustments	-	(7)	-	-	(7)
Changes to amount recoverable for incurred claims	-	-	(71,844)	(4,914)	(76,758)
Net income or expense from reinsurance contracts held	**(250,802)**	**(200)**	**54,079**	**2,712**	**(194,211)**
Reinsurance finance income	-	32	34,538	2,125	36,695
Total changes in the statement of comprehensive income	**(250,802)**	**(168)**	**88,617**	**4,837**	**(157,516)**
Cash flows					
Premium paid	314,116	-	-	-	314,116
Amount received	-	-	(174,453)	-	(174,453)
Total cash flows	**314,116**	**-**	**(174,453)**	**-**	**139,663**
Net reinsurance contract assets as at 31 December 2025	**42,722**	**143**	**897,865**	**62,847**	**1,003,577**

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

15. OTHER RECEIVABLES

	Group		Company	
	30.06.2026 RM'000	31.12.2025 RM'000	30.06.2026 RM'000	31.12.2025 RM'000
Other receivables and deposits	17,298	13,698	17,298	13,698
Staff loans	1	-	1	-
Interest income due and accrued	83,057	28,381	54,412	478
Amount due from related parties (Note 19)	641	1,144	641	1,144
Share of other assets held under Malaysia Motor Insurance Pool ("MMIP") (Net*)	35,483	35,059	35,483	35,059
	136,480	78,282	107,835	50,379

* As a participating member of MMIP, the Company shares a proportion of the Pool's net assets/liabilities. At each reporting date, the Company accounts for its share of net assets, liabilities and performance of the Pool. The net assets held under MMIP represent the Company's share of the Pool's net assets, before insurance contract liabilities. The Company's share of the Pool's insurance contract liabilities is included in Note 14.

16. OTHER PAYABLES

	Group		Company	
	30.06.2026 RM'000	31.12.2025 RM'000	30.06.2026 RM'000	31.12.2025 RM'000
Accrued liabilities	39,459	28,942	39,459	28,942
Other payables	52,548	47,743	20,271	47,097
Provision of financial penalty (Note 23)	8,088	8,088	8,088	8,088
Amount due to related parties (Note 19)	100,334	17,176	100,334	17,176
	200,429	101,949	168,152	101,303

17. EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	Group		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Net profit for the period (RM'000)	97,030	178,291	95,659	174,341
Number of ordinary shares in issue ('000)	118,000	118,000	118,000	118,000
Earnings per share (sen)	82.2	151.1	81.1	147.7

18. RELATED PARTY TRANSACTIONS

The significant related party transactions during the period are as follows:

Group and Company	30.06.2026 RM'000	31.12.2025 RM'000
Income		
Premium received	4,556	8,217
Commission received	6,972	13,192
Claims recovery	25,802	34,435
Other Income	125	222
	37,455	56,065
Expenditure		
Premiums ceded	(41,448)	(66,818)
Commissions paid	(280)	(517)
Claims paid	(1,548)	(3,822)
Expenses net of recoveries	(7,999)	(21,969)
Dividend paid	(92,158)	(63,012)
	(143,433)	(156,138)

19. RELATED PARTY BALANCES

The significant related party balances during the period are as follows:

Group and Company	30.06.2026 RM'000	31.12.2025 RM'000
Payable		
Dividend Payable (Note 16)		
Sompo Holdings (Asia) Pte. Ltd.	(64,511)	-
Berjaya Capital Berhad	(27,647)	-
Amount due to related parties		
Sompo Japan Insurance Inc.	(18,697)	(25,655)
Sompo Holdings (Asia) Pte. Ltd.	(799)	(956)
Sompo Insurance Singapore Pte. Ltd.	(10,992)	(4,149)
Sompo Insurance (Hong Kong) Co., Ltd.	(455)	(450)
Endurance Worldwide Insurance Ltd	(114)	(102)
Sompo International Holdings Ltd.	(2)	(2)
Endurance Sompo International	(5,679)	(8,473)
Endurance Assurance Company	(1,123)	(591)
Sompo Holdings, Inc.	(82)	(66)
Berjaya Corporation Berhad and its related companies	(17)	(118)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

19. RELATED PARTY BALANCES (CONT'D)

The significant related party balances during the period are as follows (Cont'd):

Group and Company	30.06.2026 RM'000	31.12.2025 RM'000
Receivable		
Amount due from related parties		
Sompo Japan Insurance Inc.	5,392	2,809
Sompo Holdings (Asia) Pte. Ltd.	26	605
Sompo Insurance Singapore Pte. Ltd.	7	9
Sompo Insurance (Hong Kong) Co., Ltd.	7,647	3,409
Berjaya Corporation Berhad and its related companies	191	590

20. FAIR VALUE HIERARCHY

The following tables analyse assets which are carried at fair value and assets for which fair value are disclosed according to their fair value hierarchy, defined as follows:

i. **Level 1**

Quoted (unadjusted) market prices in active markets for identical assets or liabilities

ii. **Level 2**

Valuation techniques for which all inputs that are significant to the fair value measurement is directly or indirectly observable

iii. **Level 3**

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

20. FAIR VALUE HIERARCHY (CONT'D)

	30.06.2026 Fair value measurement using:				31.12.2025 Fair value measurement using:			
Group	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Assets measured at fair value on a recurring basis:								
Investment properties	-	-	13,950	13,950	-	-	13,950	13,950
FVTPL - MGS/GII	-	329,573	-	329,573	-	372,552	-	372,552
FVTPL - Corporate Bonds	-	2,119,588	-	2,119,588	-	2,177,423	-	2,177,423
FVTPL - Equity securities	173,515	-	118	173,633	51,496	-	118	51,614
	173,515	2,449,161	14,068	2,636,744	51,496	2,549,975	14,068	2,615,539

There has been no transfer between level 1 and level 2 of the fair value hierarchy during the period.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONT'D)

20. FAIR VALUE HIERARCHY (CONT'D)

	30.06.2026 Fair value measurement using:				31.12.2025 Fair value measurement using:			
Company	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Assets measured at fair value on a recurring basis:								
Investment properties	-	-	13,950	13,950	-	-	13,950	13,950
FVTPL - Equity securities	32,623	-	118	32,741	51,496	-	118	51,614
FVTPL - Unit trust funds	2,826,589	-	-	2,826,589	2,747,062	-	-	2,747,062
	2,859,212	-	14,068	2,873,280	2,798,558	-	14,068	2,812,626

There has been no transfer between level 1 and level 2 of the fair value hierarchy during the period.

21. CAPITAL COMMITMENT

	30.06.2026 RM'000	31.12.2025 RM'000
Capital expenditure approved and contracted for :		
Property, plant and equipment	5,006	1,461
Intangible assets	5,576	6,184
	10,582	7,645

22. REGULATORY CAPITAL REQUIREMENT

The Company's Internal Capital Adequacy Assessment Process ("ICAAP") Framework is in place to manage and maintain capital adequacy level that commensurate with its risk profile at all times and to ensure that adequate capital resources are available to maintain Capital Adequacy Ratio ("CAR") above Individual Target Capital Level ("ITCL") and Supervisory Level. Pursuant to the Risk-Based Capital Framework issued by BNM, the Company has met the minimum CAR of 130%.

The total capital available of the Company as at 30 June 2026, as prescribed under the RBC Framework is provided below:

	30.06.2026 RM'000	31.12.2025 RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	118,000	118,000
Retained earnings	1,259,225	1,265,693
	1,377,225	1,383,693
Deductions		
Intangible assets	26,047	25,346
Deferred tax (expense)/income	(2,368)	(1,265)
Deferred tax assets	9,110	6,742
	32,789	30,823
Total capital available	1,344,436	1,352,870

23. DEVELOPMENTS ON MYCC CASE

On 22 February 2017, the Company received a statutory notice of the proposed decision by Malaysian Competition Commission ("MyCC") that the Company and the other 21 members of PIAM (collectively “the Parties”) have infringed one of the prohibitions under Part II of the Competition Act, 2010 (“Act”) (“Proposed Decision”). The Proposed Decision amongst others imposed financial penalties on the Parties amounting to a total sum of RM213,454,814. The Company's share of the financial penalty was for the sum of RM10,784,489.

A denovo hearing of the oral representations before MyCC was commenced on 17 June 2019 and concluded on 18 June 2019.

On 14 September 2020, MyCC delivered its decision in finding the Parties infringed section 40 of the Act and directed the Parties to (“MyCC Decision”) and imposed financial penalty on the Parties.

Taking into account, the impact of economic situation arising due to the outbreak of global COVID-19 pandemic, MyCC granted a 25% reduction on the financial penalty imposed on the Parties.

On 2 September 2022, the Commission of Appeal Tribunal ("CAT") set aside MyCC's decision dated 14 September 2020.

However, in December 2022, MyCC filed an ex-parte application in the High Court for leave to apply for judicial review of the CAT's decision ("Leave for JR"). Following the MyCC's Leave for JR, PIAM and the 21 insurers files an affidavit to oppose the application for Leave for JR.

On 30 November 2023, all parties' counsels completed oral submissions and the High Court Judge reserved his decision and fixed 16 January 2024 for delivery of decision.

On 16 January 2024, the High Court dismissed MyCC’s Leave for Judicial Review (JR) application and ordered MyCC to pay costs of RM10,000.00 to each insurer. Subsequently, on 15 February 2024, MyCC filed a Notice of Appeal against the Leave Decision at the Court of Appeal. The Court of Appeal will deliver the decision of the current appeal on 18 August 2026.

Given the ongoing legal proceedings and the uncertainty surrounding the final outcome, the Group and the Company have made a provision of RM8,088,367 in the financial statements, as disclosed in Note 16.