

Registration No.

199301022976 (277714-A)

FWD INSURANCE BERHAD
(Incorporated in Malaysia)

FINANCIAL STATEMENTS

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

Registration No.

199301022976 (277714-A)

FWD INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD 30 JUNE 2025**

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FWD INSURANCE BERHAD
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UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	<u>Note</u>	<u>30.06.2025</u> <u>RM'000</u>	<u>31.12.2024</u> <u>RM'000</u>
ASSETS			
Property and equipment		14,833	16,182
Investment property		-	-
Intangible assets		8,850	10,332
Right-of-use ("ROU") assets		34,898	36,662
Investments	9	1,776,295	1,834,292
Insurance contract assets	14	859	820
Reinsurance contract assets	10	22,189	20,845
Other receivables	11	63,635	26,164
Cash and cash equivalents		175,944	193,728
Deferred tax assets		-	-
TOTAL ASSETS		<u>2,097,503</u>	<u>2,139,025</u>
EQUITY AND LIABILITIES			
Share capital	12	519,000	463,000
(Accumulated losses)/Retained earnings	13	(126,576)	(108,807)
Fair value reserve	13	88,724	63,752
Asset revaluation reserve	13	760	760
Insurance/reinsurance finance reserve	13	(66,832)	(58,126)
TOTAL EQUITY		<u>415,076</u>	<u>360,579</u>
Insurance contract liabilities	14	1,474,011	1,582,045
Reinsurance contract liabilities	10	408	319
Deferred tax liabilities		15,903	13,655
Tax payable		3,648	3,477
Other payables	15	164,430	152,947
Lease liabilities		24,027	26,003
TOTAL LIABILITIES		<u>1,682,427</u>	<u>1,778,446</u>
TOTAL EQUITY AND LIABILITIES		<u>2,097,503</u>	<u>2,139,025</u>

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

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**UNAUDITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	6 months ended <u>30.06.2025</u> RM'000	6 months ended <u>30.06.2024</u> RM'000
Insurance revenue	73,136	62,307
Insurance service expense	(60,204)	(78,468)
Net expenses from reinsurance contracts held	(2,006)	(4,136)
Insurance service result	<u>10,926</u>	<u>(20,297)</u>
Interest revenue from financial assets not measured at fair value through profit or loss ("FVTPL")	28,850	31,021
Net (losses)/gains on FVTPL financial assets	(48,586)	88,246
Net gain on derecognition of financial assets measured at fair value through other comprehensive income ("FVOCI")	876	1,371
Impairment loss on financial assets	(1,121)	(162)
Other investment income	10,386	9,596
Investment expenses	(4,544)	(4,050)
Net investment income	<u>(14,139)</u>	<u>126,022</u>
Insurance finance income/(expenses) for insurance contracts issued	20,358	(69,124)
Reinsurance finance income for reinsurance contracts held	187	76
Net insurance financial result	<u>20,545</u>	<u>(69,048)</u>
Net insurance and investment result	<u>17,332</u>	<u>36,677</u>
Other operating expenses	(18,872)	(4,401)
(Loss)/income before income tax	<u>(1,540)</u>	<u>32,276</u>
Tax expense	(16,229)	(20,807)
Net (loss)/income for the financial period	<u>(17,769)</u>	<u>11,469</u>
Basic and diluted (loss)/income per share (sen)	<u>(3)</u>	<u>4</u>

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**UNAUDITED CONDENSED INTERIM STATEMENT OF OTHER
COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	6 months ended <u>30.06.2025</u> RM'000	6 months ended <u>30.06.2024</u> RM'000
Net (loss)/gain for the financial period	<u>(17,769)</u>	<u>11,469</u>
Other comprehensive loss:		
Items that will be reclassified to the income statement		
Net gain on financial assets at FVOCI	18,207	140
Deferred tax relating to these items	<u>6,765</u>	<u>139</u>
	<u>24,972</u>	<u>279</u>
Insurance finance expenses for insurance contracts issued	(12,328)	(4,084)
Reinsurance finance income for reinsurance contracts held	873	172
Deferred tax relating to these items	<u>2,749</u>	<u>939</u>
	<u>(8,706)</u>	<u>(2,973)</u>
Total other comprehensive income/(loss)	<u>16,266</u>	<u>(2,694)</u>
Total comprehensive (loss)/income for the financial period	<u>(1,503)</u>	<u>8,775</u>

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FWD INSURANCE BERHAD
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**UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	Share capital RM'000	Fair value reserves RM'000	Asset revaluation reserves RM'000	Insurance/ reinsurance finance reserves RM'000	Retained earnings		Total RM'000
					Non Distributable RM'000	Distributable RM'000	
At 1 January 2024	305,000	57,204	603	(47,961)	(140,237)	89,628	264,237
Net loss for the financial year	-	-	-	-	(65,668)	7,470	(58,198)
Other comprehensive (loss)/income for the financial year	-	6,548	157	(10,165)	-	-	(3,460)
Total comprehensive (loss)/Income for the financial year	-	6,548	157	(10,165)	(65,668)	7,470	(61,658)
Issuance of shares during the financial period	158,000	-	-	-	-	-	158,000
At 31 December 2024	463,000	63,752	760	(58,126)	(205,905)	97,098	360,579
Net loss for the financial year	-	-	-	-	(11,635)	(6,134)	(17,769)
Other comprehensive (loss)/income for the financial year	-	24,972	-	(8,706)	-	-	16,266
Total comprehensive (loss)/Income for the financial year	-	24,972	-	(8,706)	(11,635)	(6,134)	(1,503)
Issuance of shares during the financial period	56,000	-	-	-	-	-	56,000
At 30 June 2025	519,000	88,724	760	(66,832)	(217,540)	90,964	415,076

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FWD INSURANCE BERHAD
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**UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	<u>Note</u>	6 months ended <u>30.06.2025</u> RM'000	6 months ended <u>30.06.2024</u> RM'000
(Loss)/income before income tax		(1,540)	32,276
Interest revenue calculated using the effective interest method		(28,850)	(31,021)
Net losses/(gains) on financial assets at FVTPL		48,586	(88,246)
Net gains on derecognition of financial assets at FVOCI		(876)	(1,371)
Other investment Income		(10,386)	(9,596)
Investment expenses		4,544	4,050
Impairment loss on financial assets		1,121	162
Purchases of FVTPL financial assets		(169,881)	(164,735)
Proceeds from sale of FVTPL financial assets		223,201	209,998
Purchases of FVOCI financial assets		(440,843)	(45,131)
Proceeds from sale of FVOCI financial assets		410,092	51,546
Placement of fixed and call deposits		(1,218)	(2,010)
Maturity of fixed and call deposits		1,187	822
Non-cash items:			
Depreciation of property and equipment		675	479
Depreciation of right-of-use assets		1,931	1,278
Interest expense on lease liabilities		209	452
Amortisation of intangible assets		1,799	2,572
Property and equipment written off		(3,662)	-
Changes in working capital:			
Increase/(decrease) in reinsurance contract assets		(382)	1,050
Increase/(decrease) in other receivables		(11,472)	4,040
Decrease in insurance contract liabilities		(120,402)	(155,757)
Increase in other payables		14,406	39,897
Cash used in operating activities		<u>(81,761)</u>	<u>(149,245)</u>

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**UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (CONTINUED)**

	<u>Note</u>	6 months ended 30.06.2025 RM'000	6 months ended 30.06.2024 RM'000
Cash used in operating activities		(81,761)	(149,245)
Dividend income received		4,458	7,288
Interest paid on lease liabilities		(209)	(452)
Rental income on investment property received		45	64
Income tax paid		(3,084)	(1,113)
Net cash (used in)/generated from operating activities		(80,551)	(143,458)
INVESTING ACTIVITIES			
Proceeds from disposal of properties and equipment		834	-
Proceeds from disposal of Intangible assets		8,195	-
Purchase of property and equipment		(118)	(410)
Purchase of intangible assets		-	(10,371)
Net cash used in investing activities		8,911	(10,781)
FINANCING ACTIVITIES			
Issuance of shares during the financial period		56,000	-
Payment of principal portion of lease liabilities		(2,144)	(1,228)
Net cash generated from/(used in) financing activities		53,856	(1,228)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(17,784)	(155,467)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		193,728	230,756
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD		175,944	75,289

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

1 BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2025 are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standard (“MFRS”) 134 – Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2024, which have been prepared in accordance with MFRSs, International Financial Reporting Standards (“IFRSs”) and comply with the requirements of the Companies Act 2016 in Malaysia, except as disclosed in note 2 to the interim financial statements.

The explanatory notes attached to the condensed interim financial statements provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 December 2024.

2 MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies adopted in the preparation of the unaudited condensed interim financial statements are consistent with those adopted in the Company’s audited financial statements for the financial year ended 31 December 2024, except for the adoption of the following MFRS and amendment to MFRS.

MFRSs/Interpretations

Effective Date

- Amendment to MFRS 121 *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* 1 January 2025

The adoption of the above standard and amendments to standard issued by Malaysian Accounting Standards Board (“MASB”) in the current financial period do not have any material impact to the condensed interim financial statements of the Company.

3 SEASONAL OR CYCLICAL FACTORS

The business and operations of the Company was not materially affected by seasonal or cyclical factors during the interim financial period.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

4 UNUSUAL ITEMS

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows of the Company since the last audited annual financial statements.

5 MATERIAL CHANGES IN ESTIMATES

There were no material changes in the basis used for the accounting estimates in the interim financial period other than those mentioned in Note 2.

6 DIVIDENDS

No dividend has been paid or declared by the Company during the interim financial period.

7 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

There were no significant event during the interim financial period.

8 CHANGES IN THE COMPOSITION OF THE COMPANY

There were no changes in the composition of the Company during the interim financial period.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

9 INVESTMENTS

	<u>30.06.2025</u>	<u>31.12.2024</u>
	<u>RM'000</u>	<u>RM'000</u>
Malaysian government securities	41,796	50,926
Malaysian government guaranteed bonds	234,806	647,239
Private debt securities	934,369	467,507
Quoted shares	276,381	386,623
Unquoted shares	32,321	32,321
Unit and property trust funds	253,738	246,308
Warrants	1,666	2,180
Fixed and call deposits	1,218	1,188
	<u>1,776,295</u>	<u>1,834,292</u>
Fair value through other comprehensive income ("FVOCI") financial assets	1,210,151	1,166,272
Fair value through profit or loss ("FVTPL") financial assets	564,926	666,832
Amortised cost ("AC") financial assets	1,218	1,188
	<u>1,776,295</u>	<u>1,834,292</u>

(a) FVOCI financial assets

	<u>30.06.2025</u>	<u>31.12.2024</u>
	<u>RM'000</u>	<u>RM'000</u>
<u>Fair value</u>		
Unquoted in Malaysia		
Unquoted shares	32,321	32,321
Private debt securities	892,413	430,458
Malaysian government securities	41,266	50,378
Malaysian government guaranteed bonds	232,225	640,124
Accrued interest	11,926	12,991
	<u>1,210,151</u>	<u>1,166,272</u>

(b) FVTPL financial assets

	<u>30.06.2025</u>	<u>31.12.2024</u>
	<u>RM'000</u>	<u>RM'000</u>
<u>Fair value</u>		
Quoted in Malaysia		
Mandatorily measured		
Quoted shares	276,381	386,623
Warrants	1,666	2,180
Unit trust and property trust funds	253,738	246,308
Unquoted in Malaysia		
By designation		
Private debt securities	32,781	31,376
Accrued interest	360	345
	<u>564,926</u>	<u>666,832</u>

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

9 INVESTMENTS (CONTINUED)

(c) AC financial assets

	<u>30.06.2025</u>	<u>31.12.2024</u>
	<u>RM'000</u>	<u>RM'000</u>
<u>Fair value</u>		
Unquoted in Malaysia		
Fixed and call deposits	<u>1,218</u>	<u>1,188</u>

(d) Carrying value of financial assets

	<u>AC</u>	<u>FVOCI</u>	<u>FVTPL</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 1 January 2025	1,188	1,166,272	666,832	1,834,292
Purchases/placement of deposits	1,218	439,625	169,881	610,724
Maturity/proceeds from sale	(1,188)	(408,873)	(223,201)	(633,262)
Realised gains	-	876	(4,415)	(3,539)
Fair value gains recorded in:	-	-	-	-
Income statement	-	-	(44,171)	(44,171)
Other comprehensive income	-	15,877	-	15,877
Accretion of discount	-	(4,474)	-	(4,474)
Movement of accrued interest	-	848	-	848
At 30 June 2025	<u>1,218</u>	<u>1,210,151</u>	<u>564,926</u>	<u>1,776,295</u>
At 1 January 2024	822	1,258,985	594,837	1,854,644
Purchases/placement of deposits	1,188	122,186	385,210	508,584
Maturity/proceeds from sale	(822)	(244,600)	(387,878)	(613,300)
Realised gains	-	2,587	37,993	40,580
Fair value gains recorded in:	-	-	-	-
Income statement	-	-	36,636	36,636
Other comprehensive income	-	8,530	-	8,530
Accretion of discount	-	(7)	-	(7)
Movement of accrued interest	-	(1,409)	34	(1,375)
At 31 December 2024	<u>1,188</u>	<u>1,166,272</u>	<u>666,832</u>	<u>1,834,292</u>

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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9 INVESTMENTS (CONTINUED)

(e) Changes in the fair value and the corresponding ECL

No loss allowance is recognised in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the fair value reserve.

Movements in allowances for impairment, which reflects the expected credit loss ("ECL") model on impairment, recognised in other comprehensive income.

The loss allowance for FVOCI financial assets of RM 1.12mil (2024: RM 0.26mil) does not reduce the carrying amount of these investments (which are measured at fair value) but gives rise to an equal and opposite gain in OCI.

(f) Estimation of fair value

Fair value hierarchy disclosure

The following table presents the Company's assets that are measured at fair value.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>30 June 2025</u>				
FVTPL financial assets				
Quoted in Malaysia				
Shares and warrants	278,047	-	-	278,047
Unit trust and property trust funds	253,738	-	-	253,738
	-	-	-	-
Unquoted in Malaysia				
Private debt securities	-	32,781	-	32,781
Accrued Interest	-	361	-	361
FVOCI financial assets				
Unquoted in Malaysia				
Shares	-	-	32,321	32,321
Private debt securities	-	892,413	-	892,413
Malaysian government securities	-	41,266	-	41,266
Malaysian government guaranteed bonds	-	232,225	-	232,225
Accrued Interest	-	11,925	-	11,925
Fixed and call deposits	1,218	-	-	1,218
Total investments	<u>533,003</u>	<u>1,210,971</u>	<u>32,321</u>	<u>1,776,295</u>

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9 INVESTMENTS (CONTINUED)

(f) Estimation of fair value (continued)

Fair value hierarchy disclosure

The following table presents the Company's assets that are measured at fair value.

	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>31 December 2024</u>				
FVTPL financial assets				
Quoted in Malaysia				
Shares and warrants	388,803	-	-	388,803
Unit trust and property trust funds	246,308	-	-	246,308
Unquoted in Malaysia				
Private debt securities	-	31,376	-	31,376
Accrued Interest	-	345	-	345
FVOCI financial assets				
Unquoted in Malaysia				
Shares	-	-	32,321	32,321
Private debt securities	-	430,458	-	430,458
Malaysian government securities	-	50,378	-	50,378
Malaysian government guaranteed bonds	-	640,124	-	640,124
Accrued Interest	-	12,991	-	12,991
Fixed and call deposits	1,188	-	-	1,188
Total investments	<u>636,299</u>	<u>1,165,672</u>	<u>32,321</u>	<u>1,834,292</u>
			<u>30.06.2025</u>	<u>31.12.2024</u>
			RM'000	RM'000
<u>Level 3</u>				
At 1 January			32,321	28,097
Fair value gains			-	12,787
Impairment of financial assets				
FVOCI debt securities			-	-
Sales of financial assets			-	(8,563)
At 31 December			<u>32,321</u>	<u>32,321</u>

As observable prices are not available for these securities, the Directors have determined the fair values of equity securities based on their net asset value per share and fair values of debt securities based on discounted cash flows and the binding bid price quoted by the issuer. The valuations are not sensitive to a change in unobservable inputs.

Level 3 valuations are reviewed on an annual basis by the Company's management. The management considers the appropriateness of the valuation model inputs, as well as the valuation result using the valuation method and techniques generally recognised as standard within industry.

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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (CONTINUED)**

10 REINSURANCE CONTRACTS

The roll-forward of the net asset for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising business ceded to reinsurers is disclosed in the table below:

	Note	Excluding loss- recovery component RM'000	Loss- recovery component RM'000	Amounts recoverable on incurred claims RM'000	PAA Estimates of the present value of future cash flows RM'000	Total RM'000
<u>30.06.2025</u>						
Reinsurance contract assets as at 1 January		(8,411)	21,029	8,014	213	20,845
Reinsurance contract (liabilities) as at 1 January		(1,219)	(82)	982	-	(319)
Net reinsurance contract assets as at 1 January		(9,630)	20,947	8,996	213	20,526
Net Income/(expenses) from reinsurance contracts		(5,522)	222	3,461	(167)	(2,006)
Net finance income/(expenses) from reinsurance contracts		677	383	-	-	1,060
Total changes in the Income statement and OCI		(4,845)	605	3,461	(167)	(946)
Cash flows						
Premiums paid		3,681	-	-	105	3,786
Amounts received		-	-	(1,585)	-	(1,585)
Total cash flows		3,618	-	(1,585)	105	2,201
Net reinsurance contract assets as at 30 June		(10,794)	21,552	10,872	151	21,781
Reinsurance contract assets as at 30 June		(7,499)	21,188	8,349	151	22,189
Reinsurance contract (liabilities) as at 30 June		(3,295)	364	2,523	-	(408)
Net reinsurance contract assets as at 30 June		(10,794)	21,552	10,872	151	21,781

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10 REINSURANCE CONTRACTS (CONTINUED)

The roll-forward of the net asset for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising business ceded to reinsurers is disclosed in the table below:

	Note	Excluding loss- recovery component RM'000	Loss- recovery component RM'000	Amounts recoverable on incurred claims RM'000	PAA Estimates of the present value of future cash flows RM'000	Total RM'000
<u>31.12.2024</u>						
Reinsurance contract assets as at 1 January		(9,079)	12,952	7,361	-	11,234
Reinsurance contract (liabilities) as at 1 January		(1,070)	(128)	779	(70)	(489)
Net reinsurance contract assets as at 1 January		(10,149)	12,824	8,140	(70)	10,745
Net Income/(expenses) from reinsurance contracts		(10,566)	7,614	7,423	237	4,708
Net finance income/(expenses) from reinsurance contracts		66	509	-	-	575
Total changes in the Income statement and OCI		(10,500)	8,123	7,423	237	5,283
Cash flows						
Premiums paid		11,019	-	-	46	11,065
Amounts received		-	-	(6,567)	-	(6,567)
Total cash flows		11,019	-	(6,567)	46	4,498
Net reinsurance contract assets as at 31 December		(9,630)	20,947	8,996	213	20,526
Reinsurance contract assets as at 31 December		(8,411)	21,029	8,014	213	20,845
Reinsurance contract (liabilities) as at 31 December		(1,219)	(82)	982	-	(319)
Net reinsurance contract assets as at 31 December		(9,630)	20,947	8,996	213	20,526

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11 OTHER RECEIVABLES

	<u>30.06.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000
Prepayments	6,098	4,893
Income due and accrued	884	102
Receivable from fund managers and brokers	18,892	15,024
Receivable from related parties	4,088	3,125
Other receivables and deposits	33,673	3,020
	<u>63,635</u>	<u>26,164</u>

The Company does not offset its other receivables against other payables. The Company does not have any financial instruments subject to an enforceable master netting arrangement or financial collateral (pledged or received) as at 30 June 2025 (2024: RM nil).

12 SHARE CAPITAL

	<u>30.06.2025</u>		<u>31.12.2024</u>	
	Number of shares	Amount	Number of shares	Amount
	'000	RM'000	'000	RM'000
Issued and fully paid ordinary shares:				
At the beginning of the financial period/year	463,000	463,000	305,000	305,000
Issued during the financial period/year	56,000	56,000	158,000	158,000
At the end of financial period/year	<u>519,000</u>	<u>519,000</u>	<u>463,000</u>	<u>463,000</u>

13 RESERVES

(a) Retained earnings - Distributable

Pursuant to the single tier system, any dividends distributed by the Company will be exempted from tax in the hand of shareholders. The Company shall not be entitled to deduct on dividend paid, credited or distributed to shareholders.

The Company may distribute single tier exempt dividend to its shareholders out of its retained earnings. Pursuant to Section 51(1) of the FSA, the Company is required to obtain BNM's written approval prior to declaring or paying any dividend with effect from the financial year beginning 1 December 2013. Pursuant to the RBC Framework for Insurers, the Company shall not pay dividends if its Capital Adequacy position is less than its internal target capital level or if the payment of dividend would impair its Capital Adequacy Ratio ("CAR") position to below its internal target.

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13 RESERVES (continued)

(b) Other reserves

Other reserves consist of fair value reserve, asset revaluation reserve and insurance/reinsurance finance reserve.

The fair value reserves of the Company represent the fair value gains or losses of the FVOCI financial assets, net of deferred tax.

The asset revaluation reserve represents the revaluation surplus of self-occupied properties.

The insurance finance reserves represent the impact of changes in market interest rate on the value of the Life insurance and related reinsurance assets and liabilities.

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14 INSURANCE CONTRACT LIABILITIES

- (i) The roll-forward of the net liability for Insurance contracts Issued, showing the liability for remaining coverage and the liability for Incurred claims for portfolios not measured under the PAA, is disclosed In the table below:

	30.06.2025			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss components	Loss component	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
Insurance contract liabilities as at 1 January	1,220,281	110,896	246,711	1,577,888
Insurance contract (assets) as at 1 January	(7,163)	4,684	1,659	(820)
Net Insurance contract liabilities as at 1 January	1,213,118	115,580	248,370	1,577,068
Insurance revenue	(66,722)	-	-	(66,722)
Contracts under the fair value approach	(48,057)	-	-	(48,057)
Other contracts	(18,665)	-	-	(18,665)
Insurance service expense	10,944	(5,865)	49,003	54,082
Incurred claims and other insurance service expenses	-	(15,131)	49,020	33,889
Amortisation of insurance acquisition cash flows	10,944	-	-	10,944
Losses and reversal of losses on onerous contracts	-	9,266	-	9,266
Adjustments to liabilities for Incurred claims	-	-	(17)	(17)
Investment components	(67,470)	-	67,470	-
Insurance service result	(123,248)	(5,865)	116,473	(12,640)
Net finance expenses for insurance contracts	(9,726)	1,696	-	(8,030)
Total changes in the income statement and OCI	(132,974)	(4,169)	116,473	(20,670)
Cash flows				
Premiums received	75,434	-	-	75,434
Claims and other Insurance service expenses paid, including investment components	-	-	(128,937)	(128,937)
Insurance acquisition cash flows	(37,392)	-	-	(37,392)
Total cash flows	38,042	-	(128,937)	(90,895)
Net insurance contract liabilities as at 30 June	1,118,186	111,411	235,906	1,465,503
Insurance contracts liabilities as at 30 June	1,124,710	107,356	234,296	1,466,362
Insurance contracts (assets) as at 30 June	(6,524)	4,055	1,610	(859)
Net insurance contract liabilities as at 30 June	1,118,186	111,411	235,906	1,465,503

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14 **INSURANCE CONTRACT LIABILITIES (continued)**

- (i) The roll-forward of the net liability for Insurance contracts Issued, showing the liability for remaining coverage and the liability for Incurred claims for portfolios not measured under the PAA, is disclosed In the table below:

	31.12.2024			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss components	Loss component	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
Insurance contract liabilities as at 1 January	1,414,886	80,799	291,344	1,787,029
Insurance contract (assets) as at 1 January	(2,659)	562	1,692	(405)
Net Insurance contract liabilities as at 1 January	1,412,227	81,361	293,036	1,786,624
Insurance revenue	(131,074)	-	-	(131,074)
Contracts under the fair value approach	(98,735)	-	-	(98,735)
Other contracts	(32,339)	-	-	(32,339)
Insurance service expense	18,129	31,233	100,462	149,824
Incurred claims and other insurance service expenses	-	(21,139)	113,994	92,885
Amortisation of insurance acquisition cash flows	18,129	-	-	18,129
Losses and reversal of losses on onerous contracts	-	52,372	-	52,372
Adjustments to liabilities for Incurred claims	-	-	(13,532)	(13,532)
Investment components	(287,087)	-	287,087	-
Insurance service result	(400,032)	31,233	387,549	18,750
Net finance expenses for insurance contracts	126,445	2,986	-	129,431
Total changes in the income statement and OCI	(273,587)	34,219	387,549	148,181
Cash flows				
Premiums received	145,921	-	-	145,921
Claims and other Insurance service expenses paid, including investment components	-	-	(432,215)	(432,215)
Insurance acquisition cash flows	(71,443)	-	-	(71,443)
Total cash flows	74,478	-	(432,215)	(357,737)
Net insurance contract liabilities as at 31 December	1,213,118	115,580	248,370	1,577,068
Insurance contracts liabilities as at 31 December	1,220,281	110,896	246,711	1,577,888
Insurance contracts (assets) as at 31 December	(7,163)	4,684	1,659	(820)
Net insurance contract liabilities as at 31 December	1,213,118	115,580	248,370	1,577,068

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14 **INSURANCE CONTRACT LIABILITIES (continued)**

- (ii) The roll-forward of the net liability for Insurance contracts Issued, showing the liability for remaining coverage and the liability for Incurred claims for portfolios measured under the PAA, is disclosed In the table below:

	30.06.2025			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss components	Loss component	for incurred claims	Total
	RM'000	RM'000	RM'000	RM'000
Insurance contract liabilities as at 1 January	3,721	259	177	4,157
Insurance contract (assets) as at 1 January	-	-	-	-
Net Insurance contract liabilities as at 1 January	3,721	259	177	4,157
Insurance revenue	(6,414)	-	-	(6,414)
Contracts under the fair value approach	-	-	-	-
Other contracts	(6,414)	-	-	(6,414)
Insurance service expense	3,686	1,990	449	6,125
Incurred claims and other insurance service expenses	-	(1,010)	454	(556)
Amortisation of insurance acquisition cash flows	3,686	-	-	3,686
Losses and reversal of losses on onerous contracts	-	3,000	-	3,000
Adjustments to liabilities for Incurred claims	-	-	(5)	(5)
Investment components	-	-	-	-
Insurance service result	(2,728)	1,990	449	(289)
Total changes in the income statement and OCI	(2,728)	1,990	449	(289)
Cash flows				
Premiums received	9,516	-	-	9,516
Claims and other Insurance service expenses paid, including investment components	-	-	(357)	(357)
Insurance acquisition cash flows	(5,378)	-	-	(5,378)
Total cash flows	4,138	-	(357)	3,781
Net insurance contract liabilities as at 30 June	5,131	2,249	269	7,649
Insurance contracts liabilities as at 30 June	5,131	2,249	269	7,649
Insurance contracts (assets) as at 30 June	-	-	-	-
Net insurance contract liabilities as at 30 June	5,131	2,249	269	7,649

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14 INSURANCE CONTRACT LIABILITIES (continued)

- (ii) The roll-forward of the net liability for Insurance contracts Issued, showing the liability for remaining coverage and the liability for Incurred claims for portfolios measured under the PAA, is disclosed In the table below:

	31.12.2024			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss components	Loss component		
	RM'000	RM'000	RM'000	RM'000
Insurance contract liabilities as at 1 January	-	-	-	-
Insurance contract (assets) as at 1 January	(544)	231	223	(90)
Net Insurance contract liabilities as at 1 January	(544)	231	223	(90)
Insurance revenue	(4,539)	-	-	(4,539)
Contracts under the fair value approach	-	-	-	-
Other contracts	(4,539)	-	-	(4,539)
Insurance service expense	2,329	28	902	3,259
Incurred claims and other insurance service expenses	-	(1,111)	1,140	29
Amortisation of insurance acquisition cash flows	2,329	-	-	2,329
Losses and reversal of losses on onerous contracts	-	1,139	-	1,139
Adjustments to liabilities for Incurred claims	-	-	(238)	(238)
Investment components	-	-	-	-
Insurance service result	(2,210)	28	902	(1,280)
Total changes in the income statement and OCI	(2,210)	28	902	(1,280)
Cash flows				
Premiums received	11,167	-	-	11,167
Claims and other Insurance service expenses paid, including investment components	-	-	(948)	(948)
Insurance acquisition cash flows	(4,692)	-	-	(4,692)
Total cash flows	6,475	-	(948)	5,527
Net insurance contract liabilities as at 31 December	3,721	259	177	4,157
Insurance contracts liabilities as at 31 December	3,721	259	177	4,157
Insurance contracts (assets) as at 31 December	-	-	-	-
Net insurance contract liabilities as at 31 December	3,721	259	177	4,157

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15 OTHER PAYABLES

	<u>30.06.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000
Accrued expenses	13,837	14,773
Provision for bonus	7,949	15,817
Unclaimed monies	6,069	6,346
Payable to investment brokers	8,522	947
Payable to agents	9,329	11,274
Payable to related parties	61,573	73,326
Other payable	57,151	30,464
	<u>164,430</u>	<u>152,947</u>

The carrying amounts disclosed above approximate fair value at the statement of financial position date.

The Company does not offset their other payables against other receivables. The Company does not have any financial instruments subject to an enforceable master netting arrangement or financial collateral (pledged or received) as at 30 June 2025 (2024: RM Nil).

16 CAPITAL COMMITMENTS

As of 30 June 2025, capital expenditure approved by Directors but not provided for in the financial statements are as follows:

	<u>30.06.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000
Authorised and contracted but not provided for:		
Computer hardware and software	5	672
Property and equipment	-	2
Project - Renovation cost	849	-
	<u>854</u>	<u>674</u>