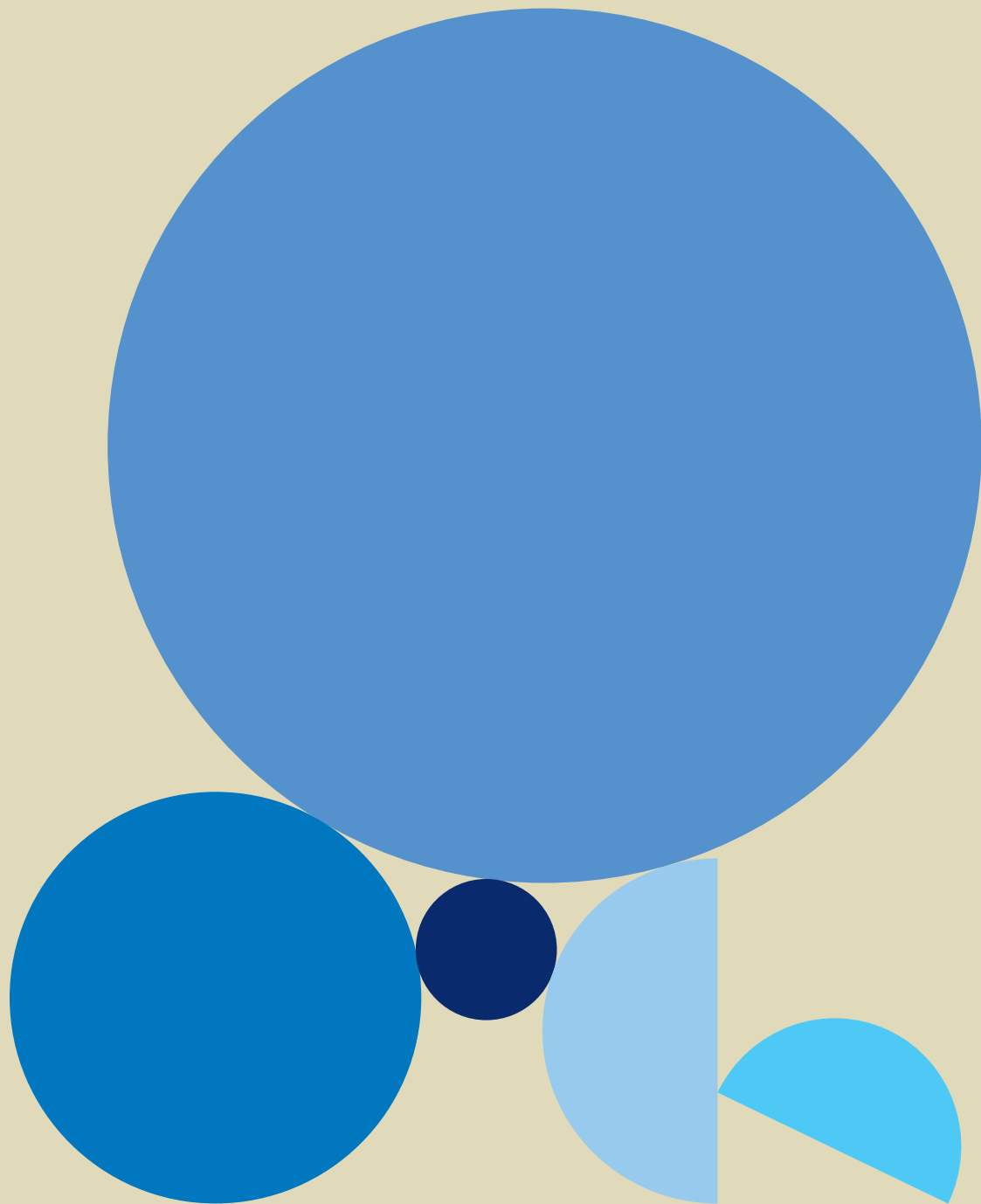


Unaudited Condensed
Interim Financial Statements
for the six months period ended
30 June 2026



Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

CONTENTS	PAGE
UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION	1 - 2
UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS	3 - 4
UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME	5
UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY	6
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS	7
NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS	8-33

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

		Family Takaful Fund		Company	
		30.06.2026	31.12.2025	30.06.2026	31.12.2025
ASSETS	Note	RM'000	RM'000	RM'000	RM'000
Property and equipment		-	-	5,735	6,657
Right-of-use assets		-	-	2,729	3,533
Intangible assets		-	-	-*	-*
Investments	10	1,146,589	1,096,474	1,447,414	1,386,688
Retakaful certificate assets	11	3,520	1,974	3,520	1,974
Other receivables		688	795	2,027	4,393
Tax recoverable		2,379	1,780	6,791	10,357
Cash and cash equivalents		83,157	73,422	105,940	112,918
TOTAL ASSETS		1,236,333	1,174,445	1,574,156	1,526,520

*Amount less than RM1,000.

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

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONTINUED)

	Note	Family Takaful Fund		Company	
		30.06.2026	31.12.2025	30.06.2026	31.12.2025
		RM'000	RM'000	RM'000	RM'000
EQUITY, PARTICIPANTS' FUND AND SHAREHOLDER'S EQUITY					
Share capital		-	-	290,000	290,000
Retained earnings		-	-	52,688	46,560
Other reserve		-	-	2,474	3,331
TOTAL SHAREHOLDER'S EQUITY		-	-	345,162	339,891
LIABILITIES					
Takaful certificate liabilities	11	1,191,745	1,125,693	1,151,806	1,099,704
Lease liabilities		-	-	2,818	3,694
Tax payable		3,705	2,297	3,705	2,297
Deferred tax liabilities		2,740	2,321	16,916	14,110
Other liabilities		38,143	44,134	53,749	66,824
TOTAL LIABILITIES		1,236,333	1,174,445	1,228,994	1,186,629
TOTAL LIABILITIES, PARTICIPANTS' FUNDS AND SHAREHOLDER'S EQUITY		1,236,333	1,174,445	1,574,156	1,526,520

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

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

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

	Family Takaful Fund		Company	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	RM'000	RM'000	RM'000	RM'000
Takaful revenue	190,186	172,005	191,510	172,701
Takaful service expense	(162,386)	(139,262)	(148,795)	(131,997)
Takaful service result before retakaful certificates held	27,800	32,743	42,715	40,704
Allocation of retakaful contributions	(17,031)	(13,959)	(17,031)	(13,959)
Amounts recoverable from retakaful operators for incurred claims	16,675	9,539	16,675	9,539
Net expense from retakaful certificates held	(356)	(4,420)	(356)	(4,420)
Takaful service result	27,444	28,323	42,359	36,284
Investment income	17,635	14,657	23,364	20,764
Realised (losses)/gains on financial assets at:				
-FVTPL	(1,307)	(6,493)	(1,307)	(6,493)
-FVOCI	41	98	8	(2)
Fair value gains/(losses)	21,017	(41,056)	21,017	(41,056)
(Impairment losses)/reversal of impairment losses on financial assets	(1,118)	(41)	(1,126)	34
Total investment result	36,268	(32,835)	41,956	(26,753)

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

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (CONTINUED)

	Family Takaful Fund		Company	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	RM'000	RM'000	RM'000	RM'000
Takaful finance expense for takaful certificates issued	(63,654)	(4,912)	(60,134)	(2,405)
Retakaful finance income for retakaful certificates held	356	4,421	356	4,421
Net takaful financial result	(63,298)	(491)	(59,778)	2,016
Fee income	2,286	2,185	2,287	2,185
Other operating income/(expenses)	189	185	(14,388)	(11,592)
Other finance cost	-	-	(21)	(13)
Profit/(loss) before zakat and taxation	2,889	(2,633)	12,415	2,127
Tax attributable to participants	(2,889)	2,633	(2,889)	2,633
Tax attributable to Takaful Operator	-	-	(3,398)	(3,574)
Zakat	-	-	-	-
Net profit for the financial period	-	-	6,128	1,186
Basic/diluted earnings per share (sen)	-	-	2.11	0.41

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

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

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

	Family Takaful Fund		Company	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	-	-	6,128	1,186
Other comprehensive (loss)/income, net of tax:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Gross (losses)/gains on fair value changes	(6,676)	8,428	(7,451)	10,208
Realised gains/(losses) transferred to profit or loss	(41)	(98)	(8)	2
Change in allowance for Expected Credit Loss ("ECL")	1,118	41	1,126	(34)
Fair value through other comprehensive income investments	(5,599)	8,371	(6,333)	10,176
Takaful finance (expense)/income for takaful certificates issued	-	-	(299)	673
Retakaful finance expense from retakaful certificates held	-	-	-	-
Net takaful finance result	-	-	(299)	673
Deferred tax income/(expenses)	448	(670)	624	(1,101)
Other comprehensive loss/(income) attributable to participants	5,151	(7,701)	5,151	(7,701)
Other comprehensive (loss)/income, net of tax	-	-	(857)	2,047
Total comprehensive income for the financial period	-	-	5,271	3,233

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

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

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

Company	Issued and fully paid-up ordinary shares	Non-distributable		Distributable	Total
	Share capital	Fair value reserve	Takaful/ retakaful finance reserves	Retained earnings	
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	290,000	527	1,373	36,130	328,030
Net profit for the financial period	-	-	-	1,186	1,186
Other comprehensive income for the period	-	1,374	673	-	2,047
At 30 June 2025	<u>290,000</u>	<u>1,901</u>	<u>2,046</u>	<u>37,316</u>	<u>331,263</u>
At 1 January 2026	290,000	1,600	1,731	46,560	339,891
Net profit for the financial period	-	-	-	6,128	6,128
Other comprehensive income for the period	-	558	299	-	857
At 30 June 2026	<u>290,000</u>	<u>1,042</u>	<u>1,432</u>	<u>52,688</u>	<u>345,162</u>

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

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

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

		6 months period ended 30.06.2026	6 months period ended 30.06.2025
	Note	RM'000	RM'000
OPERATING ACTIVITIES			
Cash (utilised in)/generated from operating activities	14	(5,818)	45,611
Profit income received		1,948	1,743
Income tax paid		(2,116)	(1,605)
Net cash flows (utilised in)/generated from operating activities		<u>(5,986)</u>	<u>45,749</u>
INVESTING ACTIVITIES			
Proceeds from disposal of property and equipment		-	71
Purchase of property and equipment		(60)	(941)
Net cash outflows from investing activities		<u>(60)</u>	<u>(870)</u>
FINANCING ACTIVITIES			
Payment of lease liabilities (principal portion)		(932)	(901)
Net cash outflows from financing activities		<u>(932)</u>	<u>(901)</u>
Net (decrease)/increase in cash and cash equivalents		(6,978)	43,978
Cash and cash equivalents at the beginning of the financial period		<u>112,918</u>	<u>105,213</u>
Cash and cash equivalents at the end of the financial period		<u>105,940</u>	<u>149,191</u>
Cash and cash equivalents comprise:			
Cash and bank balances		100,940	149,191
Fixed deposit with licensed financial institutions with original maturities of less than 3 months		5,000	-
		<u>105,940</u>	<u>149,191</u>

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

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**1. BASIS OF PREPARATION**

The condensed interim financial statements of the Company are unaudited and have been prepared in accordance with the MFRS 134 *Interim Financial Reporting* and Guidelines / Circulars issued by Bank Negara Malaysia ("BNM"). The unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the financial year ended 31 December 2025, which were prepared in accordance with the MFRS Accounting Standards and IFRS Accounting Standards.

In accordance with the Islamic Financial Services Act 2013 ("IFSA"), the assets and liabilities of the Takaful fund is segregated from those of the Takaful Operator: a concept known as segregation of funds. However, in compliance with MFRS 10 *Consolidated Financial Statements*, the assets, liabilities, income and expenses of the Takaful fund are consolidated with those of the Takaful Operator to represent the control possessed by the Takaful Operator over the respective funds. The inclusion of separate information of the Takaful fund and the Takaful Operator together with the consolidated financial information of the Company in the statement of financial position, the statement profit or loss, the statement of comprehensive income as well as certain relevant notes to the financial statements represents additional supplementary information required for BNM reporting.

The explanatory 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 Company since the financial year ended 31 December 2025.

Amendments effective for annual periods beginning on or after 1 January 2026

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

	Effective for annual financial periods beginning on or after
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards – Volume 11: Amendments to MFRS 1 <i>First-time adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7 <i>Financial Instruments: Disclosure</i>	1 January 2026
Amendments to MFRS 9 <i>Financial Instruments</i>	1 January 2026
Amendments to MFRS 10 <i>Consolidated Financial Statements</i>	1 January 2026
Amendments to MFRS 107 <i>Statement of Cash Flows</i>	1 January 2026

The adoption of the amendments above had no material financial impact on the unaudited condensed interim financial statements of the Company.

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

2. AUDITOR'S REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditor's report on the audited financial statements for the financial year ended 31 December 2025 was not qualified.

3. SEASONAL OR CYCLICAL FACTORS

The Company's business operations are not significantly affected by any unusual seasonal or cyclical factors.

4. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period under review.

5. CHANGE IN ACCOUNTING ESTIMATES

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

6. DIVIDEND PAYMENT

There was no dividend paid during the current financial period under review.

7. CHANGES IN COMPOSITION OF THE COMPANY

There were no changes in composition of the Company during the current financial period under review.

8. SIGNIFICANT AND SUBSEQUENT EVENT

There is no material subsequent event from the end of the current financial period under review, to the date of these unaudited condensed interim financial statements.

9. CONTINGENT LIABILITIES

There are no contingent liabilities as at the date of this report since the date of the last annual statement of financial position.

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
(CONTINUED)****10. INVESTMENTS**

The Family Takaful Fund's and the Company's investments are summarised by measurement categories as follows:

	Family Takaful Fund		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	RM'000	RM'000	RM'000	RM'000
(a) Financial assets at FVOCI	586,917	541,443	839,849	798,465
(b) Financial assets at FVTPL	559,672	555,031	559,672	555,031
(c) Financial assets at amortised cost	-	-	47,893	33,192
	<u>1,146,589</u>	<u>1,096,474</u>	<u>1,447,414</u>	<u>1,386,688</u>
The following investments mature after 12 months:				
Financial assets at FVOCI	570,601	531,830	768,229	763,041
Financial assets at FVTPL	87,103	90,551	87,103	90,551
	<u>657,704</u>	<u>622,381</u>	<u>855,332</u>	<u>853,592</u>

The breakdown of the financial assets by measurement categories are set out in the table below:

(a) Financial assets at FVOCI

	Family Takaful Fund		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	RM'000	RM'000	RM'000	RM'000
<u>At fair value</u>				
Government Investment Issues	55,008	61,216	87,730	109,610
Unquoted Islamic debt securities	531,909	480,227	752,119	688,855
	<u>586,917</u>	<u>541,443</u>	<u>839,849</u>	<u>798,465</u>

(b) Financial assets at FVTPL

	Family Takaful Fund		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	RM'000	RM'000	RM'000	RM'000
<u>At fair value</u>				
Government Investment Issues	3,448	4,554	3,448	4,554
Unquoted Islamic debt securities	87,921	88,430	87,921	88,430
Shariah-approved quoted equities	157,090	163,774	157,090	163,774
Unit trusts	311,213	298,273	311,213	298,273
	<u>559,672</u>	<u>555,031</u>	<u>559,672</u>	<u>555,031</u>

(c) Financial assets at amortised cost

	Family Takaful Fund		Company	
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
	RM'000	RM'000	RM'000	RM'000
<u>Amortised cost</u>				
Fixed deposits with licensed financial institutions	-	-	47,893	33,192

The carrying amounts of financial assets at amortised cost are reasonable approximations of fair values due to the short-term maturity of the financial assets.

As at 30 June 2026, the Company has fixed deposits of RM47,893,000 (2025: 33,912,000), placed with licensed financial institutions, with original maturity term of more than 3 months and which are not considered cash and cash equivalents.

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES

The breakdown of groups of takaful certificates issued and retakaful certificates 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		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Family Takaful Fund</u>						
Takaful certificates						
Takaful certificates issued	-	(1,191,745)	(1,191,745)	-	(1,125,693)	(1,125,693)
Retakaful certificates held	3,520	-	3,520	1,974	-	1,974
Takaful and retakaful certificates assets/(liabilities)	3,520	(1,191,745)	(1,188,225)	1,974	(1,125,693)	(1,123,719)
<u>Company</u>						
Takaful certificates						
Takaful certificates issued	-	(1,151,806)	(1,151,806)	-	(1,099,704)	(1,099,704)
Retakaful certificates held	3,520	-	3,520	1,974	-	1,974
Takaful and retakaful certificates assets/(liabilities)	3,520	(1,151,806)	(1,148,286)	1,974	(1,099,704)	(1,097,730)

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.1 Takaful certificates issued

The roll-forward of the liabilities for takaful certificates issued, showing the liabilities for remaining coverage and the liabilities for incurred claims for portfolios included in the Family Takaful Fund, is disclosed in the table below:

	30.06.2026				31.12.2025			
	Liabilities for remaining coverage				Liabilities for remaining coverage			
	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
Family Takaful Fund								
Takaful certificate liabilities as at 1 January	1,059,258	-	66,435	1,125,693	963,816	-	65,370	1,029,186
Net family takaful certificate liabilities as at 1 January	1,059,258	-	66,435	1,125,693	963,816	-	65,370	1,029,186
Takaful revenue	(190,186)	-	-	(190,186)	(379,599)	-	-	(379,599)
Expected incurred claims and other takaful service expenses	(188,556)	-	-	(188,556)	(383,685)	-	-	(383,685)
Release of expected and experience adjustment relating to participants' tax	(1,630)	-	-	(1,630)	4,086	-	-	4,086
Takaful service expense	-	-	162,386	162,386	-	-	310,670	310,670
Incurred claims and other takaful service expenses	-	-	162,386	162,386	-	-	310,670	310,670
Investment components	(45,966)	-	45,966	-	(84,204)	-	82,404	-
Takaful service result	(236,152)	-	208,352	(27,800)	(463,803)	-	394,874	(68,929)
Takaful finance expenses	58,503	-	-	58,503	87,684	-	-	87,684
Total changes in the statement of profit or loss and OCI	(177,649)	-	208,352	30,703	(376,119)	-	394,874	18,755

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.1 Takaful certificates issued (continued)

The roll-forward of the liabilities for takaful certificates issued, showing the liabilities for remaining coverage and the liabilities for incurred claims for portfolios included in the Family Takaful Fund, is disclosed in the table below: (continued)

	30.06.2026				31.12.2025			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
Family Takaful Fund (continued)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows								
Contributions and contribution tax received	240,634	-	-	240,634	480,750	-	-	480,750
Claims and other expenses paid including investment components	-	-	(204,718)	(204,718)	-	-	(393,809)	(393,809)
Total cash flows	240,634	-	(204,718)	35,916	480,750	-	(393,809)	86,941
Other movements	(567)	-	-	(567)	(9,189)	-	-	(9,189)
Net takaful certificate liabilities as at 30 June 2026/31 December 2025	1,121,676	-	70,069	1,191,745	1,059,258	-	66,435	1,125,693

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.1 Takaful certificates issued (continued)

The roll-forward of the liabilities for takaful certificates issued, showing the liabilities for remaining coverage and the liabilities for incurred claims for portfolios included in the Company, is disclosed in the table below:

Company	30.06.2026				31.12.2025			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Takaful certificate liabilities as at 1 January	975,663	56,013	68,028	1,099,704	899,312	65,405	67,301	1,032,018
Net family takaful certificate liabilities as at 1 January	975,663	56,013	68,028	1,099,704	899,312	65,405	67,301	1,032,018
Takaful revenue	(191,510)	-	-	(191,510)	(368,325)	-	-	(368,325)
Expected incurred claims and other takaful service expenses	(141,534)	-	-	(141,534)	(280,997)	-	-	(280,997)
Change in risk adjustment for non-financial risk expired	(2,136)	-	-	(2,136)	(3,758)	-	-	(3,758)
CSM recognised for service provided	(13,940)	-	-	(13,940)	(26,548)	-	-	(26,548)
Recovery of takaful acquisition cashflows	(32,270)	-	-	(32,270)	(61,108)	-	-	(61,108)
Release of expected and experience adjustment relating to participants' tax	(1,630)	-	-	(1,630)	4,086	-	-	4,086

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.1 Takaful certificates issued (continued)

The roll-forward of the liabilities for takaful certificates issued, showing the liabilities for remaining coverage and the liabilities for incurred claims for portfolios included in the Company, is disclosed in the table below: (continued)

Company (continued)	30.06.2026				31.12.2025			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component RM'000	Loss component RM'000			Excluding loss component RM'000	Loss component RM'000		
Takaful service expense	32,270	(3,412)	119,937	148,795	61,108	(12,401)	218,746	267,453
Incurring claims and other takaful service expenses	-	-	119,937	119,936	-	-	218,746	218,746
Net losses recognised on onerous certificates and reversals of those losses	-	(3,412)	-	(3,412)	-	(12,401)	-	(12,401)
Amortisation of takaful acquisition cash flows	32,270	-	-	32,270	61,108	-	-	61,108
Investment components	(45,966)	-	45,966	-	(84,204)	-	84,204	-
Takaful service result	(205,206)	(3,412)	165,903	(42,715)	(391,421)	(12,401)	302,950	(100,872)
Takaful finance expenses	54,091	1,191	-	55,282	78,435	3,009	-	81,444
Total changes in the statement of profit or loss and OCI	(151,115)	(2,221)	165,903	12,567	(312,986)	(9,392)	302,950	(19,428)

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.1 Takaful certificates issued (continued)

The roll-forward of the liabilities for takaful certificates issued, showing the liabilities for remaining coverage and the liabilities for incurred claims for portfolios included in the Company, is disclosed in the table below: (continued)

	30.06.2026				31.12.2025			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Company (continued)</u>								
Cash flows								
Contributions and contribution tax received	241,298	-	-	241,298	479,115	-	-	479,115
Claims and other expenses paid including investment components	-	-	(162,313)	(162,313)	-	-	(302,223)	(302,223)
Takaful acquisition cash flows	(38,883)	-	-	(38,883)	(80,589)	-	-	(80,589)
Total cash flows	202,415	-	(162,313)	40,102	398,526	-	(302,223)	96,303
Other movements	(567)	-	-	(567)	(9,189)	-	-	(9,189)
Net takaful certificate liabilities as at 30 June 2026/31 December 2025	1,026,396	53,792	71,618	1,151,806	975,663	56,013	68,028	1,099,704

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.2 Retakaful certificates held

The roll-forward of the assets for retakaful certificates held, showing the assets for remaining coverage and the amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Family Takaful Fund, is disclosed in the table below:

	30.06.2026				31.12.2025			
	Assets for remaining coverage		Amounts recoverable on incurred claims	Total	Assets for remaining coverage		Amounts recoverable on incurred claims	Total
	Excluding loss-recovery component	Loss-recovery component			Excluding loss-recovery component	Loss-recovery component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund								
Retakaful certificate assets as at 1 January	30,918	-	(32,892)	(1,974)	21,538	-	(28,474)	(6,936)
Net retakaful certificate assets as at 1 January	30,918	-	(32,892)	(1,974)	21,538	-	(28,474)	(6,936)
Allocation of retakaful contributions	17,031	-	-	17,031	29,895	-	-	29,895
Amounts recoverable from retakaful operators	-	-	(16,675)	(16,675)	-	-	(20,565)	(20,565)
Net expense from retakaful certificates held	17,031	-	(16,675)	356	29,895	-	(20,565)	9,330
Retakaful finance income	(566)	-	-	(566)	(9,188)	-	-	(9,188)
Effect of changes in non-performance risk of retakaful operators	210	-	-	210	(142)	-	-	(142)
Total changes in the statement of profit or loss and OCI	16,675	-	(16,675)	-	20,565	-	(20,565)	-

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.2 Retakaful certificates held (continued)

The roll-forward of the assets for retakaful certificates held, showing the assets for remaining coverage and the amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Family Takaful Fund, is disclosed in the table below: (continued)

	30.06.2026				31.12.2025			
	Assets for remaining coverage		Amounts recoverable on incurred claims	Total	Assets for remaining coverage		Amounts recoverable on incurred claims	Total
	Excluding loss-recovery component	Loss-recovery component			Excluding loss-recovery component	Loss-recovery component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund (continued)								
Cash flows								
Contributions and similar expenses paid	(14,340)	-	-	(14,340)	(20,374)	-	-	(20,374)
Amounts received from retakaful operators	-	-	12,227	12,227	-	-	16,147	16,147
Total cash flows	(14,340)	-	12,227	(2,113)	(20,374)	-	16,147	(4,227)
Other movements	567	-	-	567	9,189	-	-	9,189
Net retakaful certificate assets as at 30 June 2026/31 December 2025	33,820	-	(37,340)	(3,520)	30,918	-	(32,892)	(1,974)

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.2 Retakaful certificates held (continued)

The roll-forward of the assets for retakaful certificates held, showing the assets for remaining coverage and the amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Company, is disclosed in the table below:

Company	30.06.2026				31.12.2025			
	Assets for remaining coverage				Assets for remaining coverage			
	Excluding loss-recovery/gain component	Loss-recovery component	Amounts recoverable on incurred claims	Total	Excluding loss-recovery/gain component	Loss-recovery component	Amounts recoverable on incurred claims	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Retakaful certificate assets as at 1 January	30,918	-	(32,892)	(1,974)	21,538	-	(28,474)	(6,936)
Net retakaful certificate assets as at 1 January	30,918	-	(32,892)	(1,974)	21,538	-	(28,474)	(6,936)
Allocation of retakaful contributions	17,031	-	-	17,031	29,895	-	-	29,895
Amounts recoverable from retakaful operators	-	-	(16,675)	(16,675)	-	-	(20,565)	(20,565)
Net income or expense from retakaful certificates held	17,031	-	(16,675)	356	29,895	-	(20,565)	9,330
Retakaful finance income	(566)	-	-	(566)	(9,188)	-	-	(9,188)
Effect of changes in non-performance risk of retakaful operators	210	-	-	210	(142)	-	-	(142)
Total changes in the statement of profit or loss and OCI	16,675	-	(16,675)	-	20,565	-	(20,565)	-

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.2 Retakaful certificates held (continued)

The roll-forward of the assets for retakaful certificates held, showing the assets for remaining coverage and the amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Company, is disclosed in the table below: (continued)

	30.06.2026				31.12.2025			
	Assets for remaining coverage				Assets for remaining coverage			
	Excluding loss- recovery/ gain component	Loss- recovery component	Amounts recoverable on incurred claims	Total	Excluding loss- recovery/ gain component	Loss-recovery component	Amounts recoverable on incurred claims	Total
Company (continued)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows								
Contributions and similar expense paid	(14,340)	-	-	(14,340)	(20,374)	-	-	(20,374)
Amounts received from retakaful operators	-	-	12,227	12,227	-	-	16,147	16,147
Total cash flows	(14,340)	-	12,227	(2,113)	(20,374)	-	166,147	(4,227)
Other movements	567	-	-	567	9,189	-	-	9,189
Net retakaful certificate assets as at 30 June 2026/31 December 2025	33,820	-	(37,340)	(3,520)	30,918	-	(32,892)	(1,974)

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.3 Takaful certificates issues – analysis by measurement components

The table below presents a roll-forward of the liabilities for takaful certificates issued, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of takaful certificates issued by the Family Takaful Fund:

	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund								
Takaful certificate liabilities as at 1 January	1,125,693	-		1,125,693	1,029,186	-	-	1,029,186
Net takaful certificate liabilities as at 1 January	1,125,693	-	-	1,125,693	1,029,186	-	-	1,029,186
Changes that relate to current services:	(29,300)	-	-	(29,300)	(65,532)	-	-	(65,532)
Experience adjustments	(29,300)	-	-	(29,300)	(65,532)	-	-	(65,532)
Changes that relate to past services:	1,500	-	-	1,500	(3,397)	-	-	(3,397)
Adjustments to liabilities for incurred claims	1,500	-	-	1,500	(3,397)	-	-	(3,397)
Takaful service result	(27,800)	-	-	(27,800)	(68,929)	-	-	(68,929)
Takaful finance expenses	58,503	-	-	58,503	87,684	-	-	87,684
Total changes in the statement of profit or loss and OCI	30,703	-	-	30,703	18,755	-	-	18,755

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.3 Takaful certificates issues – analysis by measurement components (continued)

The table below presents a roll-forward of the liabilities for takaful certificates issued, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of takaful certificates issued by the Family Takaful Fund: (continued)

	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund (continued)								
Cash flows								
Contributions and contribution tax received	240,634	-	-	240,634	480,750	-	-	480,750
Claims and other takaful service expenses paid	(204,718)	-	-	(204,718)	(393,809)	-	-	(393,809)
Total cash flows	35,916	-	-	35,916	86,491	-	-	86,491
Other movements	(567)	-	-	(567)	(9,189)	-	-	(9,189)
Net takaful certificate liabilities as at 30 June 2026/31 December 2025	1,191,745	-	-	1,191,745	1,125,693	-	-	1,125,693

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.3 Takaful certificates issues – analysis by measurement components (continued)

The table below presents a roll-forward of the liabilities for takaful certificates issued, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of takaful certificates issued by the Company:

Company	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust-ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust-ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Takaful certificate liabilities as at 1 January	902,677	26,147	170,880	1,099,704	852,897	25,465	153,656	1,032,018
Net takaful certificate liabilities as at 1 January	902,677	26,147	170,880	1,099,704	852,897	25,465	153,656	1,032,018
Changes that relate to current services:	(28,324)	(2,176)	(13,940)	(44,440)	(62,386)	(3,717)	(26,548)	(92,651)
Contractual service margin recognised for services provided	-	-	(13,940)	(13,940)	-	-	(26,548)	(26,548)
Risk adjustment for the risk expired	-	(2,176)	-	(2,176)	-	(3,717)	-	(3,717)
Experience adjustments	(28,324)	-	-	(28,324)	(62,386)	-	-	(62,386)
Changes that relate to future services:	(10,633)	1,712	9,116	195	50,709	3,384	42,526	(4,799)
Certificates initially recognised in the period	(10,659)	1,900	9,565	806	(24,482)	3,734	23,490	2,742
Changes in estimates that adjust the contractual service margin	(237)	686	(449)	-	(20,727)	1,691	19,036	-
Changes in estimates that do not adjust the contractual service margin	263	(874)	-	(611)	(5,500)	(2,041)	-	(7,541)

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.3 Takaful certificates issues – analysis by measurement components (continued)

The table below presents a roll-forward of the liabilities for takaful certificates issued, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of takaful certificates issued in the Company: (continued)

Company (continued)	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Changes that relate to past services:	1,500	30	-	1,530	(3,397)	(25)	-	(3,422)
Adjustments to liabilities for incurred claims	1,500	30	-	1,530	(3,397)	(25)	-	(3,422)
Takaful services result	(37,457)	(434)	(4,824)	(42,715)	(116,492)	(358)	15,978	(100,872)
Takaful finance expenses	54,589	267	426	55,282	79,158	1,040	1,246	81,444
Total changes in the statement of profit or loss and OCI	17,131	(167)	(4,398)	12,567	(37,334)	682	17,224	(19,428)
Cash flows								
Contributions and contribution tax received	241,298	-	-	241,298	479,115	-	-	479,115
Claims and other takaful service expenses paid	(162,313)	-	-	(162,313)	(302,223)	-	-	(302,223)
Takaful acquisition cash flows	(38,883)	-	-	(38,883)	(80,589)	-	-	(80,589)
Total cash flows	40,102	-	-	40,102	96,303	-	-	96,303
Other movements	(567)	-	-	(567)	(9,189)	-	-	(9,189)
Net takaful certificate liabilities as at 30 June 2026/31 December 2025	959,344	25,980	166,482	1,151,806	902,677	26,147	170,880	1,099,704

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.4 Retakaful certificates held – analysis by measurement components

The table below presents a roll-forward of the assets for retakaful certificates held, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of retakaful certificates held by the Family Takaful Fund:

	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund								
Retakaful certificate assets as at 1 January	(1,974)	-	-	(1,974)	(6,936)	-	-	(6,936)
Net retakaful certificate assets as at 1 January	(1,974)	-	-	(1,974)	(6,936)	-	-	(6,936)
Changes that relate to current services:	571	-	-	571	7,613	-	-	7,613
Experience adjustments	571	-	-	571	7,613	-	-	7,613
Changes that relate to past services:	(215)	-	-	(215)	1,717	-	-	1,717
Changes in amounts recoverable arising from changes in liability for incurred claims	(215)	-	-	(215)	1,717	-	-	1,717
Retakaful finance income	(566)	-	-	(566)	(9,188)	-	-	(9,188)
Effect of changes in non-performance risk of retakaful operators	210	-	-	210	(142)	-	-	(142)
Total changes in the statement of profit or loss and OCI	-	-	-	-	-	-	-	-

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.4 Retakaful certificates held – analysis by measurement components (continued)

The table below presents a roll-forward of the assets for retakaful certificates held, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of retakaful certificates held by the Family Takaful Fund: (continued)

	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund (continued)								
Cash flows								
Contributions and similar expenses paid	(14,340)	-	-	(14,340)	(20,374)	-	-	(20,374)
Amounts received from retakaful operators	12,227	-	-	12,227	16,147	-	-	16,147
Total cash flows	(2,113)	-	-	(2,113)	(4,227)	-	-	(4,227)
Other movements	567	-	-	567	9,189	-	-	9,189
Net retakaful certificate assets as at 30 June 2026/31 December 2025	(3,520)	-	-	(3,520)	(1,974)	-	-	(1,974)

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.4 Retakaful certificates held – analysis by measurement components (continued)

The table below presents a roll-forward of the assets for retakaful certificates held, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of retakaful certificates held by the Company:

Company	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Retakaful certificate assets as at 1 January	(1,974)	-	-	(1,974)	(6,936)	-	-	(6,936)
Net retakaful certificate assets as at 1 January	(1,974)	-	-	(1,974)	(6,936)	-	-	(6,936)
Changes that relate to current services:	571	-	-	571	7,613	-	-	7,613
Experience adjustments	571	-	-	571	7,613	-	-	7,613
Changes that relate to past services:	(215)	-	-	(215)	1,717	-	-	1,717
Changes in amounts recoverable arising from changes in liability for incurred claims	(215)	-	-	(215)	1,717	-	-	1,717
Retakaful finance income	(566)	-	-	(566)	(9,188)	-	-	(9,188)
Effect of changes in non-performance risk of retakaful operators	210	-	-	210	(142)	-	-	(142)
Total changes in the statement of profit or loss and OCI	-	-	-	-	-	-	-	-

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

11.4 Retakaful certificates held – analysis by measurement components (continued)

The table below presents a roll-forward of the assets for retakaful certificates held, showing estimated of the present value of future cash flows, risk adjustment and CSM for portfolio of retakaful certificates held by the Company: (continued)

Company (continued)	30.06.2026				31.12.2025			
	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjust- ment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows								
Contributions and similar expenses paid	(14,340)	-	-	(14,340)	(20,374)	-	-	(20,374)
Amounts received from retakaful operators	12,227	-	-	12,227	16,147	-	-	16,147
Total cash flows	(2,113)	-	-	(2,133)	(4,227)	-	-	(4,227)
Other movements	567	-	-	567	9,189	-	-	9,189
Net retakaful certificate assets as at 30 June 2026/31 December 2025	(3,520)	-	-	(3,520)	(1,974)	-	-	(1,974)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)**12. FAIR VALUE INFORMATION****(a) Determination of fair value and fair value hierarchy**

The Company classifies fair value measurement using a fair value hierarchy that reflects the significant of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Quoted market price

Included in the quoted price category are financial instruments that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, secondary market via dealer and broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 – Valuation Techniques - Market observable input

Financial instruments in this category are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. It includes financial instruments for which pricing is obtained via pricing services, but where prices have not been determined in an active market, instruments with fair values based on broker quotes and discounted cash flows, the price of the most recent transactions may be used provided that there has not been a significant change in economic circumstances since the time of the transaction, or if the conditions have changed, that price should be adjusted to reflect the change in conditions by reference to current prices for similar financial instruments and investment in structured products with fair values obtained via investment bankers and/or fund managers.

Level 3 – Valuation Techniques - Unobservable inputs

Non-market observable inputs mean that fair values are determined in whole or in part using a valuation technique based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Example of main asset classes in this category are unquoted equity securities, unrated securities, investment properties, non-performing financing and debt securities from organisations in default. Valuation techniques of these portfolios are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the instrument at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Company. Therefore, unobservable inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the instrument (including assumptions about risk). These inputs are developed based on the best information available, which might include the Company's own data and judgments.

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)**12. FAIR VALUE INFORMATION (CONTINUED)****(b) Financial instruments and non-financial assets carried at fair value**

The following table shows the financial instruments and non-financial assets of Family Takaful Fund which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
<u>Family Takaful Fund</u>	RM'000	RM'000	RM'000	RM'000
30 June 2026				
Financial assets at FVOCI:				
Government Investment Issues	-	55,008	-	55,008
Unquoted Islamic debt securities	-	531,909	-	531,909
Financial assets at FVTPL:				
Government Investment Issues	-	3,448	-	3,448
Unquoted Islamic debt securities	-	87,401	520*	87,921
Shariah-approved quoted equities	157,090	-	-	157,090
Unit trusts	311,213	-	-	311,213
	<u>468,303</u>	<u>677,766</u>	<u>520</u>	<u>1,146,589</u>
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
31 December 2025				
Financial assets at FVOCI:				
Government Investment Issues	-	61,216	-	61,216
Unquoted Islamic debt securities	-	480,227	-	480,227
Financial assets at FVTPL:				
Government Investment Issues	-	4,554	-	4,554
Unquoted Islamic debt securities	-	87,910	520*	88,430
Shariah-approved quoted equities	163,774	-	-	163,774
Unit trusts	298,273	-	-	298,273
	<u>462,047</u>	<u>633,907</u>	<u>520</u>	<u>1,096,474</u>

*There were no movements in fair value of Level 3 financial instrument of the Company during the current period and previous financial year.

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)**12. FAIR VALUE INFORMATION (CONTINUED)****(b) Financial instruments and non-financial assets carried at fair value (continued)**

The following table shows the financial instruments and non-financial assets of the Company which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

<u>Company</u>	<u>Level 1</u> <u>RM'000</u>	<u>Level 2</u> <u>RM'000</u>	<u>Level 3</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
30 June 2026				
Financial assets				
FVOCI financial assets:				
Government Investment Issues	-	87,730	-	87,730
Islamic debt securities, unquoted	-	752,119	-	752,119
Financial assets at FVTPL:				
Government Investment Issues	-	3,448	-	3,448
Unquoted Islamic debt securities	-	87,401	520*	87,921
Shariah-approved quoted equities	157,090	-	-	157,090
Unit trusts	311,213	-	-	311,213
	<u>468,303</u>	<u>930,698</u>	<u>520</u>	<u>1,399,521</u>
	<u>Level 1</u> <u>RM'000</u>	<u>Level 2</u> <u>RM'000</u>	<u>Level 3</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
31 December 2025				
Financial assets at FVOCI:				
Government Investment Issues	-	109,610	-	109,610
Unquoted Islamic debt securities	-	688,855	-	688,855
Financial assets at FVTPL:				
Government Investment Issues	-	4,554	-	4,554
Unquoted Islamic debt securities	-	87,910	520*	88,430
Shariah-approved quoted equities	163,774	-	-	163,774
Unit trusts	298,273	-	-	298,273
	<u>462,047</u>	<u>890,929</u>	<u>520</u>	<u>1,353,496</u>

*There were no movements in fair value of Level 3 financial instrument of the Company during the current period and previous financial year.

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

13. TOTAL CAPITAL AVAILABLE

The regulated capital of the Company as at 30 June 2026 comprised of Available Capital of RM290,000,000 (31 December 2025: RM290,000,000).

The capital structure of the Company as at 30 June 2026, as prescribed under the RBCT Framework, is shown below:

	30.06.2026	31.12.2025
	RM'000	RM'000
<u>Tier 1 Capital</u>		
Paid-up share capital	290,000	290,000
Valuation surplus in takaful fund	39,330	27,966
Accumulated losses of Shareholder's Fund	(36,533)	(35,295)
	<u>292,797</u>	<u>282,671</u>
<u>Tier 2 Capital</u>		
Fair value through other comprehensive income ("FVOCI") reserves	2,433	5,758
	<u>2,433</u>	<u>5,758</u>
Less:		
Amount deducted from capital	(14,738)	(14,620)
Total capital available	<u>280,492</u>	<u>273,809</u>

Company No.

200601012246 (731996-H)

ZURICH TAKAFUL MALAYSIA BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. CASH FLOW FROM OPERATING ACTIVITIES

	Company	
	30.06.2026	30.06.2025
	RM'000	RM'000
Cash flow from operating activities		
Net profit for the financial period	6,128	1,186
Adjustments for:		
Depreciation of property and equipment	982	994
Depreciation of right-of-use assets	802	871
Write-offs of right-of-use assets	2	-
Investment income	(22,238)	(20,800)
Realised losses/(gains) recorded in profit or loss	1,299	6,495
Fair value (gains)/losses recorded in profit or loss	(21,017)	41,056
Finance expense on lease liabilities	56	35
Tax expense attributable to Takaful Operator	3,398	3,574
Tax expense/(credit) attributable to participants	2,889	(2,633)
Net cash flows from operating activities before changes in working capital	(27,699)	30,778
Changes in working capital:		
Decrease/(increase) in financial assets at FVTPL	19,116	(4,513)
(Increase)/decrease in financial assets at FVOCI	(25,691)	16,563
Increase in financial assets at amortised cost	(14,701)	-
(Increase)/decrease in retakaful certificate assets	(1,546)	3,217
Decrease/(increase) in other receivables	2,366	(11,799)
Increase in takaful certificate liabilities	51,803	12,577
Decrease in other liabilities	(9,466)	(1,212)
Cash (utilised in)/generated from operating activities	(5,818)	45,611

Zurich Takaful Malaysia Berhad

Registration No. 200601012246 (731996-H)

Level 23A, Mercu 3,
No. 3, Jalan Bangsar, KL Eco City,
59200 Kuala Lumpur, Malaysia
Tel: 03-2109 6000 Fax: 03-2109 6888
Call Centre: 1-300-888-622
www.zurich.com.my