GREAT EASTERN TAKAFUL BERHAD

201001032332 (916257-H)
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

201001032332 (916257-H)

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

CONTENTS	**PAGE (S)**
Directors' Report	1 - 41
Statement by Directors	42
Statutory Declaration	42
Report of the Shariah Committee	43 - 45
Statement of Financial Position	46
Statement of Profit or Loss	47
Statement of Comprehensive Income	48
Statement of Changes in Equity	49
Statement of Cash Flows	50 - 51
Notes to the Financial Statements	52 - 213
Independent Auditors' Report	214 - 216

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Company for the year ended 31 December 2025.

PRINCIPAL ACTIVITY

The Company is principally engaged in managing family takaful business including takaful investment-linked business.

RESULTS

	RM'000
Net profit for the financial year	28,973

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

ULTIMATE HOLDING COMPANY

The ultimate holding company is Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), a public listed company incorporated in the Republic of Singapore.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Mr Norman Ka Cheung Ip (Chairman)
YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)
YBhg Rear Admiral Dato' Anuwar bin Mad Said (Rtd) (Resigned w.e.f. 5 May 2025)
YBhg Dato' Albert Yeoh Beow Tit
YBhg Professor Dato' Dr. Wan Sabri bin Wan Yusof
Mr Tong Hon Keong
YBhg Datin Arlina binti Ariff
YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) (Appointed w.e.f. 6 May 2025)

In accordance with Article 72 of the Company's Memorandum & Articles of Association (M&A), YBhg Dato’ Albert Yeoh Beow Tit and Mr Tong Hon Keong will retire at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

In accordance with Article 76 of the Company's M&A, YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) will retire at the forthcoming Annual General Meeting, and being eligible, offers himself for re-election.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than the options over shares in the Company's ultimate holding company as disclosed in this report.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 15 and Note 20 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest to be disclosed under Fifth Schedule, Part I Section 3 of the Companies Act 2016.

A Director and Officer’s Liability Takaful has been entered into by the Company for the financial year ended 31 December 2025 pursuant to Section 289 of the Companies Act 2016. The cost of takaful effected amounted to a gross contribution of RM72,359.20.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares and options over shares in the Company's ultimate holding company, OCBC Bank, during the financial year were as follows:

	Shareholdings in which Directors have a direct interest			
	1.1.2025	Acquired	Disposed	31.12.2025
(a) Ordinary shares in the capital of OCBC Bank				
Mr Norman Ka Cheung Ip	4,646	-	-	4,646
YBhg Dato' Albert Yeoh Beow Tit	262,335	20,000	-	282,335
(b) Deemed Interest				
Mr Norman Ka Cheung Ip	10,340[(1)]	-	-	10,340[(1)]
YBhg Dato' Albert Yeoh Beow Tit	87,424	-	-	87,424

Note:
(1) Deemed interest (OCBC Deferred Share Plan)

Other than as disclosed above, none of the Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES

The Company has taken concerted steps to comply with Bank Negara Malaysia ("BNM") Policy Document on Corporate Governance (the "CG PD") issued on 3 August 2016. The Company is committed to the standards and practices prescribed in this policy document.

OTHER STATUTORY INFORMATION

(a) Before the statement of financial position, statement profit or loss and statement of other comprehensive income of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances which would render:

(i) it necessary to write-off any bad debts or to make any impairment allowance for impaired debts in respect of the financial statements of the Company; and

(ii) the values attributed to current assets in the financial statements of the Company misleading.

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

(d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT (CONTINUED)

OTHER STATUTORY INFORMATION (CONTINUED)

(f) In the opinion of the Directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company to meet its obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

(g) Before the statement of financial position and statement of profit or loss of the Company were made out, the Directors took reasonable steps to ascertain that there was adequate provision for its takaful certificate liabilities/assets in accordance with the Malaysian Financial Reporting Standard 17 ("MFRS 17") - *Insurance Contracts* .

For the purpose of paragraphs (e) and (f) above, contingent and other liabilities do not include liabilities arising from certificates of takaful underwritten in the ordinary course of business of the Company.

SIGNIFICANT EVENTS

There were no significant events during the financial year that require disclosure in the financial statements.

DIRECTORS' REPORT (CONTINUED)

AUDITORS

Auditors' Remuneration

Details of auditors' remuneration amounting to RM1,304,651 are set out in Note 15 to the financial statements.

There was no indemnity given to, or takaful effected for auditors of the Company in respect of the liability for any act or omission in their capacity as auditors of the Company during the financial year.

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept the reappointment as auditors.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 30 MAR 2026

YBhg Dato' Albert Yeoh Beow Tit

YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)

Kuala Lumpur, Malaysia

STATEMENT OF CORPORATE GOVERNANCE

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report)

The Board of Directors ("the Board") and Management of Great Eastern Takaful Berhad (the "Company") place great importance on high standards of corporate conduct and are committed to upholding values of integrity, honesty and proper conduct at all times in the business operations and dealings of the Company.

The Company adopts corporate governance practices which are in conformity with BNM's Policy Document on Corporate Governance and is continually enhancing standards of the overall governance.

THE BOARD'S CONDUCT OF AFFAIRS

Board's responsibilities and accountability

1. The Board provides strategic directions to, and oversight of the operations of the Company. The principal roles and functions of the Board, as set out in the Board Charter, include the following:

   (a) reviewing and approving the overall business strategy as well as the organisation structure of the Company, developed and recommended by the Management;

   (b) overseeing and approving the risk appetite of the Company that is consistent with the strategic intent, operating environment, effective internal controls, capital sufficiency and regulatory standards;

   (c) overseeing the implementation of the Company's governance framework and internal control framework, and periodically reviewing the frameworks to ensure they remain appropriate in light of material changes to the size, nature and complexity of the Company's operations;

   (d) overseeing, through the Board Nominations and Remuneration Committee, the selection, performance, remuneration and succession plans of the Chief Executive Officer ("CEO"), Senior Officers and Non-Senior Officers, such that the Board is satisfied with their collective competence as Senior Officers to effectively lead the operations of the Company;

   (e) ensuring that the decisions and investments are consistent with the long-term strategic goals of the Company and reasonable standards of fair dealing with all stakeholders;

   (f) ensuring that interests of shareholders, certificate holders and other stakeholders are taken into account in managing the Company's business;

   (g) ensuring that the necessary human resources are in place for the Company to achieve its objectives;

   (h) ensuring that the Company is operated in accordance with the relevant laws and regulations, as well as policies, processes and guidelines approved by the Board, so as to preserve its financial integrity;

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Board's responsibilities and accountability (Continued)

1. The Board provides strategic directions to, and oversight of the operations of the Company. The principal roles and functions of the Board, as set out in the Board Charter, include the following: (Continued)

   (i) overseeing, through the Board Audit Committee, the quality and integrity of the accounting and financial reporting systems, disclosure controls and procedures, and system of internal controls;

   (j) overseeing, through the Board Risk Management Committee, the establishment and operation of an independent risk management system for managing risks on an enterprise-wide basis, the adequacy of the risk management function (including ensuring that it is sufficiently resourced to monitor risk by the various risk categories and that it has appropriate independent reporting lines), and the quality of the risk management processes and systems;

   (k) reviewing and approving any transaction for the acquisition or disposal of assets that is material to the Company;

   (l) establishing corporate values and standards, emphasizing integrity, honesty and proper conduct at all times, with respect to internal dealings and external transactions, including situations where there are potential conflicts of interests;

   (m) promoting sustainability through appropriate environmental, social and governance considerations in the Company's business strategies;

   (n) overseeing and approving the recovery and resolution as well as business continuity plans for the Company to restore its financial strength, and to maintain or preserve critical operations and services when they come under stress;

   (o) promoting timely and effective communications between the Company and BNM on matters affecting or that may affect the safety and soundness of the Company;

   (p) promoting Shariah compliance in accordance with the Shariah governance framework and ensuring its integration with the Company's business and risk strategies; and

   (q) overseeing the adequacy, effectiveness and implementation of Anti-Corruption function.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Board's responsibilities and accountability (Continued)

2. The Company has adopted internal guidelines on matters which require Board's approval. Matters requiring Board's approval include, but are not limited to, the overall business strategy and direction, significant policies governing the operations of the Company, strategic or significant acquisitions and disposal of assets by the Company, corporate restructuring, major corporate initiatives and other activities of a significant nature, all material and special related party transactions, authority levels for the Company's core functions and outsourcing of core business functions.

Board Committees

3. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the Board Committees and Management to optimise operational efficiency.

4. The Board has established a number of Board committees ("Board Committees") to assist it in carrying out more effective oversight of the operations and business affairs of the Company. These Board Committees consist of the Board Nominations and Remuneration Committee, Board Audit Committee and Board Risk Management Committee. All the Board Committees have been constituted with clear Board-approved terms of reference. An additional committee, namely, the Governance Committee ("GC") was formed on 24 January 2011. The GC is not classified as a Board Committee under BNM's CG PD, as it does not meet the required definition. According to the guidelines, a Board Committee must comprise at least three Board members to be formally recognised as such. The current GC consist of 2 Board Members, the Chairman of Shariah Committee and the Appointed Actuary. The purpose of GC is to promote and maintain the appropriate balance in addressing the interests of all stakeholders, while giving special attention to the interests of Takaful participants. The GC has been constituted with clear Board-approved terms of reference.

5. The Company's Board Committees and the GC, in carrying out responsibilities pursuant to their respective terms of reference, are also actively involved in assisting the Board to ensure compliance with good corporate governance practices by the Company. Details of the principal roles and responsibilities of the Board Committees and GC are set out in the relevant sections in this report. Minutes of all Board Committees and GC meetings, which provide a fair and accurate record of the discussions, key deliberations and decisions taken during the meetings, are maintained and are circulated to the Board.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Board Committees (Continued)

Meetings and Directors' attendance

6. The Board meets regularly during the year to review the business performance and key activities of the Company, and to consider business proposals presented by the Management. All members of the Board participate actively in Board discussions and decisions are taken objectively in the interests of the Company. The Board guides the Management with strategic directions to achieve its stated goals and the Management remains accountable to the Board. Where warranted by particular circumstances, ad hoc Board or Board Committee meetings will be convened.

7. Meetings of the Board and Board Committees via telephone or video conference are permitted by the Company's M&A. A financial institution must ensure that attendance at a board meeting, by way other than physical presence, remains the exception rather than the norm, and is subject to appropriate safeguards to preserve the confidentiality of deliberations. Any Director who is unable to attend any Board or Board Committee meeting will still be provided with all meeting papers for information. Directors are equipped with electronics tablets that allow secured access to Board and Board Committee meeting materials.

8. All Directors have complied with the minimum 75% meeting attendance requirement at Board meetings as stipulated in the CG PD and Board Charter.

9. The number of meetings of the Board and Board Committees held in 2025 and the attendance of the Directors at those meetings are tabulated below:

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Directors' attendance at Board and Board Committee meetings in 2025

Name of Directors	Board				Board Nominations and Remuneration Committee			
	No. of Meetings				No. of Meetings			
	Scheduled		Ad Hoc		Scheduled		Ad Hoc	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Norman Ka Cheung Ip	8	8	2	2	6	6	-	-
YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)	8	8	2	2	6	6	-	-
YBhg Rear Admiral Dato' Anuwar Mad Said (Rtd) (Resigned w.e.f. 5 May 2025)	4	4	2	2	3(1)	3(1)	-	-
YBhg Dato' Albert Yeoh Beow Tit	8	8	2	2	6	6	-	-
YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof	8	8	2	2	6	6	-	-
Mr Tong Hon Keong	8	8	2	2	6	6	-	-
YBhg Datin Arlina binti Ariff	8	8	2	2	6(1)	6(1)	-	-
YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) (Appointed w.e.f. 6 May 2025)	4	4	-	-	3(1)	3(1)	-	-

Notes:
(1) Attendance by Invitation

Name of Directors	Board Risk Management Committee				Board Audit Committee			
	No. of Meetings				No. of Meetings			
	Scheduled		Ad Hoc		Scheduled		Ad Hoc	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Norman Ka Cheung Ip	5(1)	5(1)	1(1)	1(1)	4	4	1	1
YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)	1(1)	1(1)	1(1)	1(1)	2(1)	2(1)	1(1)	1(1)
YBhg Rear Admiral Dato' Anuwar Mad Said (Rtd) (Resigned w.e.f. 5 May 2025)	3	3	-	-	2(1)	2(1)	1(1)	1(1)
YBhg Dato' Albert Yeoh Beow Tit	1(1)	1(1)	1(1)	1(1)	4	4	1	1
YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof	1(1)	1(1)	1(1)	1(1)	4	4	1	1
Mr Tong Hon Keong	5	5	1	1	2(1)	2(1)	1(1)	1(1)
YBhg Datin Arlina binti Ariff	5	4(2)	1	1	2(1)	2(1)	1(1)	1(1)
YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) (Appointed w.e.f. 6 May 2025)	2	2	1	1	1(1)	1(1)	-	-

Notes:
(1) Attendance by Invitation
(2) Attended compulsory training conducted by FIDE

Directors' attendance at the Extraordinary General Meeting ("EGM") and Annual General Meeting of the Company on 20 March 2025 and 10 April 2025 respectively are not included in the above table.

There were two (2) Joint Board Audit Committee and Board Risk Management Committee meetings held on 16 January 2025 and 20 August 2025 respectively. Directors' attendance at this meeting is not included in the above table.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

THE BOARD'S CONDUCT OF AFFAIRS (CONTINUED)

Directors' attendance at Governance Committee meeting in 2025

Name of Directors	Governance Committee			
	No. of Meetings			
	Scheduled		Ad Hoc	
	Held	Attended	Held	Attended
YBhg Dato' Albert Yeoh Beow Tit (Chairman)	2	2	-	-
YBhg Datin Arlina binti Ariff	2	2	-	-
Dr Mohammad Firdaus Mohammad Hatta (Retired w.e.f. 12 December 2025)	2	2	-	-
Mr Tan Say Yen (Appointed Actuary)(Appointed w.e.f. on 24 February 2025)	1	1	-	-
Dr Muhammad Naim Omar (Appointed w.e.f. 13 December 2025)(1)	-	-	-	-

The Governance Committee is represented by two board representatives.

Notes:
(1) There is no GC meeting held after 13 December 2025.

BOARD COMPOSITION AND GUIDANCE

Board Membership

The number of meetings indicated in "Held" above reflects the number of meetings held during the time the respective Directors held office.

10. The Company's Board of Directors during the financial year comprised four Independent Directors and three Non-Independent.

11. YBhg Dato' Albert Yeoh Beow Tit and Mr Tong Hon Keong will retire by rotation and will be re-elected to the Board at the next Company's Annual General Meeting pursuant to Article 72 of the Company's M&A, whilst YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) will retire and be re-elected to the Board pursuant to Article 76 of the Company's M&A.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD COMPOSITION AND GUIDANCE (CONTINUED)

Board Membership (Continued)

12. In addition, all appointments and reappointments of Directors of the Company are subject to the approval of BNM. The composition of the Board during the financial year 2025 is as follows:

Members of the Board	Status of Directorship
Mr Norman Ka Cheung Ip	Non-Independent Non-Executive Director
YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)	Non-Independent Non-Executive Director
YBhg Rear Admiral Dato' Anuwar bin Mad Said (Rtd) - Resigned w.e.f. 5 May 2025	Non-Independent Non-Executive Director
YBhg Dato' Albert Yeoh Beow Tit	Independent Non-Executive Director
YBhg Professor Dato' Dr. Wan Sabri bin Wan Yusof	Independent Non-Executive Director
Mr Tong Hon Keong	Independent Non-Executive Director
YBhg Datin Arlina binti Ariff	Independent Non-Executive Director
YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) - Appointed w.e.f. 6 May 2025	Non-Independent Non-Executive Director

13. The Directors of the Company have confirmed that they are not active politicians as defined in the CG PD. Further, they have no prior involvement as an external auditor for the Company; nor served in the capacity of an officer who is directly involved in the Company's engagement or partner of the external auditor firm; nor served as an auditor of the Company for the past 2 years. The Directors made such confirmation to BNM prior to their respective appointment as Director.

Key information on Directors

14. Key information on each Director's professional qualifications and background are set out under the section 'Board of Directors' Profile' of the Company's Financial Report[1]. The Directors' membership in the various Board Committees is set out herein.

15. Directors' interests in shares and share options in the Company's ultimate holding company, OCBC Bank are disclosed in the Directors' Report that accompanies the Company's financial statements for the financial year ended 31 December 2025 ("FY2025"). The Directors do not hold any shares in the Company or its penultimate holdings company, Great Eastern Holdings Limited ("GEH").

Note:
1 Available at the Company's website.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD COMPOSITION AND GUIDANCE (CONTINUED)

Board Composition and Independence

16. The Company determines the independence of its Directors in accordance with the requirements under the CG PD. Under the CG PD, the Board will determine whether an individual to be appointed as an Independent Director is independent in character and judgment, and free from associations or circumstances that may impair the exercise of his/her independent judgment. An Independent Director of the Company must be one who himself/herself or any person linked to him/her is independent from Management, the substantial shareholders of the Company and/or any of its affiliates, and has no significant business or other contractual relationship with the Company or any of its affiliates within the last two years; and has not served for more than nine years on the Board. CG PD also provides for tenure limits of Independent Directors to generally not exceed nine years except under exceptional circumstances or as part of the transitional arrangement.

17. The current Board comprises a majority of Independent Directors as determined by the Board Nominations and Remuneration Committee annually, pursuant to the definition of 'independence' of a Director under the CG PD. The Company's Independent Directors are currently YBhg Dato' Albert Yeoh Beow Tit, YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof, Mr Tong Hon Keong and YBhg Datin Arlina binti Ariff.

18. Under the CG PD, YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd) and YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) are deemed non-independent as they both represent the interests of Koperasi Angkatan Tentera Malaysia Berhad, the shareholder of the Company whilst Mr. Norman Ka Cheung Ip was redesignated as non-independent upon the expiry of his 9-year tenureship as independent director.

19. The current Board complies with the CG PD requirements on Board independence. Four out of seven of the Board members are Independent Directors.

20. The Board, through its Board Nominations and Remuneration Committee, is of the view that the current Board size is appropriate to facilitate effective decision making, taking into account the scope and nature of the operations of the Company.

21. In addition, the Board Nominations and Remuneration Committee also assesses the diversity of its members' competency profiles and determines the collective skills required to discharge its responsibilities effectively.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD COMPOSITION AND GUIDANCE (CONTINUED)

Board Composition and Independence (Continued)

22. The Board members of the Company have diverse backgrounds and qualifications, and bring a wide range of financial and commercial experience to the Board. Collectively, they provide the necessary business acumen, knowledge, capabilities and core competencies to the Company, including industry knowledge in insurance, takaful, investment and asset management, banking, accounting, finance, strategy formulation, management experience, risk management and familiarity with regulatory requirements. The diversity of experience and competencies of the Directors enhance the effectiveness of the Board in discharging its responsibilities. Directors who serve on the Board Committees have an appropriate mix of skills and capabilities, taking into account the skill set required for the Board Committees to perform their respective roles and responsibilities.

23. With the knowledge, objectivity and balance contributed by the Non-Executive Directors, the Board constructively challenges and enhances proposals on strategy, reviews the performance of Management against agreed goals and objectives, and monitors the reporting of performances.

CHAIRMAN AND CEO

24. The roles of the Chairman, Mr Norman Ka Cheung Ip and the CEO, En Shahrul Azlan bin Shahriman are distinct and separate, with a clear division of responsibilities between them to ensure an appropriate balance of power, increased accountability and greater independence in decision making. The Chairman and the CEO are not related to each other.

25. The principal responsibilities of the Chairman include leading the Board to ensure it effectively discharges its roles and responsibilities, approving the meeting agenda of the Board, monitoring the quality and timelines of the flow of information from Management to the Board and promoting effective communication with shareholders. The Chairman also facilitates robust discussions and deliberations at Board meetings, encourages constructive relations between Executive and Non-Executive Directors, as well as between the Board and Management, and promotes high standards of corporate governance with the full support of the other Directors, the Company Secretary and Management. He also leads efforts to address the Board’s developmental needs.

26. The CEO manages the Company and oversees the Company’s business operations and implementation of the Company’s strategies, plans and policies to achieve planned corporate performance and financial goals. His management of the Company’s businesses, including implementing the Board’s decisions, is carried out with the assistance of the Senior Officers of the Company. Collectively, they are responsible for the day-to-day operations and administration of the Company, ensuring, inter alia, operational and organisational efficiency, profitable performance of the operating units, regulatory and Shariah compliance, good corporate governance and effective risk management.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

SHARIAH COMMITTEE

27. A Shariah governance framework is put in place as a distinct feature in the organizational structure of the Company, which includes the establishment of the Shariah Committee, in line with the requirement of the Islamic Financial Services Act 2013. On 20 September 2019, BNM has issued a new Shariah Governance Policy Document ("SGPD") which took effect on 1 April 2020. The Company has met with the requirements of the SGPD in ensuring the effectiveness of Shariah governance.

28. The Shariah Committee members are scholars who have the qualification, expertise and experience in the areas especially Islamic jurisprudence (usul al-fiqh) and Islamic commercial laws (fiqh al-mu'amalat). The Shariah Committee consists of six (6) members, all of whom have the necessary experiences and expertise in their respective fields.

29. The Shariah Committee met ten (10) times (including four (4) Special Meetings) in FY2025 with details of meeting attendance of each member as follows:

Name of Shariah Committee Members	No. of Meetings			
	Scheduled		Special	
	Held	Attended	Held	Attended
Dr. Mohammad Firdaus bin Mohammad Hatta (Resigned as Chairman and Member of Shariah Committee w.e.f. 12 December 2025)	6	6	4	4
Asst. Prof. Dr. Muhammad Naim bin Omar (Appointed as Chairman of Shariah w.e.f. 13 December 2025)	6	6	4	4
Dr. Muhammad Pisol bin Mat Isa	6	6	4	4
Assoc. Prof. Dr. Nurul Aini binti Muhamed	6	6	4	4
En. Mohd Fadhly bin Md Yusoff	6	6	4	3
Assoc. Prof. Dr. Mohd Rizal bin Muwazir @ Mukhazir (Appointed as Member of Shariah Committee w.e.f. 1 June 2025)	6	3	4	2

30. The Shariah Committee is responsible and accountable for all its decisions, views and opinions related to Shariah matters. All matters which require the Shariah Committee's opinion and decision are deliberated at Shariah Committee meetings with the attendance of the Management and representatives from the Shariah Department. Thereon, the said matters are brought to the attention of the Board for an informed decision making.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

SHARIAH COMMITTEE (CONTINUED)

31. Functionally, the Shariah Committee reports to the Board and its duties and responsibilities are prescribed by the SGPD. The main duties and responsibilities of the Shariah Committee are as follows:

    (a) providing a decision or advice to the Islamic Financial Institution ("IFI") on the application of any rulings of the Shariah Advisory Council ("SAC") or standards on Shariah matters that are applicable to the operations, business, affairs and activities of the IFI;

    (b) providing a decision or advice on matters which require a reference to be made to the SAC;

    (c) providing a decision or advice on the operations, business, affairs and activities of the IFI which may trigger a Shariah non-compliance event;

    (d) deliberating and affirming a Shariah non-compliance finding by any relevant functions; and

    (e) endorsing a rectification measure to address a Shariah non-compliance event.

BOARD NOMINATIONS AND REMUNERATION COMMITTEE

32. The CG PD requires the Board Nominations and Remuneration Committee to have at least three Non-Executive Directors, with necessary skills, knowledge and experience relevant to the responsibilities of the committee. The committee is required to comprise at least a majority of Independent Directors and be chaired by an Independent Director, who is not the Chairman of the Company.

33. For FY2025, the Board Nominations and Remuneration Committee comprised the following Directors:
    - YBhg Dato' Albert Yeoh Beow Tit, Chairman
    - Mr Norman Ka Cheung Ip, Member
    - YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd), Member
    - YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof, Member
    - Mr Tong Hon Keong, Member

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

34. The responsibilities of the Board Nominations and Remuneration Committee are set out in its Board-approved terms of reference. Amongst others the responsibilities include identifying, reviewing and recommending candidates for nominations and recommending the reappointment and re-election of Directors on the Board and Board Committees and Shariah Committee members. It also reviews and recommends nominations of Senior Officer positions in the Company to the Board.

35. The Board Nominations and Remuneration Committee held a total of (6) meetings in 2025.

36. The Board Nominations and Remuneration Committee has a key role in carrying out the formal and transparent process established for the appointment and reappointment of Directors to the Board. Proposals for the appointment of new Directors are reviewed by the Board Nominations and Remuneration Committee. The Board Nominations and Remuneration Committee meet with the candidates to assess their suitability and commitment. Amongst others, the Board Nominations and Remuneration Committee takes into consideration the candidate's professional qualifications, integrity, financial and commercial business experience and expertise relevant to the Company, as well as his/her potential to contribute to the effectiveness of the Board and to complement the skills, knowledge and expertise of the Board. Competent individuals are nominated for the Board's consideration, before submitting the application to BNM for approval.

Process for Appointment of New Directors

37. In addition, the Board Nominations and Remuneration Committee further determines the proposed candidate’s independence status under the CG PD, and ensures that the proposed candidate will satisfy the criteria under the CG PD that his/her appointment would not result in non-compliance with any of the composition requirements for the Board and Board Committees, and that he/she is a fit and proper person for the office, taking into account his/her track record, age, experience, capabilities, skills and other relevant factors as may be determined by the Board Nominations and Remuneration Committee. Similar checks are also conducted on an annual basis to ensure that each Director remains qualified for the office based on the above criteria.

Reappointment/Re-election of Directors

38. All Directors subject themselves for reappointment and/or re-election upon the expiry of their BNM Appointment Term or by rotation at the Annual General Meeting of the Company pursuant to the Company’s M&A, where applicable. The Board Nominations and Remuneration Committee is responsible to recommend the reappointment and/or re-election of Directors to the Board, taking into account the comprehensive evaluation of the Directors in addition to the Directors’ attendance at meetings, their expertise, knowledge, commitment and contributions to Board discussions and to the overall effectiveness of the Board.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Board Orientation and Training

39. Upon the appointment of a new Director, a formal appointment letter will be issued together with a Director's Orientation Kit which will include key information on the Company, the terms of reference of the Board and Board Committees, duties and obligations of Directors as well as relevant rules and regulations. As part of the induction programme for new Directors, the Senior Officers will conduct presentation sessions for new Directors on the Company's principal activities, business operations, staff strengths, and applicable rules and regulations. The Company constantly reviews and improves the contents of such briefings to new Directors to take into account any new legislative changes which may affect the Directors and to enable them to have a more comprehensive understanding of the Company, the takaful business and practices and the Company's financial performance. Director's In-House Orientation and Educational Programme for newly appointed Director were held on 26 May 2025 and 27 May 2025. GETB's internal Board Educational Series were conducted on 25 February 2025, 10 April 2025, 28 May 2025, 18 July 2025, 20 August 2025, 22 October 2025 and 12 November 2025. The external trainings attended by the Directors were conducted on 6 March 2025, 17 March 2025 and 16 April 2025.

40. The Board Nominations and Remuneration Committee ensures there is a professional development programme for all Directors, so that they are equipped with the appropriate skills and knowledge to perform their roles on the Board and Board Committees effectively. The Directors are continually updated on developments affecting the takaful industry. The Company facilitates the attendance of the first-time Directors in completing the mandatory Financial Institutions Directors' Education ("FIDE") Core Programme within the time prescribed by BNM. From time to time, the Company organises the *Board Educational Series* which include talks, seminars or presentations by external professionals, consultants or Management staff on topics relevant to the takaful industry and provides updates on developments in the industry locally. Industry-related and topical articles are regularly circulated to Directors as part of the Company's continuous development programme for Directors. Directors may attend appropriate courses, conferences and seminars conducted by professional bodies within the industry or other professional organisations including programmes conducted by the FIDE FORUM, where relevant. The Company has dedicated sufficient resources towards the on-going development of its Directors and also maintains formal records of the training and development received by its Directors.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Board Orientation and Training (Continued)

41. During the financial year, the Directors, collectively or on their own, attended seminars, courses and briefing organised by professional bodies and regulatory authorities as well as those *Board Educational Series* conducted in-house by the Risk Management Division and GETB's Company Secretarial Division, including the following:

- Board Educational Series:
  a) Great Eastern Data Centre (Cyberjaya Visit)
- The Board's Role in adopting the new global internal audit standards organised by Singapore Institute of Directors ("SID")
- Ransomware Response Framework organised by Ensign Info Security
- Safeguarding the Board Navigating Anti-Money Laundering organised by Asian Institute of Insurance
- Board Educational Series:
  a) Money Laundering / Terrorism Financing / Proliferation Financing: Complexity & Its Impact on Law & Compliance to Financial Institutions
  b) 2024 Ransomware Exercise Report and Recommended Framework
- Board Educational Series:
  a) Distribution Expenses – Key Campaigns and Contests
- Board Educational Series:
  a) GETB's Takaful Operational Model ("TOM") Simplified
- Board Educational Series:
  a) Information Technology ("IT") Strategy
  b) Cybersecurity Defence Roadmap
  c) Regional Services Centre
- Board Educational Series:
  a) GETB MFRS17 Journey Recap and Financial Implications & Engagement Session with Shariah Committee
- Board Educational Series:
  a) Board Oversight – Shariah Non-Compliance (Part 1)
- Board Educational Series:
  a) Introduction to IFRS Sustainability Disclosure Standards
- Board Educational Series:
  a) Board Oversight – Shariah Non-Compliance (Part 2)

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Board Performance

42. The Board has an annual performance evaluation process, carried out by the Board Nominations and Remuneration Committee, to assess the effectiveness of the Board, Board Committees and each Director's contributions. This annual assessment process, which is facilitated by external consultants, consists principally of evaluation by and feedback from each Director. Each Director evaluates the performance of the Board and Board Committees. The assessment of the contributions of individual Directors to the effectiveness of the Board is also performed annually. Such assessments are made against established performance criteria consistent with those approved by the Board and used in the previous year. The Board Evaluation questionnaire focused on areas such as competency and independence, information quality and timeliness, conduct of meetings, corporate social responsibility, managing performance, succession planning, Directors development, internal controls and risk management as well as Board Committees. An external consultant is engaged to facilitate the process, provide industry benchmarks and maintain confidentiality of results.

43. The purpose of the evaluation is to increase the overall effectiveness of the Board. The Board has found the evaluation process useful and constructive since its implementation several years ago. This collective process has also provided an opportunity to obtain insightful feedback from each Director on suggestions to enhance the effectiveness of the Board.

44. Directors are expected to set aside adequate time for their oversight of matters relating to the Company. The Directors provide declarations of changes in their other appointments which are disseminated to all Board Members. The Company has established guidelines on meeting attendance and the extent of other appointments outside the Company that a Director may assume. Generally, a Director who has full-time employment in any organisation shall have appointments in no more than four other listed companies, and fifteen unlisted companies, while a Director who does not have any full-time employment shall have appointments in no more than seven listed companies and fifteen unlisted companies. The Board Nominations and Remuneration Committee annually assess each Director's attendance record.

Conflicts of Interest

45. The Company has implemented a Directors' Conflict of Interest ("COI") Guide which sets out the procedures to address actual and potential conflicts of interest of the Directors. The COI Guide serves to safeguard against the risk that a Director's decision may be unduly influenced by other secondary interests, instead of the interests of the Company. Pursuant to the COI Guide, the Directors of the Company shall disclose to the Board the nature and extent of such Director's interest whether directly or indirectly, in a material transaction or material arrangement with the Company.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Appointment and Performance of Shariah Committee and Senior Officers

46. The Board Nominations and Remuneration Committee also recommends and assesses the nominee for the position of Shariah Committee members and CEO and reappointment of existing Shariah Committee members and CEO as well as oversees the appointment and succession planning of the Senior Officers of the Company.

47. Additionally, it is responsible to oversee the performance evaluation of the CEO, Shariah Committee, Senior Officers and Non-Senior Officers. Whenever applicable and consistent with the prescribed internal Remuneration Framework, the Board Nominations and Remuneration Committee's recommendations on the CEO and Senior Officers would be made in consultation with the input from the Board Audit Committee and Board Risk Management Committee.

48. Further, the Board Nominations and Remuneration Committee is also responsible to ensure all Key Responsible Persons ("KRPs") fulfil the fit and proper requirements in line with the Fit and Proper Policy for KRPs.

Procedure for Developing Remuneration Policies, Level and Mix of Remuneration and Disclosure on Remuneration

49. The Board Nominations and Remuneration Committee ensures that the Company implements formal and transparent procedures for developing policies on executive remuneration and for determining the remuneration packages of individual Directors, Shariah Committee members and Senior Officers.

50. It is also responsible to recommend to the Board the Policy on Remuneration for Directors, Shariah Committee, CEO and Senior Officers; and its review thereof from time to time. This will ensure that the Company remains competitive along with the industry and is able to attract, retain and motivate the calibre needed to manage the Company successfully, while at the same time satisfying itself that the remuneration packages are not excessive and consistent with the prudent management of the Company's affairs.

Remuneration of Non-Executive Directors

51. The Non-Executive Directors are paid Directors' fees, which take into account factors such as the Directors' contributions, effort and time spent, attendance at meetings and frequency of meetings, the respective responsibilities of the Directors including the Board Committees on which they serve, market practices and the need to pay competitive fees to attract, retain and motivate Directors. No Director is involved in deciding his/her own remuneration.

52. The Board Nominations and Remuneration Committee performs an annual review of the fee structure for Directors' fees and of the computation of the aggregate Directors' fees based on the Board-approved fee structure. The Directors' fees proposed by the Board each year are subject to the shareholders' approval at the Company's Annual General Meeting.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Remuneration of Non-Executive Directors (Continued)

53. The Board has considered the market practices for non-executive Director's remuneration, and has decided on the fee structure for computing the fee for each non-executive Director for the FY2025 as that used in the previous financial year (in the table set out below):

Description	Chairman (RM/Year)	Member (RM/Year)
Board	120,000	60,000
Board Audit Committee	30,000	15,000
Board Risk Management Committee	30,000	15,000
Board Nominations and Remuneration Committee	15,000	7,500
Governance Committee	15,000	7,500
Chairman of Meeting	2,000	2,000
Attendance of Directors invited to Shareholders' meeting/Board Meeting	2,000	2,000
Special Project and In House Seminars & Workshops	2,000	2,000
Meeting Allowance (except for Special Project)	-	2,000
Meeting Allowance for Sustainability Council ("SUSCO")	3,000	3,000

Attendance fees are paid to non-executive Directors to recognise their contribution and time spent in attending meetings.

Disclosure of Directors’ and CEO Remuneration

54. The total Directors’ Remuneration from the Company in respect of FY2025 is shown under Note 15(b) in the Company’s financial statements. Fees for non-executive Directors totaling RM1,043,500.00 respect of FY2025 will be tabled for approval at the forthcoming Annual General Meeting of the Company. The Directors' and CEO's Remuneration for FY2025 are disclosed under Note 15(b) and Note 15(c) in the Company’s financial statements.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Remuneration Policy in respect of Senior Officers ("SOs") and Other Material Risk Takers ("OMRT") of the Company

55. The objective of the Company's remuneration policy is to attract, motivate, reward and retain quality personnel. The remuneration policy is approved by the Board and is subject to annual review taking into account changes in the remuneration practices and/or regulator's requirements from time to time.

56. The remuneration of the CEO and the respective SOs of the Company are reviewed annually by the Board Nominations and Remuneration Committee, based on the overall remuneration framework approved by the Board. SOs comprises the Senior Management Team and such other executives as the Board of Directors and/or regulator should determine. Currently, there are eight (8) identified SOs.

57. Staff engaged in all control functions including Compliance, Risk, Actuarial, Shariah Compliance Risk and Audit and others do not carry business profit targets in their goal sheets and hence are compensated independent of the business profit achievements. Their compensation is dependent on the achievement of key results in their respective domain.

58. Besides the SOs, the Company has identified another key segment of officers, i.e. OMRT. OMRT is defined to include an officer who can materially commit or control significant amounts of the Company's resources or whose actions are likely to have a significant impact on the Company's risk profile. There are two (2) identified OMRTs who are subject to risk control Key Performance Indicators and risk adjusted variable compensation commencing from FY2017.

59. In such annual remuneration reviews, the Board Nominations and Remuneration Committee takes into consideration factors such as market competitiveness and market benchmark, and that the remuneration packages commensurate with individual performance and contribution. The Board Nominations and Remuneration Committee also takes into account the time horizon of risks, such as ensuring that variable compensation payments shall not be fully paid over short periods when risks are realised over long periods.

60. As part of the Company's continuous efforts to create sustainable value for stakeholders through broad-based growth across its core markets, delivering sustained earning, driving core competencies of disciplined risk management, prudent investment and continued upgrading of technology and people, and ensuring sustainable business practices, the performance measures set for each business units embeds these objectives, which match their functions and are consistent with the Company's risk appetite. In determining the remuneration of SOs and OMRTs, risk and control indicators as well as audit findings and compliance issues are taken into account when assessing their overall performance, in addition to their achievement in business and operations performance. SOs and OMRTs are remunerated based on the achievements of their own performance measures, and the demonstration of core values and competencies, while taking into account market compensation data for their respective job roles.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Remuneration Policy in respect of Senior Officers ("SOs") and Other Material Risk Takers ("OMRT") of the Company (Continued)

61. To ensure that its remuneration packages are competitive, the Company regularly reviews salary levels and benefits packages based on market data provided by recognised consultants who conduct surveys on comparative groups in the financial sector. The determination of the Company's variable compensation pool is fully discretionary and the factors taken into consideration include financial and non-financial metrics such as the Company's performance, audit ratings, risk indicators and compliance issues, market condition and competitive market practices.

62. The total compensation packages for SOs and OMRTs comprise basic salary, various performance bonus, allowances and benefits. The variable components have been designed to link rewards to corporate and individual performance, based on appropriate and meaningful performance measures set up by the Company, and approved by the Board Nominations and Remuneration Committee and the Board. SOs are subject to an additional performance measurement approach by embedding corporate governance indicator for more prudent risk taking.

63. The annual budget for salary increment, performance-related variable compensation, reviewed and endorsed by the Board Nominations and Remuneration Committee, is submitted to the Board for approval.

64. As a consequence of the financial crisis in recent years, financial institutions globally have been reviewing compensation practices to reduce incentives that encourage excessive risk taking. While the Company has adopted compensation practices that take into account the principles and implementation standards issued by the Financial Stability Forum for Sound Compensation Practices, it also continues to review its compensation practices on an ongoing basis to further ensure that decisions made are conducive to sustain business performance. In its deliberations, the Board Nominations and Remuneration Committee also takes into account the remuneration principles, practices and standards issued by the regulator from time to time.

65. SOs and OMRT, through annual self-declaration, commit not to undertake activities (such as personal hedging strategies and liability-related takaful that will undermine the risk alignment effects embedded in their remuneration.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD NOMINATIONS AND REMUNERATION COMMITTEE (CONTINUED)

Remuneration Policy in respect of Senior Officers ("SOs") and Other Material Risk Takers ("OMRT") of the Company (Continued)

66. In collaboration with the Board Nominations and Remuneration Committee, the Company has designed and developed its Performance Assessment and Remuneration Framework, which takes into consideration the prevailing regulatory requirements, and with the input from the SOs. The Performance Assessment and Remuneration Framework is independently reviewed by the Board Audit Committee and Board Risk Management Committee. The Board Risk Management Committee may with the assistance of the Risk Management Department assess how the Performance Assessment and Remuneration Framework affects the Company's risk profile.

67. The Company's variable compensation varies in line with its financial performance and the meeting of corporate governance requirements.

68. All grants and awards are subject to cancellation and clawback if it is determined that they were made on the basis of materially inaccurate financial statements and/or the employee has engaged in conduct that results in financial loss, reputational harm, restatement of financial results and/or adverse changes of the Company's risk profile/rating. Details of the remuneration granted to the eligible executives are disclosed in the table below:

Total value of remuneration awards for the financial year	Unrestricted	
	No. of pax	RM
Fixed remuneration		
Cash-based	13	6,512,892
Other*	12	249,565
Variable remuneration		
Cash-based	10	1,504,447
Other*	5	23,540

* Include SOs

ACCESS TO INFORMATION

69. The Board members are provided with relevant and timely information by Management on matters to be discussed or considered at meetings of the Board and Board Committees. For matters requiring approval, information furnished by Management usually includes background explanatory information, relevant facts and/or analysis to support the proposal, implications or merits of the case, risk analysis and mitigating strategies, the budget (if applicable) and Management's recommendation. The Senior Officers who can provide additional information and insight or provide clarifications to queries raised are usually present at the meeting during discussion on such matters. Occasionally, external consultants engaged on specific projects may also be invited to brief the Board or Board Committees, where relevant. All Board Members have unfettered access to information which the Company is in possession of or has access to, for the purpose of carrying out their responsibilities.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

ACCESS TO INFORMATION (CONTINUED)

70. Directors have separate and independent access to the Company Secretary and to Senior Officers of the Company at all times.

71. The Company Secretary attends all Board meetings and prepares minutes of Board proceedings. The Company Secretary assists the Chairman to ensure that appropriate Board procedures are followed and that applicable regulations are complied with. Under the direction of the Chairman, the Company Secretary ensures good information flows within the Board and Board Committees and between Senior Officers and Directors. The Company Secretary also facilitates the orientation of new Directors and professional development of Directors as required. The appointment and removal of Company Secretary is considered to be a matter for the Board as a whole.

72. The Directors may take independent professional advice as and when necessary to enable them to discharge their duties effectively. Similarly, the Board and each Board Committee may obtain the professional advice, whenever necessary and appropriate, so as to effectively discharge their roles and responsibilities.

BOARD AUDIT COMMITTEE

73 The Board Audit Committee comprises the following Directors:

- YBhg Dato' Albert Yeoh Beow Tit, Chairman
- Mr Norman Ka Cheung Ip, Member
- YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof, Member

All the Members (including the Chairman) are Independent Directors except for Mr. Norman Ka Cheung Ip, who is a Non-Independent Non-Executive Director.

The Board Audit Committee has explicit authority to investigate any matters within its terms of reference and has the full co-operation of and access to Management. The Board Audit Committee has full discretion to invite any Director or Senior Officer to attend its meetings. It also has resources to enable it to discharge its functions properly.

74 The Company utilises the services of the Internal Audit Division (“Internal Audit”) of Great Eastern Life Assurance (Malaysia) Berhad (“GELM”) via an outsourcing arrangement. Internal Audit assists the Board Audit Committee in discharging its duties and responsibilities. It serves to provide the Board and Management with independent and objective assessments of the adequacy and effectiveness of the governance, risk management and internal control processes as designed and implemented by Management. The Internal Audit Charter is approved by the Board.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD AUDIT COMMITTEE (CONTINUED)

75. The functions performed by the Board Audit Committee and details of the Board Audit Committee's activities during FY2025 included the following:

(a) Reviewed with the Internal Auditors:-

(i) their audit plan, evaluation of the system of internal controls, and audit reports;

(ii) the scope and results of the internal audits; and

(iii) the assistance given by the Officers of the Company to the internal auditors.

(b) Reviewed with the External Auditors:-

(i) their audit plan prior to the commencement of the annual audit;

(ii) the interim financial statements and the audited financial statements of the Company for the financial year and the auditors' report thereon for submission to the Board for consideration and approval thereafter;

(iii) the scope and results of the audit procedures and cost effectiveness and their independence and objectivity taking into consideration factors including the nature and extent of the non-audit services provided by them (if any);

(iv) the implications and impact of new or proposed changes in financial reporting standards, accounting policies or regulatory requirements on the financial statements together with the Senior Officers;

(v) any significant financial reporting issues, to ensure the integrity of the financial statements of the Company; and

(vi) the assistance given by the officers of the Company, including the internal auditors, to the external auditors.

(c) Reviewed the adequacy, independence and effectiveness of the outsourced internal audit function.

(d) Maintained an appropriate relationship with both the internal and external auditors.

(e) Recommended the re-appointment of the external auditors to the Board.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD AUDIT COMMITTEE (CONTINUED)

75. The functions performed by the Board Audit Committee and details of the Board Audit Committee's activities during FY2025 included the following: (Continued)

    (f) Recommended the remuneration and terms of engagement of the external auditors to the Board.

    (g) Reviewed and updated the Board on all related-party transactions.

    (h) Monitored compliance with the Directors' Conflict of Interest Guide.

76. The Board Audit Committee, in performing its functions, meets at least once annually with the internal and external auditors in separate sessions without the presence of Management, to consider any other matters which may be raised privately.

    The Board Audit Committee held a total of five meetings in 2025 (comprising four scheduled meetings and one ad-hoc meeting). By invitation, the Board Audit Committee meetings were also attended by the internal and external auditors, Executive Director, Group Chief Financial Officer, Group Chief Internal Auditor and relevant Senior Officers.

WHISTLEBLOWING POLICY

77. The Company has a whistleblowing policy in place whereby employees of the Company and any other persons may raise concerns about possible improprieties in matters of financial reporting or other matters in confidence. The whistleblowing policy and procedures for raising such concerns are clearly communicated to employees. All whistleblowing incidents are reported to the Board Audit Committee. Concerns expressed anonymously are considered and investigated on the basis of their merits. The Board Audit Committee ensures that arrangements are in place for the independent investigation of such matters and appropriate follow-up actions. If fraud is determined, appropriate remedial actions are taken and the Board Audit Committee is updated regularly on their status. The whistleblower has protection against reprisals provided he/she has acted in good faith.

78. The Board Audit Committee Chairman is responsible for the effective implementation of the whistleblowing policy, which includes evaluating periodic reports that monitor and assess how concerns are escalated and dealt with, and overseeing the periodic review of the effectiveness of the policy.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

INTERNAL AUDIT

79. The internal audit function ("Internal Audit") serves to enhance and protect organisational value by providing risk-based, independent and objective assurance, advice and insight to help improve the quality and effectiveness of governance, risk management and internal control processes, and enables the Company to accomplish its strategic objectives, using a risk-based, systematic and disciplined audit approach.

80. The Internal Audit Charter is approved by the Board. Internal Audit, which is independent of the activities it audits, is staffed by executives with relevant qualifications and experience, and the Board Audit Committee ensures that Internal Audit is adequately resourced. The Chief Internal Auditor reports to the Chairman of the Board Audit Committee.

81. Internal Audit has unrestricted access to the Board, Board Audit Committee, and all functions, records, property and personnel of the Company. Internal Audit meets the Global Internal Audit Standards of The Institute of Internal Auditors as well as applicable local regulatory requirements for internal audit.

BOARD RISK MANAGEMENT COMMITTEE

82. The Board Risk Management Committee comprises the following Directors:

- Mr Tong Hon Keong, Chairman
- YBhg Rear Admiral Dato' Anuwar bin Mad Said (Rtd), Member - (Resigned w.e.f. 5 May 2025)
- YBhg Datin Arlina binti Ariff
- YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) (Appointed w.e.f. 6 May 2025)

Majority of the Members (including the Chairperson) are Independent Directors.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

BOARD RISK MANAGEMENT COMMITTEE

83. The Board Risk Management Committee is responsible for overseeing all risk management and compliance matters (strategic, market, credit, liquidity, takaful, operational, technology, cyber security, information/data loss, regulatory, compliance, sustainability, and Shariah risks and any other category of risks); as well as the state of risk culture maturity and technology-related matters as delegated by the Board or as deemed necessary by the Board Risk Management Committee.

84. These are executed by reviewing various output and mechanisms such as the risk profile, risk tolerance level, and risk and capital management strategy, in line with the overall corporate strategy and risk appetite as set and approved by the Board. The Board Risk Management Committee also assists the Board in monitoring the effectiveness and adequacy of the risk management process and systems set up by the Company. It oversees the cultivation of a strong risk culture that promotes risk awareness and sound risk taking.

85. The Board Risk Management Committee performs its functions pursuant to its Board-approved written terms of reference. Its terms of reference include the review and endorsement or the review and approval of (where applicable) frameworks, policies and charters; strategies for effective risk management, investment management and asset-liability management as well as the review of major risk management initiatives, significant investment and certain financial transactions that exceed the authorisation limits of the Management Committees. Material investment-related activities and transactions are reviewed by the Board Risk Management Committee and recommended to the Board for information or approval, as applicable.

86. In discharging its duties and responsibilities, the Company engages the services of the Risk Management and Compliance Departments of GELM which are resourced with experienced and qualified employees who are sufficiently independent to perform their duties objectively. They regularly engage Senior Officers to develop enterprise-wide risk controls and risk mitigation procedures. The Board Risk Management Committee reviews the performance of the outsourced services and its servicing fees annually.

87. The Board Risk Management Committee meets with the Division Head, Risk Management and the Division Head of Compliance of GELM at least once a year without the presence of Management to discuss matters which may be raised privately.

88. The Board Risk Management Committee held a total of six (6) meetings in 2025 (including one (1) Ad Hoc meeting).

89. The Company’s enterprise risk governance, risk management objectives and policies and other pertinent details are disclosed in Note 22 of the Audited Financial Statements.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

GOVERNANCE COMMITTEE (In compliance with Paragraph 6.2 of the Governance Committee's Terms of Reference) (Continued)

90. The Governance Committee comprises at least three members, who are an Independent Director, the Chairman of Shariah Committee and the Appointed Actuary and be chaired by an Independent Non-Executive Director. Any increase of membership in Governance Committee should preferably be filled by Independent Non-Executive Director. The Governance Committee was formed following the Guiding Principles on Governance for Islamic Insurance (Takaful) Operations (IFSB-8) issued by the Islamic Financial Services Board ("IFSB"), an international standard-setting body of regulatory and supervisory agencies based in Kuala Lumpur, Malaysia.

91. For FY2025, the Governance Committee comprised the following:

- YBhg Dato' Albert Yeoh Beow Tit, Chairman
- YBhg Datin Arlina binti Ariff
- Dr Mohammad Firdaus bin Mohammad Hatta, Member (Retired w.e.f. 12 December 2025)
- Dr Muhammad Naim Omar (Appointed w.e.f. 13 December 2025)
- Appointed Actuary (Appointed w.e.f. 24 February 2025)

92. On 20 August 2025, the Board resolved that the appointment of Dr. Muhammad Naim Omar as the next Shariah Committee (“SC”) Chairman, in replacement of Dr. Mohammad Firdaus Mohammad Hatta (“Dr. Firdaus”) would be effective 13 December 2025.

93. The primary objective of the Governance Committee is to discover, support and maintain the balance in addressing the interests of the Company’s stakeholders such as its shareholders, management and the government, whilst giving special attention to the interests of its Takaful participants.

94. The Governance Committee carries out the functions set out in its Board-approved written terms of reference. The duties and responsibilities of the Governance Committee are, amongst others, to develop and recommend to the Board a set of effective corporate governance policies and procedures applicable to the Takaful undertaking, including the formulation of appropriate business conduct and code of ethics for the Company’s employees and agents. The Governance Committee is also responsible to monitor the financial management of the Takaful undertaking, particularly in reserving and distribution of underwriting surplus and/or investment profit. In addition, the Governance Committee will regularly carry out a full analysis in order to detect and mitigate any conflict of interest in the course of operating and management of the Takaful funds, especially on the costs and expenses chargeable to the Takaful funds and to consider the best solutions to address the Company’s stakeholder’s interests by focusing on the Takaful participants’ interests and concerns in the management of the Takaful fund.

95. The Governance Committee deliberated on the following matters including but not limited to: surplus and investment income distribution, governance related matters, treating customer fairly, public communications to stakeholders and complaint handling.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

INTERNAL CONTROL FRAMEWORKS

Risk Management

96. The internal control framework comprises among others, the infrastructure in the form of risk oversight committees at the Board and Management level; frameworks, policies and procedures; risk and compliance self-assessment processes for all departments to assess and manage the adequacy and effectiveness of their system of internal controls and their level of compliance with applicable rules and regulations; and a monitoring and reporting process.

97. The Board is responsible for the governance of risk. It sets the tone for the Company's risks culture and monitors, through the Board Risk Management Committee, the effectiveness and adequacy of the risk management processes and systems of the Company. The Board approves the Company's risk appetite and has oversight of the risk activities to ensure that the Company's strategic intent, operating environment, internal control mechanisms and capital sufficiency are consistent with the Company's risk appetite and regulatory standards. Further details of the Enterprise Risk Management Framework implemented by the Company are set out in Note 22 of the Notes to the Financial Statements.

98. The Board emphasises the importance of institutionalising a strong risk culture within the Company. As a subset of the broader organisational culture, a strong risk culture supports appropriate risk awareness, bolsters effective risk management and promotes sound risk taking to ensure that the Company's risk profile remains within its risk appetite. The Board also approves the risk culture principles and, along with it, the set of desired risk culture behaviours to support the target risk culture throughout the Company.

99. An Annual Enterprise Risk Report is submitted to apprise the Board Risk Management Committee and the Board of the Company's risk profile, the manner in which the Company determines its solvency and the various measures put in place to ensure that the solvency requirements are met at all times.

Internal Controls

100. The Board is responsible for ensuring that the system of internal controls is adequate to safeguard stakeholders' interests and the Company's assets. There are processes for all departments to assess the adequacy and effectiveness of their systems and processes of internal controls, and their level of compliance with applicable rules and regulations. The results of the evaluation are reviewed by the Senior Officers, who in turn would provide an annual assurance to the CEO on the adequacy and effectiveness of the Company's operational risk management and internal control systems and compliance with the relevant statutory and regulatory requirements. This self-assessment process is further supplemented by an annual assurance report on risk management and internal controls, submitted by Risk Management and tabled to the Board Audit Committee, the Board Risk Management Committee and the Board for notation.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

INTERNAL CONTROL FRAMEWORKS (CONTINUED)

Infrastructure

101. The system of internal controls provide reasonable but not absolute assurance that the Company would not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, it is noted that no system of internal controls can provide absolute assurance against material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

102. While the Board is ultimately responsible for the management of risks within the Company, there are risk oversight committees that facilitate in depth review of the risks associated with specific aspects of the business such as the Board Risk Management Committee, Board Audit Committee, Senior Management Team, Asset Liability Committee, Information Technology Steering Committee, the Product Development Committee and Financial Crime Committee. The duties and scope of work of these committees are documented in their respective terms of reference.

103. The authority delegated by the Board to the Board Committees and the CEO are formalised in the Company's Authority Grid. Other documents that guide on the delegation of the CEO's authority include underwriting limits, claim limits and investment limits.

104. The segregation of duties is paramount in ensuring that members of staff are not assigned with potentially conflicting responsibilities, that relate to matters such as approvals, disbursements and administration of certificates, execution and recording of investment, operational and internal audit/compliance functions, underwriting and credit control.

Frameworks, Policies and Procedures

105. Frameworks, policies and procedures have been established to set the means by which the Company shall evaluate and manage the risks inherent in the business, especially in key areas such as:

- Investments
- Family takaful operations
- Technology, information and cyber
- Data protection
- Fraud and market conduct
- Anti-money laundering and countering the financing of terrorism
- Capital management, capital contingency and stress testing
- Related party and interested party transactions
- Shariah Standard Guidelines
- Third party service providers
- Retakaful management strategy
- Business continuity management
- Anti-Bribery and Corruption
- Sustainability
- Hajah & Darurah Internal Policy

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

INTERNAL CONTROL FRAMEWORKS (CONTINUED)

Frameworks, Policies and Procedures (Continued)

106. The frameworks, policies and procedures are reviewed regularly to ensure continued relevance and to capture the latest regulatory, statutory and Group requirements. They are then approved by the Board or relevant Board or Management Committees.

Shariah Internal Controls

107. Shariah internal controls play a vital role in ensuring that the activities and operations of the Company are in compliance with Shariah regulations and resolutions. It also will contribute to the public confidence in the Company as an Islamic Financial Institution. The Company has established robust Shariah governance functions with distinct roles in order to assess and evaluate the Company activities and operations to be consistent with Shariah and regulatory requirements.

(i) Shariah Review

Shariah review is conducted regularly by the Company to assess the level of Shariah compliance on the Company's activities and operations. The annual Shariah review plans are reviewed and approved by the Shariah Committee for implementation by the review officer.

The findings and reports are deliberated in the Shariah Committee meetings to confirm that the Company is operating within the applicable Shariah regulations and resolutions.

(ii) Shariah Audit

The Company engages the services of Internal Audit of GELM to conduct periodic Shariah audits and provide independent and objective assessments to help improve the quality and effectiveness of governance, risk management and internal controls on Shariah compliance. The annual audit plan is endorsed by the Shariah Committee and Shariah-related findings are circulated to the Shariah Committee. The Internal Audit regularly updates the Shariah Committee on the status of implementation of the Shariah-related action plans for more effective monitoring.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

INTERNAL CONTROL FRAMEWORKS (CONTINUED)

Shariah Internal Controls (Continued)

107. Shariah internal controls play a vital role in ensuring that the activities and operations of the Company are in compliance with Shariah regulations and resolutions. It also will contribute to the public confidence in the Company as an Islamic Financial Institution. The Company has established robust Shariah governance functions with distinct roles in order to assess and evaluate the Company activities and operations to be consistent with Shariah and regulatory requirements (Continued).

(iii) Shariah Risk Management

The Company has established a Shariah Risk Management Policy to set forth the means by which the Company shall manage Shariah risks. The policy which was endorsed and approved by the Shariah Committee and Board respectively, outlines the roles and responsibilities of the Board, Senior Management and individual functions in relation to Shariah risk management and provides a framework for monitoring, reviewing, reporting and improving Shariah risk management standards throughout the Company on an ongoing basis. The Company's Shariah risk management is supported by a self-assessment process that uses the Risk and Control Self-assessment as a tool to document the risks and the controls identified to mitigate the Shariah non-compliance risks in each business unit. With respect to Shariah compliance risk management, the Compliance Requirements Self-Assessment is in place to facilitate assessment on the Company's level of compliance with the relevant Shariah regulations and resolutions.

Monitoring and Reporting

108. An Enterprise Risk Dashboard which features the Company's risk profile from various perspectives namely strategic, financial, operational, technology, market conduct compliance, sustainability and Shariah, is submitted to the Board, Board Risk Management Committee and Senior Management Team for notation.

109. Regulatory breaches, risk concerns and operational/data/technology incidents are reported in the Enterprise Risk Dashboard while investment breaches are reported via the limits report and compliance assurance reports. The respective departments are required to provide the corrective and preventive measures once a regulatory breach or operational incident is discovered. The Company has a process to collate Key Risk Indicators for reporting internally as well as to BNM on a regular basis.

110. Stress test scenarios and the corresponding stress factors are developed and reviewed by the Board annually and thereafter, the stress scenarios and factors are used to stress the financial positions.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

CORPORATE GOVERNANCE DISCLOSURES (as referred to in the Directors' Report) (CONTINUED)

RELATED PARTY TRANSACTION

111. The Company has implemented policies and procedures on related party transactions covering the definitions of relatedness, limits applied, terms of transactions and the authorities and procedures for approving and monitoring whenever necessary, and writing off such transactions. All related party transactions are conducted on reasonable commercial terms and in the ordinary course of business. The terms and conditions of such transactions are carried out on an arm's length basis. Directors with conflict of interest are excluded from the approval process of granting and managing related party transactions. Material and/or special related party transactions and the write-off of material and/or special related party transactions are reported to the Board Audit Committee for review and to the Board for approval.

112. Details of the Company's related party transactions during FY2025 are set out in Note 20 of the Notes to the Financial Statements.

ETHICAL STANDARDS

113. The Directors and Management are committed to promoting and maintaining values which emphasise integrity, honesty and proper conduct at all times in the business operations and dealings of the Company. The Company has adopted a Code of Conduct that sets out the guiding principles and minimum standards expected of its employees such as the highest standards of conduct and professional integrity. The Code of Conduct also provides guidance on areas such as responsible stewardship of the Company's resources, the Company's position against fraudulent conduct, conflicts of interests and the appropriate disclosures to be made, and maintaining confidentiality of information. The Code of Conduct is available on the Company's staff intranet.

114. The Company has a suite of policies in place for proper governance and management that staff have to comply with. All policies are prepared in accordance with the Company's risk management and internal control systems and processes, including Management self-assessment and independent audits.

115. The Company treats feedback and complaints from its customers seriously, and has instituted channels whereby customers may provide feedback or complaints. The Company aims to resolve feedback and complaints professionally and fairly in accordance with the service standards indicated on its website.

MALAYSIA SUSTAINABILITY COUNCIL

116. Established on 1 September 2024, the Malaysia Sustainability Council ensures that the company's sustainability direction, strategies, and material ESG factors are aligned with the Great Eastern Group's overall sustainability strategy, while also considering local regulatory requirements. The Council, which includes representatives from Life, General, and Takaful entities, fosters a holistic approach to sustainability. This structure clarifies responsibilities, with the Board Risk Management Committee focusing on risk oversight, while the Council drives strategic direction, goals, and targets.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS' PROFILE

Mr Norman Ka Cheung Ip, Chairman

Mr. Norman Ka Cheung Ip ("Mr. Norman Ip") was appointed to the Board of Directors ("Board") of Great Eastern Takaful Berhad (the "Company") on 8 August 2014 as an Independent Non-Executive Director. He was subsequently appointed as Board Chairman on 20 May 2020. On 8 August 2023, Mr. Norman Ip was redesignated as Non-Independent Non-Executive Director. Mr Norman Ip is also the Chairman of various Great Eastern subsidiaries in Malaysia, including Great Eastern Life Assurance (Malaysia) Berhad and Great Eastern General Insurance (Malaysia) Berhad.

Mr. Norman Ip is currently a member of Board Audit Committee and Board Nominations & Remuneration Committee of the Company.

Mr Norman Ip is a Chartered Accountant by training and has over 40 years of commercial experience in finance and investments, real estate and managing companies. From 2000 to 2009, he was President and Group CEO of The Straits Trading Company Limited ("STC"), the main activities of which are in real estate, mining and hospitality. Prior to joining STC in 1983, he was with Ernst & Whinney (now known as Ernst & Young LLP).

Mr Norman Ip was previously the Group Managing Director of United Engineers Limited, Deputy Chairman of Building and Construction Authority, Chairman of Malaysia Smelting Corporation Bhd, UE E&C Ltd, WBL Corporation Limited and Director of Australia Oriental Minerals NL, Great Eastern Holdings Limited, The Great Eastern Life Assurance Company Limited and Great Eastern General Insurance Limited. He was a member of the Securities Industry Council ("SIC") and resigned/ retired on 31 December 2025.

Mr Norman Ip is currently a Director of QAF Limited.

Mr Norman Ip holds a Bachelor of Science (Econs) from London School of Economics and Political Science. He is a Fellow of the Institute of Chartered Accountants in England and Wales and the Institute of Singapore Chartered Accountants.

YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)

YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd) ("YBhg Major General Dato' Zulkiflee") was appointed to the Company's Board as a Non-Independent Non-Executive Director on 29 April 2016. He is a representative of Koperasi Angkatan Tentera Malaysia Berhad.

YBhg Major General Dato' Zulkiflee is currently a member of the Board Nominations & Remuneration Committee of the Company.

YBhg Major General Dato' Zulkiflee had served distinguishably in the Malaysian Army Forces and held numerous commands and staff appointments at the Ministry of Defence. He had served on the Board of Yayasan Veteran Angkatan Tentera Malaysia and Perbadanan Hal Ehwal Bekas Tentera. He was the Chairman of Koperasi Angkatan Tentera Malaysia Berhad from June 2015 to June 2022.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS' PROFILE (CONTINUED)

YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd) (Continued)

YBhg Major General Dato' Zulkiflee was previously the Chairman of Affin Hwang Investment Bank Berhad, Chairman of Affin Hwang Trustee Berhad and a Director of Affin Hwang Asset Management Berhad.

He presently sits on the Board of Aiiman Asset Management Sdn Bhd as Director and Chairman.

YBhg Major General Dato' Zulkiflee holds a Bachelor of Law (LLB) from University Teknologi MARA in 1989. He also holds a Master of Science, National Security Strategy from National Defense University Fort McNair, Washington D.C.

YBhg Dato' Albert Yeoh Beow Tit

YBhg Dato' Albert Yeoh Beow Tit ("YBhg Dato' Albert Yeoh") was appointed to the Company's Board on 1 January 2020 as an Independent Non-Executive Director.

YBhg Dato' Albert Yeoh is currently the Chairman and member of the Board Audit Committee, Board Nominations & Remuneration Committee and Governance Committee of the Company.

YBhg Dato' Albert Yeoh started his career in the financial industry particularly in the banking sector and has held various senior management positions in Citibank Berhad, the last being the Director of Corporate Banking till February 1996. He was the Chief Executive Officer of OCBC Bank (Malaysia) Berhad, a position which he held until his retirement in 2008.

He was formerly the Director of Great Eastern Life Assurance (Malaysia) Berhad and Great Eastern General Insurance (Malaysia) Berhad. He was also the Director in several companies, namely Alliance Investment Bank Berhad, Danajamin Nasional Bhd, BOS Wealth Management Malaysia Berhad, Cagamas MBS Berhad and Cagamas SRP Berhad.

YBhg Dato' Albert Yeoh holds a Bachelor of Economics (Double Major in Economics and Operations Research) from Monash University, Australia and a Master of Science in Management from University of Salford, England. He was conferred Fellow to the Asian Institute of Chartered Bankers (formerly known as Institute of Bankers Malaysia) by the Governor of Bank Negara Malaysia in April 2022.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS' PROFILE (CONTINUED)

YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof

YBhg Professor Dato' Dr Wan Sabri bin Wan Yusof ("YBhg Professor Dato' Dr Wan") was appointed to the Company's Board on 10 June 2022 as an Independent Non-Executive Director.

YBhg Professor Dato' Dr Wan is currently a member of the Board Audit Committee, Board Nominations & Remuneration Committee and Malaysia Sustainability Council of the Company.

YBhg Professor Dato' Dr Wan had served as Shariah Committee member of Great Eastern Takaful Berhad from 2010 to 2021. Concurrently he served as Shariah Committee at OCBC Al Amin Berhad. Prior to 2010 he served as Shariah Committee at Southern Bank and CIMB Islamic Bank.

He is currently the Vice Chancellor for Universiti Sultan Azlan Shah ("USAS") and a Director of Yayasan Al Ammar.

YBhg Professor Dato' Dr Wan holds a Ph.D. and a Master of Arts from Temple University, USA (specialising in Islamic Thought and Comparative Religion). He further holds a Master's degree in Islamic Revealed Knowledge and Heritage (IRKH) (specialising in Tafsir) and a Bachelor of (Economic) Islamic Economics from International Islamic University Malaysia (IIUM). He has published numerous articles and books among others monograph on prominent Muslim scholars in this region, Issue in Islamic Thought and Tafsir (Quranic exegesis).

Mr Tong Hon Keong

Mr Tong Hon Keong ("Mr Tong") was appointed to the Company's Board on 7 August 2023 as an Independent Non-Executive Director.

Mr Tong is currently the Chairman of the Board Risk Management Committee and a member of the Board Nomination and Remuneration Committee of the Company.

Mr Tong built his career at Maybank over a span of more than 30 years, where he led various functional areas, including Planning, Information Systems, Central Operations and Management Information Services. He served as Senior Executive Vice President of Strategy and Transformation, for Business Banking/SME Banking from 2010 to 2013.

Mr Tong was previously a Director of OCBC Bank (Malaysia) Berhad where he served as the Chairman of the Risk Management Committee and Member of the Board Audit Committee. He was also a Director of OCBC Al-Amin Bank Berhad.

Mr Tong is currently a Director of Great Eastern General Insurance (Malaysia) Berhad and the Chairman of BOS Wealth Management Malaysia Berhad.

Mr Tong holds a Bachelor of Economics (Hons) Degree from the University of Malaya. He is an alumnus of the Advanced Management Program at The Wharton School, University of Pennsylvania, USA.

STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS' PROFILE (CONTINUED)

YBhg Datin Arlina binti Ariff

YBhg Datin Arlina binti Ariff ("YBhg Datin Arlina") was appointed to the Company's Board on 29 April 2024 as an Independent Non-Executive Director.

YBhg Datin Arlina is currently a member of the Board Risk Management Committee, Governance Committee and Malaysia Sustainability Council of the Company.

YBhg Datin Arlina has over 30 years of experience in Bank Negara Malaysia where she served in various capacities. She had previously served as the Director of the Financial Inclusion Department.

YBhg Datin Arlina is currently the Independent Non-Executive Director of Agrobank (Malaysia) Berhad and PRG Holdings Berhad.

YBhg Datin Arlina holds a Masters in Islamic Finance Practice from INCEIF University. Previously, she obtained a Masters of Science in Quantitative Development Economics and Post-Graduate Diploma in Quantitative Development Economics from the University of Warwick in Coventry, England. She graduated with Honours from Carleton University, Ottawa, Canada with a Bachelor's Degree In Economics.

YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) (Appointed w.e.f. 6 May 2025)

YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd) ("YBhg Lieutenant General Dato' Sri Mohd Zakaria") was appointed to the Company's Board on 6 May 2025 as a Non-Independent Non-Executive Director. He is a representative of Koperasi Angkatan Tentera Malaysia Berhad.

YBhg Lieutenant General Dato' Sri Mohd Zakaria is currently a member of the Board Risk Management Committee of the Company.

YBhg Lieutenant General Dato' Sri Mohd Zakaria retired from the Malaysian Armed Forces in June 2023 after more than 42 years of distinguished service. He last served as Chief of Staff at the Malaysian Armed Forces Headquarters from November 2020 to June 2023, where he was responsible for overseeing tri-services planning and the execution of strategic defence policies. Prior to that, he served as a Commander of the Army Field Command East (Sarawak and Sabah), where he was responsible for operational readiness, training, administration, and logistics. Throughout his military career, YBhg Lieutenant General Dato' Sri Mohd Zakaria held various senior command and staff positions, including heading the Labuan High-Value Target Committee. His leadership has contributed significantly to national defence planning and policy formulation at the highest level.

YBhg Lieutenant General Dato' Sri Mohd Zakaria holds a Master's degree in Science in Defence Analysis from the Naval Postgraduate School (USA), a Master's degree in Laws (LL.M), and a Diploma in Strategic and Defence Studies from the University of Malaya, and a Bachelor of Laws (LLB) from the University Teknologi MARA (UiTM). He also attended the National Defence College and Royal College of Defence Studies (RCDS) in the United Kingdom.

201001032332 (916257-H)

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dato' Albert Yeoh Beow Tit and Major General Dato' Zulkiflee bin Mazlan (Rtd), being two of the Directors of Great Eastern Takaful Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 46 to 213 are drawn up in accordance with Malaysian Financial Reporting Standard, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 30 MAR 2026

YBhg. Dato' Albert Yeoh Beow Tit

YBhg. Major General Dato' Zulkiflee bin Mazlan (Rtd)

Kuala Lumpur, Malaysia

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Jasveen Kaur Marne, being the Officer primarily responsible for the financial management of Great Eastern Takaful Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 46 to 213 are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly
declared by the abovenamed
Jasveen Kaur Marne
at Kuala Lumpur in the
Federal Territory on

30 MAR 2026

Before me,

PETALING JAYA
SELANGOR

Jasveen Kaur Marne

COMMISSIONER OF OATHS

PESURUHJAYA SUMPAH
B 532
AMMAR BIN
MOHAMAD DAHALAN
01 JANUARI 2024
HINGGA
31 DISEMBER 2026
MALAYSIA

No. 43, Kumpleks Emporium
Makan Sek 52, Jalan Sultan
46200 Petaling Jaya, Selangor

REPORT OF THE SHARIAH COMMITTEE

Shariah Committee

The Company is advised by a Shariah Committee, whose composition is as follows:

Dr. Mohammad Firdaus bin Mohammad Hatta (Resigned as Chairman and Member of Shariah Committee w.e.f. 12 December 2025)
Asst. Prof. Dr. Muhammad Naim bin Omar (Appointed as Chairman of Shariah Committee w.e.f. 13 December 2025)
Dr. Muhammad Pisol bin Mat Isa
Assoc. Prof. Dr. Nurul Aini binti Muhamed
En. Mohd Fadhly bin Md Yusoff
Assoc. Prof. Dr. Mohd Rizal bin Muwazir @ Mukhazir (Appointed as Member of Shariah Committee w.e.f. 1 June 2025)

The Shariah Committee meets, at minimum, six times a year and must attend at least 75% of the Scheduled Meetings held in each financial year. In 2025, the Shariah Committee met 10 times including Scheduled and Special Meetings. The attendance of members at the Scheduled & Special Shariah Committee meetings is as follows:

Name of Shariah Committee Members	No. of Meetings			
	Scheduled		Special	
	Held	Attended	Held	Attended
Dr. Mohammad Firdaus bin Mohammad Hatta (Resigned as Chairman and Member of Shariah Committee w.e.f. 12 December 2025)	6	6	4	4
Asst. Prof. Dr. Muhammad Naim bin Omar (Appointed as Chairman of Shariah w.e.f. 13 December 2025)	6	6	4	4
Dr. Muhammad Pisol bin Mat Isa	6	6	4	4
Assoc. Prof. Dr. Nurul Aini binti Muhamed	6	6	4	4
En. Mohd Fadhly bin Md Yusoff	6	6	4	3
Assoc. Prof. Dr. Mohd Rizal bin Muwazir @ Mukhazir (Appointed as Member of Shariah Committee w.e.f. 1 June 2025)	6	3	4	2

REPORT OF THE SHARIAH COMMITTEE (CONTINUED)

STATEMENT BY THE SHARIAH COMMITTEE

In accordance with the letter of appointment and the requirements of the Shariah Governance Policy Document, we have fulfilled the responsibilities to Great Eastern Takaful Berhad which are as follows:

a) providing a decision or advice to the Islamic Financial Institution ("IFI") on the application of any rulings of the Shariah Advisory Council ("SAC") or standards on Shariah matters that are applicable to the operations, business, affairs and activities of the IFI;
b) providing a decision or advice on matters which require a reference to be made to the SAC;
c) providing a decision or advice on the operations, business, affairs and activities of the IFI which may trigger a Shariah non-compliance event;
d) deliberating and affirming a Shariah non-compliance finding by any relevant functions; and
e) endorsing a rectification measure to address a Shariah non-compliance event.

We have reviewed the principles and contracts relating to the transactions and applications introduced by Great Eastern Takaful Berhad during the period from 1 January 2025 to 31 December 2025. We have also conducted our review to form an opinion as to whether Great Eastern Takaful Berhad has complied with Shariah principles and with the Shariah rulings issued by the Shariah Advisory Council of Bank Negara Malaysia, as well as Shariah decisions made by us.

The management of Great Eastern Takaful Berhad is responsible for ensuring that Great Eastern Takaful Berhad conducts its business in accordance with Shariah principles. It is our responsibility to form an independent opinion, based on our review of the operations of Great Eastern Takaful Berhad and to report to you.

We have assessed the work carried out by Shariah review and Shariah audit which included examining, on a test basis, each type of transaction, the relevant documentations and procedures adopted by Great Eastern Takaful Berhad. We planned and performed our review so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that Great Eastern Takaful Berhad has not violated any Shariah principles.

REPORT OF THE SHARIAH COMMITTEE (CONTINUED)

STATEMENT BY THE SHARIAH COMMITTEE (CONTINUED)

In our opinion, to the best of our knowledge:

1. The contracts, transactions and dealings entered into by Great Eastern Takaful Berhad, during the financial year from 1 January 2025 to 31 December 2025 were in compliance with Shariah principles. Notwithstanding this, an isolated Shariah non-compliance ("SNC") event was identified, pertaining to the Group Asia Takaful ("GAT") system configuration for Enterprise Business, which impacted the Family Takaful Funds. The control measures have been implemented to address the identified gaps, and Shariah Committee is closely monitoring the progress of the rectification plans to ensure full compliance;

2. The allocation of profit and surplus sharing and charging of losses and deficits between shareholders' fund and/or tabarru' and participant's investment funds conform to the basis that had been approved by us in accordance with Shariah principles;

3. No earnings that have been realised from sources or means prohibited by the Shariah principles during the financial year from 1 January 2025 to 31 December 2025; and

4. The calculation of zakat is in compliance with Shariah principles.

We, Asst. Prof. Dr. Muhammad Naim bin Omar and En. Mohd Fadhly bin Md. Yusoff, being two of the Members of the Shariah Committee of Great Eastern Takaful Berhad, do hereby confirm that the operations of Great Eastern Takaful Berhad for the financial year from 1 January 2025 to 31 December 2025 were conducted in conformity with the Shariah principles.

Signed on behalf of the Shariah Committee.

Asst. Prof. Dr. Muhammad Naim bin Omar
Kuala Lumpur, Malaysia

30 MAR 2026

En. Mohd Fadhly bin Md Yusoff

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Note	31 December 2025 Family Takaful Fund RM'000	31 December 2025 Company RM'000	31 December 2024 Family Takaful Fund RM'000	31 December 2024 Company RM'000
ASSETS					
Property, plant and equipment					
- Owned	3 (a)	-	24,650	-	18,544
- Right-of-use assets	3 (b)	-	381	-	1,782
Intangible assets	4	-	2,270	-	3,957
Investments	5	1,842,913	2,138,093	1,561,737	1,735,933
Retakaful certificate assets	6	136,709	137,140	98,809	100,620
Takaful certificate assets	6	106,049	295,102	54,843	210,123
Tax recoverable		-	16,833	-	13,851
Other receivables	8	51,512	23,822	35,368	41,328
Cash and cash equivalents		335,970	396,036	561,798	664,522
TOTAL ASSETS		**2,473,153**	**3,034,327**	**2,312,555**	**2,790,660**
EQUITY					
Share capital	10	-	255,000	-	195,000
Retained earnings		-	92,653	-	65,118
Other comprehensive income fair value reserves		-	1,495	-	3,575
TOTAL EQUITY		**-**	**349,148**	**-**	**263,693**
LIABILITIES					
Takaful certificate liabilities	6	2,441,365	2,474,600	2,291,027	2,325,573
Retakaful certificate liabilities	6	369	369	13	1,393
Agents' retirement benefits	11	-	33,575	-	27,538
Deferred tax liabilities	7	6,363	40,408	5,259	32,493
Lease liabilities	3(c)	-	531	-	1,966
Other financial liabilities	9	11,090	17,090	300	360
Provision for taxation		1,277	1,277	4,005	4,534
Provision for zakat		-	193	-	297
Other payables	12	12,689	117,136	11,951	132,813
TOTAL EQUITY AND LIABILITIES		**2,473,153**	**3,034,327**	**2,312,555**	**2,790,660**

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

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

STATEMENT OF PROFIT OR LOSS
For the financial year ended 31 December 2025

	Note	31 December 2025 Family Takaful Fund RM'000	31 December 2025 Company RM'000	31 December 2024 Family Takaful Fund RM'000	31 December 2024 Company RM'000
Takaful revenue	13	1,071,253	1,147,028	1,189,094	1,252,008
Takaful service expense	15	(1,085,589)	(1,133,535)	(1,185,437)	(1,225,893)
Net expenses from retakaful certificates held		6,988	6,988	7,375	7,445
Takaful service result		**(7,348)**	**20,481**	**11,032**	**33,560**
Profit income from:					
Financial assets not measured at fair value through profit or loss		17,620	20,810	22,948	26,394
Financial assets measured at fair value through profit or loss		32,826	38,921	23,623	29,131
Other investment income		21,211	23,595	21,112	23,478
(Loss)/gain on exchange differences		(565)	(565)	111	111
Net realised (losses)/gains		(24,030)	(23,914)	13,954	13,909
Net fair value gains		11,551	13,129	74,949	75,189
(Increase)/decrease in provision for impairment of investments		(850)	(850)	526	526
Net investment result	14	**57,763**	**71,126**	**157,223**	**168,738**
Takaful finance expenses for takaful certificates issued		(38,953)	(38,373)	(150,336)	(147,058)
Retakaful finance expenses for retakaful certificates held		(6,988)	(6,988)	(7,375)	(7,375)
Net takaful financial result	14	**(45,941)**	**(45,361)**	**(157,711)**	**(154,433)**
Net investment and takaful result		**4,474**	**46,246**	**10,544**	**47,865**
Other (expenses)/income		(2,829)	(4,281)	(759)	229
Other expenses and income		**(2,829)**	**(4,281)**	**(759)**	**229**
Profit before zakat and taxation		**1,645**	**41,965**	**9,785**	**48,094**
Zakat		-	100	-	(100)
Taxation	16	(1,645)	(13,092)	(9,785)	(23,234)
Net profit for the financial year		**-**	**28,973**	**-**	**24,760**
Profit attributable to:					
Owner of the Company			**28,973**		**24,760**
Profit per share (sen)					
Basic and diluted		-	16.6	-	14.1

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

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2025

	31 December 2025		31 December 2024	
	Family Takaful Fund RM'000	Company RM'000	Family Takaful Fund RM'000	Company RM'000
Net profit for the financial year	**-**	**28,973**	**-**	**24,760**
Other comprehensive (loss)/income:				
Other comprehensive (loss)/income that will not be reclassified to statement of profit or loss in subsequent periods:				
Net (loss)/gain on equity instrument designated at fair value through other comprehensive income ("FVOCI")	-	(1,892)	-	1,300
Tax effects thereon	-	454	-	(312)
Net other comprehensive (outgo)/income that will not be reclassified to statement of profit or loss in subsequent periods, (net of tax)	**-**	**(1,438)**	**-**	**988**
Other comprehensive income/(loss) that may be reclassified to statement of profit or loss in subsequent periods:				
Debt and equity instruments at FVOCI:				
Net gain/(loss) arising during the period	1,359	(1,378)	2,822	6,157
Changes in allowance for Expected Credit Loss	850	850	(526)	(526)
Net realised gain transferred to statement of profit or loss	(507)	(507)	-	-
Net takaful financial result				
Tax effects thereon	(542)	115	26	(774)
Other comprehensive outgo attributable to participants	(1,160)	(1,160)	(2,322)	(2,322)
Net other comprehensive (loss)/income that may be reclassified to statement of profit or loss in subsequent periods (net of tax)	**-**	**(2,080)**	**-**	**2,535**
Other comprehensive (loss)/gain for the financial year, after tax	**-**	**(3,518)**	**-**	**3,523**
Total comprehensive income for the financial year	**-**	**25,455**	**-**	**28,283**
Total comprehensive income attributable to:				
Owner of the Company		**25,455**		**28,283**

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

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2025

	Attributable to shareholders of the Company			
		Other reserves		
	Share Capital RM'000	Fair Value Reserve RM'000	Retained earnings RM'000	Total Equity RM'000
At 1 January 2025	195,000	3,575	65,118	263,693
Net profit for the financial year	-	-	28,973	28,973
Other comprehensive loss for the financial year	-	(3,518)	-	(3,518)
Total comprehensive (loss)/income for the financial year	-	(3,518)	28,973	25,455
Transfer of fair value reserve of equity instruments designated at FVOCI (net of tax)	-	1,438	(1,438)	-
Issuance of shares (Note 10)	60,000	-	-	60,000
At 31 December 2025	**255,000**	**1,495**	**92,653**	**349,148**

	Attributable to shareholders of the Company			
		Other reserves		
	Share Capital RM'000	Fair Value Reserve RM'000	Retained earnings RM'000	Total Equity RM'000
At 1 January 2024	195,000	1,040	39,370	235,410
Net profit for the financial year	-	-	24,760	24,760
Other comprehensive income for the financial year	-	3,523	-	3,523
Total comprehensive income for the financial year	-	3,523	24,760	28,283
Transfer of fair value reserve of equity instruments designated at FVOCI (net of tax)	-	(988)	988	-
At 31 December 2024	**195,000**	**3,575**	**65,118**	**263,693**

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

GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat and taxation		**41,965**	**48,094**
Adjustments for non-cash items:			
Depreciation for property, plant and equipment	15	5,441	4,361
Depreciation for right-of-use assets	15	1,565	1,658
Amortisation of intangible assets	15	2,331	3,535
Impairment of intangible assets		-	763
Profit income from:			
Financial assets not measured at FVTPL		(20,810)	(26,409)
Financial assets measured at FVTPL		(38,921)	(29,131)
Dividend income		(24,349)	(23,673)
(Losses)/gains on sale of investments	14	24,420	(13,910)
Fair value gains		(13,129)	(75,189)
(Increase)/decrease in provision for impairment of assets		(850)	526
Increase in provision for agents' retirement benefits	11	7,133	5,554
Unrealised gains on exchange differences		(3,823)	(1,293)
Expense on lease liabilities	15	73	138
Changes in takaful certificate assets/liabilities		63,252	184,411
Changes in retakaful certificate assets/liabilities		(37,544)	68,473
Taxation of family takaful funds	16(a)	(1,645)	(9,785)
Operating cash flow before working capital changes		**5,109**	**138,123**
Changes in working capital:			
Other debtors			
Increase in right-of-use assets		-	(618)
Decrease in other financial assets		-	1,538
Decrease/(increase) in other receivables		16,884	(27,269)
Other creditors			
Increase/(decrease) in other financial liabilities		16,730	(2,096)
Increase in lease liabilities		-	618
Decrease in other payables		(6,977)	(25,993)
Proceeds from maturities and sale of investments		629,255	746,885
Purchase of investments		(1,047,840)	(906,747)
Profit income received		58,594	54,341
Dividends received		24,245	23,558
Cash (used in)/generated from operating activities		**(304,000)**	**2,340**
Income tax paid		(9,527)	(9,392)
Agents' retirement benefits paid	11	(1,096)	(716)
Net cash flows used in operating activities		**(314,623)**	**(7,768)**

STATEMENT OF CASH FLOWS (CONTINUED)
For the financial year ended 31 December 2025

		2025 RM'000	2024 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment		836	454
Purchase of property, plant and equipment	3(a)	(12,383)	(6,851)
Proceeds from disposal of intangible assets		-	40
Acquisition of intangible assets	4	(644)	(387)
Net cash flows used in investing activities		**(12,191)**	**(6,744)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities	3(c)	(1,672)	(1,766)
Issuance of non-cumulative irredeemable preference shares	10	60,000	-
Net cash flows generated from/(used in) financing activities		**58,328**	**(1,766)**
Net decrease in cash and cash equivalents		(268,486)	(16,278)
Cash and cash equivalents at the beginning of the financial year		664,522	680,800
Cash and cash equivalents at the end of the financial year		**396,036**	**664,522**
Cash and cash equivalents comprise:			
Cash and bank balances		81,156	100,092
Short term Islamic investment accounts with original maturity period of less than 3 months		314,880	564,430
		396,036	**664,522**

	Note	2025 RM'000	2024 RM'000
Reconciliation of liabilities arising from financing activities:			
Lease liabilities			
Balance at the beginning of the financial year		1,966	2,976
Additions		164	618
Payment of lease liabilities		(1,672)	(1,766)
Profit expense on lease liabilities (Note 15)		73	138
	3(c)	**531**	**1,966**

The Company classifies the cash flows from the acquisition and disposal of financial assets as operating cash flows, as the purchases are funded from cash flows associated with the origination of takaful certificates, net of the cash flows for payments of benefits and claims incurred for takaful certificates, which are operating activities of the Company.

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

1. CORPORATE INFORMATION

The Company is a public limited liability company incorporated and domiciled in Malaysia.

The registered office of the Company is located at Level 20, Menara Great Eastern, 303 Jalan Ampang, 50450 Kuala Lumpur.

The Company is principally engaged in managing family takaful business including takaful investment-linked business. There has been no significant change in the principal activity during the financial year.

The immediate holding company is I Great Capital Holdings Sdn. Bhd., a company incorporated in Malaysia. The ultimate holding company is Oversea-Chinese Banking Corporation Limited ("OCBC"), a public-listed company incorporated in the Republic of Singapore.

The financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 March 2026.

2. MATERIAL ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB") and the requirements of the Companies Act 2016 in Malaysia.

The Company has met the minimum capital requirements as prescribed by the Risk-Based Capital Framework for Takaful Operators ("RBCT") issued by Bank Negara Malaysia ("BNM") as at the reporting date.

The financial statements of the Company have been prepared on a historical cost basis, unless otherwise indicated in the accounting policies below. The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.5 to the financial statements.

Takaful operations and its funds

In preparing the Company-level financial statements, the balances and transactions of the shareholders' fund are amalgamated and combined with those of the family takaful fund. Interfund balances, transactions and unrealised gains and losses are eliminated in full during amalgamation. The accounting policies adopted for shareholders' fund and family takaful fund are uniform for like transactions and events in similar circumstances.

The takaful funds are consolidated and amalgamated from the date of control and continue to be consolidated until the date such control ceases which will occur when the Company's licence to manage takaful business is withdrawn or surrendered.

Under the concept of takaful, individuals make contributions to a pool which is managed by a takaful operator with the overall aim of using the monies to aid fellow participants in times of need. Accordingly, as a takaful operator, the Company is not a participant of the family takaful fund but manages the fund in line with the principles of Wakalah bi al-Ujrah (agency with fees) which is the business model adopted by the Company. For investment purposes, the Company acts as an investment manager/agent to invest monies in family takaful fund based on the principles of Mudarabah (profit sharing) and Wakalah bi al-Istithmar (Investment agency), depending on the product and Takaful Operational Model used. The takaful operator manages both the shareholders' fund and the family takaful fund (including the relevant assets and liabilities) towards the purpose outlined above.

In accordance with the Islamic Financial Services Act 2013, the assets and liabilities of the family 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 family takaful fund are consolidated with those of the takaful operator to represent the control of the operator over the fund. The balances and transactions of the family takaful fund include those of the mySalam family takaful fund and the balances and transactions of the Company/shareholders' fund include those of the mySalam shareholders' fund.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

The inclusion of separate information of the family takaful fund, the takaful operator and those of the mySalam Scheme together with the consolidated financial information of the Company in the statement of the financial position, the statement of profit or loss, the statement of other comprehensive income, as well as certain relevant notes to the financial statements represents additional supplementary information required for Bank Negara Malaysia reporting.

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The initial cost of motor vehicle and equipment comprises its purchase price, including non-refundable taxes and any costs to enhance the working condition of the asset for its intended use.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is charged to the statement of profit or loss in the period in which the costs are incurred. Where the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

Depreciation of property, plant and equipment is calculated on a straight-line basis to write off the cost of each amount to its residual value over its estimated useful life. Work-in-progress is not depreciated until such time that it is available for active use. The annual depreciation rates are:

Motor vehicles	20%
Computer equipment	20 - 33%
Furniture and fittings	10 - 20%
Office equipment	10%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amounts and are included in the statement of profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Leases

At the inception of a certificate, the Company assesses whether a certificate is, or contains, a lease. A certificate is, or contains, a lease if the certificate involves the use of an identified asset and conveys the right to control the use of the asset for a period of time in exchange for consideration – i.e. the customer has the right to:

- obtain substantially all of the economic benefits from using the asset; and
- direct the use of the asset.

(i) As Lessee

The Company recognises a right-of-use asset and a lease liability in its statement of financial position at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the amount of lease liability, any lease payments made or before the commencement date, any indirect costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the profit rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental financing rate.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined the earlier of its useful life or the term of the lease. In addition, the carrying amount of the right-of-use asset is reduced by any impairment losses and adjusted for certain remeasurements of the lease liability.

Office space	17%
Equipment	20%

The lease liability is subsequently measured at amortised cost using the effective profit method. It is remeasured to reflect any lease modifications or reassessments.

The Company presents its right-of-use assets in 'property and equipment' and 'lease liabilities' in the statement of financial position.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Leases (Continued)

(i) As Lessee (Continued)

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and leases liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(c) Intangible Assets and Amortisation

Intangible assets acquired separately are measured, on initial recognition, at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with finite useful lives are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful lives is reviewed annually to determine whether the indefinite lives continues to be supportable. If not, the change in useful lives from indefinite to finite is made on a prospective basis.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Intangible Assets and Amortisation (Continued)

Intangible assets of the Company comprise of the following:

(i) A portal (“Distribution Platform”) developed to sell or distribute the Company’s products digitally. This Distribution Platform is recognised at cost on initial recognition. Following initial recognition, this Distribution Platform is amortised on a straight-line basis over its estimated useful life of 6.5 years.

(ii) Software intangible assets are capitalised on a basis of the costs incurred to acquire and bring to use the specific software. Software development costs are incurred for the development of software for systems. These costs are amortised over a period of 5 years or 20% on a straight-line basis from the date of system commissioning.

(iii) Cost associated with maintaining computer software programmes are recognised as an expense when incurred. Costs that are directly associated with identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

No amortisation is provided on capital works in progress as the assets are not yet available for use. Amortisation of an asset begins when it is available for use and calculated on a straight-line basis over the estimated useful lives of an asset.

(d) Investments and Financial Assets

Initial Recognition and Measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial assets. The Company determines the classification of its financial assets and liabilities at initial recognition.

At initial recognition, the Company measures a financial asset at its fair value, plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs for financial assets carried at fair value through profit or loss are recognised as expense in the statement of profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Investments and Financial Assets (Continued)

Initial Recognition and Measurement (Continued)

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

Classification

On initial recognition, a financial asset is classified as measured at Amortised Cost ("AC"), Fair Value through Other Comprehensive Income ("FVOCI") or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

A Shariah-approved equity that is not held for trading may by irrevocable election, be designated and measured at FVOCI. This election is made on an investment-by-investment basis. The Company has designated certain equity securities held for strategic purposes as measured at FVOCI.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Investments and Financial Assets (Continued)

Initial Recognition and Measurement (Continued)

Classification (Continued)

A financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI may, by irrevocable election, be designated and measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Company has designated certain debt securities which are held with the intent to, both, hold to collect contractual cash flows and to sell to be measured at FVTPL.

All other financial assets are measured as FVTPL.

Business model assessment

The Company assesses the objective of the business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- How the performance of the portfolio is evaluated and reported to management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or whose performance is evaluated on a fair value basis, are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Investments and Financial Assets (Continued)

Initial Recognition and Measurement (Continued)

Business model assessment (Continued)

The business model assessment is based on reasonably expected scenarios without taking “worst case” or “stress case” scenarios into account. If the cash flows after initial recognition are realised in a way that is different from the Company’s original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessment whether contractual cash flows are solely payments of principal and profit

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Profit' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic financing risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and profit, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers the following key aspects:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Company's claim to cash flows from specified assets; and
- Features that modify consideration of the time value of money, credit risk, other basic financing risks and costs associated with the principal amount outstanding.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Investments and Financial Assets (Continued)

Subsequent measurement

I. Islamic Debt Instruments

Subsequent measurement of Islamic debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised Cost ("AC")

Islamic debt instruments that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and profit are measured at amortised cost using the effective profit method. Profit income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Gains or losses are also recognised in the statement of profit or loss when the assets are derecognised.

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

Islamic debt instruments that are held for collection of contractual cash flows and for sale, where the assets' cash flows represent solely payments of principal and profit, are classified as FVOCI. Any gains or losses from changes in fair value are recognised in other comprehensive income and accumulated in fair value reserve. Impairment, foreign exchange gains and losses and profit calculated using the effective profit method are recognised in the statement of profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit or loss when the financial asset is derecognised.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Investments and Financial Assets (Continued)

Subsequent measurement (Continued)

I. Islamic Debt Instruments (Continued)

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

Islamic debt instruments that do not meet the criteria for classification as amortised cost or FVOCI are measured at FVTPL. Any gains or losses from changes in fair value and profit are recognised in the statement of profit or loss.

Fair value changes of financial assets at FVTPL are analysed between change resulting from foreign currency fluctuation and other fair value changes. Foreign currency fluctuation and other fair value changes are included under other operating income/(expense) and fair value gains/(losses) in the statement of profit or loss respectively.

II. Shariah-approved Equity Instruments

The Company subsequently measures all Shariah-approved equity instruments at fair value. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than held for trading. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to statement of profit or loss, including upon disposal. Equity instruments designated at FVOCI are not subject to impairment assessment.

Dividends, when representing a return from such investments are to be recognised in the statement of profit or loss when the Company’s right to receive payments is established.

Changes in fair value of financial assets at FVTPL are recognised in the statement of profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Investments and Financial Assets (Continued)

Subsequent measurement (Continued)

III. Derivatives and Hedging Activities

The Company applies economic hedge for currency and foreign exchange risks involving derivatives such as cross currency swap and forward currency certificates. All derivatives are carried as financial asset when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are initially recognised at fair value on the date a derivative certificate is entered into and are subsequently re-measured to their fair value. As at the reporting date, the Company has not invested in such instruments.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

(e) Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual obligations of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

The Company's financial liabilities include other creditors and provision for agents' retirement benefits.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities, and derivative liabilities. Currently, the Company does not have any derivative liabilities.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Financial Liabilities (Continued)

(i) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition at FVTPL.

Financial liabilities held for trading include derivatives entered into by the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains and losses recognised in the statement of profit or loss. Net gains or losses on derivatives include exchange differences.

The Company has not designated any financial liabilities at FVTPL.

(ii) Other financial liabilities

Other financial liabilities are recognised when due and measured on initial recognition at the fair value of the consideration received plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective yield method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Gains or losses are recognised in the income statement.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(iii) Agents' retirement benefits

Agents' Retirement Benefit ("ARB") is considered a financial instrument as it gives rise to a financial asset in one entity and a financial liability of another entity. The contractual obligation to pay ARB arises from the agency supplementary agreement ("Agreement") signed between the Company and takaful agents, thus creating a financial liability for the Company.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Financial Liabilities (Continued)

(iii) Agents' retirement benefits (Continued)

The carrying amount for ARB is calculated in accordance with the terms and conditions in the respective agents' Agreement. The carrying amount for ARB is initially recognised at fair value and subsequent to initial recognition, it is measured at amortised cost. The accrued profit is recognised in the statement of profit or loss.

The terms and conditions of the Agreement stipulate that upon the agent maintaining his position for the qualifying year and achieving the required personal sales and minimum new business, the agent shall be allocated a deferred benefit/retirement benefit.

The deferred benefit/retirement benefit accumulated at the statement of financial position date includes an element of accrued profit, which is calculated at the shareholders' fund investment rate of return. The accrued deferred benefit shall only become payable provided the Agreement has been in force for certain continuous certificate years and the agent has attained the minimum age stipulated in the Agreement.

(f) Fair Value Measurement

The Company measures financial instruments at fair value at each reporting date. In addition, fair values of financial instruments measured at amortised cost are disclosed in Note 5.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Fair Value Measurement (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable including quotes from brokers and market makers, discounted cash flows and other valuation techniques commonly used by market participants.

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Fair Value Measurement (Continued)

The fair value of financial assets that are actively traded in organised financial markets i.e. quoted Shariah-approved equities and financial instruments with embedded derivatives is determined by reference to quoted market bid prices for assets at the close of business on statement of financial position date. Fair value for investments in quoted unit trusts ("REITS"), and similar investments, is determined by reference to published net asset values.

For financial instruments where there is no active market such as unquoted Islamic private debt securities and government investment issues, fair value is obtained from Bond Pricing Agency Malaysia Sdn. Bhd. ("BPAM").

For unquoted and unrated Islamic private debt securities, the unrated Islamic private debt securities are first assigned an internal rating using the Internal Credit Rating model and subsequently benchmarked against BPAM's indicative yields for an Islamic private debt security with similar rating, classification and tenure.

In cases where the fair value cannot be reliably measured, the financial instruments are stated at cost, being the fair value of the consideration paid for the acquisition of the instrument or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

(g) Impairment of Financial Assets

The Company recognises loss allowances for expected credit losses ("ECL") on the following financial instruments that are not measured at FVTPL:

(i) Islamic private debt instruments measured at FVOCI;
(ii) Financing and other receivables measured at amortised cost; and
(iii) Financing commitments.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of Financial Assets (Continued)

The Company assesses on a forward looking basis the ECL associated with its financing and Islamic debt instruments carried at FVOCI and its financing commitments. For trade and takaful receivables, the Company measures the loss allowance at an amount equal to the lifetime expected credit losses. The Company recognises a loss allowance for ECL at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company measures loss allowances at an amount equal to lifetime ECL, except for financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL represents the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Not credit-impaired financial assets

For financial assets that are not credit-impaired at the reporting date, the ECL is the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the certificate and the cash flows that the Group expects to receive).

Modified financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected modification will not result in derecognition of the existing asset, and then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset; or

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of Financial Assets (Continued)

Modified financial assets (Continued)

- If the expected modification will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective profit rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets measured at amortised cost and debt financial assets measured at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company considers factors as evidence that a financial instrument is credit impaired:

- Significant financial difficulty of the counterparty or issuer;
- A breach of certificate such as default or past due event;
- The restructuring of a financing or receivable of the Company on terms that the Company would not consider otherwise;
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

For financial assets that are not credit-impaired at the reporting date: the ECL is the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the certificate and the cash flows that the Company expects to receive).

For financial assets that are credit-impaired at the reporting date: the ECL is the difference between the gross carrying amount and the present value of estimated future cash flows.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of Financial Assets (Continued)

Credit-impaired financial assets (Continued)

Where there is objective evidence of impairment, the Company will recognise the impairment loss in the income statement at the reporting date.

Write-off

Financing and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(h) Derecognition of Financial Assets and Liabilities

A financial asset is derecognised when:

- the contractual right to receive cash flows from the asset has expired; or
- The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass through’ arrangement and either (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent it has retained the risk and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Derecognition of Financial Assets and Liabilities (Continued)

On derecognition of a financial asset except for equity securities measured at FVOCI, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (a) the consideration received (including any new asset obtained less any new liability assumed) and (b) any cumulative gain or loss that has been recognised in other comprehensive income is recognised in the statement of profit or loss.

On derecognition of Shariah-approved equity securities measured at FVOCI, any cumulative gain/loss recognised in other comprehensive income is not recognised in the statement of profit or loss.

(i) Impairment of Non-financial Assets

The carrying amount of non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of the net realisable value and the value in use, which is measured in reference to discounted cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is recognised in the statement of profit or loss in the period in which it arises. Subsequent increases in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. A reversal of impairment loss is recognised in the statement of profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates

Definition and classification

Certificates under which the Company accepts significant takaful risk are classified as takaful certificates. certificates held by the Company under which it transfers significant takaful risk related to underlying takaful certificates are classified as retakaful certificates. Takaful and retakaful certificates also expose the Company to financial risk.

Takaful certificates may be issued and retakaful certificates may be initiated by the Company, or they may be acquired in a business combination or in a transfer of certificates that do not form a business. All references in these accounting policies to ‘takaful certificates’ and ‘retakaful certificates’ include certificates issued, initiated or acquired by the Company unless otherwise stated.

Certificates that have a legal form of takaful but do not transfer significant takaful risk and expose the Company to financial risk are classified as investment contracts, and they follow financial instruments accounting under MFRS 9 - Financial Instrument. The Company does not have any certificates that fall under this category.

Certificates are subject to different requirements depending on whether they are classified as direct participating certificates or certificates without direct participation features. Takaful certificates with direct participation features are takaful certificates that are substantially investment-related service certificates under which the Company promises an investment return based on underlying items; they are certificates for which, at inception:

- the contractual terms specify that the certificate holder participates in a share of a clearly identified pool of underlying items;
- the Company expects to pay to the certificate holder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Company expects a substantial proportion of any change in the amounts to be paid to the certificate holder to vary with the change in fair value of the underlying items.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Definition and classification (Continued)

Direct participating certificates issued by the Company are certificates with direct participation features where the Company holds the pool of underlying assets and accounts for these group of certificates under the Variable Fee Approach ("VFA"). The VFA modifies the accounting model in MFRS 17 to reflect that the consideration that the Company receives for the certificates is a variable fee.

All other takaful certificates and all retakaful certificates are classified as certificates without direct participation features.

Separating components from takaful and retakaful certificates

The Company assesses its takaful and retakaful certificates to determine whether they contain components which must be accounted for under another MFRS rather than MFRS 17 (distinct non takaful components). After separating any distinct components, the Company applies MFRS 17 to all remaining components of the (host) takaful certificate. Currently, the Company's certificates do not include distinct components that require separation.

Some family takaful certificates issued by the Company include a surrender option under which the surrender value is paid to the certificate holder on maturity or earlier lapse of the certificate. These surrender options have been assessed to meet the definition of a non-distinct investment component in MFRS 17. MFRS 17 defines investment components as the amounts that a takaful certificate requires a takaful operator to repay to a certificate holder in all circumstances, regardless of whether a covered event has occurred. Investment components which are highly interrelated with the takaful certificate of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from takaful revenue and takaful service expenses. The surrender options are considered non-distinct investment components as the Company is unable to measure the value of the surrender option component separately from the family takaful portion of the certificate.

For contribution refund or experience refund components which are not subject to any conditions in the certificates, these have been assessed to be highly interrelated with the takaful component of the retakaful certificates and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Level of aggregation

(i) Takaful certificates

Takaful certificates are aggregated into groups for measurement purposes. Groups of takaful certificates are determined by identifying portfolios of takaful certificates, each comprising certificates subject to similar risks and managed together, and dividing each portfolio into quarters (by quarter of issuance) into three groups based on the expected profitability of the certificates:

- certificates that are onerous at initial recognition, if any;
- certificates that at initial recognition have no significant possibility of becoming onerous subsequently, if any; or
- remaining group of certificates, if any.

These groups represent the level of aggregation at which takaful certificates are initially recognised and measured. The profitability groupings are not reassessed under subsequent remeasurement.

Level of aggregation is also affected by law or regulation which specifically constrains the Company's practical ability to set a different price or level of benefits for certificate holders with different characteristics.

The Company broadly groups its takaful certificates by how the certificates are managed, product type, currency, measurement model and takaful risks. Sets of certificates usually correspond to pricing risk groups that the Company determined to have similar takaful risk and that are priced together by assessing the profitability of a best estimate pool of certificates on the same basis. The Company determines the profitability of certificates within portfolios and the likelihood of changes in takaful, financial and other exposures resulting in these certificates becoming more onerous at the level of these pricing groups, with no information available at a more granular level. This level of granularity determines sets of certificates.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Level of aggregation (Continued)

(ii) Retakaful certificates

Portfolios of retakaful certificates held are assessed for aggregation separately from portfolios of takaful certificates issued. Applying the grouping requirements to retakaful certificates held, the Company aggregates retakaful certificates into quarters (by quarter of issuance) for family retakaful treaties into groups of:

- certificates for which there is a net gain at initial recognition, if any;
- certificates for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- remaining certificates in the portfolio, if any.

Retakaful certificates held are assessed for aggregation requirements on an individual retakaful treaty basis.

Recognition

A group of takaful certificates issued by the Company is recognised from the earliest of:

- the beginning of its coverage period (i.e. the period during which the Company provides services in respect of any contributions within the boundary of the certificate);
- when the first payment from the certificate holder becomes due or, if there is no contractual due date, when it is received from the certificate holder; and
- when facts and circumstances indicate that the certificate is onerous.

The Company recognises a group of retakaful certificates held from the earliest of the following:

- The beginning of the coverage period of the group of retakaful certificates held. However, the Company delays the recognition of a group of retakaful certificates held that provide proportionate coverage until the date when any underlying takaful certificate is initially recognised, if that date is later than the beginning of the coverage period of the group of retakaful certificates held; and
- The date the Company recognises an onerous group of underlying takaful certificates if the Company entered into the related retakaful certificate in the group of retakaful certificates held at or before that date.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Recognition (Continued)

Only certificates that individually meet the recognition criteria by the end of the reporting period are included in the groups. When certificates meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, or, if the certificate does not qualify for inclusion in an existing group, it forms a new group to which future certificates are added. Composition of the groups is not reassessed in subsequent periods.

Contract boundary

The Company includes in the measurement of a group of takaful certificates all the future cash flows within the boundary of each certificate in the group. Cash flows are within the boundary of a takaful certificate if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the certificate holder to pay the contributions, or in which the Company has a substantive obligation to provide the certificate holder with takaful certificate services. A substantive obligation to provide takaful certificate services ends when:

- The Company has the practical ability to reassess the risks of the particular certificate holder and, as a result, can set a price or level of benefits that fully reflects those risks, or

- Both of the following criteria are satisfied:

    - The Company has the practical ability to reassess the risks of the portfolio of takaful certificates that contain the certificate and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and
    - The pricing of the contributions up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

Fulfilment cash flows outside the boundary of the takaful certificate are not recognised. Such amounts relate to future takaful certificates.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Contract boundary (Continued)

For family takaful certificates with renewal periods, the Company assesses whether contributions and related cash flows that arise from the renewed certificate are within the certificate boundary. The pricing of the renewals is established by the Company by considering all the risks covered for the certificate holder by the Company, that the Company would consider when underwriting equivalent certificates on the renewal dates for the remaining service. Therefore, the cash flows related to renewals of takaful certificates will not be included in the certificate boundary.

For groups of retakaful certificates held, cash flows are within the certificate boundary if they arise from substantive rights and obligations of the Company that exist during the reporting period in which the Company is compelled to pay amounts to the retakaful operator or in which the Company has a substantive right to receive takaful certificate services from the retakaful operator.

A substantive right to receive services from the retakaful operator ends either when the retakaful operator can reprice the certificate to fully reflect the ceded risk, or when the retakaful operator has a substantive right to terminate coverage.

The Company reassesses certificate boundary of each group at the end of each reporting period.

Measurement

(i) Measurement – certificates not measured under the Premium Allocation Approach ("PAA")

On initial recognition, the Company measures a group of takaful certificates as the total of (a) the fulfilment cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the contractual Service Margin ("CSM"). The fulfilment cash flows of a group of takaful certificates do not reflect the Company's non-performance risk.

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils takaful certificates.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(i) Measurement – certificates not measured under the Premium Allocation Approach ("PAA") (Continued)

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 2.5.

On initial recognition of a group of takaful certificates, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. A loss from onerous takaful certificates is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous certificates – Loss component section in Note 2.2(j)(iv) below).

(ii) Measurement – certificates measured under the PAA

The PAA is an optional simplified measurement model in MFRS 17 that is available for takaful and retakaful contracts that meet the eligibility criteria. This approach is used for contracts that have a coverage period of one year or less, or meets the eligibility criteria.

For takaful contracts issued, on initial recognition, the Company measures the liability for remaining coverage (“LRC“) at the amount of contributions received, less any acquisition cash flows paid and any amounts arising from the derecognition of the takaful acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows. The LRC is discounted to reflect the time value of money and the effect of financial risk.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(ii) Measurement – certificates measured under the PAA (Continued)

The Company estimates the liability for incurred claims ("LIC") as the fulfilment cash flows related to incurred claims. The FCF incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company, and include an explicit adjustment for non-financial risk (the risk adjustment). The Company adjusts the future cash flows for the time value of money and the effect of financial risk for the measurement of LIC, unless when they are expected to be paid within one year or less from the date of which the claims are incurred.

Where, during the coverage period, facts and circumstances indicate that a group of takaful contracts is onerous, the Company recognises a loss in the statement of profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows ("FCF"). A loss component is established by the Company for the LRC for such onerous group depicting the losses recognised.

(iii) Fulfilment Cash Flows

The FCF are the current estimates of the future cash flows within the certificate boundary of a group of certificates that the Company expects to collect from contributions and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:
(a) are based on a probability-weighted mean of the full range of possible outcomes;
(b) are determined from the perspective of the Company, provided that the estimates are consistent with observable market prices for market variables; and
(c) reflect conditions existing at the measurement date.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(iii) Fulfilment Cash Flows (Continued)

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of takaful certificates, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the takaful certificates requires significant judgment and estimation. Refer to Note 2.5.

(iv) Contractual Service Margin ("CSM")

The CSM is a component of the carrying amount of the asset or liability for a group of takaful certificates issued representing the unearned profit that the Company will recognise as it provides takaful certificate services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of certificates is onerous or takaful revenue and takaful service expenses are recognised as in (d) below) arising from:
(a) the initial recognition of the FCF;
(b) cash flows arising from the certificates in the group at that date;
(c) the derecognition of any takaful acquisition cash flows asset; and
(d) the derecognition of any other pre-recognition cash flows.

Takaful revenue and takaful service expenses are recognised immediately for any such assets derecognised.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(v) Subsequent Measurement - certificates not measured under the PAA

Subsequently, the carrying amount of a group of takaful certificates at each reporting date is the sum of the LRC and the LIC. The LRC comprises (a) the fulfilment cash flows that relate to services that will be provided under the certificates in future periods and (b) any remaining CSM at that date. The LIC includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

- The fulfilment cash flows of groups of certificates are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows:

Changes relating to future service	Adjusted against CSM (or recognised in the takaful service result in profit or loss if the group is onerous)
Changes relating to current or past	Recognised in the takaful service result in profit or loss
Effects of the time value of money, financial risk and changes therein on estimated cash flows	Recognised as takaful finance income or expenses in profit or loss, except for certain portfolios measured using the General Measurement Model ("GMM") where the Other Comprehensive Income ("OCI") option is applied.

- The CSM is adjusted subsequently only for changes in FCF that relate to future services and other specified amounts and is recognised in profit or loss as services are provided. The CSM at each reporting date represents the profit in the group of certificates that has not yet been recognised in profit or loss because it relates to future services.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(v) Subsequent Measurement - certificates not measured under the PAA (Continued)

Onerous certificates- Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of certificates becomes onerous and the Company recognises the excess in takaful service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, the Company allocates the following between the loss component and the remaining component of the LRC for the respective group of certificates, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

(a) expected incurred claims and other directly attributable expenses for the period;
(b) changes in the risk adjustment for non-financial risk for the risk expired;
(c) finance income (expenses) from takaful certificates issued.

The amounts of the loss component allocation in (a) and (b) above reduce the respective components of takaful revenue and are reflected in takaful service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

(vi) Subsequent Measurement - certificates measured under the PAA

Subsequently, for takaful contract issued under the PAA, the LRC is (a) increased for contributions received in the period, excluding amounts that relate to contribution receivables included in the LIC (b) decreased for takaful acquisition cash flows paid in the period; (c) decreased for the amounts of expected contribution receipts recognised as takaful revenue for the services provided in the period; (d) increased for the amortisation of takaful acquisition cash flows in the period recognised as takaful service expenses; and (e) increased for net takaful finance expenses recognised during the period.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(vii) Retakaful certificates

The Company will apply the same accounting policies to measure a group of retakaful certificates, with the following modifications.

The carrying amount of a group of retakaful certificates at each reporting date is the sum of the asset for remaining coverage ("ARC") and the asset for incurred claims ("AIC"). The ARC comprises the FCF that relate to services that will be received under the certificates in future periods.

The Company will measure the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying takaful certificates, with an adjustment for any risk of non-performance by the retakaful operator.

The risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the retakaful operator.

For groups of retakaful certificates held, any net gain or loss at initial recognition is recognised in the statement of financial position as part of the fulfilment cash flow of direct underlying certificates.

(viii) Takaful Acquisition Cash Flows

Takaful acquisition cash flows arise from the costs of selling, underwriting and starting a group of takaful certificates that are directly attributable to the portfolio of takaful certificates to which the group belongs. If takaful acquisition cash flows are directly attributable to a group of certificates, then they are allocated to that group.

Takaful acquisition cash flows are allocated to groups of takaful certificates on a systematic and rational basis. Takaful acquisition cash flows that are directly attributable to a group of takaful certificates are allocated to that group; and to groups that will include takaful certificates that are expected to arise from renewals of the takaful certificates in that group.

Takaful acquisition cash flows not directly attributable to a group of certificates but directly attributable to a portfolio of certificates are allocated to groups of certificates in the portfolio or expected to be in the portfolio.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(viii) Takaful Acquisition Cash Flows (Continued)

The takaful acquisition cash flows that arise before the recognition of the related takaful certificates are recognised as separate assets and tested for recoverability, whereas other takaful acquisition cash flows are included in the estimates of the present value of future cash flows as part of the measurement of the related takaful certificates.

The Company assesses at each reporting date whether facts and circumstances indicate that an asset for takaful acquisition cash flows may be impaired, then the Company:

(a) recognises an impairment in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
(b) if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those takaful acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Company reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions no longer exist or have improved.

(ix) Derecognition and Certificate Modification

A takaful certificate is derecognised when it is:

- extinguished (that is, when the obligation specified in the takaful certificate expires or is discharged or cancelled); or
- the certificate is modified and certain additional criteria discussed below are met.

When a takaful certificate is modified by the Company as a result of an agreement with the counterparties or due to a change in regulations, the Company treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original certificate are met. The Company derecognises the original certificate and recognises the modified certificate as a new certificate if any of the following conditions are present:

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(ix) Derecognition and certificate Modification (Continued)

(a) if the modified terms had been included at certificate inception and the Company would have concluded that the modified certificate:
    i. is not within the scope of MFRS 17;
    ii. results in different separable components;
    iii. results in a different certificate boundary; or
    iv. belongs to a different group of certificates;
(b) the original certificate represents a takaful certificate with direct participation features, but the modified certificate no longer meets that definition, or vice versa;
(c) the original certificate was accounted for under the PAA, but the modification means that the certificate no longer meets the eligibility criteria for that approach.

When a new certificate is required to be recognised as a result of modification and it is within the scope of MFRS 17, the new certificate is recognised from the date of modification and is assessed for, amongst other things, certificate classification, including the VFA eligibility component separation requirements and certificate aggregation requirements.

When a takaful certificate not accounted for under the PAA is derecognised from within a group of takaful certificates, the Company:
(a) adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group;
(b) adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:
    i. if the certificate is extinguished, in the same amount as the adjustment to the FCF relating to future service;
    ii. if the certificate is transferred to a third party, in the amount of the FCF adjustment in (a) less the contribution charged by the third party; or

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Measurement (Continued)

(ix) Derecognition and Certificate Modification (Continued)

(b) adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition (Continued):
   iii. if the original certificate is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the contribution that the Company would have charged if it had entered into a certificate with equivalent terms as the new certificate at the date of the certificate modification, less any additional contribution charged for the modification; when recognising the new certificate in this case, the Company assumes such a hypothetical contribution as actually received; and

(c) adjusts the number of coverage units for the expected remaining takaful certificate services, to reflect the number of coverage units removed.

When a takaful contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition results in the following amounts being charged immediately to the statement of profit or loss:

(a) If the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
(b) If the contract is transferred to a third party, any net difference between the derecognised part of the LRC of the original contract and the contribution charged by the third party; or
(c) If the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical contribution that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional contribution charged for the modification.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

(x) Presentation and Disclosure

Takaful service result comprises takaful revenue and takaful service expenses. Income and expenses from retakaful certificates held, other than takaful finance income or expenses, are presented on a net basis as 'net expenses from retakaful certificates' held in the takaful service result.

Takaful revenue

As the Company provides takaful certificate services under the group of takaful certificates, it reduces the LRC and recognises takaful revenue. The amount of takaful revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Company expects to be entitled to in exchange for those services.

Takaful revenue comprises the following:

- Amounts relating to the changes in the LRC:
  (a) Expected claims and other directly attributable expenses incurred in the period excluding:
    - amounts allocated to the loss component;
    - repayments of investment components and certificate holders' rights to withdraw an amount;
    - amounts of transaction-based taxes collected in a fiduciary
    - takaful acquisition expenses; and
    - amounts related to the risk adjustment for non-financial risk (see (b));
  (b) changes in the risk adjustment for non-financial risk, excluding:
    - changes included in takaful finance income (expenses);
    - changes that relate to future coverage (which adjust the CSM); and
    - amounts allocated to the loss component;
  (c) amounts of the CSM recognised for the services provided in the period;
  (d) experience adjustments – arising from contributions received in the period other than those that relate to future service; and
  (e) other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.

- Takaful acquisition cash flows recovery is determined by allocating the portion of contributions related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of certificates.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Takaful service expenses

Takaful service expenses include the following:

(a) incurred claims and benefits, excluding investment components reduced by loss component allocations;
(b) other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than takaful acquisition cash flows) derecognised at the date of initial recognition;
(c) takaful acquisition cash flows amortisation;
(d) changes that relate to past service – changes in the FCF relating to the LIC;
(e) changes that relate to future service – changes in the FCF that results in onerous certificate losses or reversals of those losses; and
(f) takaful acquisition cash flows assets impairment.

For certificates not measured under the PAA, amortisation of takaful acquisition cash flows is reflected in takaful service expenses in the same amount as takaful acquisition cash flows recovery reflected within takaful revenue, as described above.

Other expenses not meeting the above categories are included in other expenses in the statement of profit or loss.

Net income (expenses) from retakaful certificates held

The Company presents financial performance of groups of retakaful certificates held on a net basis in net income (expenses) from retakaful certificates held, comprising the following amounts:

(a) retakaful expenses;
(b) incurred claims recovery, excluding investment components reduced by loss recovery component allocations;
(c) other incurred directly attributable expenses; and
(d) changes that relate to past service – changes in the FCF relating to incurred claims recovery.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Net income (expenses) from retakaful certificates held (Continued)

Retakaful expenses are recognised similarly to takaful revenue. The amount of retakaful expenses recognised in the reporting period depicts the transfer of received takaful certificate services at an amount that reflects the portion of ceding contributions that the Company expects to pay in exchange for those services.

Ceding commissions that are not contingent on claims of the underlying certificates issued reduce ceding contributions and are accounted for as part of retakaful expenses. Ceding commissions that are contingent on claims of the underlying certificates issued reduce incurred claims recovery.

Takaful Finance Income or Expenses

Takaful finance income or expenses comprise the change in the carrying amount of the group of takaful certificates arising from:
(a) the effect of the time value of money and changes in the time value of money; and
(b) the effect of financial risk and changes in financial risk.

For certificates measured under the GMM, the main amounts within takaful finance income or expenses are:
(a) profit accreted on the FCF and the CSM;
(b) the effect of changes in profit rates and other financial assumptions, and
(c) foreign exchange differences.

For certificates measured under the VFA, takaful finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

The Company disaggregates changes in the risk adjustment for non-financial risk between takaful service results and takaful finance income or expenses for family takaful.

For family takaful, the Company includes all takaful finance income or expenses for the period in profit or loss, except for certain portfolios measured using the GMM where the Other Comprehensive Income (“OCI”) option is applied. This is expected to reduce accounting mismatches in profit or loss, considering that many of the supporting financial assets will be Islamic debt investments measured at fair value through other comprehensive income (“FVOCI”).

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Takaful and retakaful certificates (Continued)

Takaful Finance Income or Expenses (Continued)

The Company systematically allocates expected total takaful finance income or expenses over the duration of the group of certificates to profit or loss using discount rates determined on initial recognition of the group of certificates.

In the event of transfer of a group of takaful certificates or derecognition of a takaful certificate, the Company reclassifies the takaful finance income or expenses to profit or loss as a reclassification adjustment to any remaining amounts for the group (or certificate) that were previously recognised in other comprehensive income.

The groups of takaful certificates, including the CSM, that generate cash flows in a foreign currency are treated as monetary items.

For certificates measured under the PAA, the main amounts within takaful finance income or expenses are:

(a) Profit accreted on the FCF; and
(b) The effect of changes in profit rates and other financial assumptions.

(k) Other revenue recognition

Profit income is recognised on a time proportion basis that takes into account the effective yield of the asset.

Dividend is recognised when the right to receive payment is established.

All sales of investments are recognised on their trade dates i.e., the date the Company commits to sell the assets. Gains or losses arising from the sale of investments are calculated as the difference between net sales proceeds and the original or carrying amount and are credited or charged to the statement of profit or loss.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Foreign Currencies

(i) Functional and Presentation Currency

The financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional and presentation currency.

(ii) Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recorded in the functional currency using the exchange rates prevailing at the dates of transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences arising on the settlement of monetary items and translation of monetary items are included in the statement of profit or loss. Exchange differences on items such as equity investments classified as Fair Value Through Other Comprehensive Income (“FVOCI”) financial assets are included in the fair value reserve in equity.

The principal exchange rates of foreign currency ruling at reporting date used are as follows:

	2025 RM	2024 RM
Singapore Dollar	3.16	3.28
Hong Kong Dollar	0.52	0.58

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Income tax

Income tax in the statement of profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using tax rates that have been enacted at the reporting date.

In addition to paying tax on shareholders' profit, the family takaful business pays tax on participants' investment returns at a tax rate of 8%. Tax on participants' investment returns is recognised as an expense and disclosed separately under taxation of family takaful business in the statement of profit or loss.

Deferred tax is provided for, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in the statement of profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

(n) Employee benefits

(i) Defined contribution plans under statutory regulations

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the statement of profit or loss as incurred.

(ii) Employee leave entitlements

An employee's entitlement to annual leave is estimated and accrued according to the Company’s Human Capital policy.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term, highly liquid investments with original maturity of three months or less from the date of acquisition, or are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(p) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying the economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provision is discounted using a current pre-tax rate that reflects the risk specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(q) Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statement of profit or loss unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

(r) Zakat

This represent tithes payable by the Company to comply with the principles of Shariah and is approved by the Shariah Committee of the Company. Zakat is calculated using the net asset method and is only provided when there is a commitment or obligation to pay at the end of financial year, as approved by the Shariah Committee.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Measurement and impairment of Qard

Any deficit in the participants' tabarru' fund within the family takaful fund is made good via a Qard, which is a profit-free financing, granted by the shareholders' fund to the participants' tabarru' fund. In the participants' tabarru' fund and shareholders' fund, the Qard is included in the fulfilment cash flows used to measure the takaful certificate liabilities under MFRS 17.

Initial measurement

Qard is measured in the fulfilment cash flows at a value discounted for time value of money, which reflects the economic effect of the expected future cash flow, consistent with all the other cash flows measured in fulfilment cash flows. This accounting measurement does not affect the family takaful fund's obligation to repay the nominal amount of Qard, nor does it affect or change any rights or obligations of the shareholders' fund.

Qard repayment

The Qard shall be repaid from future surpluses of the participants' tabarru' fund.

(t) Family takaful fund

The family takaful fund is maintained in accordance with the requirements of the Islamic Financial Services Act 2013 and consists of FVOCI reserves and accumulated surplus in the fund attributable to participants which represents the participants' share in FVOCI reserves and net surplus of the family takaful fund. The family takaful fund surplus or deficit is determined by an annual actuarial valuation of the family takaful fund.

Surplus distributable to participants is determined by net cash flows (excluding investment income) in the family takaful fund and distributed in accordance with the terms and conditions prescribed by the Shariah Committee, is aligned with GETB's Tabarru' Surplus and Investment Profit Management Policy and is in compliance with the BNM's Takaful Operational Framework Guidelines.

(u) Hibah

This represents a transfer of ownership of an asset from a donor (wahib) to a recipient (mawhub lahu) without any consideration. Any benefit or gift that paid from shareholders' fund to takaful participants as supplementary to the takaful benefits is regarded as hibah.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Shareholders' Equity

Shareholders' equity is defined as the residual profit in the assets of an entity after deducting all its liabilities. The following outlines the various types of equity and reserves of the Company.

(i) Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

(ii) Retained earnings

A portion of the retained earnings has been set aside to meet risk-based capital requirements for regulatory reporting purposes. These reserves are deemed statutory reserves and are not available for distribution to shareholders. These statutory reserves are measured according to the regulatory prescriptions and are subject to changes in line with the underlying risks underwritten.

(iii) Fair value reserves

Fair value reserves comprise the cumulative net change in fair value of financial assets measured at FVOCI and the related loss allowance of Islamic debt instruments recognised in statement of profit or loss until the debt is derecognised, net of tax.

(iv) Redeemable preference shares

Proceeds from issuance of redeemable preference shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of redeemable preference shares are deducted against share capital.

The redeemable preference shares ("RPS") are classified as equity as they are non-cumulative, non-convertible, non-participating in profits, assets or other rights, and has no fixed rate for dividends. The RPS are transferable only in the manner provided in the Articles of Association, and have no specific redemption date but the Company has an option to redeem the preference shares, which option shall only be exercisable after the expiry of the period of ten (10) years from 14 December 2017 to 14 December 2027.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Shareholders' Equity (Continued)

(v) Non-cumulative irredeemable preference shares

The Company has issued non-cumulative irredeemable preference shares ("NCIPS") to the value of RM60 million on 17 June 2025. This is classified as share capital in equity in accordance with MFRS 132 as the shares are perpetual in nature, there is no contractual obligation to redeem the shares and shall not confer on the holder any right to participate in the surpluses, assets or profits of the Company. The dividends are discretionary, confer no voting rights and contingent on capital strength and profits. Should the dividends be payable, the shares carry non-cumulative dividends which are to be paid semi-annually in arrears.

The shares rank pari passu amongst themselves and in priority to ordinary shares in respect of payment of dividends and repayment of capital.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following are standards, amendments to standards and interpretations to standards issued by MASB, but not yet effective, up to the date of issuance of the Company's financial statements. The Company intends to adopt these standards, amendments to standards and interpretations to standards, if applicable, when they become effective:

Effective for financial periods beginning on or after 1 January 2026

- Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*
- Amendments to MFRS 7 *Financial Instruments: Disclosures*
- Amendments to MFRS 9 *Financial Instruments*
- Amendments to MFRS 10 *Consolidated Financial Statements*
- Amendments to MFRS 107 *Statement of Cash Flows*
- Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*

Effective for financial periods beginning on or after 1 January 2027

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates*

Deferred

- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Management expects that the adoption of the above standards, amendments to standards and interpretations to standards issued by MASB, but not yet effective, will have no material impact on the financial statements in the period of initial application.

2.4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the preparation of the Company’s financial statements, management makes estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities at reporting date. Estimates, assumptions and judgements are continually evaluated and based on internal studies of actual historical experience and other factors. Best estimates and assumptions are constantly reviewed to ensure that they remain relevant and valid. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Critical Judgements Made in Applying Accounting Policies

The following are judgements made by the management in the process of applying the Company's accounting policies that have significant effect on the amounts recognised in the financial statements.

(i) Takaful Business

The Company makes estimates, assumptions and judgments in its estimates of fulfilment cash flow ("FCF"), discount rates used, risk adjustments for non-financial risk, and CSM.

Discount rates

Takaful certificate liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the observable market yields of Malaysian Government Securities in the currency of the takaful certificate liabilities. The illiquidity premium is determined by reference to observable market rates.

The Company adopts a bottom-up approach in which discount rates are based on risk-free yield curve and an adjustment for illiquidity premium.

(a) For risk-free yield curves and Ultimate Forward Rate ("UFR"), references are made in particular to the Bank Negara Malaysia Risk Based Capital Takaful Framework ("BNM RBCT") which is also aligned with the approach taken by the International Associations of Insurance Supervisors ("IAIS") on the design of the global insurance capital standards ("ICS").

(b) For illiquidity premium, illiquidity buckets ("illiquidity application ratio") are assigned using an objective scoring system that is based on illiquidity characteristics of products on each portfolio. Market observable illiquidity premium levels are derived every month-end based on a credit-risk adjusted market spread of reference assets for each currency.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Critical Judgements Made in Applying Accounting Policies (Continued)

(i) Takaful Business (Continued)

The adjustment of illiquidity premium in (b) is added as a layer in addition to the risk-free yield curve in (a) based on the illiquidity application ratio of each portfolio.

Discount rates (Continued)

The yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

		2025					
		1 year	5 years	10 years	15 years	20 years	30 years
Endowment	MYR	3.072% - 3.261%	3.388% - 3.486%	3.618% - 3.655%	3.895% - 3.959%	4.125% - 4.215%	4.402% - 4.491%
Term	MYR	2.883% - 3.072%	3.289% - 3.388%	3.581% - 3.618%	3.832% - 3.895%	4.035% - 4.125%	4.312% - 4.402%

		2024					
		1 year	5 years	10 years	15 years	20 years	30 years
Endowment	MYR	3.438%	3.978%	4.134%	4.755%	5.071%	5.053%
Term	MYR	3.283% - 3.438%	4.035% - 3.978%	4.187% - 4.134%	4.555% - 4.755%	4.773% - 5.071%	4.940% - 5.053%

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the takaful certificate is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Company's degree of risk aversion. The Company estimates an adjustment for non-financial risk separately from all other estimates.

The confidence level technique was used to derive the overall risk adjustment for non-financial risk. Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from the certificates at each reporting date and calculate the risk adjustment for non-financial risk as the excess of the value at risk at the target confidence level over the expected present value of the future cash flows allowing for the associate risks over all future years. The target confidence level will be at 85th percentile.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Critical Judgements Made in Applying Accounting Policies (Continued)

(i) Takaful Business (Continued)

Estimates of future cash flows

In estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience updated to reflect current expectations of future events.

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

When estimating future cash flows, the Company takes into account current expectations of future events that might affect cash flows. Cash flows within the boundary of a certificate are those that relate directly to the fulfilment of the certificate, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) certificate holders, takaful acquisition cash flows and other costs that are incurred in fulfilling certificates which comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows will be attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities will be allocated to groups of certificates using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Critical Judgements Made in Applying Accounting Policies (Continued)

(i) Takaful Business (Continued)

Coverage units

The number of coverage units in a group of takaful certificates is the quantity of coverage provided by the certificates in the group, determined by considering for each certificate the quantity of the benefits provided under a certificate and its expected coverage duration. The coverage units are assessed at each reporting period-end prospectively by considering:

a. the quantity of benefits provided by certificates in the group;
b. the expected coverage period of certificates in the group; and
c. the likelihood of takaful events occurring, only to the extent that they affect the expected coverage period of certificates in the group.

The Company uses the amount that it expects the certificate holder to be able to validly claim in each period if a takaful event occurs as the basis for the quantity of benefits with respect to takaful coverage.

3. PROPERTY, PLANT AND EQUIPMENT

(a) Owned

Company	Motor vehicles RM'000	Computer equipment RM'000	Furniture, fittings and office equipment RM'000	Capital work-in-progress RM'000	Total RM'000
2025					
Cost					
At 1 January 2025	570	26,065	9,357	8,869	44,861
Additions	-	2,318	-	10,065	12,383
Disposals	-	(836)	-	-	(836)
Transfer	-	9,347	149	(9,496)	-
At 31 December 2025	570	36,894	9,506	9,438	56,408
Accumulated depreciation					
At 1 January 2025	(558)	(18,764)	(6,995)	-	(26,317)
Charge for the year	(10)	(4,653)	(778)	-	(5,441)
At 31 December 2025	(568)	(23,417)	(7,773)	-	(31,758)
Net book value					
At 31 December 2025	2	13,477	1,733	9,438	24,650

Company	Motor vehicles RM'000	Computer equipment RM'000	Furniture, fittings and office equipment RM'000	Capital work-in-progress RM'000	Total RM'000
2024					
Cost					
At 1 January 2024	570	20,001	9,214	8,679	38,464
Additions	-	1,363	27	5,461	6,851
Disposals	-	(80)	-	(374)	(454)
Reclassification (Note 4)	-	4,781	116	(4,897)	-
At 31 December 2024	570	26,065	9,357	8,869	44,861
Accumulated depreciation					
At 1 January 2024	(480)	(15,401)	(6,075)	-	(21,956)
Charge for the year	(78)	(3,364)	(920)	-	(4,362)
Disposals	-	1	-	-	1
At 31 December 2024	(558)	(18,764)	(6,995)	-	(26,317)
Net book value					
At 31 December 2024	12	7,301	2,362	8,869	18,544

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Owned (Continued)

Included in property, plant and equipment are the cost of fully depreciated assets which are still in use amounting to RM6,153,752 (2024: RM7,123,674).

(b) Right-of-use assets

Company	Right-of-Use: Buildings RM'000	Right-of-Use: Office equipment RM'000	Total RM'000
2025			
Cost			
At 1 January 2025	10,260	213	10,473
Additions	-	164	164
At 31 December 2025	10,260	377	10,637
Accumulated amortisation			
At 1 January 2025	(8,484)	(207)	(8,691)
Charge for the year	(1,534)	(31)	(1,565)
At 31 December 2025	(10,018)	(238)	(10,256)
Net book value			
At 31 December 2025	242	139	381

Company	Right-of-Use: Buildings RM'000	Right-of-Use: Office equipment RM'000	Total RM'000
2024			
Cost			
At 1 January 2024	9,679	176	9,855
Additions	581	37	618
At 31 December 2024	10,260	213	10,473
Accumulated amortisation			
At 1 January 2024	(6,863)	(170)	(7,033)
Charge for the year	(1,621)	(37)	(1,658)
At 31 December 2024	(8,484)	(207)	(8,691)
Net book value			
At 31 December 2024	1,776	6	1,782

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets (Continued)

This note provides information for leases where the Company is a lessee.

The Company has entered into operating lease agreements for office rental and other office equipment. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 5 years. There are also several lease contracts that include extension and termination options.

The Company also has certain leases of office rental with lease terms of 12 months or less and leases of low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The following are the amounts recognised in profit or loss:

	2025 RM'000	2024 RM'000
Depreciation expense of right-of-use assets	1,565	1,658
Profit expense on lease liabilities	73	138
Expense related to leases of low-value assets	23	32
Total amount recognised in profit or loss	1,661	1,828

(c) Lease liabilities

Company	Lease Liabilities: Buildings RM'000	Lease Liabilities: Office equipment RM'000	Total RM'000
2025			
Lease liabilities			
At 1 January 2025	1,858	108	1,966
Additions	-	164	164
Payment of lease liabilities	(1,640)	(32)	(1,672)
Profit expense on lease liabilities	67	6	73
At 31 December 2025	285	246	531
2024			
Lease liabilities			
At 1 January 2024	2,860	116	2,976
Additions	580	38	618
Payment of lease liabilities	(1,719)	(47)	(1,766)
Profit expense on lease liabilities	137	1	138
At 31 December 2024	1,858	108	1,966

4. INTANGIBLE ASSETS

Company	Computer software and licences RM'000	Distribution platform RM'000	Total RM'000
2025			
Cost			
At 1 January 2025	32,801	2,735	35,536
Additions	644	-	644
At 31 December 2025	33,445	2,735	36,180
Accumulated amortisation			
At 1 January 2025	(28,844)	(2,735)	(31,579)
Charge for the year	(2,331)	-	(2,331)
At 31 December 2025	(31,175)	(2,735)	(33,910)
Net book value			
At 31 December 2025	2,270	-	2,270
2024			
Cost			
At 1 January 2024	32,454	3,498	35,952
Additions	387	-	387
Disposals	(40)	-	(40)
Impairment	-	(763)	(763)
At 31 December 2024	32,801	2,735	35,536
Accumulated amortisation			
At 1 January 2024	(25,847)	(2,197)	(28,044)
Charge for the year	(2,997)	(538)	(3,535)
At 31 December 2024	(28,844)	(2,735)	(31,579)
Net book value			
At 31 December 2024	3,957	-	3,957

5. INVESTMENTS

	Family takaful fund RM'000	Company RM'000
2025		
Financial assets at FVOCI:		
Quoted Shariah-approved equities	-	33,816
Government investment issues	90,269	90,269
Unquoted Islamic private debt securities	244,556	244,556
Financial assets at FVTPL:		
Quoted Shariah-approved equities	771,128	780,769
Financial instruments with embedded derivatives	46	46
Unit trusts - REITS	15,146	15,261
Government investment issues	210,990	274,936
Unquoted Islamic private debt securities	389,048	506,440
Financial assets at AC:		
Islamic investment accounts with licensed Islamic banks	121,730	192,000
	1,842,913	2,138,093

The funds' and Company's financial assets are summarised by categories as follows:

Financial assets at FVOCI (Note 5(a))	334,825	368,641
Financial assets at FVTPL (Note 5(b))	1,386,358	1,577,452
Financial assets at AC (Note 5(c))	121,730	192,000
	1,842,913	2,138,093

The following investments mature after 12 months:

Financial assets at FVOCI	300,462	300,462
Financial assets at FVTPL	567,540	736,723
	868,002	1,037,185

	Family takaful fund RM'000	Company RM'000
2024		
Financial assets at FVOCI:		
Quoted Shariah-approved equities	-	33,135
Government investment issues	99,101	99,101
Unquoted Islamic private debt securities	251,312	251,312
Financial assets at FVTPL:		
Quoted Shariah-approved equities	737,188	745,508
Financial instruments with embedded derivatives	119	119
Unit trusts - REITS	14,464	14,909
Government investment issues	157,211	208,424
Unquoted Islamic private debt securities	297,342	377,425
Financial assets at AC:		
Islamic investment accounts with licensed Islamic banks	5,000	6,000
	1,561,737	1,735,933

5. INVESTMENTS

The funds' and Company's financial assets are summarised by categories as follows:

	Family takaful fund RM'000	Company RM'000
2024		
Financial assets at FVOCI (Note 5(a))	350,413	383,548
Financial assets at FVTPL (Note 5(b))	1,206,324	1,346,385
Financial assets at AC (Note 7(d))	5,000	6,000
	1,561,737	1,735,933
The following investments mature after 12 months:		
Financial assets at FVOCI	339,927	339,927
Financial assets at FVTPL	445,148	573,442
	785,075	913,369

(a) Financial assets at FVOCI

	Family takaful fund RM'000	Company RM'000
2025		
At cost:		
Quoted Shariah-approved equities	-	31,849
Government investment issues	89,148	89,148
Unquoted Islamic private debt securities	239,666	239,666
	328,814	360,663
At fair value:		
Quoted Shariah-approved equities	-	33,816
Government investment issues	90,269	90,269
Unquoted Islamic private debt securities	244,556	244,556
	334,825	368,641

	Family takaful fund RM'000	Company RM'000
2024		
At cost:		
Quoted Shariah-approved equities	-	28,431
Government investment issues	99,119	99,119
Unquoted Islamic private debt securities	249,205	249,205
	348,324	376,755
At fair value:		
Quoted Shariah-approved equities	-	33,135
Government investment issues	99,101	99,101
Unquoted Islamic private debt securities	251,312	251,312
	350,413	383,548

5. INVESTMENTS (CONTINUED)

(a) Financial assets at FVOCI (Continued)

The Company has designated its equity investments at FVOCI with a total fair value amounting to RM33,816,202 (2024: RM33,134,902) with details below:

	2025 RM'000	2024 RM'000
Agriculture	-	787
Airlines	101	-
Banks	3,007	-
Building Material	-	196
Chemicals	-	430
Commercial Services	-	544
Computers	-	162
Electric Companies	-	174
Electronics	-	41
Energy	-	300
Engineering & Construction	-	1,391
Environment Control	-	170
Financial Services	1,684	-
Food	-	216
Gas	-	105
Healthcare	-	523
Healthcare Products	-	106
Healthcare Services	-	95
Holding Companies	4,852	3,993
Infrastructure Project Cos	-	42
Internet	-	215
Investment Companies	6,231	5,519
Machinery	-	367
Mining	-	460
Miscellaneous Manufacturing	-	554
Multi Industry	588	-
Oil & Gas Producers	4,226	4,055
Oil & Gas Services	-	383
Pharmaceuticals	1,797	64
Real Estate	760	620
Retail	4,322	6,694
Semiconductors	-	649
Software	-	202
Telecommunications	4,182	1,418
Water	2,066	2,660
	33,816	33,135

5. INVESTMENTS (CONTINUED)

(a) Financial assets at FVOCI (Continued)

During the financial year ended 31 December 2024, the Company sold quoted Shariah-approved equities as the underlying investments are no longer aligned with the Company's long-term investment strategy. These investments had a fair value of RM28,175,738 (2024: RM17,819,420) at the date of disposal. The cumulative loss on disposal of RM1,892,207 was reclassified from fair value reserve to retained earnings (2024: RM1,299,225).

(b) Financial assets at FVTPL

	Family takaful fund RM'000	Company RM'000
2025		
At fair value:		
Mandatorily measured:		
Quoted Shariah-approved equities	771,128	780,769
Financial instruments with embedded derivatives	46	46
Unit trusts - REITS	15,146	15,261
Government investment issues	23,897	23,897
Unquoted Islamic private debt securities	152,776	152,776
Designated upon initial recognition:		
Government investment issues	187,093	251,039
Unquoted Islamic private debt securities	236,272	353,664
	1,386,358	1,577,452

	Family takaful fund RM'000	Company RM'000
2024		
At fair value:		
Mandatorily measured:		
Quoted Shariah-approved equities	737,188	745,508
Financial instruments with embedded derivatives	119	119
Unit trusts - REITS	14,464	14,909
Government investment issues	17,412	17,412
Unquoted Islamic private debt securities	132,908	132,908
Designated upon initial recognition:		
Government investment issues	139,799	191,012
Unquoted Islamic private debt securities	164,434	244,517
	1,206,324	1,346,385

5. INVESTMENTS (CONTINUED)

(c) Financial assets at AC

	Family takaful fund RM'000	Company RM'000
2025		
At amortised cost/fair value:		
Islamic investment accounts with licensed Islamic banks (original maturity more than 3 months)	121,730	192,000
	121,730	192,000

	Family takaful fund RM'000	Company RM'000
2024		
At amortised cost/fair value:		
Islamic investment accounts with licensed Islamic banks (original maturity more than 3 months)	5,000	6,000
	5,000	6,000

UNDERLYING ITEMS

The following table sets out the composition and the fair value of underlying items of the Company's contracts measured under the VFA.

	2025 RM'000	2024 RM'000
Quoted Shariah-approved equities	402,840	589,715
Financial instruments with embedded derivatives	30	93
Unit trusts - REITS	6,350	11,496
Government investment issues	213,185	209,803
Unquoted Islamic private debt securities	445,114	448,997
Islamic investment accounts with licensed Islamic banks	40,359	4,159
Cash and cash equivalents	146,041	226,847
Total	1,253,919	1,491,110

6. 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:

	31 December 2025			31 December 2024		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
Family Takaful Fund						
Takaful certificates issued						
- Certificates not measured under the PAA	(106,049)	2,233,028	2,126,979	(54,843)	1,968,379	1,913,536
- Certificates measured under the PAA	-	208,337	208,337	-	322,648	322,648
Total takaful certificates issued	(106,049)	2,441,365	2,335,316	(54,843)	2,291,027	2,236,184
Current	(106,049)	679,338	573,289	(54,843)	678,514	623,671
Non-current	-	1,762,027	1,762,027	-	1,612,513	1,612,513
	(106,049)	2,441,365	2,335,316	(54,843)	2,291,027	2,236,184
Retakaful certificates held						
- Certificates not measured under the PAA	136,709	(369)	136,340	98,809	(13)	98,796
Total retakaful certificates held	136,709	(369)	136,340	98,809	(13)	98,796
Current	136,709	(369)	136,340	98,809	(13)	98,796
	136,709	(369)	136,340	98,809	(13)	98,796

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

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:

	31 December 2025			31 December 2024		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
Company						
Takaful certificates issued						
- Certificates not measured under the PAA	(295,102)	2,249,782	1,954,680	(210,123)	1,989,048	1,778,925
- Certificates measured under the PAA	-	224,818	224,818	-	336,525	336,525
Total takaful certificates issued	(295,102)	2,474,600	2,179,498	(210,123)	2,325,573	2,115,450
Current	(120,158)	708,347	588,189	(71,113)	705,450	634,337
Non-current	(174,944)	1,766,253	1,591,309	(139,010)	1,620,123	1,481,113
	(295,102)	2,474,600	2,179,498	(210,123)	2,325,573	2,115,450
Retakaful certificates held						
- Certificates not measured under the PAA	137,140	(369)	136,771	100,620	(1,393)	99,227
Total retakaful certificates held	137,140	(369)	136,771	100,620	(1,393)	99,227
Current	137,140	(369)	136,771	100,620	(1,393)	99,227
	137,140	(369)	136,771	100,620	(1,393)	99,227

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD

6.1.1 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA

6.1.1.1 Takaful certificates issued

The roll-forward of the net asset or liability for takaful certificates issued for certificates not measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below:

		2025				2024			
		Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Note	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
Family takaful fund									
Takaful certificate assets as at 1 January		(26,462)	-	(28,381)	(54,843)	(16,135)	-	(17,083)	(33,218)
Takaful certificate liabilities as at 1 January		1,611,902	-	356,477	1,968,379	1,354,387	-	639,829	1,994,216
Net family takaful certificate (assets)/liabilities as at 1 January		**1,585,440**	**-**	**328,096**	**1,913,536**	**1,338,252**	**-**	**622,746**	**1,960,998**
Takaful revenue	**13**	**(486,702)**	**-**	**-**	**(486,702)**	**(561,421)**	**-**	**-**	**(561,421)**
Certificates under the modified retrospective approach		(218,641)	-	-	(218,641)	(245,174)	-	-	(245,174)
Certificates under the fair value approach		(115,132)	-	-	(115,132)	(128,678)	-	-	(128,678)
Other certificates		(152,929)	-	-	(152,929)	(187,569)	-	-	(187,569)
Takaful service expenses	**15**	**(8,537)**	**-**	**502,995**	**494,458**	**66,916**	**-**	**490,840**	**557,756**
Incurred claims and other expenses		(128,603)	-	487,653	359,050	(127,620)	-	682,274	554,654
Amortisation of takaful acquisition cash flows		120,066	-	-	120,066	194,536	-	-	194,536
Incurred surplus to participants		-	-	10,723	10,723	-	-	837	837
Changes to liabilities for incurred claims		-	-	4,619	4,619	-	-	(192,271)	(192,271)
Investment components		**(109,896)**	**-**	**109,896**	**-**	**(100,661)**	**-**	**100,661**	**-**
Takaful service result		**(605,135)**	**-**	**612,891**	**7,756**	**(595,166)**	**-**	**591,501**	**(3,665)**
Takaful finance expenses	**14**	**37,524**	**-**	**1,429**	**38,953**	**149,164**		**1,172**	**150,336**
Total changes in the statement of profit or loss and OCI		**(567,611)**	**-**	**614,320**	**46,709**	**(446,002)**	**-**	**592,673**	**146,671**
Cash flows									
Contributions received		1,012,715	-	-	1,012,715	932,232	-	-	932,232
Claims and other expenses paid including investment components		-	-	(560,394)	(560,394)	-	-	(427,415)	(427,415)
Takaful acquisition cash flows		(297,578)	-	-	(297,578)	(299,915)	-	-	(299,915)
Total cash flows		**715,137**	**-**	**(560,394)**	**154,743**	**632,317**	**-**	**(427,415)**	**204,902**
Other movements (*)		**(39,072)**	**-**	**51,063**	**11,991**	**60,873**	**-**	**(459,909)**	**(399,036)**
Net takaful certificate (assets)/liabilities as at 31 December		**1,693,894**	**-**	**433,085**	**2,126,979**	**1,585,440**	**-**	**328,096**	**1,913,536**
Takaful certificate assets as at 31 December		(53,616)	-	(52,433)	(106,049)	(26,462)	-	(28,381)	(54,843)
Takaful certificate liabilities as at 31 December		1,747,510	-	485,518	2,233,028	1,611,902	-	356,477	1,968,379
Net takaful certificate (assets)/liabilities as at 31 December		**1,693,894**	**-**	**433,085**	**2,126,979**	**1,585,440**	**-**	**328,096**	**1,913,536**

(*) The FY2024 movement includes the transfer of mySalam balances measured under GMM to mySalam balances measured under PAA

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.1 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.1.1 Takaful certificates issued (Continued)

The roll-forward of the net asset or liability for takaful certificates issued for certificates not measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below (Continued):

		2025				2024			
		Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Note	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
Company									
Takaful certificate assets as at 1 January		(242,067)	61,068	(29,124)	(210,123)	(179,417)	48,058	(17,862)	(149,221)
Takaful certificate liabilities as at 1 January		1,615,693	14,735	358,620	1,989,048	1,416,883	11,816	641,250	2,069,949
Net family takaful certificate (assets)/liabilities as at 1 January		**1,373,626**	**75,803**	**329,496**	**1,778,925**	**1,237,466**	**59,874**	**623,388**	**1,920,728**
Takaful revenue	**13**	**(562,477)**	**-**	**-**	**(562,477)**	**(624,335)**	**-**	**-**	**(624,335)**
Certificates under the modified retrospective approach		(280,496)	-	-	(280,496)	(315,495)	-	-	(315,495)
Certificates under the fair value approach		(126,162)	-	-	(126,162)	(141,465)	-	-	(141,465)
Other certificates		(155,819)	-	-	(155,819)	(167,375)	-	-	(167,375)
Takaful service expenses	**15**	**(19,228)**	**27,111**	**532,360**	**540,243**	**(2,523)**	**16,694**	**583,461**	**597,632**
Incurred claims and other expenses		(128,603)	(39,219)	516,999	349,177	(137,329)	(44,065)	774,854	593,460
Amortisation of takaful acquisition cash flows		109,375	-	-	109,375	134,806	-	-	134,806
Losses on onerous certificates and reversals		-	66,330	-	66,330	-	60,759	-	60,759
Incurred surplus to participants		-	-	10,742	10,742	-	-	878	878
Changes to liabilities for incurred claims		-	-	4,619	4,619	-	-	(192,271)	(192,271)
Investment components		**(109,835)**	**-**	**109,835**	**-**	**(100,661)**	**-**	**100,661**	**-**
Takaful service result		**(691,540)**	**27,111**	**642,195**	**(22,234)**	**(727,519)**	**16,694**	**684,122**	**(26,703)**
Takaful finance expenses	**14**	**37,403**	**(530)**	**1,500**	**38,373**	**146,585**	**(765)**	**1,238**	**147,058**
Total changes in the statement of profit or loss and OCI		**(654,137)**	**26,581**	**643,695**	**16,139**	**(580,934)**	**15,929**	**685,360**	**120,355**
Cash flows									
Contributions received		1,274,495	-	-	1,274,495	1,200,834	-	-	1,200,834
Claims and other expenses paid including investment components		-	-	(589,631)	(589,631)	-	-	(483,907)	(483,907)
Takaful acquisition cash flows		(547,738)	-	-	(547,738)	(565,559)	-	-	(565,559)
Total cash flows		**726,757**	**-**	**(589,631)**	**137,126**	**635,275**	**-**	**(483,907)**	**151,368**
Other movements (*)		**(27,874)**	**-**	**50,364**	**22,490**	**81,819**	**-**	**(495,345)**	**(413,526)**
Net takaful certificate (assets)/liabilities as at 31 December		**1,418,372**	**102,384**	**433,924**	**1,954,680**	**1,373,626**	**75,803**	**329,496**	**1,778,925**
Takaful certificate assets as at 31 December		(333,389)	89,771	(51,484)	(295,102)	(242,067)	61,068	(29,124)	(210,123)
Takaful certificate liabilities as at 31 December		1,751,761	12,613	485,408	2,249,782	1,615,693	14,735	358,620	1,989,048
Net takaful certificate (assets)/liabilities as at 31 December		**1,418,372**	**102,384**	**433,924**	**1,954,680**	**1,373,626**	**75,803**	**329,496**	**1,778,925**

(*) The FY2024 movement includes the transfer of mySalam balances measured under GMM to mySalam balances measured under PAA

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.1 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates measured under the PAA

6.1.1.1 Takaful certificates issued

The roll-forward of the net asset or liability for takaful certificates issued for certificates measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below:

		2025				2024			
		Liabilities for remaining coverage				Liabilities for remaining coverage			
	Note	Excluding loss component	Loss component	Liabilities for incurred claims	Total	Excluding loss component	Loss component	Liabilities for incurred claims	Total
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family takaful fund									
Takaful certificate assets as at 1 January		-	-	-	-	-	-	-	-
Takaful certificate liabilities as at 1 January		(183,721)	-	506,369	322,648	-	-	-	-
Net family takaful certificate (assets)/liabilities as at 1 January		**(183,721)**	**-**	**506,369**	**322,648**	**-**	**-**	**-**	**-**
Takaful revenue	13	**(584,551)**	**-**	**-**	**(584,551)**	**(627,673)**	**-**	**-**	**(627,673)**
Other certificates		(584,551)	-	-	(584,551)	(627,673)	-	-	(627,673)
Takaful service expenses	15	**30,500**	**-**	**560,708**	**591,208**	**30,650**	**-**	**597,031**	**627,681**
Incurred claims and other expenses		-	-	560,708	560,708	-	-	597,031	597,031
Amortisation of takaful acquisition cash flows		30,500	-	-	30,500	30,650	-	-	30,650
Takaful service result		**(554,051)**	**-**	**560,708**	**6,657**	**(597,023)**	**-**	**597,031**	**8**
Total changes in the statement of profit or loss and OCI		**(554,051)**	**-**	**560,708**	**6,657**	**(597,023)**	**-**	**597,031**	**8**
Cash flows									
Contributions received		170,990	-	-	170,990	494,166	-	-	494,166
Claims and other expenses paid including investment components		-	-	(261,458)	(261,458)	-	-	(116,844)	(116,844)
Takaful acquisition cash flows		(30,500)	-	-	(30,500)	(30,650)	-	-	(30,650)
Total cash flows		**140,490**	**-**	**(261,458)**	**(120,968)**	**463,516**	**-**	**(116,844)**	**346,672**
Other movements		**(46,764)**	**-**	**46,764**	**-**	**(50,214)**	**-**	**26,182**	**(24,032)**
Net takaful certificate (assets)/liabilities as at 31 December		**(644,046)**	**-**	**852,383**	**208,337**	**(183,721)**	**-**	**506,369**	**322,648**
Takaful certificate assets as at 31 December		-	-	-	-	-	-	-	-
Takaful certificate liabilities as at 31 December		(644,046)	-	852,383	208,337	(183,721)	-	506,369	322,648
Net takaful certificate (assets)/liabilities as at 31 December		**(644,046)**	**-**	**852,383**	**208,337**	**(183,721)**	**-**	**506,369**	**322,648**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.1 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates measured under the PAA (Continued)

6.1.1.1 Takaful certificates issued (Continued)

The roll-forward of the net asset or liability for takaful certificates issued for certificates measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below (Continued):

		2025				2024			
		Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Note	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
Company									
Takaful certificate assets as at 1 January		-	-	-	-	-	-	-	-
Takaful certificate liabilities as at 1 January		(183,721)	-	520,246	336,525	-	-	-	-
Net family takaful certificate (assets)/liabilities as at 1 January		**(183,721)**	**-**	**520,246**	**336,525**	**-**	**-**	**-**	**-**
Takaful revenue	13	**(584,551)**	**-**	**-**	**(584,551)**	**(627,673)**	**-**	**-**	**(627,673)**
Other certificates		(584,551)	-	-	(584,551)	(627,673)	-	-	(627,673)
Takaful service expenses	15	**3,000**	**-**	**590,369**	**593,369**	**3,000**	**-**	**624,552**	**627,552**
Incurred claims and other expenses		-	-	590,369	590,369	-	-	624,552	624,552
Amortisation of takaful acquisition cash flows		3,000	-	-	3,000	3,000	-	-	3,000
Takaful service result		**(581,551)**	**-**	**590,369**	**8,818**	**(624,673)**	**-**	**624,552**	**(121)**
Total changes in the statement of profit or loss and OCI		**(581,551)**	**-**	**590,369**	**8,818**	**(624,673)**	**-**	**624,552**	**(121)**
Cash flows									
Contributions received		170,990	-	-	170,990	494,166	-	-	494,166
Claims and other expenses paid including investment components		-	-	(289,180)	(289,180)	-	-	(129,708)	(129,708)
Takaful acquisition cash flows		(3,000)	-	-	(3,000)	(3,000)	-	-	(3,000)
Total cash flows		**167,990**	**-**	**(289,180)**	**(121,190)**	**491,166**	**-**	**(129,708)**	**361,458**
Other movements		**(46,764)**	**-**	**47,430**	**666**	(50,214)	-	25,402	(24,812)
Net takaful certificate (assets)/liabilities as at 31 December		**(644,046)**	**-**	**868,864**	**224,818**	**(183,721)**	**-**	**520,246**	**336,525**
Takaful certificate assets as at 31 December		-	-	-	-	-	-	-	-
Takaful certificate liabilities as at 31 December		(644,046)	-	868,864	224,818	(183,721)	-	520,246	336,525
Net takaful certificate (assets)/liabilities as at 31 December		**(644,046)**	**-**	**868,864**	**224,818**	**(183,721)**	**-**	**520,246**	**336,525**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.1 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.1.2 Retakaful certificates held

The roll-forward of the net asset or liability for retakaful certificates held for certificates not measured under the PAA, showing assets for remaining coverage and amounts recoverable on incurred claims arising business from ceded to retakaful operators in the family takaful fund, is disclosed in the table below:

	2025				2024			
	Assets for remaining coverage		Assets on incurred claims		Assets for remaining coverage		Assets on incurred claims	
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	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	(88,577)	-	187,386	98,809	(18,509)	-	394,218	375,710
Retakaful certificate liabilities as at 1 January	7,157	-	(7,170)	(13)	(204,023)	-	(4,615)	(208,638)
Net retakaful certificate assets/(liabilities) as at 1 January	**(81,420)**	**-**	**180,216**	**98,796**	**(222,532)**	**-**	**389,604**	**167,072**
Allocation of retakaful contributions	(105,981)	-	-	(105,981)	(111,231)	-	-	(111,231)
Amounts recoverable from retakaful operators	(281)	-	113,250	112,969	46,692	-	71,914	118,606
Net income or expense from retakaful certificates held	**(106,262)**	**-**	**113,250**	**6,988**	**(64,539)**	**-**	**71,914**	**7,375**
Retakaful finance income	(6,988)	-	-	**(6,988)**	(7,375)	-	-	**(7,375)**
Total changes in the statement of profit or loss and OCI	**(113,250)**	**-**	**113,250**	**-**	**(71,914)**	**-**	**71,914**	**-**
Cash flows								
Contributions paid	427	-	-	427	74,373	-	-	74,373
Amounts received	-	-	(1,432)	(1,432)	-	-	(26,124)	(26,124)
Total cash flows	**427**	**-**	**(1,432)**	**(1,005)**	**74,373**	**-**	**(26,124)**	**48,249**
Other movements	84,409	-	(45,860)	38,549	138,653	-	(255,178)	(116,525)
Net retakaful certificate assets/(liabilities) as at 31 December	**(109,834)**	**-**	**246,174**	**136,340**	**(81,420)**	**-**	**180,216**	**98,796**
Retakaful certificate assets as at 31 December	(106,989)	-	243,698	136,709	(88,577)	-	187,386	98,809
Retakaful certificate liabilities as at 31 December	(2,845)	-	2,476	(369)	7,157	-	(7,170)	(13)
Net retakaful certificate assets/(liabilities) as at 31 December	**(109,834)**	**-**	**246,174**	**136,340**	**(81,420)**	**-**	**180,216**	**98,796**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.1 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.1.2 Retakaful certificates held (Continued)

The roll-forward of the net asset or liability for retakaful certificates held for certificates not measured under the PAA, showing assets for remaining coverage and amounts recoverable on incurred claims arising business from ceded to retakaful operators in the family takaful fund, is disclosed in the table below:

	2025				2024			
	Assets for remaining coverage		Assets on incurred claims		Assets for remaining coverage		Assets on incurred claims	
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company								
Retakaful certificate assets as at 1 January	(88,577)	-	189,197	100,620	(18,509)	-	396,029	377,520
Retakaful certificate liabilities as at 1 January	7,157	-	(8,550)	(1,393)	(204,024)	-	(5,797)	(209,821)
Net retakaful certificate assets/(liabilities) as at 1 January	**(81,420)**	**-**	**180,647**	**99,227**	**(222,533)**	**-**	**390,232**	**167,699**
Allocation of retakaful contributions	(105,981)	-	-	(105,981)	(111,231)	-	-	(111,231)
Amounts recoverable from retakaful operators	(281)	-	113,250	112,969	46,692	-	71,984	118,676
Net income or expense from retakaful certificates held	**(106,262)**	**-**	**113,250**	**6,988**	**(64,539)**	**-**	**71,984**	**7,445**
Retakaful finance income	(6,988)	-	-	**(6,988)**	(7,375)	-	-	**(7,375)**
Total changes in the statement of profit or loss and OCI	**(113,250)**	**-**	**113,250**	**-**	**(71,914)**	**-**	**71,984**	**70**
Cash flows								
Contributions paid	427	-	-	427	74,373	-	-	74,373
Amounts received	-	-	(1,432)	(1,432)	-	-	(26,124)	(26,124)
Total cash flows	**427**	**-**	**(1,432)**	**(1,005)**	**74,373**	**-**	**(26,124)**	**48,249**
Other movements	84,409	-	(45,860)	**38,549**	138,654	-	(255,445)	**(116,791)**
Net retakaful certificate assets/(liabilities) as at 31 December	**(109,834)**	**-**	**246,605**	**136,771**	**(81,420)**	**-**	**180,647**	**99,227**
Retakaful certificate assets as at 31 December	(106,989)	-	244,129	137,140	(88,577)	-	189,197	100,620
Retakaful certificate liabilities as at 31 December	(2,845)	-	2,476	(369)	7,157	-	(8,550)	(1,393)
Net retakaful certificate assets/(liabilities) as at 31 December	**(109,834)**	**-**	**246,605**	**136,771**	**(81,420)**	**-**	**180,647**	**99,227**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.2 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.2.1 Takaful certificates issued (Continued)

The table below presents a roll-forward of the net asset or liability for takaful certificates issued for certificates not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the family takaful fund.

	Note	2025				2024			
		Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	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 assets as at 1 January		(54,843)	-	-	(54,843)	(33,218)	-	-	(33,218)
Takaful certificate liabilities as at 1 January		1,968,379	-	-	1,968,379	1,994,216	-	-	1,994,216
Net takaful certificate (assets)/liabilities as at 1 January		**1,913,536**	**-**	**-**	**1,913,536**	**1,960,998**	**-**	**-**	**1,960,998**
Changes that relate to current services		3,137	-	-	3,137	(3,604)	-	-	(3,604)
Experience adjustments		3,137	-	-	3,137	(3,604)	-	-	(3,604)
Changes that relate to past services		4,619	-	-	4,619	9,646	-	-	9,646
Adjustments to liabilities for incurred claims		4,619	-	-	4,619	9,646	-	-	9,646
Takaful service result		**7,756**	**-**	**-**	**7,756**	**6,042**	**-**	**-**	**6,042**
Takaful finance expenses	**14**	**38,953**	**-**	**-**	**38,953**	**150,336**	**-**	**-**	**150,336**
Total changes in the statement of profit or loss and OCI		**46,709**	**-**	**-**	**46,709**	**156,378**	**-**	**-**	**156,378**
Cash flows									
Contributions received		1,012,715	-	-	1,012,715	932,232	-	-	932,232
Claims and other expenses paid including investment components		(560,394)	-	-	(560,394)	(427,415)	-	-	(427,415)
Takaful acquisition cash flows		(297,578)	-	-	(297,578)	(299,915)	-	-	(299,915)
Total cash flows		**154,743**	**-**	**-**	**154,743**	**204,902**	**-**	**-**	**204,902**
Other movements (*)		11,991	-	-	**11,991**	(408,742)	-	-	**(408,742)**
Net takaful certificate (assets)/liabilities as at 31 December		**2,126,979**	**-**	**-**	**2,126,979**	**1,913,536**	**-**	**-**	**1,913,536**
Takaful certificate assets as at 31 December		(106,049)	-	-	(106,049)	(54,843)	-	-	(54,843)
Takaful certificate liabilities as at 31 December		2,233,028	-	-	2,233,028	1,968,379	-	-	1,968,379
Net takaful certificate (assets)/liabilities as at 31 December		**2,126,979**	**-**	**-**	**2,126,979**	**1,913,536**	**-**	**-**	**1,913,536**

(*) The FY2024 movement includes the transfer of mySalam balances measured under GMM to mySalam balances measured under PAA

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.2 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.2.1 Takaful certificates issued (Continued)

The table below presents a roll-forward of the net asset or liability for takaful certificates issued for certificates not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the Company:

	2025				2024			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company								
Takaful certificate assets as at 1 January	(970,311)	414,390	345,798	(210,123)	(575,141)	210,446	215,473	(149,222)
Takaful certificate liabilities as at 1 January	1,867,266	61,933	59,849	1,989,048	1,708,313	217,021	144,616	2,069,950
Net takaful certificate (assets)/liabilities as at 1 January	**896,955**	**476,323**	**405,647**	**1,778,925**	**1,133,172**	**427,467**	**360,089**	**1,920,728**
Changes that relate to current services	14,437	(44,941)	(63,400)	(93,904)	24,217	(36,458)	(43,654)	(55,895)
Contractual service margin recognised for services provided	-	-	(63,400)	(63,400)	-	-	(43,654)	(43,654)
Risk adjustment for the risk expired	-	(44,941)	-	(44,941)	-	(36,458)	-	(36,458)
Experience adjustments	14,437	-	-	14,437	24,217	-	-	24,217
Changes that relate to future services	(38,497)	61,554	43,994	67,051	(53,257)	45,863	24,089	16,695
Certificates initially recognised in the period	(171,246)	81,255	92,806	2,815	(186,031)	106,356	85,885	6,210
Changes in estimates that adjust the contractual service margin	68,723	(19,911)	(48,812)	-	122,289	(60,493)	(61,796)	-
Changes that result in onerous losses or reversal of such losses	64,026	210	-	64,236	10,485	-	-	10,485
Changes that relate to past services	4,618	1	-	4,619	12,497	-	-	12,497
Adjustments to liabilities for incurred claims	4,618	1	-	4,619	12,497	-	-	12,497
Takaful service result	**(19,442)**	**16,614**	**(19,406)**	**(22,234)**	**(16,543)**	**9,405**	**(19,565)**	**(26,703)**
Takaful finance expenses	**89,381**	**(6,854)**	**(44,154)**	**38,373**	**38,986**	**39,100**	**68,972**	**147,058**
Total changes in the statement of profit or loss and OCI	**69,939**	**9,760**	**(63,560)**	**16,139**	**22,443**	**48,505**	**49,407**	**120,356**
Cash flows								
Contributions received	1,274,495	-	-	1,274,495	1,200,834	-	-	1,200,834
Claims and other expenses paid including investment components	(589,631)	-	-	(589,631)	(483,907)	-	-	(483,907)
Takaful acquisition cash flows	(547,738)	-	-	(547,738)	(565,559)	-	-	(565,559)
Total cash flows	**137,126**	**-**	**-**	**137,126**	**151,368**	**-**	**-**	**151,368**
Other movements (*)	22,490	-	-	**22,490**	(410,028)	351	(3,849)	**(413,526)**
Net takaful certificate (assets)/liabilities as at 31 December	**1,126,510**	**486,083**	**342,087**	**1,954,680**	**896,955**	**476,323**	**405,647**	**1,778,925**
Takaful certificate assets as at 31 December	(1,017,858)	424,481	298,275	(295,102)	(970,311)	414,390	345,798	(210,123)
Takaful certificate liabilities as at 31 December	2,144,368	61,602	43,812	2,249,782	1,867,266	61,933	59,849	1,989,048
Net takaful certificate (assets)/liabilities as at 31 December	**1,126,510**	**486,083**	**342,087**	**1,954,680**	**896,955**	**476,323**	**405,647**	**1,778,925**

(*) The FY2024 movement includes the transfer of mySalam balances measured under GMM to mySalam balances measured under PAA

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.2 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.2.2 Retakaful certificates held

The table below presents a roll-forward of the net asset or liability for retakaful certificates issued for certificates not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for retakaful held portfolios included in the family takaful fund.

	2025				2024			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	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	98,809	-	-	98,809	375,710	-	-	375,710
Retakaful certificate liabilities as at 1 January	(13)	-	-	(13)	(208,638)	-	-	(208,638)
Net retakaful certificate assets/(liabilities) as at 1 January	**98,796**	**-**	**-**	**98,796**	**167,072**	**-**	**-**	**167,072**
Changes that relate to current services	6,988	-		6,988	7,375	-		7,375
Experience adjustments	6,988	-	-	6,988	7,375	-	-	7,375
Retakaful finance income	(6,988)	-	-	(6,988)	(7,375)	-	-	(7,375)
Total changes in the statement of profit or loss and OCI	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cash flows								
Contributions paid	427	-	-	427	74,373	-	-	74,373
Amounts received	(1,432)	-	-	(1,432)	(26,124)	-	-	(26,124)
Total cash flows	**(1,005)**	**-**	**-**	**(1,005)**	**48,249**	**-**	**-**	**48,249**
Other movements	38,549	-	-	38,549	(116,525)	-	-	(116,525)
Net retakaful certificate assets/(liabilities) as at 31 December	**136,340**	**-**	**-**	**136,340**	**98,796**	**-**	**-**	**98,796**
Retakaful certificate assets as at 31 December	136,709	-	-	136,709	98,809	-	-	98,809
Retakaful certificate liabilities as at 31 December	(369)	-	-	(369)	(13)	-	-	(13)
Net retakaful certificate assets/(liabilities) as at 31 December	**136,340**	**-**	**-**	**136,340**	**98,796**	**-**	**-**	**98,796**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.2 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - certificates not measured under the PAA (Continued)

6.1.2.2 Retakaful certificates held (Continued)

The table below presents a roll-forward of the net asset or liability for retakaful certificates issued for certificates not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for retakaful held portfolios included in the family takaful fund.

	2025				2024			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company								
Retakaful certificate assets as at 1 January	100,620	-	-	100,620	377,520	-	-	377,520
Retakaful certificate liabilities as at 1 January	(1,393)	-	-	(1,393)	(209,821)	-	-	(209,821)
Net retakaful certificate assets/(liabilities) as at 1 January	**99,227**	**-**	**-**	**99,227**	**167,699**	**-**	**-**	**167,699**
Changes that relate to current services	6,988	-	-	6,988	7,445	-	-	7,445
Experience adjustments	6,988	-	-	6,988	7,445	-	-	7,445
Retakaful finance income	**(6,988)**	-	-	(6,988)	**(7,375)**	-	-	(7,375)
Total changes in the statement of profit or loss and OCI	**-**	**-**	**-**	**-**	**70**	**-**	**-**	**70**
Cash flows								
Contributions paid	427	-	-	427	74,373	-	-	74,373
Amounts received	(1,432)	-	-	(1,432)	(26,124)	-	-	(26,124)
Total cash flows	**(1,005)**	**-**	**-**	**(1,005)**	**48,249**	**-**	**-**	**48,249**
Other movements	38,549	-	-	38,549	(116,791)	-	-	(116,791)
Net retakaful certificate assets/(liabilities) as at 31 December	**136,771**	**-**	**-**	**136,771**	**99,227**	**-**	**-**	**99,227**
Retakaful certificate assets as at 31 December	137,140	-	-	137,140	100,620	-	-	100,620
Retakaful certificate liabilities as at 31 December	(369)	-	-	(369)	(1,393)	-	-	(1,393)
Net retakaful certificate assets/(liabilities) as at 31 December	**136,771**	**-**	**-**	**136,771**	**99,227**	**-**	**-**	**99,227**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.3 The components of new business

6.1.3.1 Family takaful certificates issued

The components of new business for family takaful issued portfolios included in the family takaful unit is disclosed in the table below:

	2025					2024				
	Certificates issued		Certificates acquired			Certificates issued		Certificates acquired		
	Non-onerous	Onerous	Non-onerous	Onerous	Total	Non-onerous	Onerous	Non-onerous	Onerous	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund										
Family takaful certificate liabilities										
Estimate of present value of future cash outflows, excluding takaful acquisition cash flows	1,181,573	12,473	-	-	1,194,046	2,111,607	-	-	-	2,111,607
Estimates of takaful acquisition cash flows	879,875	26,179	-	-	906,054	629,875	-	-	-	629,875
Estimates of present value of future cash outflows	2,061,448	38,652	-	-	2,100,100	2,741,482	-	-	-	2,741,482
Estimates of present value of future cash inflows	(2,061,448)	(38,652)	-	-	(2,100,100)	(2,741,482)	-	-	-	(2,741,482)
Amount included in takaful certificate liabilities for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Company										
Family takaful certificate liabilities										
Estimate of present value of future cash outflows, excluding takaful acquisition cash flows	1,179,936	15,196	-	-	1,195,132	2,216,724	2,632	-	-	2,219,356
Estimates of takaful acquisition cash flows	711,016	22,706	-	-	733,722	320,767	15,327	-	-	336,094
Estimates of present value of future cash outflows	1,890,952	37,902	-	-	1,928,854	2,537,491	17,959	-	-	2,555,450
Estimates of present value of future cash inflows	(2,061,448)	(38,651)	-	-	(2,100,099)	(2,725,149)	(16,332)	-	-	(2,741,481)
Risk adjustment	77,690	3,565	-	-	81,255	101,773	4,583	-	-	106,356
Contractual service margin	92,806	-	-	-	92,806	85,885	-	-	-	85,885
Amount included in takaful certificate liabilities for the year	**-**	**2,816**	**-**	**-**	**2,816**	**-**	**6,210**	**-**	**-**	**6,210**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)
6.1.3 The components of new business
6.1.3.2 Retakaful certificates held

The components of new business for retakaful certificates held portfolios included in the family takaful unit is disclosed in the table below:

	2025			2024		
	Certificates purchased	Certificates acquired	Total	Certificates purchased	Certificates acquired	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family takaful fund						
Retakaful certificate assets						
Estimate of present value of future cash outflows	(196,443)	-	(196,443)	(365,715)	-	(365,715)
Estimate of present value of future cash inflows	196,443	-	196,443	365,715	-	365,715
Amount included in retakaful certificate assets for the year	**-**	**-**	**-**	**-**	**-**	**-**
Company						
Retakaful certificate assets						
Estimate of present value of future cash outflows	(196,443)	-	(196,443)	(365,715)	-	(365,715)
Estimate of present value of future cash inflows	196,443	-	196,443	365,715	-	365,715
Amount included in retakaful certificate assets for the year	**-**	**-**	**-**	**-**	**-**	**-**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD (CONTINUED)

6.1.4 The impacts on the current period of transition approaches adopted to establishing CSM

6.1.4.1 Family takaful certificates issued (continued)

The impact on the current period of the transition approaches adopted to establishing CSMs for takaful certificates portfolios included in the family takaful unit is disclosed in the table below:

	2025				2024			
	Certificates using the modified retrospective approach	Certificates using the fair value approach	All other certificates	Total	Certificates using the modified retrospective approach	Certificates using the fair value approach	All other certificates	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company								
Contractual service margin as at 1 January	**178,128**	**35,394**	**192,126**	**405,648**	**220,367**	**2,522**	**137,201**	**360,090**
Changes that relate to current services								
Contractual service margin recognised for services provided	(15,207)	(510)	(47,683)	(63,400)	(17,140)	(384)	(26,130)	(43,654)
Changes that relate to future services								
Certificates initially recognised in the period	-	-	92,806	92,806	-	-	85,885	85,885
Changes in estimates that adjust the contractual service margin	(9,279)	327	(39,860)	(48,812)	(32,580)	(17,312)	(11,904)	(61,796)
Takaful service result	(24,486)	(183)	5,263	(19,406)	(49,720)	(17,696)	47,851	(19,565)
Takaful finance expenses	2,816	(51,868)	4,897	(44,155)	7,481	54,394	7,097	68,972
Total changes in the statement of profit or loss and OCI	(21,670)	(52,051)	10,160	(63,561)	(42,239)	36,698	54,948	49,407
Other movements	-	-	-	-	-	(3,826)	(23)	(3,849)
Contractual service margin as at 31 December	**156,458**	**(16,657)**	**202,286**	**342,087**	**178,128**	**35,394**	**192,126**	**405,648**

6. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)

6.2 CSM recognition in profit or loss

The disclosure of when the CSM is expected to be recognised in profit or loss in future years is presented below:

	Less than 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	More than 5 years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company							
31 December 2025							
Family takaful certificates issued	29,524	25,428	23,724	22,116	20,618	220,677	342,087
	29,524	**25,428**	**23,724**	**22,116**	**20,618**	**220,677**	**342,087**
Company							
31 December 2024							
Family takaful certificates issued	40,853	29,090	27,016	25,070	23,307	260,311	405,647
	40,853	**29,090**	**27,016**	**25,070**	**23,307**	**260,311**	**405,647**

7. DEFERRED TAX ASSETS/(LIABILITIES)

	2025 RM'000	2024 RM'000
Family takaful fund		
At beginning of financial year	(5,259)	763
Recognised in other comprehensive income	(542)	26
Recognised in statement of profit or loss(Note 16(a))	(562)	(6,048)
At end of financial year	(6,363)	(5,259)

The components and movements of deferred tax asset/(liability) of the family takaful fund during the financial year are as follows:

	Asset/(liability)		
	FVOCI reserves RM'000	FVTPL investment assets RM'000	Total RM'000
2025			
At 1 January 2025	(252)	(5,007)	(5,259)
Recognised in other comprehensive income	(542)	-	(542)
Recognised in statement of profit or loss (Note 16(a))	-	(562)	(562)
At 31 December 2025	(794)	(5,569)	(6,363)
2024			
At 1 January 2024	(278)	1,041	763
Recognised in other comprehensive income	26	-	26
Recognised in statement of profit or loss (Note 16(a))	-	(6,048)	(6,048)
At 31 December 2024	(252)	(5,007)	(5,259)

Deferred tax asset and liability of the family takaful fund are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

7. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

	2025 RM'000	2024 RM'000
Company		
At beginning of year	(32,493)	(12,538)
Recognised in other comprehensive income	569	(1,086)
Recognised in statement of profit or loss(Note 16(b))	(8,484)	(18,869)
At end of year	(40,408)	(32,493)

The components and movements of deferred tax (liability)/asset of the Company during the financial year are as follows:

	Asset/(liability)			
	FVOCI reserves RM'000	FVTPL investment assets RM'000	Takaful certificates RM'000	Total RM'000
2025				
At 1 January 2025	(2,136)	(19,391)	(10,966)	(32,493)
Recognised in other comprehensive income	569	-	-	569
Recognised in statement of profit or loss (Note 16(b))	-	(988)	(7,496)	(8,484)
At 31 December 2025	(1,567)	(20,379)	(18,462)	(40,408)
2024				
At 1 January 2024	(1,050)	(5,833)	(5,655)	(12,538)
Recognised in other comprehensive income	(1,086)	-	-	(1,086)
Recognised in statement of profit or loss (Note 16(b))	-	(13,558)	(5,311)	(18,869)
At 31 December 2024	(2,136)	(19,391)	(10,966)	(32,493)

Deferred tax asset and liability of the Company are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

8. OTHER RECEIVABLES

	Family takaful fund RM'000	Company RM'000
2025		
Financial assets		
Profit due and accrued	12,154	14,657
Other receivables and deposits	39,358	8,955
Amount due from related parties (Note 20 (a)(ii))	-	210
Total other receivables	51,512	23,822
2024		
Financial assets		
Profit due and accrued	11,467	13,415
Other receivables and deposits	23,901	27,752
Amount due from related parties (Note 20 (a)(ii))	-	161
Total other receivables	35,368	41,328

The carrying amounts disclosed above approximate fair values at the reporting date due to the relatively short-term maturity of these balances.

9. OTHER FINANCIAL ASSETS/(LIABILITIES)

	Family takaful fund RM'000	Company RM'000
2025		
Outstanding purchases of investment securities	(11,090)	(17,090)
	(11,090)	(17,090)
2024		
Outstanding sales of investment securities	(300)	(360)
	(300)	(360)

10. SHARE CAPITAL

	Number of shares		Amount	
	2025	2024	2025	2024
Company	**In '000**	**In '000**	**RM'000**	**RM'000**
Ordinary shares (Note (a))	175,000	175,000	175,000	175,000
Redeemable preference shares (Note (b))	20,000	20,000	20,000	20,000
Non-cumulative irredeemable preference shares (Note (c))	- *	-	60,000	-
	195,600	195,000	255,000	195,000
(a) Ordinary shares:				
At 1 January/31 December	175,000	175,000	175,000	175,000
(b) Redeemable preference shares:				
At 1 January/31 December	20,000	20,000	20,000	20,000
(c) Non-cumulative irredeemable preference shares				
At 1 January/31 December	- *	-	60,000	-

Note: - * denotes 600 number of shares at an issue price of RM100,000 each.

The salient features of the redeemable preference shares ("RPS") are as follows:

(a) The non-cumulative dividend payable to preference shareholders shall be in priority to the dividend (if any) payable to the ordinary shareholders, subject to the ordinary shareholders agreeing to the amount of the dividend to be distributed prior to each distribution;

(b) Each RPS confers on the preference shareholder the right to receive, *pari passu* with the ordinary shareholders in the share capital of the Company, the repayment in full of the nominal amount of that RPS;

(c) The RPS are non-cumulative, non-convertible, non-participating in profits, assets or other rights, and there is no fixed rate for dividends declared (if any);

(d) The RPS are transferable only in the manner provided in the Articles of Association, and have no specific redemption date but the Company has an option to redeem the preference shares. The Company had entered into a Supplemental Agreement dated 21 October 2016 with its shareholders, I Great Capital Holdings Sdn. Bhd. and Koperasi Angkatan Tentera Malaysia Berhad to extend the tenure for the option to redeem the RPS for a further period of 10 years as part of the measure to improve the Company's capital adequacy ratio. The redemption period of the RPS was accordingly, extended from 14 December 2017 to 14 December 2027; and

10. SHARE CAPITAL (CONTINUED)

The salient features of the redeemable preference shares ("RPS") are as follows (Continued):

(e) The redeemable preference shares confer on a preference shareholder the right to receive notices of general meetings, reports and balance sheets of the Company, and to attend general meetings and the preference shareholder is entitled to vote in each of the relevant circumstances as stipulated in the Companies Act 2016 only.

The salient features of the non-cumulative irredeemable preference shares ("NCIPS") are as follows:

(a) The holder of the NCIPS is entitled to non-cumulative dividends based on relevant and dividend rates. Dividends may only be paid out of the profits of the Company, subject to solvency requirements and the prior written approval of Bank Negara Malaysia. The dividends, if declared, will be paid semi-annually in arrears;

(b) The NCIPS are non-cumulative, non-redeemable and non-participating in the surplus, assets or profits of the Company;

(c) The NCIPS rank *pari passu* amongst themselves and in priority to the ordinary shares and RPS of the Company in respect of the payment of dividend and repayment of capital;

(d) The holder of the NCIPS will not have any voting rights at general meetings of the Company; and

(e) Each NCIPS confers on its shareholders the right to receive, on the winding up of the Company or other return of capital by the Company, the aggregate sum of the issue price of the NCIPS and all accrued but unpaid dividend on the NCIPS.

11. AGENTS' RETIREMENT BENEFITS

	2025 RM'000	2024 RM'000
Company		
At 1 January	27,538	22,700
Provision for the year	7,133	5,554
Utilised during the year	(1,096)	(716)
At 31 December	33,575	27,538
Payable after 12 months	33,575	27,538

12. OTHER PAYABLES

	Family takaful fund RM'000	Company RM'000
2025		
Deposit contributions	12,689	12,713
Amount due to related parties (Note 20 (a)(ii))	-	26,592
Accruals	-	41,065
Other payables and sundry creditors	-	36,766
	12,689	117,136
2024		
Deposit contributions	11,357	11,383
Amount due to related parties (Note 20 (a)(ii))	-	22,426
Accruals	36	31,785
Other payables and sundry creditors	558	67,220
	11,951	132,814

* The amount due to shareholders' fund is unsecured, not subject to any profit elements and repayable upon demand.

The carrying amounts disclosed above approximate fair values at the reporting date due to the relatively short-term maturity of these balances.

13. TAKAFUL REVENUE

	Family takaful fund RM'000	Company RM'000
2025		
Certificates not measured under the PAA		
Amounts relating to the changes in the liability for remaining coverage:		
Expected claims and takaful service expenses incurred in the period	366,637	362,474
Change in the risk adjustment for non-financial risk	-	27,229
Amount of CSM recognised in profit or loss	-	63,400
Other amount	(1)	(1)
Amounts relating to recovery of takaful acquisition cash flows		
Allocation of the portion of contributions that relate to the recovery of takaful acquisition cash flows	120,066	109,375
	486,702	**562,477**
Certificates measured under the PAA		
Takaful revenue from contracts measured under PAA	**584,551**	**584,551**
Total takaful revenue	**1,071,253**	**1,147,028**

13. TAKAFUL REVENUE

	Family takaful fund RM'000	Company RM'000
2024		
Certificates not measured under the PAA		
Amounts relating to the changes in the liability for remaining coverage:		
Expected claims and takaful service expenses incurred in the period	367,067	419,231
Change in the risk adjustment for non-financial risk	-	26,523
Amount of CSM recognised in profit or loss	-	43,654
Other amount	(181)	121
Amounts relating to recovery of takaful acquisition cash flows		
Allocation of the portion of contributions that relate to the recovery of takaful acquisition cash flows	194,535	134,806
	561,421	**624,335**
Certificates measured under the PAA		
Takaful revenue from contracts measured under PAA	**627,673**	**627,673**
Total takaful revenue	**1,189,094**	**1,252,008**

14. NET INVESTMENT AND TAKAFUL FINANCIAL RESULT

The table below presents an analysis of net investment income and net takaful financial result recognised in profit or loss and OCI in the period:

	Note	31 December 2025 Family takaful fund RM'000	31 December 2025 Company RM'000	31 December 2024 Family takaful fund RM'000	31 December 2024 Company RM'000
Investment income					
Profit income:					
Financial assets not measured at fair value through profit or loss	14.1	17,620	20,810	22,948	26,394
Financial assets measured at fair value through profit or loss	14.1	32,826	38,921	23,623	29,131
Other investment income	14.2	9,869	11,210	112,422	118,318
(Increase)/decrease in provision for impairment of investments		(850)	(850)	526	526
Total investment income		**59,465**	**70,091**	**159,519**	**174,369**
Represented by:					
Amounts recognised in profit or loss		57,763	71,126	157,223	168,738
Amounts recognised in OCI		1,702	(1,035)	2,296	5,631
		59,465	**70,091**	**159,519**	**174,369**

14. NET INVESTMENT AND TAKAFUL FINANCIAL RESULT (CONTINUED)

	31 December 2025		31 December 2024	
	Family takaful fund RM'000	Company RM'000	Family takaful fund RM'000	Company RM'000
Finance expenses from takaful certificates issued				
Changes in fair value of underlying items of certificates with direct participation features	(28,139)	(28,177)	(142,455)	(142,497)
(Loss)/profit accreted to takaful certificates using current financial assumptions	(126)	(2,943)	(72)	1,985
Loss accreted to takaful certificates using locked-in rate	(10,557)	(9,368)	(7,800)	(6,703)
Effect of changes in profit rates and other financial assumptions	(131)	2,115	(9)	157
Total finance expenses from takaful certificates issued	**(38,953)**	**(38,373)**	**(150,336)**	**(147,058)**
Finance (expenses)/income from retakaful certificates held				
Loss accreted to retakaful certificates using locked-in rate	(6,996)	(6,996)	(7,388)	(7,388)
Changes in non-performance risk of retakaful operator	8	8	13	13
Total finance expenses from retakaful certificates held	**(6,988)**	**(6,988)**	**(7,375)**	**(7,375)**
14.1 Profit income				
Financial assets measured at FVOCI	4,525	4,525	10,513	10,513
Financial assets measured at FVTPL	32,826	38,921	23,623	29,131
Financial assets measured at AC	13,095	16,285	12,435	15,881
	50,446	**59,731**	**46,571**	**55,525**

14. NET INVESTMENT AND TAKAFUL FINANCIAL RESULT (CONTINUED)

The table below presents an analysis of net investment income and net takaful financial result recognised in profit or loss and OCI in the

	31 December 2025		31 December 2024	
	Family takaful fund RM'000	Company RM'000	Family takaful fund RM'000	Company RM'000
14.2 Other investment income/(expenses)				
Underlying assets				
Dividend income from financial assets measured at FVTPL	14,154	14,154	17,197	17,197
Net fair value gains and losses				
- mandatorily measured at FVTPL	2,694	2,694	59,615	59,615
- designated as at FVTPL	2,412	2,412	1,737	1,737
Net gain/(loss) on sale of debt securities measured at FVTPL	(15,650)	(15,650)	11,552	11,552
	3,610	**3,610**	**90,101**	**90,101**
Other investments				
Dividend income from financial assets measured at FVOCI	-	2,325	-	1,921
Dividend income from financial assets measured at FVTPL	7,369	7,870	3,921	4,739
Net fair value gains and losses				
- mandatorily measured at FVTPL	1,786	1,825	13,121	13,197
- designated as at FVTPL	4,659	6,198	476	639
- measured at FVOCI	852	(1,885)	2,822	6,157
Amortisation	(306)	(306)	-	-
Net gain on sale of debt securities measured at FVOCI	507	507	-	-
Net gain/(loss) on sale of debt securities measured at FVTPL	(8,887)	(8,770)	2,403	2,358
(Loss)/gain on exchange differences	(565)	(565)	111	111
Changes in allowance for Expected Credit Loss ("ECL")	850	850	(526)	(526)
Investment expenses	(6)	(449)	(7)	(379)
	6,259	**7,600**	**22,321**	**28,217**
Total other investment income	**9,869**	**11,210**	**112,422**	**118,318**

14. NET INVESTMENT AND TAKAFUL FINANCIAL RESULT (CONTINUED)

14.3 Investment return in OCI related to takaful and retakaful certificates measured under the modified retrospective or fair value

On transition to MFRS 17, for certain groups of takaful and retakaful certificates measured using the GMM where the OCI option is applied, the Company determined the cumulative takaful finance income and expenses recognised in OCI at 1 January 2022 using the modified retrospective approach or the fair value approach. The movement in the fair value reserve for the debt investments at FVOCI related to those groups of certificates was as follows.

	31 December 2025		31 December 2024	
	Family takaful fund RM'000	Company RM'000	Family takaful fund RM'000	Company RM'000
Balance at 1 January	4,462	8,037	2,140	3,180
Net gains on investments measured at FVOCI reclassified to profit or loss	1,702	(1,035)	2,296	5,631
Income tax relating to these items	(542)	115	26	(774)
Balance at 31 December	**5,622**	**7,117**	**4,462**	**8,037**

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES

	Note	Family takaful fund RM'000	Company RM'000
2025			
Employee benefits expense	15 (a)	-	58,937
Non-executive directors' remuneration	15 (b)	-	1,044
Shariah committee remuneration	15 (d)	-	303
Auditors' remuneration:			
- statutory audits		-	1,081
- regulatory related fees		20	169
- other services		-	54
Depreciation of:			
- property and equipment	3(a)	-	5,441
- right-of-use assets	3(b)	-	1,565
Amortisation of intangible assets	4	-	2,331
Advertising and promotion		-	3,951
Finance charges		-	5,170
Group service fees		-	5,929
Outsourcing expenses		-	20,780
IT and computer expenses		-	13,172
Certificate holder expenses		-	4,267
Postal and telecommunication		-	1,479
Printing and stationery		-	571
Professional fees		-	13,077
Repairs and maintenance		-	96
Transport and traveling		-	950
Utilities		-	52
Profit expense on lease liabilities		-	73
Expense relating to leases of low-value assets		-	23
Commissions and distribution expenses		-	200,146
Agent retirement benefits		-	7,133
Other expenses		45	20,422
Incurred surplus to participants	6	10,723	10,742
Incurred claims and other takaful service expenses		954,735	830,673
Losses on onerous certificates		-	66,330
		965,523	1,275,961

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES (CONTINUED)

	Note	Family takaful fund RM'000	Company RM'000
2025			
Amounts attributed to takaful acquisition cash flows incurred during the year		-	(250,160)
Amortisation of takaful acquisition cash flows		120,066	109,375
		120,066	(140,785)
Represented by:			
Takaful service expenses		1,085,589	1,133,535
Other operating revenue		-	715
Other operating expenses		-	926
		1,085,589	1,135,176

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES (CONTINUED)

	Note	Family takaful fund RM'000	Company RM'000
2024			
Employee benefits expense	15 (a)	-	55,199
Non-executive directors' remuneration	15 (b)	-	1,110
Shariah committee remuneration	15 (d)	-	232
Auditors' remuneration:			
- statutory audits		-	957
- regulatory related fees		20	143
- other services		-	63
Depreciation of:			
- property and equipment	3(a)	-	4,362
- right-of-use assets	3(b)	-	1,658
Amortisation of intangible assets	4	-	3,535
Advertising and promotion		-	4,450
Finance charges		1	4,680
Group service fees		-	5,830
Outsourcing expenses		-	19,559
IT and computer expenses		-	13,259
Certificate holder expenses		-	2,863
Postal and telecommunication		-	1,304
Printing and stationery		-	397
Professional fees		-	11,660
Repairs and maintenance		-	142
Transport and traveling		-	960
Utilities		-	108
Profit expense on lease liabilities		-	138
Expense relating to leases of low-value assets		-	32
Commissions and distribution expenses		-	232,373
Agent retirement benefits		-	5,555
Other expenses		-	18,012
Incurred surplus to participants		837	878
Incurred claims and other takaful service expenses		999,751	916,050
Losses on onerous certificates		-	60,759
		1,000,609	1,366,268

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES (CONTINUED)

	Note	Family takaful fund RM'000	Company RM'000
2024			
Amounts attributed to takaful acquisition cash flows incurred during the year		-	(265,473)
Amortisation of takaful acquisition cash flows		184,828	125,098
		184,828	(140,375)
Represented by:			
Takaful service expenses		1,185,437	1,225,893
		1,185,437	1,225,893

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES (CONTINUED)

(a) Employee benefits expense

The details of the remuneration received and receivable by the staff of the Company during the year are as follows:

Company	2025 RM'000	2024 RM'000
Wages and salaries	45,371	43,540
Short term accumulating compensated absences	42	191
Social security contributions	860	384
Defined contribution plans - EPF	6,963	6,638
Other employee benefits expense	5,701	4,446
	58,937	55,199

(b) Non-Executive directors' remuneration:

Company	2025 RM'000	2024 RM'000
Fees:		
Current directors:		
Mr Norman Ka Cheung Ip	143	166
YBhg Datin Zaharah binti Ali	-	36
YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)	68	71
YBhg Rear Admiral Dato' Anuwar bin Mad Said (Rtd)	26	75
YBhg Dato' Albert Yeoh Beow Tit	120	120
YBhg Professor Dato' Dr. Wan Sabri bin Wan Yusof	93	86
Mr Tong Hon Keong	98	90
YBhg Datin Arlina binti Ariff	93	59
YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd)	49	-
	688	703
Allowances:		
Current directors:		
Mr Norman Ka Cheung Ip	3	1
YBhg Datin Zaharah binti Ali	-	30
YBhg Major General Dato' Zulkiflee bin Mazlan (Rtd)	50	61
YBhg Rear Admiral Dato' Anuwar bin Mad Said (Rtd)	34	69
YBhg Dato' Albert Yeoh Beow Tit	58	73
YBhg Professor Dato' Dr. Wan Sabri bin Wan Yusof	63	65
Mr Tong Hon Keong	58	65
YBhg Datin Arlina binti Ariff	66	43
YBhg Lieutenant General Dato' Sri Mohd Zakaria bin Haji Yadi (Rtd)	24	-
	356	407
	1,044	1,110

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES (CONTINUED)

(b) Non-Executive directors' remuneration (Continued):

The Directors' fees are subject to the recommendation of the Nominations and Remuneration Committee to the Board of Directors for endorsement and approval by shareholders at the Annual General Meeting.

The number of non-executive directors whose total remuneration received from the Company during the year that fall within the following bands is analysed as follows:

	2025 Band level	2024 Band level
RM50,001 - RM100,000	2	1
RM100,001 - RM150,000	2	3
RM150,001 - RM200,000	4	4

(c) Chief Executive Officer ("CEO")'s remuneration

The details of remuneration received and receivable by the CEO included in staff costs during the year are as follows:

Company	2025 RM'000	2024 RM'000
Salaries and bonus	1,760	1,766
Deferred contribution plans	281	282
Others	28	36
	2,069	2,084

15. OTHER EXPENSES AND TAKAFUL SERVICE EXPENSES (CONTINUED)

(d) Shariah Committee Members' remuneration:

Company	2025 RM'000	2024 RM'000
Fees:		
Dr. Mohammad Firdaus bin Mohammad Hatta*	53	42
Asst. Prof. Dr. Muhammad Naim bin Omar	42	36
Dr. Muhammad Pisol Mat Isa	42	36
Assoc. Prof. Dr. Nurul Aini binti Muhamed	42	36
En. Mohd Fadhly bin Md Yusoff	42	36
Assoc. Prof. Dr. Mohd Rizal Muwazir @ Mukhazir	24	-
	245	186
Other emoluments:		
Dr. Mohammad Firdaus bin Mohammad Hatta*	14	10
Asst. Prof. Dr. Muhammad Naim bin Omar	10	9
Assoc. Prof. Dr. Nurul Aini binti Muhamed	10	10
Dr. Muhammad Pisol bin Mat Isa	10	10
En. Mohd Fadhly bin Md Yusoff	9	9
Assoc. Prof. Dr. Mohd Rizal Muwazir @ Mukhazir	5	-
	58	46
	303	232

* Inclusive of fee and meeting attendance in Governance Committee

16. TAXATION

	2025 RM'000	2024 RM'000
Taxation of family takaful business	1,645	9,785
Taxation of the Company	13,092	23,234

(a) Family takaful fund

	2025 RM'000	2024 RM'000
Malaysian income tax:		
Current year	1,458	4,177
Over provision in prior year	(375)	(440)
	1,083	3,737
Deferred tax relating to the origination and reversal of temporary differences (Note 7):		
Current year	562	6,048
Tax expense for the year	1,645	9,785

The Malaysian income tax of the family takaful fund is based on the method prescribed under the Income Tax Act 1967 for takaful business. The income tax for the family takaful fund is calculated based on tax rate of 8% (2024: 8%) of the chargeable investment income net of allowable deductions for the year.

(b) Company

	2025 RM'000	2024 RM'000
Malaysian income tax:		
Current year	4,258	3,980
Under provision in prior year	350	385
	4,608	4,365
Deferred tax relating to the origination and reversal of temporary differences (Note 7):		
Current year	8,484	18,869
Tax expense for the year	13,092	23,234

Domestic income tax for the shareholders' fund/Company is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated chargeable income for the year.

16. TAXATION (CONTINUED)

(b) Company (Continued)

A reconciliation of income tax expense applicable to loss before zakat and taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the shareholders' fund is as follows:

Company	2025 RM'000	2024 RM'000
Profit before zakat and taxation	41,965	48,094
Taxation at Malaysian statutory tax rate of 24%	10,072	11,543
Less:		
Expenses not deductible for tax purposes	2,235	10,929
Under provision in prior year	350	385
Effect of changes in taxation	435	377
Tax expense for the year	13,092	23,234

The Company is part of OCBC and its subsidiaries, a multinational enterprise group that is within the scope of the Organisation for Economic Co-operation and Development Pillar Two model rules. Pillar Two legislation was enacted in Malaysia, the jurisdiction in which the Company is incorporated, and came into effect from 1 January 2025.

The Company applies the MFRS 112 *Income Taxes* exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Company does not have any exposure to Pillar Two legislation as at 31 December 2025.

17. PROFIT PER SHARE - BASIC AND DILUTED

The basic profit per share is calculated by dividing the net profit for the financial year by the number of ordinary shares in issue during the year as follows:

	2025	2024
Company		
Profit for the financial year (RM'000)	28,973	24,760
Weighted average number/number of ordinary shares in issue ('000)	175,000	175,000
Basic profit per share (sen)	16.6	14.1

The Company has no potential dilutive ordinary shares in issue as at the date of the statement of financial position and therefore, diluted earnings per share are not separately disclosed.

18. OPERATING LEASE AGREEMENTS

From 1 January 2019, the Company has recognised right-of-use assets for these leases, except for short term and low-value leases, see Note 3(b) and Note 3(c) for further information.

Future minimum lease payments payable as at 31 December but not recognised as liabilities, are payable as follows:

Company	2025 RM'000	2024 RM'000
Not later than 1 year	4	4
Later than 1 year but not later than 5 years	-	11
	4	15

19. CAPITAL COMMITMENTS

Capital expenditure	2025 RM'000	2024 RM'000
Approved and contracted for:		
- Property and equipment	4,998	1,168
Approved and but not contracted for:		
- Property and equipment	46	-
	5,044	1,168

20. RELATED PARTY DISCLOSURES

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and/or operational decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all Directors of the Company, the Chief Executive Officer and members of the Senior Management Team.

The main related parties and their relationship with the Company are as follows:

Related parties	Relationship
Oversea-Chinese Banking Corporation Ltd. ("OCBC Bank")	Ultimate holding company
Great Eastern Holdings Ltd.	Penultimate holding company
Great Eastern Life Assurance Co. Ltd.	Intermediate holding company
Great Eastern Capital (Malaysia) Sdn Bhd	Intermediate holding company
I Great Capital Holdings Sdn Bhd	Immediate holding company
Koperasi Angkatan Tentera Malaysia Berhad	Corporate shareholder of the Company
Great Eastern Life Assurance (Malaysia) Berhad	Subsidiary of intermediate holding company
OCBC Al-Amin Berhad	Subsidiary of ultimate holding company
OCBC Bank (Malaysia) Berhad	Subsidiary of ultimate holding company
Great Eastern Life Indonesia	Subsidiary of ultimate holding company
Axiata Digital Capital Sdn Bhd	Common ultimate shareholder

(a) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions and balances with related parties during and at the end of the financial year:

(i) Transactions with related parties during the financial year:

Company	**2025 RM'000**	**2024 RM'000**
(Expenses)/income:		
Service charges (vi):		
- Koperasi Angkatan Tentera Malaysia Berhad	(1,577)	(733)
Commission expenses/administration fees paid (ii):		
- OCBC Al-Amin Bank Berhad	(3,069)	(2,141)
- Koperasi Angkatan Tentera Malaysia Berhad	(4,301)	(5,741)

20. RELATED PARTY DISCLOSURES (CONTINUED)

(a) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions and balances with related parties during and at the end of the financial year (Continued):

(i) Transactions with related parties during the financial year (Continued):

Company	2025 RM'000	2024 RM'000
(Expenses)/income:		
Bank charges (ii):		
- OCBC Al-Amin Bank Berhad	(808)	(561)
Credit card charges (ii):		
- OCBC Bank (Malaysia) Berhad	(3,018)	(2,754)
Rental of properties (v):		
- Great Eastern Life Assurance (Malaysia) Berhad	(1,691)	(1,688)
- Koperasi Angkatan Tentera Malaysia Berhad	(4)	(5)
Profit income (iii):		
- OCBC Al-Amin Bank Berhad	14	1,280
(Charges)/income for outsourcing services (iv):		
- Great Eastern Life Assurance (Malaysia) Berhad	(16,531)	(16,041)
- I Great Capital Holdings Sdn Bhd	81	80
Charges for group services (vi):		
- Great Eastern Life Assurance (Malaysia) Berhad	(3,110)	(3,098)
- Great Eastern Life Assurance Co. Ltd.	(2,818)	(2,732)
Contribution received (viii):		
- OCBC Al-Amin Bank Berhad	24,322	13,239
Directors' fees and allowances	(1,044)	(1,110)
Shariah Committee members' fees & allowances	(303)	(232)

20. RELATED PARTY DISCLOSURES (CONTINUED)

(a) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions and balances with related parties during and at the end of the financial year (Continued):

(ii) Balances with related parties at year end:

	2025 RM'000	2024 RM'000
Capital issuance of non-cumulative irredemable preference shares ("NCIPS")		
- I Great Capital Holdings Sdn Bhd	60,000	-
Cash and bank balances:		
- OCBC Al-Amin Bank Berhad	30,340	16,529
Amount due (to)/from related companies:		
- Great Eastern Life Assurance (Malaysia) Berhad	(15,580)	(15,261)
- Great Eastern Life Assurance Co. Ltd.	(11,013)	(7,165)
- I Great Capital Holdings Sdn Bhd	209	161
- Great Eastern Life Indonesia	1	-
	(26,383)	(22,265)
Group takaful balances:		
- Koperasi Angkatan Tentera Malaysia Berhad	(445)	3,583

Related companies are companies within the Oversea-Chinese Banking Corporation Limited ("OCBC Group"):

(i) The sale and purchase of investments to related companies are made according to normal market prices and at terms and conditions no more favourable than those to other customers and employees;

(ii) Payment of commissions, custodian fees and bank charges to related parties are made according to normal market prices;

(iii) The profit income arose mainly from investments in fixed deposits and repurchase agreements which are made according to prevailing market rates, terms and conditions;

(iv) The outsourcing agreements were made at arm’s length and approved by the Board;

(v) Rental of property from related parties are made according to normal market prices, terms and conditions;

20. RELATED PARTY DISCLOSURES (CONTINUED)

Related companies are companies within the Oversea-Chinese Banking Corporation Limited ("OCBC Group") (Continued):

(vi) Payment of Group function costs based on allocation rates governed by corporate service agreement and in line with Malaysian Transfer Pricing Guidelines and Organisation for Economic Co-operation and Development ("OECD") Transfer Pricing Guidelines. Group function services are derived from immediate parent company in Singapore, Great Eastern Life Assurance Co. Ltd.;

(vii) Payment of mobilisation fees for digital business;

(viii) Contribution received for bancatakaful business; and

(ix) Charge back of project staff cost.

The table below shows the breakdown by type of services received and geographical location for inter company charges:

Geographical Location	Type of Services	2025 RM	2024 RM
Singapore	Group service charges for services rendered, which include those in respect of strategic management, finance, actuarial, risk management and compliance, human capital, investment management, operations, information technology and market distribution.	(11,013)	(7,165)
Indonesia	Charge back of project staff cost.	1	-

The remuneration of Directors and other key management personnel during the year was as follows:

	2025 RM'000	2024 RM'000
Key management personnel's remuneration:		
Non-executive directors	1,044	1,110
Salaries and bonus	6,946	6,922
Defined contribution plans ("EPF")	1,071	1,008
Benefits-in-kind	273	221
	9,334	9,261

21. FINANCIAL INSTRUMENTS BY CATEGORY

Family takaful fund	Note	FVOCI RM'000	FVTPL RM'000	AC RM'000	Total RM'000
2025					
Assets					
Investments	5	334,825	1,386,358	121,730	1,842,913
Other receivables	8	-	-	51,512	51,512
Cash and cash equivalents		-	-	335,970	335,970
Total assets		334,825	1,386,358	509,212	2,230,395

	Note	Other financial liabilities RM'000	Total RM'000
Liabilities			
Other financial liabilities	9	11,090	11,090
Other payables	12	12,689	12,689
Total liabilities		23,779	23,779

21. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Family takaful fund (Continued)	Note	FVOCI RM'000	FVTPL RM'000	AC RM'000	Total RM'000
2024					
Assets					
Investments	5	350,413	1,206,324	5,000	1,561,737
Other receivables	8	-	-	35,368	35,368
Cash and cash equivalents		-	-	561,798	561,798
Total assets		350,413	1,206,324	602,166	2,158,903

	Note	Other financial liabilities RM'000	Total RM'000
Liabilities			
Other financial liabilities	9	300	300
Other payables	12	11,951	11,951
Total liabilities		12,251	12,251

21. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Company	Note	FVOCI RM'000	FVTPL RM'000	AC RM'000	Total RM'000
2025					
Assets					
Investments	5	368,641	1,577,452	192,000	2,138,093
Other receivables	8	-	-	23,822	23,822
Cash and cash equivalents		-	-	396,036	396,036
Total assets		368,641	1,577,452	611,858	2,557,951

	Note	Other financial liabilities RM'000	Total RM'000
Liabilities			
Other financial liabilities	9	17,090	17,090
Other payables	12	117,136	117,136
Total liabilities		134,226	134,226

21. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Company (Continued)	Note	FVOCI RM'000	FVTPL RM'000	AC RM'000	Total RM'000
2024					
Assets					
Investments	5	383,548	1,346,385	6,000	1,735,933
Other receivables	8	-	-	41,328	41,328
Cash and cash equivalents		-	-	664,522	664,522
Total assets		383,548	1,346,385	711,850	2,441,783

	Note	Other financial liabilities RM'000	Total RM'000
Liabilities			
Other financial liabilities	9	360	360
Other payables	12	132,814	132,814
Total liabilities		133,174	133,174

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES

Governance framework

Managing risk is an integral part of the Company's core business and processes. As stated in the Enterprise Risk Management ("ERM") Framework, the Company shall:

- Always operate within the parameters and limits that are calibrated to the Board approved risk appetite, as defined in the Risk Appetite Statement; and
- Ensure commensurate returns for any risk taken.

Risk Management Department spearheads the development and implementation of the ERM Framework for the Company.

The Board provides oversight in ensuring that the activities of the Company are consistent with the strategic intent, risk appetite, operating environment, effective internal controls, capital sufficiency and regulatory requirements. The Board may delegate this oversight responsibility to the Board Risk Management Committee ("BRMC") and Senior Management for the execution of these initiatives. Detailed risk management and oversight activities are undertaken by the following Management Committees comprising the Chief Executive Officer and Key Senior Management Executives:

- Senior Management Team ("SMT")
- Asset-Liability Committee ("ALC")
- Product Development Committee ("PDC")
- Information Technology & Data Strategy Committee ("ITDSC")
- Financial Crime Committee ("FCC")

The SMT is responsible for providing leadership, and direction with regards to all major operational and business issues and sustainable performance of the Company. The SMT is also responsible for ensuring that the Company is operating within the risk appetite set by the Board; and in compliance and alignment with the Company's standards and guidelines.

The ALC is responsible for Balance Sheet Management, involving interactions between assets and liabilities (including Asset-Liability Management, Liquidity Management, and Investment Management). Specifically, the ALC reviews and formulates technical frameworks, policies and methodologies relating to balance sheet management.

The PDC is responsible for the product management of the Company, which includes product reviews and product endorsements. PDC reviews the frameworks and policies for product endorsements and product reviews at the Company level. In addition, the PDC regularly reviews and monitors the performance of new and existing products.

The ITDSC is responsible in providing overall strategic direction and approval of all IT and Data related architecture, initiatives and issues to support the Company's strategic growth into the future.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Governance framework (Continued)

The FCC provides an independent oversight of fraud investigation and anti-money laundering/counter financing of terrorism ("AML/CFT") review, and ensures that investigations and reviews are conducted in a manner that is fair, consistent and transparent.

Regulatory framework

As set out in its Compliance Risk Management Framework, the Company operates its business on a sound and responsible basis, which entails compliance with the applicable laws, regulations, rules and standards.

Takaful operators are regulated by the Islamic Financial Services Act 2013 (“IFSA”) which came into force on 30 June 2013, and other relevant regulations issued by regulators from time to time. The Board exercises oversight of compliance with the applicable laws, regulations, rules and standards, to safeguard the interests of certificate holders and shareholders.

Capital management framework

The Company’s Capital Management Policy aims to support balance sheet growth by maintaining a sound capital position with sufficient buffer to meet obligations to certificate holders and regulatory requirements. The Company has had no significant changes in the policies and processes relating to its capital structure during the year.

Under the Risk-Based Capital Framework for Takaful Operators (“RBCT”), the operator has to maintain a capital adequacy level that commensurate with its risk profiles. The Capital Adequacy Ratio of the Company remained well at above the minimum capital requirement of 130% under the RBCT Framework as prescribed by BNM.

The Internal Capital Adequacy Assessment Process (“ICAAP”) Framework came into effect on 1 January 2017. Under this Framework, the Company has to ensure adequate capital to meet its capital requirements on an ongoing basis. The key elements supporting the Framework include Board and Senior Management oversight, comprehensive risk assessment, individual target capital level and stress testing, sound capital management as well as ongoing monitoring, reporting and review of capital position. Capital management and contingencies policies have been further developed and refined under the Framework to outline the approaches and principles under which the Company’s capital will be monitored and managed, as well as the corrective actions to be implemented at various critical capital levels. In addition, a risk appetite statement has been established to outline the Company’s capacity to take on risks to achieve its business objectives while managing the expectations of key stakeholders.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Capital management framework (Continued)

The following sections provide details regarding the Company's exposure to the key risks faced by the Company and the objectives, policies and processes for the management of these risks. There has been no major change to the Company's exposure to these key risks or the manner in which it manages and measures these risks.

Takaful risk

The principal activity of the Company is in the underwriting of family takaful business including investment-linked business. The family takaful products cover risks such as mortality and morbidity (health, disability, and critical illness).

The Company’s underwriting strategy is designed to ensure that risks are well diversified. This is largely achieved through diversification of certificateholders across industry sectors and geography. Additionally, the use of medical screening ensures that pricing takes into account the current health conditions and family medical history. There is also regular review of the actual claims experience, as well as detailed claims handling procedures. Underwriting limits are also established to enforce appropriate risk acceptance criteria.

Takaful risks arise when the Company underwrites takaful contracts. The types of risks covered, assumptions used in pricing the takaful products and subsequent setting aside of provisions may give rise to potential shortfalls in provision for future claims and expenses when actual claims experience are worse than projections. Assumptions that may cause takaful risks to be underestimated include assumptions on certifcate lapses, mortality, morbidity and expenses.

The Company utilises retakaful arrangements to manage the mortality and morbidity risks. The Company’s retakaful management strategy and policy are reviewed annually by the SMT, BRMC, and the Board as appropriate. Retakaful is structured according to the type of risk ceded. Catastrophe retakaful is procured to limit catastrophic losses.

Only retakaful operators meeting a minimum credit rating of Standard & Poor's "A-", or equivalent, are considered. The only exception is in regard to the required retakaful cessions made to the local national retakaful operators, if any. The Company shall not cede out risks to insurance or reinsurance companies, except in unavoidable cases as stipulated in BNM Policy Document on Hajah and Darurah. The Company limits its risk to any one retakaful operator by ceding different products to different retakaful operators or to a panel of retakaful operators.

The SMT reviews the actual experience of mortality, morbidity, expenses, and persistency, and ensures that the policies, guidelines and limits established for managing the risks remain prudent and appropriate.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Takaful risk (Continued)

For family takaful funds, the risk is that the guaranteed certificate benefits must be met even when investment portfolios perform below expectations, or claims experience is higher than expected. As for investment-linked business, the risk exposure for the Company is limited to the underwriting aspect as all investment risks are borne by the certificate holders. Nevertheless, the fees earned by the Company for managing the investment-linked funds would fluctuate with the changes in underlying fund values.

Stress Testing ("ST") is performed in accordance with BNM requirements. The purpose of the ST is to test the solvency of the Operator and Takaful Funds under the various scenarios (i.e. Global Trade War, Malaysia Petrol and Diesel Subsidy Cuts, and Mass Surrender) according to regulatory guidelines, simulating drastic changes in major parameters such as new business volume, market volatilities, expense patterns, mortality/morbidity patterns and lapse rates.

Concentration analysis

Table 22(A): The table below shows the concentration of the takaful certificate liabilities as at the reporting date by type of takaful certificates issued:

Company	Gross RM'000	Retakaful RM'000	Net RM'000
2025			
Ordinary family takaful plans	589,067	(81,622)	507,445
Investment-linked takaful plans	818,826	(20,866)	797,960
Group credit takaful plans	546,787	(34,283)	512,504
mySalam	224,818	-	224,818
	2,179,498	(136,771)	2,042,727
2024			
Ordinary family takaful plans	455,806	(56,357)	399,449
Investment-linked takaful plans	806,799	(15,861)	790,938
Group credit takaful plans	515,959	(27,009)	488,950
mySalam	336,886	-	336,886
	2,115,450	(99,227)	2,016,223

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Sensitivity analysis

The sensitivity analysis below shows the impact of change in key parameters on the carrying value of takaful certificate liabilities, and hence on the statement of profit or loss and operators' equity.

Sensitivity analyses produced are based on parameters set out as follows:

	Change in Assumptions
(a) Scenario 1 - Mortality and Morbidity	+ 10% for all future years
(b) Scenario 2 - Mortality and Morbidity	- 10% for all future years
(c) Scenario 3 - Accident and Health	+ 10% for all future years
(d) Scenario 4 - Accident and Health	- 10% for all future years
(e) Scenario 5 - Persistency	+ 25% for all future years
(f) Scenario 6 - Persistency	- 25% for all future years
(g) Scenario 7 - Renewal Expenses	+ 10% for all future years

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Takaful risk (Continued)

Sensitivity analysis (Continued)

Table 22(B): The table below shows the sensitivity analysis by applying possible shocks to each key variable, with all other assumptions held constant, showing the impact on gross and net liabilities, surplus of risk funds, profit/loss before taxation, shareholders' equity and participants' fund. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions have to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear. The method used and significant assumptions made for deriving sensitivity information have not changed from the previous year. Certain assumptions have been updated to reflect more reasonably possible scenarios.

		Impact on Profit(Loss) After Tax			Impact on Equity			Impact on CSM		
	Change in assumptions %	Gross of Retakaful Impact RM'000	Retakaful Ceded RM'000	Net of Retakaful Impact RM'000	Gross of Retakaful Impact RM'000	Retakaful Ceded RM'000	Net of Retakaful Impact RM'000	Gross of Retakaful Impact RM'000	Retakaful Ceded RM'000	Net of Retakaful Impact RM'000
Company		← Increase/(decrease) →								
2025										
Scenario 1 - Mortality and Morbidity	+10%	(3,124)	-	(3,124)	(3,124)	-	(3,124)	(16,505)	-	(16,505)
Scenario 2 - Mortality and Morbidity	-10%	3,234	-	3,234	3,234	-	3,234	17,176	-	17,176
Scenario 3 - Accident and Health	+10%	(8,942)	-	(8,942)	(8,942)	-	(8,942)	(52,575)	-	(52,575)
Scenario 4 - Accident and Health	-10%	10,876	-	10,876	10,876	-	10,876	60,940	-	60,940
Scenario 5 - Persistency	+25%	6,668	-	6,668	6,668	-	6,668	59,338	-	59,338
Scenario 6 - Persistency	-25%	(5,808)	-	(5,808)	(5,808)	-	(5,808)	(48,006)	-	(48,006)
Scenario 7 - Renewal Expenses	+10%	(5,363)	-	(5,363)	(5,363)	-	(5,363)	(30,032)	-	(30,032)

* The impact on equity is stated net of taxation of 24% (2024: 24%).

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Takaful risk (Continued)

Sensitivity analysis (Continued)

		Impact on Profit(Loss) After Tax			Impact on Equity			Impact on CSM		
	Change in assumptions %	Gross of Retakaful Impact RM'000	Retakaful Ceded RM'000	Net of Retakaful Impact RM'000	Gross of Retakaful Impact RM'000	Retakaful Ceded RM'000	Net of Retakaful Impact RM'000	Gross of Retakaful Impact RM'000	Retakaful Ceded RM'000	Net of Retakaful Impact RM'000
Company (Continued)		← Increase/(decrease) →								
2024										
Scenario 1 - Mortality and Morbidity	+10%	(2,737)	-	(2,737)	(2,737)	-	(2,737)	(15,337)	-	(15,337)
Scenario 2 - Mortality and Morbidity	-10%	2,745	-	2,745	2,745	-	2,745	15,909	-	15,909
Scenario 3 - Accident and Health	+10%	(8,151)	-	(8,151)	(8,151)	-	(8,151)	(54,801)	-	(54,801)
Scenario 4 - Accident and Health	-10%	8,870	-	8,870	8,870	-	8,870	60,029	-	60,029
Scenario 5 - Persistency	+25%	6,063	-	6,063	6,063	-	6,063	68,381	-	68,381
Scenario 6 - Persistency	-25%	(5,685)	-	(5,685)	(5,685)	-	(5,685)	(53,091)	-	(53,091)
Scenario 7 - Renewal Expenses	+10%	(4,266)	-	(4,266)	(4,266)	-	(4,266)	(29,570)	-	(29,570)

* The impact on equity is stated net of taxation of 24% (2024: 24%).

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk

Market risk arises when the market value of assets and liabilities are adversely affected by changes in financial markets. Changes in profit rates, credit spreads, foreign exchange rates and equity prices can impact present and future investment earnings of the takaful operations as well as shareholders' equity.

The Company is exposed to market risk in the shareholders' fund as well as market mismatch risk between the assets and the liabilities of the takaful funds. The ALC actively manages market risk through setting and monitoring of the investment policy, asset allocation, portfolio construction and risk measurement methodologies. In the case of the investment-linked funds, investment risks are borne by the certificate holders and the Company does not assume any liability in the event of occurrence of loss or write-down in market valuations. Nevertheless, the revenues of the takaful operations are linked to the value of the underlying funds since this has an impact on the level of fund management fees earned.

Investment limits are monitored at various levels to ensure that all investment activities are conducted within the Company's risk appetite and in line with the Company’s risk management principles and philosophies. Compliance with established limits forms an integral part of the risk governance and financial reporting framework. The approach adopted by the Company in managing the various types of risks, including profit rate risk, foreign exchange risk, equity price risk, credit spread risk, liquidity risk, credit risk and concentration risk, is briefly described as follows:

(a) Profit rate risk

The Company is exposed to profit rate risk through (i) investments in fixed income instruments and money market instruments and (ii) takaful contract liabilities. Given the long duration of contract liabilities and the uncertainty of cash flow, it is not possible to hold assets with duration or same reference profit rate that will perfectly match the takaful contract liabilities. This results in a net profit rate risk or asset liability mismatch risk, which is managed and monitored by the ALC.

Where the liabilities of the portfolios are predominantly measured using the Variable Fee Approach ("VFA") and majority of the backing assets are measured at Fair Value Through Profit and Loss ("FVTPL"), the changes in liabilities due to profit rates are expected to closely match the changes in assets.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(a) Profit rate risk (Continued)

For portfolios whose liabilities are predominantly measured using the General Measurement Model ("GMM") and have elected to disaggregate the takaful finance income and expenses between Profit or Loss and Other Comprehensive Income, the backing assets would also have a similar option elected. Therefore, the effect of changes in assets due to movements in profit rates are also expected to closely match changes in liabilities in profit or loss.

(b) Foreign currency risk

The Company's foreign currency risk arises from assets and liabilities backing takaful operations which are not currency matched. Investments denominated in foreign currencies are limited to 10% of individual funds regardless of country, subject to the foreign investments being in jurisdictions with sovereign ratings at least equivalent to that of Malaysia, as prescribed by the regulator. In addition, net foreign currency exposure at the Company-level is limited to 10% of the total invested assets. (Refer to Table 22(C)).

Foreign exchange positions are regularly monitored. Limits are set to cap the Company's foreign exchange risk.

Table 22(C): The table below shows the foreign exchange position of the assets and liabilities of the family takaful fund and the Company by major currencies.

Family takaful fund	**RM RM'000**	**SGD RM'000**	**HKD RM'000**	**Total RM'000**
2025				
Assets				
Investments:				
Financial assets at FVOCI	334,825	-	-	334,825
Financial assets at FVTPL	1,339,383	16,343	30,632	1,386,358
Financial assets at AC	121,730	-	-	121,730
Takaful certificate assets	106,049	-	-	106,049
Retakaful certificate assets	136,709	-	-	136,709
Other receivables	51,512	-	-	51,512
Cash and cash equivalents	325,586	3,834	6,550	335,970
Total assets	2,415,794	20,177	37,182	2,473,153

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(b) Foreign currency risk (Continued)

Table 22(C): (Continued)

Family takaful fund (Continued)	RM RM'000	SGD RM'000	HKD RM'000	Total RM'000
2025				
Liabilities				
Takaful certificate liabilities	2,441,365	-	-	2,441,365
Retakaful certificate liabilities	369	-	-	369
Deferred tax liabilities	6,363	-	-	6,363
Other financial liabilities	11,090	-	-	11,090
Provision for taxation	1,277	-	-	1,277
Other payables	12,689	-	-	12,689
Total liabilities	2,473,153	-	-	2,473,153

Family takaful fund	RM RM'000	SGD RM'000	HKD RM'000	Total RM'000
2024				
Assets				
Investments:				
Financial assets at FVOCI	350,413	-	-	350,413
Financial assets at FVTPL	1,185,825	8,858	11,641	1,206,324
Financial assets at AC	5,000	-	-	5,000
Takaful certificate assets	54,843	-	-	54,843
Retakaful certificate assets	98,809	-	-	98,809
Other receivables	35,368	-	-	35,368
Cash and cash equivalents	542,018	7,738	12,042	561,798
Total assets	2,272,276	16,596	23,683	2,312,555

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(b) Foreign currency risk (Continued)

Table 22(C): (Continued)

Family takaful fund (Continued)	RM RM'000	SGD RM'000	HKD RM'000	Total RM'000
2024				
Liabilities				
Takaful certificate liabilities	2,291,027	-	-	2,291,027
Retakaful certificate liabilities	13	-	-	13
Deferred tax liabilities	5,259	-	-	5,259
Other financial liabilities	300	-	-	300
Provision for taxation	4,005	-	-	4,005
Other payables	11,951	-	-	11,951
Total liabilities	2,312,555	-	-	2,312,555

Company	RM RM'000	SGD RM'000	HKD RM'000	Total RM'000
2025				
Assets				
Property, plant and equipment				
- Owned	24,650	-	-	24,650
- Right-of-use assets	381	-	-	381
Intangible assets	2,270	-	-	2,270
Investments:				
Financial assets at FVOCI	368,641	-	-	368,641
Financial assets at FVTPL	1,530,477	16,343	30,632	1,577,452
Financial assets at AC	192,000	-	-	192,000
Takaful certificate assets	295,102	-	-	295,102
Retakaful certificate assets	137,140	-	-	137,140
Tax recoverable	16,833	-	-	16,833
Other receivables	23,822	-	-	23,822
Cash and cash equivalents	385,651	3,835	6,550	396,036
Total assets	2,976,967	20,178	37,182	3,034,327

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(b) Foreign currency risk (Continued)

Table 22(C): (Continued)

Company (Continued)	RM RM'000	SGD RM'000	HKD RM'000	Total RM'000
2025				
Liabilities				
Takaful certificate liabilities	2,474,600	-	-	2,474,600
Retakaful certificate liabilities	369	-	-	369
Agents' retirement benefits	33,575	-	-	33,575
Deferred tax liabilities	40,408	-	-	40,408
Other financial liabilities	17,090	-	-	17,090
Provision for taxation	1,277	-	-	1,277
Provision for zakat	193	-	-	193
Lease liabilities	531	-	-	531
Other payables	106,123	11,013	-	117,136
Total liabilities	2,674,166	11,013	-	2,685,179

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(b) Foreign currency risk (Continued)

Table 22(C): (Continued)

Company (Continued)	RM RM'000	SGD RM'000	HKD RM'000	Total RM'000
2024				
Assets				
Property, plant and equipment				
- Owned	18,544	-	-	18,544
- Right-of-use assets	1,782	-	-	1,782
Intangible assets	3,957	-	-	3,957
Investments:				
Financial assets at FVOCI	383,548	-	-	383,548
Financial assets at FVTPL	1,325,886	8,858	11,641	1,346,385
Financial assets at AC	6,000	-	-	6,000
Takaful certificate assets	210,123	-	-	210,123
Retakaful certificate assets	100,620	-	-	100,620
Tax recoverable	13,851	-	-	13,851
Other receivables	41,328	-	-	41,328
Cash and cash equivalents	644,741	7,739	12,042	664,522
Total assets	2,750,380	16,597	23,683	2,790,660
Liabilities				
Takaful certificate liabilities	2,325,573	-	-	2,325,573
Retakaful certificate liabilities	1,393	-	-	1,393
Agents' retirement benefits	27,538	-	-	27,538
Deferred tax liabilities	32,493	-	-	32,493
Other financial liabilities	360	-	-	360
Provision for taxation	4,534	-	-	4,534
Provision for zakat	297	-	-	297
Lease liabilities	1,966	-	-	1,966
Other payables	125,648	7,166	-	132,814
Total liabilities	2,519,802	7,166	-	2,526,968

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(c) Equity price risk

Exposure to equity price risk exists in investment assets through equity investments where the Company bears all or most of the equity volatility and investment risk. Equity price risk also exists in investment-linked products where the revenues of the takaful operations are linked to the performances of underlying equity funds since this has an impact on the level of fees earned.

A robust monitoring process is in place to manage equity risk by having appropriate risk management strategies to limit the downside risk at certain pre-determined levels. Limits are set for single security holdings as a percentage of equity holdings.

(d) Credit spread risk

Exposure to credit spread risk exists in the Company's investments in Islamic private debt securities or corporate sukuks. Credit spread is the difference between the corporate yields and the risk-free rate of similar tenure. When spreads widen, it generally implies that the market is factoring a deterioration in the creditworthiness of the sukuks. Hence, widening credit spreads will generally result in a fall in the value of the Company's sukuk portfolio.

(e) Liquidity risk

Liquidity risk arises when a company is unable to meet its cash flow demands, or if the assets backing the liabilities cannot be sold quickly enough without incurring significant losses. For a takaful company, the greatest liquidity needs typically arise from its takaful liabilities. Demands for funds can usually be met through ongoing normal operations via contributions received, sale of assets or borrowings. Unexpected demands for liquidity may be triggered by mass surrender of takaful certificates due to negative publicity, deterioration of the economy, adverse news on other companies in the same or similar lines of business, unanticipated certificate claims, or other unexpected cash demands from participants.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Expected liquidity demands are managed through a combination of treasury, investment and asset-liability management practices, which are monitored on an ongoing basis. Actual and projected cash inflows and outflows are regularly monitored and a reasonable amount of liquid assets are maintained at all times.

The projected cash flows from the in-force takaful certificate liabilities consist of renewal contributions, expenses, commissions, claims, maturities and surrenders. Renewal contributions, expenses, commissions, claims and maturities are generally stable and predictable. Surrenders can be more uncertain although these have been quite stable over the past several years.

Unexpected liquidity demands are mitigated through product design, risk diversification, credit facilities, investment strategies and systematic monitoring. Surrender penalty in certain takaful contracts also protects the Company from losses due to unexpected surrender trends as well as reduces the sensitivity of surrenders to changes in profit rates. (Refer to Table 22(D1) and (D2)).

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows.

Family takaful fund	Carrying value RM'000	Up to a year RM'000	> 1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2025						
Financial assets at FVOCI:						
Government investment issues	90,269	4,965	44,095	85,421	-	134,481
Unquoted Islamic private debt securities	244,556	40,771	127,450	141,449	-	309,670
Financial assets at FVTPL:						
Quoted Shariah-approved equities	771,128	-	-	-	771,128	771,128
Financial instruments with embedded derivatives	46	-	-	-	46	46
Unit trusts - REITS	15,146	-	-	-	15,146	15,146
Government investment issues	210,990	11,203	129,137	124,539	-	264,879
Unquoted Islamic private debt securities	389,048	40,227	148,105	339,364	-	527,696
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	121,730	121,730	-	-	-	121,730

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Family takaful fund (Continued)	Carrying value RM'000	Up to a year RM'000	> 1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2025						
Other receivables	51,512	51,512	-	-	-	51,512
Cash and cash equivalents	335,970	335,970	-	-	-	335,970
	2,230,395	606,378	448,787	690,773	786,320	2,532,258
Deferred tax liabilities	6,363	6,363	-	-	-	6,363
Other financial liabilities	11,090	11,090	-	-	-	11,090
Provision for taxation	1,277	1,277	-	-	-	1,277
Other payables	12,689	12,689	-	-	-	12,689
Total financial/takaful liabilities	31,419	31,419	-	-	-	31,419
Total liquidity surplus	2,198,976	574,959	448,787	690,773	786,320	2,500,839

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Family takaful fund (Continued)	Carrying value RM'000	Up to a year RM'000	1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2024						
Financial assets at FVOCI:						
Government investment issues	99,101	3,908	45,003	102,108	-	151,019
Unquoted Islamic private debt securities	251,312	17,754	159,461	146,090	-	323,305
Financial assets at FVTPL:						
Quoted Shariah-approved equities	737,188	-	-	-	737,188	737,188
Financial instruments with embedded derivatives	119	-	-	-	119	119
Unit trusts - REITS	14,464	-	-	-	14,464	14,464
Government investment issues	157,211	5,278	114,932	80,978	-	201,188
Unquoted Islamic private debt securities	297,342	18,417	151,561	230,940	-	400,918
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	5,000	5,000	-	-	-	5,000

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Family takaful fund (Continued)	Carrying value RM'000	Up to a year RM'000	1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2024						
Other receivables	35,368	35,368	-	-	-	35,368
Cash and cash equivalents	561,798	561,798	-	-	-	561,798
Total financial/takaful assets	2,158,903	647,523	470,957	560,116	751,771	2,430,367
Deferred tax liabilities	5,259	5,259	-	-	-	5,259
Other financial liabilities	300	300	-	-	-	300
Provision for taxation	4,005	4,005	-	-	-	4,005
Other payables	11,951	11,951	-	-	-	11,951
Total financial/takaful liabilities	21,515	21,515	-	-	-	21,515
Total liquidity surplus	2,137,388	626,008	470,957	560,116	751,771	2,408,852

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Company	Carrying value RM'000	Up to a year RM'000	> 1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2025						
Financial assets at FVOCI:						
Quoted Shariah-approved equities	33,816	-	-	-	33,816	33,816
Government investment issues	90,269	4,965	44,095	85,421	-	134,481
Unquoted Islamic private debt securities	244,556	40,771	127,450	141,449	-	309,670
Financial assets at FVTPL:						
Quoted Shariah-approved equities	780,769	-	-	-	780,769	780,769
Financial instruments with embedded derivatives	46	-	-	-	46	46
Unit trusts - REITS	15,261	-	-	-	15,261	15,261
Government investment issues	274,936	13,229	180,509	147,968	-	341,706
Unquoted Islamic private debt securities	506,440	56,505	219,268	392,049	-	667,822
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	192,000	-	-	-	192,000	192,000

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Company (Continued)	Carrying value RM'000	Up to a year RM'000	> 1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2025						
Tax recoverable	16,833	16,833	-	-	-	16,833
Other receivables	23,822	23,822	-	-	-	23,822
Cash and cash equivalents	396,036	396,036	-	-	-	396,036
Total financial/takaful assets	2,574,784	552,161	571,322	766,887	1,021,892	2,912,262

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Company (Continued)	Carrying value RM'000	Up to a year RM'000	1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2025						
Agents' retirement benefits	33,575	-	33,575	-	-	33,575
Deferred tax liabilities	40,408	40,408	-	-	-	40,408
Other financial liabilities	17,090	17,090	-	-	-	17,090
Provision for taxation	1,277	1,277	-	-	-	1,277
Provision for zakat	193	193	-	-	-	193
Lease liabilities	531	244	287	-	-	531
Other payables	117,136	117,136	-	-	-	117,136
Total financial/takaful liabilities	210,210	176,348	33,862	-	-	210,210
Total liquidity surplus	2,364,574	375,813	537,460	766,887	1,021,892	2,702,052

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Company (Continued)	Carrying value RM'000	Up to a year RM'000	1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2024						
Financial assets at FVOCI:						
Quoted Shariah-approved equities	33,135	-	-	-	33,135	33,135
Government investment issues	99,101	3,908	45,003	102,108	-	151,019
Unquoted Islamic private debt securities	251,312	17,754	159,461	146,090	-	323,305
Financial assets at FVTPL:						
Quoted Shariah-approved equities	745,508	-	-	-	745,508	745,508
Financial instruments with embedded derivatives	119	-	-	-	119	119
Unit trusts - REITS	14,909	-	-	-	14,909	14,909
Government investment issues	208,424	6,652	150,718	108,008	-	265,378
Unquoted Islamic private debt securities	377,425	24,104	211,821	260,367	-	496,292
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	6,000	-	-	-	6,000	6,000

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Company (Continued)	Carrying value RM'000	Up to a year RM'000	1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2024						
Tax recoverable	13,851	13,851	-	-	-	13,851
Other receivables	41,328	41,328	-	-	-	41,328
Cash and cash equivalents	664,522	664,522	-	-	-	664,522
Total financial/takaful assets	2,455,634	772,119	567,003	616,573	799,671	2,755,366

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity profiles (Continued)

Table 22(D1): The following table shows the maturity profile of the Company's financial and takaful liabilities and the expected recovery or settlement of financial and takaful assets based on remaining undiscounted contractual cash flows. (Continued)

Company (Continued)	Carrying value RM'000	Up to a year RM'000	1 - 5 years RM'000	> 5 years RM'000	No maturity date RM'000	Total RM'000
2024						
Agents' retirement benefits	27,538	-	27,538	-	-	27,538
Deferred tax liabilities	32,493	32,493	-	-	-	32,493
Other financial liabilities	360	360	-	-	-	360
Provision for taxation	4,534	4,534	-	-	-	4,534
Provision for zakat	297	297	-	-	-	297
Lease liabilities	1,966	450	1,516	-	-	1,966
Other payables	132,814	132,814	-	-	-	132,814
Total financial/takaful liabilities	200,002	170,948	29,054	-	-	200,002
Total liquidity surplus	2,255,632	601,171	537,949	616,573	799,671	2,555,365

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity Profile for takaful and retakaful certificate liabilities

Table 22(D2): The following tables show the maturity profile of takaful certificates issued and retakaful certificates held that are liabilities of the Company based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

Company	Up to 1 Year RM'000	1 - 2 Years RM'000	2 - 3 Years RM'000	3 - 4 Years RM'000	4 - 5 Years RM'000	> 5 Years RM'000	Total RM'000
2025							
Takaful certificate liabilities	697,358	(105,895)	(91,765)	(79,102)	(70,830)	2,019,420	2,369,186
Retakaful certificate liabilities	369	-	-	-	-	-	369
	697,727	(105,895)	(91,765)	(79,102)	(70,830)	2,019,420	2,369,555

	Up to 1 Year RM'000	1 - 2 Years RM'000	2 - 3 Years RM'000	3 - 4 Years RM'000	4 - 5 Years RM'000	> 5 Years RM'000	Total RM'000
2024							
Takaful certificate liabilities	688,261	(106,901)	(103,641)	(92,814)	(77,342)	1,896,228	2,203,791
Retakaful certificate liabilities	1,393	-	-	-	-	-	1,393
	689,654	(106,901)	(103,641)	(92,814)	(77,342)	1,896,228	2,205,184

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Amounts payable on demand

Retakaful certificates held have zero amounts payable on demand.

The amounts payable on demand representing the certificate holders' account values less applicable surrender fees are as follows:

	2025		2024	
	Amounts payable on demand RM'000	Carrying Amount RM'000	Amounts payable on demand RM'000	Carrying Amount RM'000
Ordinary family takaful plans	458,971	458,971	325,758	325,758
Investment-linked takaful plans	710,264	710,264	708,155	708,155
Group credit takaful plans	426,604	426,604	422,603	422,603
Total	1,595,839	1,595,839	1,456,515	1,456,515

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity analysis on expected maturity bases (Continued)

Table 22(D2): The following table shows the current and non-current classification of assets and liabilities of the Company (Continued).

Family takaful fund	Current* RM'000	Non-current RM'000	Total RM'000
2025			
Assets			
Investments:			
Financial assets at FVOCI	34,363	300,462	334,825
Financial assets at FVTPL	818,818	567,540	1,386,358
Financial assets at AC	121,730	-	121,730
Takaful certificate assets	106,049	-	106,049
Retakaful certificate assets	136,709	-	136,709
Other receivables	51,512	-	51,512
Cash and cash equivalents	335,970	-	335,970
Total assets	1,605,151	868,002	2,473,153
Liabilities and participants' fund			
Takaful certificate liabilities	679,338	1,762,027	2,441,365
Retakaful certificate liabilities	369	-	369
Deferred tax liabilities	6,363	-	6,363
Other financial liabilities	11,090	-	11,090
Provision for taxation	1,277	-	1,277
Other payables	12,689	-	12,689
Total liabilities and participants' fund	711,126	1,762,027	2,473,153

* Expected utilisation or settlement within 12 months from the reporting date.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity analysis on expected maturity bases (Continued)

Table 22(D2): The following table shows the current and non-current classification of assets and liabilities of the Company (Continued).

Family takaful fund (Continued)	Current* RM'000	Non-current RM'000	Total RM'000
2024			
Assets			
Investments:			
Financial assets at FVOCI	10,486	339,927	350,413
Financial assets at FVTPL	761,176	445,148	1,206,324
Financial assets at AC	5,000	-	5,000
Takaful certificate assets	54,843	-	54,843
Retakaful certificate assets	98,809	-	98,809
Other receivables	35,368	-	35,368
Cash and cash equivalents	561,798	-	561,798
Total assets	1,527,480	785,075	2,312,555
Liabilities and participants' fund			
Takaful certificate liabilities	678,514	1,612,513	2,291,027
Retakaful certificate liabilities	13	-	13
Deferred tax liabilities	5,259	-	5,259
Other financial liabilities	300	-	300
Provision for taxation	4,005	-	4,005
Other payables	11,951	-	11,951
Total liabilities and participants' fund	700,042	1,612,513	2,312,555

* Expected utilisation or settlement within 12 months from the reporting date.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity analysis on expected maturity bases (Continued)

Table 22(D2): The following table shows the current and non-current classification of assets and liabilities of the Company (Continued).

Company	Current* RM'000	Non-current RM'000	Total RM'000
2025			
Assets			
Property, plant and equipment			
- Owned	-	24,650	24,650
- Right-of-use assets	-	381	381
Intangible assets	-	2,270	2,270
Investments:			
Financial assets at FVOCI	34,364	334,277	368,641
Financial assets at FVTPL	840,729	736,723	1,577,452
Financial assets at AC	192,000	-	192,000
Takaful certificate assets	120,158	174,944	295,102
Retakaful certificate assets	137,140	-	137,140
Tax recoverable	16,833	-	16,833
Other receivables	23,822	-	23,822
Cash and cash equivalents	396,036	-	396,036
Total assets	1,761,082	1,273,245	3,034,327
Liabilities			
Takaful certificate liabilities	708,347	1,766,252	2,474,600
Retakaful certificate liabilities	369	-	369
Agents' retirement benefits	-	33,575	33,575
Deferred tax liabilities	40,408	-	40,408
Other financial liabilities	17,090	-	17,090
Provision for taxation	1,277	-	1,277
Provision for zakat	193	-	193
Lease liabilities	244	287	531
Other payables	117,136	-	117,136
Total liabilities	885,064	1,800,115	2,685,179

* Expected utilisation or settlement within 12 months from the reporting date.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(e) Liquidity risk (Continued)

Maturity analysis on expected maturity bases (Continued)

Table 22(D2): The following table shows the current and non-current classification of assets and liabilities of the Company (Continued).

Company (Continued)	Current* RM'000	Non-current RM'000	Total RM'000
2024			
Assets			
Property, plant and equipment			
- Owned	-	18,544	18,544
- Right-of-use assets	-	1,782	1,782
Intangible assets	-	3,957	3,957
Investments:			
Financial assets at FVOCI	10,486	373,062	383,548
Financial assets at FVTPL	772,944	573,441	1,346,385
Financial assets at AC	6,000	-	6,000
Takaful certificate assets	71,113	139,010	210,123
Retakaful certificate assets	100,620	-	100,620
Tax recoverable	13,851	-	13,851
Other receivables	41,328	-	41,328
Cash and cash equivalents	664,522	-	664,522
Total assets	1,680,864	1,109,796	2,790,660
Liabilities			
Takaful certificate liabilities	705,450	1,620,123	2,325,573
Retakaful certificate liabilities	1,393	-	1,393
Agents' retirement benefits	-	27,538	27,538
Deferred tax liabilities	32,493	-	32,493
Other financial liabilities	360	-	360
Provision for taxation	4,534	-	4,534
Provision for zakat	297	-	297
Lease liabilities	450	1,516	1,966
Other payables	132,814	-	132,814
Total liabilities	877,791	1,649,177	2,526,968

* Expected utilisation or settlement within 12 months from the reporting date.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk

Credit risk is the risk of loss arising from an obligor failing to discharge an obligation. The Company is mainly exposed to credit risk through (i) cash and bank balances (ii) investments in government investment issues and corporate sukuks (iii) exposure to counterparty's credit risk in retakaful certificates and (iv) non-payment of contributions. For the four types of exposures, financial loss may materialise as a result of credit default by the borrower or counterparty. For investments in sukuks, financial loss may also materialise as a result of the widening of credit spreads or a downgrade of credit rating.

The task of evaluating and monitoring of credit risk arising from financial instruments is undertaken by ALC. The Company has internal limits by issuer and counterparty according to their investment credit ratings, which are actively monitored to manage the credit and concentration risk, and are reviewed on a regular basis. The creditworthiness of retakaful operators, issuers and banks is assessed on an annual basis by reviewing their financial strength through published credit ratings and other publicly available financial information.

Retakaful arrangements are placed with counterparties that have good credit ratings and concentration of risk is mitigated through counterparties' limits that are reviewed and approved on an annual basis.

Credit risk arises from outstanding customer balances resulting from the non-payment of contributions. Upon the contribution due date, participants are given a grace period to settle the outstanding contribution. The credit risk arises specifically during the grace period and continues until the contribution is fully paid or the certificate is cancelled. If contribution is not received by the end of the grace period and the certificate’s account value is insufficient, the certificate will lapse. The credit risk in respect of group takaful outstanding contribution is being actively monitored and guided by strict credit control guidelines.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E1): The table below shows the maximum exposure to credit risk for the components of the statement of financial position.

2025	Family takaful fund RM'000	Company RM'000
Financial assets at FVOCI:		
Government investment issues	90,269	90,269
Unquoted Islamic private debt securities	244,556	244,556
Financial assets at FVTPL:		
Financial instruments with embedded derivatives	46	46
Government investment issues	210,990	274,936
Unquoted Islamic private debt securities	389,048	506,440
Financial assets at AC:		
Islamic investment accounts with licensed Islamic banks	121,730	192,000
Takaful certificate assets	106,049	295,102
Retakaful certificate assets	136,709	137,140
Tax recoverable	-	16,833
Other receivables	51,512	23,822
Cash and cash equivalents	335,970	396,036
	1,686,879	2,177,180

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E1): The table below shows the maximum exposure to credit risk for the components of the statement of financial position (Continued).

2024	Family takaful fund RM'000	Company RM'000
Financial assets at FVOCI:		
Government investment issues	99,101	99,101
Unquoted Islamic private debt securities	251,312	251,312
Financial assets at FVTPL:		
Financial instruments with embedded derivatives	119	119
Government investment issues	157,211	208,424
Unquoted Islamic private debt securities	297,342	377,425
Financial assets at AC:		
Islamic investment accounts with licensed Islamic banks	5,000	6,000
Takaful certificate assets	54,843	210,123
Retakaful certificate assets	98,809	100,620
Tax recoverable	-	13,851
Other receivables	35,368	41,328
Cash and cash equivalents	561,798	664,522
	1,560,903	1,972,825

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E2): The following table sets out information about the credit quality of financial assets and debt securities at FVOCI.

For explanation of the terms '12-month ECL', 'Lifetime ECL' and 'credit impaired', refer to Note 2.2(g).

	2025			2024		
Family takaful fund/Company	**12-month ECL RM'000**	**Lifetime ECL not credit impaired RM'000**	**Total RM'000**	**12-month ECL RM'000**	**Lifetime ECL not credit impaired RM'000**	**Total RM'000**
Debt securities at FVOCI						
Government investment issues	34	0	34	9	0	9
Investment Grade* (BBB to AAA)	954	105	1,059	235	0	235
	988	105	1,093	244	0	244

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E3): The following table sets out the credit analysis for financial assets measured at FVOCI, FVTPL and at amortised cost:

Family takaful fund	Government guaranteed RM'000	Investment grade* (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Past due RM'000	Total RM'000
2025						
Financial assets at FVOCI:						
Government investment issues	90,269	-	-	-	-	90,269
Unquoted Islamic private debt securities	-	244,556	-		-	244,556
Financial assets at FVTPL:						
Quoted Shariah-approved equities	-	-	-	771,128	-	771,128
Financial instruments with embedded derivatives	-	-	-	46	-	46
Unit trusts - REITS	-	-	-	15,146	-	15,146
Government investment issues	210,990	-	-	-	-	210,990
Unquoted Islamic private debt securities	-	389,048	-	-	-	389,048
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	-	-	-	121,730	-	121,730
Takaful certificate assets	-	-	106,049	-	-	106,049
Retakaful certificate assets	-	136,709	-	-	-	136,709
Other receivables	-	-	51,512	-	-	51,512
Cash and cash equivalents	-	335,970	-	-	-	335,970
	301,259	1,106,283	157,561	908,050	-	2,473,153

* Based on internal rating grades which are equivalent to grades of external rating agencies

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E3): The following table sets out the credit analysis for financial assets measured at FVOCI, FVTPL and at amortised cost: (Continued)

Family takaful fund (Continued)	Government guaranteed RM'000	Investment grade* (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Past due RM'000	Total RM'000
2024						
Financial assets at FVOCI:						
Government investment issues	99,101	-	-	-	-	99,101
Unquoted Islamic private debt securities	-	251,312	-		-	251,312
Financial assets at FVTPL:						
Quoted Shariah-approved equities	0	-	-	737,188	-	737,188
Financial instruments with embedded derivatives	-	-	-	119	-	119
Unit trusts - REITS	-	-	-	14,464	-	14,464
Government investment issues	157,211	-	-	-	-	157,211
Unquoted Islamic private debt securities	-	297,342	-	-	-	297,342
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	-	-	-	5,000	-	5,000
Takaful certificate assets	-	-	54,843	-	-	54,843
Retakaful certificate assets	-	98,809	-	-	-	98,809
Other receivables	-	-	35,368	-	-	35,368
Cash and cash equivalents	-	561,798	-	-	-	561,798
	256,312	1,209,261	90,211	756,771	-	2,312,555

* Based on internal rating grades which are equivalent to grades of external rating agencies

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E3): The following table sets out the credit analysis for financial assets measured at FVOCI, FVTPL and at amortised cost: (Continued)

Company	Government guaranteed RM'000	Investment grade* (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Past due RM'000	Total RM'000
2025						
Financial assets at FVOCI:						
Quoted Shariah-approved equities	-	-	-	33,816	-	33,816
Government investment issues	90,269	-	-	-	-	90,269
Unquoted Islamic private debt securities	-	244,556	-	-	-	244,556
Financial assets at FVTPL:						
Quoted Shariah-approved equities	-	-	-	780,769	-	780,769
Financial instruments with embedded derivatives	-	-	-	46	-	46
Unit trusts - REITS	-	-	-	15,261	-	15,261
Government investment issues	274,936	-	-	-	-	274,936
Unquoted Islamic private debt securities	-	506,440	-	-	-	506,440
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	-	-	-	192,000	-	192,000
Takaful certificate assets	-	-	295,102	-	-	295,102
Retakaful certificate assets	-	137,140		-	-	137,140
Tax recoverable	-	-	16,833	-	-	16,833
Other receivables	-	-	23,822	-	-	23,822
Cash and cash equivalents	-	396,036	-	-	-	396,036
	365,205	1,284,172	335,757	1,021,892	-	3,007,026

* Based on internal rating grades which are equivalent to grades of external rating agencies

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Table 22(E3): The following table sets out the credit analysis for financial assets measured at FVOCI, FVTPL and at amortised cost: (Continued)

Company (Continued)	Government guaranteed RM'000	Investment grade* (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Past due RM'000	Total RM'000
2024						
Financial assets at FVOCI:						
Quoted Shariah-approved equities	-	-	-	33,135	-	33,135
Government investment issues	99,101	-	-	-	-	99,101
Unquoted Islamic private debt securities	-	251,312	-	-	-	251,312
Financial assets at FVTPL:						
Quoted Shariah-approved equities	-	-	-	745,508	-	745,508
Financial instruments with embedded derivatives	-	-	-	119	-	119
Unit trusts - REITS	-	-	-	14,909	-	14,909
Government investment issues	208,424	-	-	-	-	208,424
Unquoted Islamic private debt securities	-	377,425	-	-	-	377,425
Financial assets at AC:						
Islamic investment accounts with licensed Islamic banks	-	-	-	6,000	-	6,000
Takaful certificate assets	-	-	210,123	-	-	210,123
Retakaful certificate assets	-	100,620		-	-	100,620
Tax recoverable	-	-	13,851	-	-	13,851
Other receivables	-	-	41,328	-	-	41,328
Cash and cash equivalents	-	664,522	-	-	-	664,522
	307,525	1,393,879	265,302	799,671	-	2,766,377

* Based on internal rating grades which are equivalent to grades of external rating agencies

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

This disclosure below relates to MFRS 9 which came into effect in 2018.

Amounts arising from Expected Credit Loss ("ECL")

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques

The key inputs into the measurement of ECL are the term structure of the following variables:
- probability of default ("PD");
- loss given default ("LGD"); and
- exposure at default ("EAD").

These parameters are derived from the statistical models which are internally developed by the Company based on the historical data. They are adjusted to reflect forward-looking information.

PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months ("12M PD"), or over the remaining lifetime ('Lifetime PD") of the obligation. PD estimates are derived from PD models that incorporate both quantitative and qualitative inputs, which are in turn derived from internally and externally compiled data. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

If a counterparty or exposure migrates between rating classes, this will lead to a change in the estimate of the associated PD. The ECL considers the contractual maturities of exposures.

LGD is the magnitude of the likely loss incurred during a default. LGD is expressed as a percentage of loss per unit of exposure at the time of default and represents an estimate of the economic loss in the event of the default of the counterparty. Factors in determining LGDs include claims seniority, availability and quality of collateral, legal enforceability processes in the jurisdiction, industry of borrower and prevailing market conditions. They are estimates at a certain date and are derived using statistical models. These statistical models are developed using internally compiled data incorporating both quantitative and qualitative factors. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current and potential future exposure to the counterparty. The EAD of a financial asset is its gross carrying amount.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Amounts arising from Expected Credit Loss ("ECL") (Continued)

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques (Continued)

The ECL is determined by the PD, LGD and EAD for each individual exposure. These three components are multiplied together and adjusted for forward looking information. This is then discounted back to the reporting date. The discount rate used in the ECL calculation is the original effective profit rate or an approximation thereof.

The trade receivables are in scope for ECL impairment provisions using the simplified assumption of lifetime ECL.

Significant increase in credit risk

To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations

A movement of an obligator's credit rating along the rating scale will represent changes in credit risk, measured by the change in PD.

The criteria for assessing whether credit risk has increased significantly will be determined by changes in 12M PDs and other qualitative factors. The credit risk of an obligor is deemed to have increased significantly since initial recognition if, based on the Company's quantitative model, the 12M PD is determined to have increased by more than 100% since origination, except when the obligor remains within the investment grade ratings.

Using its experienced credit judgement and, where possible, relevant historical experience, the Company may determine that an obligator has undergone a significant increase in credit risk based on qualitative factors that are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. The Company uses the watch-list as an additional trigger for the identification of significant increase in market and credit risk.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Amounts arising from Expected Credit Loss ("ECL") (Continued)

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques (Continued)

Credit risk grades

The Company considers an obligor to have relatively lower credit risk if it is of investment grade quality, taking into account both internal and external credit ratings.

The Company assigns each obligor to a credit risk grade that reflects the PD of the obligor. Credit risk grades are established based on qualitative and quantitative factors that are indicative of default risk. These factors vary depending on the nature of the exposure and the type of counterparty. Credit risk grades are defined and calibrated such that the default risk increases as credit risk deteriorates. Each exposure is assigned with a credit risk grade at initial recognition, based on available information on the borrower. Obligors are subject to ongoing monitoring and review, and may be assigned with new credit risk grades that better reflects their creditworthiness. The monitoring typically involves the use of information obtained during periodic review, including published financial statements, external rating (where available), as well as qualitative information on an obligor's industry, competitive positioning, management, financial policy and financial flexibility.

Definition of default

The Company considers a financial asset to be in default by assessing the following criteria:

Quantitative criteria
For other receivables, the obligor is said to be in default if it fails to make a contractual payment within 6 months after it falls due (i.e. after expiration of the maximum granted credit terms). For sukuks and financing, the obligor is said to be in default if it fails to meet its contractual obligation and there are non-payments on another debt obligation of the same issuer to the Company.

Qualitative criteria
The counterparty is in bankruptcy or has indications of potentially significant financial difficulty such as lawsuits or similar actions that threaten the financial viability of the counterparty; distressed exchange, merger or amalgamation without assumption or breach of material loan covenants not rectified within a given timeframe, restructuring with expected principal haircut or a breach in material financing covenant that is not rectified within a given time frame.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Amounts arising from Expected Credit Loss ("ECL") (Continued)

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques (Continued)

Definition of default (Continued)

Qualitative criteria (Continued)
The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Company's expected loss calculations.

Incorporating of forward-looking information

The Company incorporates forward-looking information in both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and in its measurement of ECL. The Company has performed historical analysis and identified key economic variables impacting credit risk and ECL for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Experienced judgement has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are obtained from publicly available economic databases published on a quarterly basis and provide the best estimate view of the economy over the next four to five years, and based on such information, to project the economic variables for the full remaining lifetime of each instrument, a mean reversion approach is used. The impact of these economic variables on the PD, EAD and LGD has been determined via regression analysis.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Amounts arising from Expected Credit Loss ("ECL") (Continued)

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques (Continued)

Incorporating of forward-looking information (Continued)

In addition to the base economic scenario, the Company uses multiple scenarios to ensure non-linear risks are captured. The number of scenarios and their respective scenario attributes are reviewed at each reporting date. At 31 December 2025, the Company concluded that two particular scenarios are capable of capturing non-linear risks inherent in all portfolios. The scenario weightings are determined by expert credit judgement, taking into account the range of possible outcomes presented by the chosen scenarios. The assessment of significant increase in credit risk is performed using the 12M PD under each scenario multiplied by the associated scenario weights. This determines whether the financial instrument is in Stage 1, 2 or 3, and hence whether 12M or lifetime ECL should be applied. Following this assessment, the Company measures ECL as either a probability-weighted 12M ECL (Stage 1), or a probability-weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weight (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of uncertainty and the actual outcomes may be significantly different from projected outcomes. The Company considers these forecasts being representative of the best estimates of the possible outcomes and has analysed the non-linear risks and asymmetries within the Company's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The sensitivity of the ECL to the economic variable assumptions affecting the calculation of ECL was not material to the Company for the years ended 31 December 2025.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(f) Credit risk (Continued)

Amounts arising from Expected Credit Loss ("ECL") (Continued)

Loss allowance - Provision for ECL

Table 22(E4): The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

	2025			2024		
Family takaful fund/Company	**12-month ECL RM'000**	**Lifetime ECL not credit impaired RM'000**	**Total RM'000**	**12-month ECL RM'000**	**Lifetime ECL not credit impaired RM'000**	**Total RM'000**
Debt investment securities at FVOCI						
Opening balance	244	-	244	693	73	766
Net remeasurement of loss allowance	(244)	-	(244)	(449)	-	(449)
New financial assets purchased	831	99	930	-	-	-
Changes in models/risk parameters	157	6	163		(73)	(73)
Closing balance	988	105	1,093	244	-	244

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity risk (Continued)

(g) Concentration risk

An important element of managing market, credit risk and liquidity risk is to actively manage concentration to specific issuers, counterparties, industry sectors, countries and currencies. Both internal and regulatory limits are put in place and monitored to manage this risk. These limits are reviewed on a regular basis by the ALC. The Company's exposures are within the concentration limits set by the regulator. The Company actively manages its investment mix to ensure that there is no significant concentration of market, credit risk and liquidity risk.

(h) Sensitivity analysis on financial risks

The sensitivity analysis below shows the impact on the Company's net profit after taxation by applying possible shocks to each key variable, with all other variables held constant. While the co-movement of key variables can significantly affect the fair values and/or amortised cost of financial assets, to demonstrate the impact due to changes in each key variable, the variables are changed individually.

The impact on net profit after taxation represents the effect caused by changes in fair value of financial assets whose fair values are recorded in the Profit or Loss Statement, and changes in valuation of takaful and retakaful certificate liabilities/assets. The equity sensitivity represents the impact on net profit after taxation and the effect on changes in fair value of financial assets measured at FVOCI and changes in takaful finance reserves.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity Risk (Continued)

(h) Sensitivity analysis on financial risks (Continued)

Table 22(F):

	Impact on profit/(loss) after tax				Impact on Equity [1]			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
Change in variables	Financial assets RM'000	Takaful & retakaful contracts RM'000	Financial assets RM'000	Takaful & retakaful contracts RM'000	Financial assets RM'000	Takaful & retakaful contracts RM'000	Financial assets RM'000	Takaful & retakaful contracts RM'000
(a) Profit rate								
+ 100 basis points	(5,705)	2,208	(4,104)	484	(7,506)	2,215	(4,104)	484
- 100 basis points	6,099	(6,853)	4,390	(4,322)	8,025	(6,860)	4,390	(4,322)
(b) Foreign currency								
5% increase in market value of RM denominated assets	21,325	-	18,168	-	21,325	-	18,168	-
5% decrease in market value of RM denominated assets	(21,325)	-	(18,168)	-	(21,325)	-	(18,168)	-
(c) Equity								
20% increase in market indices:								
- KLCI	1,465	5,399	1,265	6,515	6,605	5,399	6,301	6,515
20% decrease in market indices:								
- KLCI	(1,465)	(5,518)	(1,265)	(6,716)	(6,605)	(5,518)	(6,301)	(6,716)

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Market, Credit and Liquidity Risk (Continued)

(h) Sensitivity analysis on financial risks (Continued)

Table 22(F) (Continued):

	Impact on profit/(loss) after tax				Impact on Equity [1]			
	31 December 2025		31 December 2024		31 December 2025		31 December 2024	
Change in variables	Financial assets RM'000	Takaful & retakaful contracts RM'000	Financial assets RM'000	Takaful & retakaful contracts RM'000	Financial assets RM'000	Takaful & retakaful contracts RM'000	Financial assets RM'000	Takaful & retakaful contracts RM'000
(d) Credit								
Spread + 100 basis points	(3,277)	(3,203)	(2,662)	(3,398)	(4,312)	(3,203)	(2,662)	(3,398)
Spread - 100 basis points	3,481	618	2,822	351	4,581	618	2,822	351
(e) Alternative Investments [2]								
10% increase in market value of all alternative investments	1,402	-	1,365	-	1,402	-	1,365	-
10% increase in market value of all alternative investments	(1,402)	-	(1,365)	-	(1,402)	-	(1,365)	-

[1] The impact on equity reflects the after taxation impact, when applicable.
[2] Alternative Investments comprise investments in real estate, private equity, infrastructure and hedge funds.

The above tables demonstrate the sensitivity of the Company's profit and loss after tax and equity to a change in the specified variables on an individual basis with all other variables held constant.

The methodology for deriving sensitivities has not changed from the previous year. Certain variable has been updated to reflect more relevant scenarios for the Company.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Operational, Market Conduct and Compliance Risk

Operational risk is an event or action that may potentially impact partly or completely the achievement of the Company's objectives resulting from inadequate or failed internal processes and systems, human factors or external events.

Market conduct is a combination of both ethics and compliance. Market conduct refers to how the Company and its intermediaries conduct themselves in accordance with the ethical standards and in compliance with the relevant laws and regulations governing takaful and investment product for pre-distribution, during distribution and after distribution process. Market conduct is synonymous with professional behaviour and customer's protection. There are four areas in which the Company continuously strengthens:

- Fit and Proper
- Sales Advisory Process
- Training and Competency
- Business Conduct

Compliance risk is any event or action that may potentially impact partly or completely the achievement of the Company's objectives and its reputation, as a result of its failure to comply with the following applicable laws, regulations and standards:

- Laws, regulations and rules governing family takaful business and licensed activities undertaken by the Company;
- Codes of practice promoted by industry associations of which the Company is a member of; and
- Any other applicable regulations which do not specifically govern the licensed activities undertaken by the Company but can expose the organisation to legal, regulatory or reputational loss.

The day-to-day management of operational, market conduct and compliance risks is through the maintenance of comprehensive internal control frameworks, supported by an infrastructure of systems and procedures to monitor processes and transactions. The SMT regularly reviews and monitors these issues at its monthly meetings. The Internal Audit team regularly reviews the systems of internal control to assess their ongoing relevance and effectiveness, and report at least quarterly to the Board Audit Committee. As an added measure, the risk appetite statement explicitly sets the Company's tolerance level to financial loss arising from, amongst others, operational, market conduct and compliance risks.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Shariah Risk

Shariah risk refers to the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage, which the Company may suffer arising from failure to comply with Shariah requirements such as the rulings of the Shariah Advisory Council of BNM, standards on Shariah matters issued by BNM, or decision or advice of the Company's Shariah Committee.

The Company adopts a comprehensive and integrated approach to managing Shariah risk, supported by a sound internal control framework, risk management and compliance tools and a robust Shariah governance structure embedded across all business operations. Shariah related events or potential non compliance matters are monitored and reported to the Shariah Committee, Management and Board on a regular basis to ensure timely oversight and guidance. Independent assessments are conducted by the Internal Audit function to evaluate the effectiveness of internal controls, risk management systems, governance processes, and the overall level of Shariah compliance across the Company’s operations and business activities. These measures collectively ensure that Shariah risk is appropriately identified, managed, and mitigated as part of the Company’s overall risk management framework.

22. ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

Technology, Information and Cyber Risks

Technology Risk is defined as risk related to any potential adverse outcome, damage, loss, disruption, violation, or system/hardware failure, and capacity deficiency arising from the use of technologies such as electronic hardware/devices, software, and online networks and telecommunication systems.

Information Risk is defined as risk related to confidentiality, integrity and availability of information (in physical or digital form).

Cyber Risk is defined as risk related to acts perpetrated by malicious threat actors including internal sabotage, espionage, malicious attacks, hacking incidents, fraudulent conduct using information and communication technologies.

The Company adopts a risk-based approach in managing the risks relating to IT disruption, cyber threats, data loss and third-party breaches. The Company has put in place technical and procedural risk controls to defend against external and internal threats. Key risk indicators related to technology, information and cyber risks are reported to the Board on a regular basis. Independent assessment is performed by the Internal Audit team on the adequacy and effectiveness of the processes to manage technology, information and cyber risks. The risk appetite statement also explicitly sets the Company's tolerance level to financial loss arising from technology risks.

Sustainability Risk

Sustainability risk is defined as any environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment and enterprise value.

The Company's Sustainability Report 2025 will be published on its corporate website. The report is aligned with the requirements of the Global Reporting Initiative ("GRI") Standards for sustainability reporting, and the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD") for climate-related disclosures. The report provides an update on the Company's ambition for sustainable development, strategy, risk management practices, initiatives and progress.

23. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

An analysis of the methods used in determining the fair values of financial assets in accordance with the fair value hierarchy is as follows:

Family takaful fund	Level 1 RM'000	Level 2 RM'000	Total RM'000
2025			
Financial assets at FVOCI:			
Government investment issues	-	90,269	90,269
Unquoted Islamic private debt securities	-	244,556	244,556
Financial assets at FVTPL:			
Quoted Shariah-approved equities	771,128	-	771,128
Financial instruments with embedded derivatives	46	-	46
Unit trusts - REITS	15,146	-	15,146
Government investment issues	-	210,990	210,990
Unquoted Islamic private debt securities	-	389,048	389,048
Financial assets at AC:			
Islamic investment accounts with licensed Islamic banks	121,730	-	121,730
	908,050	934,863	1,842,913
2024			
Financial assets at FVOCI:			
Government investment issues	-	99,101	99,101
Unquoted Islamic private debt securities	-	251,312	251,312
Financial assets at FVTPL:			
Quoted Shariah-approved equities	737,188	-	737,188
Financial instruments with embedded derivatives	119	-	119
Unit trusts - REITS	14,464	-	14,464
Government investment issues	-	157,211	157,211
Unquoted Islamic private debt securities	-	297,342	297,342
Financial assets at AC:			
Islamic investment accounts with licensed Islamic banks	5,000	-	5,000
	756,771	804,966	1,561,737

23. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

An analysis of the methods used in determining the fair values of financial assets in accordance with the fair value hierarchy is as follows (Continued):

Company	Level 1 RM'000	Level 2 RM'000	Total RM'000
2025			
Financial assets at FVOCI:			
Quoted Shariah-approved equities	33,816	-	33,816
Government investment issues	-	90,269	90,269
Unquoted Islamic private debt securities	-	244,556	244,556
Financial assets at FVTPL:			
Quoted Shariah-approved equities	780,769	-	780,769
Financial instruments with embedded derivatives	46	-	46
Unit trusts - REITS	15,261	-	15,261
Government investment issues	-	274,936	274,936
Unquoted Islamic private debt securities	-	506,440	506,440
Financial assets at AC:			
Islamic investment accounts with licensed Islamic banks	192,000	-	192,000
	1,021,892	1,116,201	2,138,093
2024			
Financial assets at FVOCI:			
Quoted Shariah-approved equities	33,135	-	33,135
Government investment issues	-	99,101	99,101
Unquoted Islamic private debt securities	-	251,312	251,312
Financial assets at FVTPL:			
Quoted Shariah-approved equities	745,508	-	745,508
Financial instruments with embedded derivatives	119	-	119
Unit trusts - REITS	14,909	-	14,909
Government investment issues	-	208,424	208,424
Unquoted Islamic private debt securities	-	377,425	377,425
Financial assets at AC:			
Islamic investment accounts with licensed Islamic banks	6,000	-	6,000
	799,671	936,262	1,735,933

23. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

An analysis of the methods used in determining the fair values of financial assets in accordance with the fair value hierarchy is as follows (Continued):

There were no financial instruments whose fair values were determined based on Level 3 of the fair value hierarchy during the financial years ended 31 December 2025 and 31 December 2024 nor were there any significant transfers between different levels of the fair value hierarchy during the said financial years.

24. SHARIAH NON-COMPLIANCE RISK

Shariah non-compliance risk refers to the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage, which the Company may suffer arising from failure to comply with the rulings of the Shariah Advisory Council of BNM, standards on Shariah matters issued by BNM and related guidelines by the Association, or decision or advice from the Shariah Committee.

25. REGULATORY CAPITAL REQUIREMENT

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

	Family takaful fund RM'000	Company RM'000
2025		
Tier-1 Capital	34,641	188,331
Tier-2 Capital	(1,213)	8,085
Deductions	(146)	(23,510)
Capital Available	33,282	172,906
2024		
Tier-1 Capital	36,684	139,477
Tier-2 Capital	(1,213)	14,165
Deductions	(259)	(20,643)
Capital Available	35,213	132,998

As specified under the Islamic Financial Services Act 2013 under section 12, a takaful operator is required to maintain at all times the minimum capital funds as specified by the regulators.

26. MYSALAM SCHEME

Background

As part of Budget 2019, the Minister of Finance announced the mySalam Scheme ("the Scheme") which provides financial relief in the event of critical illness and hospitalisation to Malaysians under the B40 household income category. The Scheme went live in March 2019 and the Company was appointed as the takaful operator for this Scheme with the following roles and responsibilities:

- Claims assessment and administration;
- Education and awareness of the Scheme; and
- Financial management and reporting.

A National B40 Protection Trust Fund ("the Trust") has been set up to safeguard the funds relating to this Scheme. The Trust is governed by a Board of Trustees comprising senior members from the Ministry of Finance, the Ministry of Health and other independent representatives.

The Company has obtained approval from Bank Negara Malaysia that the capital adequacy requirements outlined in the Risk Based Capital Framework for Takaful Operators will not be applicable to mySalam.

The initial mySalam agreement reached its conclusion on 31 December 2023. Subsequently, the Company and the Trust have extended the mySalam arrangement, effective 1 January 2024, for a duration of three years. While the core objectives of the new arrangement remain unchanged, certain terms have been adjusted to incorporate insights and experiences acquired since the inception of the scheme in 2019.

(a) Statement of financial position ("SOFP")

2025	Family takaful fund RM'000	Company RM'000
Assets		
Property, plant and equipment	-	70
Investments	72,900	141,950
Other receivables	45,403	13,702
Cash and cash equivalents	90,034	119,528
Total assets	208,337	275,250
Liabilities		
Takaful certificate liabilities	208,337	224,818
Other payables	-	50,432
Total liabilities	208,337	275,250
Total equity, liabilities and participants' fund	208,337	275,250

26. MYSALAM SCHEME (CONTINUED)

(a) Statement of financial position ("SOFP") (Continued)

2024	Family takaful fund RM'000	Company RM'000
Assets		
Property, plant and equipment	-	126
Other receivables	66,295	1,654
Cash and cash equivalents	279,817	358,782
Total assets	349,112	363,562
Liabilities		
Takaful certificate liabilities	322,649	336,525
Provision for taxation	77	607
Other payables	26,386	26,430
Total liabilities	349,112	363,562
Total equity, liabilities and participants' fund	349,112	363,562

26. MYSALAM SCHEME (CONTINUED)

(b) Statement of Profit or Loss
For the financial year ended 31 December 2025

	31 December 2025		31 December 2024	
	Family Takaful Fund RM'000	Company RM'000	Family Takaful Fund RM'000	Company RM'000
Takaful revenue	584,551	584,551	627,673	665,410
Takaful service expenses	(591,208)	(593,369)	(634,975)	(675,434)
Takaful service result	(6,657)	(8,818)	(7,302)	(10,024)
Net investment income	6,664	9,089	7,292	10,127
Other investment (expenses)/income	(7)	(271)	10	(103)
Net investment income	6,657	8,818	7,302	10,024
Net takaful and investment result	-	-	-	-
Other operating (outgo)/ income	(77)	(608)	77	608
Other outgo and income	(77)	(608)	77	608
Taxation	77	608	(77)	(608)
Net profit for the financial year	-	-	-	-

The FY2024 statement of profit or loss includes both the mySalam schemes measured under GMM and PAA.

27. SIGNIFICANT EVENTS AFTER REPORTING DATE

There were no material or significant events subsequent to the financial year end that would require adjustment to, or disclosure in, these financial statements.

pwc

INDEPENDENT AUDITORS' REPORT
TO THE MEMBER OF GREAT EASTERN TAKAFUL BERHAD
(Incorporated in Malaysia)
Registration No. 201001032332 (916257-H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Great Eastern Takaful Berhad ("the Company") give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Company, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 46 to 213.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146),
Chartered Accountants, Level 10, Menara TH 1 Sentral,
Jalan Rakyat, Kuala Lumpur Sentral, P O Box 10192,
50706 Kuala Lumpur, Malaysia.
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288

www.pwc.com

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

WONG HOI CHERN
03252/05/2026 J
Chartered Accountant

Kuala Lumpur
30 March 2026