Company No. 200701037463 (795492-W)

AIG MALAYSIA INSURANCE BERHAD

(Incorporated in Malaysia)

CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2026 TO 30 JUNE 2026

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

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AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 - UNAUDITED

	Note	30.06.2026 RM'000	31.12.2025 RM'000
Assets			
Property and equipment		208	258
Right-of-use assets	7	2,353	3,379
Intangible assets		452	631
Financial investments	9	1,342,137	1,314,703
Reinsurance contract assets	10	436,653	426,104
Loans and receivables	12	40,822	37,787
Tax recoverable		18,463	24,372
Cash and bank balances		109,096	78,850
Total assets		1,950,184	1,886,084
Equity and liabilities			
Share capital		310,800	310,800
Retained earnings		350,624	308,124
Fair value reserve		2,729	6,091
Total equity		664,153	625,015
Insurance contract liabilities	11	1,250,214	1,222,228
Deferred tax liabilities		10,076	18,069
Lease liability	8	2,018	2,840
Other payables		23,723	17,932
Total liabilities		1,286,031	1,261,069
Total equity and liabilities		1,950,184	1,886,084

The accompanying notes form an integral part of the financial statements

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

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

	30.06.2026	30.06.2025
	RM'000	RM'000
Insurance revenue	413,125	434,153
Insurance service expenses	(296,014)	(241,582)
Net expenses from reinsurance contracts held	(51,951)	(103,656)
Insurance service result	**65,160**	**88,915**
Interest revenue from financial assets not measured at FVTPL	22,908	22,646
Investment revenue from financial assets measured at FVTPL	1,483	1,299
Net unrealised losses on financial assets measured at FVTPL	(216)	(6,363)
Realised net gains on investments in financial assets measured at FVTPL	3,936	1,205
Net investment income	**28,111**	**18,787**
Net finance expenses from insurance contracts issued	(12,169)	(15,723)
Net finance income from reinsurance contracts held	5,818	6,098
Net insurance finance expense	**(6,351)**	**(9,625)**
Net insurance and investment result	**86,920**	**98,077**
Other income	450	(2,255)
Other operating expenses	(26,201)	(16,184)
Profit before income tax	**61,169**	**79,638**
Income tax expense	(8,669)	(22,683)
Profit for the period	**52,500**	**56,955**
Earnings per share		
Basic	0.17 sen	0.18 sen

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

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

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

	30.06.2026 RM'000	30.06.2025 RM'000
Net profit after taxation for the financial year	52,500	56,955
Other comprehensive income:		
Items that may be subsequently reclassified to profit or loss		
Changes in other comprehensive income reserves:		
- Fair value (loss)/gain arise during the financial year	(4,423)	9,499
- Reclassification from other comprehensive income reserves to Statement of Profit or Loss arising from realised losses on disposal under FVOCI equities	-	-
Tax effect on changes in fair value reserves	1,061	(2,280)
	(3,362)	**7,219**
Total comprehensive income for the financial year	49,138	64,174

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

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

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

	<---Non-distributable--->		Distributable	
	Share capital	**Fair value reserve**	**Retained earnings**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At 1 January 2025	**310,800**	**(392)**	**360,969**	**671,377**
Profit for the financial year	-	-	56,955	56,955
Other comprehensive expenses for the financial year	-	7,219	-	7,219
Total comprehensive income for the financial year	-	7,219	56,955	64,174
Dividend paid during the financial year	-	-	(120,000)	(120,000)
At 30 June 2025	**310,800**	**6,827**	**297,924**	**615,551**
At 1 January 2026	**310,800**	**6,091**	**308,124**	**625,015**
Profit for the financial year	-	-	52,500	52,500
Other comprehensive expenses for the financial year	-	(3,362)	-	(3,362)
Total comprehensive income for the financial year	-	(3,362)	52,500	49,138
Dividend declared during the financial year	-	-	(10,000)	(10,000)
At 30 June 2026	**310,800**	**2,729**	**350,624**	**664,153**

The accompanying notes form an integral part of the financial statements

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

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

	30.06.2026	30.06.2025
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial year	**52,500**	**56,955**
Adjustments for:		
Depreciation of property and equipment	50	71
Amortisation of intangible assets	279	1,005
Depreciation of right-of-use assets	1,096	1,091
Finance cost on lease liabilities	47	55
Investment income	(23,352)	(22,625)
Write-back of impairment loss on FVTPL financial assets	-	(855)
Realised gain on FVTPL financial assets	(3,925)	(1,205)
Net fair value (losses)/gains recorded in profit or loss	(3,146)	1,805
Income tax expense	12,030	27,242
	35,579	63,539
Changes in working capital:		
Increase in AC financial assets	(35,491)	(49)
(Increase)/decrease in reinsurance contract assets	(10,549)	96,717
Increase/(decrease) in insurance contract liabilities	27,986	(154,885)
Increase in other payables	5,791	2,455
Increase in loans and receivables	(3,035)	(381)
Cash generated from operations	20,281	7,396
Tax paid	(9,691)	(25,408)
Net cash inflows from operating activities	10,590	(18,012)

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

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

	30.06.2026 RM'000	30.06.2025 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible assets	(100)	(100)
Interest income received	23,842	23,710
Dividend income received	1,457	1,177
Purchase of FVTPL financial assets	(56,766)	(30,465)
Purchase of FVOCI financial assets	(131,886)	(40,642)
Proceeds from disposal of FVTPL financial assets	54,024	30,676
Proceeds from disposal of FVOCI financial assets	140,023	75,000
Net cash inflows from investing activities	30,594	59,356
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(10,000)	-
Payment of lease liabilities	(938)	(933)
Net cash outflows from financing activities	(10,938)	(933)
NET INCREASE IN CASH AND CASH EQUIVALENTS	30,246	40,411
CASH AND CASH EQUIVALENTS AT 1 JANUARY	78,850	168,246
CASH AND CASH EQUIVALENTS AT 30 JUNE	109,096	208,657
Cash and cash equivalents comprise:		
Cash and bank balances	12,909	14,198
Fixed and call deposits with maturity of less than 3 months	96,187	194,459
	109,096	208,657

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

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED

1. BASIS OF PREPARATION

The unaudited condensed interim financial statements ("the Report") of AIG Malaysia Insurance Berhad ("the Company") have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting, and International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The Report does not include all information required for disclosure in the annual financial statements, and should be read in conjunction with the audited financial statements of the Company as at and for the financial year ended 31 December 2025.

The preparation of the condensed interim financial statement in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities as at the date of the condensed interim financial statements, and the reported amount of income and expenses during the period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

MFRSs/Interpretations/Amendments	**Effective date**
• Amendments to the Classification and Measurement of Financial Instruments *(Amendments to MFRS 9 and MFRS 7)*	1 January 2026
• Annual Improvements to MFRS Accounting Standards-Volume 11	1 January 2026

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

2. SEASONAL OR CYCLICAL FACTORS

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

3. EXCEPTIONAL OR EXTRAORDINARY ITEMS

There were no exceptional or extraordinary items for the six months ended 30 June 2026.

4. CHANGES IN ESTIMATES

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

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

There was no issuance or repayment of debt and equities for the current financial period under review.

6. DIVIDENDS

A final single-tier dividend of 3.22% (RM0.0.322 per share) on ordinary shares declared in respect of financial year ended 31 December 2025 amounting to RM10 million will be paid on 7 July 2026.

No dividend has been declared in respect of the current period ended 30 June 2026.

7. RIGHT-OF-USE ASSETS

	Properties RM'000
Cost	
At 1 January 2025	19,841
Addition	622
As at 31 December 2025/1 January 2026	20,463
Additions	70
At 30 June 2026	20,533
Accumulated Depreciation	
At 1 January 2025	15,226
Charge for the period	1,858
As at 31 December 2025/1 January 2026	17,084
Charge for the period	1,096
At 30 June 2026	18,180
Net book value	
At 31 December 2025	3,379
At 30 June 2026	2,353

8. LEASE LIABILITY

	30.06.2026 RM'000	31.12.2025 RM'000
Due in 1 year or less	1,328	1,416
Due in 2 to 5 years	690	1,424
Total present value of minimum lease payments	2,018	2,840
Future minimum lease payments	2,068	2,925
Less: finance cost	(50)	(85)
Total present value of minimum lease payments	2,018	2,840
Payable within one year		
Future minimum lease payments	1,499	1,478
Finance cost	(43)	(62)
Present value of minimum lease payments	1,456	1,416
Payable more than 1 year but not more than 5 years		
Future minimum lease payments	570	1,446
Finance cost	(7)	(23)
Present value of minimum lease payments	563	1,423

9. FINANCIAL INVESTMENTS

	30.06.2026 RM'000	31.12.2025 RM'000
Malaysian government securities	693,461	768,279
Cagamas papers	107,010	107,465
Corporate debt securities	397,283	336,544
Equity securities of corporations	93,759	87,282
Fixed and call deposits	50,624	15,133
Total investments	1,342,137	1,314,703

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

	30.06.2026 RM'000	31.12.2025 RM'000
Financial assets at FVTPL	93,759	87,282
Financial assets at FVOCI	1,197,754	1,212,288
Financial assets at amortised cost	50,624	15,133
Total investments	1,342,137	1,314,703

The following financial assets are expected to be realised after 12 months.

(a) Fair value through profit or loss ("FVTPL")

	30.06.2026 RM'000	31.12.2025 RM'000
Equity securities of corporations - quoted in Malaysia	93,759	87,282
	93,759	87,282

(b) Fair value through other comprehensive income ("FVOCI")

	30.06.2026 RM'000	31.12.2025 RM'000
At fair value		
Malaysian government securities - unquoted in Malaysia	693,461	768,279
Cagamas papers - unquoted in Malaysia	107,010	107,465
Corporate debt securities - unquoted in Malaysia	397,283	336,544
	1,197,754	1,212,288

(c) Amortised cost ("AC")

	30.06.2026 RM'000	31.12.2025 RM'000
Fixed and call deposits with licensed financial institutions with maturity more than three months	50,624	15,133

The carrying amount of the deposits with financial institutions approximates fair value due to the relatively short term maturities.

9. FINANCIAL INVESTMENTS (CONTINUED)

(d) Carrying values of financial assets

	FVOCI RM'000	FVTPL RM'000	AC RM'000	Total RM'000
As at 1 January 2025	1,209,950	70,574	98	1,280,622
Purchases	223,088	76,985	15,000	315,073
Maturities	(225,000)	-	-	(225,000)
Disposals	-	(66,620)	-	(66,620)
Fair value gains/(losses) recognised in:	8,530	1,532	-	10,062
- profit or loss	-	*1,532*	-	*1,532*
- comprehensive income	*8,530*	-	-	*8,530*
(Amortisation)/accretion of premium or discount	(4,057)	-	-	(4,057)
Movement of impairment allowance	-	1,872	-	1,872
Realised gain on disposal	-	2,941	-	2,941
Movement accrued interests	(223)	(2)	35	(190)
As at 31 December 2025	1,212,288	87,282	15,133	1,314,703
As at 1 January 2026	1,212,288	87,282	15,133	1,314,703
Purchases	131,886	56,766	35,000	223,652
Maturities	(120,000)	-	-	(120,000)
Disposals	(20,023)	(54,024)	-	(74,047)
Fair value gains/(losses) recognised in:	(4,423)	(216)	-	(4,639)
- profit or loss	-	*(216)*	-	*(216)*
- comprehensive income	*(4,423)*	-	-	*(4,423)*
(Amortisation)/accretion of premium or discount	(1,865)	-	-	(1,865)
Realised gain on disposal	-	3,925	-	3,925
Movement accrued interests	(109)	26	491	408
As at 30 June 2026	1,197,754	93,759	50,624	1,342,137

10. REINSURANCE CONTRACT ASSETS

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims ceded to reinsurers for the financial year ended 30 June 2026 is disclosed in the table below:

	30.06.2026				
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component RM'000	Loss recovery component RM'000	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Total RM'000
As at 1 January 2026	7,702	-	366,707	51,695	426,104
Allocation of reinsurance premiums paid	(109,552)	-	-	-	(109,552)
Recoveries of incurred claims	-	-	59,307	-	59,307
Adjustments to assets for incurred claims	-	-	-	(1,705)	(1,705)
Net (expense)/income from reinsurance contracts held	(109,552)	-	59,307	(1,705)	(51,950)
Net finance income from reinsurance contracts held	273	-	4,833	712	5,818
Total amounts recognized in comprehensive income	(109,279)	-	64,140	(993)	(46,132)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	130,586	-	-	-	130,586
Reinsurance recoveries	-	-	(73,905)	-	(73,905)
Total cash flows	130,586	-	(73,905)	-	56,681
Other movements	-	-	-	-	-
As at 30 June 2026	29,009	-	356,942	50,702	436,653

10. REINSURANCE CONTRACT ASSETS (CONTINUED)

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims ceded to reinsurers for the financial year ended 31 December 2025 is disclosed in the table below:

	31.12.2025				
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component RM'000	Loss recovery component RM'000	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Total RM'000
As at 1 January 2025	121,689	-	259,019	36,486	417,194
Allocation of reinsurance premiums paid	(222,312)	-	-	-	(222,312)
Recoveries of incurred claims	-	-	200,009	-	200,009
Adjustments to assets for incurred claims	-	-	-	14,198	14,198
Net (expense)/income from reinsurance contracts held	(222,312)	-	200,009	14,198	(8,105)
Net finance income from reinsurance contracts held	176	-	6,786	1,011	7,973
Total amounts recognized in comprehensive income	(222,136)	-	206,795	15,209	(132)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	107,944	-	-	-	107,944
Reinsurance recoveries	-	-	(99,374)	-	(99,374)
Total cash flows	107,944	-	(99,374)	-	8,570
Other movements	205	-	267	-	472
As at 31 December 2025	7,702	-	366,707	51,695	426,104

11. INSURANCE CONTRACT LIABILITIES

The breakdown of groups of insurance contracts issued, that are in a liability position is set out in the table below:

	30.06.2026			31.12.2025		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
Fire	-	455,367	455,367	-	435,857	435,857
Motor	(24,439)	-	(24,439)	-	9,397	9,397
Marine & Aviation	-	151,395	151,395	-	135,365	135,365
Miscellaneous	-	667,891	667,891	-	641,609	641,609
Total insurance contracts issued	(24,439)	1,274,653	1,250,214	-	1,222,228	1,222,228

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

The table below analyses the movement in the net insurance contract liabilities, showing separately the liabilities remaining coverage and liabilities for incurred claim by line of business with material net liabilities:

	30.06.2026				
Fire	**Liability for remaining coverage**		**Liability for incurred claims**		
	Excluding loss component RM'000	**Loss component RM'000**	**Present value of future cash flows RM'000**	**Risk adjustment for non-financial risk RM'000**	**Total RM'000**
As at 1 January 2026	71,368	-	335,191	29,298	435,857
Insurance revenue	(78,782)	-	-	-	(78,782)
Insurance service expenses	15,866	-	79,575	(697)	94,744
Incurred claims and other directly attributable expenses	-	-	71,689	5,498	77,187
Changes that relate to past service relating to the LIC	-	-	7,886	(6,195)	1,691
Insurance acquisition cash flows amortisation	15,866	-	-	-	15,866
Insurance service result	(62,916)	-	79,575	(697)	15,962
Net finance expenses from insurance contracts issued	-	-	11,252	1,817	13,069
Total amounts recognized in comprehensive income	(62,916)	-	90,827	1,120	29,031
Cash flows					
Premium received	43,707	-	-	-	43,707
Claims and other directly attributable expenses paid	-	-	(44,866)	-	(44,866)
Insurance acquisition costs	(8,362)	-	-	-	(8,362)
Total cash flows	35,345	-	(44,866)	-	(9,521)
Other movements	-	-	-	-	-
As at 30 June 2026	43,797	-	381,152	30,418	455,367

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

	31.12.2025				
Fire	**Liability for remaining coverage**		**Liability for incurred claims**		
	Excluding loss component RM'000	**Loss component RM'000**	**Present value of future cash flows RM'000**	**Risk adjustment for non-financial risk RM'000**	**Total RM'000**
As at 1 January 2025	118,414	-	162,909	19,796	301,119
Insurance revenue	(185,034)	-	-	-	(185,034)
Insurance service expenses	30,661	-	198,608	8,242	237,511
Incurred claims and other directly attributable expenses	-	-	224,909	21,468	246,377
Changes that relate to past service relating to the LIC	-	-	(26,301)	(13,226)	(39,527)
Insurance acquisition cash flows amortisation	30,661	-	-	-	30,661
Insurance service result	(154,373)	-	198,608	8,242	52,477
Net finance expenses from insurance contracts issued	-	-	10,223	1,260	11,483
Total amounts recognized in comprehensive income	(154,373)	-	208,831	9,502	63,960
Cash flows					
Premium received	166,337	-	-	-	166,337
Claims and other directly attributable expenses paid	-	-	(36,549)	-	(36,549)
Insurance acquisition costs	(59,010)	-	-	-	(59,010)
Total cash flows	107,327	-	(36,549)	-	70,778
Other movements	-	-	-	-	-
As at 31 December 2025	71,368	-	335,191	29,298	435,857

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

Motor	30.06.2026				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component RM'000	Loss component RM'000	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Total RM'000
As at 1 January 2026	74,043	-	(77,733)	13,087	9,397
Insurance revenue	(107,674)	-	-	-	(107,674)
Insurance service expenses	24,000	-	31,002	(167)	54,835
Incurred claims and other directly attributable expenses	-	-	27,930	1,320	29,250
Changes that relate to past service relating to the LIC	-	-	3,072	(1,487)	1,585
Insurance acquisition cash flows amortisation	24,000	-	-	-	24,000
Insurance service result	(83,674)	-	31,002	(167)	(52,839)
Net finance expenses from insurance contracts issued	-	-	(458)	(49)	(507)
Total amounts recognized in comprehensive income	(83,674)	-	30,544	(216)	(53,346)
Cash flows					
Premium received	104,155	-	-	-	104,155
Claims and other directly attributable expenses paid	-	-	(65,223)	-	(65,223)
Insurance acquisition costs	(19,422)	-	-	-	(19,422)
Total cash flows	84,733	-	(65,223)	-	19,510
Other movements	-	-	-	-	-
As at 30 June 2026	75,102	-	(112,412)	12,871	(24,439)

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

	31.12.2025				
Motor	**Liability for remaining coverage**		**Liability for incurred claims**		
	Excluding loss component RM'000	**Loss component RM'000**	**Present value of future cash flows RM'000**	**Risk adjustment for non-financial risk RM'000**	**Total RM'000**
As at 1 January 2025	81,678	-	(8,585)	11,246	84,339
Insurance revenue	(210,137)	-	-	-	(210,137)
Insurance service expenses	48,975	-	76,552	1,977	127,504
Incurred claims and other directly attributable expenses	-	-	86,690	5,150	91,840
Changes that relate to past service relating to the LIC	-	-	(10,138)	(3,173)	(13,311)
Insurance acquisition cash flows amortisation	48,975	-	-	-	48,975
Insurance service result	(161,162)	-	76,552	1,977	(82,633)
Net finance expenses from insurance contracts issued	-	-	(952)	(136)	(1,088)
Total amounts recognized in comprehensive income	(161,162)	-	75,600	1,841	(83,721)
Cash flows					
Premium received	212,378	-	-	-	212,378
Claims and other directly attributable expenses paid	-	-	(143,851)	-	(143,851)
Insurance acquisition costs	(58,851)	-	-	-	(58,851)
Total cash flows	153,527	-	(143,851)	-	9,676
Other movements	-	-	(897)	-	(897)
As at 31 December 2025	74,043	-	(77,733)	13,087	9,397

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

	30.06.2026				
Marine & Aviation	**Liability for remaining coverage**		**Liability for incurred claims**		
	Excluding loss component RM'000	**Loss component RM'000**	**Present value of future cash flows RM'000**	**Risk adjustment for non-financial risk RM'000**	**Total RM'000**
As at 1 January 2026	8,781	-	115,944	10,640	135,365
Insurance revenue	(23,808)	-	-	-	(23,808)
Insurance service expenses	3,073	-	18,166	(184)	21,055
Incurred claims and other directly attributable expenses	-	-	16,366	1,452	17,818
Changes that relate to past service relating to the LIC	-	-	1,800	(1,636)	164
Insurance acquisition cash flows amortisation	3,073	-	-	-	3,073
Insurance service result	(20,735)	-	18,166	(184)	(2,753)
Net finance expenses from insurance contracts issued	-	-	2,130	398	2,528
Total amounts recognized in comprehensive income	(20,735)	-	20,296	214	(225)
Cash flows					
Premium received	23,805	-	-	-	23,805
Claims and other directly attributable expenses paid	-	-	(5,865)	-	(5,865)
Insurance acquisition costs	(1,685)	-	-	-	(1,685)
Total cash flows	22,120	-	(5,865)	-	16,255
Other movements	-	-	-	-	-
As at 30 June 2026	10,166	-	130,375	10,854	151,395

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

Marine & Aviation	31.12.2025				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component RM'000	Loss component RM'000	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Total RM'000
As at 1 January 2025	12,235	-	87,027	8,873	108,135
Insurance revenue	(47,719)	-	-	-	(47,719)
Insurance service expenses	6,232	-	39,768	1,910	47,910
Incurred claims and other directly attributable expenses	-	-	45,034	4,974	50,008
Changes that relate to past service relating to the LIC	-	-	(5,266)	(3,064)	(8,330)
Insurance acquisition cash flows amortisation	6,232	-	-	-	6,232
Insurance service result	(41,487)	-	39,768	1,910	191
Net finance expenses from insurance contracts issued	-	-	(1,004)	(143)	(1,147)
Total amounts recognized in comprehensive income	(41,487)	-	38,764	1,767	(956)
Cash flows					
Premium received	46,910	-	-	-	46,910
Claims and other directly attributable expenses paid	-	-	(9,847)	-	(9,847)
Insurance acquisition costs	(8,877)	-	-	-	(8,877)
Total cash flows	38,033	-	(9,847)	-	28,186
Other movements	-	-	-	-	-
As at 31 December 2025	8,781	-	115,944	10,640	135,365

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

Miscellaneous	30.06.2026				
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component RM'000	Loss component RM'000	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	Total RM'000
As at 1 January 2026	188,271	-	404,671	48,667	641,609
Insurance revenue	(202,861)	-	-	-	(202,861)
Insurance service expenses	41,677	-	84,356	(653)	125,380
Incurred claims and other directly attributable expenses	-	-	75,996	5,155	81,151
Changes that relate to past service relating to the LIC	-	-	8,360	(5,808)	2,552
Insurance acquisition cash flows amortisation	41,677	-	-	-	41,677
Insurance service result	(161,184)	-	84,356	(653)	(77,481)
Net finance expenses/(income) from insurance contracts issued	308	-	(2,460)	(769)	(2,921)
Total amounts recognized in comprehensive income	(160,876)	-	81,896	(1,422)	(80,402)
Cash flows					
Premium received	211,472	-	-	-	211,472
Claims and other directly attributable expenses paid	-	-	(90,393)	-	(90,393)
Insurance acquisition costs	(14,395)	-	-	-	(14,395)
Total cash flows	197,077	-	(90,393)	-	106,684
Other movements	-	-	-	-	-
As at 30 June 2026	224,472	-	396,174	47,245	667,891

11. INSURANCE CONTRACT LIABILITIES (CONTINUED)

Roll-forward of net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims (continued)

	31.12.2025				
Miscellaneous	**Liability for remaining coverage**		**Liability for incurred claims**		
	Excluding loss component RM'000	**Loss component RM'000**	**Present value of future cash flows RM'000**	**Risk adjustment for non-financial risk RM'000**	**Total RM'000**
As at 1 January 2025	219,929	-	388,104	39,484	647,517
Insurance revenue	(392,004)	-	-	-	(392,004)
Insurance service expenses	92,091	-	210,224	8,028	310,343
Incurred claims and other directly attributable expenses	-	-	238,061	20,915	258,976
Changes that relate to past service relating to the LIC	-	-	(27,837)	(12,887)	(40,724)
Insurance acquisition cash flows amortisation	92,091	-	-	-	92,091
Insurance service result	(299,913)	-	210,224	8,028	(81,661)
Net finance expenses from insurance contracts issued	1,064	-	9,259	1,155	11,478
Total amounts recognized in comprehensive income	(298,849)	-	219,483	9,183	(70,183)
Cash flows					
Premium received	385,198	-	-	-	385,198
Claims and other directly attributable expenses paid	-	-	(202,916)	-	(202,916)
Insurance acquisition costs	(118,007)	-	-	-	(118,007)
Total cash flows	267,191	-	(202,916)	-	64,275
Other movements	-	-	-	-	-
As at 31 December 2025	188,271	-	404,671	48,667	641,609

12. LOANS AND RECEIVABLES

	30.06.2026 RM'000	31.12.2025 RM'000
Other receivables:		
Amount due from Malaysian Motor Insurance pool ("MMIP")	35,337	35,283
- Assets held under MMIP	31,878	31,824
- Cash contribution to MMIP	3,459	3,459
Other receivables, deposits and prepayments	5,485	2,504
Total loans and receivables	40,822	37,787

13. RELATED PARTY DISCLOSURES

In the normal course of business, the Company undertakes at agreed terms and prices, various transactions with the ultimate holding company and other related corporations deemed related parties by virtue of them being members of American International Group, Inc. group of companies ("AIG Group").

Details of significant related party transactions during the financial year:

	30.06.2026 RM'000	31.12.2025 RM'000
Reinsurance premium ceded	(741)	(124,628)
Claims paid	(2,014)	(1,078)
Commission earned	130	45,507
System related costs paid to related corporations	(6,963)	(14,123)
Reimbursement of expenses paid on behalf of immediate holding company	2,635	4,434
Loss adjustment expenses	96	-
Asset management fees	(690)	(1,155)
Policy processing and related administration costs	-	(811)
Global service fees	(13,154)	(36,605)
Professional fees	(469)	(527)
Dividends payable/paid	(10,000)	(120,000)

14. FAIR VALUE INFORMATION

Fair value measurement

The Company carries certain of its financial instruments at fair value. The fair value of a financial instrument is the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between willing, able and knowledgeable market participants at the measurement date.

<u>Fair value hierarchy</u>

Financial assets recorded at fair value in the Statement of Financial Position are measured and classified in a hierarchy for disclosure purposes consisting of three levels based on the characteristics of inputs available in the marketplace that are used to measure the fair values as noted below:

Level 1

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include actively traded listed equities and actively exchange-traded derivatives.

Level 2

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Company then determines fair value based upon valuation techniques that use as inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high. These would include certain bonds, government bonds, corporate debt securities, repurchase and reverse purchase agreements, loans.

Level 3

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Such inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or other analytical techniques.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There is no transfer between Level 1 and Level 2 of the fair value hierarchy during the period under review.

14. FAIR VALUE INFORMATION (CONTINUED)

Fair value hierarchy (continued)

The following table present information about assets carried at fair value by their valuation method.

30.06.2026	Level 1 RM'000	Level 2 RM'000	Total RM'000
Financial assets			
FVTPL			
Equity securities of corporations	93,759	-	93,759
FVOCI			
Malaysian government securities	-	693,461	693,461
Cagamas papers	-	107,010	107,010
Corporate debt securities	-	397,283	397,283
	93,759	1,197,754	1,291,513

31.12.2025	Level 1 RM'000	Level 2 RM'000	Total RM'000
Financial assets			
FVTPL			
Equity securities of corporations	87,282	-	87,282
FVOCI			
Malaysian government securities	-	768,279	768,279
Cagamas papers	-	107,465	107,465
Corporate debt securities	-	336,544	336,544
	87,282	1,212,288	1,299,570

15. REGULATORY CAPITAL REQUIREMENTS

The capital structure of the Company as at 30 June 202, as prescribed under the Framework is provided below:

	30.06.2026 RM'000	31.12.2025 RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	310,800	310,800
Retained earnings	304,988	240,804
	615,788	551,604
Tier 2 Capital		
Eligible reserves	2,729	6,091
*Amount deducted from Capital	(4,172)	(3,389)
Total Capital Available	614,345	554,306

16. CONTINGENT LIABILITY

As background, the Malaysia Competition Commission ("MyCC") issued a decision in 2020 against Persatuan Insuran Am Malaysia (PIAM) and 22 other members of PIAM (including AIG) for the agreement between PIAM and the Federation of Automobile Workshop Owners' Association of Malaysia (FAWOAM) to fix trade discount rates for parts of certain vehicle makes and labour hourly rates for workshops under the PIAM Approved Repairers Scheme (the "Decision"). PIAM and its members appealed against the Decision to the Competition Appeal Tribunal ("CAT"), which delivered its decision in September 2022 to overturn the Decision.

MyCC then applied to the High Court for leave to judicially review against the CAT Decision and The hearing of the appeal took place on 30 April 2026 however the Court of Appeal has reserved its decision and fixed 18 August 2026 as the date to deliver its decision.

The leave hearing scheduled for 8 May 2023 was postponed to 30 November 2023 instead. AIG had also filed an affidavit on 19 May 2023 ("AIG's Affidavit") opposing the Judicial Review Application. On 12 June 2023, MyCC had filed a reply to AIG's Affidavit. MyCC then filed its Written Submissions on 20 August 2023 and AIG filed its Written Submissions on 21 August 2023.

On 16 January 2024, the High Court dismissed the Judicial Review Application with costs of RM10,000 payable to each insurer ("High Court Decision"). MyCC filed an appeal to the Court of Appeal against the High Court Decision. During the case management on 15 May 2024, the court fixed the hearing of the appeal for 22 May 2025. During a case management on 30 May 2025, the court postponed the hearing of the appeal to 30 April 2026.

Saved as disclosed above, the management of the Company believes the criteria to disclose the above as contingent liability are met. Save as disclosed above, the Company does not have any other contingent assets and liabilities since the last annual balance sheet date of 31 December 2025.

AIG MALAYSIA INSURANCE BERHAD
(Incorporated in Malaysia)

CONFIRMATION BY OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, Zawinah Ismail, being the officer primarily responsible for the financial management of AIG Malaysia Insurance Berhad, confirm that the financial statements set out on pages 1 to 19 are drawn up in accordance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting.

Zawinah Ismail

Kuala Lumpur

Date: 26 August 2026