

PROSPECTUS

CHUBB®

CHUBB INSURANCE MALAYSIA BERHAD

(Registration No. 197001000564 (9827-A))

(Incorporated in Malaysia under the Companies Act 1965 and deemed registered under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("IPO") OF 300,000,000 EXISTING ORDINARY SHARES IN CHUBB INSURANCE MALAYSIA BERHAD ("CHUBB MALAYSIA" OR "COMPANY") ("SHARES") ("OFFER SHARES") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED SHARES IN CHUBB MALAYSIA ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD VIA AN OFFER FOR SALE OF 300,000,000 OFFER SHARES INVOLVING:

- (I) INSTITUTIONAL OFFERING OF 249,546,800 OFFER SHARES TO INSTITUTIONAL AND SELECTED INVESTORS INCLUDING BUMIPUTERA INVESTORS APPROVED BY THE MINISTRY OF FINANCE OF MALAYSIA AT THE INSTITUTIONAL PRICE TO BE DETERMINED BY WAY OF BOOKBUILDING ("INSTITUTIONAL PRICE"); AND**
- (II) RETAIL OFFERING OF 50,453,200 OFFER SHARES TO THE INDEPENDENT DIRECTORS OF CHUBB MALAYSIA AND THE MALAYSIAN PUBLIC AT THE RETAIL PRICE OF RM[•] PER OFFER SHARE ("RETAIL PRICE"), PAYABLE IN FULL UPON APPLICATION AND SUBJECT TO REFUND OF THE DIFFERENCE BETWEEN THE RETAIL PRICE AND THE FINAL RETAIL PRICE (AS DEFINED IN THIS PROSPECTUS) IN THE EVENT THAT THE FINAL RETAIL PRICE IS LESS THAN THE RETAIL PRICE,**

SUBJECT TO THE CLAWBACK AND REALLOCATION PROVISIONS. THE FINAL RETAIL PRICE WILL BE EQUAL TO THE LOWER OF:

- (A) THE RETAIL PRICE; OR**
- (B) THE INSTITUTIONAL PRICE**

Principal Adviser, Sole Bookrunner, Sole Underwriter and Sole Placement Agent



Investment Bank

Company Registration No. 197301002412
(A Participating Organisation of Bursa Malaysia Securities Berhad)

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER SIX MONTHS FROM THE DATE OF THIS PROSPECTUS.

[THE SC HAS APPROVED THE OFFER OR INVITATION FOR THE OFFERING UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007.]

THIS PROSPECTUS [HAS BEEN REGISTERED] BY THE SC. THE APPROVAL OF OUR IPO AND REGISTRATION OF THIS PROSPECTUS SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS OUR IPO OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF OUR SHARES BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS THAT YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 29.

LISTING SOUGHT : MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

THIS PROSPECTUS IS NOT TO BE DISTRIBUTED OUTSIDE MALAYSIA

THIS PROSPECTUS IS DATED [•]

All defined terms used in this Prospectus are defined under “Presentation of Financial and Other Information”, “Definitions” and “Glossary of Technical Terms” commencing on pages viii, xi and xix of this Prospectus, respectively.

RESPONSIBILITY STATEMENTS

Our Directors, our Promoter and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB, being the Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

STATEMENTS OF DISCLAIMER

[Our Company has obtained the approval of Bursa Securities for our Listing.] Admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our Shares.

[This Prospectus, together with the Application Forms, have also been lodged with the Registrar of Companies, who takes no responsibility for its contents.]

OTHER STATEMENTS

Investors should note that they may seek recourse under Sections 248, 249 and 357 of the CMSA for breaches of securities laws including any statement in this Prospectus that is false, misleading, or from which there is a material omission, or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to our Company.

Our Shares are offered to the public on the premise of full and accurate disclosure of all material information concerning our IPO, for which any person set out in Section 236 of the CMSA, is responsible.

Investors should not take the agreement by the Sole Underwriter named in this Prospectus to underwrite our Shares under the Retail Offering as an indication of the merits of our Shares being offered.

This Prospectus has been prepared in the context of an IPO under the laws of Malaysia. It is not intended to comply with the laws of any jurisdiction other than Malaysia, and it has not been and will not be lodged, registered or approved under any applicable securities or equivalent legislation or by any regulatory authority of any jurisdiction other than Malaysia.

This Prospectus is published solely in connection with our IPO. Our Shares are being offered solely in Malaysia on the basis of the information contained and representations made in this Prospectus. Our Company, our Promoter, the Selling Shareholder, the Principal Adviser, the Sole Bookrunner, the Sole Underwriter and the Sole Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by our Company, our Promoter, the Selling Shareholder, the Principal Adviser, the Sole Bookrunner, the Sole Underwriter and the Sole Placement Agent or any of their respective directors, or any other persons involved in our IPO.

The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe for or purchase of our Shares in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of our Shares in certain other jurisdictions may be restricted by law. Prospective investors who may be in possession of this Prospectus are required to inform themselves and to observe such restrictions.

We will not, prior to acting on any acceptance in respect of our IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not be deemed to accept any liability whether or not any enquiry or investigation is made in connection to it. We will further assume that you have accepted our IPO in Malaysia and will be subject to the laws of Malaysia in connection to it.

It will be your sole responsibility to ensure that your application for our IPO is in compliance with the terms of our IPO and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which you may be subject. It will also be your sole responsibility to consult your legal and/or other professional adviser on the laws to which our IPO or you are or might be subject to. Neither we nor our Promoter, the Selling Shareholder, the Principal Adviser, the Sole Bookrunner, the Sole Underwriter and the Sole Placement Agent nor any other advisers in relation to our IPO will accept any responsibility or liability in the event that any application made by you shall become illegal, unenforceable, avoidable or void in any country or jurisdiction.

However, we reserve the right, in our absolute discretion, to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

ELECTRONIC PROSPECTUS/INTERNET SHARE APPLICATION

This Prospectus can be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and the copy of this Prospectus [registered] with the SC are the same.

The internet is not a fully secure medium. Your Internet Share Application may be subject to risks of data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institutions or Participating Securities Firms. These risks cannot be borne by the Internet Participating Financial Institutions or Participating Securities Firms.

If you doubt the validity or integrity of the Electronic Prospectus, you should immediately request a paper/printed copy of this Prospectus from us or the Issuing House. If there is any discrepancy between the contents of the Electronic Prospectus and the contents of the paper/printed copy of this Prospectus, the contents of the paper/printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC shall prevail.

In relation to any reference in this Prospectus to third-party internet sites ("**Third-Party Internet Sites**"), whether by way of hyperlinks or by way of description of the Third-Party Internet Sites, you acknowledge and agree that:

- (i) we do not endorse and are not affiliated in any way to the Third-Party Internet Sites. Accordingly, we are not responsible for the availability of, or the content or any data, information, file or other material provided on the Third-Party Internet Sites. You shall bear all risks associated with the access to or use of the Third-Party Internet Sites;
- (ii) we are not responsible for the quality of products or services in the Third-Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third-Party Internet Sites. We are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third-Party Internet Sites or the use of or reliance on any data, information, file or other material provided by the Third-Party Internet Sites; and

- (iii) any data, information, file or other material downloaded from the Third-Party Internet Sites is done at your own discretion and risk. We are not responsible, liable or under obligation for any damage to your computer system or loss of data resulting from the downloading of any such data, information, file or other material.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution or Participating Securities Firm, you are advised that:

- (i) the Internet Participating Financial Institution or Participating Securities Firms is only liable in respect of the integrity of the contents of the Electronic Prospectus, to the extent of the contents of the Electronic Prospectus on the web server of the Internet Participating Financial Institution or Participating Securities Firm which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution or Participating Securities Firm is not responsible for the integrity of the contents of the Electronic Prospectus, which has been obtained from the web server of the Internet Participating Financial Institution or Participating Securities Firm and subsequently communicated or disseminated in any manner to you or other parties;
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the internet is not a fully secure medium; and
- (iii) the Internet Participating Financial Institution or Participating Securities Firm is not liable (whether in tort or contract or otherwise) for any loss, damage or costs that you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in the Electronic Prospectus which may arise in connection with or as a result of any fault with web browsers or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution or Participating Securities Firm, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or date
Opening of the Institutional Offering	[date]
Issuance of the Prospectus / Opening of the Retail Offering	10.00 a.m., [date]
Closing of the Retail Offering	5.00 p.m., [date]
Closing of the Institutional Offering	[date]
Price Determination Date	[date]
Balloting of applications for the Offer Shares under the Retail Offering	[date]
Transfer of the Offer Shares to successful applicants	[date]
Listing	[date]

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and make an announcement on the website of Bursa Securities.

TABLE OF CONTENTS

	PAGE
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	viii
FORWARD-LOOKING STATEMENTS	ix
DEFINITIONS	xi
GLOSSARY OF TECHNICAL TERMS	xix
1. CORPORATE DIRECTORY	1
2. INTRODUCTION	6
2.1 Approvals and conditions	6
2.2 Moratorium on our Shares	7
3. PROSPECTUS SUMMARY	8
3.1 Principal details of our IPO	8
3.2 Our business	9
3.3 Competitive strengths	10
3.4 Business strategies and future plans	11
3.5 Risk factors	12
3.6 Directors and Key Senior Management	13
3.7 Dividend policy	14
3.8 Promoter and Substantial Shareholders	15
3.9 Use of proceeds	16
3.10 Financial and operational highlights	16
3.11 Non-compliances with the relevant laws, regulations, rules and requirements governing the conduct of the operations of our Company	17
4. DETAILS OF OUR IPO	18
4.1 Indicative timetable	18
4.2 Particulars of our IPO and plan of distribution	18
4.3 Selling Shareholder	23
4.4 Basis of arriving at the price of the Offer Shares and refund mechanism	24
4.5 Dilution	26
4.6 Use of proceeds	26
4.7 Brokerage fee, underwriting commission and placement fee	27
4.8 Details of the underwriting, placement and lock-up arrangements	27
4.9 Trading and settlement in secondary market	28
5. RISK FACTORS	29
5.1 Risks relating to our business	29
5.2 Risks relating to the industry in which we operate	38
5.3 Risks relating to our Shares and our Listing	39
6. INFORMATION ON OUR COMPANY	43
6.1 Our Company	43
6.2 Our corporate structure	44

TABLE OF CONTENTS (Cont'd)

7.	BUSINESS OVERVIEW	46
7.1	Overview	46
7.2	Accreditations, awards and recognitions	48
7.3	Our business	49
7.4	Competitive strengths	56
7.5	Business strategies and future plans	61
7.6	Our products and services	63
7.7	Operational facilities	74
7.8	Machinery and equipment	75
7.9	Operating capacity and utilisation	75
7.10	Process flow	75
7.11	Reinsurance	81
7.12	Investments	83
7.13	Research and development	84
7.14	Technologies used	85
7.15	Seasonality	86
7.16	Material interruptions in our business	86
7.17	Sales and marketing activities	86
7.18	Our customers and suppliers	88
7.19	Types and sources of materials and services	90
7.20	Insurance	91
7.21	Material dependency on contracts, agreements or other arrangements	92
7.22	Major licences, permits and approvals	92
7.23	Material properties	93
7.24	Trademarks, brand names and other intellectual property rights	93
7.25	Governing laws and regulations	93
7.26	Non-compliances with the relevant laws, regulations, rules and requirements governing the conduct of the operations of our Company	95
7.27	Employees	97
7.28	Environmental, Social and Governance	98
8.	INDEPENDENT MARKET RESEARCH REPORT	100
9.	INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT	111
9.1	Promoter and Substantial Shareholders	111
9.2	Board of Directors	118
9.3	Key Senior Management	138
9.4	Associations or family relationships between our Promoter, Substantial Shareholders, Directors and Key Senior Management	145
9.5	Declaration by our Promoter, Directors and Key Senior Management	146
9.6	Other matters	147
10.	RELATED PARTY TRANSACTIONS	148
10.1	Our Company's related party transactions	148
10.2	Monitoring and oversight of related party transactions	163
11.	CONFLICT OF INTEREST	164
11.1	Interest in entities carrying on a similar trade as that of our Company or which are our customers or suppliers	164
11.2	Properties leased/tenanted to or from us by or to related parties	177
11.3	Declaration by advisers on conflict of interest	178

TABLE OF CONTENTS (Cont'd)

12.	FINANCIAL INFORMATION	179
12.1	Historical financial information	179
12.2	Management's discussion and analysis of financial condition and results of operations	181
12.3	Capitalisation and indebtedness	216
12.4	Dividend policy	217
12.5	Reporting Accountants' Letter on the Pro Forma Statements of Financial Position	218
13.	ACCOUNTANTS' REPORT	228
14.	ADDITIONAL INFORMATION	383
14.1	Share capital	383
14.2	Extracts of our Constitution	383
14.3	Deposited securities and rights of depositors	393
14.4	Limitation on the right to hold securities and/or exercise voting rights	393
14.5	Repatriation of capital, remittance of profit and taxation	393
14.6	Material contracts	394
14.7	Material litigation	394
14.8	Consents	396
14.9	Documents available for inspection	396
14.10	Responsibility statements	397
15.	SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE	398
15.1	Opening and closing of Applications	398
15.2	Methods of Application	398
15.3	Eligibility	399
15.4	Procedures for Application by way of Application Forms	400
15.5	Application by way of Electronic Share Application	401
15.6	Application by way of Internet Share Application	401
15.7	Authority of our Board and the Issuing House	401
15.8	Over/under-subscription	402
15.9	Unsuccessful/partially successful applicants	402
15.10	Successful applicants	403
15.11	Enquiries	404
ANNEXURE A:	OUR MAJOR LICENCES, PERMITS AND APPROVALS	A-1
ANNEXURE B:	OUR MATERIAL PROPERTIES	B-1
ANNEXURE C:	OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS	C-1

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “our Company” or “Chubb Malaysia” are to Chubb Insurance Malaysia Berhad. All references to “we”, “us”, “our” and “ourselves” are to our Company. All references to “you” are to our prospective investors.

All references to the “Selling Shareholder” and “Promoter” are to Chubb INA.

All references to “Government” are to the Government of Malaysia.

Certain numbers presented in this Prospectus have been rounded off to the nearest hundredth or one decimal place. Any discrepancies in the tables between the amounts listed and the totals in this Prospectus are due to rounding adjustments.

Other abbreviations and acronyms used in this Prospectus are defined in the “Definitions” section and technical terms used in this Prospectus are defined in the “Glossary of Technical Terms” section. Words denoting the singular will, where applicable, include the plural and *vice versa* and words denoting the masculine gender will, where applicable, include the feminine and/or neuter genders and *vice versa*. Reference to persons will, where applicable, include companies and corporations.

Any reference to provisions of the statutes, rules, regulations, enactments or rules of the stock exchange shall (where the context admits) be construed as a reference to provisions of such statutes, rules, regulations, enactments or rules of the stock exchange (as the case may be) as modified by any written law or (if applicable) amendments or re-enactment to the statutes, rules, regulations, enactments or rules of the stock exchange for the time being in force and unless specified, is a reference to an enactment by Malaysia.

Any reference to a time or date shall be a reference to a time or date in Malaysia, unless otherwise stated.

All references to the “LPD” in this Prospectus are to 30 September 2025, being the latest practicable date prior to the registration of this Prospectus with the SC.

The information on our website or any website, directly or indirectly linked to such website does not form part of this Prospectus and you should not rely on those information for the purposes of your decision whether or not to invest in our Shares.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding the growth and performance of the industry in which we operate and our estimated market share. This data is taken or derived from information published by industry sources and from our internal data. In each of such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us or is extracted from the IMR Report as included in Section 8 of this Prospectus. We have appointed Vital Factor to provide an independent market and industry review. In compiling its data for the review, Vital Factor has relied on its research methodology, industry sources, published materials, its private databanks and direct contacts within the industry.

Further, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. We cannot give any assurance that the projected figures will be achieved and you should not place undue reliance on the statistical data and third-party projections cited in this Prospectus.

In the context of this Prospectus, the historical financial information of our Company is prepared in accordance with MFRS 17 (Insurance Contracts). Our Company adopted MFRS 17 (Insurance Contracts) effective 1 January 2023, which replaced the previous MFRS 4 (Insurance Contracts).

In addition, the performance metrics widely used by the insurance industry are presented to describe additional results of operations. In the context of this Prospectus, the performance metrics have been calculated using financial information prepared in accordance with MFRS 4 to facilitate disclosure on key operating metrics, which are aligned with industry performance benchmarks.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts included in this Prospectus, including, without limitation, those regarding our financial position, business strategies and prospects, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements, or industry results expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such forward-looking statements reflect our current views with respect to future events and are not a guarantee of future results, performance or achievements.

Forward-looking statements can be identified by the use of forward-looking terminologies, including but not limited to, the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions, and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our products and the general industry environment;
- (ii) economic and market conditions;
- (iii) our strategies and competitive position;
- (iv) our future financial position, earnings, cash flows and liquidity;
- (v) potential growth opportunities; and
- (vi) the regulatory environment and effects of future regulation.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, but not limited to:

- (i) activities and financial position of our customers, reinsurers, suppliers and other business partners;
- (ii) frequency and severity of unpredictable catastrophic events;
- (iii) actual loss experience and uncertainties of the loss-reserving and claims-settlement processes;
- (iv) finance costs, interest rates, tax rates and exchange rates;
- (v) regulatory, judicial, legislative or other governmental developments or policy changes in Malaysia;
- (vi) amount and timing of reinsurance recoverable;
- (vii) competitive environment of the industry in which we operate;
- (viii) pricing and policy term trends;
- (ix) levels of new and renewal business achieved;
- (x) changes in the general economic, business, social, political or investment environments;
- (xi) possible terrorism or the outbreak and effects of war or pandemics and epidemics; and
- (xii) any other factors beyond our control.

FORWARD-LOOKING STATEMENTS *(Cont'd)*

Additional factors that could cause our actual results, performance or achievements to differ materially include, but are not limited to, those discussed in Section 5 of this Prospectus on “Risk Factors” and Section 12.2 of this Prospectus on “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. We cannot give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the LPD.

In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of transfer of the Offer Shares, we will further issue a supplemental or replacement prospectus, as the case may be, in accordance with the provisions of Section 238(1) of the CMSA and Paragraph 1.02, Chapter 1 of Part II (Division 6 on Supplementary and Replacement Prospectus) of the Prospectus Guidelines.

DEFINITIONS

The following terms in this Prospectus bear the same meanings as set out below unless the term is defined otherwise or the context requires otherwise:

Act	: Companies Act 2016
ADA	: Authorised Depository Agent
Admission	: Admission of our Shares to the Official List of the Main Market of Bursa Securities
AGM	: Annual general meeting
Application	: Application for the Offer Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Forms	: Application forms for the application of the Offer Shares under the Retail Offering accompanying this Prospectus
ATM	: Automated teller machine
Auditors or Reporting Accountants	: PricewaterhouseCoopers PLT
Authorised Financial Institution	: Authorised financial institution participating in the Internet Share Application in respect of the payment for the Offer Shares
Bloomberg	: Bloomberg Finance Singapore L.P. and its affiliates
BNM	: Bank Negara Malaysia
Board	: Board of Directors of our Company
Bumiputera	: In the context of: (i) individuals – Malays and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies – companies which fulfil, among others, the following criteria or such other criteria as may be imposed by the Ministry of Investment, Trade and Industry of Malaysia or the MoF (in the case of licensed financial institutions): (a) registered under the Act as a private company; (b) its shareholders are 100.00% Bumiputera; and (c) its board of directors (including its staff) are at least 51.00% Bumiputera; and (iii) cooperatives – cooperatives whose shareholders or cooperative members are at least 95.00% Bumiputera or such other criteria as may be imposed by the Ministry of Investment, Trade and Industry of Malaysia or the MoF (in the case of licensed financial institutions)
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd
Bursa Securities	: Bursa Malaysia Securities Berhad

DEFINITIONS *(Cont'd)*

CAGR	:	Compound annual growth rate, computed through the formula: $\text{CAGR} = (\text{Ending amount} / \text{Beginning amount})^{1/N} - 1$ Ending amount is the amount at the end of the period; Beginning amount is the amount at the beginning of the period; and N is the number of years within the period
CCC or CF	:	Certificate of completion and compliance or certificate of fitness for occupation or such certificate by any other name issued by the relevant authority under the SDBA and any by-laws made under it or such relevant legislation applicable at the material time
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
Chubb Group	:	Collectively, Chubb Limited and its group of subsidiaries
Chubb INA or Promoter or Selling Shareholder	:	Chubb INA International Holdings Ltd.
Chubb Malaysia or Company	:	Chubb Insurance Malaysia Berhad
Chubb Malaysia Shares or Shares	:	Ordinary shares in our Company
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
Directors	:	Directors of our Company
EDP	:	Electronic data processing
Electronic Prospectus	:	Copy of this Prospectus that is issued, circulated or disseminated via the internet, and/or an electronic storage medium including, but not limited to compact disc read only memory (CD-ROM)
Electronic Share Application	:	Application for the Offer Shares under the Retail Offering through a Participating Financial Institution's ATM
Eligible Persons	:	The Independent Directors who are eligible to participate in the Retail Offering
EPS	:	Earnings per Share
Equity Guidelines	:	Equity Guidelines issued by the SC
Final Retail Price	:	Final price per Offer Share to be paid by the Eligible Persons and Malaysian Public under the Retail Offering, equivalent to the Retail Price or the Institutional Price, whichever is lower, to be determined on the Price Determination Date
Financial Years and Period Under Review	:	Collectively, the FYE 2022, the FYE 2023, the FYE 2024 and the FPE 2025

DEFINITIONS *(Cont'd)*

FPE	:	Financial period ended 30 June or where the context otherwise requires, financial period ending
FSA	:	Financial Services Act 2013
FYE	:	Financial year ended 31 December or where the context otherwise requires, financial year ending
GDP	:	Gross domestic product
Government or Malaysian Government	:	Government of Malaysia
ICT	:	Information and communication technology
IMR Report	:	Independent market research report dated 15 October 2025 prepared by Vital Factor
Institutional Offering	:	Offering of 249,546,800 Offer Shares at the Institutional Price, subject to the clawback and reallocation provisions, to institutional and selected investors, including Bumiputera investors approved by the MoF
Institutional Price	:	Price per Offer Share to be paid by investors under the Institutional Offering which will be determined on the Price Determination Date by way of bookbuilding
Internet Participating Financial Institutions	:	Participating financial institutions for the Internet Share Application
Internet Share Application	:	Application for the Offer Shares under the Retail Offering through an Internet Participating Financial Institution or Participating Securities Firm
IPO	:	Initial public offering of 300,000,000 Offer Shares comprising the Offer for Sale
Issuing House	:	Malaysian Issuing House Sdn Bhd
IT	:	Information technology
Key Senior Management	:	Key senior management of our Company, namely Jon Eric Longmore, Jenni Harjanto, Tan Wee Keat, Lee Pei Ling and Danil Bugakov
Listing	:	Listing of and quotation for the entire issued Shares on the Main Market of Bursa Securities
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	30 September 2025, being the latest practicable date prior to the registration of this Prospectus with the SC
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia, but excluding our Directors, Substantial Shareholders and their associates
Market Day	:	A day on which Bursa Securities is open for trading in securities

DEFINITIONS *(Cont'd)*

Maybank IB or Principal Adviser or Sole Bookrunner or Sole Underwriter or Sole Placement Agent	:	Maybank Investment Bank Berhad
MCCG	:	Malaysian Code on Corporate Governance issued by the SC
MFRS	:	Malaysian Financial Reporting Standards
MGS	:	Malaysian Government Securities
MIA	:	Malaysian Institute of Accountants
MMIP	:	Malaysia Motor Insurance Pool
MoF	:	Ministry of Finance of Malaysia
MyCC	:	Malaysia Competition Commission
MyIPO	:	Intellectual Property Corporation of Malaysia
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value
NYSE	:	New York Stock Exchange
Offer for Sale	:	Offer for sale of 300,000,000 Offer Shares by the Selling Shareholder
Offer Shares	:	Existing Shares to be offered by the Selling Shareholder pursuant to the Offer for Sale
Official List	:	A list specifying all securities listed on Bursa Securities
Participating Financial Institutions	:	Participating financial institutions for the Electronic Share Application
Participating Securities Firms	:	Participating securities firms for the Internet Share Application
PAT	:	Profit after taxation or net profit for the financial year/period and total comprehensive income for the financial year/period attributable to the owner of the Company
PBT	:	Profit before taxation
PE Multiple	:	Price-to-earnings multiple
PIAM	:	Persatuan Insurans Am Malaysia (General Insurance Association of Malaysia)
Pink Application Form	:	Application form for the application of the Offer Shares under the Retail Offering by the Eligible Persons accompanying this Prospectus

DEFINITIONS *(Cont'd)*

Placement Agreement	:	Placement agreement to be entered into between our Company, the Selling Shareholder, the Sole Bookrunner and the Sole Placement Agent in respect of such number of Offer Shares to be offered under the Institutional Offering
Price Determination Date	:	The date on which the Institutional Price and Final Retail Price will be determined
Prospectus	:	This Prospectus dated [date] issued by our Company
Prospectus Guidelines	:	Prospectus Guidelines issued by the SC
QR Code	:	Quick Response Code
RBC Framework	:	Risk-Based Capital Framework introduced by BNM
Retail Offering	:	Offering of 50,453,200 Offer Shares at the Retail Price, subject to the clawback and reallocation provisions, to be allocated in the following manner: (i) 453,200 Offer Shares reserved for application by the Eligible Persons; and (ii) 50,000,000 Offer Shares for application by the Malaysian Public via balloting
Retail Price	:	Initial price per Offer Share to be fully paid upon application under the Retail Offering, subject to the adjustment as detailed in Section 4.4.1 of this Prospectus
Retail Underwriting Agreement	:	Retail underwriting agreement dated [●] between our Company, the Selling Shareholder and the Sole Underwriter for the underwriting of the Offer Shares under the Retail Offering
Rules of Bursa Depository	:	The rules of Bursa Depository as issued under the SICDA
S&P 500	:	Standard and Poor's 500, a stock market index tracking the stock performance of 500 leading companies listed on stock exchanges in the United States
SC	:	Securities Commission Malaysia
SDBA	:	Street, Drainage and Building Act 1974
Share Registrar	:	Boardroom Share Registrars Sdn Bhd
SICDA	:	Securities Industry (Central Depositories) Act 1991
sq. ft.	:	Square feet
sq. m.	:	Square metres
Subdivision	:	Subdivision of 100,000,000 existing Shares into 1,000,000,000 Shares
Substantial Shareholders	:	Collectively, Chubb INA, INA Corporation, Chubb IH, Chubb Group Holdings and Chubb Limited

DEFINITIONS *(Cont'd)*

Trademark Licensing Agreement	:	Trademark licensing agreement dated 27 August 2025 between our Company, Chubb Limited, Chubb IH and other entities within the Chubb Group
Trademarks	:	The trademarks which are used for our operations, details of which are set out in Annexure C of this Prospectus
United States	:	United States of America
Vital Factor or IMR	:	Vital Factor Consulting Sdn Bhd
White Application Form	:	Application form for the application of the Offer Shares under the Retail Offering by the Malaysian Public accompanying this Prospectus

Certain Chubb Limited subsidiaries referred to in this Prospectus

ACE American	:	ACE American Insurance Company
AFIA	:	AFIA Finance Corporation
AIOIC	:	ACE INA Overseas Insurance Company Ltd.
CEG	:	Chubb European Group SE
Chubb Alternative Risk	:	Chubb Alternative Risk Ltd.
Chubb APAC	:	Chubb Asia Pacific Pte. Ltd.
Chubb Australia	:	Chubb Insurance Australia Limited
Chubb Bermuda	:	Chubb Bermuda Insurance Ltd.
Chubb Business Services	:	Chubb Business Services Malaysia Sdn Bhd <i>(formerly known as Chubb IT Development Centre Sdn Bhd)</i>
Chubb Capital I	:	Chubb Capital I Limited
Chubb China	:	Chubb Insurance Company Limited (China)
Chubb EU Holdings	:	Chubb EU Holdings Limited
Chubb European Holdings	:	Chubb European Holdings Limited
Chubb GMH	:	Chubb Group Management and Holdings Ltd.
Chubb Group Holdings	:	Chubb Group Holdings Inc.
Chubb HK	:	Chubb Insurance Hong Kong Limited
Chubb Holdings Australia	:	Chubb Holdings Australia Pty Limited
Chubb Holdings Canada	:	Chubb Holdings Canada Ltd.
Chubb IGBH	:	Chubb INA G.B. Holdings Ltd.
Chubb IH	:	Chubb INA Holdings LLC
Chubb INA or Promoter or Selling Shareholder	:	Chubb INA International Holdings Ltd.

DEFINITIONS *(Cont'd)*

Chubb Indonesia	:	PT Chubb General Insurance Indonesia
Chubb IOH	:	Chubb INA Overseas Holdings Inc.
Chubb Japan	:	Chubb Insurance Japan
Chubb Leadenhall	:	Chubb Leadenhall Limited
Chubb Macau	:	Chubb Seguradora Macau S.A
Chubb Malaysia or Company	:	Chubb Insurance Malaysia Berhad
Chubb Market Company	:	Chubb Market Company Limited
Chubb New Zealand	:	Chubb Insurance New Zealand Limited
Chubb Pakistan	:	Chubb Insurance Pakistan Limited
Chubb Services UK	:	Chubb Services UK Limited
Chubb Singapore	:	Chubb Insurance Singapore Limited
Chubb Switzerland	:	Chubb Insurance (Switzerland) Limited
Chubb Tarquin	:	Chubb Tarquin
Chubb Tempest	:	Chubb Tempest Reinsurance Ltd.
Chubb Tempest Life	:	Chubb Tempest Life Reinsurance Ltd.
Chubb Thailand	:	Chubb Samaggi Insurance Public Company Limited
Chubb Underwriting Agencies	:	Chubb Underwriting Agencies Limited
Chubb Vietnam	:	Chubb Insurance Vietnam Company Limited
CIMC	:	Chubb International Management Corporation
Cover Direct	:	Cover Direct, Inc.
FIC	:	Federal Insurance Company
Huatai Group	:	Huatai Insurance Group Co., Ltd.
Huatai P&C	:	Huatai Property & Casualty Insurance Co., Ltd.
ICNA	:	Insurance Company of North America
INA Corporation	:	INA Corporation
INA FC	:	INA Financial Corporation
INA HC	:	INA Holdings Corporation

Currencies

CHF	:	Confoederatio Helvetica Franc, the lawful currency of Switzerland

DEFINITIONS *(Cont'd)*

RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
USD	:	United States Dollar, the lawful currency of United States
SGD	:	Singapore Dollar, the lawful currency of Singapore

(The rest of this page has been intentionally left blank)

GLOSSARY OF TECHNICAL TERMS

This glossary contains an explanation of certain technical terms used throughout this Prospectus in connection with and in the context of our Company's business. The terminologies and their meanings may not correspond to the standard industry meanings or usage of these terms.

Bancassurance	: Refers to the partnership arrangement with banks for the distribution of insurance products
Broker	: A licensed insurance intermediary who represents the client, typically corporations, and the broker will act in the best interest of its client to source for the best possible insurance coverage
Cede	: Transfer of risks from the policy underwritten by the insurer to the reinsurer
Claims	: In an insurance contract, a claim is a formal request made by a policyholder to the insurer for compensation for a loss that is covered under the insurance policy
Fire products*	: Refers to all business underwritten in the fire insurance department including industrial all risks, fire and allied perils material damage and loss of profits, homeowners/householders insurances
General insurance	: Refers to insurance policies which provide insurance coverage for non-life risks such as protection for assets and liabilities, medical and health as well as personal accidents
Insurance revenue	: The amount that reflects the consideration to which the licensed person (insurer) expects to be entitled in exchange for the provision of insurance services in the period arising from the group of insurance contracts issued under MFRS 17
Insurance service result	: An insurance service result is a component of an insurance company's profit or loss statement under MFRS 17. It represents the profitability of providing insurance contract services. It is made up of insurance revenue, insurance service expenses (which includes incurred claims cost and acquisition expenses), and net expenses/gain from reinsurance contracts held by our Company
Tariff	: Refers to the premium rates fixed by the relevant authorities for specified types of insurance sold by insurance companies
Liability products*	: Refers to all insurances of liabilities such as public liability or general third party liability, products liability, professional indemnity, errors and omissions cover, directors' and officers' liability and other forms of liability insurance
Medical and health products*	: Refers to a policy that provides specified benefits against risks of person becoming totally or partially incapacitated as a result of sickness or infirmity
Motor products*	: Refers to a policy insuring a motor vehicle, including liabilities arising and other specified benefits against risks from the use of the motor vehicle
Personal accident products*	: Refers to individual personal accident, group personal accident and travel personal accident insurances. Travel insurance packages with a significant personal accident element should also be shown under this class

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Phased liberalisation of motor and fire tariffs : Refers to the removal of tariffs relating to motor and fire products, where the insurance companies can charge premiums commensurate with or which correspond to the risk profile of the consumers. In this respect, different insurance companies can charge different rates for the same risks based on their business risk models and strategies.

In 2016, BNM announced the Phased Liberalisation of Motor and Fire Tariffs, effective 1 July 2016. This initiative involved the removal of tariffs through a phased approach, beginning with the introduction of new products at market rates, followed by the liberalisation of a broader range of motor products in 2017.

Prior to 1 July 2016, the premiums of motor and fire insurance charges were regulated by tariffs.

Premium : The amount paid by the insured to the insurance company for the insurance coverage against the specified risks

Reinsurance : Reinsurance is insurance that an insurance company purchases from another insurance company to protect itself from the risk of a major claim event. The company that purchases the reinsurance policy is referred as the "ceding company" and the company issuing the reinsurance policy is referred as "reinsurer". The consideration paid by a ceding company to the reinsurer is referred to as "ceded premium" and in exchange insurers buy reinsurance to transfer a portion of their risk to another company (reinsurer). The reinsurer agrees to indemnify the ceding company for part or all of the liabilities assumed under the reinsurance insurance contract. Reinsurance is used by the ceding company as an effective tool for risk and capital management

Underwriting : Refers to the process in which the insurer evaluates the risk of insuring the person, property, asset or event, before deciding whether to accept or reject the risk

Note:

* *Definition extracted from the Guidance Notes on Insurance Companies Statistical System issued by BNM on 30 August 2019.*

In the context of this Prospectus, the historical financial information of our Company is prepared in accordance with MFRS 17 (Insurance Contracts). Our Company adopted MFRS 17 (Insurance Contracts) effective 1 January 2023, which replaced the previous MFRS 4 (Insurance Contracts).

In addition, the performance metrics widely used by the insurance industry are presented to describe additional results of operations. In the context of this Prospectus, the performance metrics have been calculated using financial information prepared in accordance with MFRS 4 to facilitate disclosure on key operating metrics, which are aligned with industry performance benchmarks. These include the following:

Claims ratio : Also known as loss ratio, refers to the performance metric used to measure the proportion of net claims incurred over the net earned premium, and is computed as follows:

Claims ratio = Total net claims incurred / Net earned premium

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Combined ratio	: A key profitability metric in the general insurance industry, representing the sum of an insurer's claims ratio and expense ratio. It shows how much an insurer spends on claims, commission and operational cost for every dollar of earned premiums. Combined ratio is computed as follows: Combined ratio = (Total net incurred claims + Net commission + operating expenses) / Net earned premium
Commission ratio	: Performance metric used to measure the proportion of net commission expenses over net earned premium, and is computed as follows: Commission ratio = Net commission expenses / Net earned premium
GWP or gross written premium	: Gross written premium is the total premium collected by an insurance company from all policies issued during a particular period, before any deduction for reinsurance costs and expenses
Net earned premium	: Net earned premium represents the portion of written premiums that is earned by providing insurance coverage during a specific period, minus the cost of ceded reinsurance incurred in the same period
Net written premium	: Net written premium refers to the total premium collected by an insurance company on all policies issued during a particular period after deduction of reinsurance costs incurred in the period
Operating expense ratio	: Performance metric used to measure the proportion of operating expenses over net earned premium, and is computed as follows: Operating expense ratio = Operating expenses / Net earned premium

1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Designation	Nationality	Address
Dato' Mohzani Bin Abdul Wahab (M)	Independent Non-Executive Chairman	Malaysian	No. 39, Jalan Puncak Kiara Utama Kiara View, Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan
Susan Yuen Su Min (F)	Independent Non-Executive Director	Malaysian	B-01-02, Madge Mansions 12 Jalan Madge 55000 Kuala Lumpur Wilayah Persekutuan
Dr. Heng Kiah Ngan (M)	Independent Non-Executive Director	Malaysian	11B Lorong SS7/17C Kelana Jaya 47301 Petaling Jaya Selangor
Cheryl Khor Hui Peng (F)	Independent Non-Executive Director	Malaysian	No. 38, Jalan Setia Nusantara U13/22J Setia Eco Park Seksyen U13 40170 Shah Alam Selangor
Olivier Bouchard (M)	Non-Independent Executive Director ⁽¹⁾	Canadian	95 Grange Road #05-12 Grange Residences Singapore 249616

Notes:

(M) denotes male; (F) denotes female

- (1) Olivier Bouchard is deemed to be an executive Director of our Company pursuant to the Corporate Governance Policy issued by BNM. Under the said Corporate Governance Policy, a person is an executive director of a financial institution if they have management responsibilities in the financial institution or any of its affiliates. Notwithstanding that, Olivier Bouchard is not employed by our Company, does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations.

1. CORPORATE DIRECTORY (Cont'd)**AUDIT COMMITTEE**

Name	Designation	Directorship
Cheryl Khor Hui Peng	Chairman	Independent Non-Executive Director
Susan Yuen Su Min	Member	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Member	Independent Non-Executive Director

NOMINATING COMMITTEE

Name	Designation	Directorship
Susan Yuen Su Min	Chairman	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Member	Independent Non-Executive Director
Cheryl Khor Hui Peng	Member	Independent Non-Executive Director
Olivier Bouchard ⁽¹⁾	Member	Non-Independent Executive Director

Note:

(1) *Olivier Bouchard has stepped down from our Nominating Committee on 7 November 2025.*

REMUNERATION COMMITTEE

Name	Designation	Directorship
Susan Yuen Su Min	Chairman	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Member	Independent Non-Executive Director
Cheryl Khor Hui Peng	Member	Independent Non-Executive Director

RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Dr. Heng Kiah Ngan	Chairman	Independent Non-Executive Director
Susan Yuen Su Min	Member	Independent Non-Executive Director
Cheryl Khor Hui Peng	Member	Independent Non-Executive Director

1. CORPORATE DIRECTORY (Cont'd)

JOINT SECRETARIES	COMPANY : Fiona Yew Siew Li Level 18, Wisma Chubb 38, Jalan Sultan Ismail 50250 Kuala Lumpur Wilayah Persekutuan CCM Practising Certificate No.: 202008002403 Professional qualification: Malaysian Association of Company Secretaries ("MACS") (Membership No.: MACS M01767) Tia Hwei Ping 12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor CCM Practising Certificate No.: 202008001687 Professional qualification: Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") (Membership No.: MAICSA 7057636)
REGISTERED OFFICE	: Wisma Chubb 38, Jalan Sultan Ismail 50250 Kuala Lumpur Wilayah Persekutuan Tel. No.: +603 2058 3000
HEAD/MANAGEMENT OFFICE	: Wisma Chubb 38, Jalan Sultan Ismail 50250 Kuala Lumpur Wilayah Persekutuan Tel. No.: +603 2058 3000 E-mail: inquiries.my@chubb.com Website: https://www.chubb.com/my-en/
PROMOTER AND SELLING SHAREHOLDER	: Chubb INA International Holdings Ltd. 1 Beaver Valley Road Wilmington, Delaware 19803 United States
AUDITORS AND REPORTING ACCOUNTANTS	: PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146) Level 10, Menara TH 1 Sentral Jalan Rakyat Kuala Lumpur Sentral P.O. Box 10192 50706 Kuala Lumpur Wilayah Persekutuan Tel. No.: +603 2173 1188 Partner-in-charge: Wong Hui Chern Professional qualification: Member of MIA (MIA Membership No.: 35431)

1. CORPORATE DIRECTORY (Cont'd)

PRINCIPAL ADVISER, SOLE BOOKRUNNER, SOLE UNDERWRITER AND SOLE PLACEMENT AGENT : **Maybank Investment Bank Berhad**
32nd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Wilayah Persekutuan

Tel. No.: +603 2059 1888

LEGAL ADVISERS : *To our Company as to Malaysian law*

Kadir, Andri & Partners
Suite A-38-8, Level 38
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur
Wilayah Persekutuan

Tel. No.: +603 2780 2888

To the Sole Bookrunner, Sole Underwriter and Sole Placement Agent as to Malaysian law

Wong Beh & Toh
Level 19, West Block
Wisma Golden Eagle Realty
142-C Jalan Ampang
50450 Kuala Lumpur
Wilayah Persekutuan

Tel. No.: +603 2713 6050

INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS : **Vital Factor Consulting Sdn Bhd**
V Square @ PJ City Centre (VSQ)
Block 6, Level 6, Jalan Utara
46200 Petaling Jaya
Selangor

Tel. No.: +603 7931 3188

Name of signing director: Wooi Tan

(See Section 8 of this Prospectus for the profile of the firm and the signing partner)

INTERNAL CONTROL CONSULTANT : **Axcelasia Sdn Bhd**
Unit 301, Level 3, Block E
Pusat Dagangan Phileo Damansara 1
No. 9, Jalan 16/11 Off Jalan Damansara
46350 Petaling Jaya
Selangor

Tel. No.: +603 2028 7450

1. CORPORATE DIRECTORY (Cont'd)

SHARE REGISTRAR	: Boardroom Share Registrars Sdn Bhd 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Tel. No.: +603 7890 4700
ISSUING HOUSE	: Malaysian Issuing House Sdn Bhd 11 th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Tel. No.: +603 7890 4700
LISTING SOUGHT	: Main Market of Bursa Securities

2. INTRODUCTION

2.1 APPROVALS AND CONDITIONS

2.1.1 SC

The SC has, via its letter dated [●], approved our IPO and our Listing under Section 214(1) of the CMSA, subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[●]	[●]

The SC has also, via its letter dated [●], approved our application under the Bumiputera equity requirement for public listed companies pursuant to our Listing, subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[●]	[●]

In addition, we are also required to make available at least 50.00% of our Shares offered to the Malaysian Public investors via balloting to Bumiputera public investors.

2.1.2 MoF

The MoF has, on 11 May 2025, permitted Chubb INA to execute an IPO of the Offer Shares subject to all required regulatory approvals being received.

In addition, the MoF has, via its letter dated [●], taken note that we comply with the Bumiputera equity requirement pursuant to our Listing by allocating 12.50% of our issued Shares to Bumiputera investors approved by the MoF.

2.1.3 Bursa Securities

Bursa Securities has, via its letter dated [●], approved our Admission and our Listing, subject to compliance with the following conditions:

No.	Details of condition imposed	Status of compliance
(i)	[●]	[●]

2. INTRODUCTION (Cont'd)

2.2 MORATORIUM ON OUR SHARES

In accordance with the Equity Guidelines, our Shares directly held by Chubb INA as at the date of our Listing will be placed under moratorium. In this respect, our Shares that are subject to moratorium are set out below:

Name	Direct	
	No. of Shares	% ⁽¹⁾
Chubb INA	700,000,000	70.00

Note:

(1) Based on our issued Shares upon our Listing of 1,000,000,000.

Chubb INA has fully accepted the moratorium, and is not allowed to sell, transfer or assign any part of its holding in our Shares as at the date of our Listing, for a period of six months from the date of our Listing.

The moratorium restrictions are specifically endorsed on the share certificate representing our Shares held by Chubb INA which are under moratorium to ensure that our Share Registrar does not register any sale, transfer or assignment that contravenes such restrictions. In compliance with the restrictions, Bursa Depository will, on our Share Registrar's instructions in the prescribed forms, ensure that the trading of these Shares is not permitted during the moratorium period.

In addition, pursuant to Paragraph 5.30, Part II of the Equity Guidelines:

- (i) INA Corporation, being the sole shareholder of Chubb INA, has undertaken not to sell, transfer or assign any of its shareholding in Chubb INA for a period of six months from the date of our Listing;
- (ii) Chubb IH, being the sole shareholder of INA Corporation, has undertaken not to sell, transfer or assign any of its shareholding in INA Corporation for a period of six months from the date of our Listing;
- (iii) Chubb Group Holdings, being the direct owner of approximately 85.18% equity interest in Chubb IH as at the LPD, has undertaken not to sell, transfer or assign any of its holding in the securities of Chubb IH for a period of six months from the date of our Listing; and
- (iv) Chubb Limited, being the sole shareholder of Chubb Group Holdings and direct owner of approximately 14.82% equity interest in Chubb IH as at the LPD, has undertaken not to sell, transfer or assign any of its shareholding in Chubb Group Holdings and holding in the securities of Chubb IH for a period of six months from the date of our Listing.

3. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding whether to invest in our Shares.

3.1 PRINCIPAL DETAILS OF OUR IPO

3.1.1 Institutional Offering

The Institutional Offering involves the offering of 249,546,800 Offer Shares, representing 24.95% of our issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus, at the Institutional Price in the following manner:

- (i) 125,000,000 Offer Shares, representing 12.50% of our issued Shares to Bumiputera investors approved by the MoF; and
- (ii) 124,546,800 Offer Shares, representing 12.45% of our issued Shares to institutional and selected investors.

3.1.2 Retail Offering

The Retail Offering involves the offering of 50,453,200 Offer Shares, representing 5.05% of our issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus, at the Retail Price in the following manner:

(i) Allocation to the Eligible Persons

453,200 Offer Shares, representing 0.05% of our issued Shares, are reserved for application by the Eligible Persons.

(ii) Allocation via balloting to the Malaysian Public

50,000,000 Offer Shares, representing 5.00% of our issued Shares, are reserved for application by the Malaysian Public via balloting, of which 25,000,000 Offer Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

3.1.3 Moratorium on our Shares

In accordance with the Equity Guidelines, our Shares directly held by Chubb INA as at the date of our Listing will be placed under moratorium for a period of six months from the date of our Listing. Chubb INA has fully accepted the moratorium. Chubb INA will not be allowed to sell, transfer or assign any part of its holding in our Shares as at the date of our Listing for a period of six months from the date of our Listing.

The Offer for Sale will raise gross proceeds of RM[●], which will accrue entirely to the Selling Shareholder and will be used by the Selling Shareholder.

See Sections 2.2 and 4 of this Prospectus for further details relating to the moratorium on our Shares and our IPO.

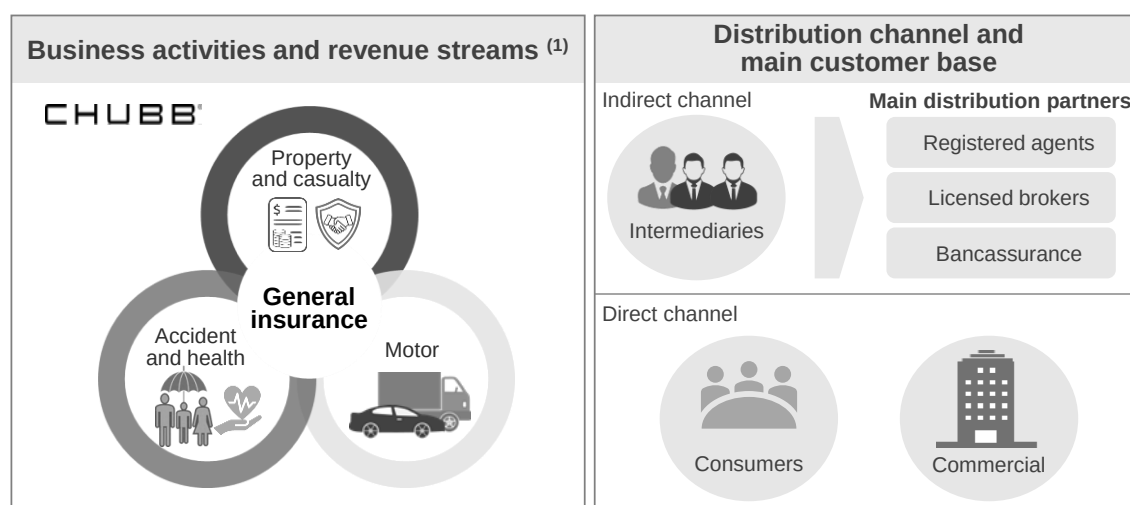
3. PROSPECTUS SUMMARY (Cont'd)

3.2 OUR BUSINESS

Our Company was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 5 August 1970 under the name of Jerneh Insurance Corporation Sendirian Berhad and is deemed registered under the Act. Jerneh Insurance Corporation Sendirian Berhad was involved in the insurance business. On 29 April 1997, our Company changed its name to Jerneh Insurance Sdn Bhd. On 30 April 1997, our Company was converted into a public limited company under the name of Jerneh Insurance Bhd. Subsequently, in December 1999, Jerneh Insurance Bhd acquired the general insurance business of Paramount Assurance Berhad through a merger exercise.

In December 2010, Jerneh Insurance Bhd was acquired by ACE INA International Holdings Ltd (with the Swiss-incorporated ultimate holding company being ACE Limited) and subsequently changed its name to ACE Jerneh Insurance Berhad on 4 January 2012. On 10 June 2016, our Company assumed its present name, Chubb Insurance Malaysia Berhad. This was in line with the name change of our Company's ultimate holding company, Chubb Limited (formerly known as ACE Limited), the ultimate holding company of the Chubb Group, which shares are listed on the NYSE, following the completion of ACE Limited's acquisition of The Chubb Corporation in January 2016. As at the LPD, our Company is an indirect wholly-owned subsidiary of Chubb Limited. As at the date of this Prospectus, our Company does not have any subsidiary, associate or joint venture companies.

We operate a general insurance business in Malaysia with our head office in Kuala Lumpur, supported by 14 branch offices across Malaysia as at 1 October 2025. Our business model is as follows:



Note:

- (1) For the Financial Years and Period Under Review, all our insurance revenue was derived from the provision of general insurance. The property and casualty segment comprises liability, fire and other insurance products (including cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident), and the accident and health segment comprises personal accident, and medical and health insurance.

See Sections 6 and 7 of this Prospectus for further details on our history and business.

3. PROSPECTUS SUMMARY (Cont'd)

3.3 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

(i) We have an established track record in underwriting across multiple insurance products to meet the needs of the commercial and consumer sectors

Our Company has been a licensed insurer since 1970, with an extensive 55-year operating history. Since the Chubb Group's acquisition of Jerneh Insurance Sdn Bhd in 2010, our Company has built a 15-year track record of growth with GWP, based on MFRS 4, in Malaysia reaching RM723.5 million in 2024, representing a CAGR of 3.2% since 2011.

Our track record has provided us with an extensive understanding of the local market knowledge, including commercial and consumer behaviours, risk profiles and market dynamics. This enables us to offer a broad range of general insurance products that cater to the diverse protection needs of both commercial and individual consumers in Malaysia. Our comprehensive portfolio allows us to develop customised and innovative products, from standard motor and fire coverage to tailored policies for unique risks. By combining our market coverage with product flexibility, we are able to offer and deliver insurance products that enhance customer confidence and improve risk management.

(ii) We have a large customer base, leveraging our wide network of distribution partners and direct sales to expand market reach

Our business benefits from a large and growing customer base built through our network of distribution partners, complemented by direct sales through our offices and digital platforms. This multi-channel approach strengthens our market presence, ensuring broad accessibility for customers while enhancing convenience and choice. Furthermore, this enables us to reach different customer segments more effectively to sustain and grow our business.

(iii) We have a broad and diversified general insurance portfolio to provide us with diversity and business growth

As at the LPD, our general insurance product portfolio mainly comprises 11 product categories, namely motor, personal accident, medical and health, cargo, marine hull, fire, bonds, contractor's all risks and engineering, liability, workmen's compensation, and employer's liability. Our broad portfolio positions us strongly in Malaysia's highly competitive and regulated insurance landscape. This extensive product suite enables us to serve a wide spectrum of policyholders, ranging from individuals to micro, small and medium-sized enterprises and large corporations, giving us both breadth and depth in market coverage.

(iv) Our strategic position and brand are backed by our NYSE-listed parent company with regional and global expertise and presence

Our strategic market positioning is backed by our ultimate parent company, Chubb Limited, the Swiss-incorporated ultimate holding company of the Chubb Group. Chubb Limited is a component of the S&P 500 index and its shares are listed on the NYSE. As at 30 September 2025, Chubb Limited had total assets of USD270.2 billion and shareholders' equity, which excludes non-controlling interests, of USD71.9 billion. The Chubb Group has operations in 54 countries and territories and provides commercial and consumer property and casualty insurance, accident and health, reinsurance, and life insurance to a diverse group of clients. This enables us to access and implement international best practices, including leveraging on the Chubb Group's regional and global knowledge in risk management, underwriting, claims processing, reinsurance, technology and product development. This also enables us to bring innovative products and services to the Malaysian market.

3. PROSPECTUS SUMMARY (Cont'd)

(v) We possess the financial strength and regulatory compliance required to operate in a highly regulated industry.

The general insurance industry in Malaysia is highly regulated, requiring new market participants to obtain an operating licence and approval from BNM. According to the IMR Report, based on a publication by BNM on 2 September 1997, the Malaysian Government maintains a policy of not issuing new licences for direct insurance business in Malaysia, including general insurance. As of October 2025, there are 19 general insurance companies registered with BNM.

Adhering to BNM's requirements is vital for our operational certainty as it ensures continuity of our licence to operate and minimises the risks of non-compliance or business restrictions. Both corporate and consumer clients place greater trust in an insurer that demonstrates strict adherence to regulation and solvency requirements.

As a general insurer, we are also subject to stringent financial requirements. This includes the requirement to maintain a minimum paid-up capital of RM100 million and comply with the RBC Framework. Since 2010, we have consistently complied with relevant regulatory and capital requirements, maintaining sufficient capital adequacy.

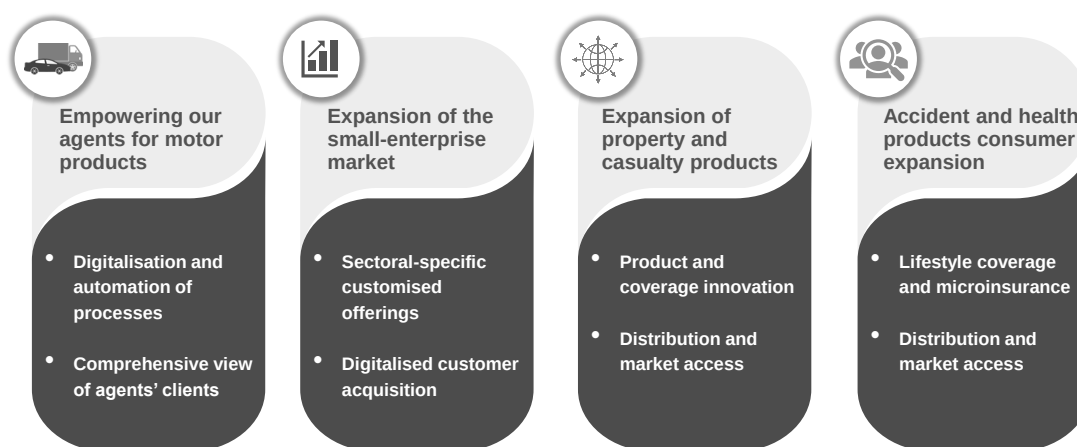
(vi) We have an experienced key management team to facilitate proactive and responsive execution

We have an experienced key management team that enables us to manage our business operations proactively and execute promptly. This enables us to navigate local complexities effectively and build crucial engagement with customers, distribution partners and regulators.

See Section 7.4 of this Prospectus for further details on our competitive strengths.

3.4 BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans are focused on driving business growth and expansion, which are summarised as follows:



(i) Empowering our agents for motor products

We are digitalising our internal motor product processes for our agents to make their workflow more efficient. By automating key processes, we aim to free our agents from administrative tasks, enabling them to focus on client interactions.

3. PROSPECTUS SUMMARY (Cont'd)

(ii) Expand the small-enterprise market through sector-specific offerings and digital customer acquisition

We plan to expand our market reach in Malaysia's small-enterprise segment, recognising the significant market opportunity and strong economic performance of the sector.

To strengthen our presence, we are developing customised, sector-specific insurance offerings. We also plan to enhance our digital platform to automate processes for our registered agents and licensed brokers. This is expected to streamline workflows and improve efficiency, similar to our agent automation initiatives in other areas.

(iii) Expansion of our property and casualty products to the medium-sized enterprise market

Our plans are to expand our medium-sized enterprise segment by growing our property and casualty insurance portfolio and to capture opportunities in the underserved commercial segment. According to the IMR Report, this segment comprises 17,725 medium-sized firms in 2024. Targeting the medium-sized enterprise market with customised property and casualty insurance products is our strategy for generating sales beyond our existing customer base. These enterprises often require more comprehensive risk management, including coverage for property damage, liability, employee protection, cyber threats and business interruption. This approach is expected to lead to higher average premium, as the average premium size of our property and casualty segment generally is already two to three times higher than the overall average premium size.

(iv) Expansion of our accident and health products for the consumer market

We are expanding our accident and health portfolio and making our products more accessible to a broader range of consumers. This expansion is driven by both market demand and industry trends. The consumer accident and health segment is an attractive target for our portfolio growth, taking into consideration, among others, low insurance penetration, growing household sizes in Malaysia, rising health awareness and escalating medical costs – all of which are expected to boost demand for medical and health insurance products.

See Section 7.5 of this Prospectus for further details on our business strategies and future plans.

3.5 RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all of the information contained in this Prospectus, including all the risk factors, before deciding to invest in our Shares. Set out below is a non-exhaustive list of key risks faced by us in our business operations:

- (i) We operate in a highly regulated industry where our insurance business is subject to laws, regulations and guidelines issued by BNM, including capital adequacy and solvency requirements. Any non-compliance with laws, regulations or BNM guidelines can lead to regulatory reprimands, monetary penalties, or fines and may expose our Company, Directors and/or officers to potential civil and criminal liability claims. Any alleged or actual non-compliance, revocation or suspension may impact our ability to continue business operations and, consequently, affect our financial performance.
- (ii) Our business and financial performance are dependent on underwriting earnings that are subject to volatility and unpredictability. Our insurance revenue and underwriting earnings are influenced by, among others, failing to offer competitive products or pricing, operational inefficiencies in underwriting, the frequency and severity of losses and macroeconomic conditions. Any unfavourable operational environment or macroeconomic conditions could negatively impact both our business and financial performance.

3. PROSPECTUS SUMMARY (Cont'd)

- (iii) We have substantial exposure to losses resulting from natural disasters and man-made catastrophes, such as terrorism or cyber-attack, and other catastrophic events. The occurrence of claims from one or more catastrophic events could adversely impact our business operations and financial performance.
- (iv) Our investment performance may affect our financial results and our ability to conduct business. Our investment performance is highly sensitive to many factors, including interest rates, inflation, monetary and fiscal policies, and domestic and international political conditions. Volatility in interest rates could impact the performance of our investment portfolio which could have an adverse effect on our investment income and operating results.
- (v) Our business is exposed to liquidity risks, including the availability of cash resources to fund our business operations and growth. If we fail to secure funds or encounter difficulties in sourcing capital and cash resources, this will result in financial distress, which will impact our business operations and financial performance.
- (vi) Our financial results could be adversely affected if actual claims exceed our loss reserves. If our loss reserves are determined to be inadequate, we may be required to increase loss reserves at the time of the determination and our net income and capital may be reduced.
- (vii) Reinsurance may be inadequate or unavailable at desired levels, which could limit our ability to underwrite new business and reduce our capacity to provide adequate insurance coverage to clients, expose us to counterparty risk, and fail to provide sufficient protection against potential losses. Failure to renew or secure adequate reinsurance coverage may require us to review our risk appetite and potentially limit our ability to underwrite new policies or restrict the range of products we can offer.

See Section 5 of this Prospectus for further details on our risk factors.

3.6 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and Key Senior Management are as follows:

Name	Designation
<u>Directors</u>	
Dato' Mohzani Bin Abdul Wahab	Independent Non-Executive Chairman
Susan Yuen Su Min	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Independent Non-Executive Director
Cheryl Khor Hui Peng	Independent Non-Executive Director
Olivier Bouchard	Non-Independent Executive Director ⁽¹⁾
<u>Key Senior Management</u>	
Jon Eric Longmore	Country President
Jenni Harjanto	Chief Financial Officer
Tan Wee Keat	Chief Operating Officer
Lee Pei Ling	Chief Consumer Lines Officer
Danil Bugakov	Head of Property and Casualty

Note:

- (1) *Olivier Bouchard is deemed to be an executive Director of our Company pursuant to the Corporate Governance Policy issued by BNM. Under the said Corporate Governance Policy, a person is an executive director of a financial institution if they have management responsibilities in the financial institution or any of its affiliates. Notwithstanding that, Olivier Bouchard is not employed by our Company, does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations.*

See Sections 9.2 and 9.3 of this Prospectus for further information on our Directors and Key Senior Management.

3. PROSPECTUS SUMMARY (Cont'd)

3.7 DIVIDEND POLICY

While dividends are discretionary and subject to change, our Company currently targets a dividend payout ratio of at least 20% of our Company's PAT for each financial year from the FYE 2026 onwards, after taking into account our expected financial performance, tax considerations, level of our cash, gearing, return on equity and retained earnings, our working capital requirements, our projected levels of capital expenditure and other growth and investment plans, and capital adequacy and prudential compliance requirements. The declaration and payment of any dividend is subject to the prior approval of our Board, our shareholders (where required), BNM and/or other authorities, and any other requirement under applicable law and contractual obligations, and provided that such distribution will not be detrimental to our Company's cash requirements and/or any plans approved by our Board.

The following table sets out our dividends declared and paid for the financial years under review:

	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Dividends declared	-	75,000 ⁽¹⁾	274,000 ⁽²⁾
Dividends paid	-	75,000	110,000 ⁽³⁾
PAT	108,639	119,156	73,759
Dividend payout ratio ⁽⁴⁾ (%)	-	62.9	371.5

Notes:

- (1) Dividends of RM75.0 million in respect of the FYE 2022 was declared by our Board in January 2023 after receipt of BNM's approval.
- (2) Comprises dividends of RM110.0 million in respect of the FYE 2023 and dividends of RM164.0 million in respect of the FYE 2024, which were declared by our Board in January 2024 and December 2024 respectively, after receipt of BNM's approval.
- (3) Out of the dividends of RM274.0 million declared in the FYE 2024, RM110.0 million in respect of the FYE 2023 was paid in February 2024, and RM164.0 million in respect of the FYE 2024 was paid in January 2025.
- (4) Dividend payout ratio is computed based on dividends declared over PAT.

The dividends declared above were funded by cash from our operations and paid from the retained earnings of our Company.

As at the LPD, there are no dividends declared but remain unpaid. Subsequent to the LPD, no dividend has been declared, made or paid by our Company. Our Company has no intention to declare any further dividends prior to our Listing.

See Section 12.4 of this Prospectus for further details on our dividend policy.

3. PROSPECTUS SUMMARY (Cont'd)

3.8 PROMOTER AND SUBSTANTIAL SHAREHOLDERS

The following table sets out the direct and indirect shareholding of our Promoter and Substantial Shareholders before and after our IPO:

Name	Country of incorporation	Before our IPO ⁽¹⁾				After our IPO ⁽²⁾			
		Direct		Indirect		Direct		Indirect	
		No. of Shares (‘000)	%	No. of Shares (‘000)	%	No. of Shares (‘000)	%	No. of Shares (‘000)	%
<u>Promoter and substantial shareholder</u>									
Chubb INA	United States	1,000,000	100.00	-	-	700,000	70.00	-	-
<u>Substantial shareholders</u>									
INA Corporation	United States	-	-	1,000,000 ⁽³⁾	100.00	-	-	700,000 ⁽³⁾	70.00
Chubb IH	United States	-	-	1,000,000 ⁽⁴⁾	100.00	-	-	700,000 ⁽⁴⁾	70.00
Chubb Group Holdings	United States	-	-	1,000,000 ⁽⁵⁾	100.00	-	-	700,000 ⁽⁵⁾	70.00
Chubb Limited ⁽⁶⁾	Switzerland	-	-	1,000,000 ⁽⁷⁾	100.00	-	-	700,000 ⁽⁷⁾	70.00

Notes:

(1) Based on our issued Shares after the Subdivision of 1,000,000,000.

(2) Based on our issued Shares upon our Listing of 1,000,000,000.

(3) Deemed interested by virtue of its interest in Chubb INA pursuant to Section 8(4) of the Act.

(4) Deemed interested by virtue of its interest in INA Corporation pursuant to Section 8(4) of the Act.

(5) Deemed interested by virtue of its interest in Chubb IH pursuant to Section 8(4) of the Act.

(6) Based on publicly available information as at 30 June 2025, the substantial shareholders of Chubb Limited are The Vanguard Group Inc. (9.21%), Blackrock Inc. (6.90%) and Berkshire Hathaway Inc. (6.78%) (Source : Bloomberg). None of the substantial shareholders is deemed as the ultimate beneficial owner of Chubb Limited as each of their respective shareholding in Chubb Limited is below 20.00%. Therefore, Chubb Limited has no ultimate beneficial owner.

(7) Deemed interested by virtue of its interest in Chubb Group Holdings pursuant to Section 8(4) of the Act.

3. PROSPECTUS SUMMARY (Cont'd)

See Section 9.1 of this Prospectus for further details on our Promoter and Substantial Shareholders.

3.9 USE OF PROCEEDS

As our Company will not be issuing any new Shares under our IPO, we will not receive any proceeds from our IPO. Our Board is of the view that our Company presently does not require additional funding for our business. The gross proceeds from our IPO of RM[●] will accrue entirely to the Selling Shareholder and will be used by the Selling Shareholder.

See Section 4.6 of this Prospectus for further details on the use of proceeds arising from our IPO.

3.10 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The following table sets out our selected historical financial data for the Financial Years and Period Under Review:

	Audited			Unaudited	Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance revenue	671,447	690,954	703,495	343,365	375,590
Insurance service result	240,429	222,183	194,264	89,705	89,027
Total investment income	30,749	77,132	65,488	32,473	44,130
PBT	145,880	160,107	99,566	44,965	50,408
PAT	108,639	119,156	73,759	33,703	37,869
Insurance service result margin ⁽¹⁾ (%)	35.8	32.2	27.6	26.1	23.7
PBT margin ⁽²⁾ (%)	21.7	23.2	14.2	13.1	13.4
PAT margin ⁽³⁾ (%)	16.2	17.2	10.5	9.8	10.1

Notes:

(1) Computed based on insurance service result over insurance revenue.

(2) Computed based on PBT over insurance revenue.

(3) Computed based on PAT over insurance revenue.

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Total equity (RM'000)	1,033,485	1,075,934	875,100	913,686
Total capital available (RM'000)	925,361	972,006	771,383	803,905
Total borrowing (RM'000)	-	-	-	-
NA per Share ⁽¹⁾ (RM/Share)	10.33	10.76	8.75	9.14
Return on equity ⁽²⁾ (%)	11.1	11.3	7.6	4.2
Investment leverage ratio ⁽³⁾ (%)	125.8	137.9	166.8	165.5
Investment yield ⁽⁴⁾ (%)	2.3	5.5	4.5	3.0

Notes:

(1) Computed based on total equity over the number of Shares for the respective financial years/period.

(2) Computed based on PAT over average total equity at the beginning and end of the respective financial years/period.

(3) Computed based on investments over total equity for the respective financial years/period.

(4) Computed based on total investment income over average investments at the beginning and end of the respective financial years/period.

3. PROSPECTUS SUMMARY (Cont'd)

See Section 12 of this Prospectus for further details on financial information relating to our Company.

3.11 NON-COMPLIANCES WITH THE RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE CONDUCT OF THE OPERATIONS OF OUR COMPANY

As at the LPD, we have not (i) located the CCC for our Penang branch office; and (ii) obtained the renewed fire certificate for our Company's head office at Wisma Chubb.

The total estimated cost to rectify the non-compliances is approximately RM1.05 million and the potential maximum penalties referred to in Section 7.26 of this Prospectus are approximately RM300,000, totalling approximately RM1.35 million, which represents approximately 1.36% of our Company's PBT for the FYE 2024.

Notwithstanding that the non-compliance may remain unresolved at the time of our Listing, our Directors and management will continue to follow-up and liaise with the relevant authorities to resolve the said non-compliance in the best interest of our Company. We will update our shareholders on the status of any outstanding non-compliant incidents in our annual report.

See Section 7.26 of this Prospectus for further details on the non-compliances and remediation steps taken by us to address them.

4. DETAILS OF OUR IPO

4.1 INDICATIVE TIMETABLE

The following events are intended to take place on the following indicative time and/or date:

Event	Time and/or date
Opening of the Institutional Offering	[•]
Issuance of the Prospectus/Opening of the Retail Offering	10.00 a.m., [•]
Closing of the Retail Offering	5.00 p.m., [•]
Closing of the Institutional Offering	[•]
Price Determination Date	[•]
Balloting of applications for the Offer Shares under the Retail Offering	[•]
Transfer of the Offer Shares to successful applicants	[•]
Listing	[•]

In the event there is any change to the timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and make an announcement on the website of Bursa Securities.

4.2 PARTICULARS OF OUR IPO AND PLAN OF DISTRIBUTION

Our IPO is subject to the terms and conditions of this Prospectus. Upon acceptance, the Offer Shares are expected to be allocated in the manner described below, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus.

Our IPO consists of the Institutional Offering and the Retail Offering totalling 300,000,000 Offer Shares, representing 30.00% of our issued Shares.

4.2.1 Subdivision

In conjunction with our Listing, on [•], we undertook a subdivision of 100,000,000 existing Shares into 1,000,000,000 Shares to enhance the liquidity of our Shares at the time of our Listing.

Following the completion of the Subdivision, our total issued Shares is 1,000,000,000 Shares.

4.2.2 Institutional Offering

The Institutional Offering involves the offering of 249,546,800 Offer Shares, representing 24.95% of our issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus, at the Institutional Price in the following manner:

- (i) 125,000,000 Offer Shares, representing 12.50% of our issued Shares to Bumiputera investors approved by the MoF; and
- (ii) 124,546,800 Offer Shares, representing 12.45% of our issued Shares to institutional and selected investors.

4. DETAILS OF OUR IPO (Cont'd)**4.2.3 Retail Offering**

The Retail Offering involves the offering of 50,453,200 Offer Shares, representing 5.05% of our issued Shares, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus, at the Retail Price in the following manner:

(i) Allocation to the Eligible Persons

453,200 Offer Shares, representing 0.05% of our issued Shares, are reserved for application by the Eligible Persons in the following manner:

Category of Eligible Person	No. of Eligible Persons	Aggregate no. of Offer Shares allocated
Our Independent Directors ⁽¹⁾	4	453,200
Total	4	453,200

Note:

- (1) *The criteria for allocation to our Independent Directors are based on their respective roles and responsibilities in our Company and they collectively will be allocated 453,200 Offer Shares, as follows:*

Name	No. of Offer Shares allocated
Dato' Mohzani Bin Abdul Wahab	113,300
Susan Yuen Su Min	113,300
Dr. Heng Kiah Ngan	113,300
Cheryl Khor Hui Peng	113,300
Total	453,200

(ii) Allocation via balloting to the Malaysian Public

50,000,000 Offer Shares, representing approximately 5.00% of our issued Shares, are reserved for application by the Malaysian Public via balloting, of which 25,000,000 Offer Shares have been set aside for application by Bumiputera citizens, companies, co-operatives, societies and institutions.

In summary, the Offer Shares will be allocated, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus, in the following manner:

Category	No. of Offer Shares	% of our issued Shares ⁽¹⁾
Retail Offering:		
Eligible Persons		
- Our Independent Directors	453,200	0.05
Malaysian Public (via balloting):		
- Bumiputera	25,000,000	2.50
- Non-Bumiputera	25,000,000	2.50
Sub-total	50,453,200	5.05
Institutional Offering:		
- Bumiputera investors approved by the MoF	125,000,000	12.50
- Institutional and selected investors	124,546,800	12.45
Sub-total	249,546,800	24.95
Total	300,000,000	30.00

4. DETAILS OF OUR IPO (Cont'd)

Note:

(1) Based on our issued Shares upon our Listing of 1,000,000,000.

The completion of the Institutional Offering and the Retail Offering is inter-conditional. Our IPO is also subject to the public shareholding spread requirement under the Listing Requirements as set out in Section 4.2.7 of this Prospectus.

4.2.4 Clawback and reallocation

The Institutional Offering and the Retail Offering shall be subject to the following clawback and reallocation provisions:

- (i) if the Offer Shares allocated to the Eligible Persons (subject to the reallocation process for the Eligible Persons as set out below) are under-subscribed, such Offer Shares may be allocated to the other institutional and selected investors under the Institutional Offering or the Malaysian Public under the Retail Offering or a combination of both, at the discretion of the Sole Bookrunner and us;
- (ii) if the Offer Shares allocated to Bumiputera investors approved by the MoF ("**MoF Tranche**") are under-subscribed, such Offer Shares shall be allocated to Bumiputera public investors under the Retail Offering via the balloting process as mentioned in Section 4.2.3(ii) of this Prospectus.

If after the above reallocation, the MoF Tranche is still under-subscribed under the Institutional Offering, and there is a corresponding over-subscription for the Offer Shares under the Institutional Offering and the Retail Offering, the Offer Shares will be clawed back from the MoF Tranche and allocated firstly, to other Malaysian institutional investors under the Institutional Offering, and thereafter to the other institutional and selected investors under the Institutional Offering, and subsequently, to the other Malaysian Public under the Retail Offering;

- (iii) subject to items (i) and (ii) above, if there is an over-subscription in the Retail Offering and there is a corresponding under-subscription in the Institutional Offering, the Offer Shares may be clawed back from the Institutional Offering and allocated to the Retail Offering; and
- (iv) subject to item (i) above, if there is an over-subscription in the Institutional Offering and there is a corresponding under-subscription in the Retail Offering, the Offer Shares may be clawed back from the Retail Offering and allocated to the Institutional Offering.

There will be no clawback and reallocation if there is an over-subscription or under-subscription in both the Institutional Offering and the Retail Offering or an under-subscription in either the Institutional Offering or the Retail Offering but no over-subscription in the other.

Any Offer Shares not taken up by any of the Eligible Persons ("**Excess Offer Shares**") will be made available for application by the other Eligible Persons who have applied for the Excess Offer Shares on top of their pre-determined allocation and allocated on a fair and equitable basis and in the following priority:

- (a) firstly, allocation on a pro-rata basis to the Eligible Persons who have applied for the Excess Offer Shares based on the number of Excess Offer Shares applied for; and
- (b) secondly, to minimise odd lots.

4. DETAILS OF OUR IPO (Cont'd)

Our Board reserves the right to allot the Excess Offer Shares applied for in such manner as it may deem fit and expedient in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in items (a) and (b) above is achieved. Our Board also reserves the right to accept or reject any Excess Offer Shares application, in full or in part, without assigning any reason.

Once completed, the steps involving items (a) and (b) above will not be repeated. Should there be any balance of Excess Offer Shares thereafter, such balance will be made available for clawback and reallocation as described in item (i) above. Any Offer Shares under the Retail Offering not applied for after being subject to the clawback and reallocation provisions above shall be underwritten by the Sole Underwriter.

As at the date of this Prospectus, to the extent known to our Company:

- (i) none of our Substantial Shareholders will be subscribing for the Offer Shares;
- (ii) our Directors have yet to indicate whether they intend to subscribe for the Offer Shares;
- (iii) our Key Senior Management have yet to indicate whether they intend to subscribe for the Offer Shares; and
- (iv) there is no person who intends to subscribe for more than 5.00% of the Offer Shares.

4.2.5 Share capital

Upon completion of our IPO, our share capital will be as follows:

	No. of Shares	RM'000
After the Subdivision	1,000,000,000	100,000
After our IPO	-	-
Total upon Listing	1,000,000,000	100,000

4.2.6 Classes of shares and ranking

As at the date of this Prospectus, we only have one class of shares, being ordinary shares.

The Offer Shares rank equally in all respects with our existing issued Shares including voting rights and will be entitled to all rights, dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares, subject to any applicable Rules of Bursa Depository.

Subject to any special rights attached to any Shares we may issue in the future, our shareholders will, in proportion to the amount paid on our Shares held by them, be entitled to share the profits paid out by us in the form of dividends and other distributions. Similarly, if our Company is liquidated, our shareholders will be entitled to the surplus (if any), in accordance with our Constitution after the satisfaction of any preferential payments in accordance with the Act and our liabilities.

4. DETAILS OF OUR IPO (Cont'd)

At every general meeting of our Company, each of our shareholders will be entitled to vote in person, by proxy, or by attorney or by other duly authorised representative. Any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll. On a poll, each shareholder present either in person, by proxy, by attorney or by other duly authorised representative, will have one vote for each Share held or represented. A proxy may but need not be a member of our Company.

4.2.7 Minimum subscription level

There is no minimum subscription level in terms of the proceeds to be raised by the Selling Shareholder from our IPO.

Under the Listing Requirements, we are required to have a minimum of 25.00% of our Shares held by at least 1,000 public shareholders, each holding not less than 100 Shares at the point of our Listing. As such, if the minimum public shareholding spread requirement is not met, we may not be able to proceed with our Listing.

In addition, it is the intention of our Company and the Selling Shareholder to achieve full subscription of the Offer Shares in connection with our IPO. If there is an under-subscription in both the Institutional Offering and Retail Offering, our Company and the Selling Shareholder may decide in our absolute discretion not to proceed with our Listing.

See Section 5.3.4 of this Prospectus for details in the event there is a delay in or termination of our Listing.

4. DETAILS OF OUR IPO (Cont'd)**4.3 SELLING SHAREHOLDER**

The Offer Shares to be offered by the Selling Shareholder and its direct shareholding in our Company before and after our IPO and its material relationship with our Company for the past three years and up to the LPD are as follows:

Selling Shareholder	Material relationship with our Company	After the Subdivision		Shares to be offered under the Offer for Sale			After our IPO	
		No. of Shares	%⁽¹⁾	No. of Shares	%⁽¹⁾	%⁽²⁾	No. of Shares	%⁽²⁾
		(‘000)		(‘000)			(‘000)	
Chubb INA	Promoter and substantial shareholder	1,000,000	100.00	300,000	30.00	30.00	700,000	70.00

Notes:

(1) Based on our issued Shares after the Subdivision of 1,000,000,000.

(2) Based on our issued Shares upon our Listing of 1,000,000,000.

4. DETAILS OF OUR IPO (Cont'd)

4.4 BASIS OF ARRIVING AT THE PRICE OF THE OFFER SHARES AND REFUND MECHANISM

4.4.1 Retail Price

The Retail Price was determined and agreed upon between our Directors and the Selling Shareholder in consultation with the Principal Adviser and Sole Bookrunner, after taking into consideration the following factors:

- (i) PE Multiple of approximately [●] times based on our EPS of 7.38 sen after taking into account our PAT of RM73.76 million for the FYE 2024 and our issued Shares upon our Listing of 1,000,000,0000;
- (ii) pro forma NA per Share of RM[●] as at 30 June 2025 after our IPO based on our issued Shares upon our Listing of 1,000,000,0000;
- (iii) our competitive strengths, as follows:
 - (a) we have an established track record in underwriting across multiple insurance products to meet the needs of the commercial and consumer sectors;
 - (b) we have a large customer base, leveraging on our wide network of distribution partners and direct sales to expand market reach;
 - (c) we have a broad and diversified general insurance portfolio to provide us with diversity and business growth;
 - (d) our strategic position and brand are backed by our NYSE-listed parent company with regional and global expertise and presence;
 - (e) we possess the financial strength and regulatory compliance required to operate in a highly regulated industry; and
 - (f) we have an experienced key management team to facilitate proactive and responsive execution;
- (iv) our business strategies and future plans, as follows:
 - (a) empowering our agents for motor products;
 - (b) expansion of the small-enterprise market through sector-specific offerings and digital customer acquisition;
 - (c) expansion of our property and casualty products to medium-sized enterprise market; and
 - (d) expansion of our accident and health products for the consumer market;
- (v) outlook and prospects of the general insurance industry, as described in Section 8 of this Prospectus; and
- (vi) prevailing market conditions, including market performance of key global indices and companies involved in similar businesses listed on Bursa Securities and regional stock exchanges, current market trends as well as investors' sentiments.

4. DETAILS OF OUR IPO (Cont'd)

The Final Retail Price will be determined after the Institutional Price is determined on the Price Determination Date and will be the lower of:

- (a) the Retail Price; or
- (b) the Institutional Price.

In the event that the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest. See Section 4.4.3 of this Prospectus for a summary of the refund mechanism.

The Final Retail Price and the Institutional Price will be announced within two Market Days from the Price Determination Date via Bursa Securities' Listing Information Network. In addition, all successful applicants will be given written notice of the Final Retail Price and the Institutional Price, together with the notices of allotment for the Offer Shares.

4.4.2 Institutional Price

The Institutional Price will be determined by a bookbuilding process wherein prospective institutional and selected investors will be invited to bid for portions of the Institutional Offering by specifying the number of Offer Shares they would be prepared to acquire and the price they would be prepared to pay for the Offer Shares in respect of the Institutional Offering. This bookbuilding process will commence on [●] and will end on [●]. Upon completion of the bookbuilding process, the Institutional Price will be fixed by our Directors and the Selling Shareholder in consultation with the Sole Bookrunner on the Price Determination Date.

4.4.3 Refund mechanism

If the Final Retail Price is lower than the Retail Price, the difference between the Retail Price and the Final Retail Price will be refunded to the successful applicants without any interest. The refund will be made:

- (i) in the form of cheques to be despatched by ordinary post to the address maintained with Bursa Depository for applications made via the Application Form;
- (ii) by crediting into the accounts of the successful applicants with the Participating Financial Institutions for applications made via the Electronic Share Application; or
- (iii) by crediting into the accounts of the successful applicants with the Internet Participating Financial Institutions or Participating Securities Firms for applications made via the Internet Share Application,

within 10 Market Days from the date of final ballot of applications, at the successful applicants' own risk.

See Section 15.9 of this Prospectus for further details on the refund mechanism.

4.4.4 Expected market capitalisation

Based on the Retail Price, the total market capitalisation of our Company upon our Listing would be approximately RM[●].

You should also note that the market price of our Shares upon our Listing is subject to market forces and other uncertainties. You are reminded to carefully consider the risk factors as set out in Section 5 of this Prospectus.

4. DETAILS OF OUR IPO (Cont'd)**4.5 DILUTION**

Dilution is the amount by which our pro forma NA per Share after our IPO is less than the price paid by retail, institutional and selected investors for our Shares.

The following table illustrates the dilution effect on a per Share basis assuming the Retail Price is equal to the Final Retail Price and the Institutional Price:

	<u>RM</u>
Final Retail Price/Institutional Price	[•]
Pro forma NA per Share as at 30 June 2025 before adjusting for our IPO	[•]
Pro forma NA per Share as at 30 June 2025 after the Subdivision but before adjusting for our IPO	[•]
Pro forma NA per Share as at 30 June 2025 after the Subdivision and after adjusting for our IPO	[•]
Decrease in NA per Share to our existing shareholder	[•]
Dilution in pro forma NA per Share to the retail/institutional and selected investors	[•]
Dilution in pro forma NA per Share to the retail/institutional and selected investors as a percentage of the Retail/Institutional Price	[•]%

Save as disclosed below, none of our Substantial Shareholders, Directors, Key Senior Management or persons connected with them had acquired nor obtained the right to acquire and/or subscribe for our Shares in the past 3 years and up to the LPD:

<u>Name</u>	<u>Date of allotment</u>	<u>No. of Shares</u>	<u>Allotted</u>	<u>Total consideration RM</u>	<u>Effective cost per Share RM</u>
Chubb INA	[•]	[900,000,000]	[Allotted] ⁽¹⁾	-	-

Note:

(1) Shares are allotted pursuant to the Subdivision, as set out in Section 4.2.1 of this Prospectus.

4.6 USE OF PROCEEDS

As our Company will not be issuing any new Shares under our IPO, we will not receive any proceeds from our IPO. Our Board is of the view that our Company presently does not require additional funding for our business. See Section 12.2.12 of this Prospectus for details on our Company's capital resources.

The gross proceeds from our IPO of RM[•] will accrue entirely to the Selling Shareholder and will be used by the Selling Shareholder.

The estimated fees and expenses for our IPO and Listing will be borne by the Selling Shareholder and us. The fees to be borne by our Company are estimated to be approximately RM[•] comprising the initial listing fee and annual listing fee payable to Bursa Securities. The Selling Shareholder will bear the fee payable to authorities (save for those expressly stated to be borne by us), brokerage fee, underwriting commission, placement fee as well as the other professional and miscellaneous expenses in relation to our IPO and Listing, which are estimated to be approximately RM[•].

4. DETAILS OF OUR IPO (Cont'd)**4.7 BROKERAGE FEE, UNDERWRITING COMMISSION AND PLACEMENT FEE****4.7.1 Brokerage fee**

The Selling Shareholder will pay brokerage in respect of the Offer Shares under the Retail Offering at the rate of 1.0% (exclusive of applicable tax) of the Final Retail Price in respect of all successful applications which bear the stamp of either the participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association and/or the Issuing House.

The Sole Bookrunner is entitled to charge brokerage commission to successful applicants under the Institutional Offering. For the avoidance of doubt, brokerage commission under the Institutional Offering will not be payable by us or the Selling Shareholder.

4.7.2 Underwriting commission

As stipulated in the Retail Underwriting Agreement, the Sole Underwriter has agreed to underwrite the Offer Shares under the Retail Offering for an underwriting commission of [●]% (exclusive of applicable tax) of the Retail Price multiplied by the total number of Offer Shares in accordance with the terms of the Retail Underwriting Agreement.

4.7.3 Placement fee

The Selling Shareholder will pay the Sole Bookrunner a placement fee and selling commission of up to [●]% (exclusive of applicable tax) of the Institutional Price multiplied by the number of Offer Shares placed out to the institutional and selected investors under the Institutional Offering in accordance with the terms of the Placement Agreement.

4.8 DETAILS OF THE UNDERWRITING, PLACEMENT AND LOCK-UP ARRANGEMENTS**4.8.1 Underwriting**

We and the Selling Shareholder have entered into the Retail Underwriting Agreement with the Sole Underwriter to underwrite 50,453,200 Offer Shares under the Retail Offering, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus.

Details of the underwriting commission are set out in Section 4.7.2 of this Prospectus, while the salient terms of the Retail Underwriting Agreement are as follows:

(i) [●]

4.8.2 Placement

We and the Selling Shareholder expect to enter into the Placement Agreement with the Sole Bookrunner and Sole Placement Agent in relation to the placement of 249,546,800 Offer Shares under the Institutional Offering, subject to the clawback and reallocation provisions as set out in Section 4.2.4 of this Prospectus. We and the Selling Shareholder will be requested to give various representations, warranties and undertakings, and to indemnify the Sole Bookrunner and Sole Placement Agent against certain liabilities in connection with our IPO. The terms of the Placement Agreement are subject to negotiations and may include termination events that are different from those under the Retail Underwriting Agreement as set out in Section 4.8.1 of this Prospectus.

4.9.3 Lock-up arrangement

[●]

4. DETAILS OF OUR IPO (Cont'd)

4.10 TRADING AND SETTLEMENT IN SECONDARY MARKET

Upon our Listing, our Shares will be traded through Bursa Securities and settled by book-entry settlement through the CDS, which is operated by Bursa Depository. This will be effected in accordance with the Rules of Bursa Depository and the provisions of the SICDA. Accordingly, we will not deliver share certificates to subscribers or purchasers of the Offer Shares.

Beneficial owners of our Shares are required under the Rules of Bursa Depository to maintain our Shares in CDS accounts, either directly in their names or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as our shareholders in respect of the number of Shares credited to their respective CDS accounts.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's CDS account being debited with the number of Shares sold and the buyer's CDS account being credited with the number of Shares acquired. No transfer stamp duty is currently payable for our Shares that are settled on a book-entry basis, although there is a nominal transfer fee of RM10 payable for each transfer not transacted on the market.

Shares held in CDS accounts may not be withdrawn from the CDS except in the following instances:

- (i) to facilitate a share buy-back;
- (ii) to facilitate conversion of debt securities;
- (iii) to facilitate company restructuring process;
- (iv) where a body corporate is removed from the Official List;
- (v) to facilitate a rectification of any error; and
- (vi) in any other circumstances determined by Bursa Depository from time to time, after consultation with the SC.

Trading of shares of companies listed on Bursa Securities is normally done in "board lots" of 100 shares. Investors who desire to trade less than 100 shares are required to trade under the odd lot board. Settlement of trades done on a "ready" basis on Bursa Securities generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the second Market Day following the transaction date.

It is expected that our Shares will commence trading on Bursa Securities approximately 10 Market Days after the close of the Institutional Offering. Subscribers or purchasers of our Shares will not be able to sell or otherwise deal in our Shares (except by way of book-entry transfer to other CDS accounts in circumstances which do not involve a change in beneficial ownership) prior to the commencement of trading on Bursa Securities.

5. RISK FACTORS

An investment in our Shares involves a number of risks, many of which are beyond our control. You should carefully consider all the information contained in this Prospectus, including the risks described below, before deciding to invest in our Shares. Our business, financial condition, results of operations and prospects could be materially and adversely affected by any of these risks. The market price of our Shares could decline due to any of these risks, and you may lose all or part of your investment. Additional risks not presently known to us or that we currently deem insignificant may also impair our business, results of operations or the market price of our Shares as they become known or as facts and circumstances change.

5.1 RISKS RELATING TO OUR BUSINESS

5.1.1 We operate in a highly regulated industry where our insurance business is subject to laws, regulations and guidelines, including capital adequacy and solvency requirements

Our business in the general insurance industry in Malaysia is highly regulated. We are subject to laws, regulations and guidelines under the purview of BNM under the FSA. The legal and regulatory framework is extensive under the FSA, and includes, among others, the following:

- requirements to obtain and maintain an insurance licence, which includes meeting capital requirements and other prudential standards;
- prudential requirements with specified standards to ensure financial safety and soundness, including regulations on capital adequacy, risk management, corporate governance and internal controls; and
- business conduct and consumer protection requirements, where insurers are required to act professionally, provide transparent product information and have in place an effective mechanism for handling customer complaints.

In addition to the FSA, BNM issues a range of regulations and policies that provide detailed requirements and guidance for general insurers. These regulations and policies are regularly updated to address emerging risks and market developments. Key areas of note include the RBC Framework; guidelines on corporate governance, outsourcing, anti-money laundering and counter-financing of terrorism, product transparency and disclosure; and regulations on pricing of insurance products and commissions. In addition, PIAM is the general insurance association in Malaysia that plays a key role in promoting industry discipline, setting standards for agents to register with PIAM and facilitating consumer protection. See Section 7.25 of this Prospectus for further details of the major laws and regulations governing the conduct of our business.

Consequently, we must comply continuously with regulatory requirements, and meet solvency and capital adequacy standards to maintain our general insurance licence. BNM maintains a strict and multi-tiered enforcement framework, and the law and regulations applicable to the general insurance industry are stringent, including the ultimate sanction of revoking a licence. As such, if we are unable to comply with the laws, regulations and guidelines issued by BNM, the most serious outcome may be a revocation or suspension of our licence. Furthermore, any non-compliance with laws, regulations or BNM guidelines can lead to regulatory reprimands, monetary penalties or fines, and may expose our Company, Directors and/or officers to potential civil and criminal liability claims. Any alleged or actual non-compliance, revocation or suspension may impact our ability to continue business operations and consequently, affect our financial performance.

For the Financial Years and Period Under Review and up to the LPD, we remain compliant with the relevant laws, regulations and guidelines. However, any adverse changes to the laws, regulations and guidelines governing the general insurance industry may adversely impact our business operations. There can be no assurance that future changes in the relevant laws, regulations and guidelines will not impact our business operations and financial performance.

5. RISK FACTORS (Cont'd)

5.1.2 Our business and financial performance are dependent on underwriting earnings that are subject to volatility and unpredictability

The nature of our business is such that the underwriting of insurance risk can be volatile, which can lead to unpredictable earnings. As a general insurance provider, our insurance revenue is primarily derived from the premiums we receive for underwriting risks and our underwriting earnings from insurance revenue exceeding losses and expenses.

Our ability to generate and grow insurance revenue depends largely on our capability to secure new business and retain customers, as well as our capacity to expand sales through our distribution channels and our resources to broaden our reach.

Changes in premiums collected are influenced by a variety of internal and external factors. Internal factors include failing to offer competitive products or pricing, operational inefficiencies in underwriting, the frequency and severity of losses, claims or distribution, disruptions in digital platforms that hinder sales or customer engagement, and a high dependence on a specific distribution channel. External factors are broader market and environmental forces which include among others, macroeconomic conditions (such as business confidence index and inflation), regulatory changes, shifts in customer preference (such as demand for digital solutions and alternative coverage types), competitive pressures, and catastrophic events like natural disasters that can significantly impact our underwriting appetite. As a result, any unfavourable operational environment or macroeconomic conditions could negatively impact our business operations and financial performance.

5.1.3 Our results of operations or financial condition could be adversely affected by the occurrence of natural and man-made disasters

We have substantial exposure to losses resulting from natural disasters and man-made catastrophes, such as terrorism or cyber-attack, and other catastrophic events. This could impact a variety of our businesses, including our property and casualty, and accident and health segments. Catastrophes can be caused by various events, including floods, storms, landslides, earthquakes, heatwaves, explosions, fires, war, acts of terrorism, nuclear accidents, political instability, and other natural or man-made disasters, including a global or other wide-impact pandemic or a significant cyber-attack. The incidence and severity of catastrophes are inherently unpredictable and our losses from catastrophes could be substantial. In addition, climate change and resulting changes in global temperatures, weather patterns, and sea levels may both increase the frequency and severity of natural catastrophes and the resulting losses in the future, and impact our risk modeling assumptions. We cannot predict the impact that changing climate conditions, if any, may have on our results of operations or our financial condition. We cannot predict how legal, regulatory or social responses to concerns around global climate change and the resulting impact on various sectors of the economy may impact our business. In addition, exposure to cyber risk is increasing systematically due to greater digital dependence, which may increase possible losses due to a catastrophic cyber event. Cyber catastrophic scenarios are not bound by time or geographic limitations and cyber catastrophic perils do not have well-established definitions or fundamental physical properties. Rather, cyber risks are engineered by human actors and thus are continuously evolving, often in ways that are engineered specifically to evade established loss mitigation controls.

The occurrence of claims from catastrophic events could result in substantial volatility in our results of operations or financial condition for any fiscal quarter or year. Although we attempt to manage our exposure to such events through the use of underwriting controls, risk models, and the purchase of group reinsurance and third-party reinsurance, catastrophic events are inherently unpredictable and the actual nature of such events, when they occur, could be more frequent or severe than contemplated in our pricing and risk management expectations. As a result, the occurrence of claims from one or more catastrophic events could adversely impact our business operations and financial performance.

5. RISK FACTORS (Cont'd)

5.1.4 Our investment performance may affect our financial results and our ability to conduct business

Our investments are subject to market risks and risks inherent in individual securities. Our investment performance is highly sensitive to many factors, including interest rates, inflation, monetary and fiscal policies, and domestic and international political conditions. The volatility of our losses may force us to liquidate securities, which may cause us to incur capital losses. Realised and unrealised losses in our investment portfolio would reduce our book value, and if material, can affect our ability to conduct business.

Volatility in interest rates could impact the performance of our investment portfolio which could have an adverse effect on our investment income and operating results. Although we take measures to manage the risks of investing in a changing interest rate environment, we may not be able to effectively mitigate interest rate sensitivity. Our mitigation efforts include maintaining a high-quality portfolio of primarily fixed income investments with a relatively short duration to reduce the effect of interest rate changes on book value. A significant increase in interest rates would generally have an adverse effect on our book value.

Our fixed income portfolio is primarily invested in high quality, investment-grade securities. While we have put in place procedures to monitor the credit risk and liquidity of our invested assets, it is possible that, in periods of economic weakness (such as recession), we may experience credit or default losses in our portfolio, which could adversely impact our business operations and financial performance.

5.1.5 Our business is exposed to liquidity risks, including the availability of cash resources to fund our business operations and growth

Liquidity in the general insurance industry is related to our ability to generate sufficient cash from our business operations, to meet our financial commitments and operational expenditures. For the Financial Years and Period Under Review, we have funded our liquidity requirements using cash generated by our operating activities. If we fail to secure funds or encounter difficulties in sourcing capital and cash, this will result in financial distress, which will impact our business operations and financial performance.

Additionally, our liquidity is influenced by the frequency and severity of claims under our insurance contracts. Policy termination typically involves a pro-rated refund of the unearned premium. Over the past three years and up to the 1st half of 2025, the total number of policies terminated has ranged between 1% and 2% of all policies underwritten. Our claim ratios ranged between 39.3% and 50.4% over the past three years and up to the 1st half of 2025. Our general insurance products expose us to the risk of liquidity strain in the event of early policy termination or a catastrophic event, such as flood, fire and other natural disasters which may lead to an increase in the frequency and severity of claims. There can be no assurance that our liquidity will be sufficient to meet the resulting financial demands associated with the unpredictable timing and effects of a highly catastrophic event. Any occurrence of such events could affect our business operations and financial performance.

There was negative net cash flows used in operating activities of RM27.7 million for the FYE 2023, mainly attributed to increased investment in financial assets. After excluding the investment assets, our adjusted net cash flows generated from operating activities was positive at RM136.9 million. Subsequently, we recorded a positive net cash flows generated from operating activities of RM175.0 million for the FYE 2024 and RM47.0 million for the FPE 2025.

In addition to premium, investment income is another source of resources to fund our operations. For the Financial Years and Period Under Review, the total investment income accounted for 28.3%, 64.7%, 88.8% and 116.5% of our PAT for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. Our management utilises monthly cash flow reporting and forecasting to identify known, expected and potential cash outflows, thereby determining an appropriate level of operating liquidity to cover anticipated and potential payments.

5. RISK FACTORS (Cont'd)

5.1.6 Our financial results could be adversely affected if actual claims exceed our loss reserves

Our business operations and financial performance depend on our ability to accurately assess the potential losses associated with the risks that we insure and reinsure. We establish reserves for unpaid losses and loss expenses, which are estimates of future payments of reported and unreported claims for losses and related expenses, with respect to insured events that have occurred in or prior to the financial year end. The process of establishing reserves can be highly complex and is subject to considerable variability as it requires the use of informed estimates and judgments.

We regularly evaluate the levels of loss reserves. If our loss reserves are determined to be inadequate, we may be required to increase loss reserves at the time of the determination and our net income and capital may be reduced.

5.1.7 Reinsurance may be inadequate or unavailable at desired levels, which could limit our ability to underwrite new business and reduce our capacity to provide adequate insurance coverage to clients, expose us to counterparty risk, and fail to provide sufficient protection against potential losses

As part of our risk management strategy, we transfer a portion of the risks from our insurance products to reinsurers through reinsurance arrangements. Under these reinsurance arrangements, the reinsurer assumes a portion of the losses and related expenses (including commissions) in exchange for a premium.

Our access to reinsurance on a timely and cost-effective basis is contingent upon various factors. Failure to renew or secure adequate reinsurance coverage may require us to review our risk appetite and potentially limit our ability to underwrite new policies or restrict the range of products we can offer. Moreover, regulatory changes affecting reinsurance arrangements in the industry could adversely affect our business operations and financial performance.

We are also exposed to credit risk from reinsurers. Although our reinsurers are liable to us under the reinsurance arrangements, we remain responsible to our policyholders as the primary insurer for all risks. As such, reinsurance does not eliminate our obligations to pay claims. We face the risk that one or more of our reinsurers may be unable or unwilling to fulfil their obligations, such as failing to make payments or not making payments on a timely basis, thereby restricting our ability to recover funds.

Our reinsurance selection complies with regulatory requirements set by BNM. Under BNM requirements, for reinsurance business to be ceded, our Company must first prioritise domestic-licensed reinsurers, and only if none of them accept the business, would our Company then be permitted to approach licensed reinsurers in Labuan. It is only after the business is also not accepted by Labuan reinsurers that our Company is permitted to approach foreign reinsurers. Additionally, our Company's selection process involves an independent and rigorous assessment of each reinsurer's financial strength, with a particular emphasis on credit ratings, to effectively manage counterparty risk. Despite the adoption of these procedures and measures, there can be no assurance that our reinsurers will be able to fulfil their obligations in all circumstances. Any late payments or delays in reinsurance recoveries, or any inability or unwillingness of a reinsurer to pay a claim could result in a loss for us, which would adversely impact our business operations and financial performance.

5. RISK FACTORS (Cont'd)

5.1.8 Our business is subject to risks of security breaches or damage to our ICT infrastructure and systems, and unintended human errors

Our business operations involve receiving, processing, storing and transmitting critical and confidential data and information digitally, which may expose us to the risk of security breaches or damage related to our software, hardware and databases.

Our electronic infrastructure and systems comprise communication and processing devices such as servers, processors, computers and mobile devices that receive, process, store and transmit data; data centres that provide storage of systems, data and information; and communications infrastructure including managed, leased, virtual and private networks that facilitate transmission and reception of data, all of which are potentially vulnerable to physical or electronic intrusions, eavesdropping, cyber-attacks, malicious codes, ransomware or other destructive or disruptive actions. As with all electronic infrastructure and systems, we face the risk of, among others, sabotage, theft, ransom, destruction and/or loss of data, information and systems.

In such event, this may render our electronic systems inoperable for a period of time, resulting in a violation of applicable privacy and other laws, which could subject us to significant liabilities, losses or actions by regulators, harm our reputation and adversely affect our business operations and financial performance. For the Financial Years and Period Under Review, a ransomware attack was perpetuated on one of our distribution partners. We immediately isolated the distribution partner's digital credentials and suspended their access to our digital platform, which impacted policy application submissions from the said partner for approximately one month. However, the incident did not materially impact our business operations or financial performance.

Nevertheless, we may not be able to anticipate or implement adequate preventive measures against all security breaches or damage to our systems, as well as human errors, any of which could potentially adversely impact our reputation, business operations and financial performance.

5.1.9 We may require additional capital or financing sources in the future, which may not be available or may be available only on unfavorable terms

Our future capital and financing requirements depend on many factors, including our ability to write new business successfully and to establish premium rates and reserves at levels sufficient to cover losses, as well as our investment performance and capital expenditure obligations. We may need to raise additional funds through financings or access funds through credit facilities or through short-term repurchase or borrowing arrangements. Any equity or debt financing or refinancing, if available at all, may be on terms that are not favorable to us. In the case of equity financing, dilution to our shareholders could result, and in any case, such securities may have rights, preferences and privileges that are senior to those of the Shares. Our access to funds under credit facilities would be dependent on the ability of the banks that are parties to the facilities to meet their funding commitments. If we cannot obtain adequate capital or sources of credit on favorable terms, or at all, we could be forced to use assets otherwise available for our business operations, and our business operations and financial performance could be adversely affected.

5.1.10 The effects of emerging claim and coverage issues on our business are uncertain

As industry practices, legislative, regulatory, judicial, social, financial, technological and other conditions change, unexpected and unintended issues related to claims and coverage may emerge. These issues may adversely affect our business by either extending coverage beyond our underwriting intent or increasing the frequency and severity of claims.

5. RISK FACTORS (Cont'd)

5.1.11 Our business is subject to risks associated with maintaining adequate financial requirements for our business operations

Our business is subject to various financial requirements including, among others, maintaining a minimum paid-up share capital of RM100.0 million as well as maintaining a minimum capital adequacy ratio of 130%.

For the Financial Years and Period Under Review, we have met the minimum financial requirements for paid-up share capital, and we have maintained capital adequacy ratios well above the supervisory target capital level. As at 30 June 2025, our total capital available stood at RM803.9 million.

We have funded our liquidity requirements through internally generated funds from our general insurance business. In addition, we make fixed-income investments in Malaysian Government Securities and corporate debt that meet our standards for liquidity and credit quality. We have the flexibility to lengthen or shorten the duration of most fixed income accounts as needed to optimise total returns.

Nonetheless, there can be no assurance that we will be able to continue meeting the minimum financial requirements imposed by BNM. In the event of a potential or actual breach of the minimum financial requirements due to changes in our financial position, we are obligated to notify BNM in writing. This notification must outline the nature of the breach and the preventive/corrective measures we intend to implement and projected financial result. BNM has the authority to impose various restrictions and further corrective measures which may affect our ability to underwrite new business. In this respect, this may consequently affect our business operations and financial performance.

5.1.12 Our exposure to various commercial and contractual counterparties, including brokers and certain of our policies, may subject us to credit risk

We are exposed to credit risk through various commercial transactions and arrangements, including reinsurance transactions, agreements with banks, brokers and our investments. This risk arises if our counterparty fails to perform its obligations. This includes exposure to financial institutions and corporate bond issuers in the form of unsecured debt instruments.

We may pay claims to brokers who then remit these amounts to the insured. While the legal situation varies depending on the facts and circumstances of the particular case, if a broker fails to make such a payment, we may remain liable to the insured or ceding insurer for the shortfall. Conversely, if a broker does not remit premiums to us, these premiums may still be considered paid and the insured will no longer be liable to us for the amounts, regardless whether we have actually received the premiums from the broker. Consequently, we face credit risk when transacting with brokers.

In relation to certain high-deductible policies that we offer, such as workers' compensation and general liability, we may be required to pay covered claims first and then seek reimbursement for amounts within the applicable deductible from our customers. This obligation subjects us to credit risk from these customers. Consequently, if our counterparties fail to perform their obligations, our business operations and financial performance may be adversely affected.

5.1.13 We are dependent on our distribution partners for a large portion of insurance premiums

We rely on distribution partners, mainly registered agents and licensed brokers, to market and sell our products. In this respect, the dependency on distribution partners exposes us to various operational risks, including sales and productivity risks, consistency issues on customer assessment and reputational risks as follows:

5. RISK FACTORS (Cont'd)

- We may not always have complete control over our distribution partners' recruitment, retention and motivation strategies, which can lead to underperforming agents who may not consistently or aggressively promote our products.
- Our distribution partners may not always accurately assess risk or capture all relevant customer information during the customer acquisition process. This may lead to inaccurate pricing and a higher likelihood of claims that ultimately impact our financial performance.
- Reputational risks may arise from negative publicity caused by several factors, including claim disputes, misconduct by our distribution partners, unethical behaviour (such as product mis-selling or poor customer service), fraudulent sales practices and insolvency of a distribution partner. Any of these issues, especially with social media amplification, could damage public trust in our brand.

As our distribution partners often maintain direct relationships with our customers, we rely on our distribution partners to understand and gain insights into our customer needs and buying behaviour. We are required to maintain proactive collaboration and communications with our distribution partners in order to drive innovation and sell our products. If our distribution partners fail to grow the customer base or achieve sales targets, this would affect our business operations and financial performance.

Additionally, our business is dependent on the willingness of these distribution partners to recommend our products to their customers and our distribution partners may also promote and distribute the products of our competitors. Deterioration in relationships with our distribution partners or their increased promotion and distribution of our competitors' products could adversely affect our ability to sell our products. Loss of the business provided by one or more of these distribution partners could have an adverse effect on our business.

5.1.14 Our business is dependent on our ability to retain existing customers and expand our customer base mainly through our distribution partners

Through the network of our distribution partners and direct sales, our overall customer base increased from approximately 229,000 customers in the FYE 2022 to approximately 260,000 customers in the FYE 2024, representing a CAGR of approximately 6.6%. For the full years of 2022, 2023 and 2024, and 1st half of 2025, based on MFRS 4, our GWP underwritten through distribution partners accounted for 84.2%, 88.2%, 88.3% and 88.1% of our GWP for the full years of 2022, 2023 and 2024, and 1st half of 2025, respectively.

There can be no assurance that we will be able to maintain the growth rate of our customer base or renewal rate in retaining our existing customers. Some of the factors that could negatively affect our ability to retain or expand our customer base include, among others, failure to offer competitive products, distribution partners failing to grow their customer base or achieve sale targets, or failure to meet evolving customer expectations (such as inferior online and digital purchasing and customer service experience, or inability to meet changes in customer demand and preference).

Furthermore, macroeconomic factors, including economic conditions, inflation and unemployment rates directly influence disposable income, thereby affecting business confidence and customer spending and behaviour. In the event of economic adversity, businesses may face stagnation, closure or the need to downsize their operations. They may also seek to reduce costs by scaling back on their insurance coverage. Consequently, any adverse changes in economic conditions or consumer behaviour would affect our business operations and financial performance.

5. RISK FACTORS (Cont'd)

5.1.15 Our business operations are dependent on our Key Senior Management

Our business operations are dependent on the experience, knowledge, and skills of our Key Senior Management, as well as our ability to continue attracting, motivating, and retaining the services of key talent. Our Key Senior Management plays a significant role in the continued success of our business from the formulation and implementation of our strategies and plans to the day-to-day operations of our business. We have entered into employment contracts or issued letters of appointment with these individuals, although the retention of their services cannot be guaranteed. See Section 9.3.2 of this Prospectus for the profile of our Key Senior Management.

Premised on the above, the loss of any of our Key Senior Management may have an adverse impact or hinder the continued success of our business operations and financial performance. Furthermore, there can be no assurance that any departures will be promptly replaced or that their replacements will be able to make similar or increased contributions to our business operations.

5.1.16 We may not be able to effectively execute some of our business strategies and future plans

Our business strategies and future plans are focused on leveraging our key strengths and capitalising on our core competencies to drive business growth and expansion. This includes empowering our agents for motor products, expansion of our share in the small-enterprise market, expansion of property and casualty products to the medium-sized enterprise market, and increasing the number of our accident and health products tailored to the consumer market. See Section 7.5 of this Prospectus for further details on our business strategies and future plans.

The future growth of our business depends on our ability to implement and execute our business strategies and future plans promptly, focusing on product and market expansion, as well as digitising and automating our business processes to drive business growth. Any delays or failure in executing our business strategies and future plans efficiently and effectively may negatively affect our business growth and financial performance.

5.1.17 Our business operations are subject to other operational risks, such as corporate governance, risk management, internal control, legal actions and others

In the highly regulated insurance industry, we are governed by BNM and the industry association, PIAM. In cases of poor governance or governance failures, problems can arise. Our failure to uphold high standards of corporate governance could negatively impact our reputation and operations, which may ultimately negatively affect our financial performance.

We have implemented risk management and internal control systems, including a formal organisational framework, policies and procedures tailored to our business operations. Despite these measures, our risk management and internal control systems have inherent limitations. These include challenges in identifying and evaluating all potential risks and control variables. As a result, there can be no assurance that these systems will be able to identify, mitigate and manage every possible risk exposure. Internal control weakness or failure could lead to unanticipated costs and negatively impact our business operations and financial performance.

Our business relies on our ability to process a high volume of daily transactions. With our expanding customer base, the complexity of developing and maintaining our operational systems is also growing. Any disruptions with our financial, accounting, data processing, security and other operating systems and facilities could impact our ability to process transactions and provide services. Any prolonged disruption could adversely affect our business operations and financial condition.

5. RISK FACTORS (Cont'd)

In addition, as a general insurance provider, we are subject to risks associated with disputes, regulatory and legal actions arising from our business operations. These may include disputes with policyholders, intermediaries or other parties, as well as regulatory enquiries into our underwriting, claims handling or compliance practices. Any adverse outcome may result in financial costs or reputational harm, which could affect our business operations and financial performance. As at the LPD, there are ongoing material litigations involving our Company, including a Court of Appeal case with MyCC and a claims lawsuit involving Kejora Resources Sdn Bhd. See Section 14.7 of this Prospectus for further details relating to our ongoing litigation.

5.1.18 We are exposed to negative publicity or adverse reactions

We are susceptible to adverse market perception as we operate in an industry where integrity, trust and customer confidence are paramount. Any negative publicity regarding our business could directly result in a loss of customers and a decline in revenue. Consequently, any instances of mismanagement, fraud or failure to satisfy our fiduciary responsibilities, as well as public complaints or allegations of such activities could adversely damage our reputation and in turn, affect our business operations and financial performance.

For the Financial Years and Period Under Review and up to the LPD, we have received complaints in the usual course, which are lodged on BNM's kijang.net consumer complaints and enquiries platform. These complaints concern a range of matters, including appeals against the decision of claims, dissatisfactions with claim processing delays, and policy renewal and coverage. We have a complaint handling policy in place for managing customer complaints. All ongoing incidents are closely monitored and addressed promptly. For the Financial Years and Period Under Review and up to the LPD, our business operations and financial performance were not materially affected by any such complaints.

5.1.19 We are dependent on the trademark granted by our holding company

We are party to a Trademark Licensing Agreement with Chubb Limited, Chubb IH and other entities within the Chubb Group. Our operations rely on the trademarks granted pursuant to this agreement, which allows us to among others, operate and market our products under the "Chubb" brand and logo in Malaysia. The continued use of these trademarks is subject to the terms and conditions stipulated in the Trademark Licensing Agreement. Any change, restriction or termination of this right could adversely affect our brand identity, market presence and business operations.

In the event the Trademark Licensing Agreement is terminated, our Company will no longer be able to use the "Chubb" brand and logo in Malaysia. Our Company would then be required to incur costs to carry out a comprehensive rebranding initiative to communicate a new brand identity, although the termination of the Trademark Licensing Agreement is not expected to affect the validity of any insurance policy of our Company's customers as the legal obligations under these policies remain binding on our Company and its customers.

The risk of termination of the Trademark Licensing Agreement or our Company being unable to continue using the "Chubb" brand and logo is minimal, as Chubb Limited and Chubb IH will retain 70% equity interest in our Company following the completion of our IPO and our Listing (through the direct ownership by Chubb INA). However, there can be no assurance that there will be no breach of the terms and condition of the Trademark Licensing Agreement or other events that could lead to termination of the said agreement.

See Section 7.21 of this Prospectus for further details of the Trademark Licensing Agreement.

5. RISK FACTORS *(Cont'd)*

5.2 RISKS RELATING TO THE INDUSTRY IN WHICH WE OPERATE

5.2.1 We face competition from other general insurance companies in Malaysia

We face competition from other general insurance companies in Malaysia. According to the IMR Report, there are 19 general insurers in Malaysia, comprising 13 foreign companies and 6 domestic companies. The general insurance industry is moderately to highly concentrated, with the largest insurer accounting for 15.0% of total industry revenue, with the top five operators collectively holding 52%, and the top 10 accounting for 82% in 2024. However, the lower tier of the industry remains fragmented. In addition, we face competition from four general takaful insurers licensed by BNM.

According to the IMR Report, the competitive landscape of Malaysia's general insurance industry is influenced by several factors, including price competition driven by market concentration, a large number of general insurance and takaful operators, and tariff liberalisation, particularly in motor and fire insurance. Additionally, shifting customer preferences and expectations, increased digitisation that makes comparing competing products more accessible, and the emergence of new digital insurers and takaful operators further shape the competitive landscape.

According to the IMR Report, competition in the industry is moderated by significant barriers to entry, which are driven by a highly regulated environment and the need for substantial capital and liquidity. Additionally, the Malaysian Government has maintained a policy of not issuing new licences for direct insurers in Malaysia (excluding the Labuan International Offshore Financial Centre), including general insurers.

Our continued success depends on our ability to deliver services that meet customer expectations, ensure responsiveness across all customer interfaces (from applications to claims), and maintain a positive brand image and market reputation. Additionally, our ability to compete effectively with peers is crucial. If we fail to compete on pricing, product offerings, customer access, and service quality, we risk losing existing and potential customers to competitors, which could negatively impact our business operations and financial performance.

5.2.2 The general insurance industry is affected by changes in political, economic (including inflation) and regulatory conditions

Any changes or developments in the political, economic, social, and regulatory conditions in Malaysia and globally could negatively impact our operations, business and financial prospects. These uncertainties include, but are not limited to, shifts in political leadership, the risk of war or civil unrest, the declaration of a state of emergency, systemic risks like catastrophic events, disease outbreaks such as a pandemic or endemic, and regulatory changes, such as the liberalisation of motor and fire tariffs, all of which could influence demand for our services and our ability to operate effectively.

A domestic or global economic downturn would also reduce business confidence and consumer sentiment and increase inflationary pressures, while heightening risk aversion toward investments and business expenditures. Inflation may impact both our costs as a general insurer and customers' purchasing power. If the cost of claims increase, we may need to increase premiums to offset such costs, or our profitability could be adversely affected. Any significant premium increases, and any domestic or global economic downturn, could reduce demand for our services, prompting customers to revise, defer or abandon their insurance plans. We cannot guarantee that any adverse political, social, economic, regulatory or disease-related developments beyond our control will not materially affect our business operations and financial performance.

5. RISK FACTORS *(Cont'd)*

5.2.3 Insurance and reinsurance markets are unpredictable, and we may experience periods of excess underwriting capacity and unfavorable premium rates

The insurance and reinsurance markets are unpredictable, where there may be periods of intense price competition due to excessive underwriting capacity, as well as periods of favourable premium levels due to capacity shortages. An increase in premium levels is often offset by an increasing supply of insurance and reinsurance capacity, either by the commitment of additional capital by existing insurers or reinsurers or by the capital provided by new entrants, which may cause prices to fall. Any of these factors could lead to a significant reduction in premium rates, less favourable policy terms and fewer submissions for our underwriting services. In addition to these considerations, changes in the frequency and severity of losses suffered by insureds and insurers may affect the insurance and reinsurance markets significantly.

5.3 RISKS RELATING TO OUR SHARES AND OUR LISTING

5.3.1 The offering of our Shares may not result in an active and liquid market for our Shares

There can be no assurance as to the liquidity of the market that may develop for our Shares, the ability of shareholders to sell our Shares or the prices at which shareholders would be able to sell our Shares. Neither we nor our Promoter have an obligation to make a market for our Shares or, if such a market does develop, to sustain it. In addition, there can be no assurance that the trading price of our Shares will reflect our operations and financial condition, our growth prospects or the growth prospects of the industry in which we operate.

5.3.2 Our Share price and trading volume may be volatile

The market price of our Shares could be affected by numerous factors, including the following:

- general market, political and economic conditions;
- trading liquidity of our Shares;
- differences in our actual financial and operating results and those expected by investors and analysts;
- changes in earnings estimates and recommendations by financial analysts;
- changes in market valuations of listed shares in general or shares of companies comparable to ours;
- perceived prospects of our business and the industry in which we operate;
- adverse media reports regarding us or our shareholders;
- changes in government policy, legislation or regulation; and
- general operational and business risks.

In addition, many of the risks described in this Section 5 could materially and adversely affect the market price of our Shares. Accordingly, there can be no assurance that our Shares will not trade at prices lower than the Final Retail Price. Over the past few years, the Malaysian, regional and global equity markets have experienced significant price and volume volatility that has affected the share prices of many companies, regardless of their operating performance. There can be no assurance that the price and trading of our Shares will not be subject to similar fluctuations.

5. RISK FACTORS (Cont'd)

5.3.3 The sale, or the possible sale, of a substantial number of our Shares in the public market following our Listing could adversely affect the price of our Shares

Following our Listing, 300,000,000 Shares, representing 30.00% of our issued Shares, will be held by investors participating in our Listing, and 700,000,000 Shares, representing 70.00% of our issued Shares, will be directly held by our Promoter. Save for the restrictions pursuant to the moratorium and our lock-up arrangements as set out in Sections 2.2 and 4.9.3 of this Prospectus, respectively, our Shares sold in our IPO will be traded on the Main Market of Bursa Securities without restriction following our Listing.

Our Promoter could dispose of some or all of our Shares that it holds after the moratorium period pursuant to its own investment objectives. If our Promoter sells, or is perceived as intending to sell, a substantial amount of our Shares that it holds, the market price for our Shares could be adversely affected.

5.3.4 There may be a delay in, or termination of, our Listing

The occurrence of certain events, including the following, may cause a delay in, or termination of, our Listing:

- the Sole Underwriter's exercise of its rights under the Retail Underwriting Agreement, or the Sole Bookrunner's exercise of its rights under the Placement Agreement, to discharge itself of its obligations under such agreements;
- our inability to meet the minimum public shareholding spread requirement pursuant to Paragraph 3.06 of the Listing Requirements of having at least 25.00% of the total number of our Shares for which our Listing is sought being in the hands of at least 1,000 public shareholders holding at least 100 Shares each at the point of our Listing;
- we are unable to achieve full subscription of the Offer Shares in connection with our IPO, as a result of which we and the Selling Shareholder may decide in our absolute discretion to not proceed with our Listing; or
- the revocation of the approvals from the relevant authorities for our Listing.

Where prior to the transfer of the Offer Shares:

- the SC issues a stop order under Section 245(1) of the CMSA, the applications shall be deemed to be withdrawn and cancelled and the Selling Shareholder shall repay all monies paid in respect of the applications for the Offer Shares within 14 days of the stop order, failing which the Selling Shareholder shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- our Listing is aborted other than pursuant to a stop order by the SC under Section 245(7)(a) of the CMSA, investors will not receive any Offer Shares, and all monies paid in respect of all applications for the Offer Shares will be refunded free of interest.

Where after the transfer of the Offer Shares:

- the SC issues a stop order under Section 245(1) of the CMSA, the allotment of such securities shall be deemed null and void, and all monies received from the applicants; shall be forthwith repaid and if any such monies are not repaid within 14 days from the date of service of the stop order, the Selling Shareholder shall be liable to repay such monies with interest at the rate of 10.0% per annum or such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; and
- take all necessary steps to give effect to the stop order.

5. RISK FACTORS *(Cont'd)*

5.3.5 We may be restricted in our ability to pay dividends

The actual dividend that our Board may recommend or declare in any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by our Board at any time and from time to time. In considering the level of dividend payments, if any, upon recommendation by our Board, we intend to consider various factors including:

- (i) our expected financial performance;
- (ii) tax considerations;
- (iii) level of cash, gearing, return on equity and retained earnings;
- (iv) working capital requirements;
- (v) projected levels of capital expenditure and other growth and investment plans; and
- (vi) capital adequacy and prudential compliance requirements.

As part of our Board's guidance on dividends, we aim to declare a certain portion of our retained earnings for the financial year, subject to the prior approval of our Board, our shareholders (where required), BNM and/or other authorities, and to any applicable law and contractual obligations, as dividends. See Section 12.4 of this Prospectus for further details of our dividend policy. We propose to pay dividends after setting aside the necessary funds for capital expenditure and working capital such that any declaration of dividends shall not exceed our distributable profits. Our Board is of the opinion that we have sufficient working capital for the next 12 months from the date of this Prospectus, based on our cash generated from our operating activities, cash balances and capital adequacy ratio. However, there can be no assurance that our working capital will be sufficient or that we will be able to make dividend payments in the future. Even if we are able to pay dividends, there may be reasonable circumstances leading our Board to decide, in its sole and absolute discretion, at any time and for any reason, not to pay dividends or to pay lower dividends. Further, if we incur new borrowings subsequent to our Listing, we may be subject to additional covenants restricting our ability to pay dividends. If we do not pay dividends, or we pay dividends at levels lower than anticipated by investors, the market price of our Shares may be negatively affected and the value of your investment in our Shares may be reduced.

The payment of our dividends may also be affected by the passing of new laws, adoption of new regulations and other events outside our control, and we may not continue to meet the applicable legal and regulatory requirements for the payment of dividends in the future. In addition, changes in accounting standards may also affect our ability to pay dividends.

Further, our payment of dividends may adversely affect our ability to fund unexpected capital expenditure. As a result, we may be required to borrow money or raise capital by issuing further equity securities on terms that may or may not be favourable to you.

5.3.6 This Prospectus contains forward-looking statements which may not be accurate

This Prospectus contains forward-looking statements. All statements, other than statements of historical facts, included in this Prospectus, including without limitation to those regarding our financial position, business strategies, plans and objectives for future operations, are forward-looking statements. Such forward-looking statements are made based on assumptions that we believe to be reasonable as at the date of this Prospectus. Forward-looking statements can be identified by the use of forward-looking terminologies, such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast" or similar expressions, and include all statements that are not historical facts. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance, achievements, or industry results expressed or implied by such forward-looking statements.

5. RISK FACTORS *(Cont'd)*

Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Such factors include among others, general economic and business conditions, competition and the impact of new laws and regulations affecting our industry and government initiatives.

In light of these uncertainties, the inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

6. INFORMATION ON OUR COMPANY

6.1 OUR COMPANY

6.1.1 History and background

Our Company was incorporated in Malaysia under the Companies Act 1965 as a private limited company on 5 August 1970 under the name of Jerneh Insurance Corporation Sendirian Berhad and is deemed registered under the Act. Jerneh Insurance Corporation Sendirian Berhad was involved in the insurance business. On 29 April 1997, our Company changed its name to Jerneh Insurance Sdn Bhd. On 30 April 1997, our Company was converted into a public limited company under the name of Jerneh Insurance Bhd. Subsequently, in December 1999, Jerneh Insurance Bhd acquired the general insurance business of Paramount Assurance Berhad through a merger exercise.

In December 2010, Jerneh Insurance Bhd was acquired by ACE INA International Holdings Ltd. (with the Swiss-incorporated ultimate holding company being ACE Limited) and subsequently changed its name to ACE Jerneh Insurance Berhad on 4 January 2012.

On 10 June 2016, our Company assumed our present name, Chubb Insurance Malaysia Berhad. This was in line with the name change of our Company's ultimate holding company, Chubb Limited (formerly known as ACE Limited), the ultimate holding company of the Chubb Group, which shares are listed on the NYSE, following the completion of ACE Limited's acquisition of The Chubb Corporation in January 2016. As at the LPD, our Company is an indirect wholly-owned subsidiary of Chubb Limited.

Our Company is a licensed insurer in Malaysia, specialising in general insurance. Under the "Chubb" brand, our Company offers a wide range of products catering to both the consumer and commercial sectors.

As at the date of this Prospectus, our Company does not have any subsidiary, associate or joint venture companies.

6.1.2 Share capital

As at the LPD, our issued share capital is RM100,000,000 comprising 100,000,000 Shares. Our Company does not have any treasury shares as at the LPD.

Save as disclosed below, there have been no changes in our issued share capital during the Financial Years and Period Under Review and up to the LPD:

<u>Date of allotment</u>	<u>No. of Shares allotted</u>	<u>No. of cumulative Shares</u>	<u>Cumulative issued share capital</u> RM
[•]	[900,000,000 ⁽¹⁾]	[1,000,000,000]	100,000,000

Note:

(1) Pursuant to the Subdivision.

As at the LPD, our Company does not have any outstanding warrants, options, convertible securities or uncalled capital. None of our Shares were issued and allotted at a discount or have any special terms or instalment payment terms. Our issued Shares are fully paid-up.

As at the LPD, our Company is not involved in any bankruptcy, receivership or similar proceedings.

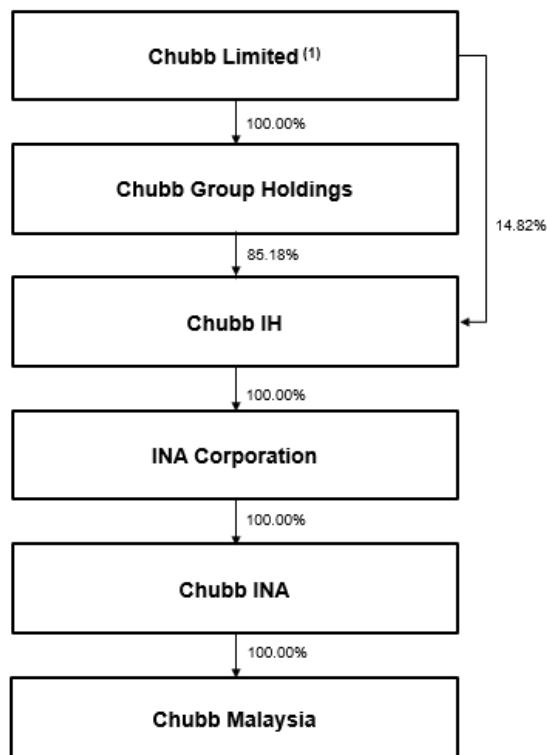
6. INFORMATION ON OUR COMPANY (Cont'd)

During the last financial year and up to the LPD, there were no:

- (i) public take-over offers by third parties in respect of our Shares; and
- (ii) public take-over offers by our Company in respect of other companies' securities.

6.2 OUR CORPORATE STRUCTURE

The structure of our Company as at the LPD is as follows:

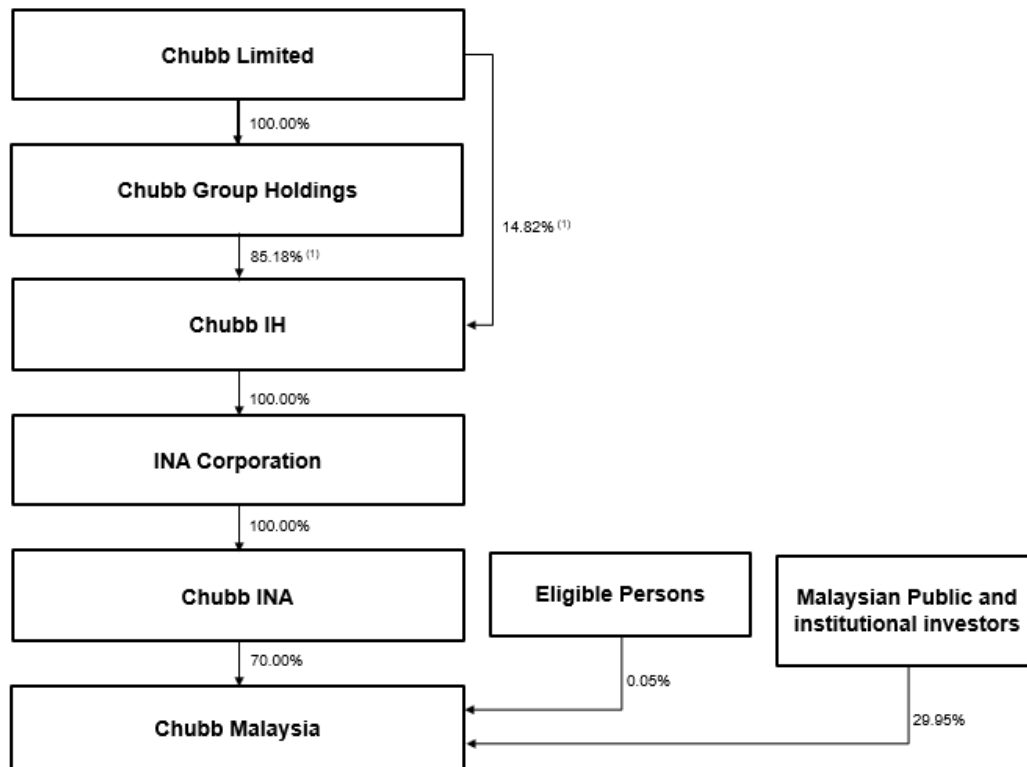


Note:

- (1) Based on publicly available information as at 30 June 2025, the substantial shareholders of Chubb Limited are The Vanguard Group Inc. (9.21%), Blackrock Inc. (6.90%) and Berkshire Hathaway Inc. (6.78%) (Source : Bloomberg). None of the substantial shareholders is deemed as the ultimate beneficial owner of Chubb Limited as each of their respective shareholding in Chubb Limited is below 20.00%. Therefore, Chubb Limited has no ultimate beneficial owner.

6. INFORMATION ON OUR COMPANY (Cont'd)

The structure of our Company after our IPO and upon our Listing will be as follows:

**Note:**

- (1) As at the LPD, Chubb IH is 85.18% directly-owned by Chubb Group Holdings and 14.82% directly-owned by Chubb Limited. The units representing ownership interests in Chubb IH held by Chubb Limited are being incrementally redeemed by Chubb IH pursuant to an ongoing internal affiliate restructuring transaction, which upon completion will result in Chubb IH becoming a direct wholly-owned subsidiary of Chubb Group Holdings. Chubb IH will remain an indirect wholly-owned subsidiary of Chubb Limited.

7. BUSINESS OVERVIEW

7.1 OVERVIEW

Our Company was incorporated and registered in Malaysia on 5 August 1970 under the Companies Act 1965 under the name of Jerneh Insurance Corporation Sendirian Berhad. Our Company has been a licensed insurer since 1970. Over the years, our Company has undergone several corporate exercises. See Section 6.1.1 of this Prospectus for the history and background of our Company.

The table below sets out the key events and milestones in the history and development of our business since 2010 (after the acquisition by Chubb INA (formerly known as ACE INA International Holdings Ltd.)):

Year	Key event and milestone
2010	We changed our name to ACE Jerneh Insurance Berhad following the acquisition by ACE INA International Holdings Ltd. (now known as Chubb INA), whose ultimate holding company is Swiss-incorporated ACE Limited (now known as Chubb Limited).
2012	We launched <i>ACE Home Guard</i> insurance in Malaysia, which combines home insurance with personal insurance, with an inclusion of coverage for accidental death and/or disability for policyholders. This product targeted individuals with inadequate insurance of their personal possessions and/or place of residence. Unlike standard home insurance products, this product can be sold to customers without the need for them to be the homeowner.
2015	We launched <i>ACE Elite Medical Malpractice Insurance</i> in Malaysia, a policy designed to provide individual medical practitioners and healthcare facilities with financial relief in the event of medical malpractice liability claims.
2016	We launched the <i>Group Personal Accident Maximum Protection (MaxPro)</i> plan for employers in Malaysia. This product was designed to provide employers with a range of group personal accident coverage that is renewable up to the age of 80 years, ensuring those employees who continue working are protected. We changed our company name to Chubb Insurance Malaysia Berhad in 2016. This was in line with the name change of our Company's ultimate holding company, Chubb Limited (formerly known as ACE Limited) following the completion of its acquisition of The Chubb Corporation in January 2016.
2017	We launched <i>Cyber Enterprise Risk Management (ERM) Solutions</i> in Malaysia, a product which is structured to provide financial protection against business interruption loss, cyber extortion, liability arising from privacy and security incidents, and crisis response expenses. In addition, the <i>Cyber ERM Solutions</i> policyholders have access to the <i>Chubb eRisk Hub</i> which is a 24/7 incident response team providing guidance on the risks of data and privacy breaches and assistance. Following the phased liberalisation of motor and fire tariffs for the general insurance industry announced by BNM, we launched the following non-tariff insurance products in 2017: - <i>MY Car Insurance</i>, a non-tariff motor insurance product which takes into consideration the risk profile of drivers. This product offers coverage for loss or damage of a vehicle due to accident, third-party liability and flood. This policy also offers other benefits to compensate drivers and alleviate the inconveniences that they may encounter as a result of an accident, vehicle breakdown or flood. - <i>JMB Elite package</i>, a property all-risk insurance policy designed to protect entities that manage high-rise buildings and properties, such as the joint management body or management corporation. The package also offers an option for terrorism coverage, which includes political violence for properties with high-risk exposure.
2018	As part of our product portfolio expansion strategy, we launched an e-hailing insurance plan in 2018, which is a supplementary insurance plan to support the drivers who venture into e-hailing services to ensure they and their passengers are protected throughout the journey. This e-hailing insurance plan covers loss or damage to the car, liability to third parties, legal liability to fare-paying passengers and personal accident coverage for the driver.

7. BUSINESS OVERVIEW (Cont'd)

Year	Key event and milestone
2019	Following a regional partnership announced in March 2018, we partnered with a Grab entity in Malaysia to offer an in-app insurance solution in Malaysia in 2019. Our insurance solution provides personal accident coverage for drivers and passengers via the Grab application. Users are covered under pay-per-ride options and real-time enrolment at their convenience via the application.
2020	We became the exclusive insurance underwriter for Doctor Shield policies for professional indemnity insurance in Malaysia. This was followed by an announcement between the Association of Private Hospitals of Malaysia and JA Assure (a multinational InsurTech firm) to offer Doctor Shield in September 2020. Doctor Shield is an online professional indemnity insurance platform for all medical professionals in 147 Association of Private Hospitals of Malaysia member hospitals in 2020.
2021	We expanded our motor insurance portfolio with the launch of <i>MY Smart Car Insurance</i> , a flexible, comprehensive and mileage-based insurance designed for low-mileage drivers in Malaysia. At the end of the policy period, up to 2,000 km of unused mileage can be carried forward to the following year upon renewal at no additional cost. Additional coverage options include windscreen coverage, special perils and all drivers coverage, as well as access to Chubb-approved car repairers nationwide.
	We partnered with the Malaysian Pharmacists Society to offer Professional Indemnity Insurance to its members. Under this Professional Indemnity Insurance scheme, pharmacists are protected against potential civil liability claims arising from an error or omission in the provision of professional healthcare services, such as negligence and vicarious liability.
2023	We expanded the digitisation of our operational platform with the launch of the following in 2023: - Chubb Claims Centre (now known as the Claims Service Portal), an online platform for travel, accident and medical claims services, accessible on all digital devices, which allows customers to upload supporting documentation to accelerate the claim process; and - MY Chubb Motor Assist, a digital roadside assistance solution for motor insurance customers, offers round-the-clock vehicle roadside assistance, accessible on all digital devices. Our customers can use it to share their accident or breakdown location, select their preferred destination workshop, track the tow-truck in real time, view towing fees based on distance and get updates on their vehicle repair status.
2024	We expanded into the financial technology (fintech) market, where we partnered with an Atome entity in Malaysia to offer insurance to their customers in Malaysia following the regional partnership announced in March 2024. The launch of the first insurance product, namely <i>Bill Secure</i> , is designed for consumers who use buy now, pay later services. The policy covers up to five times the purchase price in the event of permanent disability or accidental death, ensuring outstanding amounts for the purchased item can be paid off. The remaining payout is then directed to the insured or their next of kin. We subsequently launched an enhanced product, <i>Shopping Secure</i> , which replaced <i>Bill Secure</i> . <i>Shopping Secure</i> covers accidental death, permanent disability, as well as unforeseen risks associated with online purchases, such as accidental damage, stolen items and non-delivery of items.

7. BUSINESS OVERVIEW *(Cont'd)*

7.2 ACCREDITATIONS, AWARDS AND RECOGNITIONS

In the past five years and up to the LPD, we obtained the following awards and recognitions:

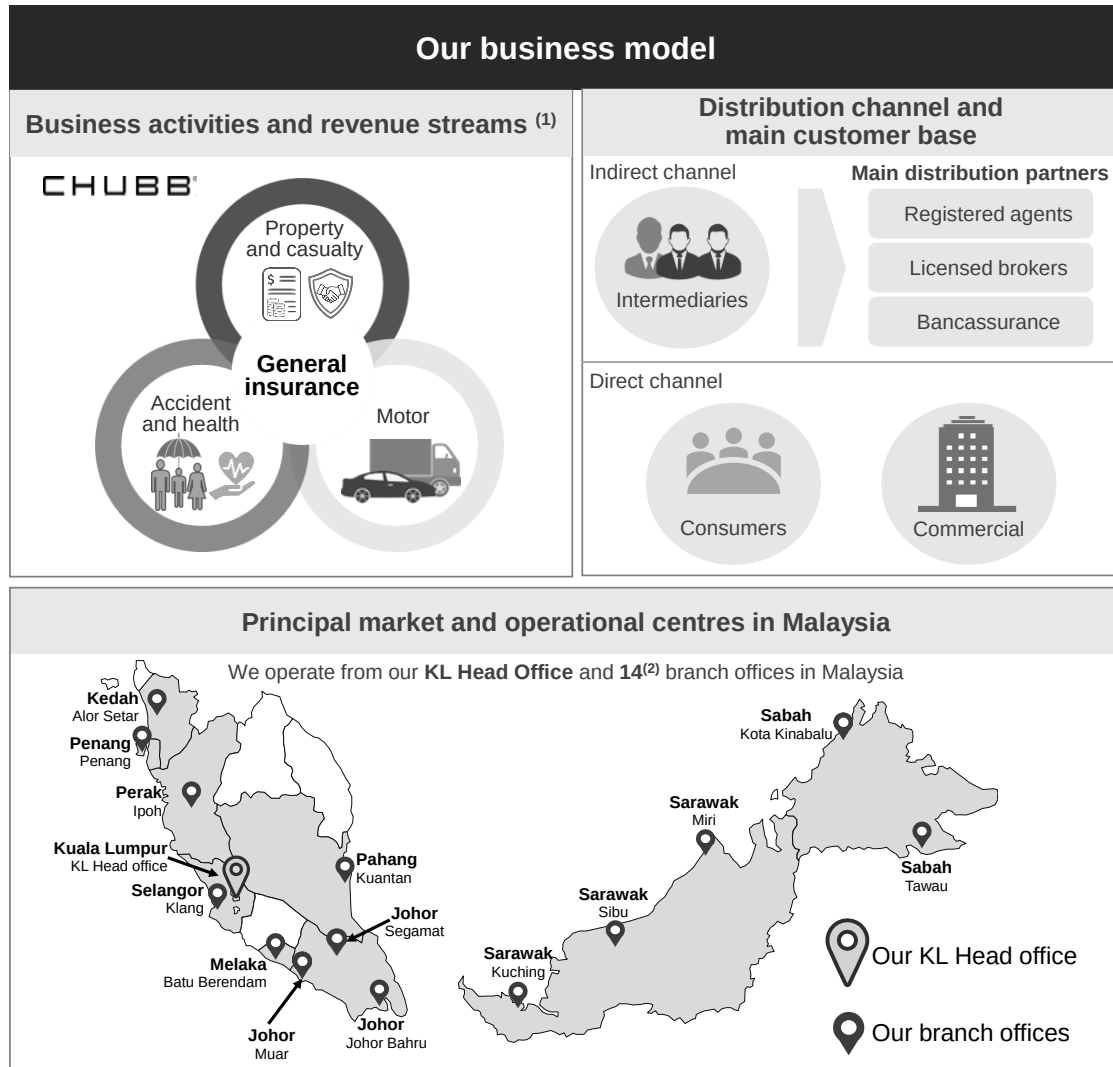
Year	Key award and recognition
2021	Company of The Year Award - General Insurance Exemplary CSR Contributions by CSR Malaysia
2022	Most Improved Average Estimate to Approval Time for Own Damage Claims 2021 by Motordata Research Consortium (" MRC ")
2023	Most Improved Average Estimate to Approval Time for Own Damage Claims 2022 by MRC
2023	Fastest Estimating Claims Approval Time for Own Damage Claims 2022 by MRC
2024	Fastest Estimating Claims Approval Time for Own Damage Claims 2023 by MRC
2025	Fastest Estimating Claims Approval Time for Own Damage Claims 2024 by MRC

7. BUSINESS OVERVIEW (Cont'd)

7.3 OUR BUSINESS

7.3.1 Our business model

Our business model is as follows:



Notes:

- (1) For the Financial Years and Period Under Review, all our insurance revenue was derived from the provision of general insurance.

The property and casualty segment comprises liability, fire and other insurance products (including cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident), and the accident and health segment comprises personal accident, and medical and health insurance.

- (2) We intend to cease the operations of three branch offices (namely the Muar, Miri and Sibul branch offices) progressively by the end of 2025. However, we will continue to service the customers from nearby branch offices and in some instances maintain our agents in the location while operating remotely.

7. BUSINESS OVERVIEW (Cont'd)

7.3.2 Business activities and revenue streams

Overview

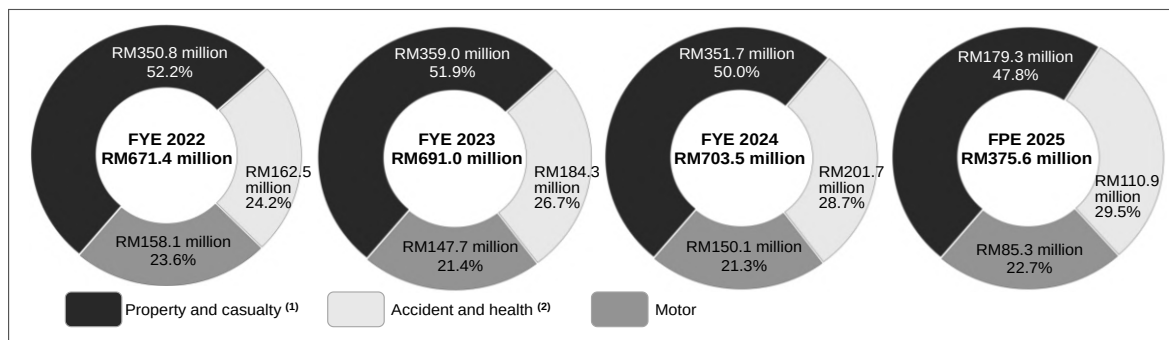
We are a licensed insurer in Malaysia, specialising in general insurance. Under the “Chubb” brand, our Company offers a wide range of products catering to both the consumer and commercial sectors. Our Company is an indirect wholly-owned subsidiary of Chubb Limited, the Swiss-incorporated ultimate holding company of the Chubb Group, whose shares are listed on the NYSE.

Our operations are supported by our head office in Kuala Lumpur and a network of 14 branch offices located across Malaysia as at 1 October 2025. We primarily serve the mass market through an extensive network of distribution partners, including approximately 2,000 registered agents and digital partners, 24 licensed brokers and two bancassurance partners as at the LPD. This distribution network enables us to expand our market reach, which is reflected in the growth of our customer base. Our customer base grew from approximately 229,000 customers in the FYE 2022 to approximately 260,000 customers in the FYE 2024, representing a CAGR of approximately 6.6%.

We offer a broad range of general insurance products that cater to the diverse needs of both consumers and commercial customers. Our comprehensive portfolio ranges from the standard motor and fire coverage to customised policies for unique risks. This product diversity is evident in our growth in policies underwritten, which increased from approximately 735,000 policies in the FYE 2022 to approximately 1,026,000 policies in the FYE 2024, representing a CAGR of approximately 18.1%.

Insurance revenue segmentation

For the Financial Years and Period Under Review, all our insurance revenue is derived from the general insurance business. For the Financial Years and Period Under Review, as per MFRS 17, our insurance revenue segmentation by the three main product categories is set out below:



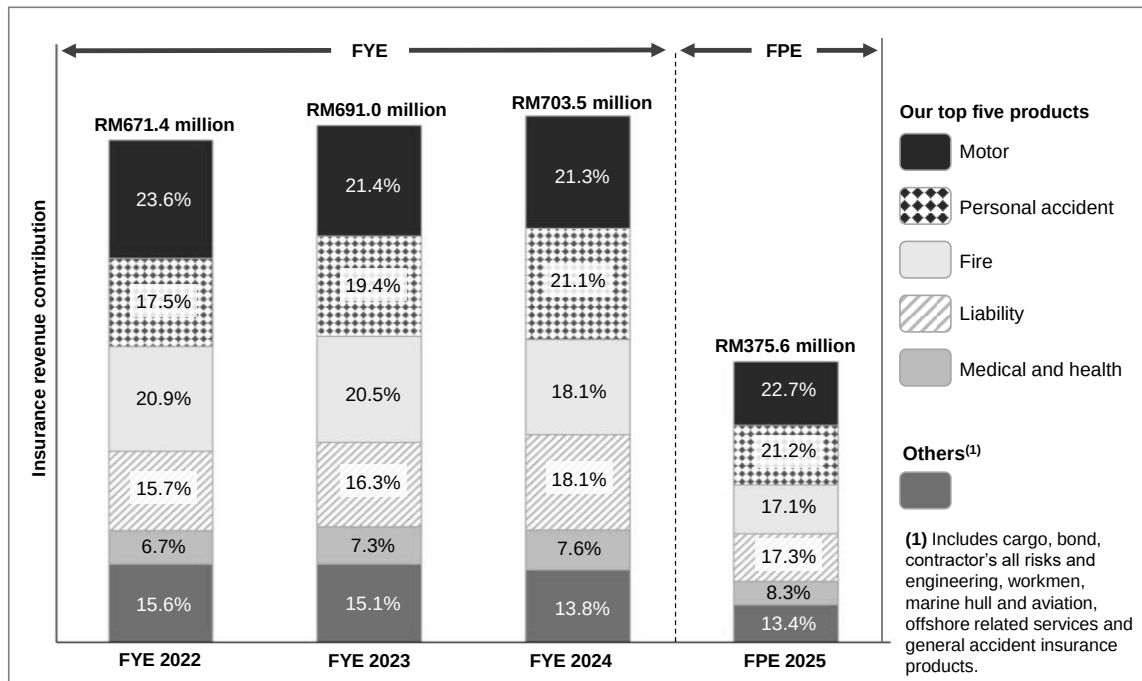
Notes:

- (1) Comprises liability, fire, cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident.
- (2) Comprises personal accident, and medical and health.

Our top five insurance products are motor, personal accident, liability, fire, and medical and health. Our top five insurance products collectively accounted for 84.4%, 84.9%, 86.2% and 86.6% of our insurance revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. The other remaining insurance products collectively accounted for 15.6%, 15.1%, 13.8% and 13.4% of our insurance revenue for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

7. BUSINESS OVERVIEW (Cont'd)

For the Financial Years and Period Under Review, as per MFRS 17, our insurance revenue contribution of our top five and other insurance products in Malaysia is set out below:



7.3.3 Principal markets and geographical operations

We operate a general insurance business in Malaysia with our head office in Kuala Lumpur supported by 14 branch offices across Malaysia as at 1 October 2025.

For the full years of 2022, 2023 and 2024, and the 1st half of 2025, all of our GWP has been derived from our operations in Malaysia, and based on MFRS 4, the GWP by operational locations is set out below:

GWP ⁽¹⁾ by operational locations	Full year						1 st half of 2025	
	2022		2023		2024			
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Peninsular Malaysia	626,584	93.0	658,767	93.5	678,697	93.8	385,441	93.8
East Malaysia	47,296	7.0	45,827	6.5	44,824	6.2	25,297	6.2
Total	673,880	100.0	704,594	100.0	723,521	100.0	410,738	100.0

Note:

(1) Based on MFRS 4.

We primarily offer insurance services to customers in Malaysia including inward reinsurance services to foreign and domestic customers.

7. BUSINESS OVERVIEW (Cont'd)

For the full years of 2022, 2023 and 2024, and the 1st half of 2025, based on MFRS 4, our GWP by domestic and foreign customers is set out below:

GWP ⁽¹⁾ by customers location	Full year						1 st half of 2025	
	2022		2023		2024			
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Domestic customers	649,416	96.4	682,960	96.9	691,739	95.6	398,901	97.1
Foreign customers	24,464	3.6	21,634	3.1	31,782	4.4	11,837	2.9
Total	673,880	100.0	704,594	100.0	723,521	100.0	410,738	100.0

Note:

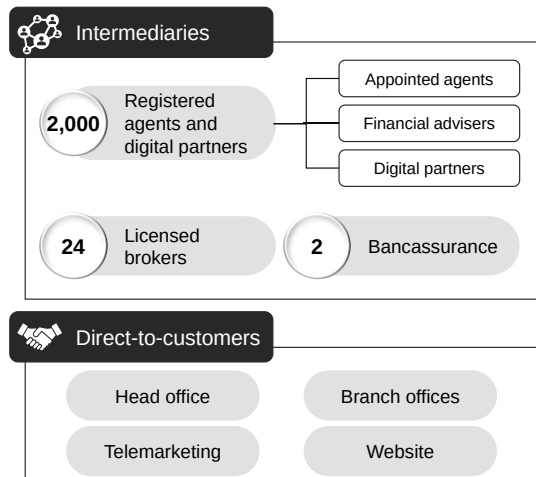
(1) Based on MFRS 4.

7.3.4 Distribution channels and customer base

7.3.4.1 Overview

We utilise both direct and indirect distribution channels for our general insurance business, as outlined below:

- Indirect distribution channel:** We work with intermediaries, including registered agents and digital partners, licensed brokers, and bancassurance partners, to market and sell our products. These intermediaries are not the end users or policyholders but act as distributors, selling our products in their original form to end users. The policyholders then sign contracts directly with us.



This indirect channel enables us to expand our market reach and increase sales volume through intermediaries, without requiring significant investment in additional human or infrastructure resources. It also allows faster market entry into markets where our presence is limited.

- Direct distribution channel:** We also sell our products directly to consumer and commercial end users. One of the main targets of this channel is our larger corporate clients, who at times require us to customise policies and pricing to meet their specific needs.

7.3.4.2 Indirect distribution channel: Our distribution partners

We work closely with our distribution partners, enhancing face-to-face interactions while incorporating technology to expand our reach to both potential and underserved markets in Malaysia. Based on MFRS 4, the majority of our GWP is generated through our extensive distribution network, which accounted for 84.2%, 88.2%, 88.3% and 88.1% of our GWP for the full years of 2022, 2023 and 2024, and the 1st half of 2025, respectively.

7. BUSINESS OVERVIEW (Cont'd)

Our distribution partners are intermediaries, that is, third-party individuals or companies appointed by us to solicit, arrange or distribute insurance policies on our behalf. These partners include the following:

- Registered agents and digital partners:** As at the LPD, we have approximately 2,000 registered agents and digital partners across Malaysia. They play a crucial role in educating prospective clients and raising awareness about the importance of insurance coverage. Our agents conduct face-to-face sales, assist clients in completing paperwork and ensure that all required documents are accurately submitted digitally. Their physical presence in diverse communities enables our products to reach areas that may be difficult to access through other channels, such as online platforms. This local presence is vital for tapping into various market segments. Through this network, our customer base grew from approximately 201,000 in the FYE 2022 to approximately 248,000 in the FYE 2024, reflecting a CAGR of approximately 11.1%.

Registered agents and digital partners



Our registered agents and digital partners are categorised as follows:

- Appointed agents:** These are individuals or agencies (entities) authorised by us to sell our insurance products. In accordance with BNM's guidelines, appointed agents must be registered with PIAM and can represent up to two licensed general insurers, including us, and they are licensed to sell both insurers' general insurance products. Our appointed agents typically have in-depth knowledge of our insurance offerings and are equipped to assess clients' needs and risk profiles. They provide expert guidance, recommend suitable coverage and build strong customer relationships. Their responsibilities also include ongoing support such as policy renewals, upgrades and assisting with claims processing by handling paperwork and submissions to ensure smooth and timely claim settlements.
- Financial advisers:** These are companies authorised by BNM to provide financial advisory services, including financial planning and insurance protection. They recommend insurance products based on the client's needs and typically offer products from at least three licensed insurers or takaful operators. Unlike appointed agents, financial advisers are independent and do not represent any particular insurer or takaful operator.
- Digital partners:** Our products are sometimes distributed through the platforms of our digital partners, who may be registered as our agents. Our digital partners offer our insurance products as part of their existing products or services. This collaboration allows us to leverage our partners' user base, expanding our reach and customer base. The entire process, from quote to purchase, can be digitised through our partners' websites or mobile applications, making insurance more accessible and convenient for customers.

Our agents are compensated via commissions based on the GWP of policies sold, in accordance with BNM's guidelines. Additionally, agents may be eligible for sales incentives upon meeting specific performance criteria.

- Licensed insurance brokers:** We work with 24 licensed insurance brokers throughout the Financial Years and Period Under Review and up to the LPD. Insurance brokers act as intermediaries, helping clients identify suitable coverage from a range of insurers. Licensed insurance brokers are not exclusive to any one insurer. Our collaboration with brokers helped increase our customer base from approximately 7,000 in the FYE 2022 to approximately 8,000 in the FYE 2024, representing a CAGR of approximately 6.9%.

Licensed brokers



7. BUSINESS OVERVIEW (Cont'd)

Brokers are independent and not tied to any particular insurer or takaful operator. They have access to a wide range of insurance products from multiple insurance providers. Generally, brokers will assess their clients' risk profiles, potential exposures and coverage requirements. They then obtain quotes from various insurance or takaful operators, allowing them to compare policies, terms, conditions and prices to recommend the most suitable solutions to their clients.

Brokers are mainly compensated via commission based on the GWP of policies sold, in accordance with BNM's guidelines.

- **Bancassurance:** We maintain ongoing partnerships with two licensed banks in Malaysia as at the LPD. Through our bancassurance partnership, we sell our insurance products via telemarketing, the operations for which we engage a third-party company to conduct. This partnership grants us access to the banks' extensive customer bases, establishing a synergistic relationship that enhances our distribution capabilities. By leveraging on these banking networks, we can significantly expand our reach, grow our policyholder base and strengthen our brand presence.

Licensed banks



The products typically marketed via telemarketing are personal accident products, which are simple to explain over the phone and do not require a complex underwriting process. Sales are typically finalised during the call and all calls are recorded for quality assurance and compliance purposes.

Our bancassurance partners are compensated through lead fees based on contactable leads, in accordance with BNM's guidelines.

- **Others** include inward reinsurance and the MMIP.

7.3.4.3 Direct distribution channel: Our direct-to-customers

We also offer our products directly to customers through our head office in Kuala Lumpur and branch offices, telemarketing, as well as through our online platforms, including our website. We use our internal resources and employees to sell our products through direct-to-customer channels.

Based on MFRS 4, GWP derived from our direct-to-customer channels accounted for 15.8%, 11.8%, 11.7% and 11.9% of our GWP for the full years of 2022, 2023 and 2024, and the 1st half of 2025 respectively. Our customer base remained at approximately 4,000 for the FYE 2022 to the FYE 2024.

7.3.4.4 GWP by distribution channel

For the full years of 2022, 2023 and 2024, and the 1st half of 2025, based on MFRS 4, our GWP by distribution partners and direct-to-customer business is set out below:

GWP ⁽¹⁾ by distribution channel	Full year						1 st half of 2025	
	2022		2023		2024			
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Distribution partners	567,698	84.2	621,294	88.2	638,553	88.3	361,999	88.1
Registered agents	376,380	55.9	382,480	54.3	414,724	57.3	232,379	56.6
Licensed brokers	134,001	19.9	149,093	21.2	142,189	19.7	93,287	22.7
Bancassurance	10,986	1.6	16,670	2.4	16,621	2.3	8,052	2.0
Others ⁽²⁾	46,331	6.8	73,051	10.3	65,019	9.0	28,281	6.8
Direct-to-customer business	106,182	15.8	83,300	11.8	84,968	11.7	48,739	11.9
Total	673,880	100.0	704,594	100.0	723,521	100.0	410,738	100.0

7. BUSINESS OVERVIEW (Cont'd)

Notes:

- (1) Based on MFRS 4.
- (2) Includes reinsurance inwards and the MMIP.

7.3.4.5 Customer base by distribution channel

The number of customers through our indirect and direct distribution channels is set out below:

Approximate number of customers	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	'000	%	'000	%	'000	%	'000	%
Distribution partners	225	98.3	221	98.2	256	98.5	176	98.3
Direct-to-customer business	4	1.7	4	1.8	4	1.5	3	1.7
Total	229	100.0	225	100.0	260	100.0	179	100.0

7.3.4.6 Types of policyholders

Our customers, also referred to as policyholders, comprise the following:

- **individual** policyholders who hold the right to an insurance policy; and
- **group** policyholders, which consist of corporate and master policyholders, who own the rights to an insurance policy and determine the eligible participating members under these policies.

For the full years of 2022, 2023 and 2024, and the 1st half of 2025, based on MFRS 4, our GWP by each type of policyholders is set out below:

GWP ⁽¹⁾ by type of policyholder	Full year						1 st half of 2025	
	2022		2023		2024			
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Individuals	108,102	16.0	104,088	14.8	122,661	17.0	77,048	18.8
Groups	565,778	84.0	600,506	85.2	600,860	83.0	333,690	81.2
Total	673,880	100.0	704,594	100.0	723,521	100.0	410,738	100.0

7.3.5 Mode of operation

7.3.5.1 Insurance underwriting

As a general insurer, our customers are secured mainly through our distribution partners. Nevertheless, we also secure customers directly through our head office in Kuala Lumpur, branch offices, telemarketing and online platforms, including our website.

Generally, our distribution partners are responsible for identifying and securing customers. They assist by completing and submitting the application or proposal forms to us, collecting premiums on our behalf, and subsequently remitting them to us.

7. BUSINESS OVERVIEW (Cont'd)

7.3.5.2 Premium collections

Premium collection process		Policyholders pay		Timing to
		direct to us	us through partners	remit to us
Distribution partners:				
Registered agents	- Agents collect the premium and then remit to us as specified in the agency agreement; or - Customers directly bank the premium to our designated bank account.	✓	✓	7 and up to 90 days ⁽¹⁾
Licensed brokers	- Brokers collect the premium and then remit to us as specified in the broker's agreement; or - Customers directly bank the premium to our designated bank account.	✓	✓	7 and up to 90 days
Bancassurance	- Bank processes the settlement to us via auto-debit from the insured's account; or - Customers directly bank the premium to our designated bank account.	✓		Instant / 7 and up to 90 days
Direct-to-customers	- Customers directly bank the premium to our designated bank account.	✓		Instant / 15 and up to 90 days ⁽¹⁾

Note:

(1) Except for certain insurance products that are provided on a cash-before-cover basis.

7.3.5.3 Claims management

The claims process involves our claims department, external adjusters and the policyholders. Our distribution partners, including registered agents, licensed brokers and bancassurance play supporting roles in assisting policyholders.

Among these partners, registered agents and licensed brokers typically provide more active, hands-on support to policyholders throughout the claims process. In contrast, bancassurance partners and digital partners primarily serve as intermediaries and the initial point of contact for claim reporting, while the actual claims management is handled by our inhouse claims department.

7.4 COMPETITIVE STRENGTHS

Our competitive strengths are as follows:

7.4.1 We have an established track record in underwriting across multiple insurance products to meet the needs of the commercial and consumer sectors

Our Company has been a licensed insurer since 1970, with an extensive 55-year operating history. Since the Chubb Group's acquisition of Jerneh Insurance Sdn Bhd in 2010, our Company has built a 15-year track record of growth with GWP, based on MFRS 4, in Malaysia reaching RM723.5 million in 2024, representing a CAGR of 3.2% since 2011.

Our track record has provided us with an extensive understanding of the local market, including commercial and consumer behaviours, risk profiles and market dynamics. This enables us to offer a broad range of general insurance products that cater to the diverse protection needs of both commercial and individual consumers in Malaysia. Our comprehensive portfolio allows us to develop customised and innovative products, from standard motor and fire coverage to tailored policies for unique risks. By combining our market coverage with product flexibility, we are able to offer and deliver insurance products that enhance customer confidence and improve risk management. This is reflected in the growth in the number of policies underwritten, from approximately 735,000 policies in the FYE 2022 to approximately 1,026,000 policies in the FYE 2024, representing a CAGR of approximately 18.1%.

7. BUSINESS OVERVIEW (Cont'd)

In 2024, the total market GWP in Malaysia was RM23.1 billion. Based on our GWP of RM723.5 million in the same year, we had a market share of approximately 3%. Our personal accident and liability segments were particularly strong, capturing 11% and 13% of their respective segments. According to the IMR Report, our medical and health segment accounted for approximately 5% of the market, while the motor and fire segments had market shares of less than 5% each in 2024. According to the IMR Report, as of October 2025, we ranked 13th of 19 general insurers in Malaysia based on our insurance revenue of RM703.5 million for the FYE 2024.

Our strong and reputable market position enables us to fulfil the commercial and consumer insurance needs of our customers in Malaysia.

7.4.2 We have a large customer base, leveraging on our wide network of distribution partners and direct sales to expand market reach

Our business benefits from a large and growing customer base built through our network of distribution partners, complemented by direct sales through our offices and digital platforms. This multi-channel approach strengthens our market presence, ensuring broad accessibility for customers while enhancing convenience and choice. Furthermore, this enables us to reach different customer segments more effectively to sustain and grow our business.

Leveraging on the network of our distribution partners and direct sales, our overall customer base increased from approximately 229,000 customers in the FYE 2022 to approximately 260,000 customers in the FYE 2024, representing a CAGR of approximately 6.6%.

The scale of our customer base presents opportunities for cross-selling and upselling products, enhances brand recognition and drives operational efficiency through economies of scale. Our digital platforms further enable us to gather valuable customer insights, supporting data-driven decision-making and the development of tailored insurance solutions to better meet evolving customer needs. Our in-house digital capabilities enable us to facilitate seamless interaction with our distribution partners, including by integrating our products into their platforms through a secured and controlled environment, as well as allowing customers to submit their applications digitally to our platform. Digital platforms and direct-to-customer channels commonly cater to tech-savvy customers who are looking for convenience, speed and affordability.

Our GWP underwritten through distribution partners accounted for 84.2%, 88.2%, 88.3% and 88.1% of our GWP for the full years of 2022, 2023 and 2024, and the 1st half of 2025 respectively. As at the LPD, our pool of distribution partners include:

- approximately 2,000 registered agents and digital partners;
- 24 licensed insurance brokers; and
- two bancassurance partners.

Our extensive network of distribution partners drives a competitive advantage for our operations in Malaysia, as follows:

- Broadens our market coverage and customer accessibility, which enables us to extend our reach across different customers and locations within Malaysia. For instance, agents and brokers are key for customers who value personalised advice and face-to-face interaction, particularly for complex products. Meanwhile, our partnership with banks enables us to tap into their extensive customer base, making it a channel for selling our products to the banks' customers and reaching the mass market.
- Enhances our insurance revenue, leading to cost efficiency from strategic partnerships with our distribution partners. For instance, our partnership with agents, brokers and bancassurance enables us to leverage their existing networks and customer bases, which reduces the need for costly physical branches and a large direct sales force. Our GWP has been growing at a CAGR of 3.6% between 2022 and 2024.

7. BUSINESS OVERVIEW (Cont'd)

- Builds trust through proactive customer engagement to enhance relationships that are essential for securing customer commitment. General insurance products typically offer coverage for one year, making it vital to foster customer engagement to retain existing clients and acquire new ones. Our distribution partners, especially agents and brokers, play an important role in this process; they serve as the first point of contact, keep the “Chubb” brand top-of-mind with customers and provide professional information and critical support to gain customer confidence, ensuring they are well-informed and supported. The ongoing effort not only encourages policy renewals but also creates opportunities for upselling and cross-selling new products, ensuring that our customers’ evolving needs are met. A loyal customer base is a strong foundation for sustained growth and profitability. Additionally, a positive claim experience is a key motivator for customers to renew their policies, encouraging repeat business and positive word-of-mouth referrals. This was reflected in the growth of our number of renewal policies at a CAGR of approximately 8.6% between the FYE 2022 and the FYE 2024.

7.4.3 We have a broad and diversified general insurance portfolio to provide us with diversity and business growth

As at the LPD, our general insurance product portfolio mainly comprises 11 product categories, namely motor, personal accident, medical and health, cargo, marine hull, fire, bonds, contractor's all risks and engineering, liability, workmen's compensation, and employer's liability.

Our broad portfolio positions us strongly in Malaysia’s highly competitive and regulated insurance landscape. This extensive product suite enables us to serve a wide spectrum of policyholders, ranging from individuals to micro, small and medium-sized enterprises (“**MSMEs**”) and large corporations, giving us both breadth and depth in market coverage and bringing the benefits set out below.

- Comprehensive customer reach: By offering products across the consumer and commercial segments, we are able to meet the diverse protection needs of individuals, families, households, businesses, institutions and government entities. This not only strengthens customer loyalty but also enhances cross-selling and up-selling opportunities across multiple products.
- Diversified revenue streams: With 11 product categories within our portfolio, we are not overly reliant on a single product category. This diversification provides greater resilience against market cycles, regulatory shifts or claims volatility in any one segment.
- Stronger market competitiveness: With 11 product category offerings, we are better positioned to compete with other insurers. We can bundle various products to offer overall price competitiveness, as well as convenience from a one-stop insurance provider perspective.
- Cross-sector expertise: Managing such a broad portfolio enhances our technical expertise, underwriting capability and risk management across multiple classes of insurance. This translates into stronger product innovation, more customised solutions and the ability to support sector-specific needs – for example, customised products for small to medium enterprises, motor owners or industrial customers.

Our wide portfolio of general insurance products provides a strong platform to reduce reliance on any single product line or specific consumer and commercial segment. At the same time, it positions us to address new opportunities and drive sustainable business growth.

7. BUSINESS OVERVIEW (Cont'd)

7.4.4 Our strategic position and brand are backed by our NYSE-listed parent company with regional and global expertise and presence

Our strategic market positioning is backed by our ultimate holding company, Chubb Limited, the Swiss-incorporated holding company of the Chubb Group. Chubb Limited is a component of the S&P 500 index and its shares are listed on the NYSE. As at 30 September 2025, Chubb Limited had total assets of USD270.21 billion and shareholders' equity, which excludes non-controlling interests, of USD71.9 billion. The Chubb Group has operations in 54 countries and territories and provides commercial and consumer property and casualty insurance, accident and health, reinsurance, and life insurance to a diverse group of clients. This enables us to access and implement international best practices including, leveraging on the Chubb Group's regional and global knowledge in risk management, underwriting, claims processing, reinsurance, technology and product development. This also enables us to bring innovative products and services to the Malaysian market.

This can be demonstrated by the regional partnerships entered into by the Chubb Group. We partnered with a Grab entity in Malaysia in 2019 to provide an in-app insurance solution in Malaysia, following a regional partnership announced in March 2018. Further, in March 2024, we entered into a local arrangement with an Atome entity in Malaysia to provide embedded insurance products to Atome's customers in Malaysia, following a regional partnership announced earlier that year.

Our strategic position allows us to leverage international support for reinsurance and technology. We access reinsurance capacity from our related companies, benefitting from competitive rates, streamlined processes and enhanced risk management. Our reinsurance selection complies with regulatory requirements set by BNM and involves a rigorous, independent assessment of each reinsurer's financial strength, focusing on credit ratings to mitigate counterparty risk effectively.

Furthermore, our ultimate holding company has invested in technology on a global and regional scale. This includes complex systems for data analytics to drive business decisions, enhance product offerings and digital customer experiences that provide a seamless end-to-end journey from price quotes to claims administration within a digital platform. As a local company in Malaysia, we can leverage our parent company's existing digital infrastructure for the latest technology deployments.

By leveraging on synergistic support, we gain a competitive edge in offering innovative products, effectively managing risk and delivering a technology-driven customer experience, which sustains and grows our business in Malaysia.

7.4.5 We possess the financial strength and regulatory compliance required to operate in a highly regulated industry

The general insurance industry in Malaysia is highly regulated, requiring new market participants to obtain an operating licence and approval from BNM. According to the IMR Report, based on a publication by BNM on 2 September 1997, the Malaysian Government maintains a policy of not issuing new licences for direct insurance business in Malaysia, including general insurance. As of October 2025, there are 19 general insurance companies registered with BNM.

Adhering to BNM's requirements is vital for our operational certainty as it ensures continuity of our licence to operate and minimises the risks of non-compliance or business restrictions. Both corporate and consumer clients place greater trust in an insurer that demonstrates strict adherence to regulation and solvency requirements.

As a general insurer, we are subject to stringent financial requirements. This includes the requirement to maintain a minimum paid-up capital of RM100 million and comply with the RBC Framework. Since 2010, we have consistently complied with relevant regulatory and capital requirements, maintaining sufficient capital adequacy.

7. BUSINESS OVERVIEW (Cont'd)

Our commitment to regulatory compliance is a core component of our operational excellence. Our proven track record of consistently working with BNM has not only streamlined our internal processes but also earned us a high degree of trust and credibility with regulators. This strong relationship is a significant competitive advantage in our highly regulated industry.

Our adherence to regulatory and compliance standards in Malaysia is key as a general insurer in Malaysia to ensure business sustainability and foster public trust in a highly regulated environment.

7.4.6 We have an experienced key management team to facilitate proactive and responsive execution

We have an experienced key management team that enables us to manage our business operations proactively and execute promptly. This enables us to navigate local complexities effectively and build crucial engagement with customers, distribution partners and regulators.

Our local management team possesses an in-depth understanding of Malaysian commercial and consumer behaviour and market dynamics, as this knowledge is crucial for developing and pricing insurance products that are relevant to local needs. This localised insight allows us to be more proactive in our strategies and planning.

In addition, our local management team strives to enhance engagement with key stakeholders, including regulators such as BNM, distribution partners and corporate clients. Having a management team that is familiar with the local business landscape and can engage directly with these stakeholders gives us a significant advantage in negotiations, compliance and partnership building.

Our Country President, Jon Eric Longmore, has approximately 14 years of experience in the general insurance industry, and is responsible for overseeing the operations, development and implementation of the overall strategies in Malaysia. He is supported by our other experienced Key Senior Management team as follows:

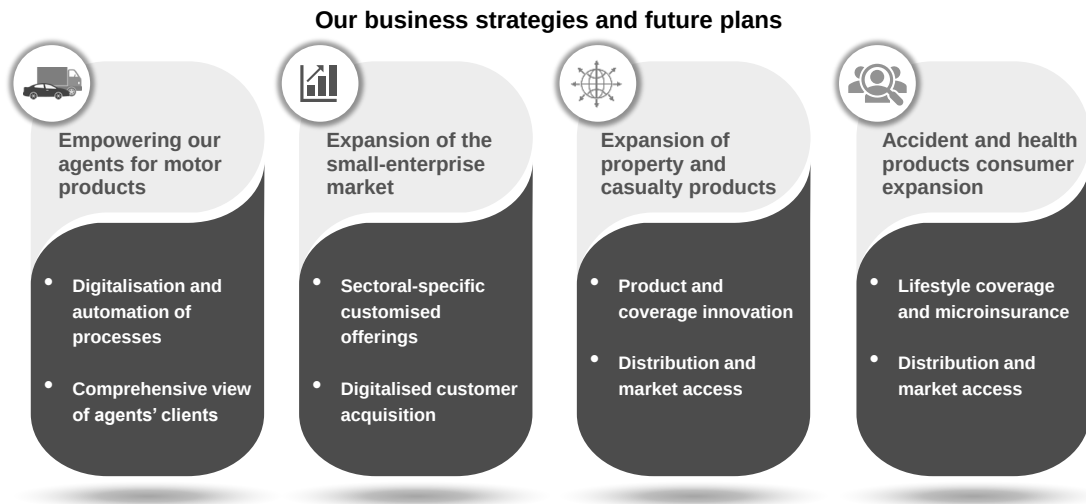
- (i) Jenni Harjanto, our Chief Financial Officer, who brings with her approximately 29 years of experience in finance and risk related matters;
- (ii) Tan Wee Keat, our Chief Operating Officer, who brings with him approximately 20 years of experience in the general insurance industry;
- (iii) Lee Pei Ling, our Chief Consumer Lines Officer, who brings with her approximately 22 years of experience in the general insurance industry; and
- (iv) Danil Bugakov, our Head of Property and Casualty, who brings with him approximately 12 years of experience in the general insurance industry.

7. BUSINESS OVERVIEW (Cont'd)

7.5 BUSINESS STRATEGIES AND FUTURE PLANS

7.5.1 Overview of our business strategies and future plans

Our business strategies and future plans are focused on driving business growth and expansion. They are summarised in the diagram below:



7.5.2 Empowering our agents for motor products

We are digitalising our internal motor product processes for our agents to make their workflow more efficient. By automating key processes, we aim to free our agents from administrative tasks, enabling them to focus on client interactions.

We intend to leverage our digital platform to integrate agent automation for our motor products. Our key areas of focus include the following:

- automating the process of creating quotes and issuing policies to instantly generate accurate quotes for standard motor product policies. Our agents will input a customer's personal and vehicle information, and the system will automatically retrieve data, assess risks and calculate the premium.
- providing our agents with a comprehensive view of their clients through new automated digital tools, which enable them to track a customer's policy history, view past interactions and monitor renewal dates to manage their client relationships proactively.
- streamlining claims support by providing our agents with digital tools to help their clients file claims quickly and accurately. Our agents will be able to access a customer's policy details and guide them through a digital claims submission portal to accelerate the entire claims process for the customer, improving their overall experience.

By adopting these solutions, we are empowering our distribution partners to improve process efficiency and enhance client engagement, transforming the agent's role from a transactional one to a more consultative one. This will enable them to provide faster and higher quality service to their clients.

7. BUSINESS OVERVIEW (Cont'd)

7.5.3 Expand the small-enterprise market through sector-specific offerings and digital customer acquisition

We plan to expand our market reach in Malaysia's small-enterprise segment, recognizing the significant market opportunity and strong economic performance of the sector.

In 2024, Malaysia's MSMEs contributed RM652.4 billion to the national GDP, representing a 5.8% increase. This sector makes up 39.5% of the total Malaysian GDP. According to the IMR Report, there were 1.1 million MSME firms across various sectors in Malaysia, including services (84.4%), construction (8.7%), manufacturing (5.3%), agriculture (1.4%), and mining and quarrying (0.2%).

To strengthen our presence, we are developing:

- Flexible packages: Bundling essential coverages relevant for our target customer segments.
- Sector-specific insurance offerings: We have developed and will continue to customise insurance products tailored for key sectors like services, construction and manufacturing.
- Micro-insurance products: We will continue creating simple, low-premium micro-insurance products specifically for microenterprises and sole proprietors.

We also plan to enhance our digital platform to automate processes for our registered agents and digital partners, as well as licensed brokers. This is expected to streamline workflows and improve efficiency, similar to our agent automation initiatives in other areas.

Our expansion strategy for the small-enterprise segment is built on three core pillars: customised products, diverse distribution channels and enhanced service delivery through digitalisation and automation.

7.5.4 Expansion of our property and casualty products to the medium-sized enterprise market

Our plans are to expand our medium-sized enterprise segment by growing our property and casualty insurance portfolio and to capture opportunities in the underserved commercial segment. According to the IMR Report, this segment comprises 17,725 medium-sized firms in and is an attractive target for the following reasons:

- The medium-sized enterprise market has evolved beyond the basic risks faced by micro or small enterprises. Such companies now encounter a range of operational challenges, including supply chain disruptions from geopolitical uncertainties and reliance on imported sources. In addition, the growing adoption of digital infrastructure and the storage of sensitive data presents opportunities for specialised cyber liability insurance.
- There are opportunities to enhance customer engagement for cross-selling of our products by offering a customised and comprehensive suite of products. This will enable us to generate multiple premiums across various products and improve customer retention.

Targeting the medium-sized enterprise market with customised property and casualty insurance products is our strategy for generating sales beyond our existing customer base. These enterprises often require more comprehensive risk management, including coverage for property damage, liability, employee protection, cyber threats and business interruption. This approach is expected to lead to higher average premium volume, as the average premium size of our property and casualty segment generally is already two to three times higher than the overall average premium size.

7. BUSINESS OVERVIEW (Cont'd)

7.5.5 Expansion of our accident and health products for the consumer market

To capitalise on growth opportunities, we are expanding our accident and health products portfolio and making our products more accessible to a broader range of consumers. This expansion is driven by both market demand and industry trends. Our accident and health portfolio has shown strong growth, as evidenced by a CAGR of 10.8% in our GWP from the full years of 2022 to 2024, reaching RM205.2 million in 2024.

The consumer accident and health segment is an attractive target for our portfolio growth, taking into consideration the following factors:

- Given the low insurance penetration at 1.4% in 2024 (*Source: IMR Report*) and growing household sizes in Malaysia, there are opportunities for Chubb Malaysia to address the protection gap. This presents an opportunity for the industry to increase insurance adoption, with a focus on personal insurance products and raising public awareness.
- Rising health awareness and escalating medical costs are expected to boost demand for medical and health insurance products. Furthermore, tax relief on medical and insurance premiums further encourages insurance uptake (*Source: IMR Report*).
- To accelerate growth, we intend to leverage on the digital partners and platforms available to us to improve service delivery and strengthen customer engagement.

7.6 OUR PRODUCTS AND SERVICES

7.6.1 Overview

We are a licensed provider of general insurance in Malaysia, offering protection against a wide range of risks, excluding life and takaful insurance. Our general insurance products are designed to protect individuals, families, households, businesses, government bodies and other institutions from financial losses caused by unforeseen events such as accidents, natural disasters, illness or liability claims. Our insurance coverage includes:

- Property and assets: protection for homes, buildings, motor vehicles, equipment and other valuables against risks such as fire, theft, accidents or natural disasters.
- Liability risks: including third-party liability, public liability and employer's liability, to cover legal obligations and compensation costs.
- Health and personal accident: providing coverage for medical expenses, hospitalisation, disability or accidental death.
- Business protection: such as business interruption, marine and cargo, and engineering-related insurance to ensure operational continuity.
- Specialised solutions: including travel insurance, professional indemnity and customised policies tailored to unique customer needs.

As part of Malaysia's regulated insurance industry, we operate under the supervision of BNM, ensuring compliance with prudential standards, consumer protection and fair market conduct. Through our role, we help individuals and organisations manage risks, achieve financial security and recover from unexpected events.

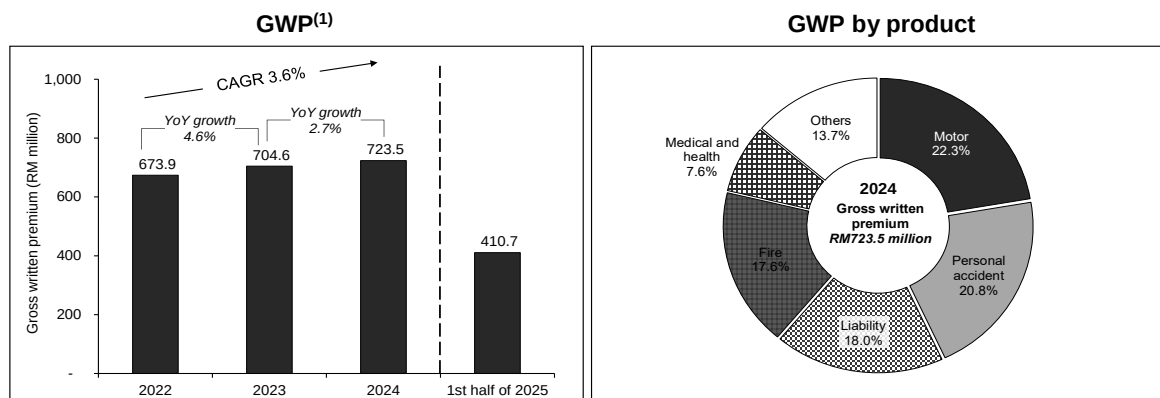
7. BUSINESS OVERVIEW (Cont'd)

Our customer base generally comprises two main segments:

- **Consumers**, including individuals, families and households, who purchase various types of general insurance to protect themselves and their assets. Common products include motor insurance for private vehicles, fire and property insurance for residential homes and personal belongings, and personal accident insurance for financial protection against accidental injury, disability or death.
- **Commercial**, including businesses, government entities and other organisations that require insurance to safeguard their operations, assets, employees, employers and directors. Their coverage typically includes, motor insurance for commercial vehicles and fleets; fire and property insurance for operational premises such as offices, factories, warehouses, and retail outlets; group medical and health insurance for employees and employers; liability insurance such as public liability, professional indemnity, product liability and employer's liability, to protect against third-party claims; workmen's compensation and employees' protection for workplace-related injuries; contractors' all risks and engineering insurance for construction, infrastructure and industrial projects; marine, cargo and aviation insurance for transportation, shipping and logistics-related risks; and other specialised solutions tailored to industry-specific needs.

Our role is to provide comprehensive protection and risk management solutions that help both individuals and organisations mitigate financial losses, comply with regulatory requirements and ensure long-term security and business continuity.

Between the full years of 2022 and 2024, based on MFRS 4, our GWP grew at a CAGR of 3.6% from RM673.9 million in 2022 to RM723.5 million in 2024. Our top 5 products in 2024 comprised motor, personal accident, liability, fire as well as medical and health insurance, which collectively contributed 86.3% of our GWP in 2024.

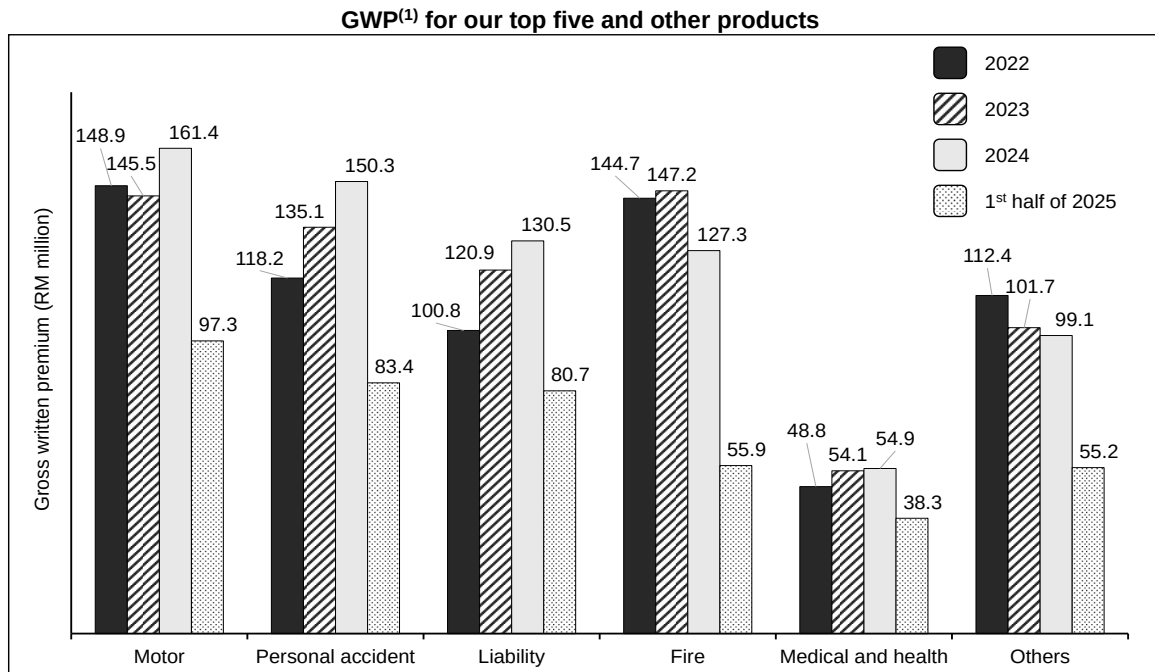


Note:

(1) Based on MFRS 4.

7. BUSINESS OVERVIEW (Cont'd)

The summary of GWP for our top five products and others for the full years of 2022, 2023 and 2024, and the 1st half of 2025 is as follows:



Note:

(1) GWP is based on MFRS 4.

GWP ⁽¹⁾	Full year								CAGR (2022-2024)
	2022		2023		2024		1 st half of 2025		
	RM'000	%	RM'000	%	RM'000	%	RM'000	%	
Top 5 products	561,470	83.3	602,866	85.6	624,422	86.3	355,537	86.6	5.5%
Motor	148,904	22.1	145,528	20.6	161,357	22.3	97,319	23.7	4.1%
Personal accident	118,211	17.5	135,084	19.2	150,289	20.8	83,351	20.3	12.8%
Liability	100,780	15.0	120,881	17.2	130,546	18.0	80,692	19.7	13.8%
Fire	144,732	21.5	147,231	20.9	127,330	17.6	55,852	13.6	(6.2%)
Medical and health	48,843	7.2	54,142	7.7	54,900	7.6	38,323	9.3	6.0%
Others ⁽²⁾	112,410	16.7	101,728	14.4	99,099	13.7	55,201	13.4	(6.1%)
Total	673,880	100.0	704,594	100.0	723,521	100.0	410,738	100.0	3.6%

Notes:

(1) Based on MFRS 4.

(2) Others include mainly cargo, general accident, bonds, workmen's compensation and employer's liability, contractor's all risks and engineering, marine hull and aviation, offshore related services insurance products.

7. BUSINESS OVERVIEW (Cont'd)

7.6.2 Our insurance products

7.6.2.1 Motor

In Malaysia, under the Road Transport Act 1987, motor insurance is mandatory for all vehicles to provide coverage against third-party risks. The provision of motor products is our largest business in terms of GWP, accounting for 22.3% and 23.7% of our GWP for 2024 and the 1st half of 2025, respectively.

We offer the following types of motor insurance coverage:

- (a) Third-party coverage: This is the minimum level of protection and is compulsory under the Road Transport Act 1987. It covers:

- bodily injury or death to third parties; and
- loss or damage to third-party property caused by the insured vehicle.

However, it does not cover loss or damage of any kind to the insured's own vehicle. In the event of an accident, the insured must bear the full cost of repairs to the insured's own vehicle.

- (b) Third-party, fire and theft coverage: This policy provides the same protection as the third-party coverage policy, with additional coverage for the insured's own vehicle in the event of theft or damage caused by fire. However, it does not cover accidental damage to the insured's own vehicle. In such cases, the insured will be responsible for bearing the repair costs.

- (c) Comprehensive coverage: This is the widest form of protection. It covers third-party bodily injury and death, third-party property loss or damage, and loss or damage to the insured's own vehicle due to fire, theft or accident.

7.6.2.2 Accident and health

(i) Personal accident

Personal accident products provide financial compensation in the event of an injury, disability or death caused by an accident. Based on MFRS 4, the personal accident segment is our second-largest business in terms of GWP, accounting for 20.8% and 20.3% of our GWP for the full year of 2024 and the 1st half of 2025, respectively.

Generally, personal accident products provide coverage for the following:

- (a) Accidental death, which provides a lump sum payout to the beneficiary in the event of the insured's death caused by accident;
- (b) Permanent disablement such as loss of limbs or sight due to accidents, which provides a lump sum payout depending on the severity of the disability;
- (c) Temporary disablement, which provides a weekly benefit for the period where the insured is unable to work due to injury arising from the accident;
- (d) Medical expenses covering the medical fees incurred as a result of the accidents, including hospitalisation, surgery and doctor's fees;
- (e) Hospital allowance, which provides a cash allowance for each day of hospitalisation due to accident; and
- (f) Other types of coverage, including snatch theft or robbery, funeral or bereavement expenses, home nursing care and others.

7. BUSINESS OVERVIEW (Cont'd)

Under our personal accident products, we also offer travel insurance, which provides coverage for losses arising from unexpected events which may occur while travelling. Travel insurance typically provides the following coverage:

- (a) Medical coverage, which covers emergency medical expenses, including doctor's fees, hospitalisation or surgery in the event of any medical conditions or accidents that arise during the trip;
- (b) Emergency medical evacuation and repatriation, which covers the costs of transportation to the nearest medical facility or back to the home country for treatment;
- (c) Accidental death or disablement, which provides a lump sum payout to the beneficiary in the event of the insured's death or disability caused by accident while travelling; and
- (d) Travel inconvenience, including trip cancellation or curtailment; travel and baggage delay; loss or damage of personal belongings, money, luggage and travel documents.

(ii) Medical and health

Medical and health insurance provides medical coverage for hospitalisation, surgery, outpatient treatment and other related expenses. Based on MFRS 4, the medical and health segment is our fifth-largest business in terms of GWP, which accounted for 7.6% and 9.3% of our GWP for the full year of 2024 and the 1st half of 2025, respectively.

The coverage we offer under our medical and health products mainly comprises the following:

- (a) Foreign workers hospitalisation and surgical insurance is a mandatory insurance policy provided by the employer for foreign workers in Malaysia with a maximum annual limit of RM20,000. The benefits covered under this policy include hospitalisation, surgical fees and treatment expenses due to accidents or illness.
- (b) Group medical insurance, which provides medical insurance to the employees of a company or organisation under a single group policy with standardised benefits and coverage for all employees. The medical coverage offered typically comprises hospitalisation, surgery, outpatient treatment and related expenses.

7.6.2.3 Property and casualty

(i) Liability

Liability insurance covers the financial consequences that the insured is responsible for paying if the insured is found legally liable. This includes legal fees, medical expenses, costs for repair or replacement for property damage, and financial settlements arising from claims by third parties. Based on MFRS 4, the liability segment is our third-largest business in terms of GWP, which accounted for 18.0% and 19.6% of our GWP for the full year of 2024 and the 1st half of 2025 respectively.

The type of liability products that we offer mainly comprises the following:

- (a) Public/general liability, which provides protection for individuals and businesses against a wide range of claims from third parties, including customer injuries at a business' premises and damage to clients' property, in specified circumstances.
- (b) Product liability, which provides coverage against legal claims arising from defective products sold, which cause injury or damage to third parties or their properties. The insurance will indemnify the insured for the defence costs and expenses incurred in respect of claims by third parties.

7. BUSINESS OVERVIEW (Cont'd)

- (c) Professional liability, which protects professionals such as lawyers, doctors, accountants, architects and engineers against the legal liability arising from clients' claims for the professional's negligence or poor advice during the conduct of the business, which resulted in financial loss.

(ii) Fire

Fire insurance protects property against loss or damage caused by fire and other perils, such as explosion, lightning or other natural disasters. Based on MFRS 4, the fire segment is our fourth-largest business in terms of GWP, accounting for 17.6% and 13.6% of our GWP for the full year of 2024 and the 1st half of 2025, respectively.

The coverage offered for our fire products typically comprises the following:

- (a) Basic fire insurance protection which provides coverage for the insured's property arising from the loss or damage caused by fire, lightning or explosion.
- (b) Houseowner and householder policy, which provides a broader coverage for the owner of a residential property, in addition to the coverage of basic fire insurance protection for the property. Houseowner insurance provides coverage for the building, including the home structure, fixtures and fittings. In contrast, householder insurance covers the contents in the home against unexpected loss or damage arising from fire, lightning, explosion, theft, burglary, natural disasters including floods, windstorms and earthquakes. Our houseowner and householder policy also covers for loss of rent as well as liability to the public for accidents that happen in the insured's property.

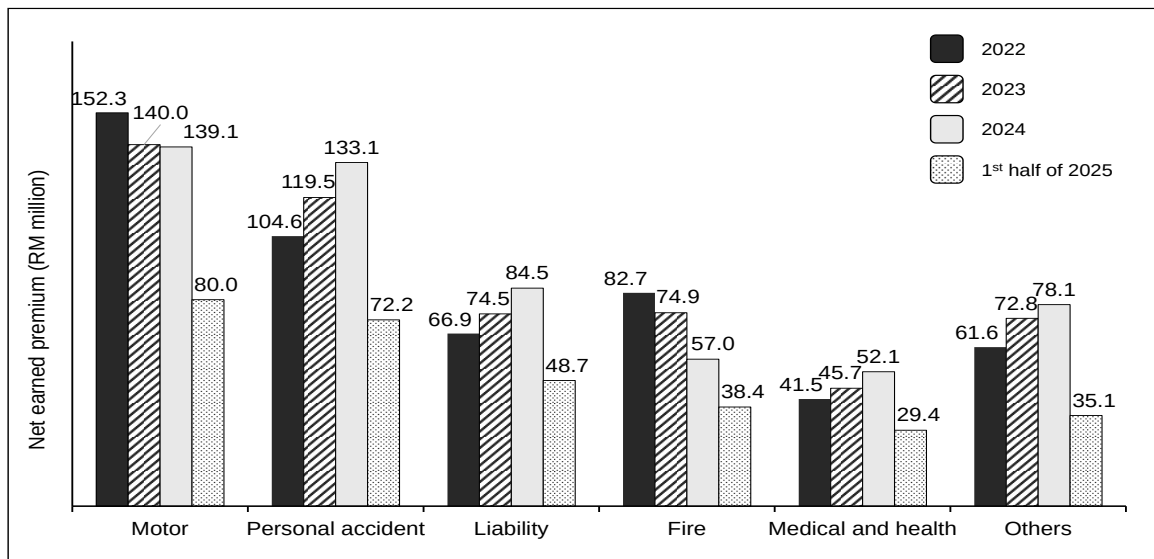
(iii) Other insurance

Other insurance we offer under the property and casualty segment mainly covers commercial activities, including the following:

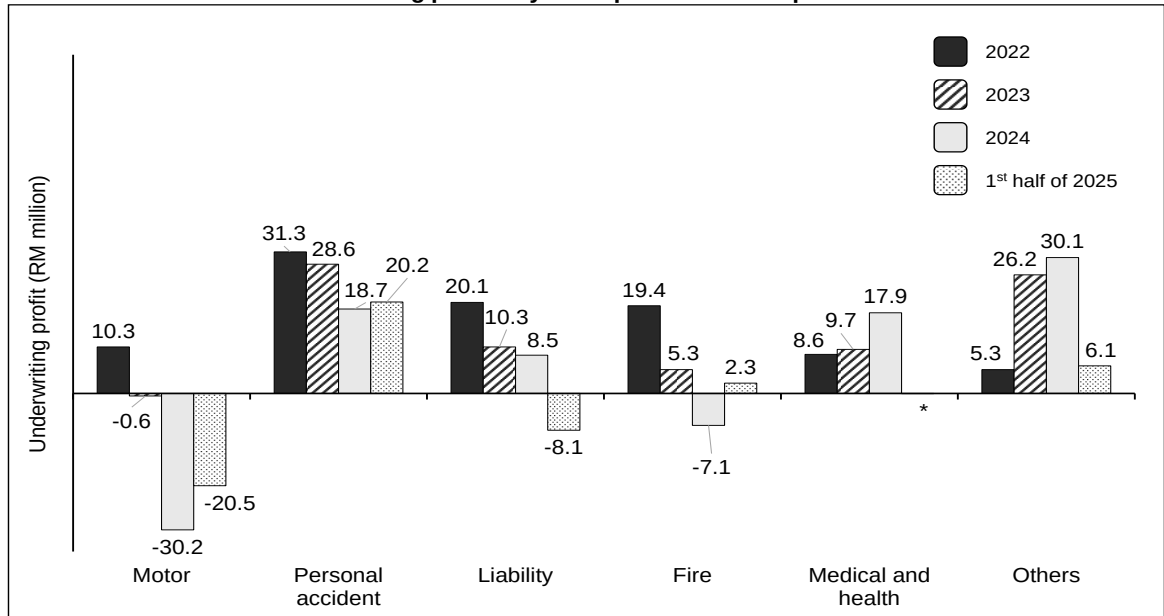
- Cargo insurance, which is designed to protect goods which are being transported against loss or damage due to accidents, thefts or natural disasters which may occur during transit via land, sea or air.
- Bond insurance, including contract bonds, advance payment guarantees, immigration bonds, customs bonds, administration bonds and other types of bonds.
- Contractor's all risks and engineering insurance, which provides coverage for construction projects, including the construction site and works, for loss or damage to the construction works, materials, machinery and equipment at the site.
- Workmen's compensation and employer's liability insurance, which provides coverage to employers for liabilities to employees who suffer injury or illness during the course of their employment.
- Marine-hull insurance, which provides coverage against loss or damage to marine vessels and their machinery and equipment.

7.6.3 Our underwriting profitability

Underwriting profitability measures the profit generated from the core insurance business (excluding investment income), which is calculated by subtracting claims paid and underwriting expenses from net earned premiums. Net written premium refers to the total premium collected by an insurance company on all policies issued during a particular period after deduction of reinsurance costs incurred in the period.

7. BUSINESS OVERVIEW (Cont'd)**Net earned premiums ⁽¹⁾ by our top five and other products****Note:**

(1) Based on MFRS 4.

Underwriting profit ⁽¹⁾ by our top five and other products**Note:**

(1) Based on MFRS 4.

7. BUSINESS OVERVIEW (Cont'd)

A summary of our net earned premium and underwriting profit by product segments is set out below:

	Net earned premium ⁽¹⁾				Underwriting profit ⁽¹⁾			
	2022	2023	2024	1 st half of 2025	2022	2023	2024	1 st half of 2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Top 5 products	447,998	454,633	465,725	268,709	89,824	53,372	7,712	(6,125)
Motor	152,349	140,017	139,128	80,011	10,293	(550)	(30,215)	(20,450)
Personal accident	104,607	119,527	133,100	72,183	31,342	28,609	18,682	20,246
Liability	66,855	74,461	84,462	48,679	20,148	10,301	8,455	(8,147)
Fire	82,661	74,941	56,958	38,398	19,395	5,271	(7,074)	2,273
Medical and health	41,526	45,687	52,077	29,438	8,646	9,741	17,864	(47)
Others⁽²⁾	61,591	72,759	78,062	35,125	5,273	26,240	30,091	6,112
Total	509,589	527,392	543,787	303,834	95,097	79,612	37,803	(13)

Notes:

(1) Based on MFRS 4.

(2) Others include mainly cargo, general accident, bonds, workmen's compensation and employer's liability, contractor's all risks and engineering, marine hull and aviation, offshore related services insurance products.

One of the key metrics used to assess underwriting profitability is the combined ratio, which is computed as follows:

$$\text{Combined ratio} = \text{Claims ratio}^{(1)} + \text{Commission ratio}^{(2)} + \text{Operating expense ratio}^{(3)}$$

Notes:

(1) $\text{Claims ratio} = \text{Total net claims incurred} / \text{Net earned premium}$

(2) $\text{Commission ratio} = \text{Net commission} / \text{Net earned premium}$

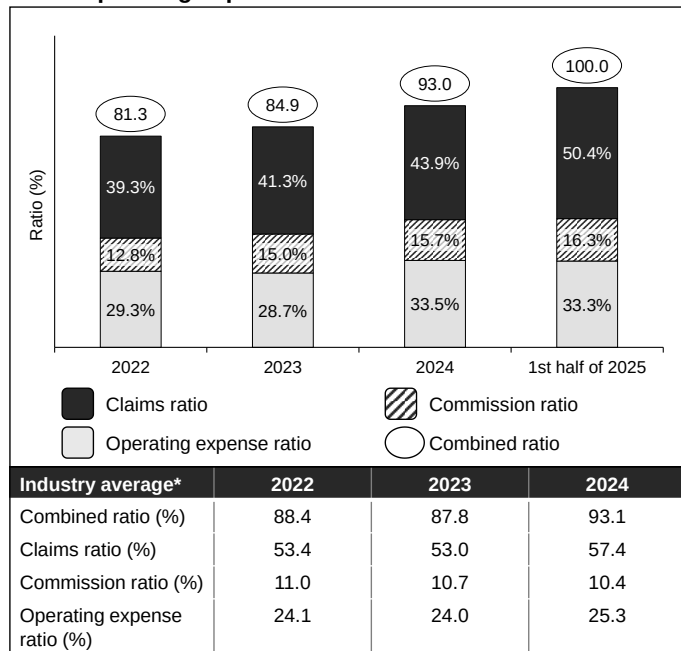
(3) $\text{Operating expense ratio} = \text{Operating expense} / \text{Net earned premium}$

7. BUSINESS OVERVIEW (Cont'd)

A lower combined ratio indicates better profitability for the insurer. A combined ratio of less than 100% indicates that the insurer's underwriting is profitable. In contrast, a combined ratio above 100% suggests the insurer is operating at a loss, as the outgoings, including claims and expenses, exceed the premiums collected.

From 2022 to the 1st half of 2025, our Company's combined ratio has increased from 81.3% in 2022 to 93.0% in 2024 and further increased to 100.0% for the 1st half of 2025, on the back of a higher claims ratio, commission ratio and operating expense ratio. The increasing trend in the claims ratio was mainly attributed to the motor segment following the gradual return of mobility to normal conditions. Between 2020 and 2021, the Malaysian Government imposed various movement control orders which includes restrictions on movements as well as economic activities, which has resulted in a lower claims ratio during these periods. Following the easing of restrictions and the gradual resumption of activities, the claims ratio for the motor segment has been on an increasing trend. To address the increasing trend in the combined ratio, our Company is implementing several measures to improve the performance of our motor products, which include underwriting, product, claims cost containment and distribution initiatives.

Overall Company's claims ratio, commission ratio, operating expense ratio and combined ratios⁽¹⁾



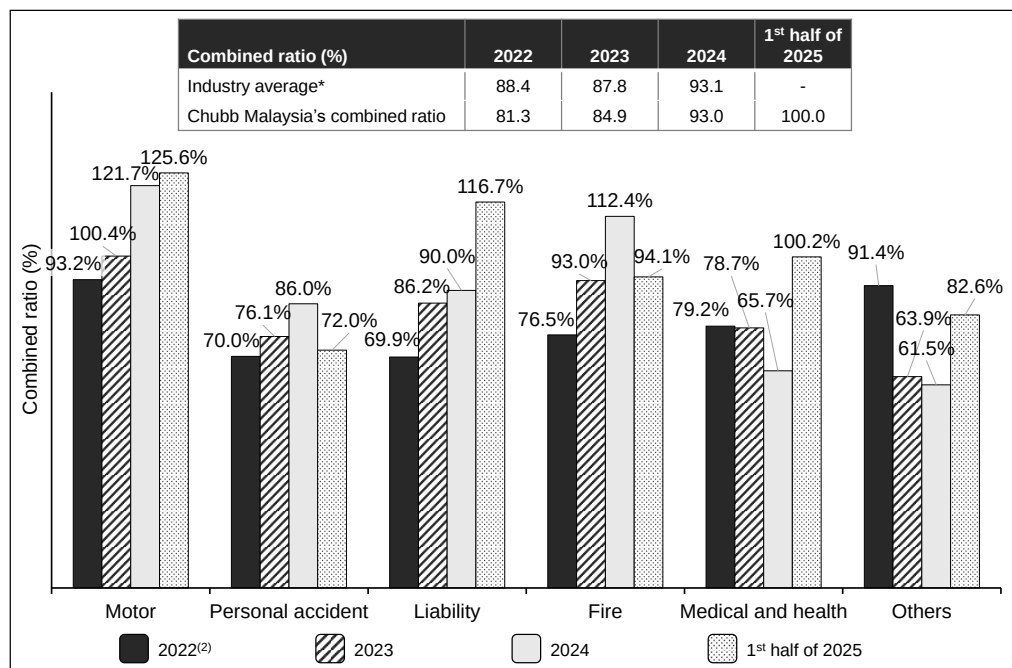
* Source: IMR report

Note:

(1) The claims ratio, commission ratio, operating expense ratio and combined ratio are computed based on MFRS 4.

Our Company's combined ratio, claims ratio and operating expense ratio by products are set out below:

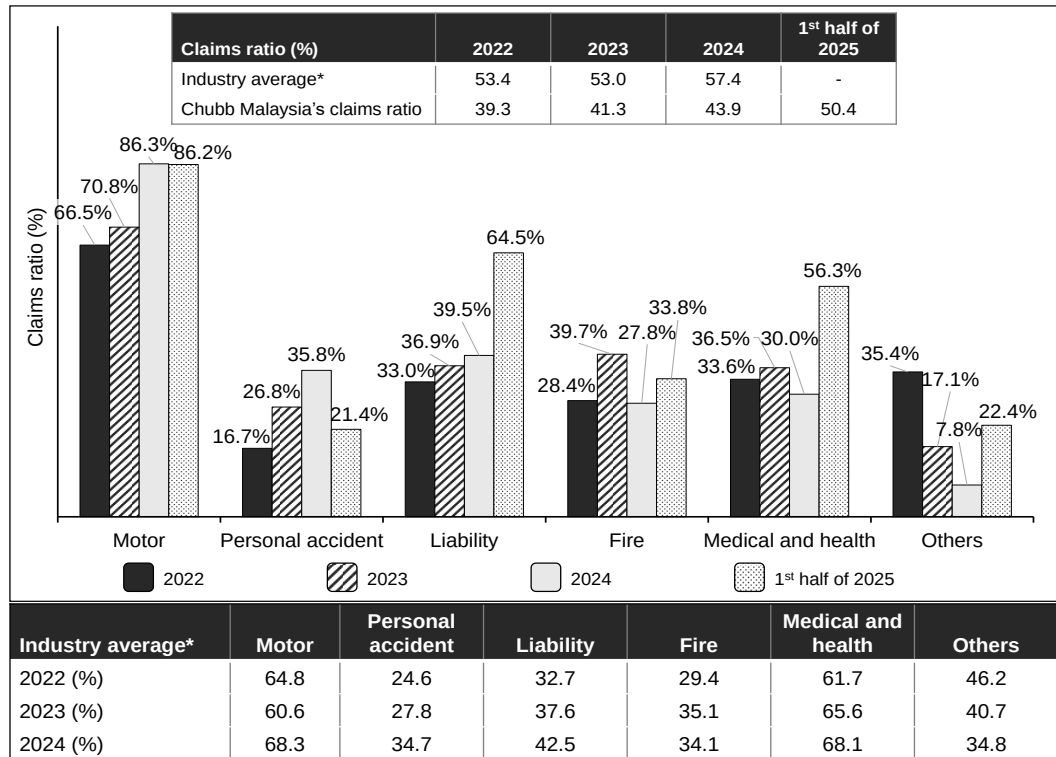
(a) Combined ratio⁽¹⁾



* Source: IMR Report

7. BUSINESS OVERVIEW (Cont'd)**Note:**

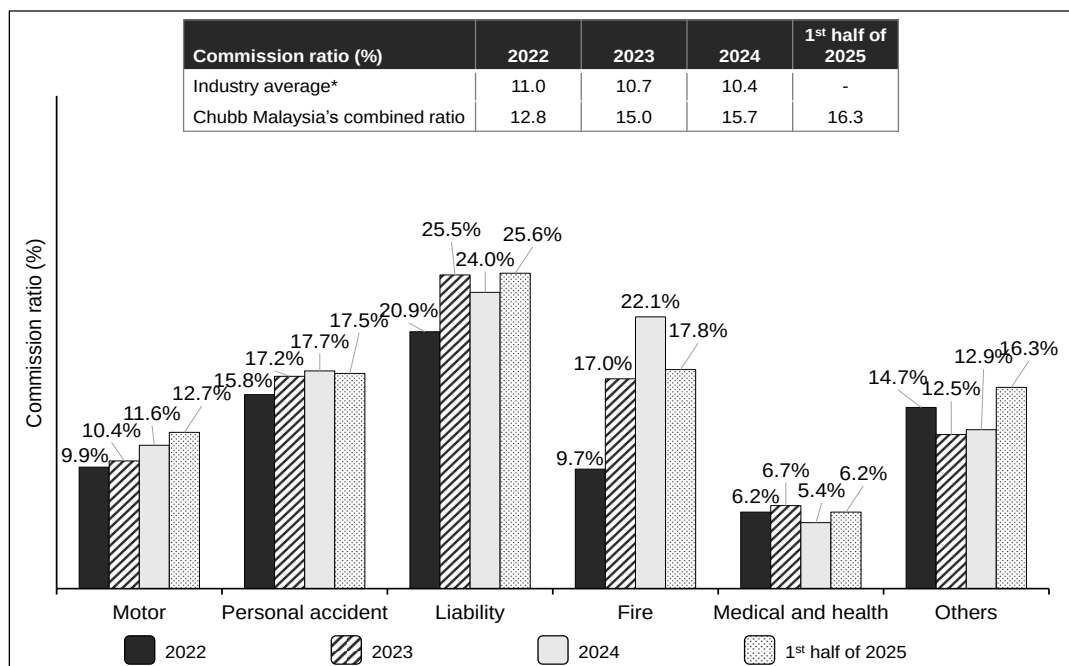
(1) Based on MFRS 4.

(b) Claims ratio⁽¹⁾

* Source: IMR Report

Note:

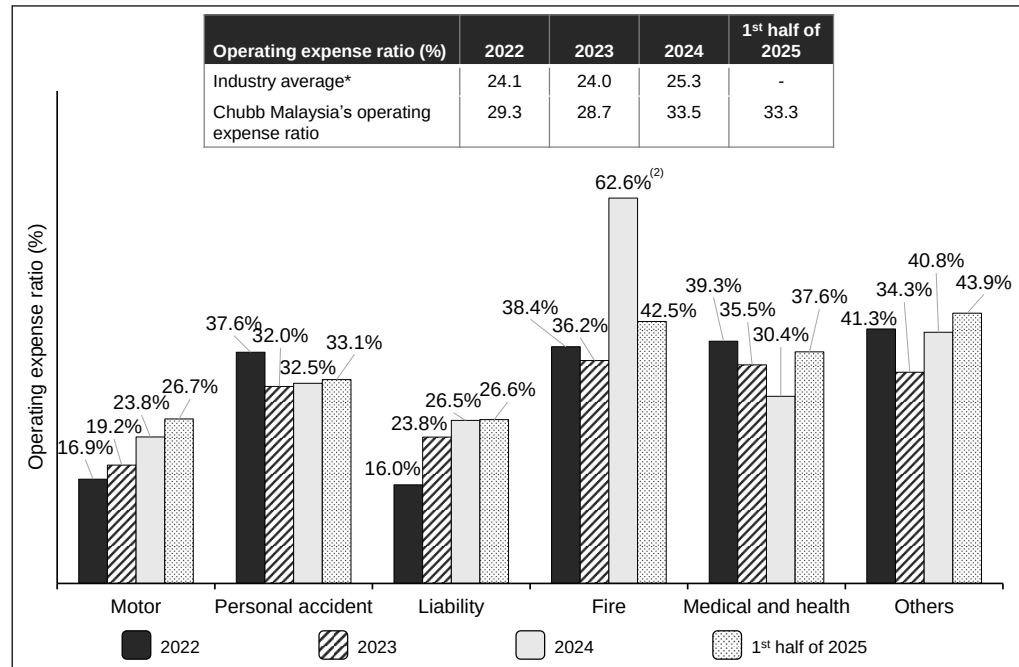
(1) Based on MFRS 4.

(c) Commission ratio⁽¹⁾

* Source: IMR Report

7. BUSINESS OVERVIEW (Cont'd)**Note:**

(1) Based on MFRS 4.

(d) Operating expense ratio⁽¹⁾

* Source: IMR Report

Notes:

(1) Based on MFRS 4.

(2) The high operating expense ratio for the fire segment in 2024 is due to the expenses incurred on EDP systems enhancement.

7. BUSINESS OVERVIEW (Cont'd)

7.7 OPERATIONAL FACILITIES

As at the LPD, we operate from our head office located in Kuala Lumpur:

Address	Status	Built-up (sq. m.)
Wisma Chubb, 38 Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan	Owned	20,850

As at 1 October 2025, we have 14 branch offices in Malaysia, comprising nine branch offices in Peninsular Malaysia and five branch offices in East Malaysia. All our branch offices operate from rented premises, save for our Penang branch office.

Location	Address	Status	Built-up (sq. m.)
Peninsular Malaysia			
Penang	No. 266 & 268, Victoria Street, 10300 Pulau Pinang	Owned	999
Johor Bahru	No. 47, Jalan Kebun Teh 1, Pusat Perdagangan Kebun Teh, 80250 Johor Bahru, Johor	Rented	269
Melaka	No. 63-1, Jalan Merdeka Permai 3, Taman Merdeka Permai, Batu Berendam, 75350 Melaka	Rented	229
Segamat	1 st Floor, No. 1 Jalan Genuang Perdana, Taman Genuang Perdana, 85000 Segamat, Johor	Rented	201
Alor Setar	No. 225-B, Medan Putra, Seberang Jalan Putra, 05150 Alor Setar, Kedah	Rented	195
Kuantan	Ground Floor, B-30 Lorong Tun Ismail 11, Jalan Tun Ismail, 25300 Kuantan, Pahang	Rented	176
Klang	No. 31 (Ground Floor), Jalan Tiara 2C/KU1, Pusat Perniagaan BBK Bandar Baru Klang, 41150 Klang, Selangor	Rented	137
Muar ⁽¹⁾	No. 55-4, 2 nd Floor, Jalan Bentayan, Mukim Bandar Maharani, 84000 Muar, Johor	Rented	130
Ipoh	No. 16 (Ground Floor), Jalan Pusat Perniagaan Falim 6, Pusat Perniagaan Falim, 30200 Ipoh, Perak	Rented	116
East Malaysia			
Kuching	Lot 7686 & 7687, 1 st Floor, Section 64, Jalan Pending, 93450 Kuching, Sarawak	Rented	323
Tawau	TB 305, 2 nd Floor, Leong Hua Building, Jalan Dunlop, 91000 Tawau, Sabah	Rented	204
Kota Kinabalu	Lot A-1-3, Block A, Signature Office, Times Square, Off Coastal Highway, 88100 Kota Kinabalu, Sabah	Rented	129
Miri ⁽¹⁾	Lot 1199, 1 st Floor, Jalan Sylvia, 98000 Miri, Sarawak	Rented	111
Sibu ⁽¹⁾	No. 41B, 1 st Floor, Brooke Drive, 96000 Sibu, Sarawak	Rented	90

Note:

- (1) We intend to cease the operations of three branch offices (namely the Muar, Miri and Sibu branch offices) progressively by the end of 2025. However, we will continue to service the customers from nearby branch offices and in some instances maintain our agents in the location while operating remotely.

7. BUSINESS OVERVIEW (Cont'd)

7.8 MACHINERY AND EQUIPMENT

As at 30 June 2025, our main ICT systems, hardware and software are as follows:

Main ICT systems, hardware and software	No. of units	Average age (years)	Audited NBV as at 30 June 2025 (RM'000)
Computer hardware	1,580	4	2,775
Computer software	58	6	10,783
Total	1,638		13,558

We also incur EDP expenses, mainly comprising expenses for maintenance and repairs, rental of equipment, annual license fees, software and system development costs not capitalised, payments to IT service providers, disaster recovery costs, including monthly charges on back-up system and costs for off-site storage and other IT peripherals. These hardware and software support a wide range of business functions, including, among others, policy administration, underwriting, claims processing, distribution, customer relationship management, billing and financial management and business intelligence and analytics.

Our EDP expenses including hardware and software support are mainly provided by our related parties. For the Financial Years and Period Under Review, our EDP expenses were as follows:

	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)
EDP expenses	16,521	15,122	20,342	11,700

7.9 OPERATING CAPACITY AND UTILISATION

Our general insurance business is service-based. As such, the measurement of capacity, output and utilisation rate is not applicable.

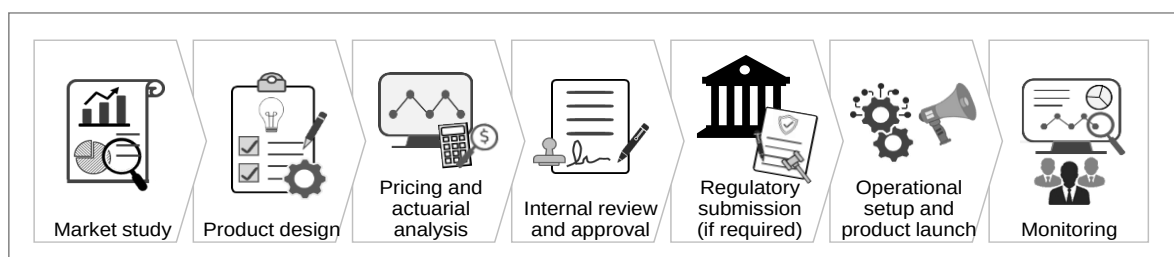
7.10 PROCESS FLOW

7.10.1 Development and introduction of new products

The development and introduction of new products is guided by BNM's policy document on Introduction of New Products by Insurers and Takaful Operators, which sets out the applicable regulatory procedures and expectations. A new product refers to one that is being offered by us in Malaysia for the first time; a combination of two or more of our existing insurance products; or a variation to an existing insurance product that results in a material change to its structure, features or risk profile.

We maintain policies and procedures to guide the development and introduction of new products. Our product line managers are responsible for preparing and submitting all new product proposals, while our product approval committee, comprising members of senior management, is responsible for reviewing and approving these proposals before submission to BNM (where required).

Generally, the process flow is as follows:



7. BUSINESS OVERVIEW (Cont'd)

(i) Market study

The process begins with conducting a market study to validate the need for a new product offering. This involves gathering insights through surveys and focus groups with our registered agents and data analysis to understand customer preferences. Based on these findings, we identify gaps in the market and assess the level of financial protection required by different customer segments.

We also benchmark against competing products to evaluate existing coverage, features and pricing in the market. In addition, we closely monitor regulatory developments and industry trends to ensure proposed products are relevant and compliant. At the end of the market study, we will have a clearly defined target market and an initial product concept.

(ii) Product design

The product design process involves defining the proposed product's coverage, exclusions, benefits and limits, based on findings from the market study. We also determine suitable distribution channels based on the target customer segment, which may include agents, brokers and/or digital platforms.

Each product is designed to meet the needs of its target market and provide appropriate financial protection. During this stage, the policy wording is drafted and undergoes review to ensure compliance with legal and regulatory requirements and internal underwriting criteria, while operational requirements such as system readiness and claims handling procedures are also considered and/or developed.

(iii) Pricing and actuarial analysis

Once the product design is finalised, the actuarial department undertakes pricing and risk analysis. This involves identifying and assessing key product risks based on our risk appetite, capacity and risk limits. Based on this assessment, appropriate risk mitigation measures are developed and relevant risk limits are defined for the new product.

Premiums are then calculated using historical loss data, risk modelling and expected claims frequency and severity to ensure pricing is both competitive and sufficient to cover projected losses and expenses. A profitability assessment is also conducted to evaluate the expected financial performance of the product, including claims costs, expenses, customer acquisition costs, capital requirements and return on capital.

In addition, sensitivity and scenario analyses are performed to assess the product's financial resilience and to ensure that it remains viable and adequately priced under a range of adverse conditions. All pricing assumptions are documented and reviewed to ensure consistency, transparency and compliance with regulatory requirements.

During this stage, reinsurance requirements are evaluated to manage risk exposure.

After the actuarial department determines the pricing of new products, our pricing committee plays a vital role in reviewing the underlying assumptions, models and results made by the actuarial department. This process ensures that our pricing accurately reflects associated risks and costs, complies with regulatory requirements, safeguards policyholders' interests and balances commercial competitiveness and our Company's strategic financial objectives.

(iv) Internal review and approval

The proposed product including its documentation undergoes internal review and approval by our Product Approval Committee. The committee evaluates key aspects including, among others, the product's objective, target market, strategic alliance arrangements (if any), key features, distribution methods, draft policy documents, promotional materials, profitability assessment, financial impact, associated risks and compliance with legal and regulatory requirements.

7. BUSINESS OVERVIEW (Cont'd)

(v) Regulatory submission (if required)

When a new product passes our internal review, if required by regulations, we will submit the product documentation to BNM, together with the declaration by our Country President.

(vi) Operational setup and product launch

We begin preparing for the product launch by configuring the ICT systems to support policy administration, underwriting workflows and claims processing. This includes setting up necessary system rules, documentation templates and reporting tools.

During this stage, the user acceptance testing ("**UAT**") of the ICT systems will be conducted internally by the distribution, underwriting and operations departments. The UAT will validate the end-to-end business processes, including product issuance, policy fulfilment and claims handling. This is conducted by simulating a range of scenarios and cases to identify any defects or issues. Once all acceptance criteria are satisfied, the UAT team will provide formal sign-off, confirming that the system is ready for go-live.

Prior to the product launch, we provide training to our employees, appointed agents and brokers on the product's features, underwriting criteria, system usage and compliance requirements. At the same time, marketing and sales materials including brochures, digital content and frequently asked questions are developed and vetted by the underwriting team, corporate committee and legal department before being distributed to support the rollout.

Once operational readiness is confirmed, the product is launched to the market through the selected distribution channels.

(vii) Monitoring

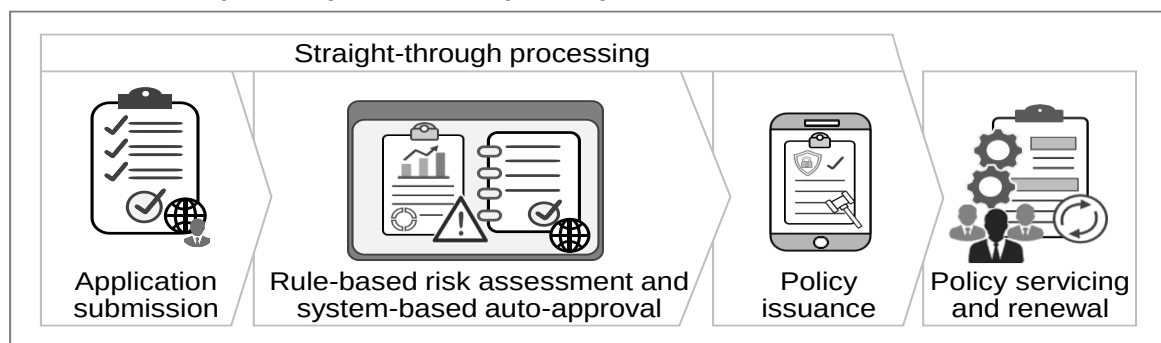
Periodic reviews are conducted to assess the product's profitability, suitability and customer satisfaction. These include evaluating the product against specific criteria such as loss ratios, lapse rates, distribution effectiveness and feedback from customers and intermediaries.

We also actively monitor product-related risks on a continuous basis. If a product is found to be unsuitable for its target market, whether due to poor performance, persistent complaints or a shift in market needs, we may take corrective actions such as revising product features, repricing or withdrawing the product from the market altogether.

7.10.2 Underwriting

Our underwriting process commences when we receive a new insurance proposal or application from an intermediary or consumer through digital submission via our online portal or email, or in hard copy at our office. Generally, the underwriting process flow can be distinguished between pre-underwritten (standardised) and complex underwriting (non-standardised) products as follows:

Pre-underwritten product (Standardised product)



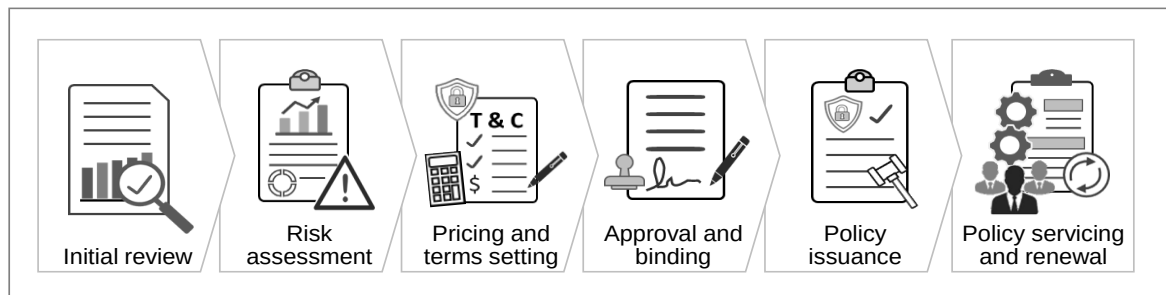
7. BUSINESS OVERVIEW (Cont'd)

The underwriting process for pre-underwritten products (such as travel and motor products) is typically guided by pre-approved underwriting rules and scoring models. This process is carried out digitally through our business-to-business (“B2B”) platform, Chubb eBiz, which enables applications to be processed digitally.

Once an application is submitted, our B2B platform captures the data, validates its accuracy and completeness and cross-verifies information (where permitted) from external databases such as Insurance Services Malaysia or Jabatan Pengangkutan Jalan Malaysia’s databases. The application is then assessed against pre-determined underwriting rules and scoring models to automatically evaluate and categorise the risk. If the risk falls within our appetite, the system applies automated approvals, calculates the premium through rule-based engines and pricing tools, and generates a digital quotation slip. Upon acceptance and premium payment, the system will issue the formal policy documentation, which legally confirms the terms and conditions of the coverage.

Once the policy is active, ongoing servicing is also largely automated, covering requests such as mid-term endorsements and cancellations. As the policy approaches its expiry date, the system will automatically reassess the risk using pre-approved rules, recalculate the premium and issue the renewal quotation slip, all without human intervention.

Complex underwriting product (Non-standardised product)



(i) Initial review

Our underwriting department conducts an initial review of the submitted documents to ensure completeness and assess basic eligibility. We verify whether that risk falls within our underwriting parameters and complies with applicable regulatory guidelines. This involves a preliminary assessment of factors such as the applicant’s industry, geographical location, size or value of the risk, claims history and the relevant legal and regulatory environment.

If the risk falls within our parameters, we proceed with a more detailed analysis. However, if the risk does not meet our criteria, the submission will be declined.

(ii) Risk assessment

If the initial review is satisfactory, our underwriting department conducts a comprehensive risk assessment to evaluate the nature, frequency and severity of potential exposures associated with the proposal. This stage involves deeper analysis of the applicant’s operations, risk characteristics and supporting data.

Key considerations may include, among others:

- financial strength and stability;
- operational and safety practices,
- risk mitigation measures;
- prior insurance coverage and claims history; and
- benchmarking against similar risks in the same industry.

For complex products such as liability, fire, contractor’s all risk and engineering, workmen, and marine hull products, additional underwriting information and a detailed questionnaire with supporting documentation may be required before an underwriting decision is made.

7. BUSINESS OVERVIEW (Cont'd)

Additional data or clarification may be requested from the applicant or intermediary to support the assessment depending on the complexity of the risk.

(iii) Pricing and terms setting

Based on the outcome of the risk assessment, the underwriter determines pricing and coverage terms. This involves aligning the premium with the level of risk, expected loss ratio and prevailing market conditions, while ensuring compliance with internal pricing models and regulatory guidelines.

For tariff classes such as motor and fire insurance, pricing must follow the tariffs and rating structures prescribed by BNM. For non-tariff classes, pricing is determined using actuarial models, subject to internal governance and fair customer treatment principles.

At this stage, we also define the coverage limits and sub-limits, applicable deductibles or excesses, exclusions or endorsements, conditions precedent to coverage and any risk improvement requirements. If necessary, terms may be negotiated with the intermediary or applicant to arrive at mutually acceptable conditions.

The underwriter determines the appropriate pricing and terms taking into consideration the associated risks and costs, compliance with regulatory requirements and safeguards policyholders' interests. Where the proposed pricing, coverage, or policy limits fall outside the underwriter's authority, the quotation will be referred to the relevant higher authority for further review and approval.

(iv) Approval and binding

Once the pricing and coverage terms for complex underwriting products have been finalised, the proposal is subject to manual underwriting approval.

After approval is obtained, the underwriter makes an offer of coverage by issuing a formal quotation slip or offer letter. If the applicant or intermediary accepts the quotation or offer letter, the initial premium payment must be paid by the stipulated deadline. Generally, premium must be paid in full by policyholders and intermediaries. However, certain intermediaries such as brokers or agents may be granted a credit term of 60 to 90 days to remit the premium. Coverage is bound effective from the agreed date, subject to these payment terms.

(v) Policy issuance

Once payment is received or the premium terms are confirmed, the underwriting department issues the formal policy documentation, which legally confirms the terms and conditions of the coverage. This typically includes:

- policy schedule outlining limits, premiums and period of insurance;
- applicable clauses, endorsements and exclusions;
- certificates of insurance (if applicable); and
- invoices or premium billing instructions.

All policies issued are subject to a final quality check for accuracy. Documents are then sent to the intermediary or policyholder either digitally or in hard copy.

(vi) Policy servicing and renewal

Once the policy is active, ongoing servicing is carried out by our distribution and operations department, in coordination with intermediaries and policyholders respectively. This includes managing requests for changes such as mid-term endorsements, cancellations and premium adjustments. Where material changes to the risk profile occur, an underwriting reassessment may be required.

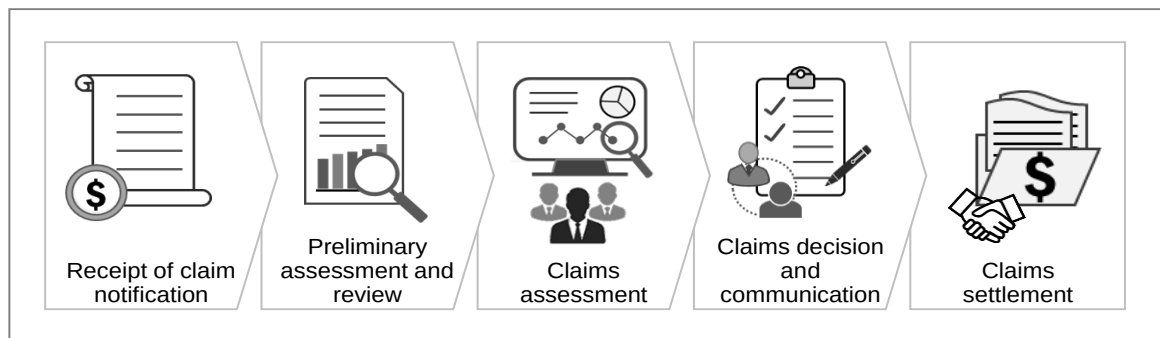
7. BUSINESS OVERVIEW (Cont'd)

As the policy approaches its expiry date, the underwriter initiates a renewal review. This involves reviewing claims experience during the policy term, identifying any significant changes in risk profile, evaluating compliance with risk improvement measures, considering market conditions and price adequacy.

Based on this review, the underwriter may offer renewal on expiring terms, proposed revised terms or decline the renewal if the risk no longer meets underwriting parameters. Renewal terms are typically communicated to the intermediary or policyholder in advance of the expiry date to allow sufficient time for review and response.

7.10.3 Claims settlement

Claims settlement procedures are guided by BNM's policy document on Claims Settlement Practices, which sets out minimum standards on handling and assessing claims. Generally, the process flow is as follows:



(i) Receipt of claim notification

The process begins when we receive a notification of claim from an intermediary or policyholder, either through digital submission via our online portal or email notification, or in hard copy at our office. Policyholders are required to complete the claim form and provide relevant supporting documents such as a police report (if applicable), photographs, medical reports or repair estimates.

For digital submissions, the system generates an acknowledgement receipt upon submission and the claim is automatically routed to our claims department for registration and review. For physical submissions or email notification, the claim documents are received and logged manually by our front office personnel. Once logged, the documents are forwarded to the claims department. An official written acknowledgement note will be issued to the policyholder, either via email or post, depending on the contact details provided.

In accordance with BNM's policy document, a written acknowledgement of the claim notification must be issued within three working days for motor claims and seven working days for non-motor claims from the date of notification.

(ii) Preliminary assessment and review

Once the claim is registered and acknowledged, the claims department conducts a preliminary review of the submitted documents to assess the completeness and validity of the claim form and supporting documents. The review includes verifying policy coverage and whether the claim event falls within the insured scope of coverage, policy status, sum insured and any applicable limits, deductibles or exclusions.

If any documents are missing or further clarification is needed, our claims personnel will contact the policyholder or intermediary to request the outstanding information. If we do not receive the additional information requested within seven working days from the date of request, we will send a reminder to the policyholder as a follow up.

7. BUSINESS OVERVIEW (Cont'd)

(iii) Claims assessment

Following the receipt of all required information and supporting documents, we will either appoint a registered adjuster, or assign an internal adjuster or in-house assessor, to conduct an assessment of loss within five working days. Their scope of work includes conducting field inspections, interviewing involved parties, verifying the cause and extent of loss, and evaluating liability to determine if we are legally responsible for the loss under the policy. All findings must be clearly documented and the final assessment report is submitted to us.

The adjusting work or loss assessment is expected to be completed within 10 working days for motor claims and 14 working days for non-motor claims, except in circumstances involving, among others:

- complex insurance claims such as marine cargo, aviation, transit, contractors' all risk, liability, engineering, and business interruption claims;
- motor accidents involving extensive vehicle damage that require longer time to inspect;
- natural catastrophe losses and large event losses such as major floods or other significant disaster events; and
- suspected fraud cases that require further investigation.

For motor claims, the registered loss adjuster or in-house assessor will conduct a second inspection within five working days from the date of receiving the supplementary claim request from the policyholder or repairer.

(iv) Claims decision and communication

Upon completion of the assessment, we will notify the policyholder or beneficiary of the claim decision in writing within five working days for motor claims and seven working days for non-motor claims. In the event of a claim rejection, we will provide the reasons for the decision, with reference to the relevant policy terms and conditions.

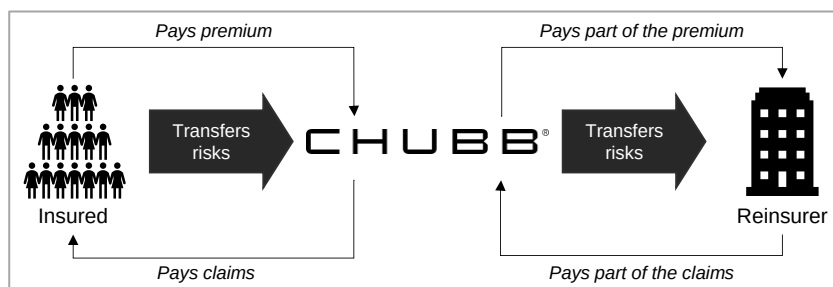
(v) Claims settlement

If the claim is approved, we will make payment of the claim to the policyholder or beneficiary within seven working days for motor claims and 14 working days for non-motor claims, from the date we accept the claim filed by the insured once all relevant documents are submitted, or from the date of receipt of a sealed court order in relation to payment of a judgment sum.

7.11 REINSURANCE

As part of our risk management strategy, we transfer a portion of our risks from the insurance products we offer through reinsurance arrangements with other reinsurers. Under the reinsurance arrangements, the reinsurer assumes a portion of the underlying claim in exchange for reinsurance premium.

Flow of premiums and claims between the insured, insurer and reinsurer



7. BUSINESS OVERVIEW (Cont'd)

Reinsurance allows us to transfer our risk and reduces our exposure to large or unexpected losses. Under the RBC Framework, insurers are required to maintain a certain amount of capital to ensure that the insurer has sufficient funds for its liabilities including claims. Ceding a portion of our risks to reinsurers reduces our capital requirements, which enables us to maintain our capital position within our risk appetite limits.

We adopt various reinsurance arrangements, depending on the risk profile of the products including their claims experience, which can be generally categorised as follows:

- Proportional reinsurance, where the reinsurer shares the premium and claims in a predetermined fixed proportion. There are two types of proportional reinsurance: quota share and surplus.
 - For quota share, a fixed percentage is agreed upon between the insurer and reinsurer. For every policy entered into by the insurer, the insurer will then cede the fixed percentage of the premium under the portfolio to the reinsurer and in return the reinsurer will pay the same fixed percentage of every claim arising from that portfolio.
 - For surplus, the insurer retains risks of up to a certain limit (retention limit), and the portion of sum insured which exceeds the retention limit (surplus) will then be ceded to the reinsurer. The percentage of premium and loss ceded to the reinsurer varies from policy to policy depending on the sum insured amount and the retention limit. For example, the insurer has a surplus share reinsurance arrangement with a RM100,000 retention limit, and has a policy with sum insured of RM300,000. The insured will retain RM100,000 of the risk and the remaining surplus of RM200,000 will be ceded to the reinsurer. Under this situation, 67% of the premium will be ceded to the reinsurance who in turn will be responsible for the same proportion of claim arising from this policy.
- Non-proportional reinsurance, also referred to as excess of loss reinsurance where the reinsurer only pays if the losses exceed a specified amount. This type of reinsurance arrangement is typically used for catastrophic or high-severity losses.

Our reinsurance arrangements are mainly with our related party, Chubb Tempest, Labuan Branch, which reinsures a portion of the risks we have undertaken for certain products. In addition, we have reinsurance arrangements with other third-party reinsurance companies in Malaysia and foreign countries to reinsure certain products.

Our reinsurance selection fully complies with all regulatory requirements set by BNM and our selection process involves an independent and rigorous assessment of each reinsurer's financial strength, with a particular emphasis on credit ratings, to effectively manage counterparty risk.

For the Financial Years and Period Under Review, the allocation of reinsurance premiums as well as amounts recoverable from the reinsurers for incurred claims are as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Allocation of reinsurance premiums	122,441	142,565	143,873	71,942
Amounts recoverable from reinsurers for incurred claims	(101,224)	(5,268)	22,905	(48,991)
Net expense from reinsurance contracts held	21,217	137,297	166,778	22,951
Proportion of allocation of reinsurance premiums over our insurance revenue	18.2%	20.6%	20.5%	19.2%

7. BUSINESS OVERVIEW (Cont'd)

7.12 INVESTMENTS

As a general insurer, our insurance policy terms are usually for a one-year period and must be renewed annually. Some of our products such as travel insurance are shorter and only provide coverage for the travel duration. In this respect, our investment strategy mainly focuses on ensuring solvency and liquidity to meet the short-to-medium-term and unpredictable claims payouts.

The investment strategy of general insurers in Malaysia is governed by the RBC Framework to ensure that the insurer has sufficient capital to meet short-to-medium term liabilities. In this respect, we undertake a prudent investment strategy with the objective of generating sufficient return to meet our liabilities, and our asset allocations mainly focus on low-risk and liquid instruments. We have engaged an asset management company to provide investment related advisory services and monitor our investment portfolio.

Our investments are mainly focused on fixed income assets comprising:

- government bonds such as MGS. MGS are fixed-rate coupon bonds issued by the Malaysian Government to raise funds. MGS are considered risk-free investment and provide fixed income in the form of a coupon. MGS are also actively traded in the secondary bond market which provides liquidity for investors who wish to sell their bonds before maturity.
- unquoted debt securities are fixed-income instruments such as corporate bonds which are not listed or publicly traded. Corporate bonds are issued by corporations including private companies and government-linked corporations to raise funds.

For the FPE 2025, our investment portfolio comprised RM1.5 billion in investment assets and the breakdown of our investments by asset class for the Financial Years and Period Under Review are as follows:

	As at 31 December 2022		As at 31 December 2023		As at 31 December 2024		As at 30 June 2025	
	RM million	%	RM million	%	RM million	%	RM million	%
MGS and guaranteed loans	748	57.5	957	64.5	899	61.6	938	62.0
Unquoted debt securities	552	42.5	527	35.5	559	38.3	574	38.0
Unquoted equity securities	*	*	*	*	*	*	*	*
Total	1,300	100.0	1,484	100.0	#1,459	#100.0	1,512	100.0

Note:

Total does not add up due to rounding.

* Less than RM0.5 million or 0.1%.

The maturity profile of our investments are as follows:

	As at 30 June 2025		
	Current (less than 12 months)	Non-current (after 12 months)	Total
	RM million	RM million	RM million
MGS and guaranteed loans	132	806	938
Unquoted debt securities	208	366	574
Unquoted equity securities	*	-	*
Total	340	1,172	1,512

Note:

* Less than RM0.5 million or 0.1%.

7. BUSINESS OVERVIEW (Cont'd)

Under the RBC Framework, insurance companies are required to satisfy a minimum capital adequacy ratio of 130%. Our capital adequacy ratio for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 well exceeded the minimum requirement.

For the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 we generated total investment income of RM30.7 million, RM77.1 million, RM65.5 million and RM44.1 million respectively, which represented 28.3%, 64.7%, 88.8% and 116.5% of our PAT for each corresponding period.

7.13 RESEARCH AND DEVELOPMENT

Our Company does not have a formal research and development (“**R&D**”) policy and there was no R&D expenditure incurred during the Financial Years and Period Under Review.

Our R&D activities primarily focus on strengthening our ability to meet evolving market demands, enhance customer experience, and respond effectively to emerging risks.

Generally, our R&D activities include the following:

- **Product development**

We focus on identifying new or unmet customer needs and designing appropriate insurance products to address them. This includes developing products tailored to specific market segments, occupations or risk profiles, as well as enhancing existing product features. We also consider emerging risks such as those related to technology, climate or lifestyle changes, which may require innovative coverage approaches or entirely new types of protection. See Section 7.10.1 of this Prospectus on how we develop and introduce new products.

We also explore opportunities for bundling and grouping insurance products to better meet customer needs and improve overall service. Bundling involves combining multiple coverages such as motor, home, personal accident or travel insurance into a single package that offers greater convenience, easier policy management and potential cost savings. Grouping strategies may also be developed for specific customer segments or groups, offering customised benefits, group-based pricing and streamlined onboarding processes.

- **Adoption of technologies**

We evaluate the potential of emerging technologies to enhance the efficiency, accuracy and responsiveness of our insurance operations. This includes integrating tools such as process automation into key functions such as underwriting, pricing, claims handling and customer service with the aim of reducing manual processes, streamlining workflows and improving user experience.

- **New distribution channels and strategic alliances**

We explore and assess distribution channels such as digital platforms and other non-traditional sales points to expand market reach and improve accessibility. In addition, we continuously consider strategic alliances or joint ventures with external parties to co-develop products, tap into new customer segments or leverage complementary capabilities.

7. BUSINESS OVERVIEW (Cont'd)

7.14 TECHNOLOGIES USED

Our operations rely on a wide range of ICT systems to support end-to-end functions across the value chain. From product development and underwriting to policy administration, claims handling, customer servicing and regulatory reporting, we leverage on technology in enhancing operational efficiency, risk assessment accuracy, regulatory compliance and improved customer experience.

Our ICT systems can be categorised into two main components, namely backend and frontend platforms, in supporting our day-to-day operations and strategic initiatives.

Backend

Our backend systems support core processes of our general insurance operations, such as policy administration, underwriting, claims processing, regulatory compliance and data management.

These systems include, among others, the following:

- Our **insurance management system** forms the foundation of our operations, enabling end-to-end policy lifecycle management including new business onboarding, underwriting, endorsements, billing, renewals and cancellations;
- Our **claims management system** facilitates timely claims registration, assessment and settlement, while ensuring compliance with service-level agreements and regulatory requirements. It includes workflows for approvals, document management and fraud checks;
- Our **rating and pricing engine** ensures accurate premium computation by applying defined underwriting rules and risk parameters to support pricing consistency across product classes and channels;
- Our **customer relationship management system** provides a consolidated view of customer profiles, interactions and history across all touchpoints to enhance customer engagement, support cross-selling and enable personalised servicing;
- Our **agency management system** supports the recruitment, onboarding, performance tracking and compensation management of agents; and
- Our **business intelligence and analytics tools** enable real-time and historical data analysis, facilitating strategic decision-making, product development, risk monitoring and performance benchmarking through dashboards and reporting tools.

We also rely on **other ICT systems** such as security, compliance and document management systems.

Frontend

We have digital platforms such as online portals designed for both customers and intermediaries.

Through these platforms, our policyholders are able to, among others:

- view and manage their policy details, including coverage information and personal data updates;
- perform premium renewals and payments via internet or mobile banking, including QR code-enabled payment at physical locations;
- submit and track claims in real-time with document uploads and status notifications; and
- access a range of self-service features such as downloading e-policies, requesting policy changes or submitting inquiries.

In addition, we have also developed digital platforms for our intermediaries which allow them to, among others:

- generate quotations and policy illustrations based on customer needs;
- submit new insurance proposals;
- track the status of applications, monitor commission earnings and manage their performance dashboards; and

7. BUSINESS OVERVIEW (Cont'd)

- access sales tools, product information, training materials and the latest company updates.

7.15 SEASONALITY

For the Financial Years and Period Under Review and up to the LPD, we did not experience any material seasonality in our business.

7.16 MATERIAL INTERRUPTIONS IN OUR BUSINESS

We did not experience any material interruptions to our business in the past 12 months prior to the LPD.

7.17 SALES AND MARKETING ACTIVITIES

We adopt a mix of approaches in sales and marketing to enhance our brand presence and comply with BNM requirements. This includes the following:

- (i) Using multi-channel distribution to maximise our market reach and cater to diverse customer preferences and needs, as well as offer a seamless and integrated customer experience.

We adopt an **indirect distribution channel** using intermediaries comprising distribution partners as follows:

- Registered agents: We appoint registered agents and digital partners and equip them with training programmes to strengthen their capabilities and knowledge and broaden our market reach through their networks. Some of our digital partners are also licensed as agents.
- Licensed brokers: We collaborate with licensed insurance brokers to serve the commercial sector insurance needs for their clients.
- Bancassurance: By collaborating with licensed banks in Malaysia, we gain access to their extensive customer base, which allows us to carry out telemarketing for the sales of our insurance products.

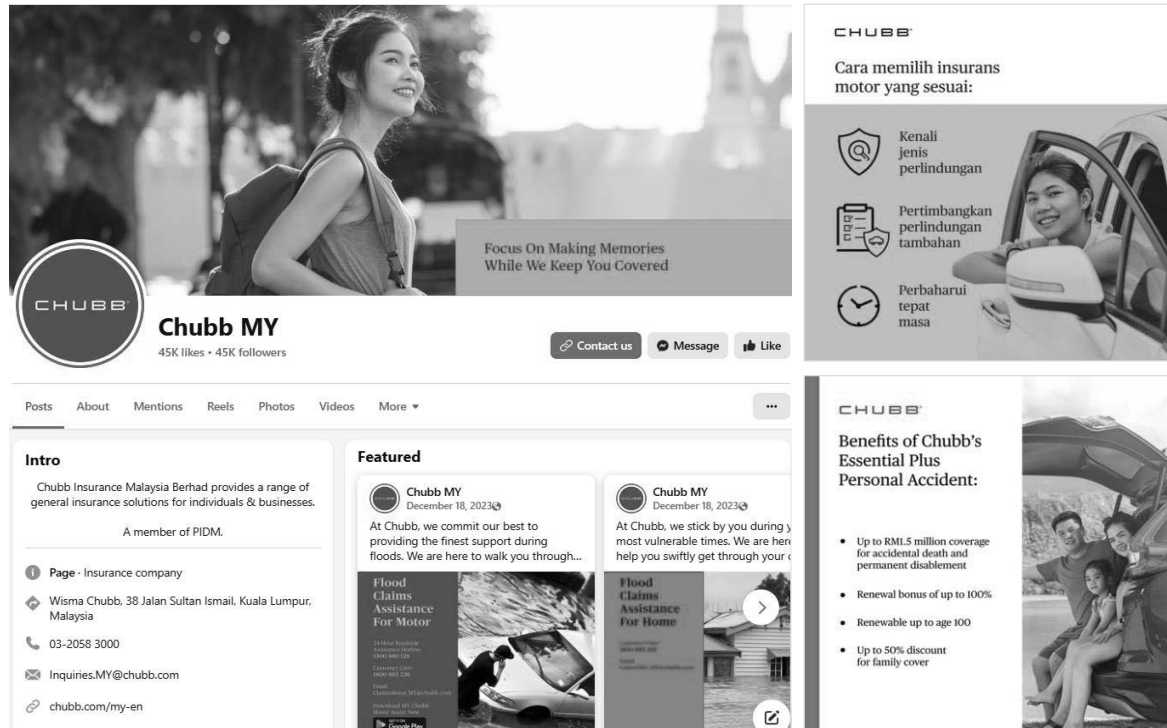
We also adopt a **direct distribution channel** where we sell directly to customers. We have a dedicated inhouse sales and support team focusing on groups and large corporate accounts. In addition, we also market and sell our products through our website.

- (ii) Our brand positioning leverages on our global brand strengths while adapting to the Malaysian market. This includes the localisation of product and marketing campaigns tailored to the needs of both the consumer and commercial segments.
- (iii) We utilise digital marketing to create brand awareness and increase customer engagement, including through social media and content marketing to educate customers.
- (iv) We develop customer retention and loyalty programmes which are supported by enhanced customer service experiences, including effective claim settlement, transparent communication and promotional features, to encourage repeat business and positive word-of-mouth referrals. For instance, we offer no-claim bonuses (NCB) for motor insurance. This was reflected in the growth in the number of renewal policies at a CAGR of approximately 8.6% between the FYE 2022 and the FYE 2024.

7. BUSINESS OVERVIEW (Cont'd)

- (v) We focus on product and service innovation by introducing innovative products such as on-demand travel insurance, as well as value-added services such as 24-hour roadside assistance. In addition, we offer flexible feature bundling, such as motor insurance with optional add-ons that include coverage for multiple drivers, protection from special perils and windscreen coverage.

Some of our digital promotional and social media content (such as product information and educational content) is depicted below for reference:



We compensate our distribution partners via commissions, computed as a percentage of the premium paid by policyholders, which serve as the primary incentive for selling and promoting our products. In addition, we may also offer other forms of compensation, such as performance-based incentive trips. Commission structures and remuneration of our intermediaries are regulated by BNM.

For the full years of 2022, 2023 and 2024, and the 1st half of 2025, the proportion of commission over the GWP through distribution partners ranged between 10% and 14% and are as set out below:

	Full year			1 st half of 2025
	2022	2023	2024	
	RM'000	RM'000	RM'000	RM'000
Commission ⁽¹⁾	65,097	79,005	85,452	49,613
GWP ⁽¹⁾ through distribution partners ⁽²⁾	567,698	621,294	638,553	361,999
<i>Commission over GWP through distribution partners</i>	<i>11.5%</i>	<i>12.7%</i>	<i>13.4%</i>	<i>13.7%</i>

Notes:

- (1) Based on MFRS 4.
- (2) Represents the GWP we underwrite through our distribution partners, including registered agents, licensed brokers and bancassurance partnerships.

7. BUSINESS OVERVIEW (Cont'd)

7.18 OUR CUSTOMERS AND SUPPLIERS

7.18.1 Major customers

Our customers, referred to as policyholders, are categorised as follows:

- **Individual policyholders:** These are individuals who hold ownership rights to an insurance policy; and
- **Group policyholders:** This includes corporate policyholders and any entity that holds ownership rights to a group insurance policy. A **master policyholder** is the legal owner of a group insurance policy issued by us. Typically, this is an employer, association, trade union, club, cooperative or any organisation that enters into a group insurance contract with us for the benefit of its members, employees or participants.

Based on MFRS 4, our top five customers collectively accounted for 10.3%, 13.5%, 12.5% and 11.6% of our GWP for the full years of 2022, 2023 and 2024, and the 1st half of 2025 respectively. The GWP from each of the top five policyholders accounted for less than 5% of our GWP for the full years of 2022, 2023 and 2024, and the 1st half of 2025. As such, we are not dependent on any one of our customers and we do not have customer concentration risks.

Additionally, we recorded approximately 229,000 customers, 225,000 customers, 260,000 customers and 179,000 customers for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

General insurance products are short-term in nature, typically providing coverage for one year. Our renewals have been growing at a CAGR of approximately 8.6% between the FYE 2022 and FYE 2024. For the Financial Years and Period Under Review, our renewal ratio is set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
Total number of policies underwritten ('000)	735	785	1,026	539
Number of renewals ('000)	386	336	455	253
<i>Renewal ratio ⁽¹⁾</i>	<i>52.5%</i>	<i>42.8%</i>	<i>44.3%</i>	<i>46.9%</i>

Note:

(1) *Renewal ratio is computed based on number of renewals divided by total number of policies underwritten.*

7.18.2 Major service providers

Our top 5 major service providers for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 are as follows:

FYE 2022

Service provider	Location	Main services provided	RM'000	%	Length of relationship ⁽¹⁾ (years)
Chubb Tempest, Labuan Branch ⁽³⁾	Malaysia	Reinsurance	87,919	28.4	20
UTS Marketing Solutions Sdn Bhd	Malaysia	Telemarketing services	15,491	5.0	12
Malaysian Reinsurance Berhad	Malaysia	Reinsurance	14,541	4.7	22
Chubb APAC ⁽³⁾	Singapore	Technical support and consultancy services	11,246	3.6	11
Hannover Rueck SE, Malaysia branch	Malaysia	Reinsurance	5,491	1.8	At least 12 years
Subtotal of top 5			134,688	43.5	
Total cost of services⁽²⁾			309,845		

7. BUSINESS OVERVIEW (Cont'd)**FYE 2023**

Service provider	Location	Main services provided	RM'000	%	Length of relationship ⁽¹⁾ (years)
Chubb Tempest, Labuan Branch ⁽³⁾	Malaysia	Reinsurance	104,120	31.5	20
Malaysian Reinsurance Berhad	Malaysia	Reinsurance	14,008	4.2	22
UTS Marketing Solutions Sdn Bhd	Malaysia	Telemarketing services	12,646	3.8	12
Chubb APAC ⁽³⁾	Singapore	Technical support and consultancy services	12,444	3.8	11
Marsh Insurance Brokers (Malaysia) Sdn Bhd	Malaysia	Brokerage and consulting services	5,198	1.6	15
Subtotal of top 5			148,416	44.9	
Total cost of services⁽²⁾			330,585		

FYE 2024

Service provider	Location	Main services provided	RM'000	%	Length of relationship ⁽¹⁾ (years)
Chubb Tempest, Labuan Branch ⁽³⁾	Malaysia	Reinsurance	117,285	33.1	20
Chubb APAC ⁽³⁾	Singapore	Technical support and consultancy services	18,080	5.1	11
UTS Marketing Solutions Sdn Bhd	Malaysia	Telemarketing services	12,403	3.5	12
Malaysian Reinsurance Berhad	Malaysia	Reinsurance	11,387	3.2	22
Marsh Insurance Brokers (Malaysia) Sdn Bhd	Malaysia	Brokerage and consulting services	5,765	1.6	15
Subtotal of top 5			164,920	46.5	
Total cost of services⁽²⁾			354,641		

FPE 2025

Service provider	Location	Main services provided	RM'000	%	Length of relationship ⁽¹⁾ (years)
Chubb Tempest, Labuan Branch ⁽³⁾	Malaysia	Reinsurance	59,457	31.8	20
Chubb APAC ⁽³⁾	Singapore	Technical support and consultancy services	8,970	4.8	11
UTS Marketing Solutions Sdn Bhd	Malaysia	Telemarketing services	6,538	3.5	12
Malaysian Reinsurance Berhad	Malaysia	Reinsurance	5,464	2.9	22
Marsh Insurance Brokers (Malaysia) Sdn Bhd	Malaysia	Brokerage and consulting services	3,559	1.9	15
Subtotal of top 5			83,988	45.0	
Total cost of services⁽²⁾			186,765		

Notes:

(1) Length of relationship as at the LPD.

(2) Based on MFRS 17. See Section 7.19 of this Prospectus for further details of the total cost of services.

(3) See Section 10.1 of this Prospectus for further details of our related party transactions.

7. BUSINESS OVERVIEW (Cont'd)

Chubb Tempest, Labuan Branch is our largest service provider which accounted for 28.4%, 31.5%, 33.1% and 31.8% of our cost of services for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. This was mainly for ceded reinsurance services. The allocation of reinsurance premiums to them accounted for 71.8%, 73.0%, 81.5% and 82.6% of our Company's allocation of reinsurance premiums for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Notwithstanding the above, we are not dependent on or subject to any concentration risk with Chubb Tempest, Labuan Branch. Additionally, our reinsurance selection fully complies with all regulatory requirements set by BNM. Under these requirements, for reinsurance business to be ceded, our Company must first prioritise domestic-licensed reinsurers, and only if none of them accept the business, our Company would then be permitted to approach licensed reinsurers in Labuan. It is only after the business is also not accepted by Labuan reinsurers that our Company is permitted to approach foreign reinsurers. Additionally, our Company's selection process involves an independent and rigorous assessment of each reinsurer's financial strength, with a particular emphasis on credit ratings, to effectively manage counterparty risk.

In addition to Chubb Tempest, Labuan Branch, our Company also deals with 10 other third-party reinsurance companies.

7.19 TYPES AND SOURCES OF MATERIALS AND SERVICES

The following are the major cost of services for our operations for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025:

	Cost of services ⁽¹⁾							
	FYE 2022		FYE 2023		FYE 2024		FPE 2025	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Allocation of reinsurance premiums	122,441	39.5	142,565	43.1	143,873	40.6	71,942	38.5
Acquisition expenses cashflow amortisation ⁽²⁾	126,548	#40.9	128,731	38.9	133,028	37.5	74,205	39.7
EDP expenses	16,521	5.3	15,122	4.6	20,342	5.7	11,700	6.3
Regional technical service charges	11,338	3.7	12,548	3.8	18,218	5.1	9,109	4.9
Outsourced services fees ⁽³⁾	17,479	5.6	13,653	4.1	13,105	3.7	7,847	4.2
Others ⁽⁴⁾	15,518	5.0	17,966	#5.5	26,075	7.4	11,963	6.4
Total⁽¹⁾	309,845	100.0	330,585	100.0	354,641	100.0	186,766	100.0

Notes:

Percentage has been rounded.

* Less than 0.1%.

(1) Based on MFRS 17.

(2) Comprises commissions paid to our agents and brokers.

(3) Comprises telemarketing service expenses.

(4) Others mainly comprise advertising expenses, bank charges, agent training expenses, asset management and custodian fees, repair and maintenance expenses, management fees for secretary fee, underwriting survey fee, building management fee, consultant fee, utilities, as well as office expenses.

7. BUSINESS OVERVIEW (Cont'd)

As a general insurer, our main cost of services is the allocation of reinsurance premiums which accounted for 39.5%, 43.1%, 40.6% and 38.5% of our cost of services for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. We engage with reinsurers to cede a portion of our underwriting risk, which reduces our exposure to large and unexpected losses, and forms part of our capital management strategy to maintain our capital position within our risk appetite limits. We have reinsurance arrangements with various reinsurance companies in Malaysia as well as foreign countries, including our related parties. During the Financial Years and Period Under Review, the allocation of reinsurance premiums to our related parties accounted for RM89.0 million (72.7%), RM105.0 million (73.6%), RM118.2 million (82.1%) and RM59.9 million (83.3%) of our allocation of reinsurance premiums for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Acquisition expenses cashflow amortisation, which comprised commissions to our agents and brokers, also constitute a major component of our costs, accounting for 40.9%, 38.9%, 37.5% and 39.7% of our cost of services for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

The next major component of our costs are EDP expenses as well as regional technical service charges. EDP expenses mainly comprised expense for maintenance and repairs, rental of equipment, annual licence fees, software and system development costs not capitalised, payments to IT service providers and disaster recovery costs, including monthly charges on back-up system and costs for off-site storage and other IT peripherals. Regional technical service charges comprise management support services provided by our regional office from front line underwriting consultation through to other important support functions.

EDP expenses and regional technical service charges collectively accounted for 9.0%, 8.4%, 10.8% and 11.2% of our cost of services for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively. These services were mainly provided by our related parties, which accounted for RM20.8 million (74.6%), RM20.6 million (74.6%), RM28.8 million (74.6%) and RM14.6 million (70.0%) of our EDP expenses and regional technical service charges for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively.

Outsourced services fees, which comprised telemarketing service expenses, accounted for 5.6%, 4.1%, 3.7% and 4.2% of our cost of services for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025 respectively, where we engaged third parties to make phone calls to potential customers to promote and sell our insurance products.

7.20 INSURANCE

Insurance policies have been purchased to cover a variety of risks that are relevant to our business needs and operations. As at the LPD, the following insurance policies are in place:

- (i) Fire insurance;
- (ii) Electronic equipment insurance;
- (iii) Money insurance;
- (iv) Fidelity guarantee insurance;
- (v) Plate glass insurance;
- (vi) All risk insurance;
- (vii) Corporate liability insurance;
- (viii) Comprehensive general liability insurance
- (ix) Cyber and privacy liability insurance;
- (x) Directors and officers liability insurance;
- (xi) Errors & omissions liability insurance;
- (xii) Fidelity bond insurance;
- (xiii) Employment practices liability insurance;
- (xiv) Fiduciary liability insurance;
- (xv) Global property insurance;
- (xvi) Foreign casualty insurance; and
- (xvii) Global umbrella excess liability insurance.

The insurance policies and coverage we have subscribed for are adequate for our business and operational needs. We review our insurance coverage annually.

7. BUSINESS OVERVIEW (Cont'd)

7.21 MATERIAL DEPENDENCY ON CONTRACTS, AGREEMENTS OR OTHER ARRANGEMENTS

Save as disclosed below, as at the LPD, our Company is not dependent on any other contracts, agreements or other arrangements which are material to our business or profitability:

(i) Trademark Licensing Agreement

Pursuant to the Trademark Licensing Agreement, Chubb Limited and Chubb IH ("**Licensor Parties**") have granted to, among others, our Company ("**Licensee Party**"), a non-exclusive, royalty-free, fully-sublicensable licence to use certain trademarks, including the "Chubb" brand name and logo for the purposes of our Company's business in Malaysia.

The salient terms of the Trademark Licensing Agreement are as follows:

- (a) The agreement commenced on 27 August 2025 and will continue for an initial term of one year and (unless terminated) and will automatically renew for additional consecutive one-year periods. Any Licensor Party may terminate the agreement with respect to a particular Licensee Party by providing 30 days written notice to the Licensee Party.
- (b) The key obligations of our Company include the following:
 - (I) Our Company will at all times, conduct our business, use the Trademarks and render the licensed goods and services consistent with the applicable standards, quality, style and image of the Licensor Parties;
 - (II) Our Company will use the Trademarks only in connection with the licensed goods and services and in compliance with the quality standards established by Licensor Parties;
 - (III) Our Company will comply with any requirements established by a Licensor Party with respect to the Trademarks in accordance with the guidelines set by Chubb Limited from time to time;
 - (IV) Our Company will not use the Trademarks in any manner that would reflect adversely on the image or quality symbolised by the Trademarks or disparage or harm the reputation of the applicable Licensor Party;
 - (V) Our Company will defend, indemnify and hold harmless the applicable Licensor Party from all claims, losses, damages and expenses, including reasonable legal fees and expenses ("**Losses**") resulting from suits, claims, actions, demands or other proceedings, in each case brought by a third party ("**Claims**") arising out of or relating to (i) our Company's material breach of any of the covenants, warranties, or representations made under the agreement; or (ii) our Company's advertising, promotion, or sale of products or services; and
 - (VI) The Licensor Parties will defend, indemnify and hold harmless our Company from all Losses resulting from Claims of a third party arising out of or relating to our Company's use of the Trademarks.

7.22 MAJOR LICENCES, PERMITS AND APPROVALS

We have various licences, permits and approvals for our business operations. See Annexure A of this Prospectus for further details on our major licences, permits and approvals. Save as disclosed in Annexure A of this Prospectus, as at the LPD, our Company is not dependent on any other major licences, permits and approvals for our business operations.

7. BUSINESS OVERVIEW (Cont'd)

7.23 MATERIAL PROPERTIES

See Annexure B of this Prospectus for further details on our material properties, whether owned or leased/tenanted.

7.24 TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

See Annexure C of this Prospectus for further details on the trademarks, brand names and intellectual property rights used by our Company. Save as disclosed in Annexure C of this Prospectus, our Company is not dependent on any other trademarks, brand names and intellectual property rights which could materially affect our business operations or profitability.

7.25 GOVERNING LAWS AND REGULATIONS

Our business is regulated and required to be licensed under specific Malaysian laws. The relevant laws and regulations governing our Company are summarised below. This list does not purport to be an exhaustive description of all laws and regulations to which our business is subject. Non-compliance with the relevant laws and regulations below may result in monetary and/or custodial penalties and/or any other orders being made. See Section 7.26 of this Prospectus for further details on non-compliances with the relevant laws, regulations, rules and requirements governing the conduct of the operations of our Company.

(i) FSA

The insurance industry in Malaysia is principally governed by the FSA. The FSA provides the primary legal and regulatory framework for the licensing, supervision and prudential regulation of financial institutions, including insurers.

Under the FSA, insurers are required to be licensed by MoF on the recommendation of the BNM, and to comply with prudential, governance and market conduct standards prescribed by BNM. These include requirements relating to capital adequacy, solvency, corporate governance, risk management, disclosure and fair treatment of policyholders, among others.

Under Part III of the FSA, a person shall not carry on insurance business in Malaysia unless it is a licensed insurer under the FSA. BNM will evaluate an applicant's financial soundness and governance structure, business model, risk management framework and the fitness and propriety of its directors and key responsible persons. A licence granted under the FSA authorises the holder to conduct life insurance or general insurance, as specified in the licence. Insurers are also subject to ongoing prudential and conduct supervision by BNM, including periodic reporting, inspection and compliance requirements. BNM also retains the power to impose conditions or directions to ensure the sound operation of the insurer and protection of policyholders.

Restrictions on business

Pursuant to Section 14 of the FSA, a licensed insurer shall not carry on any business or activity other than insurance business and activities ancillary or incidental to such business, unless otherwise approved by BNM.

In addition, insurers are subject to restrictions on related party transactions, investment limits and outsourcing of key functions. Any corporate restructuring, transfer of insurance business, or merger involving a licensed insurer also requires the prior approval of BNM under the FSA.

7. BUSINESS OVERVIEW (Cont'd)

RBC Framework

Section 47 of the FSA provides that BNM may specify standards on prudential matters to promote the sound financial position of an institution and integrity, professionalism and expertise in the conduct of the business of the institution. Such standards include standards relating to capital adequacy. In this regard, insurers are required to comply with the RBC Framework, which provides a more comprehensive and risk-sensitive measure of capital adequacy. The RBC Framework requires insurers to maintain sufficient capital relative to the risks inherent in their business, including insurance, market, credit and operational risks.

Under the RBC Framework, BNM has set a supervisory target capital level of 130%, below which supervisory actions of increasing intensity will be taken to restore the financial position of the licensed insurer.

Any person who contravenes any provision under the act and/or regulations as mentioned herein shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(ii) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“AMLA”)

The AMLA is the principal legislation governing measures to prevent and combat money laundering, terrorism financing and other unlawful activities in Malaysia.

Under the AMLA, insurance operators are designated as reporting institutions and are required to comply with various obligations, including customer due diligence, record-keeping, ongoing monitoring of transactions and the reporting of suspicious transactions to BNM.

Pursuant to the AMLA and guidelines issued by BNM, insurers must implement internal controls, compliance frameworks and risk management systems to detect and prevent the use of their products or services for money laundering or terrorism financing activities.

Any person who contravenes any provision under the act and/or regulations as mentioned herein shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(iii) Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”)

The MACC Act establishes the Malaysian Anti-Corruption Commission as the principal agency responsible for the prevention, investigation and enforcement of offences related to corruption in Malaysia. The MACC Act provides a legal framework to combat corruption in both the public and private sectors.

Pursuant to the MACC Act, it is an offence for any person to solicit, receive, give, or offer gratification as an inducement or reward to influence any act or decision. In addition, Section 17A of the MACC Act imposes corporate liability on commercial organisations for corrupt acts committed by their directors, officers, employees, or associates in order to obtain or retain business or an advantage for the organisation. A commercial organisation may be held liable unless it can prove that it had adequate procedures in place to prevent such corrupt practices.

Any person who contravenes any provision under the act and/or regulations as mentioned herein shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(iv) Personal Data Protection Act 2010 (“PDPA”)

The PDPA regulates the collection, use, processing and disclosure of personal data in commercial transactions in Malaysia. The PDPA aims to safeguard the privacy rights of individuals while ensuring that personal data is managed responsibly by organisations.

7. BUSINESS OVERVIEW (Cont'd)

Under the PDPA, insurance companies are regarded as data users and are required to comply with the seven Personal Data Protection Principles, namely: (i) the General Principle; (ii) the Notice and Choice Principle; (iii) the Disclosure Principle; (iv) the Security Principle; (v) the Retention Principle; (vi) the Data Integrity Principle; and (vii) the Access Principle. These principles govern the manner in which personal data is collected, stored, used, disclosed and safeguarded.

Any person who contravenes any provision under the act and/or regulations as mentioned herein shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(v) Competition Act 2010 ("Competition Act")

The Competition Act promotes fair and healthy competition in Malaysia. It prohibits anti-competitive agreements and the abuse of a dominant market position that may restrict, distort or prevent competition in any market for goods or services. The Competition Act is enforced by the MyCC, which has the power to investigate and impose penalties on businesses that breach its provisions.

Any person who contravenes any provision under the act and/or regulations as mentioned herein shall, upon conviction, be liable to a monetary fine and/or imprisonment.

(vi) SDBA, Uniform Building By-Laws 2022 under the Local Government Ordinance 1961, Buildings Ordinance 1994 ("Building Laws")

The Building Laws are enforced by the local authorities of Malaysia and provide for the requirement of having a CCC for the occupation of any building or any part thereof.

Any person who occupies or permits to be occupied any building or any part thereof without a CCC shall, upon conviction, be liable to a monetary fine and/or imprisonment.

7.26 NON-COMPLIANCES WITH THE RELEVANT LAWS, REGULATIONS, RULES AND REQUIREMENTS GOVERNING THE CONDUCT OF THE OPERATIONS OF OUR COMPANY

7.26.1 Unavailability of CCC in respect of our Penang branch office

We own and occupy a three-storey shop lot, located at No. 266 and 268, Victoria Street, 10300, Pulau Pinang, which is used as our branch office. We rent out the second floor of the property to B-Global Sdn Bhd. Please see Section B.2 of Annexure B of this Prospectus for further details of the tenancy of this property.

We had, in July 2025, written to the Municipal Council of Penang to request for a copy of the CCC. We had, in August 2025, also written to the solicitors who handled the sale and purchase of this property in 2000 for us, but were informed that the CCC could not be retrieved as their records were no longer available.

In October 2025, we were informed by the Municipal Council of Penang that it could not locate the CCC to support a re-issuance of the CCC. As such, in October 2025, we appointed an architect to apply for a new CCC with respect to this branch office. The key milestones and estimated timeline in relation to the application of the new CCC by the said architect are as follows:

- (i) submission of building plans to the Municipal Council of Penang and the Fire and Rescue Department of Malaysia by November 2025;
- (ii) approval of drawings from the Municipal Council of Penang to be obtained by January 2026;
- (iii) approval from the Fire and Rescue Department of Malaysia to be obtained by June 2026; and
- (iv) issuance of the new CCC by the architect by July 2026.

7. BUSINESS OVERVIEW (Cont'd)

As at 17 October 2025, the architect has commenced the preparation of the building plans and required supporting documents. The architect is on track to submit the building plans to the Municipal Council of Penang and the Fire and Rescue Department of Malaysia by November 2025.

The estimated cost of rectification is approximately RM1.05 million (inclusive of costs to undertake the requisite rectification works to meet the CCC requirements). We may be subject to a fine not exceeding RM250,000 or imprisonment for a term not exceeding 10 years or both, if we are found liable for occupying the branch office without a valid CCC.

This non-compliance will not have any material adverse impact to the business operations and financial condition of our Company due to the following:

- (a) the estimated cost of rectification and potential maximum penalty are not material to our Company and amount to approximately 1.31% of our Company's PBT for the FYE 2024; and
- (b) if necessary, there are alternative plans in place if we are required to vacant our Penang branch office.

Notwithstanding this non-compliance may remain unresolved at the time of our Listing, our Directors and management will continue to follow-up and liaise with the relevant authorities to resolve the said non-compliance in the best interest of our Company. We will update our shareholders on the status of this non-compliance through disclosure in our annual report.

7.26.2 Fire certificate for our Company's head office, Wisma Chubb, has not been issued

Pursuant to Section 28 of the Fire Services Act 1988, every designated premises requires a fire certificate, which is renewable annually.

A fire certificate was issued for Wisma Chubb, our Company's head office in Kuala Lumpur, commencing from 27 September 2024 to 26 September 2025. As the fire certificate is renewable annually, our Company had on 12 August 2025 submitted an application to renew the fire certificate. As at the LPD, the renewed fire certificate has yet to be issued by the Fire and Rescue Department of Malaysia.

The consultant engaged by our Company to submit the renewal application has been following up closely with the Fire and Rescue Department of Malaysia and expects to obtain the renewed fire certificate by November 2025.

There is no estimated cost of rectification as the renewal application has been submitted to the Fire and Rescue Department of Malaysia. We may be subject to a fine not exceeding RM50,000 or imprisonment for a term not exceeding 5 years or both, if we are found liable for failing to have a valid fire certificate in force for Wisma Chubb.

This non-compliance will not have any material adverse impact to the business operations and financial condition of our Company due to the following:

- (i) the potential maximum penalty is immaterial to our Company; and
- (ii) the renewal application for the fire certificate has been submitted, is being processed and is expected to be obtained by November 2025.

7. BUSINESS OVERVIEW (Cont'd)

7.26.3 Overall financial impact of the outstanding non-compliances

The table below summarises the total estimated cost of compliance (including potential maximum penalties applicable) relating to the non-compliances set out in Sections 7.26.1 and 7.26.2 of this Prospectus that are pending rectification as at the LPD:

Type of non-compliances	Estimated cost to rectify non-compliances RM'000	Potential maximum penalty RM'000	Total estimated costs RM'000	% of the Company's PBT for the FYE 2024 %
Unavailability of CCC in respect of the Penang branch office	1,050	250	1,300	1.31
Absence of renewed fire certificate for Wisma Chubb	-	50	50	0.05
Total	1,050	300	1,350	1.36

To prevent the recurrence of non-compliance relating to the CCCs of owned properties, our Company has enhanced our internal control framework by formalising a documented policy and procedure. This policy governs the validation, inspection and documentation retention processes for among other, CCCs ensuring that complete and accurate records are maintained for all owned and tenanted properties going forward.

7.27 EMPLOYEES

As at the LPD, we employed a total of 438 employees, out of which 427 are full-time employees while 11 are temporary or contract-based, or part-time employees. Further, out of the 438 employees, 12 are foreign employees. All foreign employees have valid work permits as at the LPD.

The breakdown of our employees based on job function as at 31 December 2024 and as at the LPD are as follows:

Category	No. of employees					
	As at 31 December 2024			As at the LPD		
	Local	Foreign	Total	Local	Foreign	Total
Management and professionals	240	7	247	240	11	251
Clerical and administrative	71	-	71	66	-	66
Associate Professionals	117	-	117	120	1	121
Total	428	7	435	426	12	438

As at the LPD, none of our employees belongs to any union or is party to any collective agreements. We have not experienced any strikes or other disruptions due to labour disputes.

7. BUSINESS OVERVIEW (Cont'd)

7.28 ENVIRONMENTAL, SOCIAL AND GOVERNANCE

7.28.1 Environmental

We are subject to BNM's climate-related disclosure guidelines. We have published our 2024 Climate-Related Disclosure, which was prepared using the Task Force on Climate-Related Financial Disclosure ("TCFD") framework in accordance with Malaysian requirements set forth in the Policy Document "Climate Risk Management and Scenario Analysis" issued by BNM. Our 2024 Climate-Related Disclosure is publicly available. Our Company's climate-related disclosures followed the TCFD recommendations and follow the TCFD's four pillars: (1) Governance; (2) Strategy; (3) Risk Management; and (4) Metrics & Targets.

We are prepared to implement the Malaysian National Sustainability Reporting Framework, which incorporates the International Sustainability Standards Board ("ISSB") S-1 and S-2 Standards, once applicable. We will collaborate with the Chubb Group to leverage on the Chubb Group's extensive reporting resources and expertise in climate reporting. The Chubb Group publishes an annual Sustainability Report, which is publicly available on its website and is aligned with the ISSB standards to the extent feasible.

In addition, our Company follows the Chubb Group's global procedures for calculating its annual greenhouse gas ("GHG") inventory covering Scope 1, Scope 2, and certain Scope 3 emissions (business travel) in conformance with the Greenhouse Gas Protocol standards and guidance, as well as the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. We intend to disclose our GHG inventory annually as part of our climate-related disclosures in the relevant sustainability statement in our annual report and the climate-related report, as required by BNM.

Further, our Company aligns with the Chubb Group's underwriting-focused climate strategy, which is built around three principal components: (1) applying underwriting and engineering expertise to support renewable energy and emerging clean technologies through Chubb Climate+; (2) promoting climate resilience through risk engineering and new service offerings through Chubb Resilience Services; and (3) developing technical underwriting criteria to manage our risk exposure by encouraging the adoption of controls and best practices in high-emitting industries.

7.28.2 Social

Our Company actively supports local communities through partnerships and employee volunteerism. In 2023, we collaborated with The Lost Food Project to address food waste, resulting in the distribution of food to underserved communities. We also conducted awareness sessions such as "Lunch & Learn" to raise food awareness, and organised festive donation drives to benefit urban poor families. Our past initiatives include food waste reduction campaigns, donation of refurbished computers to support education and women's self-defence workshops.

In 2023, we planted 1,000 trees in the Lower Kinabatangan Wildlife Sanctuary as part of our reforestation efforts, following 220 trees planted in 2022 under the "Restore Our Amazing Rainforest" programme. Our Company also promotes waste reduction through upcycling workshops, "Greening the Blue" initiatives, and campaigns advocating the principles of refuse, reduce, reuse, repurpose and recycle.

7.28.3 Corporate governance

We are committed to good corporate governance and ethical conduct in accordance with the principles and guidance of corporate governance as set out in our Code of Conduct and the MCCG.

Our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern our Company effectively.

We have also adopted the recommendation from the MCCG. The following are also aspects of our corporate governance in line with recommendations of the MCCG, as at the LPD:

7. BUSINESS OVERVIEW (Cont'd)

- (i) the equivalent positions of chairman and chief executive officer at our Company are held by different individuals;
- (ii) we have at least 30% female directors on our Board and a majority of our Board comprises independent Directors; and
- (iii) we have an Audit Committee, Risk Management Committee, and Remuneration Committee, whose members are all Independent Non-Executive Directors, to oversee among others, financial reporting, risk management, remuneration policies, potential conflict of interests and related party transactions.

We also have in place our Board Charter, Terms Of References, Code of Conduct, Whistleblowing Policy, Remuneration Policy, Avoiding Bribery and Corruption Policy and Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions Policy.

8. INDEPENDENT MARKET RESEARCH REPORT

15 October 2025

The Board of Directors
Chubb Insurance Malaysia Berhad
Wisma Chubb
38, Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan

Dear Sirs and Madams

Vital Factor Consulting Sdn Bhd
Company No.: 199301012059 (266797-T)
V Square @ PJ City Centre (VSQ)
Block 6 Level 6, Jalan Utara
46200 Petaling Jaya
Selangor, Malaysia
Tel: (603) 7931-3188
www.vitalfactor.com

Independent Assessment of the General Insurance Industry in Malaysia

We are an independent business consulting and market research firm based in Malaysia, established in 1993. We offer consulting services, including business plans, opportunity evaluations, commercial due diligence, feasibility studies, financial and industry assessments, and market research. Since 1996, we have been involved in corporate exercises such as initial public offerings (IPO), reverse takeovers, chain listings, transfers to the Main Market, and business regularisations for publicly listed companies on Bursa Malaysia Securities Berhad (Bursa Securities). Our corporate exercise services encompass business overviews, independent industry assessments, management discussions and analyses, and business and industry risk assessments for prospectuses, shareholders' circulars and information memorandums.

We have been engaged to provide an independent assessment of the general insurance industry in Malaysia for inclusion in the prospectus of Chubb Insurance Malaysia Berhad for its IPO and listing of its shares on the Main Market of Bursa Securities. This report has been prepared independently and objectively, with all reasonable due care taken to ensure its accuracy and completeness.

We believe the report provides a true and fair assessment of the industry, considering the limitations of timely and available information, and analyses based on secondary and primary market research as of the report date. However, it should be noted that our assessment pertains to the industry as a whole and may not reflect the performance of any specific company. We accept no responsibility for the decisions or actions of readers based on this document. This report should not be construed as a recommendation to buy, not buy, sell, or not sell the securities of any company.

Please be aware that our report may include disclosures, assessments, opinions, and forward-looking statements that are subject to hitherto unknown or undisclosed information, uncertainties, and contingencies. These statements are based on secondary information and primary market research, and despite careful analysis, the industry is influenced by various known and unforeseen factors that could cause actual outcomes and future results to differ materially from these statements.

Yours sincerely,

Wooi Tan
Managing Director

Wooi Tan holds a Bachelor of Science from the University of New South Wales and a Master of Business Administration from the University of Technology, Sydney. He is a Fellow of the Australian Marketing Institute and the Institute of Managers and Leaders, Australia. With over 30 years of experience in business consulting and market research, he has also assisted companies in their IPO and listings of their shares on Bursa Securities.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



Date of Report: 15 October 2025

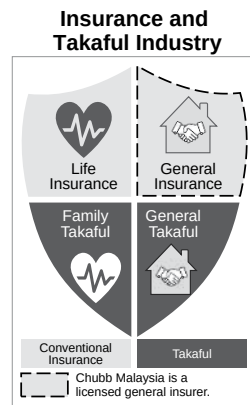
INDEPENDENT ASSESSMENT OF THE GENERAL INSURANCE INDUSTRY IN MALAYSIA

1. OVERVIEW OF CHUBB MALAYSIA'S BUSINESS AND REPORT PARAMETERS

- Chubb Insurance Malaysia Berhad (Chubb Malaysia) is a licensed insurer in Malaysia providing general insurance. Its top five largest premium contributors are motor, personal accident, liability, fire, as well as medical and health insurance, which shall be the focus of this report. Chubb Malaysia does not offer life insurance or general and family takaful. All information in this report refers to Malaysia unless stated otherwise and is the latest publicly available information.

2. INDUSTRY OVERVIEW

- In Malaysia, there are two main types of insurance, namely conventional insurance and Takaful. Takaful is a Shariah-compliant insurance alternative to conventional insurance, based on a mutual guarantee or risk-sharing model where participants pool their contributions to collectively guarantee against losses.
- Conventional insurance refers to a contractual arrangement between an insurance company (insurer) and policyholders (insured). Policyholders pay premiums to the insurer, who in turn assumes the risk and provides compensation when covered events occur. It operates under the principle of risk transfer, where the risk is ceded from the insured to the insurer in exchange for premiums. Conventional insurance is further differentiated into:
 - Life insurance**, which focuses on providing financial protection in the event of death or disability of the insured and often includes savings and investment components. It provides long-term protection and savings, with benefits payable upon death, disability, and maturity.
 - General insurance**, which provides short-term coverage against a wide range of risks not related to life insurance, such as motor, property, liability, health, fire, and other risks. Chubb Malaysia only offers general insurance.
- Takaful is segmented into **family takaful**, which is equivalent to life insurance that offers long-term protection and savings but structured in compliance with Shariah requirements, and **general takaful**, which mirrors general insurance by providing short-term coverage against non-life risks.
- As of the date of this report, Malaysia's insurance and takaful industry comprised 19 general insurers (including Chubb Malaysia), 14 life insurers, 4 general takaful operators, and 11 family takaful operators. (Source: Bank Negara Malaysia (BNM))



2.1 General Insurance Industry

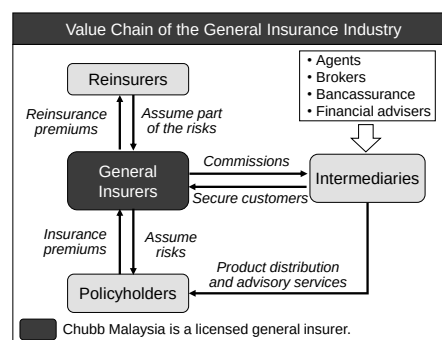
- General insurance companies primarily operate to achieve profitability by offering a wide portfolio of insurance products and assuming the risks associated with them. The policyholders will pay premiums that are calculated to cover potential claim liabilities, administrative expenses, and to secure a reasonable profit margin for the insurer in exchange for the coverage stated in the policy.
- The industry encompasses a broad spectrum of products, formally classified by BNM into distinct **business classes** that cater to diverse risk exposures across individuals, businesses, and industries. They comprise accident, sickness, land vehicles, railway rolling stock, aircraft, ships, goods in transit, fire and natural forces, damage to property, motor vehicle liability, aircraft liability, liability of ships, general liability, credit, suretyship, miscellaneous financial loss, legal expenses, assistance, space, and space liability (Source: BNM).

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



2.2 Industry Value Chain

- Generally, the value chain of the general insurance industry begins with the general insurance companies designing and underwriting insurance products tailored to meet the diverse needs of individuals, households, businesses, organisations, and governments. Coverage is typically provided to policyholders in three forms as follows:
 - **Individual insurance policies**, which are contracts between an insurer and a single insured party, which may be a person or an entity. These policies provide coverage against specific risks related to a person, asset, or event. Common examples include motor, fire, and personal accident insurance.
 - **Group insurance policies**, which cover multiple individuals under a single contract that organisations typically use to provide coverage for employees.
 - **Master insurance policies**, which are umbrella contracts that allow participants of an organisation or association to be covered under standardised terms. These master insurance policies are a type of group insurance policy, commonly available on e-hailing and digital financial platforms, providing a degree of protection to their customers.
 - Insurance products are commonly made accessible to the market through various intermediaries that serve as a critical linkage between insurers and policyholders. Intermediaries play multiple roles, including facilitating market access, providing advisory services, managing customer relationships, and offering claims support. The main categories of intermediaries within the general insurance industry include:
 - **Agents**, who are individuals that represent one or two general insurers to market, promote, and distribute general insurance policies. Agents are required to pass examinations and be registered with the General Insurance Association of Malaysia (Persatuan Insurans Am Malaysia - PIAM). As of 31 December 2024, there were 40,365 registered agents across Malaysia (Source: PIAM).
 - **Brokers**, who are approved independent professionals governed by BNM, have a fiduciary duty to act in the interests of policyholders. Brokers provide impartial advice, comparing products across different insurers to obtain the most suitable coverage and terms for their clients. As at the date of this report, there were 24 approved insurance brokers (including 22 approved insurance and takaful brokers) and 2 approved international marine, aviation, and transit (MAT) insurance brokers (Source: BNM).
 - **Financial advisers**, who are licensed by BNM to recommend insurance products as part of their broader financial planning suites, which may include investment, retirement, and wealth management, serving as part of the clients' financial strategy. As at the date of this report, there were 48 approved financial advisers (Source: BNM).
 - **Bancassurance**, which refers to special arrangements between insurers and banks to distribute insurance products through the banks' extensive network of branches and customer base.
- Insurers have the obligation to pay remuneration to intermediaries in the form of commissions. To foster healthy competition within the industry, BNM has limited the maximum gross commissions for each business class that an insurer can pay.
- Once the insurance policy is underwritten, the insurers assume the associated risks. It is common for general insurers to cede part of their risks to reinsurers to manage their risk exposure and maintain sufficient capital. Reinsurance serves as a critical layer of risk management within the general insurance industry value chain, enabling insurers to safeguard their solvency, enhance underwriting capacity, and mitigate the impact of catastrophic events.



8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



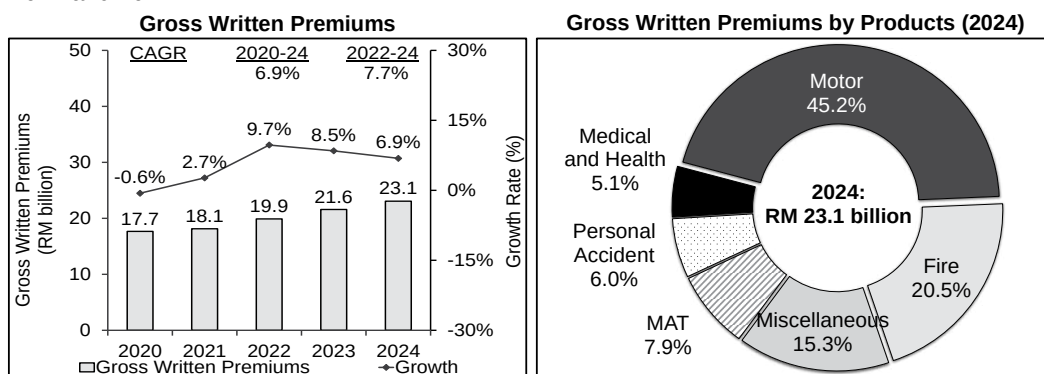
3. REGULATORY FRAMEWORK

- The general insurance industry operates within a comprehensive regulatory framework designed to ensure financial stability and consumer protection. It is primarily governed by the **Financial Services Act 2013**, under the supervision of BNM, which issues various policy documents and guidelines to regulate industry practices. Some of the key regulations, standards, and guidelines include the following:
 - All general insurers must obtain a general insurance licence from BNM before they can introduce, market, and distribute insurance policies.
 - General insurers are required to set an individual target capital level that reflects their overall risk appetite, risk profile, and risk management practices. They must also always maintain a capital adequacy ratio above the supervisory target capital level of 130% to ensure solvency and financial resilience.
 - General insurers must establish a board-approved investment strategy for their insurance funds, aligned with their risk appetite, subject to the quantitative limit set out by BNM.
 - Compliance with Anti-Money Laundering, Countering Financing of Terrorism, and Countering Proliferation Financing (AML/CFT/CPF) obligations is mandatory. This includes conducting due diligence on employees and agents, performing risk assessments before launching new products or adopting new technologies, and implementing robust customer due diligence measures.
- These regulations, standards, and guidelines highlight the regulated nature of the general insurance industry in Malaysia, ensuring prudential soundness, effective risk management, market integrity, and strong consumer protection.

4. PERFORMANCE OF THE GENERAL INSURANCE INDUSTRY

4.1 Gross Written Premiums

- The general insurance industry in Malaysia has expanded steadily over the past three years, recording a compound annual growth rate (CAGR) of 7.7% in gross written premiums between 2022 and 2024.



Notes: MAT= Marine, aviation, and transit. Miscellaneous includes bonds, contractor's all risk and engineering, liabilities, others, workmen's compensation and employers' liability. The information above is based on aggregated calendar year statistics from January to December. (Source: Insurance Services Malaysia Berhad (ISM))

- Premiums are payments made by the policyholders to the insurers in exchange for the coverage specified in their policies. Gross written premiums refer to the total contributions received on insurance policies underwritten and assumed reinsurance premiums by insurers, including adjustments for additional or return premiums, before deducting any related expenses such as commissions and brokerage fees. In 2024, the general insurance industry in Malaysia continued to expand, as reflected in a 6.9% increase in gross written premiums to RM23.1 billion, although at a slower pace compared to the 8.5% increase in 2023.

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



- Motor insurance remained dominant in 2024, accounting for 45.2% (RM10.4 billion) of the total gross written premiums, largely due to the mandatory insurance requirement for motor vehicles. This segment grew by 6.7% in 2024, primarily driven by higher motor vehicle sales in Malaysia (see Section 5.2) and increased premium rates in line with rising vehicle prices. Fire insurance was the second largest segment, contributing 20.5% (RM4.7 billion), followed by the MAT insurance segment at 7.9% (RM1.8 billion), personal accident insurance at 6.0% (RM1.4 billion), and medical and health insurance at 5.1% (RM1.2 billion). The miscellaneous segment made up the remaining 15.3% (RM3.5 billion). This diverse portfolio underscores the industry's pivotal role in meeting both personal and business risk protection needs, with motor and fire insurance remaining the key drivers of overall growth. (Source: ISM) Sustained growth in gross written premiums augurs well for general insurance underwriters such as Chubb Malaysia, as it implies higher premiums collected from policyholders.
- In the first half (H1) of 2025, the gross written premium of the general insurance industry increased by 4.0% compared to H1 2024 (Source: PIAM).

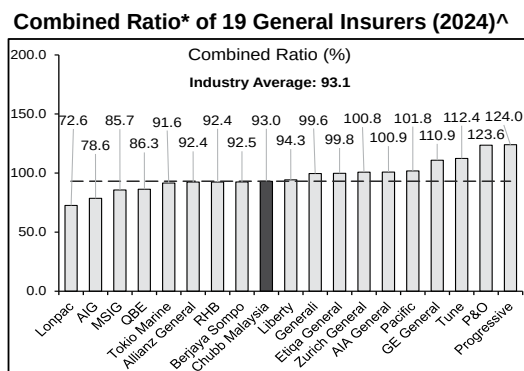
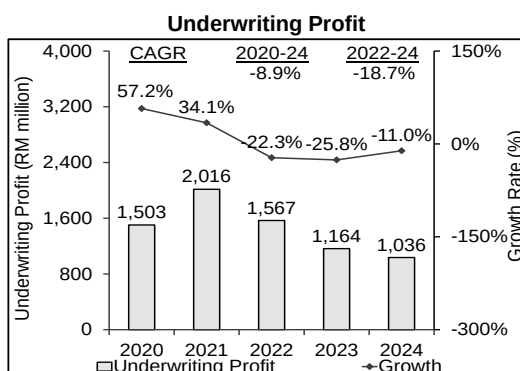
Gross Written Premiums by Products (2020-2024)

Products (RM million)	2020	2021	2022	2023	2024	'22-'24 CAGR
Motor	8,412	8,238	8,990	9,758	10,409	7.6%
Fire	3,611	3,804	4,054	4,465	4,723	7.9%
MAT	1,375	1,418	1,511	1,598	1,826	9.9%
Personal accident	994	1,011	1,446	1,212	1,391	(1.9%)
Medical and health	1,001	968	976	1,078	1,187	10.3%
Miscellaneous	2,266	2,691	2,914	3,463	3,517	9.9%

The information above is based on aggregated calendar year statistics from January to December. (Source: ISM)

4.2 Underwriting Performance

- While the general industry has experienced growth in gross written premiums, the underwriting profit experienced a decline at an average annual rate of 18.7% between 2022 and 2024. Underwriting profits refer to the earnings an insurance company makes from its core business activities, primarily the process of assessing and accepting risks. It is calculated as the difference between the premiums collected from policyholders and the claims paid out, along with the operating expenses related to underwriting operations. In 2024, the underwriting profit of the general insurance industry declined by 11.0% to RM1.0 billion. The decline in underwriting profits was primarily attributed to a decrease in profitability for the motor, medical and health, and MAT insurance segments (Source: ISM).



*A lower combined ratio indicates better profitability for the insurer. ^ The information is based on the audited financial statistics of each general insurer. (Source: ISM and Chubb Malaysia)

- The combined ratio measures the profitability of the general insurance industry by dividing the sum of claims and expenses (including management expenses and net commissions) incurred by the total premiums earned. In 2024, the combined ratio of the industry average increased from 87.8% in 2023 to 93.1%, primarily driven by a rise in the loss ratio from 53.0% in 2023 to 57.4%. The increase in loss ratio was primarily driven by higher losses in the motor, medical and health, and the MAT insurance segments. In particular, the loss ratio for the motor insurance segment increased to 68.3%, in line with a 6.3% rise in reported traffic accident cases, which reached

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



638,060 in 2024, contributing to a higher frequency of claims (Source: DoSM). Although average commission costs declined from 10.7% to 10.4% in 2024, the average management expenses increased from 24.0% to 25.3%, resulting in an overall expense ratio of 35.7%. (Source: ISM)

- The industry's average combined ratio of 19 general insurers was 93.1% in 2024, with 10 of them recording a higher-than-industry combined ratio. A higher combined ratio may affect the underwriting profitability of the insurers.

Industry Average Performance

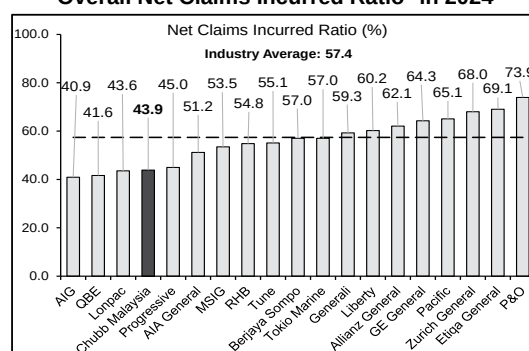
Industry average (%)	2022	2023	2024
Combined ratio	88.4	87.8	93.1
Net claims incurred ratio	53.4	53.0	57.4
Commission ratio	11.0	10.7	10.4
Management expense ratio	24.1	24.0	25.3

The information above is based on the audited financial statistics of each general insurer. (Source: ISM)

4.3 Net Claims Incurred Ratio Benchmark

- The net claims incurred within the general insurance industry also expanded by 8.1% to RM9.0 billion in 2024 (Source: ISM). Net claims incurred represent the total claims paid by the insurers after deducting recoveries. A higher net claims incurred reduces insurers' profitability and underwriting performance. The net claims incurred ratio measures the portion of the premium earned that is spent on claims, reflecting insurers' effectiveness in managing underwriting risk. The average net claims incurred ratio has been increasing for the past three years, from 53.4% in 2022 to 57.4% in 2024, approaching the pre-pandemic level of 57.8%. Of the total 19 general insurers, 11 of them, including Chubb Malaysia, recorded a net claims incurred ratio lower than the industry average in 2024. Chubb Malaysia's net claims incurred ratio of 43.9% is 13.5% lower than the industry average of 57.4% in 2024, indicating its better performance in controlling its claims expenses.

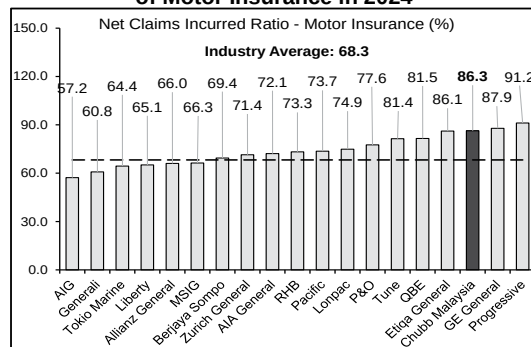
Overall Net Claims Incurred Ratio* in 2024



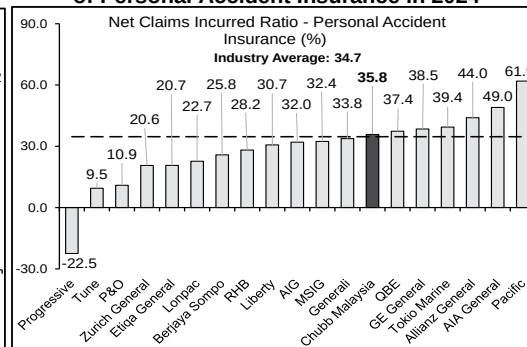
*A lower overall net claims incurred ratio signifies lower claims expenses. The information above is based on the audited financial statistics of each general insurer. (Source: ISM and Chubb Malaysia)

- The industry's average net claims incurred ratios have shown an overall upward trend over the past three years. Between 2020 and 2021, the Malaysian Government imposed various movement control orders, which included restrictions on movements as well as economic activities. This has resulted in the lower claims ratio during these periods (2020: 52.8%; 2021: 50.2%). Following the easing of restrictions and gradual resumption of activities since mid-2022, the overall net claims incurred ratio has been increasing.
- As Chubb Malaysia mainly focuses on motor, personal accident, liability, fire, as well as medical and health insurance, the following is the net claims incurred ratio of these products.

Net Claims Incurred Ratio of Motor Insurance in 2024



Net Claims Incurred Ratio of Personal Accident Insurance in 2024

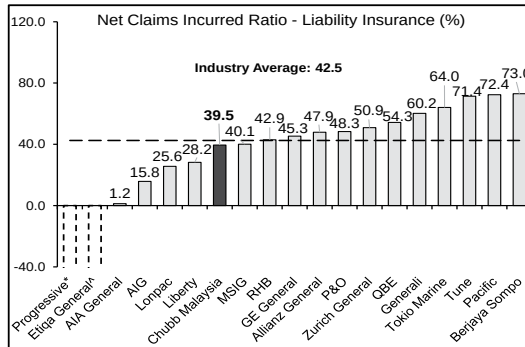


The information above is based on the audited financial statistics of each general insurer. (Source: ISM and Chubb Malaysia)

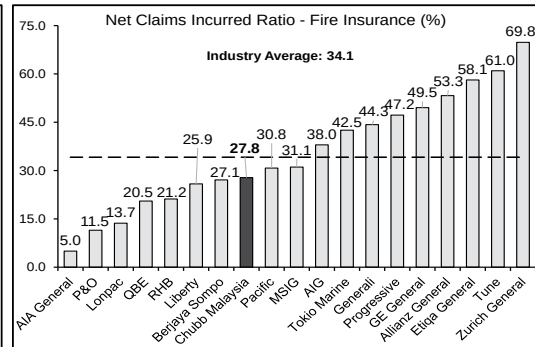
8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



Net Claims Incurred Ratio of Liability Insurance in 2024



Net Claims Incurred Ratio of Fire Insurance in 2024



* Net claims incurred ratio = -174.1%; ^ Net claims incurred ratio = -73.0%. The information above is based on the audited financial statistics of each general insurer. (Source: ISM and Chubb Malaysia)

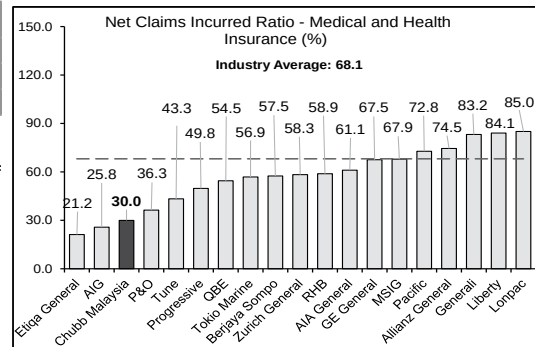
Industry Average – Net Claims Incurred Ratio

Malaysia (%)	Motor	PA	Liab	Fire	M&H	Oth
2022	64.8	24.6	32.7	29.4	61.7	46.2
2023	60.6	27.8	37.6	35.1	65.6	40.7
2024	68.3	34.7	42.5	34.1	68.1	34.8

PA = Personal Accident; Liab = Liability; M&H = Medical and health; Oth = Others. The information above is based on the audited financial statistics of each general insurer. (Source: ISM)

- Motor insurance rose from 64.8% in 2022 to 68.3% in 2024, personal accident insurance increased from 24.6% to 34.7%, liability insurance from 32.7% to 42.5%, fire insurance from 29.4% to 34.1%, and medical and health insurance from 61.7% to 68.1%, over the same period. Among these, personal accident, liability, fire, and medical and health insurance ratios have already surpassed pre-pandemic levels, while motor insurance is nearing its pre-pandemic benchmark. (Source: ISM)

Net Claims Incurred Ratio of Medical and Health Insurance in 2024



The information above is based on the audited financial statistics of each general insurer. (Source: ISM and Chubb Malaysia)

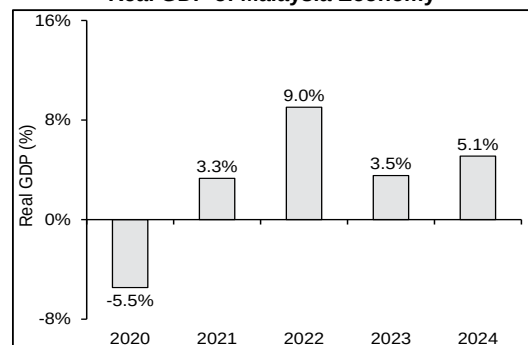
5. DEMAND DEPENDENCIES

The following are some of the demand drivers for selected general insurance segments, focusing on the top few insurance segments of Chubb Malaysia.

5.1 Economic and Socio-economic Factors

- In 2024, the real GDP of Malaysia expanded by 5.1%, underpinned by robust domestic demand and a notable acceleration in investment activities that marked the strongest growth since 2012. In H1 2025, Malaysia's real GDP continued to expand by 4.4%, driven by resilient household spending, robust investment, steady external demand for electrical and electronic products, and a recovery in tourism. (Source: DoSM and BNM) Sustained economic growth translates into increased business activity and higher household expenditure, both of which support greater demand for insurance protection. Business expansion increases the need for property, liability, and engineering insurance, while improved consumer confidence encourages the uptake of motor, medical and health, and personal accident policies. These trends highlight a supportive environment for growth in Malaysia's general insurance industry. Furthermore, Malaysia's population was estimated at 34.2 million in 2025. In 2025, the age

Real GDP of Malaysia Economy



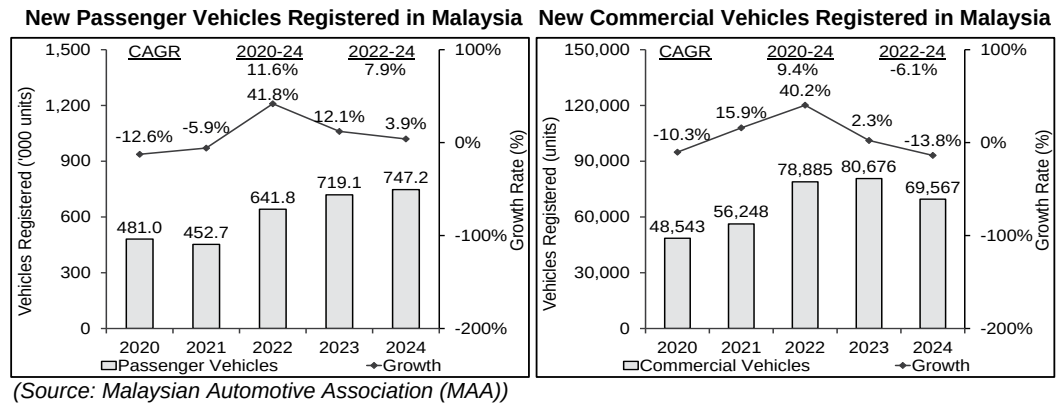
(Source: Department of Statistics Malaysia (DoSM))

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



distribution stood at 7.4 million (below 15), 24.1 million (15 to 64), and 2.7 million (65 and above) (Source: DoSM). This demographic profile underpins broad demand for insurance, with the working-age population driving growth across various insurance coverage.

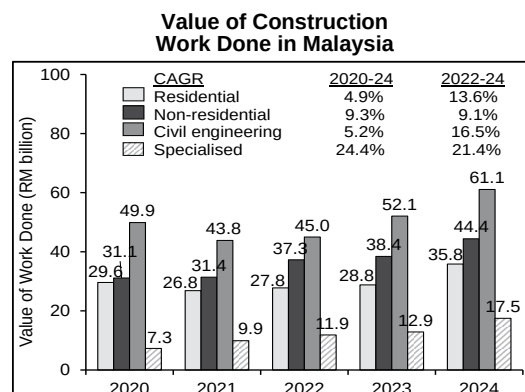
5.2 Motor Vehicles



- The number of new motor vehicle registrations in Malaysia may indicate demand, as third-party liability insurance for every motor vehicle is mandatory under the Road Transport Act 1987. Between 2022 and 2024, the number of new passenger vehicles registered grew at a CAGR of 7.9%. However, between 2022 and 2024, the number of new commercial vehicles registered declined at an average annual rate of 6.1%, primarily due to the removal of the diesel subsidy in June 2024. In 2024, the number of new passenger and commercial vehicles registered stood at 747,180 and 69,567 respectively. In H1 2025, the total number of new passenger and commercial vehicles registered was 347,084 and 26,552 respectively. This represented a decline of 3.0% in passenger vehicles and 21.0% in commercial vehicles respectively, compared to H1 2024. In 2025, the total number of new passenger and commercial vehicles registered in Malaysia is forecasted to decline from 816,747 units to 780,000 units. (Source: MAA)

5.3 Construction Industry

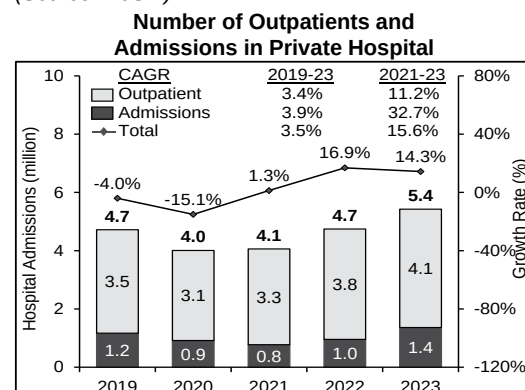
- The value of construction work done not only serves as an indicator of construction activity but also creates opportunities for insurance coverage. As construction activities expand, the demand for insurance related to construction and engineering increases. Additionally, the completion of new residential, commercial, or industrial properties increases the demand for fire insurance and other property-related coverage. Between 2022 and 2024, the total value of construction work done grew at a CAGR of 14.1% to RM158.8 billion. In H1 2025, the total value of construction work done continued to expand by 14.7% compared to H1 2024. (Source: DoSM).



(Source: DoSM)

5.4 Outpatient Attendances and Admissions

- The number of outpatient attendances and admissions in private hospitals may provide some indication of the demand for medical and health insurance in Malaysia. Between 2021



Note: Latest available data. (Source: Ministry of Health)

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



and 2023, outpatient attendances and hospital admissions in private hospitals grew at a CAGR of 11.2% and 32.7% respectively. In 2023, private hospitals recorded 5.4 million patient visits, comprising 4.1 million outpatient attendances and 1.4 million admissions. Rising utilisation of private healthcare and increasing medical costs highlights the growing need for medical and health insurance to protect individuals from out-of-pocket expenses. This may create opportunities for general insurers that offer medical and health policies.

6. COMPETITIVE LANDSCAPE

- Malaysia's general insurance industry is **moderately to highly concentrated**, with 19 operators in 2024. The largest insurer held 15% of industry premiums, while the top five accounted for 52% and the top 10 for 81%. However, the lower tier of the industry remains fragmented. As of early 2023, Malaysia had 21 general insurers. However, following the transfer of general insurance business from Liberty Insurance Berhad to AmGeneral Insurance Berhad (now Liberty General Insurance Berhad) on 31 March 2023, and from MPI Generali Insurans Berhad to AXA Affin General Insurance Berhad (now Generali Insurance Malaysia Berhad) on 1 April 2023, the number of general insurers in Malaysia has reduced to 19 as of the date of this report.
- While Chubb Malaysia does not operate in the general takaful segment, it remains accessible to all consumers and businesses. As such, general takaful also competes with the general insurance market. The table below provides comparative financial data for general insurance providers in Malaysia, sorted in descending order by insurance revenue.

Company	FYE ⁽¹⁾	Insurance Rev (RM mil)	ISR (RM mil)	ISR Margin	PAT/(LAT) (RM mil)	PAT/(LAT) Margin
Allianz General ⁽²⁾	Dec-24	3,219.0	424.2	13.2%	408.7	12.7%
Liberty ⁽³⁾	Dec-24	2,317.0	200.7	8.7%	233.7	10.1%
Etiqa General ⁽⁴⁾	Dec-24	2,216.5	46.5	2.1%	113.9	5.1%
Generali ⁽⁵⁾	Dec-24	2,089.2	235.7	11.3%	163.8	7.8%
Lonpac ⁽⁶⁾	Dec-24	1,781.6	377.8	21.2%	339.5	19.1%
MSIG ⁽⁷⁾	Dec-24	1,711.5	249.4	14.6%	324.9	19.0%
Tokio Marine ⁽⁸⁾	Dec-24	1,397.2	178.6	12.8%	186.8	13.4%
Berjaya Sompo ⁽⁹⁾	Dec-24	1,271.0	114.8	9.0%	159.8	12.6%
Zurich General ⁽¹⁰⁾	Dec-24	1,044.0	68.5	6.6%	98.2	9.4%
Pacific ⁽¹¹⁾	Dec-24	928.5	26.7	2.9%	28.4	3.1%
RHB ⁽¹²⁾	Dec-24	886.0	39.2	4.4%	82.0	9.2%
AIG ⁽¹³⁾	Dec-24	844.4	174.0	20.6%	146.4	17.3%
Chubb Malaysia	Dec-24	703.5	194.3	27.6%	73.8	10.5%
GE General ⁽¹⁴⁾	Dec-24	619.6	(5.1)	(0.8%)	10.7	1.7%
AIA General ⁽¹⁵⁾	Dec-24	354.5	47.5	13.4%	34.0	9.6%
Tune ⁽¹⁶⁾	Dec-24	320.2	(1.4)	(0.4%)	13.1	4.1%
P&O ⁽¹⁷⁾	Sep-24	269.5	(22.7)	(8.4%)	(10.9)	(4.1%)
QBE ⁽¹⁸⁾	Dec-24	233.4	23.6	10.1%	28.5	12.2%
Progressive ⁽¹⁹⁾	Dec-24	155.2	(5.8)	(3.7%)	12.6	8.1%

FYE= Financial Year Ended; Rev= Revenue; ISR= Insurance Service Results (the insurance service result represents the profit or loss earned by an insurer from providing insurance coverage and related services during a reporting period); PAT= Profit After Tax; LAT= Loss After Tax; mil= million; Bhd= Berhad.

(1) Latest available financial data from annual reports and Chubb Malaysia. (2) Allianz General Insurance Company (Malaysia) Berhad. A subsidiary of Allianz Malaysia Berhad, a listed entity on the Main Market of Bursa Securities. (3) Liberty General Insurance Berhad. (4) Etiqa General Insurance Berhad. A subsidiary of Malayan Banking Berhad, a listed entity on the Main Market of Bursa Securities. (5) Generali Insurance Malaysia Berhad. A subsidiary of Assicurazioni Generali S.p.A., a listed entity on the Milan Stock Exchange. (6) Lonpac Insurance Bhd. A subsidiary of LPI Capital Bhd, a listed entity on the Main Market of Bursa Securities. (7) MSIG Insurance (Malaysia) Bhd. A subsidiary of MS&AD Insurance Group Holdings, Inc, a listed entity on the Tokyo and Nagoya Stock Exchange. (8) Tokio Marine Insurans (Malaysia) Berhad. A subsidiary of Tokio Marine Holdings Inc., a listed entity on the Tokyo Stock Exchange. (9) Berjaya Sompo Insurance Berhad. A subsidiary of Sompo Holdings, Inc, a listed entity on the Tokyo Stock Exchange. (10) Zurich General Insurance Malaysia Berhad. A subsidiary of Zurich Insurance Group Ltd, a listed entity on the

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



SIX Swiss Exchange. **(11)** The Pacific Insurance Berhad. A subsidiary of Fairfax Financial Holdings Ltd, a listed entity on the Toronto Stock Exchange. **(12)** RHB Insurance Berhad. A subsidiary of RHB Bank Berhad, a listed entity on the Main Market of Bursa Securities. **(13)** AIG Malaysia Insurance Berhad. A subsidiary of American International Group, Inc., a listed entity on the New York Stock Exchange. **(14)** Great Eastern General Insurance (Malaysia) Berhad. A subsidiary of Oversea-Chinese Banking Corporation Ltd, a listed entity on the Singapore Exchange. **(15)** AIA General Berhad. A subsidiary of AIA Group Limited, a listed entity on the Stock Exchange of Hong Kong Limited. **(16)** Tune Insurance Malaysia Berhad. A subsidiary of Tune Protect Group Berhad, a listed entity on the Main Market of Bursa Securities. **(17)** Pacific & Orient Insurance Co. Berhad. A subsidiary of Pacific & Orient Berhad, a listed entity on the Main Market of Bursa Securities. **(18)** QBE Insurance (Malaysia) Berhad. A subsidiary of QBE Insurance Group Limited, a listed entity on the Australian Stock Exchange. **(19)** Progressive Insurance Bhd.

7. BARRIERS TO ENTRY

- Barriers to entry in the general insurance industry are **high**, mainly due to the highly regulated nature and the requirement for sufficient capital. General insurers must maintain a minimum paid-up capital and comply with the Risk-Based Capital Framework. Effective 30 June 2001, BNM raised the minimum paid-up capital requirement for insurers from RM50 million to RM100 million, a move that triggered industry consolidation and continues to shape the market. Meeting regulatory and capital requirements demands substantial financial resources. As of the date of this report, there are 19 general insurance companies registered with BNM. Obtaining an operating licence forms a significant barrier, as insurers must first secure approval from BNM before conducting general insurance business. According to BNM on 2 September 1997, the Malaysian Government has maintained a policy of not issuing new licences for direct insurance business in Malaysia (excluding Labuan International Offshore Financial Centre), including general insurance.

8. INDUSTRY SIZE AND SHARE

- The general insurance industry size and the market share of Chubb Malaysia are as follows:

2024 – Gross written premiums	Malaysia's industry size ^(a)	Chubb Malaysia	
		Gross written premiums ^{(b) (3)}	Market share ⁽⁴⁾
Malaysia	RM23,053 million ⁽¹⁾	RM724 million	3%
- Liability	RM1,027 million ⁽²⁾	RM131 million	13%
- Personal accident	RM1,391 million ⁽¹⁾	RM150 million	11%
- Medical and health	RM1,187 million ⁽¹⁾	RM55 million	5%
- Fire	RM4,723 million ⁽¹⁾	RM127 million	3%
- Motor	RM10,409 million ⁽¹⁾	RM161 million	2%

Source: (a) ISM and Vital Factor analysis; (b) Chubb Malaysia.

(1) Based on the aggregated calendar year gross written premiums. **(2)** Due to the lack of calendar year information, the gross written premiums for liability insurance is based on the audited financial statistics of each general insurer. **(3)** Chubb Malaysia's gross written premiums for the full year of 2024. **(4)** Chubb Malaysia's gross written premiums divided by Malaysia's industry size x 100%.

9. INDUSTRY OUTLOOK AND PROSPECTS

Some factors impacting the outlook and prospects of the industry in Malaysia are as follows:

Opportunities and drivers of growth

- Increased **economic activities** will drive demand for general insurance, as business expansion and higher household disposable income may drive demand for insurance coverage. Malaysia's economy grew by 4.4% in H1 2025 and is expected to grow between 4.0% and 4.8% in 2025, driven by strong domestic demand, resilient labour market, targeted assistance programmes, and tourism activities. The economy is projected to expand between 4.0% and 4.5% in 2026, backed by sustained domestic activity and a stable external sector. (Source: Ministry of Finance (MoF)).
- Population growth** drives demand for insurance products. The population in Malaysia is projected to reach 36.5 million in 2030 and is further projected to reach 42.4 million in 2060. (Source: DoSM)
- The growing adoption of **digitalisation** and advancements in artificial intelligence (**AI**) present significant opportunities. In 2024, 77% of Malaysia's insurance and takaful operators had adopted at least one AI application (Source: BNM). The emergence of Generative AI has the potential to

8. INDEPENDENT MARKET RESEARCH REPORT (Cont'd)



- enhance efficiency by automating routine tasks, strengthening risk management capabilities, optimising underwriting, and improving customer experience through AI-driven chatbots.
- Increased **construction** activities will boost demand for fire insurance. In 2024, the total construction work done reached RM158.8 billion, up 20.2% from 2023, and grew further by 14.7% in H1 2025 (*Source: DoSM*). In 2025, the construction industry is expected to grow by 10.1%, and is forecasted to expand by 6.1% in 2026, backed by broad-based sectoral growth (*Source: MoF*).
- Increased sales of **vehicles** will drive demand for motor insurance. In 2024, the number of new motor vehicle registrations increased by 2.1% to 816,747 units, compared to 2023 (*Source: MAA*). Gross written premiums for motor insurance increased by 6.7% to RM10.4 billion (*Sources: ISM*).
- BNM's **Financial Sector Blueprint 2022-2026** aims for an insurance and takaful penetration rate of 4.8% to 5.0% of GDP and seeks to double microinsurance and microtakaful coverage by 2026 (*Source: BNM*). Malaysia's general insurance penetration rose from 1.3% in 2022 to 1.4% in 2023 and stayed steady in 2024, reflecting modest growth but also indicating substantial untapped market potential for wider product access and risk awareness (*Source: PIAM*).
- Rising health awareness and escalating medical costs** are expected to boost demand for medical and health insurance. Malaysia's medical cost inflation hit nearly 15% in 2024, well above the global and Asia Pacific averages of 10%. Effective 1 September 2024, insurers and takaful operators must offer co-payment products with lower premiums to enhance affordability. BNM has also introduced interim measures, including staggered premium increases, a one-year freeze on senior premium hikes, and policy reinstatements without underwriting (*Source: BNM*). Under Budget 2026, the Government will introduce affordable base medical and health insurance/takaful products and maintain tax relief on medical insurance to encourage policy uptake (*Source: MoF*).
- Increasing climate-related disasters, especially **floods**, are driving higher demand for motor and fire insurance. Flood-related losses rose 23.6% from RM755.4 million in 2023 to RM933.4 million in 2024 (*Source: DoSM*). These losses may increase awareness and demand for flood coverage.
- Micro, small, and medium-sized enterprises** (MSMEs) offer opportunities for the industry. In 2024, MSMEs accounted for 96.1% of all Malaysian businesses, contributing RM652.4 billion (39.5%) to the national real GDP, a 5.8% increase from 2023. There were 1.1 million MSMEs, comprising 761,897 micro, 306,764 small, and 17,725 medium enterprises. MSMEs span across multiple sectors, with 84.4% in services, 8.7% in construction, 5.3% in manufacturing, 1.4% in agriculture, and 0.2% in mining and quarrying (*Source: DoSM*). Their scale, diversity, and economic importance make MSMEs a large yet underserved market with rising demand for insurance to protect operations and ensure business continuity.

Threats and challenges

- The **liberalisation of motor and fire tariffs**, introduced in July 2017, allows insurers to charge premiums based on individual risk profiles rather than fixed tariff rates. While this promotes risk-based pricing, it also intensifies price competition, putting downward pressure on premiums.
- Shifts in consumer behaviour** for more personalised, innovative, and digital solutions require insurers to innovate rapidly. Failure to keep pace may result in loss of relevance and market share.
- Competition** is intensifying with the entry of digital insurers and takaful operators. On 9 July 2024, BNM issued the Policy Document on the Licensing and Regulatory Framework for Digital Insurers and Takaful Operators (DITOs), which came into effect on 2 January 2025. This includes licensing procedures, lower initial capital requirements (foundational phase of RM30 million), and an application window from 2 January 2025 to 31 December 2026. This has opened the market to new players with technology-driven business models, posing challenges to traditional insurers.
- Inflationary pressures** pose a threat to the industry. In August 2025, Malaysia's headline inflation rose by 1.3%, largely driven by a 5.6% increase in insurance and financial services (*Source: DoSM*). This reflects rising premiums, underpinned by higher claims costs, which in turn place pressure on insurers' profitability. While premium hikes may boost revenue in the short term, they also reduce policy affordability and could eventually dampen consumer demand.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

9.1 PROMOTER AND SUBSTANTIAL SHAREHOLDERS

9.1.1 Profiles of our Promoter and Substantial Shareholders

(i) Chubb INA as Promoter and substantial shareholder

Chubb INA was incorporated in Delaware, United States, under the General Corporation Law of Delaware on 8 July 1977 as a corporation (company limited by shares). Chubb INA is an indirect wholly-owned subsidiary of Chubb Limited, the Swiss-incorporated ultimate holding company of the Chubb Group, a global insurance and reinsurance organisation listed on the NYSE.

Chubb INA is a holding company and its principal assets are the capital stock of its subsidiaries. Chubb INA's direct and indirect subsidiaries provide commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients around the world. Chubb INA does not itself conduct insurance operations.

As at the LPD:

- (a) Chubb INA is our sole shareholder;
- (b) the issued share capital of Chubb INA is USD1,000 comprising 1,000 ordinary shares;
- (c) the directors of Chubb INA are James Robert Brett, Jack Rex Servin, Walter Peter Smolij and John Paul Taylor; and
- (d) the shareholders of Chubb INA and their respective shareholding are as follows:

Name	Country of incorporation	Direct		Indirect	
		No. of ordinary shares	%	No. of ordinary shares	%
INA Corporation	United States	1,000	100.0	-	-
Chubb IH	United States	-	-	1,000 ⁽¹⁾	100.0
Chubb Group Holdings	United States	-	-	1,000 ⁽²⁾	100.0
Chubb Limited	Switzerland	-	-	1,000 ⁽³⁾	100.0

Notes:

- (1) Deemed interested by virtue of its interest in INA Corporation pursuant to Section 8(4) of the Act.
- (2) Deemed interested by virtue of its interest in Chubb IH pursuant to Section 8(4) of the Act.
- (3) Deemed interested by virtue of its interest in Chubb Group Holdings pursuant to Section 8(4) of the Act.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(ii) INA Corporation as substantial shareholder

INA Corporation was incorporated in Pennsylvania, United States, under the Pennsylvania Business Corporation Law on 15 December 1981.

INA Corporation is a holding company within the Chubb Group and its principal assets are the capital stock of its insurance subsidiaries. INA Corporation does not itself conduct insurance operations.

As at the LPD:

- (a) INA Corporation is the sole shareholder of Chubb INA;
- (b) the issued share capital of INA Corporation is USD100 comprising 100 ordinary shares;
- (c) the directors of INA Corporation are Evan Glenn Greenberg, Timothy Alan Boroughs, Peter Currie Enns, John William Keogh, John Joseph Lupica and Juan Luis Ortega; and
- (d) the shareholders of INA Corporation and their respective shareholding are as follows:

Name	Country of incorporation	Direct		Indirect	
		No. of ordinary shares	%	No. of ordinary shares	%
Chubb IH	United States	100	100.0	-	-
Chubb Group Holdings	United States	-	-	100 ⁽¹⁾	100.0
Chubb Limited	Switzerland	-	-	100 ⁽²⁾	100.0

Notes:

- (1) *Deemed interested by virtue of its interest in Chubb IH pursuant to Section 8(4) of the Act.*
- (2) *Deemed interested by virtue of its interest in Chubb Group Holdings pursuant to Section 8(4) of the Act.*

(iii) Chubb IH as substantial shareholder

Chubb IH was incorporated in Delaware, United States, under the General Corporation Law of Delaware on 31 December 1998 as a corporation (company limited by shares). Subsequently, Chubb IH converted from a corporation (Chubb INA Holdings Inc.) to a Delaware limited liability company on 26 March 2024 and adopted its current name, Chubb INA Holdings LLC.

Chubb IH is a holding company within the Chubb Group and its principal assets are the capital stock of its insurance subsidiaries. Chubb IH does not itself conduct insurance operations.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

As at the LPD:

- (a) Chubb IH is the sole shareholder of INA Corporation;
- (b) the unit capital of Chubb IH is USD13,837,577,300 comprising 93.92308 units;
- (c) the directors of Chubb IH are Evan Glenn Greenberg, Timothy Alan Boroughs, Peter Currie Enns, John William Keogh, John Joseph Lupica and Juan Luis Ortega; and
- (d) the unitholders of Chubb IH and their respective unitholding are as follows:

Name	Country of incorporation	Direct		Indirect	
		No. of units	%	No. of units	%
Chubb Group Holdings	United States	80	85.2	-	-
Chubb Limited	Switzerland	13.92308	14.8	80 ⁽¹⁾	85.2

Note:

- (1) Deemed interested by virtue of its interest in Chubb Group Holdings pursuant to Section 8(4) of the Act.

(iv) Chubb Group Holdings as substantial shareholder

Chubb Group Holdings was incorporated in Delaware, United States, under the General Corporation Law of Delaware on 9 April 1999.

Chubb Group Holdings is a holding company within the Chubb Group and its principal assets are the capital stock of its insurance subsidiaries. Chubb Group Holdings does not itself conduct insurance operations.

As at the LPD:

- (a) Chubb Group Holdings is the holding company of Chubb IH;
- (b) the issued share capital of Chubb Group Holdings is USD1 comprising 100 ordinary shares;
- (c) the directors of Chubb Group Holdings are Evan Glenn Greenberg, Timothy Alan Boroughs, Peter Currie Enns, John William Keogh, John Joseph Lupica, Sean Ringsted and Joseph Franklin Wayland; and
- (d) the shareholder of Chubb Group Holdings and its shareholding are as follows:

Name	Country of incorporation	Direct		Indirect	
		No. of ordinary shares	%	No. of ordinary shares	%
Chubb Limited	Switzerland	100	100.0	-	-

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(v) Chubb Limited as substantial shareholder

Chubb Limited was incorporated in the Cayman Islands on 30 August 1985, and redomesticated to Switzerland on 18 July 2008.

Chubb Limited is the ultimate holding company of the Chubb Group, and through its direct and indirect subsidiaries, is a global insurance and reinsurance organisation. With operations in multiple countries and territories, the Chubb Group provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients.

As at the LPD:

- (a) Chubb Limited is the sole shareholder of Chubb Group Holdings;
- (b) the issued share capital of Chubb Limited is CHF206,053,710.50 comprising 412,107,421 common shares; and
- (c) the directors of Chubb Limited are Evan Glenn Greenberg, Michael Patrick Connors, Michael Gerard Atieh, Nancy Knapp Buese, Sheila Patricia Burke, Nelson Juseuk Chai, Michael Louis Corbat, Fred Zulu Hu, Robert John Hugin, Robert William Scully, Theodore Efthimion Shasta, David Hugh Sidwell, Olivier Robert Steimer and Frances Fragos Townsend.

Chubb Limited is a component of the S&P 500 index and its shares are listed on the NYSE. Based on publicly available information as at 30 June 2025, the substantial shareholders of Chubb Limited are The Vanguard Group Inc. (9.21%), Blackrock Inc. (6.90%) and Berkshire Hathaway Inc. (6.78%) (*Source: Bloomberg*). None of the substantial shareholders is deemed as the ultimate beneficial owner of Chubb Limited as each of their respective shareholding in Chubb Limited is below 20.00%. Therefore, Chubb Limited has no ultimate beneficial owner.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**9.1.2 Changes in our Promoter's and Substantial Shareholders' shareholding in our Company for the past three years**

There has been no change in our Promoter's and Substantial Shareholders' shareholding in our Company for the past three years up to the LPD:

Name	As at 31 December 2022 ⁽¹⁾				As at 31 December 2023 ⁽¹⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%
<u>Promoter and substantial shareholder</u>								
Chubb INA	100,000	100.0	-	-	100,000	100.0	-	-
<u>Substantial shareholders</u>								
INA Corporation	-	-	100,000 ⁽²⁾	100.0	-	-	100,000 ⁽²⁾	100.0
Chubb IH	-	-	100,000 ⁽³⁾	100.0	-	-	100,000 ⁽³⁾	100.0
Chubb Group Holdings	-	-	100,000 ⁽⁴⁾	100.0	-	-	100,000 ⁽⁴⁾	100.0
Chubb Limited	-	-	100,000 ⁽⁵⁾	100.0	-	-	100,000 ⁽⁵⁾	100.0
Name	As at 31 December 2024 ⁽¹⁾				As at the LPD ⁽¹⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%	No. of Shares (^{'000})	%
<u>Promoter and substantial shareholder</u>								
Chubb INA	100,000	100.0	-	-	100,000	100.0	-	-
<u>Substantial shareholders</u>								
INA Corporation	-	-	100,000 ⁽²⁾	100.0	-	-	100,000 ⁽²⁾	100.0
Chubb IH	-	-	100,000 ⁽³⁾	100.0	-	-	100,000 ⁽³⁾	100.0
Chubb Group Holdings	-	-	100,000 ⁽⁴⁾	100.0	-	-	100,000 ⁽⁴⁾	100.0
Chubb Limited	-	-	100,000 ⁽⁵⁾	100.0	-	-	100,000 ⁽⁵⁾	100.0

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Notes:

- (1) *Based on our issued Shares as at 31 December 2022, 31 December 2023, 31 December 2024 and as at the LPD of 100,000,000.*
- (2) *Deemed interested by virtue of its interest in Chubb INA pursuant to Section 8(4) of the Act.*
- (3) *Deemed interested by virtue of its interest in INA Corporation pursuant to Section 8(4) of the Act.*
- (4) *Deemed interested by virtue of its interest in Chubb IH pursuant to Section 8(4) of the Act.*
- (5) *Deemed interested by virtue of its interest in Chubb Group Holdings pursuant to Section 8(4) of the Act.*

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**9.1.3 Shareholding of our Promoter and Substantial Shareholders**

The following table sets out the direct and indirect shareholding of our Promoter and Substantial Shareholders before and after our IPO:

Name	Before our IPO ⁽¹⁾				After our IPO ⁽²⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares (‘000)	%	No. of Shares (‘000)	%	No. of Shares (‘000)	%	No. of Shares (‘000)	%
Promoter and substantial shareholder								
Chubb INA	1,000,000	100.0	-	-	700,000	70.0	-	-
Substantial shareholders								
INA Corporation	-	-	1,000,000 ⁽³⁾	100.0	-	-	700,000 ⁽³⁾	70.0
Chubb IH	-	-	1,000,000 ⁽⁴⁾	100.0	-	-	700,000 ⁽⁴⁾	70.0
Chubb Group Holdings	-	-	1,000,000 ⁽⁵⁾	100.0	-	-	700,000 ⁽⁵⁾	70.0
Chubb Limited ⁽⁶⁾	-	-	1,000,000 ⁽⁷⁾	100.0	-	-	700,000 ⁽⁷⁾	70.0

Notes:

- (1) Based on our issued Shares after the Subdivision of 1,000,000,000.
- (2) Based on our issued Shares upon our Listing of 1,000,000,000.
- (3) Deemed interested by virtue of its interest in Chubb INA pursuant to Section 8(4) of the Act.
- (4) Deemed interested by virtue of its interest in INA Corporation pursuant to Section 8(4) of the Act.
- (5) Deemed interested by virtue of its interest in Chubb IH pursuant to Section 8(4) of the Act.
- (6) Chubb Limited is a component of the S&P 500 index and its shares are listed on the NYSE. Based on publicly available information as at 30 June 2025, the substantial shareholders of Chubb Limited are The Vanguard Group Inc. (9.21%), Blackrock Inc. (6.90%) and Berkshire Hathaway Inc. (6.78%) (Source: Bloomberg). None of the substantial shareholders is deemed as the ultimate beneficial owner of Chubb Limited as each of their respective shareholding in Chubb Limited is below 20.00%. Therefore, Chubb Limited has no ultimate beneficial owner.
- (7) Deemed interested by virtue of its interest in Chubb Group Holdings pursuant to Section 8(4) of the Act.

Save as disclosed above, there are no other persons who are able to, directly or indirectly, jointly or severally, exercise control over our Company.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2 BOARD OF DIRECTORS

Our Board acknowledges and takes cognisance of the MCCG which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business activities and culture of such companies.

Our Board comprises at least 30% women Directors and a majority of independent Directors as per the recommendations under the MCCG. Our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern our Company effectively. Our Board is also committed to achieving and sustaining high standards of corporate governance.

Within the limits set by our Constitution, our Board is responsible for the governance and management of our Company. To ensure the effective discharge of its functions, our Board has set out the following key responsibilities in the board charter:

Our Board should, among others, undertake the following:

- (i) approving our Company's strategy, risk appetite, business plans and other initiatives which would, singularly or cumulatively, have a material impact on our Company's risk profile;
- (ii) overseeing the selection, appointment, performance, remuneration and succession plans of the Country President, control function heads and other members of senior management, such that our Board is satisfied with the collective competence of senior management to effectively lead the operations of our Company;
- (iii) promoting sound corporate values, governance frameworks and clear responsibilities;
- (iv) overseeing the implementation of our Company's internal control framework, and periodically review whether these remain appropriate in light of material changes to the size, nature and complexity of our Company's operations;
- (v) promoting, together with senior management, a sound corporate culture within our Company which reinforces ethical, prudent and professional behaviour;
- (vi) ensuring the integrity of our Company's financial and non-financial reporting, having consideration to whether disclosure is consistent with our Director's own knowledge of our Company's affairs;
- (vii) promoting sustainability through appropriate environmental, social and governance considerations in our Company's business strategies;
- (viii) overseeing and approving the recovery and resolution as well as business continuity plans for our Company to restore its financial strength, and maintain or preserve critical operations and critical services when it comes under stress;
- (ix) promoting timely and effective communication between our Company and BNM on matters affecting or that may affect the safety and soundness of our Company;
- (x) monitoring how senior management carries out our Board's strategy, and ensure responsible and ethical business practices;
- (xi) ensuring full compliance with applicable laws, regulations, and regulatory expectations;
- (xii) reviewing and challenging senior management proposals and monitor their implementation;

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (xiii) determining the remuneration of Independent Directors, with affected individuals abstaining from decisions on their own remuneration;
- (xiv) overseeing effective functioning of board committees, and defining their authority and terms of reference;
- (xv) overseeing procedures to identify and manage conflicts of interest and related party transactions; and
- (xvi) ensuring effective, transparent, and regular communication with stakeholders.

In addition, our Independent Non-Executive Chairman is primarily responsible for, among others, the following:

- (i) ensuring that appropriate procedures are in place to govern our Board's operation;
- (ii) ensuring that decisions are taken on a sound and well-informed basis, including by ensuring that all strategic and critical issues are considered by our Board and that Directors receive the relevant information on a timely basis;
- (iii) encouraging healthy discussion and ensure that dissenting views can be freely expressed and discussed;
- (iv) leading efforts to address our Board's development needs;
- (v) promoting high standards of corporate governance within our Company and on our Board;
- (vi) guiding and mediating Board actions on strategic and governance matters;
- (vii) ensuring that board committees function effectively and separately from Board meetings;
- (viii) leading our Board in overseeing senior management and ensuring clear separation between governance and management roles;
- (ix) maintaining regular dialogue with the Country President and acting as the main point of contact between our Board and senior management;
- (x) representing our Board to shareholders and other stakeholders;
- (xi) ensuring meaningful engagement at the AGM and that stakeholder views are communicated to our Board;
- (xii) ensuring that Executive Directors look beyond their executive function and accept their share of responsibilities in governance; and
- (xiii) performing other responsibilities as delegated by our Board from time to time.

Additionally, our Country President is primarily responsible for overseeing the operations and overall performance of our Company effectively in line with our Board's strategic guidance and policies. Our Country President is responsible for, among others, the following:

- (i) developing and implementing strategic plans to drive long-term value creation and communicating the same to internal and external stakeholders;
- (ii) driving company performance through innovation, initiative, technology adoption, new product development, and efficient use of business capital;

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (iii) assessing principal financial and non-financial risks impacting our Company;
- (iv) operating within our Board-approved risk appetite and implement appropriate risk management systems;
- (v) maintaining robust internal controls to mitigate risks effectively and coordinating regular reviews and assessments of internal control systems to ensure their effectiveness;
- (vi) maintaining the integrity and adequacy of internal control and management information systems;
- (vii) ensuring compliance with applicable laws and regulations in all operations;
- (viii) managing our Company's financial position prudently to ensure adequate cash flow for meeting debt obligations and other liabilities;
- (ix) taking proactive steps to protect and enhance our Company's financial health; and
- (x) ensuring that all business operations comply fully with relevant laws and regulations, having regard to industry standards and principles set out in the MCCG.

The details of the members of our Board and the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Name	Designation	Age	Nationality	Date of appointment	Date of expiration of the current term of office	No. of years and months in office
Dato' Mohzani Bin Abdul Wahab	Independent Non-Executive Chairman	71	Malaysian	2 April 2021	1 April 2027	4 years and 6 months
Susan Yuen Su Min	Independent Non-Executive Director	65	Malaysian	14 February 2019	13 February 2028	6 years and 8 months
Dr. Heng Kiah Ngan	Independent Non-Executive Director	68	Malaysian	18 August 2021	17 August 2026	4 years and 2 months
Cheryl Khor Hui Peng	Independent Non-Executive Director	50	Malaysian	1 June 2021	31 May 2027	4 years and 4 months
Olivier Bouchard	Non-Independent Executive Director ⁽¹⁾	50	Canadian	24 May 2015	28 January 2026	10 years and 5 months

Note:

- (1) *Olivier Bouchard is deemed to be an executive Director of our Company pursuant to the Corporate Governance Policy issued by BNM. Under the said Corporate Governance Policy, a person is an executive director of a financial institution if they have management responsibilities in the financial institution or any of its affiliates. Notwithstanding that, Olivier Bouchard is not employed by our Company, does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations.*

None of our other Directors represent any corporate shareholder on our Board except for Olivier Bouchard who is a representative of Chubb INA.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2.1 Profiles of our Directors

(i) **Dato' Mohzani Bin Abdul Wahab**

Dato' Mohzani Bin Abdul Wahab, a Malaysian aged 71, is our Independent Non-Executive Chairman. He was appointed to our Board on 2 April 2021.

He obtained a Bachelor in Economics with Honours from Universiti Malaya, Malaysia in 1976. He has over 33 years of experience across various fields, including supply, distribution, branding and communications, marketing and retail management.

He began his career with Shell Malaysia Trading Sdn Bhd as Investment Evaluation Executive in 1976, where he was responsible for the investment evaluation of petroleum products and projects. He was then promoted to Retail Planning Executive in 1978, where he was in charge of retail planning projects. In 1982, he was transferred to Pilipinas Shell Petroleum Corporation, Philippines (now known as Shell Philipinas Corporation) as Task Force Leader, and subsequently promoted to District Manager in Retail (Metro Manila) in 1983, where he was responsible for the sale of petroleum products and other related matters.

In 1984, he returned to Shell Malaysia Trading Sdn Bhd and was re-designated as Sales Manager, Central Region, where he was responsible for the sale, operations and logistics of petroleum products and other related matters, and held various management positions in the company and gained immense experience in the oil and gas industry. In 2001, he was appointed as Managing Director of Shell Malaysia Trading Sdn Bhd, and in 2005, he was appointed as Managing Director in Shell Timur Sdn Bhd, where he was responsible for overseeing the overall responsibilities of these companies, and held these positions until 2009. In 2003, he was also appointed as Cluster General Manager, Retail Business, where he was responsible for the retail business of petroleum products in Malaysia, Singapore, Brunei, Oman, Hong Kong and Macau, and held this position until his retirement in 2010.

He was appointed as a member of the investment panel of Lembaga Tabung Haji from 2007, and subsequently as chairman from 2015 until the panel's dis-establishment in 2018.

Currently, he sits on the board of Turiya Berhad, a company listed on the Main Market of Bursa Securities. See Section 9.2.3(i) of this Prospectus for further details of his directorships in other private limited companies.

(ii) **Susan Yuen Su Min**

Susan Yuen Su Min, a Malaysian aged 65, is one of our Independent Non-Executive Directors. She was appointed to our Board on 14 February 2019.

She obtained a Bachelor of Computer Science with Honours from University of London, United Kingdom in 1982. She has over 35 years of experience in the financial services industry.

She began her career with Malayan Banking Berhad ("**Maybank**") in 1983 as an officer based in Kuching, Sarawak. Throughout her tenure of approximately 16 years at Maybank, she was promoted to various positions, with her last position in Maybank as Head of Multinational Corporation, Group Corporate Banking, based in Kuala Lumpur in 1994. Her responsibilities covered business development, credit matters, divisional profit and loss, loan restructuring and client management.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

She left Maybank in 1999 and joined HSBC Bank Malaysia Berhad (“**HSBC**”), as Managing Director, Corporate and Institutional Banking. Her responsibilities included managing several portfolios including local corporate, institutional and network clients.

She left HSBC in 2008 and joined Australia and New Zealand Banking Group Limited (“**ANZ**”) as Chief of Staff to the Chief Executive Officer, Asia Pacific, based in Melbourne, Australia. Her responsibilities included managing the office of the Chief Executive Officer, Asia Pacific, internal and external stakeholder relations, and other related matters. In 2009, she was promoted to Chief Executive Officer, based in Hong Kong, where she was responsible for overseeing the financial performance of ANZ’s Hong Kong branch and other related matters. She left ANZ in 2014.

From 2014 until her retirement in 2018, she concurrently served as Regional Chief Executive Officer, Asia, of National Bank of Abu Dhabi (now known as First Abu Dhabi Bank), responsible for defining and implementing the bank’s strategic direction in Asia, and as Chief Executive Officer of National Bank of Abu Dhabi Malaysia Berhad, responsible for the bank’s operations, governance and client management in Malaysia.

Currently, she sits on the board of Alliance Bank Malaysia Berhad, Press Metal Aluminium Holdings Berhad and Batu Kawan Berhad, all of which are listed on the Main Market of Bursa Securities. See Section 9.2.3(ii) of this Prospectus for further details of her directorships in other private limited companies.

(iii) **Dr. Heng Kiah Ngan**

Dr. Heng Kiah Ngan, a Malaysian aged 68, is one of our Independent Non-Executive Directors. He was appointed to our Board on 18 August 2021.

He obtained a Bachelor in Economics with Honours from Universiti Malaya, Malaysia in 1979, a Masters of Business Administration from Ohio University, United States in 1984 and a Doctor of Business Administration from Charles Sturt University, Australia in 2009. He is an Associate of the Malaysian Insurance Institute since 1990 and a Qualified Risk Director of the Institute of Enterprise Risk Practitioners since 2022. He has over 32 years of experience in the insurance industry.

He began his career with Peiping Lace Sdn Bhd as Executive Director in 1979, where he was responsible for the overall management of the company and held this position until 1988. He was appointed as director of Promomark Sdn Bhd in 1984 and also held the position as manager of the company in 1987 until the company’s dissolution in 2005. His responsibilities included providing strategic direction for the company.

In 1988, he joined our Company (then known as Jerneh Insurance Berhad) as Business Manager, where he was in-charge of business development, product development and other related matters. He left our Company in 1992 and joined Hanaku Insurance Brokers Sdn Bhd (now known as Sterling Insurance Brokers Sdn Bhd) as General Manager from 1992 to 1997, Chief Executive Officer from 1996 to 1998 and director from 1997 to 1998, where he was responsible for the overall management of the company.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In 1999, he joined Energex Insurance Brokers Ltd (a Lloyd's broker) as Consultant, where he provided consultancy services on Malaysian mega-risks. He left the company in 2000 and took a career break for personal reasons. He re-joined our Company (then known as Jerneh Insurance Berhad) in 2004 as Head of Market Development and then later as General Manager, where he was in charge of the marketing and sales functions. He left our Company in 2007 and joined Tokio Marine Insurans (M) Berhad as Senior General Manager, where he held various positions, with his last position as Chief Executive Officer from 2010 to 2014. His responsibilities include overseeing the overall profitability and performance of the company and other related matters.

In 2014, he was appointed as Executive Director of MI Call Center Sdn Bhd, where he was responsible for providing strategic direction for the company and other related matters. He left the company in 2015 and was appointed as Executive Director of Vigilant Advisors Sdn Bhd ("**Vigilant Advisors**"), where he was responsible for the overall management of Vigilant Advisors. At the same time, he was also nominated by Vigilant Advisors to be the principal consultant for our Company (then known as ACE Jerneh Insurance Berhad) providing strategic advisory services. In 2017, he was appointed as Executive Advisor to the Country President, where he was responsible for assisting and advising the Country President of our Company in developing, planning, organising and implementing strategic initiatives, and other related matters. He left our Company in 2018.

See Section 9.2.3(iii) of this Prospectus for further details of his involvement in other businesses or corporations outside our Company.

(iv) Cheryl Khor Hui Peng

Cheryl Khor Hui Peng, a Malaysian aged 50, is one of our Independent Non-Executive Directors. She was appointed to our Board on 1 June 2021.

She obtained a Bachelor of Science in Mathematics with Honours from Universiti Putra Malaysia, Malaysia in 1998. She was admitted as a member of the Malaysian Institute of Certified Public Accountants since 2001, a member of the MIA since 2003, and a faculty member and fellow of the Institute of Corporate Directors Malaysia since 2020 and 2023, respectively. She has over 23 years of experience in financial, operational, internal audits, risk advisory, sustainability and corporate governance matters.

She began her career with Ernst & Young, Malaysia ("**EY**") in 1998 as a Financial Auditor and Chartered Accountant. Throughout her tenure of approximately 15 years at EY, she was promoted to various positions, with her last position in EY as a Director in 2010.

She left EY in 2013 and joined Deloitte Enterprise Risk Services Sdn Bhd (now known as Deloitte Malaysia SR&T Solutions Sdn Bhd) ("**Deloitte**"), as Partner with the title of Malaysia Enterprise Risk Services Leader where she led the Risk Advisory practice, complementing her chartered accountant experience with sustainability, governance and risk expertise. She was appointed as Managing Director of Deloitte in 2014 and held this position until 2021. Throughout her tenure of approximately 8 years at Deloitte, she held various leadership roles including Accounting & Internal Controls Leader for the Asia Pacific region. During this period, she ran the risk advisory business where she was involved in numerous risk management exercises, corporate governance review and board effectiveness assessments.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

In 2001, she was awarded with the Certificate of Meritorious Award by the Malaysian Institute of Certified Public Accountants for outstanding academic performance and exemplary career development.

Currently, she sits on the board of Alliance Bank Malaysia Berhad, Hong Leong Industries Berhad and Kuala Lumpur Kepong Berhad, all of which are listed on the Main Market of Bursa Securities. See Section 9.2.3(iv) of this Prospectus for further details of her directorships in other private limited companies.

(v) Olivier Bouchard

Olivier Bouchard, a Canadian aged 50, is our Non-Independent Executive Director⁽¹⁾. He was appointed to our Board on 24 May 2015.

He obtained a Bachelor of Actuarial Sciences from the Universite Laval, Quebec, Canada in 1997. He has over 28 years of experience in the insurance industry.

He has 15 years of working experience with Royal & Sun Alliance (now known as RSA Insurance Group Limited) (“RSA”), having held various positions over the years within the RSA group. He began his career with RSA in 1997 as Actuarial Analyst, based in Toronto, Canada. His responsibilities included rebuilding the underwriting and pricing foundation of the company and other related matters. From 1998 to 2012, he was transferred and promoted to various positions within the RSA group, across multiple jurisdictions such as Canada, India, United Kingdom and United States. His last position in RSA was in Singapore, as Chief Financial Officer, which he held from 2009 until 2012, where he was responsible for overseeing the overall financial performance of the company and the Asia Middle East specialty business, and other related matters.

In 2012, he joined Chubb APAC as the Chubb Group’s Financial Controller for the Asia Pacific region, and was promoted to the Chubb Group’s Chief Financial Officer for the Asia Pacific region, in 2015. His responsibilities include overseeing the financial functions of the Chubb Group in the Asia Pacific region and other related matters.

See Section 9.2.3(v) of this Prospectus for further details of his involvement in other businesses or corporations outside our Company.

Note:

- (1) *Olivier Bouchard is deemed to be an executive Director of our Company pursuant to the Corporate Governance Policy issued by BNM. Under the Corporate Governance Policy, a person is an executive director of a financial institution if they have management responsibilities in the financial institution or any of its affiliates. Notwithstanding that, Olivier Bouchard is not employed by our Company, does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations.*

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.2.2 Shareholding of our Directors

The following table sets out the direct and indirect shareholdings of our Directors before and after our IPO:

Name	Before our IPO				After our IPO ⁽¹⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato' Mohzani Bin Abdul Wahab	-	-	-	-	113,300	0.01	-	-
Susan Yuen Su Min	-	-	-	-	113,300	0.01	-	-
Dr. Heng Kiah Ngan	-	-	-	-	113,300	0.01	-	-
Cheryl Khor Hui Peng	-	-	-	-	113,300	0.01	-	-
Olivier Bouchard	-	-	-	-	-	-	-	-

Note:

- (1) Based on our issued Shares upon our Listing of 1,000,000,000 and assuming full subscription of the Offer Shares allocated to the Eligible Persons under the Retail Offering.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**9.2.3 Principal business activities performed by our Directors outside our Company in the past five years**

Save as disclosed below, none of our Directors are involved in principal business activities outside our Company as at the LPD or hold directorships in other companies outside our Company at present and in the past five years preceding the LPD:

(i) Dato' Mohzani Bin Abdul Wahab

<u>Name of company/entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
<u>Present involvement</u>		
Dazani Enterprise Sdn Bhd	Property investment	Director (appointed on 16 July 1999) and shareholder
Bay Option Sdn Bhd	Consultancy services and trading and promoting mineral water	Director (appointed on 15 March 2010) and shareholder
Merchantrade Asia Sdn Bhd	Money services business (remittance business and currency business) and payment business	Director (appointed on 8 December 2014)
Turiya Berhad (listed on the Main Market of Bursa Securities)	Investment holding company principally engaged in the management and ownership of an investment property whose subsidiaries are principally involved in the manufacturing and sale of specialty chemicals servicing the semiconductor industry and property and real estate activities	Director (appointed on 8 August 2024)
MOG Eyewear Boutique Sdn Bhd	To trade and deal in spectacle frames, sunglasses and eye care chemicals	Director (appointed on 12 October 2007) and shareholder
<u>Past involvement</u>		
Ekuiti Warisan Sdn Bhd	Stock trading (trading shares on Bursa Securities) (Dissolved on 4 June 2025)	Director (appointed on 14 July 2023) and shareholder
Pavilion Reit Management Sdn Bhd	To manage and administer Pavilion Real Estate Investment Trust activities	Director (appointed on 29 July 2011, resigned on 28 July 2023)

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company/entity	Principal activities	Involvement in business activities
Hong Leong Investment Bank Berhad	Investment banking, stockbroking and related financial services	Director (appointed on 29 September 2012, resigned on 23 November 2020)
Boustead Plantations Berhad	Investment holding company whose subsidiaries are principally involved in oil palm plantations operations	Director (appointed on 25 October 2013, resigned on 15 June 2021)
Tegap Dinamik Oil & Gas Sdn Bhd	Dormant. The intended principal activity was investment holding in an oil & gas project	Director (appointed on 15 July 2019, resigned on 30 September 2021)
Boustead Petroleum Marketing Sdn Bhd	Marketing of petroleum products	Director (appointed on 17 August 2020, resigned on 15 February 2024)

(ii) Susan Yuen Su Min

Name of company/entity	Principal activities	Involvement in business activities
<u>Present involvement</u>		
Batu Kawan Berhad (listed on the Main Market of Bursa Securities)	Holding company that has investments in oil palm plantation, manufacturer of chemical products including chor alkali chemicals, polymer etc. The group also invests in property development projects	Director (appointed on 1 March 2022)
Alliance Bank Malaysia Berhad (listed on the Main Market of Bursa Securities)	To engage in all aspects of banking business and the provision of related financial services	Director (appointed on 15 October 2018)
Press Metal Aluminium Holdings Berhad (listed on the Main Market of Bursa Securities)	Investment holding company with subsidiaries involved in, among others, manufacturing and trading of aluminium products	Director (appointed on 1 July 2020) and shareholder

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

	Name of company/entity	Principal activities	Involvement in business activities
	<u>Past involvement</u>		
	Maxis Collections Sdn Bhd	E-money business	Director (appointed on 15 September 2021, resigned on 31 July 2023)
(iii) Dr. Heng Kiah Ngan			
	<u>Present involvement</u>		
	Kelab Golf Negara Subang	Promotion of the game of golf and other related sports and hobbies	Director (appointed on 15 September 2022)
	Ai5 AI Technology Sdn Bhd	Computer programming activities; information communication technology system security	Director (appointed on 21 November 2023) and shareholder
	<u>Past involvement</u>		
	Vigilant Advisors Sdn Bhd	Consultancy services to insurance company (Dissolved on 30 April 2022)	Director (appointed on 16 April 2015, resigned on 30 July 2021) and shareholder
	Kwong Thye Long Sdn Bhd	Investment holding (wholesaler and retailer of Nestle products) (Wound up on 27 October 2023)	Shareholder
(iv) Cheryl Khor Hui Peng			
	<u>Present involvement</u>		
	MCIS Insurance Berhad	Underwriting of life and investment linked insurance	Director (appointed on 3 November 2025)

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company/entity	Principal activities	Involvement in business activities
Leader Energy Group Berhad	Activities of holding companies. The company together with its subsidiaries and jointly controlled entities, is an independent power producer that is primarily engaged in the development, ownership, operation and maintenance of power generation and transmission assets	Director (appointed on 25 October 2022)
Alliance Bank Malaysia Berhad (listed on the Main Market of Bursa Securities)	To engage in all aspects of banking business and the provision of related financial services	Director (appointed on 1 June 2021)
Kuala Lumpur Kepong Berhad (listed on the Main Market of Bursa Securities)	To produce and process palm products and natural rubber on its plantation	Director (appointed on 1 December 2021)
Hong Leong Industries Berhad (listed on the Main Market of Bursa Securities)	Investment holding whilst the principal activities engaged by its subsidiaries are primarily in the consumer products segment involving manufacturing, assembling and distribution of motorcycles, scooters and related parts and products, and manufacturing and sale of ceramic tiles	Director (appointed on 1 June 2021)
RAM Holdings Berhad	To provide management services to its subsidiaries; and to offer credit and sustainability services	Director (appointed on 8 June 2023)
<u>Past involvement</u>		
VSTECs Berhad (listed on the Main Market of Bursa Securities)	Investment holding. Through its subsidiaries, it is involved in the distribution of ICT products and the provision of ICT systems and services	Director (appointed on 1 June 2021, resigned on 12 July 2022)
Malaysia Airports Holdings Berhad	Investment holding. Through its subsidiaries, it is involved in, among others, the management, operations, maintenance and provision of airport related services	Director (appointed on 25 July 2022, resigned on 25 February 2025)

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name of company/entity	Principal activities	Involvement in business activities
Malaysia Airports (Sepang) Sdn Bhd	Management, operations, maintenance and provision of airport related services at Kuala Lumpur International Airport Terminal 1 (KLIA Terminal 1) and Kuala Lumpur International Airport 2 (KLIA Terminal 2) in Sepang	Director (appointed on 3 October 2022, resigned on 25 February 2025)
Deloitte Malaysia SR&T Solutions Sdn Bhd	Business of consultancy and advisers in the areas of information technology, risk management and other corporate governance related services and provide training courses related to the areas	Director (appointed on 1 June 2018, resigned on 30 April 2021)
Istanbul Sabiha Gökçen Uluslararası Havalimanı Yatırım Yapım ve İşletme A.Ş. (Istanbul Sabiha Gokcen International Airport Investment Development and Operation Inc.) (ISG)	Operation, management and development and provision of airport related services	Director (appointed on 13 January 2023, resigned on 4 June 2025)
SGC Havalimanı İşletmeleri Ticaret ve Turizm A.Ş. (SGC Airport Operations Trade and Tourism Inc.) (SGC)	Provision of management services in respect of transportation, parking, food and beverages, cleaning at the airport and construction of hotel and car park within the airport	Director (appointed on 20 January 2023, resigned on 2 June 2025)

(v) Olivier Bouchard

Name of company/entity	Principal activities	Involvement in business activities
<u>Present involvement</u>		
Chubb Business Services	To provide technical support and information management, research and development, training and management	Director (appointed on 1 July 2015)
Chubb APAC	Activities of head and regional head offices; centralised administrative offices and subsidiary management offices	Director (appointed on 16 October 2012)

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

<u>Name of company/entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
Chubb Singapore	Insurance-related services	Director (appointed on 10 May 2016)
Chubb Vietnam	Insurance-related services	Director (appointed on 28 October 2016)
<u>Past involvement</u>		
Nil	Nil	Nil

The involvement of our Directors in business activities outside of our Company will not affect their commitment and responsibilities to our Company as:

- (i) the involvement of Olivier Bouchard in the other businesses as highlighted above do not require him to allocate or commit any significant amount of time or attention as these businesses have their own independent management teams. In addition, notwithstanding that Olivier Bouchard is our executive Director by virtue of his executive role in Chubb APAC, an affiliate of our Company, in accordance with the Corporate Governance Policy issued by BNM, he does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations; and
- (ii) our Non-Executive Directors are of the view that they are able to devote sufficient time and attention to the affairs of our Company as they are not required to be actively involved in the management and day-to-day operations of our Company.

9.2.4 Service contracts with our Directors

As at the date of this Prospectus, there are no existing or proposed service contracts between our Directors and us which provide for benefits upon termination of employment.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**9.2.5 Directors' remuneration and material benefits in-kind**

The remuneration and material benefits in-kind (including any contingent or deferred remuneration) paid or proposed to be paid to our Directors for services rendered to us in all capacities to our Company for the FYE 2024 and FYE 2025 are as follows:

FYE 2024	Salaries	Directors'	Bonus	EPF and Social	Profit-sharing	Allowances	Benefits-in-kind	Total
	(RM'000)	fees	(RM'000)	Security	(RM'000)	(RM'000)	(RM'000)	(RM'000)
		(RM'000)		Organisation				
			(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Dato' Mohzani Bin Abdul Wahab	-	154	-	-	-	62	-	216
Susan Yuen Su Min	-	144	-	-	-	62	-	206
Dr. Heng Kiah Ngan	-	141	-	-	-	47	-	188
Cheryl Khor Hui Peng	-	142	-	-	-	58	-	200
Olivier Bouchard	-	96	-	-	-	27	-	123
FYE 2025		Directors'		EPF and Social			Benefits-in-kind	
(Proposed to be paid)	Salaries	Fees	Bonus	Security	Profit-sharing	Allowances	(RM'000)	Total
	(RM'000)	(RM'000)	(RM'000)	Organisation	(RM'000)	(RM'000)		(RM'000)
				(RM'000)				
Dato' Mohzani Bin Abdul Wahab	-	151	-	-	-	68	-	219
Susan Yuen Su Min	-	141	-	-	-	67	-	208
Dr. Heng Kiah Ngan	-	139	-	-	-	51	-	190
Cheryl Khor Hui Peng	-	139	-	-	-	67	-	206
Olivier Bouchard	-	94	-	-	-	29	-	122

The remuneration of our Directors, which includes Directors' fees, bonus and such other allowances as well as other benefits, must be considered and recommended by our Remuneration Committee and subsequently approved by our Board. Our Directors' fees must be further approved/endorsed by our shareholders at a general meeting.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2.6 Audit Committee

Our Audit Committee was established by our Board and comprises the following members:

Name	Designation	Directorship
Cheryl Khor Hui Peng	Chairman	Independent Non-Executive Director
Susan Yuen Su Min	Member	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Member	Independent Non-Executive Director

Our Audit Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

- (i) supporting our Board in ensuring that there is a reliable and transparent financial reporting process within our Company;
- (ii) overseeing the effectiveness of the internal audit function of our Company. At a minimum, this shall include:
 - (a) reviewing and approving the audit scope, plan, procedures, resources and independence of the internal audit function;
 - (b) reviewing key audit reports and ensuring that the Executive Director and senior management is taking necessary corrective actions in a timely manner to address or control weaknesses, non-compliance with laws, regulatory requirements, policies and other problems identified by internal audit and other control functions;
 - (c) noting significant disagreements between the Head of Internal Audit and the Executive Director and/or senior management team, irrespective of whether these have been resolved, to identify any impact which the disagreements may have on the audit process or findings; and
 - (d) establishing a mechanism to assess the performance and effectiveness of the internal audit function;
- (iii) fostering a quality audit of our Company by exercising oversight over the external auditor, in accordance with the expectations set out in BNM's Policy Document on External Auditor. At a minimum, this shall include:
 - (a) making recommendations to our Board on the appointment, removal and remuneration of the external auditor;
 - (b) monitoring and assessing the independence of the external auditor including approving the provision of non-audit services by the external auditor;
 - (c) monitoring and assessing the effectiveness of the external auditor, including by meeting with the external auditor without the presence of Executive Director and senior management at least annually;
 - (d) maintaining regular, timely, open and honest communication with the external auditor, and requiring the external auditor to report to our Audit Committee on significant matters;

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

- (e) ensuring that Executive Director and senior management is taking necessary corrective actions in a timely manner to address external audit findings and recommendations;
- (e) overseeing compliance with relevant regulations and policies regarding external audit;
- (f) reviewing and approving the external audit plan, scope, and coordination if multiple audit firms are involved; and
- (g) reviewing significant external audit findings, reservations, difficulties, and management's responses;
- (iv) reviewing and updating our Board on all related party transactions and conflict of interest situations;
- (v) ensuring transactions are conducted at arm's length, on fair and reasonable terms, and comply with regulatory requirements;
- (vi) monitoring our Company's procedures for tracking related party transactions and conflicts of interest;
- (vii) reviewing the accuracy and adequacy of the Chairman's statement in the Directors' report, corporate governance disclosures, interim financial reports and preliminary announcements in relation to the preparation of financial statements;
- (viii) monitoring compliance with our Company's Whistleblowing Policy, Conflict of Interest Policy and Avoiding Bribery and Corruption Policy;
- (ix) reviewing third party opinions on the design and effectiveness of our Company's internal control framework;
- (x) reviewing the adequacy and effectiveness of our Company's risk management and compliance frameworks; and
- (xi) assessing our Company's risk profile and tolerance and overseeing our Company's monitoring of key operational risks.

9.2.7 Nominating Committee

Our Nominating Committee was established by our Board and comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Susan Yuen Su Min	Chairman	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Member	Independent Non-Executive Director
Cheryl Khor Hui Peng	Member	Independent Non-Executive Director
Olivier Bouchard ⁽¹⁾	Member	Non-Independent Executive Director

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Note:

(1) *Olivier Bouchard has stepped down from our Nominating Committee on 7 November 2025.*

Our Nominating Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

- (i) recommending and assessing the nominees for directorship, the candidates to fill board committees, as well as nominees for the Country President and senior officer positions. This includes assessing Directors and the Country President proposed for reappointment before application for approval is submitted to BNM;
- (ii) exercising oversight over appointment and removal of Directors, senior management and the company secretary, and oversight over composition of our Board to ensure alignment with the expectations set out in the Corporate Governance Policy issued by BNM;
- (iii) overseeing the overall composition of our Board in terms of structure, size and composition (including required mix of skills, knowledge, experience and core competencies which Independent Directors should bring to our Board) and adequacy of balance between Executive Director, Non-Executive Directors and Independent Directors;
- (iv) assessing the effectiveness of our Board as a whole, taking into account the contribution, competencies, commitment and performance by each Director, the contribution of our Board's various committees, the performance of the Country President and the performance of the company secretary;
- (v) ensuring all assessments and evaluations carried out by our Nominating Committee in the discharge of all its functions are properly documented. Our Nominating Committee may engage a professional, experienced and independent party to facilitate our Board evaluation and to ensure our Board is assessed holistically. When an independent third party is used to carry out Board evaluation, our Board should also disclose the identity of the third party;
- (vi) annually assessing and evaluating the performance of Directors, Country President, company secretary and senior officers to ensure that they:
 - (a) continue to fulfill the fit and proper criteria as set out in our Company's Fit and Proper Policy;
 - (b) are not disqualified under Section 59(1) of the FSA (not required for company secretary);
 - (c) are not disqualified under Section 238 of the Act (for company secretary only);
 - (d) continue to comply with any fit and proper requirements as may be specified by BNM or the Listing Requirements from time to time; and
 - (e) have carried out their duties in accordance with the terms of reference;

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

- (vii) annually assessing the independence and performance of the Independent Directors;
- (viii) considering and recommending our Directors for re-election at each AGM;
- (ix) reviewing the succession plans of the Chairman of our Board, Executive Directors and Non-Executive Directors, taking into consideration the challenges and opportunities facing our Company as well as the skills and expertise needed on our Board and by our Company in future;
- (x) overseeing the appointment, succession planning, and performance evaluation of the Country President, company secretary and senior officers;
- (xi) recommending to our Board the removal of a Director, Country President or company secretary if he/she is no longer competent or capable in performing his/her role and no longer demonstrates the qualities relating to probity, personal integrity and reputation;
- (xii) performing such other assignments as may be delegated by our Board;
- (xiii) via the Chair of our Nominating Committee :
 - (a) leading the succession planning and appointment of Directors, and overseeing the development of a diverse pipeline for Board and management succession, including the future Board Chairman and Country President; and
 - (b) leading the annual review of Board effectiveness and ensuring that the performance of each individual Director and Chairman of our Board are independently assessed;
- (xiv) if required, delegating the responsibility for fit and proper assessment and decisions on the appointment of senior officers to the Country President. This includes overseeing the appointment, management, succession planning and performance evaluation of such senior officers and recommending to our Board the removal of such senior officers if they are ineffective, errant and/or negligent in discharging their responsibilities. If such a delegation is given, the Country President shall provide our Nominating Committee with the necessary updates. Our Nominating Committee shall remain accountable for such assessments and decisions;
- (xv) reviewing, facilitating and defining orientation and induction plans for new Directors with respect to the business, structure and management of our Company;
- (xvi) ensuring the nomination and the election process as well as the criteria used in the selection process and the assessment undertaken in respect of our Board, board committees and individual Directors are disclosed in the annual report; and
- (xvii) abstaining from discussion or voting on any resolutions in respect of the assessment of his/her own performance or re-nomination as Director.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.2.8 Remuneration Committee

Our Remuneration Committee was established by our Board and comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Susan Yuen Su Min	Chairman	Independent Non-Executive Director
Dr. Heng Kiah Ngan	Member	Independent Non-Executive Director
Cheryl Khor Hui Peng	Member	Independent Non-Executive Director

Our Remuneration Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

- (i) supporting our Board in actively overseeing the design and operation of our Company's remuneration system as set out in its Remuneration Policy;
- (ii) periodically reviewing the remuneration of Directors on our Board, particularly on whether the remuneration remains appropriate to each Director's contribution, taking into account the level of expertise, commitment and responsibilities undertaken;
- (iii) reviewing and recommending to our Board for approval, the entire individual remuneration packages for each of our Directors and senior management to ensure the levels of remuneration be sufficiently attractive and able to retain high calibre Directors and senior management to run our Company successfully;
- (iv) reviewing and recommending to our Board and thereafter to the shareholders at the AGM, the fees of our Directors and any benefits payable to our Directors including any compensation for loss of employment of a Director or former Director;
- (v) reviewing any major changes in the Remuneration Policy and employee benefit structures throughout our Company, and if thought fit, recommending them to our Board for adoption;
- (vi) ensuring that Directors who are shareholders should abstain from voting at AGM to approve their fees;
- (vii) considering and reviewing Executive Directors' scope of service contracts, if any; and
- (viii) considering all other related matters as may be requested by our Board from time to time.

9.2.9 Risk Management Committee

Our Risk Management Committee was established by our Board and comprises the following members:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Dr. Heng Kiah Ngan	Chairman	Independent Non-Executive Director
Susan Yuen Su Min	Member	Independent Non-Executive Director
Cheryl Khor Hui Peng	Member	Independent Non-Executive Director

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

Our Risk Management Committee's duties and responsibilities as stated in its terms of reference include, among others, the following:

- (i) supporting our Board in meeting the expectations on risk management as set out in BNM's Policy Document on Risk Governance;
- (ii) assisting with the implementation of a sound remuneration system by examining whether incentives provided by the remuneration system take into consideration risks, capital, liquidity and the likelihood and timing of earnings, without prejudice to the tasks of our Remuneration Committee;
- (iii) considering all other risk management related matters as may be requested by our Board from time to time;
- (iv) regularly obtaining information from senior management on adherence to our Company's risk appetite and the implementation of risk management policies, processes, and controls within our Company in managing the key risks to our Company as well as emerging risks;
- (v) periodically meeting to ensure effective exchange of information so as to enable effective coverage of all risks, including emerging risks issues that could have an impact on our Company's risk appetite and business plans;
- (vi) periodically reviewing existing policies and procedures and recommending to our Board any required proposed changes;
- (vii) ensuring all Directors, senior management, employees and where applicable, business partners, are committed to performing professionally, fairly, and with integrity in all areas of business dealings and relationships; and
- (viii) reviewing and ensuring that relevant information is disclosed in the statement on risk management and internal control in our Company's annual report.

9.3 KEY SENIOR MANAGEMENT

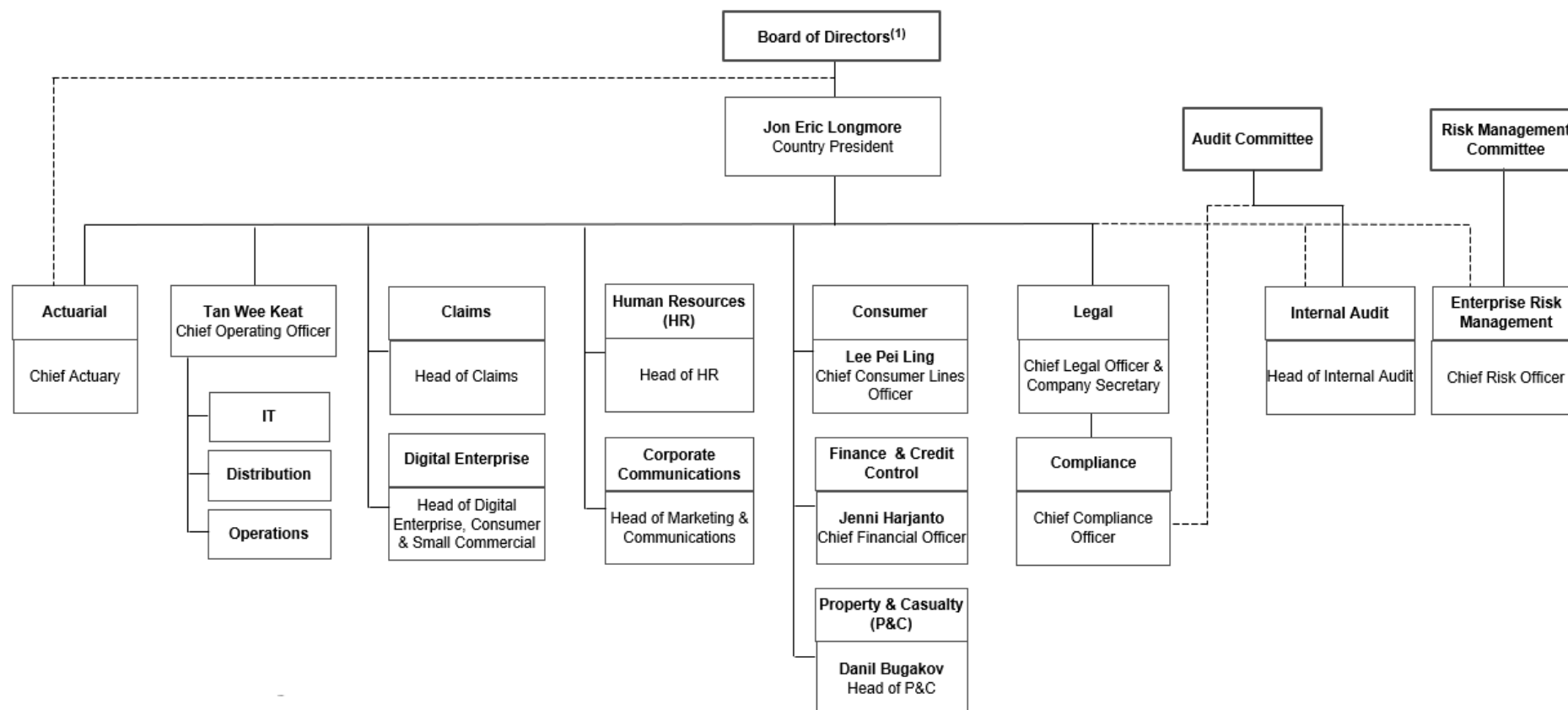
Our Key Senior Management is responsible for the day-to-day management and operations of our Company. The members of our Key Senior Management as at the date of this Prospectus are as follows:

Name	Age	Designation
Jon Eric Longmore	43	Country President
Jenni Harjanto	51	Chief Financial Officer
Tan Wee Keat	40	Chief Operating Officer
Lee Pei Ling	51	Chief Consumer Lines Officer
Danil Bugakov	37	Head of Property and Casualty

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

9.3.1 Management Reporting Structure

Our management reporting structure as at the LPD is as follows:



Note:

- (1) Olivier Bouchard is deemed to be an executive Director of our Company pursuant to the Corporate Governance Policy issued by BNM. Under the said Corporate Governance Policy, a person is an executive director of a financial institution if they have management responsibilities in the financial institution or any of its affiliates. Notwithstanding that, Olivier Bouchard is not employed by our Company, does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.3.2 Profiles of our Key Senior Management

The profiles of our Key Senior Management are as follows:

(i) **Jon Eric Longmore**

Jon Eric Longmore, an Australian, aged 43, is our Country President.

He obtained a Bachelor of Arts in International Relations from University of Queensland, Australia in 2010. He has over 14 years of experience in the general insurance industry.

He began his career with Marsh Pty Ltd, Australia, as Assistant Account Executive in 2011, where he was responsible for acting as an intermediary for customers to place their financial lines insurance with insurance companies. He left the company in 2011 and joined Chubb Insurance Company of Australia Limited as Underwriter. He was promoted to General Manager, Chubb Commercial Insurance Department in 2014, and subsequently promoted to Insurance Business Unit Manager, New South Wales in 2016.

In 2016, Chubb Insurance Company of Australia Limited's insurance business was transferred to ACE Insurance Limited (now known as Chubb Australia), which is a company within the Chubb Group. Following the business transfer, he was re-designated as Distribution Manager, New South Wales, in Chubb Australia in 2017. His responsibilities included implementing distribution strategies as well as managing underwriters across all commercial lines of business, and other related matters. In 2018, he was transferred to Chubb APAC as Head of Digital, Asia Pacific Region, where he was responsible for implementing digital insurance strategies across the Asia Pacific region. Subsequently, in 2020, he was transferred to Chubb Indonesia as Country President, Indonesia. His responsibilities included overseeing the operations and overall performance of the Chubb Group in Indonesia. In 2024, he joined our Company as Country President, Malaysia, a role he presently assumes where he is responsible for overseeing the operations and overall performance of our Company.

He does not have any involvement in other businesses or corporations outside our Company.

(ii) **Jenni Harjanto**

Jenni Harjanto, an Indonesian, aged 51, is our Chief Financial Officer.

She obtained a Bachelor in Commerce from University of Melbourne, Australia in 1995. She has over 29 years of experience in finance and risk related matters.

She began her career with PricewaterhouseCoopers as Associate in 1995. Throughout her tenure of approximately 16 years at the company, she was promoted to various positions, with her last position in the company being Assurance Manager in 2001. Her responsibilities included developing and managing risk-based audits and other related matters. She left the company in 2011 and joined Lumley General Insurance, New Zealand (which was subsequently acquired by Insurance Australia Group in 2014), as Risk and Compliance Consultant, where she was responsible for, among others, implementing risk management controls.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 2014, she was seconded to PT Asuransi Parolamas, Indonesia (a subsidiary of Insurance Australia Group) as Head of Finance and was promoted to Chief Financial Officer and Finance Director in 2015. She was also appointed as Head of People & Culture in 2015. Her responsibilities included establishing robust processes and controls in the Finance and People & Culture departments, and other related matters. She left the company in 2019.

In 2019, she joined Chubb Singapore as Financial Controller. Her responsibilities included overseeing the financial operations of the company, and other related matters. She left the company in 2022 and took a career break for personal reasons until 2023. She then joined Daifuku Oceania Limited, New Zealand as Interim Finance Manager in 2023, where she was responsible for overseeing the financial operations of the company and other related matters. She left the company in 2023.

In 2024, she joined Spencer Henshaw, New Zealand, as Interim Financial Controller, where she was responsible for overseeing the financial operations of the company and other related matters. She left the company in 2024 and joined our Company as Chief Financial Officer, a role she presently assumes where she is responsible for overseeing the financial functions of our Company.

See Section 9.3.4(i) of this Prospectus for further details of her involvement in other businesses or corporations outside our Company.

(iii) **Tan Wee Keat**

Tan Wee Keat, a Malaysian, aged 40, is our Chief Operating Officer.

He obtained a Bachelor of Science in Actuarial Science and Mathematics from The University of Iowa, United States in 2005 and a Master of Business Administration, with Distinction from Capital University, United States in 2008. He was admitted as a Chartered Accountant of the MIA since 2021, a Chartered Certified Accountant of the Association of Chartered Certified Accountants, United Kingdom since 2020, a Fellow of the Actuarial Society of Malaysia since 2018, a Fellow of the Society of Actuaries since 2016 and a Fellow of the Casualty Actuarial Society since 2008. He has over 20 years of experience in the general insurance industry.

He began his career with Nationwide Insurance Company, United States as Actuarial Assistant in 2005 and was promoted to Senior Pricing Analyst in 2007. His responsibilities included analysing insurance losses and premiums and other related matters. He left the company in 2009 and joined Hartford Fire Insurance Company, United States, as Pricing Director, where he was responsible for leading the Pricing Department for Specialty Risk Services; a third-party administrator handling claims for self-insureds and commercial businesses. He was subsequently re-designated as Assistant Actuary & Director in 2011 where he was in charge of developing and enhancing an economic capital framework for strategic and planning purposes. He left the company in 2012.

In 2012, he joined XL Specialty Insurance Company, United States, as Assistant Vice President and Actuary for Professional Errors & Omissions insurance, where he was responsible for building and recommending actuarial valuations for unpaid claim liabilities. He left the company in 2014 and joined Liberty Mutual Insurance Company, United States, as an Actuary for the Western United States Region, where he was responsible for delivering state-specific strategic recommendations to achieve profit and growth objectives. He was subsequently appointed as Director of State Operations for Nevada and Utah in 2015, where he was responsible for establishing and monitoring the states' growth and performance in the consumer markets. He left the company in 2017.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

In 2017, he joined AmGeneral Insurance Berhad (now known as Liberty General Insurance Berhad) as Senior Vice President Actuary and Appointed Actuary, where he was responsible for the certification of valuation results, preparing financial condition reports, and conducting independent review of pricing policy and practices. He was subsequently appointed as Chief Financial Officer in 2019, where he was responsible for the overall financial and investment management of the company. In 2022, he was appointed as Person in Charge, where he was responsible for the day-to-day business operations and administration of the company in the absence of a chief executive officer for an interim period until the completion of the acquisition of AmGeneral Insurance Berhad by Liberty Insurance Berhad and the appointment of a new chief executive officer. Following the completion of the acquisition of AmGeneral Insurance Berhad by Liberty Insurance Berhad in 2022, he was appointed as Chief Financial Officer in 2022. He left the company in 2023.

In 2023, he joined our Company as Chief Operating Officer, a role he presently assumes where he is responsible for overseeing the development and execution of our Company's operations, information technology and agency distribution strategy.

He does not have any involvement in other businesses or corporations outside our Company.

(iv) **Lee Pei Ling**

Lee Pei Ling, a Malaysian, aged 51, is our Chief Consumer Lines Officer.

She obtained a Diploma in Travel & Tourism from SF Airlines Training Centre, Malaysia in 1994, a Diploma in Travel & Tourism from International Air Transport Association and Universal Federation of Travel Agents' Associations, Switzerland in 1994 and a Master of Business Administration (Marketing) from University of Leicester, United Kingdom in 2006. She has over 22 years of experience in the general insurance industry.

She began her career with Corporate Information Travel Sdn Bhd as a Travel Consultant in 1994. Throughout her tenure of approximately 9 years at the company, she was promoted to various positions and gained immense experience in the travel agency industry, with her last position in the company as IT & Marketing Assistant Manager in 2001. Her responsibilities included driving marketing initiatives to promote the company's products and other related matters. She left the company in 2003.

In 2003, she joined AIG Malaysia Insurance Berhad as Senior Travel Executive. Throughout her tenure of approximately 12 years at the company, she held various positions and gained immense experience in the general insurance industry, with her last position in the company as Head of Campaign Management, Direct Marketing in 2012. Her responsibilities included driving growth in the direct marketing business and other related matters. She left the company in 2015.

In 2015, she joined our Company as Head of Direct Marketing, Consumer Division, and was promoted to Head of Consumer in 2018. She was subsequently promoted to Chief Consumer Lines Officer in 2022, a role she presently assumes where she is responsible for overseeing our Company's consumer lines business and other related matters.

She does not have any involvement in other businesses or corporations outside our Company.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

(v) Danil Bugakov

Danil Bugakov, a German, aged 37, is our Head of Property and Casualty.

He obtained a Bachelor of Applied Mathematics and Computer Science with Honours from Moscow State University, Russia in 2013 and Masters in Banking and Finance with Honours from Saint Petersburg State University of Economics in 2019. He has over 12 years of experience in the insurance industry.

He began his career with Hannover Rueck SE, Germany as an Underwriter in 2013, where he was responsible for, among other matters, technical risk reviews and acceptances for facilities and reinsurance products. In 2021, he was promoted to Head of Property at Hannover Rueck SE's Malaysian branch, where he was responsible for overseeing the underwriting functions of the property division. He left the company in 2025.

In 2025, he joined our Company as Head of Property and Casualty, a role he presently assumes where he is responsible for overseeing the underwriting functions of the property and casualty division of our Company.

He does not have any involvement in other businesses or corporations outside our Company.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)**9.3.3 Shareholding of our Key Senior Management**

None of our Key Senior Management hold and/or will hold any Shares before and after our IPO.

9.3.4 Principal business activities performed by our Key Senior Management outside our Company in the past five years

Save as disclosed below, none of our Key Senior Management are involved in principal business activities outside our Company as at the LPD or hold directorships in other companies outside our Company at present and in the past five years preceding the LPD:

(i) Jenni Harjanto

<u>Name of company/entity</u>	<u>Principal activities</u>	<u>Involvement in business activities</u>
<u>Present involvement</u>		
Chubb Business Services	To provide technical support and information management, research and development, training and management	Director (appointed on 18 September 2024)
<u>Past involvement</u>		
Nil	Nil	Nil

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.3.5 Service contracts with our Key Senior Management

As at the date of this Prospectus, there are no existing or proposed service contracts between our Key Senior Management and us which provide for benefits upon termination of employment.

9.3.6 Key Senior Management's remuneration and material benefits in-kind

The aggregate remuneration and material benefits-in-kind (including any contingent or deferred compensation) paid or proposed to be paid to our Key Senior Management for services rendered in all capacities to our Company for the FYE 2024 and FYE 2025 are as follows:

	Remuneration band	
	FYE 2024	FYE 2025 (Proposed) ⁽¹⁾
	RM'000	RM'000
Jon Eric Longmore	400 - 450 ⁽²⁾	2,250 - 2,300
Jenni Harjanto	300 - 350 ⁽³⁾	1,000 - 1,050
Tan Wee Keat	1,600 - 1,650	1,700 - 1,750
Lee Pei Ling	1,100 - 1,150	1,150 - 1,200
Danil Bugakov	-	700 - 750 ⁽⁴⁾

Notes:

- (1) These are estimations of the Key Senior Management's total annual remuneration from 1 January 2025 to 31 December 2025.
- (2) Total annual remuneration from 4 November 2024 to 31 December 2024.
- (3) Total annual remuneration from 19 August 2024 to 31 December 2024.
- (4) Total estimated annual remuneration from 19 February 2025 to 31 December 2025.

The above remuneration of our Key Senior Management, which includes salaries, bonus, fees and allowances as well as other benefits, must be considered and recommended by our Remuneration Committee and subsequently approved by our Board.

9.4 ASSOCIATIONS OR FAMILY RELATIONSHIPS BETWEEN OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Save as disclosed below, there are no family relationships and associations among our Promoter, Substantial Shareholders, Directors and Key Senior Management as at the LPD:

Name	Relationship with our Company	Relationship with our Promoter, Directors, Substantial Shareholders and Key Senior Management
Chubb INA	- Promoter - Substantial shareholder	Indirect wholly-owned subsidiary of Chubb Limited
INA Corporation	Indirect substantial shareholder	Indirect wholly-owned subsidiary of Chubb Limited
Chubb IH	Indirect substantial shareholder	- Direct 14.82%-owned subsidiary of Chubb Limited - Indirect 85.18%-owned subsidiary of Chubb Limited

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT (Cont'd)

Name	Relationship with our Company	Relationship with our Substantial Shareholders and Key Senior Management
Chubb Group Holdings	• Indirect shareholder	• Wholly-owned subsidiary of Chubb Limited
Chubb Limited	• Indirect shareholder	• Holding company of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings
Susan Yuen Su Min	• Independent Executive Director	• Susan Yuen Su Min and Cheryl Khor Hui Peng are both the Independent Directors of Alliance Bank Malaysia Berhad • Susan Yuen Su Min was appointed to the board of Alliance Bank Malaysia Berhad on 15 October 2018 and to our Board on 14 February 2019
Cheryl Khor Hui Peng	• Independent Executive Director	• Cheryl Khor Hui Peng and Susan Yuen Su Min are both the Independent Directors of Alliance Bank Malaysia Berhad • Cheryl Khor Hui Peng was appointed to the board of Alliance Bank Malaysia Berhad and to our Board on 1 June 2021

9.5 DECLARATIONS BY OUR PROMOTER, DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, none of our Promoter, Directors and Key Senior Management has been involved in any of the following event, whether within or outside Malaysia:

- (i) in the last 10 years, a petition under any bankruptcy or insolvency law was filed (and not struck out) against such person or any partnership in which he or she was a partner, or any corporation of which he or she was a director or member of key senior management;
- (ii) such person was disqualified from acting as a director of any corporation, or from taking part directly or indirectly in the management of any corporation;
- (iii) in the last 10 years, such person was charged or convicted in a criminal proceeding, or is a named subject of a pending criminal proceeding;
- (iv) in the last 10 years, any judgment was entered against such person, or finding of fault, misrepresentation, dishonesty, incompetence or malpractice on his or her part, involving a breach of any law or regulatory requirement that relates to the capital market;
- (v) in the last 10 years, such person was the subject of any civil proceeding, involving an allegation of fraud, misrepresentation, dishonesty, incompetence or malpractice on his or her part that relates to the capital market;
- (vi) such person was the subject of any order, judgment or ruling of any court, government, or regulatory authority or body temporarily enjoining him or her from engaging in any type of business practice or activity;
- (vii) in the last 10 years, such person has been reprimanded or issued any warning by any regulatory authority, securities or derivatives exchange, professional body or government agency; and
- (viii) any unsatisfied judgment against such person.

9. INFORMATION ON OUR PROMOTER, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY SENIOR MANAGEMENT *(Cont'd)*

9.6 OTHER MATTERS

- (i) No other amounts or benefits have been paid or intended to be paid or given to our Promoter and Substantial Shareholders within the two years preceding the date of this Prospectus, except for the dividend declared and paid to Chubb INA.
- (ii) There is no arrangement which operation may result in the change in control of our Company at a date subsequent to our IPO and our Listing.
- (iii) Our Promoter and Substantial Shareholders do not have different voting rights from our other shareholders.

10. RELATED PARTY TRANSACTIONS

10.1 OUR COMPANY'S RELATED PARTY TRANSACTIONS

10.1.1 Material related party transactions

Save as disclosed below, there are no other material related party transactions entered into by our Company which involve the interest, direct or indirect, of our Directors, major shareholders and/or persons connected to them for the Financial Years and Period Under Review, and up to the LPD:

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
1.	Our Company and Chubb Business Services	<u>Interested major shareholders</u>	Provision of accounting and administrative services, human resource services, IT services and legal services to Chubb Business Services	240	240	240	120	60
		- Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	See Note (1)(a) for further details of this transaction	(Represents 5.2% of our other income)	(Represents 10.5% of our other income)	(Represents 7.0% of our other income)	(Represents 5.0% of our other income)	(Represents 2.2% of our other income)
		<u>Interested Director</u>	Recipient of IT services including software application development and maintenance services from Chubb Business Services	2,671	826	1,483	596	405
		Olivier Bouchard		(Represents 2.2% of our other operating expense)	(Represents 0.7% of our other operating expense)	(Represents 1.0% of our other operating expense)	(Represents 0.8% of our other operating expense)	(Represents 0.5% of our other operating expense)
		See item 1, Section 11.1.2 of this Prospectus for further details of the relationship						

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
			Payment to Chubb Business Services for the software application development services which are capital expenditure in nature	1,853 (Represents 0.1% of our total assets)	2,092 (Represents 0.1% of our total assets)	5,199 (Represents 0.3% of our total assets)	2,802 (Represents 0.1% of our total assets)	1,048 (Negligible)
			See Note (1)(b) for further details of this transaction					
			Rental of property to Chubb Business Services for office use	1,422 (Represents 30.8% of our other income)	1,361 (Represents 59.5% of our other income)	1,259 (Represents 36.6% of our other income)	632 (Represents 26.5% of our other income)	647 (Represents 24.0% of our other income)
			See Note (1)(c) for further details of this transaction					
			Provision of insurance services to Chubb Business Services	21 (Negligible)	22 (Negligible)	25 (Negligible)	17 (Negligible)	9 (Negligible)
			Payment of claims pursuant to the insurance services provided to Chubb Business Services	1 (Negligible)	1 (Negligible)	1 (Negligible)	1 (Negligible)	-* (Negligible)

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
2.	Our Company and Chubb APAC	<u>Interested major shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Recipient of management support and advisory services including underwriting, claims, finance and administration, reinsurance and human resource support services (where required), software application development services, policy administration services including processing of post-bind activities from Chubb APAC	11,551	12,808	18,513	9,310	7,250
				(Represents 9.6% of our other operating expense)	(Represents 10.4% of our other operating expense)	(Represents 12.7% of our other operating expense)	(Represents 12.2% of our other operating expense)	(Represents 9.1% of our other operating expense)
			See item 5, Section 11.1.2 of this Prospectus for further details of this relationship					
			Payment to Chubb APAC for the software application development services which are capital expenditure in nature	-	-	4,299	-	-
			See Notes (2)(a) and 2(b) for further details of this transaction			(Represents 0.2% of our total assets)		
			Provision of back-office support services to Chubb APAC	92	104	138	139	54
			See Note 2(c) for further details of this transaction	(Represents 2.0% of our other income)	(Represents 4.5% of our other income)	(Represents 4.0% of our other income)	(Represents 5.8% of our other income)	(Represents 2.0% of our other income)

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
3.	Our Company and Cover Direct	<u>Interested major shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited See item 3, Section 11.1.2 of this Prospectus for further details of this relationship.	Recipient of management support and advisory services including underwriting support services (where required), central information finance system support services, accident and health system support services, actuarial and claims support services from Cover Direct See Note (3) for further details of this transaction	2,724 (Represents 2.3% of our other operating expense)	3,075 (Represents 2.5% of our other operating expense)	5,237 (Represents 3.6% of our other operating expense)	2,713 (Represents 3.6% of our other operating expense)	1,321 (Represents 1.7% of our other operating expense)
4.	Our Company and CIMC	<u>Interested major shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited See item 4, Section 11.1.2 of this Prospectus for further details of this relationship	Recipient of reinsurance related services including collection and verification of reinsurance information, facilitation of payment due to and from reinsurers from CIMC See Note (4) for further details of this transaction	87 (Represents 0.1% of our other operating expense)	107 (Represents 0.1% of our other operating expense)	92 (Represents 0.1% of our other operating expense)	47 (Represents 0.1% of our other operating expense)	24 (Negligible)

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
5.	Our Company and AIOIC	<u>Interested major shareholders</u>	Recipient of reinsurance services from AIOIC	64	68	68	34	17
		- Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited		(Represents 0.1% of our allocation of reinsurance premiums)	(Negligible)	(Negligible)	(Negligible)	(Negligible)
			Recipient of claims payment pursuant to the reinsurance services received from AIOIC	28	(7)	217	(42)	(4)
		See item 9, Section 11.1.2 of this Prospectus for further details of this relationship	See Note (5) for further details of this transaction	(Negligible)	(Negligible)	(Represents 0.5% of our amount recoverable from reinsurers for incurred claims excluding incurred but not reported ("IBNR") portion)	(Represents 0.2% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)	(Negligible)
6.	Our Company and FIC	<u>Interested major shareholders</u>	Recipient of claims payment pursuant to the reinsurance services received from FIC	(229)	36	-	-	-
		- Chubb IH - Chubb Group Holdings - Chubb Limited		(Represents 0.2% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)	(Represents 0.2% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)			
		See item 13, Section 11.1.2 of this Prospectus for further details of this relationship	See Note (5) for further details of this transaction					

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
7.	Our Company and the following entities: • Chubb Tempest • Chubb Capital I and Chubb Underwriting Agencies	<u>Interested major shareholder</u> • Chubb Limited See items 8 and 12, Section 11.1.2 of this Prospectus for further details of this relationship	Recipient of reinsurance services from the related entities	88,751	104,805	117,980	59,823	32,893
			<i>Chubb Capital I and Chubb Underwriting Agencies: Reinsurance services are provided through Lloyd's Syndicate 2488. Chubb Capital I is a capital provider for the syndicate and Chubb Underwriting Agencies is the managing agent of the syndicate</i>	(Represents 72.5% of our allocation of reinsurance premiums)	(Represents 73.5% of our allocation of reinsurance premiums)	(Represents 82.0% of our allocation of reinsurance premiums)	(Represents 83.2% of our allocation of reinsurance premiums)	(Represents 83.4% of our allocation of reinsurance premiums)
			Recipient of claims payment pursuant to the reinsurance services received from the related entities	70,419	8,027	35,287	11,363	13,362
			See Note (5) for further details of the transaction	(Represents 59.3% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)	(Represents 40.5% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)	(Represents 89.2% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)	(Represents 64.4% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)	(Represents 118.4% of our amount recoverable from reinsurers for incurred claims excluding IBNR portion)
8.	Our Company and CEG	<u>Interested major shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group	Recipient of reinsurance services from CEG	39	-	-	-	-
			See Note (5) for further details of the transaction	(Negligible)				

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
9.	Our Company and Chubb Australia	Interested major shareholders - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited See item 10, Section 11.1.2 of this Prospectus for further details of this relationship	Holdings	752	1,058	992	8	6
			• Chubb Limited	(Represents 0.1% of our insurance revenue)	(Represents 0.2% of our insurance revenue)	(Represents 0.1% of our insurance revenue)	(Negligible)	(Negligible)
			Provision of reinsurance services to CEG as part of the global insurance policy for multinational clients					
			See item 11, Section 11.1.2 of this Prospectus for further details of this relationship					
			Payment of claims pursuant to the reinsurance services provided to CEG as part of the global insurance policy for multinational clients	202	79	55	3	18
				(Negligible)	(Negligible)	(Negligible)	(Negligible)	(Negligible)
			See Note (6) for further details of this transaction					
			Recipient of reinsurance services from Chubb Australia	121	121	121	60	30
				(Represents 0.1% of our allocation of reinsurance premiums)	(Represents 0.1% of our allocation of reinsurance premiums)	(Represents 0.1% of our allocation of reinsurance premiums)	(Represents 0.1% of our allocation of reinsurance premiums)	(Represents 0.1% of our allocation of reinsurance premiums)
			See Note (5) for further details of this transaction					
			Provision of reinsurance services to Chubb Australia as part of the global insurance policy for multinational clients	13	13	13	6	2
				(Negligible)	(Negligible)	(Negligible)	(Negligible)	(Negligible)
			See item 10, Section 11.1.2 of this Prospectus for further details of this relationship					
			Payment of claims pursuant to the reinsurance services provided to Chubb Australia as part of the global insurance policy for multinational clients	9	8	29	4	3
				(Negligible)	(Negligible)	(Negligible)	(Negligible)	(Negligible)
			See Note (6) for further details of this transaction					

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
10.	Our Company and Chubb HK	<u>Interested major shareholders</u>	Recipient of reinsurance services from Chubb HK	-	-	1 (Negligible)	(1) (Negligible)	-
		- Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Recipient of claims payment pursuant to the reinsurance services received from Chubb HK	-	-* (Negligible)	-	-	-
		See item 10, Section 11.1.2 of this Prospectus for further details of this relationship	See Note (5) for further details of this transaction					
			Provision of reinsurance services to Chubb HK as part of the global insurance policy for multinational clients	1 (Negligible)	610 (Represents 0.1% of our insurance revenue)	743 (Represents 0.1% of our insurance revenue)	396 (Represents 0.1% of our insurance revenue)	1 (Negligible)
			Payment of claims pursuant to the reinsurance services provided to Chubb HK as part of the global insurance policy for multinational clients	716 (Represents 0.2% of our insurance services expense excluding IBNR portion)	1,032 (Represents 0.3% of our insurance services expense excluding IBNR portion)	3,058 (Represents 0.7% of our insurance services expense excluding IBNR portion)	147 (Represents 0.1% of our insurance services expense excluding IBNR portion)	(1,254) (Represents 0.9% of our insurance services expense excluding IBNR portion)
			See Note (6) for further details of this transaction					

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
11.	Our Company and the following entities:	<u>Interested major shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited	Provision of reinsurance services to the related entities as part of the global insurance policy for multinational clients	54 (Negligible)	48 (Negligible)	71 (Negligible)	14 (Negligible)	1 (Negligible)
			Payment of claims pursuant to the reinsurance services provided to the related entities as part of the global insurance policy for multinational clients	68 (Negligible)	.* (Negligible)	28 (Negligible)	20 (Negligible)	2 (Negligible)
		<u>Interested Director</u> • Olivier Bouchard						
		See item 18, Section 11.1.2 of this Prospectus for further details of this relationship	See Note (6) for further details of this transaction					
12.	Our Company and the following entities:	<u>Interested major shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited	Provision of reinsurance services to the related entities as part of the global insurance policy for multinational clients	370 (Represents 0.1% of our insurance revenue)	410 (Represents 0.1% of our insurance revenue)	726 (Represents 0.1% of our insurance revenue)	(453) (Represents 0.1% of our insurance revenue)	8 (Negligible)
			Payment of claims pursuant to the reinsurance services provided to the related entities as part of the global insurance policy for multinational clients	95 (Negligible)	91 (Negligible)	217 (Represents 0.1% of our insurance services expense excluding IBNR portion)	14 (Negligible)	34 (Negligible)
		See items 16 and 19, Section 11.1.2 of this Prospectus for further details of this relationship	See Note (6) for further details of this transaction					

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	
13.	Our Company and the following entities: • ACE American • ICNA	<u>Interested major shareholders</u> • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited See items 14 and 20 of Section 11.1.2 of this Prospectus for further details of the nature of relationship	Provision of reinsurance services to the related entities as part of the global insurance policy for multinational clients.	6 (Negligible)	3 (Negligible)	-* (Negligible)	-	-
			Payment of claims pursuant to the reinsurance services provided to the related entities as part of the global insurance policy for multinational clients	19 (Negligible)	19 (Negligible)	57 (Negligible)	4 (Negligible)	1 (Negligible)
			See Note (6) for further details of this transaction					
14.	Our Company and the following entities: • Chubb China • Huatai P&C	<u>Interested major shareholders</u> • Chubb IH • Chubb Group Holdings • Chubb Limited See items 15 and 21 of Section 11.1.2 of this Prospectus for further details of the nature of relationship	Provision of reinsurance services to the related entities as part of the global insurance policy for multinational clients	51 (Negligible)	66 (Negligible)	47 (Negligible)	19 (Negligible)	1 (Negligible)
			Payment of claims pursuant to the reinsurance services provided to the related entities as part of the global insurance policy for multinational clients	53 (Negligible)	29 (Negligible)	19 (Negligible)	14 (Negligible)	3 (Negligible)
			See Note (6) for further details of this transaction					

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value					From 1 July 2025 up to the LPD (RM'000)
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)		
15.	Our Company and Chubb Switzerland	<u>Interested major shareholder</u> • Chubb Limited See item 17, Section 11.1.2 of this Prospectus for further details of this relationship	Provision of reinsurance services to Chubb Switzerland as part of the global insurance policy for multinational clients	-	13 (Negligible)	3 (Negligible)	-		-
			Payment of claims pursuant to the reinsurance services provided to Chubb Switzerland as part of the global insurance policy for multinational clients	9 (Negligible)	3 (Negligible)	-* (Negligible)	-		-
			See Note (6) for further details of this transaction						
16.	Our Company and Chubb Limited	<u>Interested major shareholder</u> • Chubb Limited	Payment to Chubb Limited for shares and/or options granted to our eligible employees pursuant to the employee share-based incentive scheme by Chubb Limited	1,796 (Represents 1.5% of our other operating expense)	4,387 (Represents 3.6% of our other operating expense)	1,846 (Represents 1.3% of our other operating expense)	-		-
			See Note (7) for further details of this transaction						
			Recipient of right to use trademarks and service marks from Chubb Limited	-	-	-	-		-
			See Note (8) for further details of this transaction						

10. RELATED PARTY TRANSACTIONS (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value				
				FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)	FPE 2025 (RM'000)	From 1 July 2025 up to the LPD (RM'000)
17.	Our Company and Chubb IH	<u>Interested major shareholders</u> - Chubb IH - Chubb Group Holdings - Chubb Limited	Recipient of right to use trademarks and service marks from Chubb IH See Note (8) for further details of this transaction	-	-	-	-	-

Notes:

* Negligible as the transaction value is less than RM500.

(1) Chubb Business Services

- (a) Pursuant to a shared services agreement effective 1 January 2008 (supplemented by an addendum no. 1 dated 23 May 2019 and an addendum no. 2 dated 19 August 2024) between our Company and Chubb Business Services, our Company agrees to provide accounting and administrative services, human resource services, IT services, legal services and other services to Chubb Business Services for a term commencing from 1 January 2008 up to 31 December 2008, at a monthly fee of RM20,000.00. The agreement is automatically renewed on a yearly basis unless terminated. Our Company is reviewing the agreement with Chubb Business Services and intends to discontinue the services provided to Chubb Business Services (save for administrative and IT services) by December 2025;
- (b) Pursuant to an intra-group outsourcing agreement between Chubb Business Services and Chubb APAC dated 1 January 2008 (supplemented by an addendum no. 1 effective 1 August 2021), Chubb Business Services agrees to provide IT services (including application development and maintenance services) and other services to members of the Chubb Group, including our Company, on behalf of Chubb APAC for a term commencing from 1 January 2008 to 31 December 2008. The agreement is automatically renewed on a yearly basis unless terminated;

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (c) Pursuant to tenancy agreements dated 29 April 2014 and 5 August 2019 ("**Original Tenancy Agreements**") between our Company (as landlord) and Chubb Business Services (as tenant), our Company has agreed to rent the following premises:
- (i) Level 10, Wisma Chubb, 38, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan for an initial term of 3 years, commencing from 1 May 2013 up to 30 April 2016, for a monthly rental of RM44,133.00; and
 - (ii) Level 12, Wisma Chubb, 38, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan for an initial term of 3 years, commencing from 1 October 2019 up to 30 September 2022, for a monthly rental of RM56,767.00.

The Original Tenancy Agreements were renewed up to 31 August 2025 and had expired. Subsequently, our Company (as landlord) and Chubb Business Services (as tenant) had, on 24 October 2025, entered into a new tenancy agreement for the rental of Levels 8, 10, 11 and 12, Wisma Chubb, 38, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan for an initial term of 3 years, commencing from 1 September 2025 up to 31 August 2028, with an option to renew for a further term of 3 years. The monthly rental for the period from 1 September 2025 up to 31 December 2025 is RM270,017.92, while the monthly rental for the period from 1 January 2026 up to 31 August 2028 is RM275,009.75. See Section B.2, Annexure B of this Prospectus for further details on the property we rent to Chubb Business Services.

(2) Chubb APAC

- (a) Pursuant to an amended and restated intra-group outsourcing service agreement between our Company and Chubb APAC dated 3 July 2019 ("**Amended and Restated Agreement**"), Chubb APAC agrees to provide services including underwriting, claims, finance and administration, reinsurance and human resource, IT and other services to our Company, and these services are only provided if requested by our Company. The Amended and Restated Agreement supersedes and replaces a previous intra-group outsourcing agreement dated 7 March 2014, and a variation agreement dated 3 January 2017 and takes effect retroactively for the period between 1 January 2018 up to 31 December 2020. The Amended and Restated Agreement is automatically renewed on a yearly basis unless terminated;
- (b) Pursuant to an outsourcing agreement between our Company and Chubb APAC (Philippines branch office) dated 17 February 2021 (supplemented by an amendment no. 1 dated 2 March 2022, Chubb APAC (Philippines branch office) agrees to provide multinational policy administration services including the processing of all post-bind activities of multinational programs including, among others, indexing, submission logging and premium book entry to our Company for a term commencing from 17 February 2021 up to 16 February 2022. The agreement is automatically renewed on a yearly basis unless terminated;
- (c) Pursuant to an intra-group service agreement between our Company and Chubb APAC dated 28 October 2021, our Company agrees to provide back-office support services for certain business lines of Chubb APAC, for a term commencing from 1 January 2021 up to 31 December 2023. The agreement is automatically renewed on a yearly basis unless terminated;

10. RELATED PARTY TRANSACTIONS (Cont'd)

- (3) *Pursuant to an advisory and support services agreement between our Company and Cover Direct effective 1 January 2019, Cover Direct agrees to provide underwriting support services, accident and health lines systems and support services, actuarial support services, claims services, financial systems support services and other services to our Company, and these services are only provided if requested for by our Company. This agreement takes effect for a term commencing from 1 January 2019 up to 31 December 2019 and is automatically renewed on a yearly basis unless terminated.*
- (4) *Pursuant to a services agreement effective 1 January 2017 between CIMC and among others, our Company, CIMC agrees to provide reinsurance-related services including among others, collection and verification of reinsurance information and other services to members of the Chubb Group, including our Company for a term commencing from 1 January 2017 up to 31 December 2017 and is automatically renewed on a yearly basis unless terminated. It also assists our Company in our reinsurance program by facilitating payment sums due to and from reinsurers under our Company's reinsurance program.*
- (5) *These reinsurance transactions are carried out in accordance with the regulatory requirements set by BNM. Under these requirements, for reinsurance business to be ceded, our Company must first prioritise domestic-licensed reinsurers and if none of them accept the business, our Company is permitted to approach licensed reinsurers in Labuan. If the business is also not accepted by Labuan reinsurers, our Company is then permitted to approach foreign reinsurers. In addition, our Company's selection process involves an independent assessment of each reinsurer's financial strength, with a particular emphasis on credit ratings to effectively manage counterparty risk.*
- (6) *Our Company services multinational clients, where these clients may require insurance coverage to be provided across their subsidiaries in other markets across the world. Where a multinational client based in Malaysia requires insurance coverage to be placed in another country, one of our Company's affiliates would issue a local insurance policy in that country in line with local regulatory requirements. The affiliate that issues the local insurance policy will reinsure it with and pay the reinsurance premiums to our Company. This approach allows our Company's multinational clients to obtain seamless coverage across different jurisdictions as part of our multinational insurance program.*
- (7) *Our Company incurred cost in relation to an employee share-based incentive scheme by Chubb Limited, where our Company makes payment to Chubb Limited for our employees to receive shares and options of Chubb Limited. Under the scheme, eligible employees of our Company are granted shares and/or options in Chubb Limited based on the market price and fair value of Chubb Limited's shares.*
- (8) *Our Company and among others, Chubb Limited and Chubb IH entered into the Trademark Licensing Agreement where Chubb Limited and/or Chubb IH granted to members of the Chubb Group, including our Company, a non-exclusive, royalty-free, fully sublicensable licence to use certain trademarks, including the "Chubb" name and logo for our Company's business in Malaysia. This transaction is entered into to align the usage of the "Chubb" brand and to ensure branding continuity throughout the Chubb Group. See Section 7.21 of this Prospectus for further details of the Trademark Licensing Agreement.*

10. RELATED PARTY TRANSACTIONS (Cont'd)

Our Directors are of the view that all the related party transactions of our Company were transacted in line with the Policy Document on Related Party Transactions issued by BNM, on an arm's length basis and on normal commercial terms which were not more favourable to the related parties than those generally available to third parties and were not detrimental to our non-interested shareholders after taking into consideration, among others, the regulatory requirements set by BNM (as disclosed in item (5) above), the ceding of reinsurance which is undertaken on a proportional basis (in terms of the premium ceded and the risk transferred), the market rental rates of similar properties in the vicinity, transfer pricing and/or other related documentation of our Company and general tax laws and guidelines issued by the relevant authorities.

Our Directors also confirm that there are no other material related party transactions that have been entered by our Company that involve the interest, direct or indirect, of our Directors, major shareholders and/or persons connected to them but not yet effected up to the date of this Prospectus.

After our Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders (which mandate would typically be renewed as required at each AGM of our Company) to enter into such recurrent transactions without having to seek separate shareholders' approval each time we wish to enter into such recurrent related party transactions during the validity period of the mandate.

In addition, to safeguard the interest of our Company and our non-interested shareholders, and to mitigate any potential conflict of interest situation, our Audit Committee will, among others, supervise and monitor any recurrent related party transaction and the terms thereof and report to our Board for further action, as set out in Section 10.2.1 of this Prospectus.

10.1.2 Related party transactions that are unusual in their nature or condition

There are no transactions that are unusual in their nature or conditions, involving goods, services, tangible or intangible assets, to which our Company was a party for the Financial Years and Period Under Review and up to the LPD.

10.1.3 Material outstanding loans and/or financial assistance (including guarantees of any kind)**(i) Material outstanding loans and/or financial assistance (including guarantees of any kind) made to or for the benefit of related parties**

There are no material outstanding loans and/or financial assistance (including guarantees of any kind) made by our Company to or for the benefit of our related parties in respect of the Financial Years and Period Under Review and up to the LPD.

(ii) Material outstanding loans and/or financial assistance (including guarantees of any kind) made by the related parties of our Company

There are no material outstanding loans and/or financial assistance (including guarantees of any kind) made by the related parties for the benefit of our Company in respect of the Financial Years and Period Under Review and up to the LPD.

10. RELATED PARTY TRANSACTIONS (Cont'd)**10.2 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS****10.2.1 Audit Committee review**

Our Audit Committee reviews related party transactions and conflicts of interest situations that may arise within our Company. Our Audit Committee also reviews any transaction, procedure or course of conduct that raises questions of management integrity including our related party transactions. In reviewing the related party transactions, the following, among other things, will be considered:

- (i) the rationale and the cost/benefit to our Company;
- (ii) where possible, comparative quotes will be taken into consideration;
- (iii) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties dealing on an arm's length basis; and
- (iv) that the transactions are not detrimental to our Company's non-interested shareholders.

All reviews by our Audit Committee are reported to our Board for its further action.

10.2.2 Our Company's policy on related party transactions

Related party transactions, by their very nature, involve conflicts of interests between our Company and the related parties with whom our Company has entered into such transactions. Some of our officers and our Directors are also officers, directors and in some cases, shareholders of the related parties of our Company, as disclosed in this Prospectus and, with respect to these related party transactions, may individually and in aggregate have conflicts of interest. It is the policy of our Company that all related party transactions are carried out on normal commercial terms which are not more favourable to the related parties than those generally available to the third parties dealing on an arm's length basis with our Company and are not to the detriment of our non-interested shareholders.

In addition, we plan to adopt a corporate governance framework to mitigate conflict of interest situations and intend for the framework to be guided by the Listing Requirements and the MCCG upon our Listing. The procedures which may form part of the framework include, among others, the following:

- (i) our Board shall ensure that majority of our Board's members are Independent Directors and will undertake an annual assessment of each Independent Director's independence;
- (ii) our Directors will be required to disclose any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Company, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and
- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to our Audit Committee for evaluation and assessment who would in turn, make a recommendation to our Board.

11. CONFLICT OF INTEREST

11.1 INTEREST IN ENTITIES CARRYING ON A SIMILAR TRADE AS THAT OF OUR COMPANY OR WHICH ARE OUR CUSTOMERS OR SUPPLIERS

11.1.1 Involvement of our Directors and Substantial Shareholders in entities which carry on a similar trade as that of our Company

Save as disclosed below, as at the LPD, our Directors and Substantial Shareholders do not have any interest, direct or indirect, in any other entities which are carrying on a similar trade as that of our Company:

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
1.	Companies within the Chubb Group which are involved in the insurance business ⁽¹⁾ (collectively, "Affected Entities")	<u>Substantial Shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited <u>Director</u> • Olivier Bouchard	Similar trade as that of our Company	Insurance	• Chubb INA is a substantial shareholder of our Company and some of the Affected Entities. • INA Corporation is a substantial shareholder of some of the Affected Entities and our indirect substantial shareholder. • Chubb IH is a substantial shareholder of some of the Affected Entities and our indirect substantial shareholder. • Chubb Group Holdings is a substantial shareholder of some of the Affected Entities and our indirect substantial shareholder. • Chubb Limited is a direct or indirect substantial shareholder of each of the Affected Entities and our indirect substantial shareholder.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
					Olivier Bouchard is a director of two of the Affected Entities which carry on similar trade as that of our Company, namely Chubb Singapore and Chubb Vietnam and is also our Non-Independent Executive Director.
2.	MCIS Berhad	Insurance Director Cheryl Khor Hui Peng	Similar trade as that of our Company	Underwriting of life and investment linked insurance	Cheryl Khor Hui Peng has been appointed as an independent non-executive director of MCIS Insurance Berhad on 3 November 2025 and is our Independent Non-Executive Director.

Note:

- (1) *Excludes other entities under the Chubb Group with other principal activities such as investment holding, asset management, real estate and investment management.*

Our Board is of the view that any potential conflict of interest situation which may arise through the interests of our Directors and Substantial Shareholders in other entities which carry on a similar trade as that of our Company is mitigated due to the following:

- (i) Chubb Limited is the ultimate holding company of the Chubb Group, and through its direct and indirect subsidiaries, is a global insurance and reinsurance organisation. With operations in multiple countries and territories, the Chubb Group provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. Our Company and the Affected Entities are part of the Chubb Group and the business and operations of the Affected Entities are not in direct competition with our business and operations given that they operate in separate jurisdictions with different geographical target markets. Further, none of the Affected Entities have operations in Malaysia and none of the Affected Entities are licensed to provide insurance services in Malaysia;
- (ii) Olivier Bouchard is not involved in the day-to-day operations and management of Chubb Singapore and Chubb Vietnam as Chubb Singapore and Chubb Vietnam have their own independent and standalone management teams.

In addition, notwithstanding that Olivier Bouchard is an executive Director of our Company by virtue of his executive role in Chubb APAC, an affiliate of our Company, in accordance with the Corporate Governance Policy issued by BNM, he does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations. He will abstain from deliberating and voting on resolutions pertaining to any transaction between our Company and Chubb Singapore or Chubb Vietnam; and

11. CONFLICT OF INTEREST (Cont'd)

- (iii) Cheryl Khor Hui Peng's involvement in MCIS Insurance Berhad as an independent non-executive director does not give rise to any conflict of interest situation as MCIS Insurance Berhad is licensed to carry out life insurance business, while our Company is licensed to carry out general insurance business. As such, the business and operations of MCIS Insurance Berhad is not in direct competition with the business and operations of our Company.

In addition, Cheryl Khor Hui Peng being our Independent Non-Executive Director, is not involved in the day-to-day operations of our Company. She will abstain from deliberating and voting on resolutions pertaining to any transaction between our Company and MCIS Insurance Berhad.

11.1.2 Involvement of our Directors and Substantial Shareholders in entities which are our customers or suppliers

Save as disclosed below, as at the LPD, our Directors and Substantial Shareholders do not have any interest, direct or indirect, in any entities which are our customer and/or supplier:

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
1.	Chubb Business Services	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited <u>Director</u> - Olivier Bouchard	- Recipient of accounting and administrative services, human resource services, IT services and legal services from our Company - Provision of IT services including software application development and maintenance services to our Company - Recipient of insurance services from our Company	Providing technical support and information management, research and development, training and management	Chubb Business Services is a wholly-owned subsidiary of Chubb APAC, which in turn is a wholly-owned subsidiary of AFIA, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. Chubb INA is a wholly-owned subsidiary of INA Corporation, which in turn is a wholly-owned subsidiary of Chubb IH, which in turn is 85.18%-owned by Chubb Group Holdings and 14.82%-owned by Chubb Limited. Chubb Group Holdings is a wholly-owned subsidiary of Chubb Limited. INA Corporation, Chubb IH, Chubb Group Holdings and Chubb Limited are indirect substantial shareholders of our Company. See Section 6.2 of this Prospectus for further details of our corporate structure.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
					Olivier Bouchard is a director of Chubb Business Services and our Non-Independent Executive Director.
2.	Chubb Services UK	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Provision of IT services and systems including application development and IT management services on the Chubb Group's global applications to our Company	Insurance-related services	Chubb Services UK is a wholly-owned subsidiary of Chubb IGBH, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
3.	Cover Direct	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Provision of management support and advisory services including underwriting support services (where required), central information finance system support services, accident and health system support services, actuarial and claims support services to our Company	Insurance-related services	Cover Direct is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
4.	CIMC	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Provision of reinsurance related services including collection and verification of reinsurance information, facilitation of payment due to and from reinsurers to our Company	Insurance-related services	CIMC is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
5.	Chubb APAC	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited <u>Director</u> - Olivier Bouchard	- Provision of management support and advisory services including underwriting, claims, finance and administration, reinsurance and human resource support services (where required), software application development services, policy administration services including processing of post-bind activities to our Company - Recipient of back-office support services from our Company	Activities of head and regional head offices; centralised administrative offices and subsidiary management offices	- Chubb APAC is a wholly-owned subsidiary of AFIA, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus. - Olivier Bouchard is a director of Chubb APAC and is employed by Chubb APAC to be the Chubb Group's Chief Financial Officer for the Asia Pacific region. He is also our Non-Independent Executive.
6.	Chubb IH	<u>Substantial shareholders</u> - Chubb Group Holdings - Chubb Limited	Provision of claim system hosting services and maintenance support services to our Company	Holding company	Chubb IH is our indirect substantial shareholder. The relationship of Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
7.	- Chubb Limited - Chubb IH	<u>Substantial shareholders</u> - Chubb IH - Chubb Group Holdings - Chubb Limited	Provision of right to use trademarks and service marks to our Company	Holding company	Chubb IH and Chubb Limited are our indirect substantial shareholders. The relationship of Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
8.	Chubb Tempest	<u>Substantial shareholder</u> • Chubb Limited	Provision of reinsurance services to our Company	Reinsurance-related services	Chubb Tempest is a wholly-owned subsidiary of Chubb Tempest Life, which in turn is a wholly-owned subsidiary of Chubb GMH, which in turn is a wholly-owned subsidiary of Chubb Limited, our indirect substantial shareholder.
9.	AIOIC	<u>Substantial Shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited	Provision of reinsurance services to our Company	Reinsurance-related services	AIOIC is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
10.	• Chubb Australia • Chubb HK	<u>Substantial Shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited	• Provision of reinsurance services to our Company • Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	• Chubb Australia is a wholly-owned subsidiary of Chubb Holdings Australia, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. • Chubb HK is a 99.98%-owned subsidiary of Chubb INA, our substantial shareholder, and 0.02%-owned by AIOIC, which in turn is a wholly-owned subsidiary of Chubb INA. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
11.	CEG	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	- Provision of reinsurance services to our Company - Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	CEG is 99.99% owned by Chubb European Holdings and 0.01% owned by Chubb EU Holdings. Chubb EU Holdings is a wholly-owned subsidiary of Chubb European Holdings, which in turn is a wholly-owned subsidiary of Chubb IOH, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
12.	- Chubb Capital I - Chubb Underwriting Agencies	<u>Substantial shareholder</u> Chubb Limited	Provision of reinsurance services to our Company through Lloyd's Syndicate 2488 <i>Chubb Capital I is a capital provider for the syndicate and Chubb Underwriting Agencies is the managing agent of the syndicate</i>	- Chubb Capital I: Capital provider to Lloyd's Syndicate 2488 - Chubb Underwriting Agencies: Managing agent of Lloyd's Syndicate 2488	- Chubb Capital I is a wholly-owned subsidiary of Chubb Market Company, which in turn is a wholly-owned subsidiary of Chubb GMH, which in turn is a wholly-owned subsidiary of Chubb Limited, our indirect substantial shareholder. - Chubb Underwriting Agencies is a wholly-owned subsidiary of Chubb Leadenhall, which in turn is a wholly-owned subsidiary of Chubb Tarquin, which in turn is a wholly-owned subsidiary of Chubb Market Company, which in turn is a wholly-owned subsidiary of Chubb GMH, which in turn is a wholly-owned subsidiary of Chubb Limited, our indirect substantial shareholder.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
13.	FIC	<u>Substantial shareholders</u> - Chubb IH - Chubb Group Holdings - Chubb Limited	Provision of reinsurance services to our Company	Insurance-related services	FIC is a wholly-owned subsidiary of Chubb IH, our indirect substantial shareholder. The relationship of Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
14.	ACE American	<u>Substantial shareholders</u> - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	- Provision of cargo system hosting services to our Company - Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	ACE American is a wholly-owned subsidiary of INA HC, which in turn is a wholly-owned subsidiary of INA FC, which in turn is a wholly-owned subsidiary of INA Corporation, our indirect substantial shareholder. The relationship of INA Corporation, Chubb IH and Chubb Group Holdings in our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
15.	Chubb China	<u>Substantial shareholders</u> - Chubb IH - Chubb Group Holdings - Chubb Limited	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	Chubb China is a wholly-owned subsidiary of FIC, which in turn is a wholly-owned subsidiary of Chubb IH, our indirect substantial shareholder. The relationship of Chubb IH and Chubb Group Holdings in our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
16.	- Chubb Japan - Chubb Pakistan - Chubb Macau	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	- Chubb Japan is a wholly-owned subsidiary of AIOIC, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. - Chubb Pakistan is a wholly-owned subsidiary of Chubb INA, our substantial shareholder.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
					Chubb Macau is a 99.97%-owned subsidiary of Chubb INA, our substantial shareholder. The remaining equity interest of approximately 0.03% is collectively owned by direct or indirect wholly-owned subsidiaries of Chubb INA, namely Chubb Alternative Risk, Chubb Australia, AIOIC, Chubb IOH, AFIA, Cover Direct and Chubb Holdings Canada. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
17.	Chubb Switzerland	<u>Substantial shareholder</u> Chubb Limited	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	Chubb Switzerland is a wholly-owned subsidiary of Chubb Limited, our indirect substantial shareholder.
18.	- Chubb Singapore - Chubb Vietnam	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited <u>Director</u> - Olivier Bouchard	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	Chubb Singapore is a wholly-owned subsidiary of AIOIC, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. Chubb Vietnam is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
19.	- Chubb Thailand - Chubb Indonesia - Chubb New Zealand	<u>Substantial Shareholders</u> - Chubb INA - INA Corporation - Chubb IH - Chubb Group Holdings - Chubb Limited	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	- Olivier Bouchard is a director of Chubb Singapore and Chubb Vietnam, and is also our Non-Independent Executive Director. - Chubb Thailand is a 92.69%-owned subsidiary of Eksupsiri Company Limited and 6.79% owned by Chubb INA, our substantial shareholder. Eksupsiri Company Limited is 41.73%-owned by Nam Ek Company Limited, 40.09%-owned by Chubb INA and 18.18%-owned by RHP (Thailand) Ltd. A less than 0.000001% interest in Eksupsiri Company Limited is owned by a non-affiliate of the Chubb Group. Nam Ek Company Limited and RHP (Thailand) Ltd are each 49.00%-owned by Chubb INA, our substantial shareholder. - Chubb Indonesia is an 80.00%-owned subsidiary of Chubb INA, our substantial shareholder. The remaining 20.00% interest in Chubb Indonesia is owned by a non-affiliate of the Chubb Group. - Chubb New Zealand is a wholly-owned subsidiary of Chubb INA, our substantial shareholder.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
					The relationship of Chubb INA, INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
20.	ICNA	<u>Substantial shareholders</u> • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	ICNA is a wholly-owned subsidiary of INA HC, which in turn is a wholly-owned subsidiary of INA FC, which in turn is a wholly-owned subsidiary of INA Corporation, our indirect substantial shareholder. The relationship of INA Corporation, Chubb IH and Chubb Group Holdings to our Company and Chubb Limited are set out in item (1), Section 11.1.2 of this Prospectus.
21.	Huatai P&C	<u>Substantial shareholders</u> • Chubb IH • Chubb Group Holdings • Chubb Limited	Recipient of reinsurance services from our Company as part of the global insurance policy for multinational clients	Insurance-related services	• Huatai P&C is a wholly-owned subsidiary of Huatai Group, which in turn is 36.35% owned by Chubb IH, 25.96% owned by Chubb Tempest, 12.91% owned by ACE American, 10.93% owned by Chubb Bermuda and 1.01% owned by Chubb Tempest Life. • Chubb Tempest is a wholly-owned subsidiary of Chubb Tempest Life, which in turn is a wholly-owned subsidiary of Chubb GMH, which in turn is a wholly-owned subsidiary of Chubb Limited, our indirect substantial shareholder. • ACE American is a wholly-owned subsidiary of INA HC, which in turn is a wholly-owned subsidiary of INA FC, which in turn is a wholly-owned subsidiary of INA Corporation, our indirect substantial shareholder.

11. CONFLICT OF INTEREST (Cont'd)

No.	Entity	Director and/or Substantial shareholder	Nature	Principal activity	Nature of interest
					Chubb Bermuda is a wholly-owned subsidiary of Chubb GMH, which in turn is a wholly-owned subsidiary of Chubb Limited, our indirect substantial shareholder.

Our Board is of the view that any potential conflict of interest situation which may arise through the interests of our Directors and Substantial Shareholders in the abovementioned entities which are customers and/or service providers of our Company (collectively to be referred as the “**Related Customers**” and/or the “**Related Service Providers**”) are mitigated due to the following:

- (i) All revenue from the Related Customers and purchases from the Related Service Providers have been and will continue to be transacted in line with the Policy Document on Related Party Transactions issued by BNM, on an arm’s length basis and on normal commercial terms which are not more favourable to them than those generally available to third parties after taking into consideration, among others, the regulatory requirements set by BNM (as disclosed in item (iv) below), the ceding of reinsurance which is undertaken on a proportional basis (in terms of the premium ceded and the risk transferred), transfer pricing and/or other related documentation of our Company, and general tax laws and guidelines issued by the relevant authorities;
- (ii) With respect to items (1) to (6) and (14) above, the Related Service Providers for the EDP system charges and technical support and consultancy services accounted for 6.7%, 6.2%, 8.1% and 7.8% of our cost of services for the Financial Years and Period Under Review. We intend to continue to use such shared services provided by the Related Service Providers for operational efficiencies within the Chubb Group as some of these services are centralised services and necessary for us to operate as part of the Chubb Group. Notwithstanding this, we are not dependent on the Related Service Providers as our Company, where necessary, is able to procure similar services from alternative service providers at similar pricing and service levels;
- (iii) With respect to item (7) above, our Company relies on the trademarks and service marks owned by other members of the Chubb Group to continue operating as part of the Chubb Group and to align the usage of the “Chubb” brand throughout the Chubb Group. The use of these trademarks and service marks are on a royalty-free basis and is based on the commercial reality that our use of these rights is solely in connection with our operations as part of the Chubb Group, as compared to these trademarks and service marks being licensed to third parties for commercial purposes. See Section 7.21 for further details of the Trademark Licensing Agreement;
- (iv) With respect to items (8) to (13) above, although the reinsurance service obtained from related party reinsurers accounted for 28.7%, 31.8%, 33.3% and 32.1% of the cost of services for the Financial Years and Period Under Review, we are not dependent on these related party reinsurers as alternative reinsurers are available in the market. Further, the reinsurance selection by our Company fully complies with all regulatory requirements set by BNM. Under these requirements, for reinsurance business to be ceded, we must first prioritise domestic-licensed reinsurers and if none of them accepts the business, we are then permitted to approach licensed reinsurers in Labuan. If the business is also not accepted by Labuan reinsurers, we are then permitted to approach foreign reinsurers;

11. CONFLICT OF INTEREST (Cont'd)

- (v) We are not dependent on the Related Customers as the Related Customers contributed less than 5.0% of our insurance revenue for the Financial Years and Period Under Review.

With respect to items (10), (11), (14) to (21) above, our Company from time to time services multinational clients which may require insurance coverage to be provided across their subsidiaries in other markets across the world. In cases where a multinational client based in Malaysia requires insurance coverage to be placed in another country, one of our Company's affiliates will issue a local insurance policy in that country in line with local regulatory requirements. The affiliate that issues the local insurance policy will reinsure it with, and pay the associated reinsurance premium to, our Company. These arrangements allows our Company's multinational clients to obtain seamless coverage across different jurisdictions as part of our global multinational insurance program; and

- (vi) With respect to items (1), (5) and (18) above, Olivier Bouchard is not involved in the day-to-day operations and management of Chubb Business Services, Chubb Singapore and Chubb Vietnam as Chubb Business Services, Chubb Singapore and Chubb Vietnam have their own independent and standalone management teams. Additionally, although he is a director of Chubb APAC, is employed by Chubb APAC to be the Chubb Group's Chief Financial Officer for the Asia Pacific region and an executive Director of our Company in accordance with the Corporate Governance Policy issued by BNM, he does not hold any executive functions or management powers in our Company and is not involved in our day-to-day operations. Further, he will abstain from deliberating and voting on resolutions pertaining to any transaction between our Company and Chubb Business Services, Chubb APAC, Chubb Singapore or Chubb Vietnam.

As set out in Section 10.2.1 of this Prospectus, our Audit Committee will review any conflict of interest situation that may arise within our Company including any transaction, procedure or course of conduct that raises questions on management integrity. Our Audit Committee will also ensure that such transactions are carried out on terms that are not detrimental to our Company.

Notwithstanding the above, the interests that are held by our Directors and Substantial Shareholders and the interests that may be held by our Directors and Substantial Shareholders in the future in other businesses or corporations which carry on a similar trade as that of our Company or which are our customers or suppliers may give rise to a conflict of interest situation with our business. Where such interests give rise to a conflict of interest situation, our Directors and Substantial Shareholders and persons connected to them shall abstain from deliberating and voting on the resolutions relating to these matters or transactions that require the approval of our shareholders in respect of their direct or indirect interests. Such transactions will be carried out on an arm's length basis and on normal commercial terms.

11. CONFLICT OF INTEREST (Cont'd)**11.2 PROPERTIES LEASED/TENANTED TO OR FROM US BY OR TO RELATED PARTIES**

Save as disclosed below, as at the LPD, there are no other properties leased/tenanted by us to the related parties or vice versa:

No.	Entity	Director and/or Substantial shareholder	Property tenanted	Nature of interest
1.	Chubb Business Services	<u>Substantial Shareholders</u> • Chubb INA • INA Corporation • Chubb IH • Chubb Group Holdings • Chubb Limited <u>Director</u> • Olivier Bouchard	8 th , 10 th , 11 th and 12 th floor of Wisma Chubb, 38, Jalan Sultan Ismail, Bukit Bintang, 50250 Kuala Lumpur, Wilayah Persekutuan	• Chubb Business Services is a wholly-owned subsidiary of Chubb APAC, which in turn is a wholly-owned subsidiary of AFIA, which in turn is a wholly-owned subsidiary of Chubb INA, our substantial shareholder. Chubb INA is a wholly-owned subsidiary of INA Corporation, which in turn is a wholly-owned subsidiary of Chubb IH, which in turn is 85.18%-owned by Chubb Group Holdings and 14.82%-owned by Chubb Limited. Chubb Group Holdings is a wholly-owned subsidiary of Chubb Limited. INA Corporation, Chubb IH, Chubb Group Holdings and Chubb Limited are indirect substantial shareholders of our Company. See Section 6.2 of this Prospectus for further details of our corporate structure. • Olivier Bouchard is a director of Chubb Business Services and our Non-Independent Executive Director.

The rental between our Company (as landlord) and Chubb Business Services (as tenant) is transacted on an arm's length basis and on normal commercial terms which are not unfavourable to us than those generally available to third parties and were not detrimental to our non-interested shareholders as the rental rate is benchmarked against the market rental rates of similar properties in the vicinity.

11. CONFLICT OF INTEREST (Cont'd)**11.3 DECLARATION BY ADVISERS ON CONFLICT OF INTEREST****11.3.1 Declaration by Maybank IB**

Maybank IB, being the Principal Adviser, Sole Bookrunner, Sole Underwriter and Sole Placement Agent for our IPO, and its related and associated companies (“**Maybank Group**”) form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Company, our shareholders and/or our affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of any member of our Company and/or our affiliates. This is a result of the businesses of the Maybank Group generally acting independently of each other, and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Company. Nonetheless, the Maybank Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

As at the LPD, the Maybank Group has not extended any credit facility to our Company.

Maybank IB confirms that there is no conflict of interest situation in its capacity as the Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering.

11.3.2 Declaration by PricewaterhouseCoopers PLT

PricewaterhouseCoopers PLT confirms that there is no conflict of interest situation in its capacity as the Auditors and Reporting Accountants to our Company in relation to our IPO.

11.3.3 Declaration by Kadir, Andri & Partners

Kadir, Andri & Partners confirms that there is no conflict of interest situation in its capacity as the legal adviser to our Company as to Malaysian law in relation to our IPO.

11.3.4 Declaration by Wong, Beh & Toh

Wong Beh & Toh confirms that there is no conflict of interest situation in its capacity as the legal adviser to the Sole Bookrunner, Sole Underwriter and Sole Placement Agent as to Malaysian law in relation to our IPO.

11.3.5 Declaration by Vital Factor

Vital Factor confirms that there is no conflict of interest situation in its capacity as the Independent Business and Market Research Consultants in relation to our IPO.

11.3.6 Declaration by Axcelasia Sdn Bhd

Axcelasia Sdn Bhd confirms that there is no conflict of interest situation in its capacity as the Internal Control Consultant in relation to our IPO.

12. FINANCIAL INFORMATION

12.1 HISTORICAL FINANCIAL INFORMATION

The historical financial information for the Financial Years and Period Under Review presented below have been extracted from the Accountants' Report included in Section 13 of this Prospectus ("Financial Statements"). Our Financial Statements are prepared in accordance with the MFRS.

The following selected historical financial information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Section 12.2 of this Prospectus together with the Accountants' Report in Section 13 of this Prospectus.

12.1.1 Historical statement of comprehensive income

	Audited		Unaudited		Audited
	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance revenue	671,447	690,954	703,495	343,365	375,590
Insurance service expense	(409,801)	(331,474)	(342,453)	(203,591)	(263,612)
Insurance service result before reinsurance contracts held	261,646	359,480	361,042	139,774	111,978
Allocation of reinsurance premiums	(122,441)	(142,565)	(143,873)	(66,049)	(71,942)
Amounts recoverable from reinsurers for incurred claims	101,224	5,268	(22,905)	15,980	48,991
Net expense from reinsurance contracts held	(21,217)	(137,297)	(166,778)	(50,069)	(22,951)
Insurance service result	240,429	222,183	194,264	89,705	89,027
Investment income from financial assets measured at fair value through profit or loss ("FVTPL")	40,735	48,269	52,439	26,403	25,368
Interest income from financial assets not measured at FVTPL	5,106	5,822	4,593	2,085	2,006
Net fair value (losses)/ gains on financial assets	(17,790)	20,950	3,296	2,560	16,714
Net realised gains	2,698	2,091	5,160	1,425	42
Total investment income	30,749	77,132	65,488	32,473	44,130
Insurance finance expense for insurance contracts issued	(14,498)	(27,848)	(25,748)	(14,159)	(11,942)
Reinsurance finance income for reinsurance contracts held	5,139	9,841	8,070	4,500	3,026
Net foreign exchange (losses)/ gains	(7)	(96)	26	(20)	(43)
Net insurance financial result	(9,366)	(18,103)	(17,652)	(9,679)	(8,959)
Other income	4,616	2,289	3,441	2,155	2,382
Other operating expense	(120,548)	(123,295)	(145,878)	(69,689)	(76,124)
Finance cost	-	(99)	(97)	-	(48)
Total expenses	(115,932)	(121,105)	(142,534)	(67,534)	(73,790)
PBT	145,880	160,107	99,566	44,965	50,408
Taxation	(37,241)	(40,951)	(25,807)	(11,262)	(12,539)
PAT⁽¹⁾	108,639	119,156	73,759	33,703	37,869
Other selected financial data					
Insurance service result margin ⁽²⁾ (%)	35.8	32.2	27.6	26.1	23.7
PBT margin ⁽³⁾ (%)	21.7	23.2	14.2	13.1	13.4
PAT margin ⁽⁴⁾ (%)	16.2	17.2	10.5	9.8	10.1
Effective tax rate ⁽⁵⁾ (%)	25.5	25.6	25.9	25.0	24.9
Basic and diluted EPS ⁽⁶⁾ (sen)	10.86	11.92	7.38	3.37	3.79

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) The PAT is wholly attributable to the owner of our Company as we do not have any non-controlling interest.
- (2) Computed based on insurance service result over insurance revenue.
- (3) Computed based on PBT over insurance revenue.
- (4) Computed based on PAT over insurance revenue.
- (5) Computed based on taxation over PBT
- (6) Computed based on PAT over our issued Shares upon our Listing of 1,000,000,000. Diluted EPS is equivalent to basic EPS as there were no potentially dilutive equity instruments in issue.

12.1.2 Historical statement of financial position

	Audited			
	As at 31 December 2022	As at 31 December 2023	As at 31 December 2024	As at 30 June 2025
	RM'000	RM'000	RM'000	RM'000
ASSETS				
Property and equipment	40,833	40,778	40,550	42,399
Right-of-use assets	1,694	2,015	1,304	1,181
Intangible assets	9,371	9,708	15,801	17,778
Investments	1,299,880	1,483,826	1,459,297	1,512,362
Insurance contract assets	-	13	19	9
Reinsurance contract assets	317,214	255,660	198,515	230,411
Other receivables	49,907	47,439	45,582	51,822
Deferred tax assets	1,631	-	-	-
Tax recoverable	-	-	-	2,311
Cash and cash equivalents	344,978	235,548	287,950	163,329
Total assets	2,065,508	2,074,987	2,049,018	2,021,602
EQUITY AND LIABILITIES				
Share capital	100,000	100,000	100,000	100,000
Retained earnings	925,503	969,659	769,418	807,287
Equity reserve	7,982	6,275	5,682	6,399
Total equity	1,033,485	1,075,934	875,100	913,686
Deferred tax liabilities	-	4,197	2,876	8,487
Insurance contract liabilities	871,820	852,473	845,569	946,373
Reinsurance contract liabilities	111	-	3,722	3,501
Lease liabilities	1,758	1,947	1,296	1,197
Current tax liabilities	7,010	5,521	2,484	-
Other payables	151,324	134,915	317,971	148,358
Total liabilities	1,032,023	999,053	1,173,918	1,107,916
Total equity and liabilities	2,065,508	2,074,987	2,049,018	2,021,602
Other selected financial data				
Total borrowing (RM'000)	-	-	-	-
Gearing ratio (times)	N/A	N/A	N/A	N/A

12. FINANCIAL INFORMATION (Cont'd)**12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis of our financial condition and results of operations is based on our financial information with respect to the FYE 2022, FYE 2023, FYE 2024, and FPE 2024 and FPE 2025, which have been derived from the Accountants' Report as set out in Section 13 of this Prospectus.

There are no accounting policies that are peculiar to our Company due to the nature of the business and industry in which we are involved. See Note 2.1 of the Accountants' Report as set out in Section 13 of this Prospectus for further details on the accounting policies of our Company.

12.2.1 Overview of our business

We are a licensed insurer in Malaysia, specialising in general insurance. Under the "Chubb" brand, we offer a wide range of products catering to both the consumer and commercial sectors.

See Section 7 of this Prospectus for further information on our business operations.

12.2.2 Significant factors affecting our financial condition and results of operations

Our financial condition and results of operations have been and may be affected by a number of factors, including those set out below:

(a) Our financial performance depends on our ability to retain existing customers and expand our customer base mainly through our distribution partners

We primarily work with distribution partners who are intermediaries to solicit, arrange, or distribute insurance policies on our behalf. Our distribution partners include registered agents, licensed insurance brokers and bancassurance partners. In addition, we also solicit our customers directly through our head office in Kuala Lumpur and branch offices, as well as through telemarketing and our online platforms, including our website. Through the network of our distribution partners and direct sales, our overall customer base increased from approximately 229,000 customers in the FYE 2022 to approximately 260,000 customers in the FYE 2024, representing a CAGR of approximately 6.6%.

There can be no assurance that we will be able to retain existing customers or maintain the growth rate of our customer base. Several factors could negatively impact our ability to retain or expand our customer base, including if we fail to offer competitive products, our distribution partners fail to meet sales targets, or if we are not able to meet evolving customer expectations (such as online and digital purchasing and customer service experience, or changes in customer demands and preferences).

Furthermore, economic conditions can adversely impact insurance purchase decisions by both individual consumers and businesses. As a result, any adverse changes in economic conditions or consumer behaviour could negatively impact our business operations and financial performance. See Section 5.1.14 of this Prospectus for further details.

12. FINANCIAL INFORMATION (Cont'd)**(b) Receipt of insurance premiums**

As a general insurance provider, our insurance revenue is primarily derived from the premiums we receive for underwriting risks. Due to the nature of our business, underwriting insurance risk can be volatile, which can result in unpredictable earnings. As such, our ability to generate and grow insurance revenue depends largely on our capability to retain customers and secure new business, as well as our capacity to invest sufficient resources to expand sales through our distribution channels. Based on MFRS 4, our total GWP grew from RM673.9 million in 2022 to RM723.5 million in 2024, representing a CAGR of 3.6%. It continued to grow by 16.0% to RM410.7 million for the 1st half of 2025 compared to RM354.2 million for the 1st half of 2024.

The pricing of the insurance premiums for the policies we underwrite is influenced by several factors, broadly categorised into economic and market conditions, competitive pressures and internal operational factors such as distribution network, product innovation, pricing and reputation. As a result, any unfavourable operational environment or macroeconomic conditions could influence pricing and negatively impact both our business operations and financial performance. See Section 5.1.2 of this Prospectus for further details.

(c) Availability of liquidity and cash resources to fund our business operations and growth

Liquidity in the general insurance industry is related to our ability to generate sufficient cash from our business operations, to meet our financial commitments and operational expenses. For the Financial Years and Period Under Review, we funded our liquidity requirements through cash generated from operating activities. If we are unable to secure the necessary funds to meet our capital and cash requirements, it could result in financial distress, which would adversely affect both our business operations and financial performance.

Our liquidity is influenced by the frequency and severity of claims under our insurance contracts. In addition, catastrophic occurrences, such as natural disasters could result in a significant number of claims. As a regulated insurance company, we are subject to requirements intended to ensure our solvency in light of extreme events. However, there can be no guarantee that our liquidity will be sufficient to meet the financial demands associated with the unpredictable timing and effects of highly catastrophic event. Any such occurrence could negatively affect our business operations and financial performance.

In FYE 2023, we had negative net cash flows used in operating activities of RM27.7 million, primarily due to increased investment in financial assets. After excluding the investment assets, our adjusted net cash flows generated from operating activities was positive at RM136.9 million. Subsequently, we recorded positive net cash flows generated from operating activities of RM175.0 million for the FYE 2024 and RM47.0 million for the FPE 2025. In addition to premium, investment income is another source of funds, accounting for 28.3%, 64.7%, 88.8% and 116.5% of our PAT for the FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. Our management utilises monthly cash flow reporting and forecasting to identify known, expected and potential cash outflows to determine the appropriate operating liquidity to cover expected and potential payments. See Section 12.2.12 of this Prospectus for further details.

12. FINANCIAL INFORMATION (Cont'd)**(d) Reinsurance may be inadequate or unavailable at desired levels that could limit our ability to underwrite new business, expose us to counterparty risk and fail to provide sufficient protection against potential losses**

As part of our risk management strategy, we transfer a portion of the risks from our insurance products to reinsurers through reinsurance arrangements. Under these reinsurance arrangements, the reinsurers assume a portion of the losses and related expenses (including commissions) in exchange for a premium.

Our access to reinsurance on a timely and cost-effective basis is contingent upon various factors. Failure to renew or secure adequate reinsurance coverage may require us to review our risk appetite and could potentially limit our ability to underwrite new policies or restrict the range of products we can offer. Moreover, regulatory changes affecting reinsurance arrangements in the industry could adversely affect our business operations and financial performance. See Section 5.1.7 of this Prospectus for further details.

(e) Impact of inflation

Our business is exposed to the effects of inflation, which reflects the rising prices of goods and services, impacting both our costs as a general insurer and customers' purchasing power. Inflation directly influences the cost of claims, as the price of materials for car repairs or building reconstruction increases, leading to higher claim payouts. If premiums are not adjusted promptly to keep pace with inflation, our profitability could be adversely affected. General insurers, including our Company, may need to increase premiums to offset the rising claims costs. However, significant premium increases could cause customers to reduce their coverage, switch to a more affordable provider or even terminate non-essential policies altogether.

Our financial performance for the Financial Years and Period Under Review was not materially affected by inflation. However, there can be no assurance that future inflation will not have an impact on our business operations and financial performance.

(f) Government/economic/fiscal/monetary policies

Our business is exposed to risks arising from government, economic, fiscal or monetary policies in Malaysia. Any unfavourable changes in these policies or economic conditions may materially affect our operations in Malaysia. See Section 5.2.2 of this Prospectus for further details.

12.2.3 Significant accounting estimates and judgements

The operation of our business requires that we rely on certain estimates and judgements, which are continually evaluated by the senior leadership of our Company and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and assumptions concerning the future and the resulting accounting estimates will rarely equal the related actual results. Estimates and assumptions that may have a significant risk of causing a material adjustment to our Company's financial results include:

- Liability for remaining coverage – onerous groups: We assess and identify insurance contracts that are onerous. Loss-recovery components are determined with reference to losses incurred through underlying policies and the recovery expected from corresponding reinsurance to the extent applicable; and

12. FINANCIAL INFORMATION (Cont'd)

- Liability for incurred claims: The liabilities for incurred claims are estimated using various techniques that are generally based on a statistical analysis of historical data which assumes an underlying pattern of claims development, claims payment and claims related expenses. This includes assumptions in respect of average claims costs, claims handling costs, inflation factors and the average number of claims for each applicable year.

See Note 2.2 of the Accountants' Report as set out in Section 13 of this Prospectus for further details.

12.2.4 Overview of our results of operations

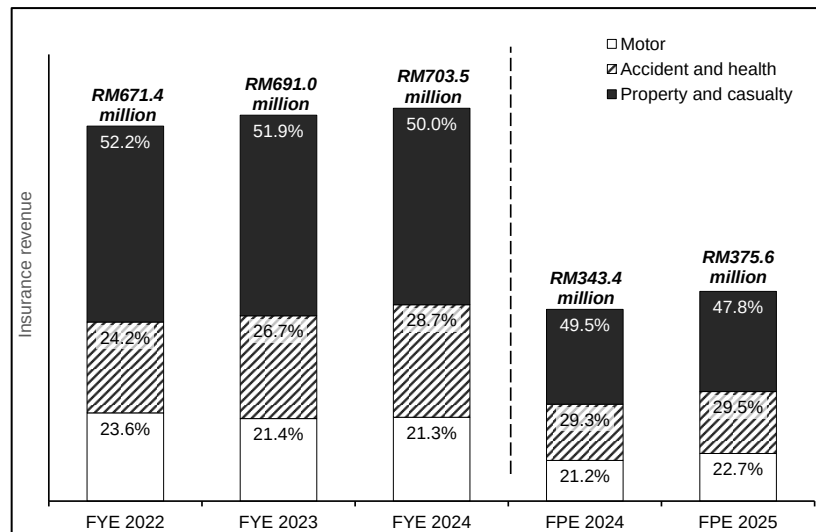
For the Financial Years and Period Under Review, our revenue was derived from general insurance services. The insurance revenue is recognised over the period of the insurance contract, using the Premium Allocation Approach.

The amount of insurance revenue recognised during each financial year/period is based on the proportion of the total expected premium receipts which corresponds to the insurance contract services provided during the respective financial years/period. Generally, the allocation of the expected premium receipts to each financial year/period of the insurance contract services is based on the passage of time. However, if the expected pattern of risk differs significantly over time, the allocation of premium is then based on the expected timing of incurred insurance service expenses.

Between the FYE 2022 and FYE 2024, our insurance revenue grew at a CAGR of 2.4% from RM671.4 million for the FYE 2022 to RM703.5 million for the FYE 2024. This was mainly attributed to the accident and health segment, including personal accident, and medical and health products, as well as liability products under the property and casualty segment.

For the FPE 2025, our insurance revenue continued to grow by 9.4% to RM375.6 million (FPE 2024: RM343.4 million), which was contributed by growth from all segments including property and casualty, accident and health, as well as motor segments.

See Section 12.2.5 of this Prospectus for further analysis of our insurance revenue by products.



12. FINANCIAL INFORMATION (Cont'd)**12.2.5 Insurance revenue****(i) Insurance revenue segmented by products and services**

Insurance revenue			FYE 2022		FYE 2023		FYE 2024	
			RM'000	%	RM'000	%	RM'000	%
Property and casualty segment			350,847	52.2	359,011	51.9	351,727	50.0
Liability			105,480	15.7	112,962	16.3	127,657	18.1
Fire			140,664	20.9	141,822	20.5	127,205	18.1
Others ⁽¹⁾			104,703	15.6	104,227	15.1	96,865	13.8
Accident and health segment			162,457	24.2	184,265	26.7	201,693	28.7
Personal accident			117,239	17.5	133,852	19.4	148,420	21.1
Medical and health			45,218	6.7	50,413	7.3	53,273	7.6
Motor segment			158,143	23.6	147,678	21.4	150,075	21.3
Total			671,447	100.0	690,954	100.0	703,495	100.0
Insurance revenue			FPE 2024		FPE 2025			
			RM'000	%	RM'000	%		
Property and casualty segment			169,791	#49.5	179,338	47.8		
Liability			59,612	17.4	64,792	17.3		
Fire			63,228	18.4	64,394	17.1		
Others ⁽¹⁾			46,951	13.7	50,152	13.4		
Accident and health segment			100,771	29.3	110,935	29.5		
Personal accident			73,657	#21.4	79,801	21.2		
Medical and health			27,114	7.9	31,134	8.3		
Motor segment			72,803	21.2	85,317	22.7		
Total			343,365	100.0	375,590	100.0		

Notes:

Percentage has been rounded.

(1) Other insurance products include cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident insurance products.

12. FINANCIAL INFORMATION (Cont'd)**(ii) Number of policies by products and services**

			Number of policies ('000)				
			FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Property and casualty segment			183	166	173	87	78
Liability			15	15	15	9	9
Fire			52	35	33	18	16
Others ⁽¹⁾			116	116	125	60	53
Accident and health segment			371	440	645	419	321
Personal accident			318	378	577	382	297
Medical and health			53	62	68	37	24
Motor segment			181	179	208	90	140
Total			735	785	1,026	596	539

Note:

- (1) Other insurance products include cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident insurance products.

(iii) Average insurance revenue per policy by products and services

			Average insurance revenue per policy (RM/policy)				
			FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
Property and casualty segment			1,917	2,163	2,033	1,952	2,299
Liability			7,032	7,531	8,510	6,624	7,199
Fire			2,705	4,052	3,855	3,513	4,025
Others ⁽¹⁾			903	899	775	783	946
Accident and health segment			438	419	313	241	346
Personal accident			369	354	257	193	269
Medical and health			853	813	783	733	1,297
Motor segment			874	825	722	809	609
Total⁽²⁾			914	880	686	576	697

Notes:

- (1) Other insurance products include cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident insurance products.
- (2) Computed based on the total insurance revenue divided by the total number of policies.

(a) FYE 2023 compared to FYE 2022

Our insurance revenue increased by RM19.5 million or 2.9% to RM691.0 million for the FYE 2023 (FYE 2022: RM671.4 million), mainly contributed by the property and casualty segment, as well as the accident and health segment. The performance of each segment is as follows:

12. FINANCIAL INFORMATION (Cont'd)**Property and casualty segment**

Insurance revenue from the property and casualty segment increased by RM8.2 million or 2.3% to RM359.0 million for the FYE 2023 (FYE 2022: RM350.8 million), which was mainly contributed by liability products. The insurance revenue from liability products grew by RM7.5 million or 7.1% to RM113.0 million for the FYE 2023 (FYE 2022: RM105.5 million), driven by higher average premium size. This was reflected in the increase in average insurance revenue per policy, which increased by 7.1% for the FYE 2023, mainly due to the growth in the medical malpractice program, as well as new business secured during the year.

Accident and health segment

Insurance revenue from the accident and health segment increased by RM21.8 million or 13.4% to RM184.3 million for the FYE 2023 (FYE 2022: RM162.5 million). This was mainly attributed to a higher number of policies underwritten. In FYE 2023, the number of policies underwritten increased by 18.6% to approximately 440,000 policies in the FYE 2023 (FYE 2022: approximately 371,000 policies). The increase in the number of policies underwritten was mainly driven by the following products:

- insurance revenue from personal accident products increased by RM16.6 million or 14.2% to RM133.9 million for the FYE 2023 (FYE 2022: RM117.2 million). This increase was contributed by our appointed agents and digital partners, which was reflected in the growth of 18.9% in the number of policies to approximately 378,000 policies for the FYE 2023 (FYE 2022: approximately 318,000 policies).
- insurance revenue from medical and health products increased by RM5.2 million or 11.5% to RM50.4 million for the FYE 2023 (FYE 2022: RM45.2 million). This was mainly attributed to an increase in the uptake of group policies, and the number of medical and health policies increased by 17.0% to approximately 62,000 policies for the FYE 2023 (FYE 2022: approximately 53,000 policies).

Motor segment

Insurance revenue from the motor segment declined by RM10.5 million or 6.6% to RM147.7 million for the FYE 2023 (FYE 2022: RM158.1 million). This was reflected in the decrease in the number of policies by 1.1% to approximately 179,000 policies for the FYE 2023 (FYE 2022: approximately 181,000 policies), resulting from the decline in renewal policies as a result of increased competition in market pricing post-pandemic.

(b) FYE 2024 compared to FYE 2023

Our insurance revenue increased by RM12.5 million or 1.8% to RM703.5 million for the FYE 2024 (FYE 2023: RM691.0 million), mainly contributed by the accident and health segment, as well as the motor segment. The performance of each segment is as follows:

Property and casualty segment

Insurance revenue from the property and casualty segment declined by RM7.3 million or 2.0% to RM351.7 million for the FYE 2024 (FYE 2023: RM359.0 million), as a result of lower insurance revenue from the following products:

12. FINANCIAL INFORMATION (Cont'd)

- insurance revenue from fire products decreased by RM14.6 million or 10.3% to RM127.2 million for the FYE 2024 (FYE 2023: RM141.8 million), due to the decrease in the number of policies by 5.7% to approximately 33,000 policies for the FYE 2024 (FYE 2023: approximately 35,000 policies), mainly as a result of more selective underwriting decisions.
- insurance revenue from other insurance products decreased by RM7.4 million or 7.1% to RM96.9 million for the FYE 2024 (FYE 2023: RM104.2 million). This was due to a 39.1% decrease in insurance revenue from contractors' all-risk and engineering products, resulting from non-recurring project extension endorsements, macroeconomic factors and more selective underwriting decisions.

Accident and health segment

Insurance revenue from the accident and health segment increased by RM17.4 million or 9.5% to RM201.7 million for the FYE 2024 (FYE 2023: RM184.3 million). This was mainly attributed to a higher number of policies underwritten as reflected in an increase of 46.6% in the number of policies to approximately 645,000 policies underwritten for the FYE 2024 (FYE 2023: approximately 440,000 policies), mainly contributed by the following:

- insurance revenue from personal accident products increased by RM14.6 million or 10.9% to RM148.4 million for the FYE 2024 (FYE 2023: RM133.9 million). The increase in insurance revenue was primarily contributed by our appointed agents and digital partners, and was mainly driven by a higher number of policy renewals for our personal accident product. This was reflected in the growth in the number of policies by 52.6% to approximately 577,000 policies for the FYE 2024 (FYE 2023: approximately 378,000 policies).
- insurance revenue from medical and health products increased by RM2.9 million or 5.7% to RM53.3 million for the FYE 2024 (FYE 2023: RM50.4 million), on the back of an increase in the number of policies by 9.7% to approximately 68,000 policies for the FYE 2024 (FYE 2023: approximately 62,000 policies). This was primarily due to an increase in policy renewals as well as uptake of group policies.

Motor segment

Insurance revenue from the motor segment increased by RM2.4 million or 1.6%, to RM150.1 million for the FYE 2024 (FYE 2023: RM147.7 million). This was attributed to the higher number of policies underwritten as reflected in an increase of 16.2% in the number of policies to approximately 208,000 policies for the FYE 2024 (FYE 2023: approximately 179,000 policies).

(c) FPE 2025 compared to FPE 2024

Our insurance revenue increased by RM32.2 million or 9.4% to RM375.6 million for the FPE 2025 (FPE 2024: RM343.4 million), contributed by all segments, including property and casualty, accident and health, as well as motor segments. The performance of each segment is as follows:

Property and casualty segment

Insurance revenue from the property and casualty segment grew by RM9.5 million or 5.6% to RM179.3 million for the FPE 2025 (FPE 2024: RM169.8 million), mainly contributed by the following products:

12. FINANCIAL INFORMATION (Cont'd)

- insurance revenue from liability products increased by RM5.2 million or 8.7% to RM 64.8 million for the FPE 2025 (FPE 2024: RM59.6 million), driven by the higher average premium size. This was reflected in the increase in average insurance revenue per policy of 8.7% for the FPE 2025. This was mainly due to an increase in new business secured.
- insurance revenue from fire products increased by RM1.2 million or 1.8% to RM64.4 million for the FPE 2025 (FPE 2024: RM63.2 million), driven by new business secured.
- insurance revenue from other products also increased by RM3.2 million or 6.8% to RM50.2 million for the FPE 2025 (FPE 2024: RM47.0 million), mainly attributed to the cargo and bond products.

Accident and health segment

The insurance revenue from the accident and health segment increased by RM10.2 million or 10.1% to RM110.9 million for the FPE 2025 (FPE 2024: RM100.8 million). This was mainly attributed to the higher average premium size, as reflected in the increase in average insurance revenue per policy by 43.6% for the FPE 2025, contributed by the following products:

- insurance revenue from personal accident products increased by RM6.1 million or 8.3% to RM79.8 million for the FPE 2025 (FPE 2024: RM73.7 million), due to a higher average premium size, as reflected in the increase in average insurance revenue per policy of 39.4% for the FPE 2025. This was mainly due to new business secured.
- insurance revenue from medical and health products increased by RM4.0 million or 14.8% to RM31.1 million for the FPE 2025 (FPE 2024: RM27.1 million). The increase was also due to a higher average premium size, as reflected in the increase in average insurance revenue per policy by 76.9% for the FPE 2025, arising from new business secured.

Motor segment

Insurance revenue from the motor segment grew by RM12.5 million or 17.2% to RM85.3 million for the FPE 2025 (FPE 2024: RM72.8 million). This was attributed to the increase in number of policies underwritten as reflected in an increase of 55.6% in the number of policies to approximately 140,000 policies for the FPE 2025 (FPE 2024: approximately 90,000 policies), primarily due to the rise in the uptake of motor products.

12. FINANCIAL INFORMATION (Cont'd)**12.2.6 Insurance service expense and net expense from reinsurance contracts held**

	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Insurance service expense	409,801	95.1	331,474	70.7	342,453	67.2
- Claims	286,716	66.5	203,339	43.4	202,601	39.8
<i>Incurring claims and directly attributable expenses</i>	351,510	#81.5	346,514	73.9	339,826	66.7
<i>Changes related to past service - liabilities for incurred claims</i>	(64,794)	(15.0)	(143,175)	(30.5)	(137,225)	(26.9)
- Acquisition expenses cashflow amortisation	126,548	29.4	128,731	#27.4	133,028	26.1
- Losses on onerous contracts and reversals	(3,463)	(0.8)	(596)	(0.1)	6,824	1.3
Net expense from reinsurance contracts held	21,217	4.9	137,297	29.3	166,778	32.8
Allocation of reinsurance premiums	122,441	28.4	142,565	30.4	143,873	28.3
Amounts recoverable from reinsurers for incurred claims	(101,224)	(23.5)	(5,268)	(1.1)	22,905	4.5
Total	431,018	100.0	468,771	100.0	509,231	100.0
	FPE 2024		FPE 2025			
	RM'000	%	RM'000	%		
Insurance service expense	203,591	80.3	263,612	92.0		
- Claims	137,886	54.4	187,988	65.6		
<i>Incurring claims and directly attributable expenses</i>	174,453	68.8	207,150	72.3		
<i>Changes related to past service - liabilities for incurred claims</i>	(36,567)	(14.4)	(19,162)	(6.7)		
- Acquisition expenses cashflow amortisation	65,715	25.9	74,205	25.9		
- Losses on onerous contracts and reversals	(10)	*	1,419	0.5		
Net expense from reinsurance contracts held	50,069	19.7	22,951	8.0		
Allocation of reinsurance premiums	66,049	26.0	71,942	25.1		
Amounts recoverable from reinsurers for incurred claims	(15,980)	(6.3)	(48,991)	(17.1)		
Total	253,660	100.0	286,563	100.0		

Notes:

Percentage has been rounded.

* Less than 0.1%.

12. FINANCIAL INFORMATION (Cont'd)**(a) FYE 2023 compared to FYE 2022**

Our insurance service expense declined by RM78.3 million or 19.1% to RM331.5 million for the FYE 2023 (FYE 2022: RM409.8 million). This was attributed to the absence of large claims in the FYE 2023.

The decrease was partially offset by an increase in acquisition expenses cashflow amortisation by RM2.2 million mainly for the accident and health segment on the back of the increase in insurance revenue from this segment by 13.4% for the FYE 2023.

Our net expense from reinsurance contracts held increased by RM116.1 million for the FYE 2023, primarily due to a decrease in the amounts recoverable from our reinsurers, particularly in the property and casualty segment. This arose mainly from adjustments to the incurred claims, as well as a decrease in incurred claims and other expenses recovered from our reinsurers. The higher claims recovered from our reinsurers for the FYE 2022 were mainly due to large claims for our fire products.

(b) FYE 2024 compared to FYE 2023

Our insurance service expense increased by RM11.0 million or 3.3% to RM342.5 million for the FYE 2024 (FYE 2023: RM331.5 million). This was primarily contributed by the increase in losses on onerous contracts and reversals by RM7.4 million pertaining to the losses on onerous groups of contracts resulting from growth in the motor segment.

The increase was also partly attributed to the increase in acquisition expenses cashflow amortisation by RM4.3 million, mainly for the accident and health segment on the back of the increase in insurance revenue from this segment by 9.5% for the FYE 2024.

Our net expense from reinsurance contracts held increased by RM29.5 million for the FYE 2024, mainly due to the decrease in incurred claims and other expenses recovered from our reinsurers, as well as adjustments made to incurred claims.

(c) FPE 2025 compared to FPE 2024

Our insurance service expense increased by RM60.0 million or 29.5% to RM263.6 million for the FPE 2025 (FPE 2024: RM203.6 million). This was mainly attributed to higher claims arising from an increase in incurred claims for motor as well as medical and health products, coupled with deterioration in the liabilities for incurred claims.

Our net expense from reinsurance contracts held decreased by RM27.1 million for the FPE 2025, primarily due to an increase in the amounts recoverable from our reinsurers, particularly in the property and casualty segment. This arose mainly from the recovery of large claims.

12. FINANCIAL INFORMATION (Cont'd)**12.2.7 Insurance service result****(i) Insurance service result segmented by products and services**

Insurance service result	FYE 2022			FYE 2023			FYE 2024		
	RM'000	%	Insurance service result margin %	RM'000	%	Insurance service result margin %	RM'000	%	Insurance service result margin %
Property and casualty segment	115,080	47.9	32.8	108,831	49.0	30.3	109,713	56.5	31.2
Liability	31,031	12.9	29.4	31,120	14.0	27.5	30,175	15.5	23.6
Fire	47,166	19.6	33.5	34,014	15.3	24.0	30,214	15.6	23.8
Others ⁽¹⁾	36,883	#15.4	35.2	43,697	19.7	41.9	49,324	25.4	50.9
Accident and health segment	88,325	36.7	54.4	86,501	38.9	46.9	85,054	43.8	42.2
Personal accident	66,042	27.5	56.3	62,551	#28.1	46.7	57,168	29.4	38.5
Medical and health	22,283	#9.2	49.3	23,950	10.8	47.5	27,886	14.4	52.3
Motor segment	37,024	15.4	23.4	26,851	12.1	18.2	(503)	(0.3)	(0.3)
Insurance service result / Insurance service result margin	240,429	100.0	35.8	222,183	100.0	32.2	194,264	100.0	27.6

12. FINANCIAL INFORMATION (Cont'd)

Insurance service result	FPE 2024			FPE 2025		
	RM'000	%	Insurance service result margin %	RM'000	%	Insurance service result margin %
Property and casualty segment	37,851	42.2	22.3	37,474	42.1	20.9
Liability	7,764	#8.6	13.0	4,802	5.4	7.4
Fire	13,784	15.4	21.8	15,590	17.5	24.2
Others ⁽¹⁾	16,303	18.2	34.7	17,082	19.2	34.1
Accident and health segment	43,151	48.1	42.8	50,123	56.3	45.2
Personal accident	30,038	33.5	40.8	41,333	46.4	51.8
Medical and health	13,113	14.6	48.4	8,790	9.9	28.2
Motor segment	8,703	9.7	12.0	1,430	1.6	1.7
Insurance service result / Insurance service result margin	89,705	100.0	26.1	89,027	100.0	23.7

Notes:

Percentage has been rounded.

(1) Other insurance products include cargo, bond, contractor's all risks and engineering, workmen, marine hull and aviation, offshore-related services and general accident insurance products.

12. FINANCIAL INFORMATION (Cont'd)**(a) FYE 2023 compared to FYE 2022**

Our insurance service result declined by RM18.2 million or 7.6% to RM222.2 million for the FYE 2023 (FYE 2022: RM240.4 million) and the insurance service result margin declined from 35.8% for the FYE 2022 to 32.2% for the FYE 2023. This was mainly attributed to the property and casualty, accident and health, as well as the motor segments. The performance of each segment is as follows:

Property and casualty segment

Insurance service result from the property and casualty segment decreased by RM6.2 million or 5.4% to RM108.8 million for the FYE 2023 (FYE 2022: RM115.1 million) and the insurance service result margin for this segment declined from 32.8% for the FYE 2022 to 30.3% for the FYE 2023. The decrease in our insurance service result and insurance service result margin was mainly attributed to fire products arising from higher claims incurred coupled with lower reinsurance recoveries. Consequently, the insurance service result margin for fire products decreased from 33.5% for the FYE 2022 to 24.0% for the FYE 2023.

The decrease was partly offset by an increase in insurance service result from other insurance products, mainly offshore related-services and bond products. This was mainly due to the reversal in claims incurred following the release of claims reserves as a result of the reduction in estimated claims liabilities.

Accident and health segment

Insurance service result from the accident and health segment declined by RM1.8 million or 2.1% to RM86.5 million for the FYE 2023 (FYE 2022: RM88.3 million) and the insurance service result margin declined from 54.4% for the FYE 2022 to 46.9% for the FYE 2023. This was mainly due to the decline in insurance service result from personal accident products by RM3.5 million for the FYE 2023, attributed to higher frequency of claims. Consequently, the insurance service result margin for the personal accident products decreased from 56.3% for the FYE 2022 to 46.7% for the FYE 2023.

The decrease was partially offset by an increase in insurance service result from medical and health products, which increased by RM1.7 million for the FYE 2023. This was reflected in the increase in insurance revenue from these products by 11.5% for the FYE 2023 on the back of a higher number of policies underwritten during the year. However, the insurance service result margin declined from 49.3% for the FYE 2022 to 47.5% for the FYE 2023, due to the higher frequency of claims for these products.

Motor segment

Insurance service result from the motor segment decreased by RM10.2 million or 27.5% to RM26.9 million for the FYE 2023 (FYE 2022: RM37.0 million). This was also reflected in the decline in insurance revenue for the motor segment by 6.6% for the FYE 2023 mainly on the back of lower number of policies underwritten during the year resulting from increased competition in market pricing post-pandemic.

The insurance service result margin from the motor segment decreased from 23.4% for the FYE 2022 to 18.2% for the FYE 2023. This was mainly attributed to higher average cost of claims in FYE 2023. In addition, the higher margin in FYE 2022 was attributed to the higher reinsurance recoveries pertaining to the flood in the FYE 2021, where the claims were processed in the FYE 2022.

12. FINANCIAL INFORMATION (Cont'd)**(b) FYE 2024 compared to FYE 2023**

Our insurance service result decreased by RM27.9 million or 12.6% to RM194.3 million for the FYE 2024 (FYE 2023: RM222.2 million) and the insurance service result margin declined from 32.2% for the FYE 2023 to 27.6% for the FYE 2024. This was mainly due to the accident and health, as well as motor segments. The performance for each segment is as follows:

Property and casualty segment

Insurance service result from the property and casualty segment grew by RM0.9 million or 0.8% to RM109.7 million for the FYE 2024 (FYE 2023: RM108.8 million) and the insurance service result margin improved from 30.3% for the FYE 2023 to 31.2% for the FYE 2024. This was mainly attributable to the increase in insurance service result from the other insurance products by RM5.6 million due to lower frequency of claims. Consequently, the insurance service result margin from the other insurance products improved from 41.9% for the FYE 2023 to 50.9% for the FYE 2024.

The increase in insurance service results from the property and casualty segment was partially moderated by a decrease in insurance service result of RM3.8 million from fire products, which was reflected in the decline in insurance revenue from fire products by 10.3% for the FYE 2024 mainly due to lower renewal policies following more selective underwriting decisions.

Meanwhile, the improvement in the insurance service result margin from the property and casualty segment was partially offset by the decrease in the insurance service result margin from liability products from 27.5% for the FYE 2023 to 23.6% for the FYE 2024. This was due to higher frequency of claims coupled with higher average cost of claims.

Accident and health segment

Insurance service result from the accident and health segment declined by RM1.4 million or 1.7%, to RM85.1 million for the FYE 2024 (FYE 2023: RM86.5 million) and the insurance service result margin declined from 46.9% for the FYE 2023 to 42.2% for the FYE 2024, primarily due to personal accident products.

Insurance service result from personal accident products decreased by RM5.4 million for the FYE 2024, resulting from higher frequency of claims. As a result, the insurance service result margin for personal accident products decreased from 46.7% for the FYE 2023 to 38.5% for the FYE 2024.

The decrease was partially offset by an increase in insurance service result from medical and health products, which rose by RM3.9 million for the FYE 2024, due to a reduction in claims and commissions. Consequently, the insurance service result margin improved from 47.5% for the FYE 2023 to 52.3% for the FYE 2024.

Motor segment

Insurance service result from the motor segment decreased by RM27.4 million to a loss of RM0.5 million for the FYE 2024 (FYE 2023: RM26.9 million) and the insurance service result margin declined from 18.2% for the FYE 2023 to a loss margin of 0.3% for the FYE 2024. The loss insurance service result of RM0.5 million and loss insurance service result margin of 0.3% for the FYE 2024 was mainly attributed to higher claims from the commercial vehicle portfolio.

12. FINANCIAL INFORMATION (Cont'd)**(c) FPE 2025 compared to FPE 2024**

Our insurance service result declined by RM0.7 million or 0.8% to RM89.0 million for the FPE 2025 (FPE 2024: RM89.7 million) and the insurance service result margin declined from 26.1% for the FPE 2024 to 23.7% for the FPE 2025. This was primarily attributed to the decline in the motor segment and was partially offset by an increase in the accident and health segment. The performance of each segment is as follows:

Property and casualty segment

Insurance service result from the property and casualty segment decreased by RM0.4 million or 1.0% to RM37.5 million for the FPE 2025 (FPE 2024: RM37.9 million) and the insurance service result margin declined from 22.3% for the FPE 2024 to 20.9% for the FPE 2025. This was mainly due to the decrease in insurance service result from liability products by RM3.0 million and decline in insurance service result margin from 13.0% for the FPE 2024 to 7.4% for the FPE 2025, which was mainly due to higher claims.

The decrease in insurance service result and insurance service result margin from this segment was partially offset by an increase in insurance service result from fire products by RM1.8 million and the insurance service result margin improved from 21.8% for the FPE 2024 to 24.2% for the FPE 2025, which was due to lower claims.

Accident and health segment

Insurance service result from the accident and health segment increased by RM7.0 million or 16.2% to RM50.1 million for the FPE 2025 (FPE 2024: RM43.2 million) and the insurance service result margin improved from 42.8% for the FPE 2024 to 45.2% for the FPE 2025. This was primarily contributed by personal accident products, where the insurance service result increased by RM11.3 million due to lower claims incurred.

The increase in insurance service result from this segment was partially offset by a decrease in insurance service result from the medical and health products, which declined by RM4.3 million. This was attributed to higher claims.

Motor segment

Insurance service result from the motor segment declined by RM7.3 million or 83.6% to RM1.4 million for the FPE 2025 (FPE 2024: RM8.7 million) and the insurance service result margin declined from 12.0% for the FPE 2024 to 1.7% for the FPE 2025. This was attributed to higher claims as a result of worsening claims experience which was reflected in higher average cost of claims for the FPE 2025, coupled with an increase in commission.

12. FINANCIAL INFORMATION (Cont'd)**12.2.8 Total investment income and other income**

	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Total investment income	30,749	86.9	77,132	97.1	65,488	95.0
Interest income	54,984	155.4	60,536	76.2	63,569	92.3
Net fair value (losses)/gains on financial assets	(17,790)	(50.3)	20,950	26.4	3,296	4.8
Net realised gains	2,698	7.6	2,091	2.6	5,160	7.5
Other investment expense from MMIP ⁽¹⁾	(436)	(1.2)	1,997	2.5	1,434	2.1
Dividend income	66	0.2	66	0.1	33	*
Investment advisory fees and custodian charges	(2,013)	(5.7)	(2,121)	(2.7)	(2,241)	(3.3)
Amortisation of premium ⁽²⁾	(6,760)	(19.1)	(6,387)	(8.0)	(5,763)	(8.4)
Other income⁽³⁾	4,616	13.1	2,289	2.9	3,441	5.0
Total	35,365	100.0	79,421	100.0	68,929	100.0

	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Total investment income	32,473	93.8	44,130	94.9
Interest income	31,263	90.3	29,467	63.4
Net fair value gains on financial assets	2,560	7.4	16,714	35.9
Net realised gains	1,425	4.1	42	0.1
Other investment expense from MMIP ⁽¹⁾	1,337	3.9	717	1.5
Investment advisory fees and custodian charges	(1,098)	(3.2)	(1,095)	(2.3)
Amortisation of premium ⁽²⁾	(3,014)	(8.7)	(1,715)	(3.7)
Other income⁽³⁾	2,155	6.2	2,382	5.1
Total	34,628	100.0	46,512	100.0

Notes:

* Less than 0.1%.

(1) Share of investment expenses or income for the MMIP. MMIP is an insurance pool established to provide insurance coverage for high-risk vehicles or drivers who find it difficult to obtain insurance through the standard commercial market.

(2) Refers to the gradual reduction of the excess price (the premium) paid for a bond over its remaining life, ensuring the investment value is accurately reflected over time.

(3) Mainly comprised rental income from related party, in-house adjuster fee income, as well as service charges and handling fees.

12. FINANCIAL INFORMATION (Cont'd)**(a) FYE 2023 compared to FYE 2022**

Our total investment income increased by RM46.4 million or 150.8% to RM77.1 million for the FYE 2023 (FYE 2022: RM30.7 million). This was mainly attributed to the following:

- an increase of RM38.7 million in net fair value gains on financial assets, including MGS and guaranteed loans, as well as the unquoted debt securities in Malaysia, on the back of higher market price as a result of lower bond yields.
- an increase of RM5.6 million in interest income, mainly comprising the bond coupon payments from MGS and debt securities held.
- RM2.0 million from the share of investment income from the MMIP for the FYE 2023.

(b) FYE 2024 compared to FYE 2023

Our total investment income declined by RM11.6 million or 15.1% to RM65.5 million for the FYE 2024 (FYE 2023: RM77.1 million). This was mainly due to the decrease of RM17.7 million in the net fair value gains on financial assets, including MGS and guaranteed loans, as well as the unquoted debt securities in Malaysia, primarily due to moderate movement in bond yields.

The decrease in total investment income was partially offset by the following:

- an increase of RM3.1 million in the net realised gain, mainly from the disposal of unquoted debt securities.
- an increase of RM3.0 million in interest income, mainly comprising the bond coupon payments from MGS and debt securities held.

(c) FPE 2025 compared to FPE 2024

Our total investment income increased by RM11.7 million or 35.9% to RM44.1 million for the FPE 2025 (FPE 2024: RM32.5 million). This was mainly attributed to an increase of RM14.2 million in net fair value gains on financial assets, namely MGS and guaranteed loans, on the back of higher market prices as a result of lower bond yields.

The increase in total investment income was partially moderated by the following:

- a decrease of RM1.8 million in interest income, mainly comprising the bond coupon payments from MGS and debt securities held.
- a decrease of RM1.4 million in net realised gain from unquoted debt securities in Malaysia as well as MGS and guaranteed loans.

12. FINANCIAL INFORMATION (Cont'd)**12.2.9 Net insurance financial result**

	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Insurance finance expense for insurance contracts issued	14,498	154.8	27,848	153.8	25,748	145.8
Reinsurance finance income for reinsurance contracts held	(5,139)	(54.9)	(9,841)	(54.3)	(8,070)	(45.7)
Net foreign exchange losses/(gains)	7	0.1	96	0.5	(26)	(0.1)
Net insurance financial result	9,366	100.0	18,103	100.0	17,652	100.0

	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Insurance finance expense for insurance contracts issued	14,159	146.3	11,942	133.3
Reinsurance finance income for reinsurance contracts held	(4,500)	(46.5)	(3,026)	(33.8)
Net foreign exchange losses	20	0.2	43	0.5
Net insurance financial result	9,679	100.0	8,959	100.0

(a) FYE 2023 compared to FYE 2022

Our net insurance financial result increased by RM8.7 million or 93.3% to RM18.1 million for the FYE 2023 (FYE 2022: RM9.4 million). This was primarily attributed to the increase in insurance finance expense for insurance contracts issued, resulting from changes in interest rates and other financial assumptions.

In addition, reinsurance finance income for reinsurance contracts held increased, arising from the changes in interest rates and other financial assumptions.

(b) FYE 2024 compared to FYE 2023

Our net insurance financial result decreased by RM0.5 million or 2.5% to RM17.7 million for the FYE 2024 (FYE 2023: RM18.1 million). This was primarily attributed to the decrease in insurance finance expense for insurance contracts issued, resulting from a decline in interest accrued to these contracts, along with changes in interest rates and other financial assumptions.

In addition, reinsurance finance income for reinsurance contracts held decreased due to the reduction in interest accrued to reinsurance contracts, as well as changes in interest rates and other financial assumptions.

(c) FPE 2025 compared to FPE 2024

Our net insurance financial result decreased by RM0.7 million or 7.4% to RM9.0 million for the FPE 2025 (FPE 2024: RM9.7 million). This was mainly attributed to the decrease in insurance finance expense for insurance contracts issued due to changes in interest rates and other financial assumptions.

In addition, reinsurance finance income for reinsurance contracts held decreased due to a reduction in interest accrued to reinsurance contracts, as well as changes in interest rates and other financial assumptions.

12. FINANCIAL INFORMATION (Cont'd)**12.2.10 Other operating expense**

	FYE 2022		FYE 2023		FYE 2024	
	RM'000	%	RM'000	%	RM'000	%
Employee benefits expense ⁽¹⁾	52,778	43.8	58,296	47.3	61,611	#42.2
EDP expenses	16,521	13.7	15,122	12.3	20,342	13.9
Regional technical service charges	11,338	9.4	12,548	10.2	18,218	12.5
Outsourced services fees ⁽²⁾	17,479	14.5	13,653	11.1	13,105	9.0
Depreciation and amortisation	7,045	5.8	6,202	5.0	6,939	4.8
Advertising	1,110	0.9	2,222	1.8	8,090	5.5
Others ⁽³⁾	14,277	11.9	15,252	12.3	17,573	12.1
Total	120,548	100.0	123,295	100.0	145,878	100.0

	FPE 2024		FPE 2025	
	RM'000	%	RM'000	%
Employee benefits expense ⁽¹⁾	29,982	43.0	32,024	42.0
EDP expenses	11,087	15.9	11,700	15.4
Regional technical service charges	6,274	9.0	9,109	12.0
Outsourced services fees ⁽²⁾	4,944	7.1	7,847	10.3
Depreciation and amortisation	3,250	4.7	3,775	5.0
Advertising	4,021	5.8	980	1.3
Others ⁽³⁾	10,131	14.5	10,689	14.0
Total	69,689	100.0	76,124	100.0

Notes:

Percentage has been rounded.

(1) Refers to staff costs which comprised mainly wages, salaries, bonuses, social security contributions and contributions to the Employees Provident Fund.

(2) Comprised telemarketing expenses.

(3) Comprised mainly agency training expenses, building administrative, repair and maintenance as well as bank charges.

(a) FYE 2023 compared to FYE 2022

Other operating expenses increased by RM2.7 million or 2.3% to RM123.3 million for the FYE 2023 (FYE 2022: RM120.5 million). This was mainly attributed to the following:

- an increase in employee benefits expense by RM5.5 million mainly contributed by salary increment and bonuses.
- an increase in advertising expenses by RM1.1 million arising from increased marketing activities.

The increase in other operating expenses was partially offset by the decrease in outsourced services fees by RM3.8 million due to a decrease in telemarketing expenses.

12. FINANCIAL INFORMATION (Cont'd)**(b) FYE 2024 compared to FYE 2023**

Other operating expenses increased by RM22.6 million or 18.3% to RM145.9 million for the FYE 2024 (FYE 2023: RM123.3 million). This was mainly attributed to the following:

- an increase in advertising expenses by RM5.9 million for marketing activities, mainly campaigns for accident and health, as well as motor products.
- an increase in regional technical service charges by RM5.7 million, mainly for the IT support provided during the FYE 2024 to facilitate the implementation and post launch support of a new digital platform launched during the FYE 2024.
- an increase in EDP expenses by RM5.2 million, mainly for the implementation of a new digital platform for our fire products.
- an increase in employee benefits expense by RM3.3 million, mainly contributed by salary increment and bonuses.
- an increase in other expenses by RM2.3 million arising mainly from agency training expenses and bank charges incurred.

(c) FPE 2025 compared to FPE 2024

Other operating expenses increased by RM6.4 million or 9.2% to RM76.1 million for the FPE 2025 (FPE 2024: RM69.7 million). This was mainly due to the following:

- an increase in outsourced services fees by RM2.9 million due to higher telemarketing expenses attributed to increased outreach as part of our ongoing effort to drive customer acquisition.
- an increase in regional technical service charges by RM2.8 million mainly pertaining to IT support services.
- an increase in employee benefits expense by RM2.0 million mainly contributed by salary increment and bonuses.

The increase in other operating expenses was partially offset by a decrease in advertising expenses by RM3.0 million due to a decrease in marketing activities.

12. FINANCIAL INFORMATION (Cont'd)**12.2.11 PBT, PAT and effective tax rate**

	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PBT (RM'000)	145,880	160,107	99,566	44,965	50,408
PBT margin ⁽¹⁾	21.7%	23.2%	14.2%	13.1%	13.4%
Taxation (RM'000)	37,241	40,951	25,807	11,262	12,539
Effective tax rate ⁽²⁾	25.5%	25.6%	25.9%	25.0%	24.9%
Statutory tax rate	24.0%	24.0%	24.0%	24.0%	24.0%
PAT (RM'000)	108,639	119,156	73,759	33,703	37,869
PAT margin ⁽³⁾	16.2%	17.2%	10.5%	9.8%	10.1%

Notes:

- (1) Computed based on PBT over insurance revenue.
- (2) Computed based on taxation over PBT.
- (3) Computed based on PAT over insurance revenue.

(a) FYE 2023 compared to FYE 2022

Our PBT increased by RM14.2 million or 9.8% to RM160.1 million for the FYE 2023 (FYE 2022: RM145.9 million) and the PBT margin improved from 21.7% for the FYE 2022 to 23.2% for the FYE 2023. Similarly, our PAT increased by RM10.5 million or 9.7% to RM119.2 million for the FYE 2023 (FYE 2022: RM108.6 million) and the PAT margin improved from 16.2% for the FYE 2022 to 17.2% for the FYE 2023.

The improvement for the FYE 2023 was mainly contributed by the higher total investment income of RM46.4 million for the FYE 2023. The increase was partially moderated by the following:

- a decrease of RM18.2 million in our insurance service result due to higher claims incurred mainly from fire, personal accident, and motor products.
- higher insurance finance expense for insurance contracts issued of RM13.4 million.
- an increase of RM2.7 million in other operating expenses arising mainly from higher employee benefits expense.

Our effective tax rate for the FYE 2022 was 25.5% which was higher than the statutory tax rate of 24.0%. This was mainly due to the imposition of a one-off windfall tax of 33% on taxable income exceeding RM100 million for the FYE 2022.

For the FYE 2023, our effective tax rate was 25.6% which was also higher than the statutory tax rate of 24.0%. This was primarily attributed to non-deductible expenses such as depreciation of non-qualifying plant and equipment, overseas agency training, entertainment expenses, as well as underprovision in prior years.

(b) FYE 2024 compared to FYE 2023

Our PBT declined by RM60.5 million or 37.8% to RM99.6 million for the FYE 2024 (FYE 2023: RM160.1 million) and the PBT margin decreased from 23.2% for the FYE 2023 to 14.2% for the FYE 2024. Similarly, our PAT decreased by RM45.4 million or 38.1% to RM73.8 million for the FYE 2024 (FYE 2023: RM119.2 million) and the PAT margin decreased from 17.2% for the FYE 2023 to 10.5% for the FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)

This was mainly due to the following:

- a decrease of RM27.9 million in insurance service result due to higher claims incurred mainly from motor and personal accident products.
- an increase of RM22.6 million in other operating expenses, mainly EDP expenses, technical service charges and advertising expenses.
- a decrease of RM11.6 million in total investment income on the back of a decline in net fair value gains on financial assets.

Our effective tax rate was 25.9% for the FYE 2024, which was higher than the statutory tax rate of 24.0%. This was mainly attributed to non-deductible expenses, such as depreciation of non-qualifying plant and equipment, overseas agency training, entertainment expenses, as well as underprovision in prior years.

(c) FPE 2025 compared to FPE 2024

Our PBT increased by RM5.4 million, or 12.1%, to RM50.4 million for the FPE 2025 (FPE 2024: RM45.0 million) and the PBT margin improved from 13.1% for the FPE 2024 to 13.4% for the FPE 2025. Similarly, our PAT also increased by RM4.2 million or 12.4% to RM37.9 million for the FPE 2025 (FPE 2024: RM33.7 million) and the PAT margin also increased from 9.8% for the FPE 2024 to 10.1% for the FPE 2025. The improvement for the FPE 2025 was primarily due to a RM11.7 million increase in total investment income for the FPE 2025.

The increase was partially moderated by a decrease in insurance service result margin from 26.1% for the FPE 2024 to 23.7% for the FPE 2025, coupled with an increase in other operating expenses of RM6.4 million.

Our effective tax rate for the FPE 2025 was 24.9%, which was higher than the statutory tax rate of 24.0%. This was mainly due to non-deductible expenses, such as depreciation of non-qualifying plant and equipment, overseas agency training, as well as entertainment expenses.

12.2.12 Liquidity and capital resources

We fund our liquidity requirements through internally generated funds from our general insurance business, including insurance premiums and net investment income from investment portfolios. We place fixed-income investments in government and corporate debt that meet our standards for liquidity and credit quality. We have the flexibility to lengthen or shorten the duration of most fixed income accounts as needed to optimise total returns and liquidity requirements.

Capital resources are the financial reserves available to absorb unexpected losses and to ensure our company can continue meeting its obligations under financially stressed conditions. Our capital structure is as set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Eligible Tier 1 Capital				
Share capital	100,000	100,000	100,000	100,000
Retained earnings	873,237	894,862	700,416	734,198
	<u>973,237</u>	<u>994,862</u>	<u>800,416</u>	<u>834,198</u>
Tier 2 Capital				
Available-for-sale reserve	(21,547) ⁽¹⁾	-	-	-
Eligible reserves	7,982	6,275	5,682	6,399
Amount deducted from capital ⁽²⁾	(34,311)	(29,131)	(34,715)	(36,692)
Total capital available	<u>925,361</u>	<u>972,006</u>	<u>771,383</u>	<u>803,905</u>

12. FINANCIAL INFORMATION (Cont'd)**Notes:**

- (1) This refers to the unrealised losses on available-for-sale financial assets under our investment portfolio. Reclassification from retained earnings to fair value reserve pursuant to the application of MFRS 9.
- (2) This includes intangible assets and deferred tax assets.

Based on our audited statements of financial position as at 30 June 2025, we have cash and cash equivalents of RM163.3 million and no outstanding bank borrowings. As at 30 June 2025, we maintained a capital adequacy ratio well above the supervisory target capital level set by BNM. Our cash inflows and cash balances are used to pay claims and related expenses, reinsurance premiums and other operating costs. We generate cash flow by collecting premiums and then subtracting claim payments as they are incurred.

Our board is of the opinion that, after taking into consideration our cash flow position, we will have sufficient working capital for 12 months from the date of this Prospectus.

(i) Cash flow

The following is our cash flow for the Financial Years and Period Under Review based on our audited Financial Statements, which should be read in conjunction with the Accountants' Report included in Section 13 of this Prospectus:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000
Net cash flows generated from/ (used in) operating activities	104,296	(27,744)	175,027	47,000
Net cash flows used in investing activities	(5,507)	(5,379)	(11,435)	(6,940)
Net cash flows used in financing activities	(1,211)	(76,307)	(111,190)	(164,681)
Net increase /(decrease) in cash and cash equivalents	97,578	(109,430)	52,402	(124,621)
Cash and cash equivalents at beginning of the financial year/period	247,400	344,978	235,548	287,950
Cash and cash equivalent at end of the financial year/period	344,978	235,548	287,950	163,329

(a) Net cash flows generated from/used in operating activities**FYE 2022**

For the FYE 2022, our net cash flows generated from operating activities was RM104.3 million, taking into account the PBT of RM145.9 million and the changes in working capital. This was mainly attributed to:

- an increase of RM58.5 million in reinsurance contract assets, mainly driven by higher claims recoveries from reinsurance arising from major flood claims in the prior year.
- an increase of RM20.0 million in insurance contract liabilities, mainly attributed to higher claims for the FYE 2023 as well as adjustments to prior year flood claims.

12. FINANCIAL INFORMATION (Cont'd)

- a decrease of RM17.2 million in FVTPL investments attributed to net fair value losses from our investment portfolio for the FYE 2022, arising from the acquisition and disposal of MGS, corporate bonds and guaranteed loans for the FYE 2022.
- a decrease of RM7.5 million in other payables, mainly attributed to lower accrued liability primarily for policy printing fees and regional management expenses. The decrease is also partly attributed to a reduction in deposits held on bonds due to refund of deposits for bonds contracts completed during the year.
- a decrease of RM3.5 million in other receivables, mainly attributed to a decrease of RM4.2 million in amounts due from MMIP. This reflected a reduction in assets held under MMIP attributed to the surplus distribution from MMIP of RM2.0 million.

Additionally, we received interest income of RM55.3 million, primarily from our investment portfolios, which consisted mainly of MGS and guaranteed loans, as well as debt securities based on agreed-upon interest/coupon rates. This was offset by income tax payments of RM46.7 million and the payment of RM1.8 million under the share-based long-term incentive plan pursuant to the employee remuneration program under our ultimate holding company, Chubb Limited.

FYE 2023

For the FYE 2023, our net cash flows used in operating activities were RM27.7 million, taking into account our PBT of RM160.1 million and the changes in working capital, including:

- an increase of RM164.7 million in FVTPL investments, attributed to an increased investment in financial assets, mainly MGS and guaranteed loans. For the FYE 2023, the acquisition of investments cost RM721.7 million, driven by higher purchases of the MGS and guaranteed loans (FYE 2022: RM570.7 million).
 - a decrease of RM61.6 million in reinsurance contract assets following the settlement of claims mainly from the property and casualty portfolio.
- This was reflected in a reduction of 11.3% in total net cash outflow for reinsurance for the FYE 2023, primarily attributed to higher reinsurance recoveries in the property and casualty, and motor portfolios.
- a decrease of RM19.3 million in insurance contract liabilities, mainly attributed to lower claims payments made for the FYE 2023 in relation to property and casualty and motor portfolios. This was reflected in a decrease by 13.5% in claims and other insurance service expense paid, including investment component paid, for the FYE 2023.
 - a decrease of RM16.9 million in other payables, mainly attributed to the settlement and lower unclaimed money balances as at 31 December 2023 compared to 31 December 2022, as well as lower unallocated cash.
 - a decrease of RM2.3 million in other receivables, mainly attributed to a decrease of RM2.6 million due from MMIP, following the surplus distribution from MMIP.

12. FINANCIAL INFORMATION (Cont'd)

Additionally, we received interest income of RM57.9 million, primarily from our investment portfolios, which consisted mainly of MGS and guaranteed loans, as well as debt securities based on agreed-upon interest/coupon rates. This was offset by income tax payments of RM36.6 million and the payment of RM4.4 million under the share-based long-term incentive plan pursuant to the employee remuneration program under our ultimate holding company, Chubb Limited.

There were negative net cash flow in operating activities of RM27.7 million for the FYE 2023, mainly attributed to increased investment in financial assets, mainly MGS and guaranteed loans. For the FYE 2023, the acquisition of investments cost RM721.7 million, driven by higher purchases of the MGS and guaranteed loans (FYE 2022: RM570.7 million).

FYE 2024

For the FYE 2024, our net cash flows generated from operating activities were RM175.0 million, taking into account our PBT of RM99.6 million and changes in working capital. This was mainly attributed to:

- a decrease of RM57.1 million in reinsurance contract assets and an increase of RM3.7 million in reinsurance contract liabilities. This was mainly due to lower reinsurance recoveries from the ceded reinsurance of the property and casualty portfolios. This was reflected in a 58.0% decrease in reinsurance recoveries for the FYE 2024.

The decrease was also partly attributed to a reduction in reinsurance premiums paid (net of ceding commissions), which was reflected in a 3.8% decrease in cash flow from reinsurance premiums paid for the FYE 2024.

- a decrease of RM26.9 million in FVTPL investments mainly attributed to the disposal of MGS and guaranteed loans. For the FYE 2024, the disposal of investments was RM292.0 million, related to the disposal of the MGS and guaranteed loans (FYE 2023: RM137.0 million).
- an increase of RM19.6 million in other payables, mainly attributed to a higher amount due to related parties, and unallocated receipts received towards the end of the year.
- a decrease of RM6.9 million in insurance contract liabilities mainly attributed to lower claims reported for the FYE 2024 in relation to the property and casualty portfolio.

Additionally, we received interest income of RM63.9 million, primarily from our investment portfolios, which consisted mainly of MGS, guaranteed loans, and debt securities based on agreed-upon interest/coupon rates. This was offset by income tax payments of RM30.2 million and the payment of RM1.8 million under the share-based long-term incentive plan pursuant to the employee remuneration program under our ultimate holding company, Chubb Limited.

FPE 2025

For the FPE 2025, our net cash flows generated from operating activities were RM47.0 million, taking into account our PBT of RM50.4 million and changes in working capital. This was mainly attributed to:

- an increase of RM100.8 million in insurance contract liabilities, mainly attributed to increased liabilities arising from newly underwritten policies as well as higher claims due to deterioration of claims experience for our accident and health, as well as motor portfolios.

12. FINANCIAL INFORMATION (Cont'd)

- an increase of RM38.0 million in FVTPL investments attributed to the acquisitions of investment assets for the FPE 2025, which consisted mainly of MGS and guaranteed loans, amounting to RM298.5 million.
- an increase of RM31.9 million in reinsurance contract assets, mainly attributed to higher claims recoveries from reinsurance for the accident and health, as well as motor portfolios.
- an increase of RM6.6 million in other receivables mainly attributed to higher prepayments as of the FPE 2025 pertaining mainly to prepaid expenses such as staff insurance, a higher amount due from intermediaries relating to stamp duties and taxes, as well as amounts due from related parties.
- a decrease of RM5.7 million in other payables, mainly attributed to lower payroll liabilities pertaining to accrued bonuses, a lower amount due to related parties, as well as lower accrued liabilities in relation to regional management expenses.

Additionally, we received interest income of RM29.4 million, primarily from our investment portfolios, which consisted mainly of MGS and guaranteed loans, as well as debt securities based on agreed-upon interest/coupon rates. This was offset by income tax payments of RM11.7 million.

(b) Net cash flows used in investing activities**FYE 2022**

For the FYE 2022, our net cash flows used in investing activities were RM5.5 million, which was attributed to RM3.8 million used for intangible assets related to the development and enhancement of existing systems and software to cater to business growth as well as regulatory requirements, such as MFRS 17 compliance, as well as sanction and screening processes.

Additionally, RM1.7 million was allocated for the purchase of replacement hardware, including computers and office equipment.

FYE 2023

For the FYE 2023, our net cash flows used in investing activities was RM5.4 million, which was attributed to RM3.0 million used for the intangible assets related to the development and enhancement of our existing systems and software to cater to business growth as well as regulatory requirements.

Additionally, RM2.5 million was allocated for the purchase of replacement hardware, including computers and office equipment.

FYE 2024

For the FYE 2024, our net cash flows used in investing activities were RM11.4 million, which was attributed to RM9.7 million used for the intangible assets, including RM4.3 million for software implementation. Additionally, RM5.3 million was used for the ongoing development and integration of computer software for e-invoicing and enhancement of a digital platform for intermediaries.

Additionally, RM2.2 million was allocated for the purchase of replacement hardware, including computers and office equipment.

12. FINANCIAL INFORMATION (Cont'd)**FPE 2025**

For the FPE 2025, our net cash flows used in investing activities were RM6.9 million, which was attributed to RM3.9 million used for intangible assets related to the enhancement of existing systems and software, as well as a digital platform for intermediaries.

Additionally, RM3.0 million was used for the purchase of property and equipment, comprising mainly RM1.4 million for the renovation of our head office as well as RM1.6 million for the purchase of replacement hardware including computers and office equipment.

(c) Net cash flows used in financing activities**FYE 2022**

For the FYE 2022, our net cash flows used in financing activities were RM1.2 million for lease liabilities payments for the rental of our branch offices.

FYE 2023

For the FYE 2023, our net cash flows used in financing activities were RM76.3 million, mainly attributed to RM75.0 million in dividend paid and RM1.3 million for lease liabilities payments for the rental of our branch offices.

FYE 2024

For the FYE 2024, our net cash flows used in financing activities were RM111.2 million, mainly attributed to RM110.0 million in dividend paid in respect of the FYE 2023.

In addition, RM1.2 million was used for lease liabilities payments for the rental of our branch offices.

FPE 2025

For the FPE 2025, our net cash flows used in financing activities were RM164.7 million, mainly attributed to RM164.0 million in dividend paid in respect of the FYE 2024.

(ii) Bank borrowings

As at 30 June 2025, we have no outstanding bank borrowings.

(iii) Total capital available

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2025</u>
Total capital available (RM'000)	925,361	972,006	771,383	803,905

Total capital available increased by 5.0% to RM972.0 million as at 31 December 2023 (as at 31 December 2022: RM925.4 million), mainly attributed to an increase in retained earnings on the back of higher PAT generated for the FYE 2023 and partially moderated by the dividend paid of RM75.0 million.

Total capital available decreased by 20.6% to RM771.4 million as at 31 December 2024 (as at 31 December 2023: RM972.0 million). This was attributed to the decrease in retained earnings in relation to RM110.0 million of dividend paid and RM164.0 million of dividend declared for the FYE 2024.

12. FINANCIAL INFORMATION (Cont'd)

Total capital available increased by 4.2% to RM803.9 million as at 30 June 2025 (as at 31 December 2024: RM771.4 million), mainly attributed to the increase in retained earnings on the back of our PAT generated for the FPE 2025.

12.2.13 Financial instrument, treasury policies and objectives

As at the LPD, we do not use any other financial instruments. Our operations have been funded through shareholders' equity and cash generated from our operations.

The main objective of our capital management is to ensure sustainable shareholders' equity to support and grow our business in order to maximise shareholders' value. We review and manage our capital structure to maintain our capital adequacy ratio at an optimal level based on, amongst other factors, our business requirements and prevailing economic conditions as prescribed under the RBC Framework. See Note 2.25 of the Accountants Report included in Section 13 of this Prospectus for further details on our capital.

12.2.14 Material litigation and contingent liabilities**(i) Material litigation**

Save as disclosed in Section 14.7 of this Prospectus, we are not engaged in any other governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings, which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

(ii) Contingent liabilities

As at the LPD, save as disclosed in Note 2.26 of the Accountants' Report included in Section 13 of this Prospectus and Section 12.3 of this Prospectus, we do not have any other material contingent liabilities which, upon becoming enforceable, may have a material adverse impact on our results of operations or financial position.

12.2.15 Key financial ratios

Our key financial ratios for the Financial Years and Period Under Review are as follows:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025
NA per Share ⁽¹⁾ (RM/Share)	10.33	10.76	8.75	9.14
Return on equity ⁽²⁾ (%)	11.1	11.3	7.6	4.2
Return on assets ⁽³⁾ (%)	5.4	5.8	3.6	1.9
Investment leverage ratio ⁽⁴⁾ (%)	125.8	137.9	166.8	165.5
Investment yield ⁽⁵⁾ (%)	2.3	5.5	4.5	3.0
Gearing ratio ⁽⁶⁾ (times)	N/A	N/A	N/A	N/A
Current ratio (times)	N/A	N/A	N/A	N/A
Trade receivables turnover (days)	N/A	N/A	N/A	N/A
Trade payables turnover (days)	N/A	N/A	N/A	N/A

Notes:

- (1) Computed based on total equity over the number of Shares for the respective financial years/period.
- (2) Computed based on PAT over average total equity at the beginning and end of the respective financial years/period.
- (3) Computed based on PAT over average total assets at the beginning and end of the respective financial years/period.
- (4) Computed based on investments over total equity for the respective financial years/period.

12. FINANCIAL INFORMATION (Cont'd)

(5) *Computed based on total investment income over average investments at the beginning and end of the respective financial years/period.*

(6) *For the Financial Years and Period Under Review, we had no outstanding bank borrowings.*

(i) NA per Share

	As at 31 December			As at 30 June
	2022	2023	2024	2025
	RM	RM	RM	RM
NA per Share ⁽¹⁾ (RM/Share)	10.33	10.76	8.75	9.14
Total equity (RM'000)	1,033,485	1,075,934	875,100	913,686
Number of Shares ('000)	100,000	100,000	100,000	100,000

Note:

(1) *Computed based on total equity over the number of Shares for the respective financial years/period.*

The NA per Share increased by 4.2% to RM10.76 as at 31 December 2023 (as at 31 December 2022: RM10.33). This was mainly attributed to higher retained earnings on the back of higher PAT generated for the FYE 2023.

The NA per Share decreased by 18.7% to RM8.75 as at 31 December 2024 (as at 31 December 2023: RM10.76). This was mainly attributed to a reduction in retained earnings following the payment of a RM110.0 million dividend and the declaration of a further RM164.0 million dividend for the FYE 2024.

The NA per Share increased by 4.5% to RM9.14 as at 30 June 2025 (as at 31 December 2024: RM8.75). This was mainly attributed to the increase in retained earnings by 4.9% on the back of our PAT generated for the FPE 2025.

(ii) Return on equity

	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
PAT (RM'000)	108,639	119,156	73,759	33,703	37,869
Average total equity ⁽¹⁾ (RM'000)	979,505	1,054,710	975,517	1,038,307	894,393
Return on equity ⁽²⁾ (%)	11.1	11.3	7.6	3.2	4.2

Notes:

(1) *The average total equity is computed as below:*

	FYE 2022	FYE 2023	FYE 2024	FPE 2024	FPE 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Total equity as at 1 January	925,524	1,033,485	1,075,934	1,075,934	875,100
Total equity as at 31 December/ 30 June	1,033,485	1,075,934	875,100	1,000,679	913,686
Average total equity	979,505	1,054,710	975,517	1,038,307	894,393

(2) *Computed based on PAT over average total equity at the beginning and end of the respective financial years/period.*

12. FINANCIAL INFORMATION (Cont'd)

The return on equity improved from 11.1% as at 31 December 2022 to 11.3% as at 31 December 2023, mainly attributed to higher PAT generated for the FYE 2023. This was driven by higher total investment income, which increased by 150.8% for the FYE 2023, resulting from higher interest income from investment assets, as well as net fair value gains of RM21.0 million on financial assets during the year.

The return on equity declined from 11.3% as at 31 December 2023 to 7.6% as at 31 December 2024, mainly attributed to lower PAT generated for the FYE 2024. This was attributed to lower insurance profit as reflected in the decrease in insurance service result, which decreased by 12.6% for the FYE 2024. The decrease in PAT was also partly attributed to a decline in total investment income, which decreased by 15.1% for the FYE 2024, due to lower net fair value gains on financial assets and interest income.

The return on equity increased from 3.2% as at 30 June 2024 to 4.2% as at 30 June 2025, mainly attributed to higher PAT generated for the FPE 2025. This was driven by higher total investment income, which increased by 35.9% for the FPE 2025, resulting from the net fair value gains of RM16.7 million on financial assets for the FPE 2025.

(iii) Return on assets

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2024</u>	<u>FPE 2025</u>
PAT (RM'000)	108,639	119,156	73,759	33,703	37,869
Average total assets ⁽¹⁾ (RM'000)	2,010,633	2,070,248	2,062,003	2,052,658	2,035,310
Return on assets ⁽²⁾ (%)	5.4	5.8	3.6	1.6	1.9

Notes:

(1) The average total assets are computed as follows:

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2024</u>	<u>FPE 2025</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Total assets as at 1 January	1,955,758	2,065,508	2,074,987	2,074,987	2,049,018
Total assets as at 31 December/ 30 June	2,065,508	2,074,987	2,049,018	2,030,328	2,021,602
Average total assets	2,010,633	2,070,248	2,062,003	2,052,658	2,035,310

(2) Computed based on PAT over average total assets at the beginning and end of the respective financial years/period.

The return on assets improved from 5.4% as at 31 December 2022 to 5.8% as at 31 December 2023, mainly attributed to higher PAT generated for the FYE 2023 as discussed above.

The return on assets declined from 5.8% as at 31 December 2023 to 3.6% as at 31 December 2024, mainly attributed to lower PAT generated for the FYE 2024 as discussed above.

The return on assets improved from 1.6% as at 30 June 2024 to 1.9% as at 30 June 2025, mainly attributed to higher PAT generated for the FPE 2025 as discussed above.

12. FINANCIAL INFORMATION (Cont'd)**(iv) Investment leverage ratio**

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2025</u>
Investments (RM'000)	1,299,880	1,483,826	1,459,297	1,512,362
Total equity (RM'000)	1,033,485	1,075,934	875,100	913,686
Investment leverage ratio ⁽¹⁾ (%)	125.8	137.9	166.8	165.5

Note:

(1) Computed based on investments over total equity for the respective financial years/period.

The investment leverage ratio increased from 125.8% as at 31 December 2022 to 137.9% as at 31 December 2023. This was mainly attributed to higher investments driven by the increased investment in financial assets, primarily MGS and guaranteed loans, as well as net fair value gains of RM21.0 million on financial assets for the FYE 2023.

The investment leverage ratio increased from 137.9% as at 31 December 2023 to 166.8% as at 31 December 2024. This was mainly attributed to a reduction in total equity, driven by a decrease in retained earnings following the payment of a RM110.0 million dividend and the declaration of a further RM164.0 million dividend for the FYE 2024.

The investment leverage ratio declined from 166.8% as at 31 December 2024 to 165.5% as at 30 June 2025. This was mainly attributed to an increase in total equity on the back of an increase in retained earnings.

(v) Investment yield

	<u>FYE 2022</u>	<u>FYE 2023</u>	<u>FYE 2024</u>	<u>FPE 2024</u>	<u>FPE 2025</u>
Total investment income (RM'000)	30,749	77,132	65,488	32,473	44,130
Average investments ⁽¹⁾ (RM'000)	1,319,640	1,391,853	1,471,562	1,518,620	1,485,830
Investment yield ⁽²⁾ (%)	2.3%	5.5%	4.5%	2.1%	3.0%

Notes:

(1) The average investments are computed as below:

	<u>FYE 2022</u> <u>RM'000</u>	<u>FYE 2023</u> <u>RM'000</u>	<u>FYE 2024</u> <u>RM'000</u>	<u>FPE 2024</u> <u>RM'000</u>	<u>FPE 2025</u> <u>RM'000</u>
Investments as at 1 January	1,339,400	1,299,880	1,483,826	1,483,826	1,459,297
Investments as at 31 December/ 30 June	1,299,880	1,483,826	1,459,297	1,553,413	1,512,362
Average investments	1,319,640	1,391,853	1,471,562	1,518,620	1,485,830

(2) Computed based on total investment income over average investments at the beginning and end of the respective financial years/period.

The investment yield increased from 2.3% as at 31 December 2022 to 5.5% as at 31 December 2023. This was mainly attributed to higher investments resulting from increased investment in financial assets, as well as net fair value gains of RM21.0 million on financial assets for the FYE 2023.

12. FINANCIAL INFORMATION (Cont'd)

The investment yield declined from 5.5% as at 31 December 2023 to 4.5% as at 31 December 2024, mainly attributed to a lower net fair value gains on financial assets and interest income for the FYE 2024.

The investment yield increased from 2.1% as at 30 June 2024 to 3.0% as at 30 June 2025. This was mainly attributed to net fair value gains of RM16.7 million on financial assets for the FPE 2025.

12.2.16 Trend analysis

Save as disclosed in this section and in Sections 5, 7 and 8 of this Prospectus, to the best of our Board's knowledge and belief, there are no other known trends, uncertainties, demands, commitments or events and factors that are reasonably likely to have a material effect on our business, financial condition and results of operations or that would make our historical financial statements not indicative of future financial performance. Accordingly, taking into consideration our business strategies and future plans and the expected increase in depreciation in line with the increase in our capital expenditure, we do not expect any material adverse impact on our revenue recognition and operating expenses moving forward.

12.2.17 Significant changes/events

There are no significant changes that have occurred which may have a material effect on our financial position and results of operations since the FPE 2025 up to the LPD.

12.2.18 Order book

Due to the nature of our business, we do not maintain an order book.

12.2.19 Capital expenditures and divestitures**Capital expenditures**

Our capital expenditures for the Financial Years and Period Under Review and up to the LPD are set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 July 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Intangible assets	3,781	3,035	9,655	3,911	3,276
Property and equipment	1,740	2,484	2,187	3,029	2,355
Total	5,521	5,519	11,842	6,940	5,631

Our capital expenditure was funded via internally generated funds.

FYE 2022

For the FYE 2022, our capital expenditures were RM5.5 million, comprising:

- RM3.8 million used for intangible assets related to the development and enhancement of existing systems and software to cater to business growth as well as regulatory requirements, such as MFRS 17 compliance, as well as sanction and screening processes.
- RM1.7 million for the purchase of replacement hardware, including computers and office equipment.

12. FINANCIAL INFORMATION (Cont'd)**FYE 2023**

For the FYE 2023, our capital expenditures were RM5.5 million, comprising:

- RM3.0 million for intangible assets, specifically for the development and enhancement of our existing systems and software to cater to business growth as well as regulatory requirements.
- RM2.5 million for the purchase of replacement hardware, including computers and office equipment.

FYE 2024

For the FYE 2024, our capital expenditures were RM11.8 million, comprising:

- RM9.7 million for intangible assets, including RM4.3 million for completed software implementation and RM5.3 million for the ongoing development and integration of computer software for e-invoicing and enhancement of a digital platform for intermediaries.
- RM2.2 million for the purchase of replacement hardware, including computers and office equipment.

FPE 2025

For the FPE 2025, our capital expenditures were RM6.9 million, comprising:

- RM3.9 million for intangible assets, pertaining to the enhancement of existing systems and software, as well as a digital platform for intermediaries.
- RM3.0 million mainly for the renovation of our head office as well as the purchase of replacement hardware, including computers and office equipment.

From 1 July 2025 up to the LPD

From 1 July 2025 up to the LPD, our capital expenditures were RM5.6 million, comprising:

- RM3.3 million for intangible assets, pertaining to enhancement of existing systems and software to meet business and regulatory needs.
- RM2.4 million for the purchase of replacement hardware, including computers and office equipment, as well as renovation of our head office.

Capital divestitures

Our capital divestitures for the Financial Years and Period Under Review and up to the LPD are set out below:

	FYE 2022	FYE 2023	FYE 2024	FPE 2025	From 1 July 2025 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Property and equipment	1,736	449	195	-	-
Total	1,736	449	195	-	-

12. FINANCIAL INFORMATION (Cont'd)**FYE 2022**

For the FYE 2022, our capital divestitures were RM1.7 million, comprising RM1.2 million from the disposal of office equipment, furniture and fittings following the disposal of franking machines and RM0.4 million from the disposal of a shoplot in Gombak as well as RM0.2 million from the disposal of one motor vehicle.

FYE 2023

For the FYE 2023, our capital divestitures were RM0.4 million, attributed to the disposal of a motor vehicle.

FYE 2024

For the FYE 2024, our capital divestitures were RM0.2 million, attributed to the disposal of a shoplot in Jerantut.

FPE 2025 and from 1 July 2025 up to the LPD

We did not have any capital divestitures for the FPE 2025 and from 1 July 2025 up to the LPD.

12.2.20 Material commitment for capital expenditures

As at the LPD, our Company's material commitments for capital expenditure are set out below:

	RM'000
Approved and contracted for:	
Office renovation	2,085
Total	2,085

The capital commitments above will be funded by internally generated funds.

12.2.21 Financial risk management

Our Company recognises the importance of effective risk management practices and embedding them throughout our Company. Therefore, we are committed to integrating Enterprise Risk Management into our strategic planning and decision-making processes, taking into account, amongst other things, the following factors:

- risk appetite;
- risk management framework;
- risk governance and oversight;
- capital management and capital adequacy; and
- major risks including insurance and reinsurance risks, as well as other financial risks including credit, liquidity, foreign currency, interest rate, and operational risks.

See Note 2.25 in Section 13 of this Prospectus for further details on our Risk Management Framework.

12. FINANCIAL INFORMATION (Cont'd)**12.3 CAPITALISATION AND INDEBTEDNESS**

The table below sets out our capitalisation and indebtedness as at 30 September 2025 and on the assumption that our IPO and Listing had occurred on 30 September 2025. The pro forma financial information below does not represent our actual capitalisation and indebtedness as at 30 September 2025 and is provided for illustrative purposes only.

	Unaudited	
	As at 30 September	After our IPO and
	2025	Listing
	RM'000	RM'000
Indebtedness		
Current		
Unsecured and unguaranteed:		
- Lease liabilities	567	567
Non-current		
Unsecured and unguaranteed:		
- Lease liabilities	455	455
Total indebtedness	1,022	1,022
Capitalisation		
- Share capital	100,000	100,000
Total capitalisation	100,000	100,000
Total capitalisation and indebtedness	101,022	101,022
Contingent liabilities⁽¹⁾	4,219	4,219

Note:

- (1) As at 30 September 2025, our Company had contingent liabilities amounting RM4.2 million, being the estimated financial penalty by the MyCC on our Company's infringement of the prohibitions in Section 4 of the Competition Act which impacted all general insurers in Malaysia. The Kuala Lumpur High Court has ruled in favour of our Company and an appeal has been made by MyCC against the decision. The case is currently set for hearing on 30 April 2026.

12. FINANCIAL INFORMATION (Cont'd)**12.4 DIVIDEND POLICY**

The actual dividend that our Board may recommend or declare in any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by our Board at any time and from time to time. In considering the level of dividend payments, if any, upon recommendation by our Board, we intend to consider various factors including:

- (i) our expected financial performance;
- (ii) tax considerations;
- (iii) level of cash, gearing, return on equity and retained earnings;
- (iv) working capital requirements;
- (v) projected levels of capital expenditure and other growth and investment plans; and
- (vi) capital adequacy and prudential compliance requirements.

Any declaration and/or payment of dividends by us is subject to prior approval of BNM and/or other authorities, which approval is discretionary and if granted, may be granted with or without conditions.

While dividends are discretionary and subject to change, our Company currently targets a dividend payout ratio of at least 20% of our PAT for each financial year from the FYE 2026 onwards after taking into account any one or more of the foregoing considerations. The declaration and payment of any dividend is also subject to the confirmation of our Board, the approval of our shareholders (where required), and any other requirement under applicable law, and provided that such distribution will not be detrimental to our Company's cash requirements and/or any plans approved by our Board.

The following table sets out the dividends declared and/or paid by our Company for the respective financial years under review:

	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000
Dividends declared	-	75,000 ⁽¹⁾	274,000 ⁽²⁾
Dividends paid	-	75,000	110,000 ⁽³⁾
PAT	108,639	119,156	73,759
Dividend payout ratio ⁽⁴⁾ (%)	-	62.9	371.5

Notes:

- (1) Dividends of RM75.0 million in respect of the FYE 2022 was declared by our Board in January 2023 after receipt of BNM's approval.
- (2) Comprises dividends of RM110.0 million in respect of the FYE 2023 and dividends of RM164.0 million in respect of the FYE 2024, which were declared by our Board in January 2024 and December 2024 respectively, after receipt of BNM's approval.
- (3) Out of the dividends of RM274.0 million declared in the FYE 2024, RM110.0 million in respect of the FYE 2023 was paid in February 2024, and RM164.0 million in respect of the FYE 2024 was paid in January 2025.
- (4) Dividend payout ratio is computed based on dividends declared over PAT.

The dividends declared above were funded by cash from our operations and paid from our retained earnings.

As at the LPD, there are no dividends declared but unpaid. Subsequent to the LPD, no dividend has been declared, made or paid by us. We have no intention to declare any further dividends prior to our Listing.

12. FINANCIAL INFORMATION (Cont'd)**12.5 REPORTING ACCOUNTANTS' LETTER ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
Chubb Insurance Malaysia Berhad
Wisma Chubb
38 Jalan Sultan Ismail
50250 Kuala Lumpur

[] 2025

PwC/FS/CHUBB/AW/WHN/KCG/2025/006VloooooofqGSUIA2/01

Dear Sirs,

Reasonable Assurance Report on the Compilation of Pro Forma Statements of Financial Position of Chubb Insurance Malaysia Berhad

We have completed our reasonable assurance engagement to report on the compilation of the Pro Forma Statements of Financial Position of Chubb Insurance Malaysia Berhad (the "Company") as at 30 June 2025 (the "Pro Forma Statements of Financial Position"). The Pro Forma Statements of Financial Position (which we have stamped for the purpose of identification), has been compiled by the Directors of the Company (the "Directors") for submission to the Securities Commission Malaysia ("SC") in connection with the initial public offering ("IPO") of the ordinary shares in the Company and the listing of and quotation for the entire issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing").

The basis of which the Directors have compiled the Pro Forma Statements of Financial Position are described in the notes thereon to the Pro Forma Statements of Financial Position and are specified in paragraphs 9.18 and 9.20 of Chapter 9 Part II Division I: Equity of the Prospectus Guidelines issued by the SC ("Prospectus Guidelines").

Directors' Responsibilities for the Pro Forma Statements of Financial Position

The Pro Forma Statements of Financial Position has been compiled by the Directors to illustrate the impact of the events or transactions as set out in the notes thereon to the Pro Forma Statements of Financial Position on the Company's statement of financial position as at 30 June 2025 presented had the events or transactions been effected on that date. As part of this process, information about the Company's financial position has been extracted by the Directors from the Company's interim financial information for the 6 months financial period ended 30 June 2025 as contained in the Company's Accountants' Report, on which an audit opinion has been issued on [] 2025.

The Directors are responsible for compiling the Pro Forma Statements of Financial Position on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the Malaysian Institute of Accountants' ("MIA") Guidance Note for Issuers of Pro Forma Financial Information.

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.my

12. FINANCIAL INFORMATION (Cont'd)

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
Chubb Insurance Malaysia Berhad
PwC/FS/CHUBB/AW/WHN/KCG/2025/006Vl0000ofqGSUIA2/01
[] 2025

Reasonable Assurance Report on the Compilation of Pro Forma Statements of Financial Position of Chubb Insurance Malaysia Berhad (continued)

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion as required by the Prospectus Guidelines, about whether the Pro Forma Statements of Financial Position has been compiled, in all material respects, by the Directors on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the MIA's Guidance Note for Issuers of Pro Forma Financial Information.

We conducted our engagement in accordance with the approved standard on assurance engagements in Malaysia, International Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" ("ISAE 3420"), issued by the MIA. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Pro Forma Statements of Financial Position on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the MIA's Guidance Note for Issuers of Pro Forma Financial Information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Statements of Financial Position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Statements of Financial Position. In providing this opinion, we do not accept any responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

The purpose of the Pro Forma Statements of Financial Position included in the submission to SC is solely to illustrate the impact of significant events or transactions on the unadjusted financial information of the Company as if the events had occurred or the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at that date would have been as presented.

12. FINANCIAL INFORMATION (Cont'd)

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
Chubb Insurance Malaysia Berhad
PwC/FS/CHUBB/AW/WHN/KCG/2025/006VloooooofqGSUIA2/01
[] 2025

Reasonable Assurance Report on the Compilation of Pro Forma Statements of Financial Position of Chubb Insurance Malaysia Berhad (continued)

Reporting Accountants' Responsibilities (continued)

A reasonable assurance engagement to report on whether the Pro Forma Statements of Financial Position has been compiled, in all material respects, on the basis of the applicable criteria, involves performing procedures to assess whether the applicable criteria as disclosed in the notes thereon used by the Directors in the compilation of the Pro Forma Statements of Financial Position provides a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the events or transactions in respect of which the Pro Forma Statements of Financial Position has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro Forma Statements of Financial Position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the MIA and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

12. FINANCIAL INFORMATION (Cont'd)

DRAFT FOR PURPOSE OF INCLUSION
IN THE PROSPECTUS EXPOSURE

The Board of Directors
Chubb Insurance Malaysia Berhad
PwC/FS/CHUBB/AW/WHN/KCG/2025/006VloooooofqGSUIA2/01
[] 2025

Reasonable Assurance Report on the Compilation of Pro Forma Statements of Financial Position of Chubb Insurance Malaysia Berhad (continued)

Our Opinion

In our opinion, the Pro Forma Statements of Financial Position has been compiled, in all material respects, on the basis set out in the notes thereon to the Pro Forma Statements of Financial Position, in accordance with the requirements of the Prospectus Guidelines and with the MIA's Guidance Note for Issuers of Pro Forma Financial Information.

Restriction on Distribution and Use

This report is issued for the sole purpose of submission to the SC in connection with the IPO and Listing and should not be used or relied upon for any other purpose. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come.

Yours faithfully,

PRICEWATERHOUSECOOPERS PLT
 LLP0014401-LCA & AF 1146
 Chartered Accountants
 Kuala Lumpur

WONG HUI CHERN
 03252/05/2026 J
 Chartered Accountant

12. FINANCIAL INFORMATION *(Cont'd)*

PRO FORMA FINANCIAL INFORMATION

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

PRO FORMA STATEMENTS OF FINANCIAL POSITION

30 JUNE 2025

12. FINANCIAL INFORMATION (Cont'd)

PRO FORMA FINANCIAL INFORMATION (CONTINUED)

CHUBB INSURANCE MALAYSIA BERHAD
PRO FORMA STATEMENTS OF FINANCIAL POSITION
1. INTRODUCTION

The Pro Forma Statements of Financial Position ("Pro Forma SOFP") of Chubb Insurance Malaysia Berhad ("the Company") as at 30 June 2025 and the notes thereon, of which the Directors are solely responsible, have been prepared for illustrative purposes for submission to the Securities Commission Malaysia in connection with the initial public offering ("IPO") of the ordinary shares in the Company and the listing of and quotation for the entire issued share capital on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing").

2. THE PROPOSALS

The Company will undertake the following transactions in conjunction with and as an integral part of the IPO and Listing. The Proposals are viewed as one exercise being undertaken and are illustrated in accordance with Paragraphs 9.18 and 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission Malaysia ("Prospectus Guidelines").

2.1 PROPOSED SUBDIVISION

In conjunction with the Listing, the Company proposes to undertake a subdivision of 100,000,000 existing ordinary shares into 1,000,000,000 ordinary shares ("Proposed Subdivision"). Upon the completion of the Proposed Subdivision, the Company will have 1,000,000,000 ordinary shares.

The Proposed Subdivision does not have any financial impact on the Pro Forma SOFP.

2.2 PROPOSED IPO

After the Proposed Subdivision, the Company proposes to undertake the proposed IPO comprising an offer for sale of 300,000,000 existing ordinary shares ("Offer Shares") by the existing shareholder of the Company, Chubb INA International Holdings Ltd. ("Selling Shareholder"), representing 30.0% of the issued ordinary shares of the Company, at an indicative price of RM[●] per Offer Share ("Proposed IPO") and subject to the clawback and reallocation provisions.

The Pro Forma SOFP has taken into account the estimated expenses of RM[●] for the Proposed IPO and Listing that are to be borne by the Company.

12. FINANCIAL INFORMATION (Cont'd)

PRO FORMA FINANCIAL INFORMATION (CONTINUED)

2. THE PROPOSALS (CONTINUED)

2.3 USE OF PROCEEDS

The Company will not receive any proceeds from the Proposed IPO as the Company will not be issuing any new shares.

The gross proceeds from the Proposed IPO of approximately RM[●] million will accrue entirely to the Selling Shareholder and will be used by the Selling Shareholder.

The estimated fees and expenses for the Proposed IPO and Listing to be borne by the Company are estimated to be RM[●] million, comprising only the initial listing fee and annual listing fee payable to Bursa Securities.

All other fees and expenses for the Proposed IPO and Listing comprising the fees payable to authorities (save for those to be borne by the Company), brokerage fee, underwriting commission, placement fee as well as the other professional and miscellaneous expenses in relation to the Proposed IPO and Listing which are estimated to be RM[●] million will be borne entirely by the Selling Shareholder.

12. FINANCIAL INFORMATION (Cont'd)**PRO FORMA FINANCIAL INFORMATION (CONTINUED)****3. PRO FORMA STATEMENTS OF FINANCIAL POSITION**

The Pro Forma SOFP as at 30 June 2025 has been prepared for illustrative purposes only to show the effects on the audited statement of financial position ("SOFP") of the Company as at 30 June 2025 based on the assumption that the Proposed Subdivision and the Proposed IPO set out in Note 2 had been effected on that date, and should be read in conjunction with the notes in this section.

	Audited	Pro Forma I	Pro Forma II
	SOFP as at 30.06.2025	After Proposed Subdivision	After Pro Forma I and Proposed IPO
	RM'000	RM'000	RM'000
ASSETS			
Property and equipment	42,399	42,399	42,399
Right-of-use assets	1,181	1,181	1,181
Intangible assets	17,778	17,778	17,778
Investments	1,512,362	1,512,362	1,512,362
Insurance contract assets	9	9	9
Reinsurance contract assets	230,411	230,411	230,411
Other receivables	51,822	51,822	51,822
Deferred tax assets	-	-	-
Tax recoverable	2,311	2,311	2,311
Cash and cash equivalents	163,329	163,329	[•]
Total assets	2,021,602	2,021,602	[•]
EQUITY AND LIABILITIES			
Share capital	100,000	100,000	100,000
Retained earnings	807,287	807,287	[•]
Equity reserve	6,399	6,399	6,399
Total equity	913,686	913,686	[•]
Deferred tax liabilities	8,487	8,487	8,487
Insurance contract liabilities	946,373	946,373	946,373
Reinsurance contract liabilities	3,501	3,501	3,501
Lease liabilities	1,197	1,197	1,197
Other payables	148,358	148,358	148,358
Total liabilities	1,107,916	1,107,916	1,107,916
Total equity and liabilities	2,021,602	2,021,602	[•]
Supplementary information:			
Number of ordinary shares in issue ('000)	100,000	1,000,000	[•]
Net assets per ordinary share ⁽ⁱ⁾ (RM)	9.14	0.91	[•]

Note:

- (i) Net assets per ordinary share is calculated as total equity divided by the number of ordinary shares in issue.

12. FINANCIAL INFORMATION (Cont'd)**PRO FORMA FINANCIAL INFORMATION (CONTINUED)****4. BASIS OF PREPARATION OF THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**

The Pro Forma SOFP has been prepared based on the audited SOFP of the Company as at 30 June 2025 as contained in the Company's Accountants' Report for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and the financial period ended 30 June 2025 dated 30 October 2025 ("Accountants' Report") on which unmodified audit opinion has been issued. The financial information for the financial period ended 30 June 2025 in the Accountants' Report was prepared in accordance with Malaysian Financial Reporting Standard 134 "Interim Financial Reporting" and International Accounting Standard 34 "Interim Financial Reporting" and Prospectus Guidelines issued by the SC.

The Pro Forma SOFP have been prepared in a manner consistent with the format of the financial statements and accounting policies of the Company.

The Pro Forma SOFP have been prepared in accordance with the Paragraphs 9.18 and 9.20 of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines and the Malaysian Institute of Accountants' Guidance Note for Issuers of Pro Forma Financial Information, for illustrative purposes only, to show the effects of the transactions as set out in Note 2 on the Company's audited SOFP as at 30 June 2025 had the events or transactions been effected on 30 June 2025, and should be read in conjunction with the notes to the Pro Forma SOFP.

Such information, because of its hypothetical nature, does not give a true picture of the actual effects of the transactions or events on the financial information presented had the transaction or event occurred on 30 June 2025. Further, such information does not purport to predict the Company's future financial position.

5. EFFECTS TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**a) Pro Forma I – Proposed Subdivision**

Pro Forma I incorporates the effects of the Proposed Subdivision as set out in Note 2.1.

b) Pro Forma II – Proposed IPO

Pro Forma II incorporates the effects of Pro Forma I as set out in Note 2.1 and the Proposed IPO as set out in Note 2.2.

6. NOTES TO THE PRO FORMA STATEMENTS OF FINANCIAL POSITION**6.1 CASH AND CASH EQUIVALENTS**

The movements in cash and cash equivalents are as follows:

	RM'000
Audited as at 30 June 2025/ Per Pro Forma SOFP I	163,329
Less: Estimated expenses for the Proposed IPO and Listing (Note 2.3)	([●])
Per Pro Forma SOFP II	<u>[●]</u>

6.2 RETAINED EARNINGS

The movements in retained earnings are as follows:

	RM'000
Audited as at 30 June 2025/ Per Pro Forma SOFP I	807,287
Less: Estimated expenses for the Proposed IPO and Listing (Note 2.3)	([●])
Per Pro Forma SOFP II	<u>[●]</u>

12. FINANCIAL INFORMATION (Cont'd)**PRO FORMA FINANCIAL INFORMATION (CONTINUED)****6.3 SHARE CAPITAL**

The movements in share capital are as follows:

	Number of shares '000	RM'000
Audited as at 30 June 2025	100,000	100,000
Add: Effect of subdivision of shares (Note 2.1)	900,000	-
Per Pro Forma SOFP I and II	<u>1,000,000</u>	<u>100,000</u>

7. APPROVAL BY BOARD OF DIRECTORS

The Pro Forma Statements of Financial Position has been approved for issue in accordance with a resolution of the Board of Directors of Chubb Insurance Malaysia Berhad on 30 October 2025.

Signed on behalf of the Board of Directors

DATO' MOHZANI BIN ABDUL WAHAB
DIRECTOR

CHERYL KHOR HUI PENG
DIRECTOR

13. ACCOUNTANTS' REPORT

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT

FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022, 31 DECEMBER 2023, 31 DECEMBER
2024 AND THE FINANCIAL PERIOD ENDED 30 JUNE 2025

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

1. HISTORICAL FINANCIAL INFORMATION**1.1 GENERAL INFORMATION**

The principal activity of Chubb Insurance Malaysia Berhad (the "Company") is the underwriting of general insurance business. There has been no significant change in the nature of this activity during the financial periods presented in the Accountants' Report.

The address of the principal place of business and registered office of the Company is Wisma Chubb, 38 Jalan Sultan Ismail 50250 Kuala Lumpur.

This Accountants' Report comprises the financial information of the Company which includes the statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 and for the financial periods ended 30 June 2025 and 30 June 2024 and material accounting policies and other explanatory notes (together, the "Historical Financial Information")

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.2 STATEMENTS OF FINANCIAL POSITION**

		As at			
	Note	31.12.2022	31.12.2023	31.12.2024	30.06.2025
		Audited RM'000	Audited RM'000	Audited RM'000	Audited RM'000
ASSETS					
Property and equipment	2.3	40,833	40,778	40,550	42,399
Right-of-use assets	2.4	1,694	2,015	1,304	1,181
Intangible assets	2.5	9,371	9,708	15,801	17,778
Investments	2.6	1,299,880	1,483,826	1,459,297	1,512,362
Insurance contract assets	2.12	-	13	19	9
Reinsurance contract assets	2.12	317,214	255,660	198,515	230,411
Other receivables	2.7	49,907	47,439	45,582	51,822
Deferred tax assets	2.8	1,631	-	-	-
Tax recoverable		-	-	-	2,311
Cash and cash equivalents		344,978	235,548	287,950	163,329
Total assets		2,065,508	2,074,987	2,049,018	2,021,602
EQUITY AND LIABILITIES					
Share capital	2.9	100,000	100,000	100,000	100,000
Retained earnings	2.10	925,503	969,659	769,418	807,287
Equity reserve	2.11	7,982	6,275	5,682	6,399
Total equity		1,033,485	1,075,934	875,100	913,686
Deferred tax liabilities	2.8	-	4,197	2,876	8,487
Insurance contract liabilities	2.12	871,820	852,473	845,569	946,373
Reinsurance contract liabilities	2.12	111	-	3,722	3,501
Lease liabilities	2.4	1,758	1,947	1,296	1,197
Current tax liabilities		7,010	5,521	2,484	-
Other payables	2.13	151,324	134,915	317,971	148,358
Total liabilities		1,032,023	999,053	1,173,918	1,107,916
Total equity and liabilities		2,065,508	2,074,987	2,049,018	2,021,602

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.3 STATEMENTS OF COMPREHENSIVE INCOME**

		Financial year ended/period ended				
	Note	31.12.2022	31.12.2023	31.12.2024	30.06.2025	30.06.2024
		Audited RM'000	Audited RM'000	Audited RM'000	Audited RM'000	Unaudited RM'000
Insurance revenue	2.14	671,447	690,954	703,495	375,590	343,365
Insurance service expense	2.14	(409,801)	(331,474)	(342,453)	(263,612)	(203,591)
Insurance service result before reinsurance contracts held		261,646	359,480	361,042	111,978	139,774
Allocation of reinsurance premiums	2.15	(122,441)	(142,565)	(143,873)	(71,942)	(66,049)
Amounts recoverable from reinsurers for incurred claims	2.15	101,224	5,268	(22,905)	48,991	15,980
Net expense from reinsurance contracts held		(21,217)	(137,297)	(166,778)	(22,951)	(50,069)
Insurance service result		240,429	222,183	194,264	89,027	89,705
Investment income from financial assets measured at fair value through profit or loss ("FVTPL")		40,735	48,269	52,439	25,368	26,403
Interest income from financial assets not measured at FVTPL		5,106	5,822	4,593	2,006	2,085
Net fair value (losses)/gains on financial assets		(17,790)	20,950	3,296	16,714	2,560
Net realised gains		2,698	2,091	5,160	42	1,425
Total investment income	2.16	30,749	77,132	65,488	44,130	32,473
Insurance finance expense for insurance contracts issued	2.17	(14,498)	(27,848)	(25,748)	(11,942)	(14,159)
Reinsurance finance income for reinsurance contracts held	2.18	5,139	9,841	8,070	3,026	4,500
Net foreign exchange (losses)/ gains		(7)	(96)	26	(43)	(20)
Net insurance financial result		(9,366)	(18,103)	(17,652)	(8,959)	(9,679)
Other income		4,616	2,289	3,441	2,382	2,155
Other operating expense	2.19	(120,548)	(123,295)	(145,878)	(76,124)	(69,689)
Finance cost		-	(99)	(97)	(48)	-
Total expenses		(115,932)	(121,105)	(142,534)	(73,790)	(67,534)

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.3 STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)**

		Financial year ended/period ended				
	Note	31.12.2022	31.12.2023	31.12.2024	30.06.2025	30.06.2024
		Audited RM'000	Audited RM'000	Audited RM'000	Audited RM'000	Unaudited RM'000
Profit before taxation		145,880	160,107	99,566	50,408	44,965
Taxation	2.20	(37,241)	(40,951)	(25,807)	(12,539)	(11,262)
Net profit for the financial year/period and total comprehensive income for the financial year/period attributable to the owner of the Company		108,639	119,156	73,759	37,869	33,703
Earnings per share (sen)						
Basic		108.64	119.16	73.76	37.87	33.70
Diluted		108.64	119.16	73.76	37.87	33.70

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.4 STATEMENTS OF CHANGES IN EQUITY**

	Share capital RM'000	-----Non-Distributable----- Equity reserve RM'000	Fair value reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
<u>Audited</u>					
As at 1 January 2022	100,000	8,660	-	816,864	925,524
Net profit for the financial year and total comprehensive income for the financial year attributable to the owner of the Company	-	-	-	108,639	108,639
Transactions with owners in their capacity as owners:					
Share-based long term incentive plan vested	-	1,118	-	-	1,118
Share-based long term incentive plan paid	-	(1,796)	-	-	(1,796)
As at 31 December 2022	100,000	7,982	-	925,503	1,033,485
<u>Audited</u>					
As at 1 January 2023	100,000	7,982	-	925,503	1,033,485
Net profit for the financial year and total comprehensive income for the financial year attributable to the owner of the Company	-	-	-	119,156	119,156
Transactions with owners in their capacity as owners:					
Dividend paid (2022 interim dividend) (Note 2.23)	-	-	-	(75,000)	(75,000)
Share-based long term incentive plan vested	-	2,680	-	-	2,680
Share-based long term incentive plan paid	-	(4,387)	-	-	(4,387)
As at 31 December 2023	100,000	6,275	-	969,659	1,075,934

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.4 STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

	Share capital RM'000	-----Non-Distributable----- Equity reserve RM'000	Fair value reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
<u>Audited</u>					
As at 1 January 2024	100,000	6,275	-	969,659	1,075,934
Net profit for the financial year and total comprehensive income for the financial year attributable to the owner of the Company	-	-	-	73,759	73,759
Transactions with owners in their capacity as owners:					
Dividend paid (2023 interim dividend) (Note 2.23)	-	-	-	(110,000)	(110,000)
Dividend declared (2024 interim dividend) (Note 2.23)	-	-	-	(164,000)	(164,000)
Share-based long term incentive plan vested	-	1,253	-	-	1,253
Share-based long term incentive plan paid	-	(1,846)	-	-	(1,846)
As at 31 December 2024	100,000	5,682	-	769,418	875,100
<u>Audited</u>					
As at 1 January 2025	100,000	5,682	-	769,418	875,100
Net profit for the financial period and total comprehensive income for the financial period attributable to the owner of the Company	-	-	-	37,869	37,869
Transactions with owners in their capacity as owners:					
Share-based long term incentive plan vested	-	717	-	-	717
Share-based long term incentive plan paid	-	-	-	-	-
As at 30 June 2025	100,000	6,399	-	807,287	913,686

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.4 STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

	Share capital RM'000	-----Non-Distributable----- Equity reserve RM'000	Fair value reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
<u>Unaudited</u>					
As at 1 January 2024	100,000	6,275	-	969,659	1,075,934
Net profit for the financial period and total comprehensive income for the financial period attributable to the owner of the Company	-	-	-	33,703	33,703
Transactions with owners in their capacity as owners:					
Dividend paid (2023 interim dividend) (Note 2.23)	-	-	-	(110,000)	(110,000)
Share-based long term incentive plan vested	-	1,042	-	-	1,042
Share-based long term incentive plan paid	-	-	-	-	-
As at 30 June 2024	100,000	7,317	-	893,362	1,000,679

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.5 STATEMENTS OF CASH FLOWS**

		Financial year ended/period ended				
	Note	31.12.2022	31.12.2023	31.12.2024	30.06.2025	30.06.2024
		Audited	Audited	Audited	Audited	Unaudited
		RM'000	RM'000	RM'000	RM'000	RM'000
OPERATING ACTIVITIES						
Profit before taxation		145,880	160,107	99,566	50,408	44,965
Investment income from financial assets measured at FVTPL		(40,735)	(48,269)	(52,439)	(25,368)	(26,403)
Interest income from financial assets not measured at FVTPL		(5,106)	(5,822)	(4,593)	(2,006)	(2,085)
Realised gains in profit or loss	2.6	(2,698)	(2,091)	(5,160)	(42)	(1,425)
Net fair value losses/(gains) on financial assets	2.6	17,790	(20,950)	(3,296)	(16,714)	(2,560)
Realised (gains)/losses on foreign exchange		(385)	481	(560)	100	365
Depreciation of property and equipment	2.3	3,845	2,421	2,212	1,180	1,116
Depreciation of right-of-use assets	2.4	1,111	1,083	1,165	661	574
Amortisation of intangible assets	2.5	2,089	2,698	3,562	1,934	1,560
Interest charged on lease liabilities	2.4	128	99	97	48	52
Gain on disposal of property and equipment		(647)	(40)	(285)	-	(285)
Property and equipment written off	2.19	34	18	81	-	7
Employee share-based long term incentive plan		1,118	2,680	1,253	717	1,042
Changes in working capital						
(Increase)/decrease in reinsurance contract assets		(58,467)	61,554	57,145	(31,896)	389
Increase/(decrease) in reinsurance contract liabilities		111	(111)	3,722	(221)	-
(Increase)/decrease in other receivables		3,541	2,342	1,050	(6,618)	(1,932)
(Increase)/decrease in insurance contract assets		-	(13)	(6)	10	13
Increase/(decrease) in insurance contract liabilities		20,040	(19,347)	(6,904)	100,804	48,311
Increase/(decrease) in other payables		(7,455)	(16,890)	19,616	(5,713)	(16,309)
(Increase)/decrease in FVTPL investments		17,223	(164,663)	26,915	(37,998)	(67,827)
Decrease in lease liabilities		(1)	(7)	(12)	(4)	(9)
Cash generated from/(used in) operating activities		97,416	(44,720)	143,129	29,282	(20,441)

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

1 HISTORICAL FINANCIAL INFORMATION (CONTINUED)**1.5 STATEMENTS OF CASH FLOWS (CONTINUED)**

		Financial year ended/period ended				
	Note	31.12.2022	31.12.2023	31.12.2024	30.06.2025	30.06.2024
		Audited RM'000	Audited RM'000	Audited RM'000	Audited RM'000	Unaudited RM'000
Interest income received		55,341	57,908	63,876	29,441	30,263
Dividend income received		66	66	33	-	-
Income tax paid		(46,731)	(36,611)	(30,165)	(11,723)	(13,793)
Shared-based long term incentive plan paid		(1,796)	(4,387)	(1,846)	-	-
Net cash flows generated from/ (used in) operating activities		104,296	(27,744)	175,027	47,000	(3,971)
INVESTING ACTIVITIES						
Proceeds from disposal of property and equipment		14	140	407	-	407
Purchase of property and equipment	2.3	(1,740)	(2,484)	(2,187)	(3,029)	(589)
Purchase of intangible assets	2.5	(3,781)	(3,035)	(9,655)	(3,911)	(2,006)
Net cash flows used in investing activities		(5,507)	(5,379)	(11,435)	(6,940)	(2,188)
FINANCING ACTIVITIES						
Payment of lease liabilities	2.4	(1,211)	(1,307)	(1,190)	(681)	(586)
Dividend paid	2.23	-	(75,000)	(110,000)	(164,000)	(110,000)
Net cash flows used in financing activities		(1,211)	(76,307)	(111,190)	(164,681)	(110,586)
Net increase/(decrease) in cash and cash equivalents		97,578	(109,430)	52,402	(124,621)	(116,745)
Cash and cash equivalents at beginning of the financial year/period		247,400	344,978	235,548	287,950	235,548
Cash and cash equivalents at end of the financial year/period		344,978	235,548	287,950	163,329	118,803
Cash and cash equivalents comprise:						
Fixed and call deposits (with maturity of less than three months)		327,166	228,439	276,655	146,646	108,622
Cash and bank balances		17,812	7,109	11,295	16,683	10,181
		344,978	235,548	287,950	163,329	118,803

Included in the statements of cash flows above are the cash flows and non-cash flow changes in liabilities arising from financing activities as disclosed in Note 2.4(b) to the financial information.

The accompanying notes form an integral part of this historical financial information.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE FINANCIAL INFORMATION**2.1 MATERIAL ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial information.

(a) Basis of preparation

The historical financial information of the Company for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS") and the Prospectus Guidelines issued by the Securities Commission Malaysia ("SC") and the historical interim financial information for the 6 months financial period ended 30 June 2025 has been prepared in accordance with MFRS 134 "Interim Financial Reporting" ("MFRS 134") and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") and the Prospectus Guidelines issued by the SC. The historical financial information has been prepared for purposes of inclusion in the prospectus approved by the Board of Directors of the Company in connection with the initial public offering of the ordinary shares in the Company in conjunction with the listing of and quotation for the entire issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad.

The historical financial information has been prepared under the historical cost convention unless otherwise indicated in this summary of material accounting policies. The historical financial information is presented in Ringgit Malaysia ("RM").

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(a) Basis of preparation (continued)****(i) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Company but not yet effective.**

Several new standards and amendments to standards and interpretations are effective for financial year beginning after 1 January 2026.

- Amendments to MFRS 9 and MFRS 7 'Classification and Measurement of Financial Instruments' (effective 1 January 2026)
- Annual Improvements to MFRS Accounting Standards for enhanced consistency (effective 1 January 2026)
- MFRS 18 "Presentation and Disclosures in Financial Statements" (effective 1 January 2027)
- MFRS 19 "Subsidiaries without Public Accountability: Disclosures" (effective 1 January 2027)

None of the accounting standards, amendments to published standards and interpretations to existing standards listed above were expected to give rise to any material financial impact to the Company upon initial application.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(b) Property and equipment****(i) Measurement basis**

Property and equipment are initially recorded at cost. These include expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year/period in which they are incurred.

Subsequent to initial recognition, property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Property and equipment are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(ii) Depreciation

Freehold land is not depreciated.

Depreciation is calculated using the straight-line basis to allocate the costs of other property and equipment to their residual values over the expected useful lives of the assets.

The expected useful lives of the property and equipment are as follows:

Buildings	50 years
Computers	3 - 10 years
Office equipment, furniture and fittings	3 - 10 years
Motor vehicles	5 years

The residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are credited or charged in profit or loss.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(c) Intangible assets***Computer software*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring in use the specific software.

Costs associated with maintaining computer software programmes are recognised as an expense incurred. Costs that are directly associated with the production of 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. Direct costs include the software development employee costs and appropriate portion of relevant overheads.

Computer software costs recognised as assets are amortised over their estimated useful lives of 3 to 7 years.

Work-in-progress is not amortised until the asset is ready for its intended use.

(d) LeasesLessee

The Company leases various offices and equipment. Rental contracts are typically made for fixed periods of 1 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Company (i.e., the commencement date).

(i) Lease term

In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Company reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(d) Leases (continued)****Lessee (continued)****(ii) ROU assets**

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

(iii) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase and extension options if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The Company presents the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in profit or loss in the statement of comprehensive income.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(d) Leases (continued)****Lessee (continued)****(iv) Reassessment of lease liabilities**

A reassessment of the lease liability takes place if the cash flows change based on the original terms and conditions.

(v) Short-term leases and leases of low-value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line bases as an expense in profit or loss.

Lessor

The Company classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Company recognises lease payments received under operating lease as lease income on a straight-line basis over the lease term.

When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of underlying asset and recognised as an expense over the lease term on the same basis as lease income.

(e) Financial assets**(i) Initial recognition**

Financial assets are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at their fair value plus or minus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

(ii) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- Amortised cost ("AC");
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVTPL").

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(ii) Classification and measurement (continued)****(1) Debt instruments**

The classification and subsequent measurement of debt instruments depend on:

- a. the Company's business model for managing the financial asset; and
- b. the cash flow characteristics of the financial asset

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

- **AC:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI"), and that are not designated at FVTPL, are measured at AC. The carrying amount of these assets is adjusted by any expected credit loss ("ECL") allowance recognised. Interest revenue from these financial assets is included in interest revenue from financial assets not measured at FVTPL using the effective interest rate ("EIR") method.
- **FVOCI:** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and that are not designated at FVTPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's AC, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in net fair value gains/ (losses) on financial assets. Interest revenue from these financial assets is included in interest revenue from financial assets not measured at FVTPL using the EIR method.
- **FVTPL:** Assets that do not meet the criteria for AC or FVOCI are measured at FVTPL. Also, some assets are voluntarily measured at FVTPL, because this significantly reduces an accounting mismatch. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised and presented in the profit or loss within net fair value gains/(losses) on financial assets in the period in which it arises.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(ii) Classification and measurement (continued)****(1) Debt instruments (continued)**Business model assessment

The business model reflects how the Company manages assets in order to generate cash flows. That is, it reflects whether the Company's objective is solely to collect the contractual cash flows from assets or to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of the other business model and measured at FVTPL. Factors considered by the Company in determining the business model for a Company of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Solely payments of principal and interest ("SPPI")

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows meet SPPI test. In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement (i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

The Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. The Company has determined that an accounting mismatch is reduced if all its debt instruments are measured at FVTPL. For these instruments, the Company has applied the option to designate these financial assets at FVTPL.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(ii) Classification and measurement (continued)****(2) Equity instruments**

The Company measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented as other gains and losses. Dividends from equity investments are recognised in profit or loss as dividend income.

(3) Other financial assets

The Company measures all its other financial assets at amortised cost. The carrying amount of these assets is adjusted by any ECL allowance recognised. Interest revenue from these financial assets, if any, is included in interest revenue from financial assets not measured at FVTPL using the EIR method.

(4) Summary of measurement categories

Type of financial instruments	Classification	Reason
Cash and cash equivalents	AC	SPPI, hold to collect business model
Malaysia government securities and guaranteed loans	FVTPL	Designated, accounting mismatch
Other debt securities	FVTPL	Designated, accounting mismatch
Equity securities	FVTPL	Mandatory
Other financial assets	AC	SPPI, hold to collect business model

(iii) Impairment

The Company assesses on a forward-looking basis ECL associated with its debt instrument assets carried at AC and FVOCI. The Company recognises a loss allowance for such losses at each reporting date. The measurement of the 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.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(iii) Impairment (continued)**

The Company measures loss allowance based on three-stage model for impairment depending on the changes in credit quality since initial recognition as summarised below:

- financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored by the Company. ECL are provided for expected credit losses that result from default events that are possible within the next 12-months (12-month ECL).
- if a significant increase in credit risk ("SICR") since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit impaired. A loss allowance is provided for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL).
- if the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3. A loss allowance is then provided for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL).
- A pervasive concept in measuring the ECL in accordance with MFRS 9 is that it should consider forward-looking information.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (lifetime ECL).

(1) Measurement of ECL

ECL is a probability-weighted estimate of the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The ECL is the discounted product of the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"), defined as follows:

- PD – an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.
- EAD – an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.
- LGD – an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(iii) Impairment (continued)****(1) Measurement of ECL (continued)**

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (that is, the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original EIR or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a financial instrument portfolio from the point of initial recognition throughout the lifetime of the financial instrument. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type.

Loss allowances for ECL are presented as follows:

- AC: the loss allowance is deducted from the gross carrying amount of the assets; and
- FVOCI: the loss allowance does not reduce the carrying amount of the financial assets (which are measured at fair value) but gives rise to an equal and opposite gain in OCI.

(2) Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets measured at amortised cost and debt investments 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.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(iii) Impairment (continued)****(2) Credit-impaired financial assets (continued)**

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or past-due event;
- the restructuring of an amount due to the Company on terms that the Company would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- disappearance of an active market for a security due to financial difficulties.

A financial asset that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

(3) Low credit risk financial assets

For financial assets that have low credit risk, loss allowance is calculated and the financial asset is measured using 12-month ECL, provided that the financial asset meets the following criteria:

- the financial instrument has a low risk of default;
- the borrower is considered to have a strong capacity to meet its obligation in the near term; and
- the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations.

(4) Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(e) Financial assets (continued)****(iii) Impairment (continued)****(4) Write-off (continued)**

If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in this historical financial information.

The Company's debt instruments are designated as FVTPL since initial recognition to reduce the accounting mismatch created by assets and liabilities being measured on different bases and, therefore, do not have any loss allowance from expected credit loss as of reporting date. All other financial assets are short-term and low risk in nature and loss allowance, if any, is immaterial to be disclosed.

(iv) Derecognition

Financial assets are derecognised when the rights to receive cash flows from them have expired or where they have been transferred and the Company has also transferred substantially all risks and rewards of ownership.

When the Company has neither transferred nor retained substantially all of the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. 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 the Company could be required to pay.

(f) Financial liabilities

The Company classifies and subsequently measures its financial liabilities at AC. Interest expenses and foreign exchange gains and losses are recognised and presented in profit or loss.

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. On derecognition, the difference between the carrying amount of the reduced financial liability or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed is recognised in profit or loss.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(g) Other receivables from Malaysian Motor Insurance Pool ("MMIP")**

The Company's share of investment return of MMIP is recognised as receivable when the right to receive is established. The advances to and receivables from MMIP are classified as part of other receivables.

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and deposits held at call with financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

The Company classifies the cash flows for the purchase and disposal of investments in financial assets in its operating cash flows as the purchases are funded from the cash flows associated with the origination of insurance contracts, net of the cash flows for payment of insurance claims benefits.

(i) Provisions

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

Provisions are reviewed at each date of the statement of financial position 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost expense.

(j) Contingent liabilities and contingent assets

The Company does not recognise a contingent liability but discloses its existence in the financial information. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Company. The Company does not recognise contingent assets but discloses their existence where inflows of economic benefits are probable, but not virtually certain.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(k) Equity instruments***Ordinary share capital*

The Company has issued ordinary shares that are classified as equity. Ordinary shares are recorded at nominal value.

Dividends on ordinary share capital

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are paid. No provision is made for a proposed dividend.

(l) Insurance and reinsurance contracts**(i) Contracts classification**

The Company issues contracts that transfer insurance risk.

Insurance contracts are those contracts that transfer significant insurance risk. An insurance contract under which the Company (insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur. The recognition and measurement of insurance contracts are set out in Note 2.1(l)(iv) and Note 2.1(l)(vi) to the financial information.

Investment contracts are those contracts that do not transfer significant insurance risk.

When insurance contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position similar to investment contracts.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(I) Insurance and reinsurance contracts (continued)****(ii) Separating components**

The Company assesses its insurance and reinsurance products to determine whether they contain distinct components which must be separated and not accounted for under MFRS 17. After separating any distinct components, the Company applies MFRS 17 to all remaining components of the (host) insurance contract. Currently, the Company does not have any contracts that require further separation or combination of insurance contracts.

Insurance contracts with refund features are not separated under MFRS 17. Where refunds are paid to the policyholder in all circumstances, they are accounted for as non-distinct investment components and are measured as part of the insurance contracts.

The Company has reinsurance contracts issued which contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately.

(iii) Level of aggregation

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together and dividing each portfolio into annual cohorts and each annual cohort into three groups based on the profitability of contracts:

- any contracts that are onerous at initial recognition;
- any contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- any remaining contracts in the portfolio.

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business.

The Company assesses and monitors the onerousness of a portfolio of insurance contracts at the local regulatory reporting product lines level to better align with the facts and circumstances and to minimise undue cost and effort. The Company deems the local regulatory reporting product lines level as sets of contracts that have similar insurance risk, are managed together, and are priced within the same insurance rate changes.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(iii) Level of aggregation (continued)**

For the product lines deemed as onerous, these product lines are always priced with a low expected profitability margins due to the historical low price adequacy level of the market in which the Company operates in as a result of competition and or regulatory constraints on pricing.

All other contracts measured using the premium allocation approach ("PAA"), the Company assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones.

The level of aggregation for reinsurance contracts are similar to insurance contracts except for profitability:

- net gain position at initial recognition;
- at initial recognition, there is no significant possibility of a net gain arising subsequently; or
- any remaining contracts in the portfolio.

(iv) Recognition

The Company recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts;
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date;
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

A group of reinsurance contracts held is recognised at the earlier of:

- The beginning of the coverage period of the group; or
- The date the Company recognises an onerous group of underlying contracts, if the entity entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(v) Contract Boundary**

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay premiums or has a substantive obligation to provide services. A substantive obligation to provide services ends when:

- the Company has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or
- the Company has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

(vi) Initial and subsequent measurement***Insurance Contracts***

The Company applies the PAA to all the insurance contracts that it issues as the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage ("LRC") for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

For a group of contracts that are not onerous at initial recognition, the Company measures the LRC as:

- the amount of premiums, if any, received at initial recognition;
- decreased for any insurance acquisition cash flows at that date;
- increased or decreased for any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows; and
- any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(vi) Initial and subsequent measurement (continued)***Insurance Contracts (continued)*

Subsequently, the Company measures the carrying amount of the LRC at the end of each reporting period as the LRC at the beginning of the period:

- increased by any premiums received in the period;
- decreased for insurance acquisition cash flows paid in the period;
- increased for any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period;
- increased for any adjustment to the financing component, where applicable;
- decreased by the amount recognised as insurance revenue for the services provided in the period; and
- decreased for any investment component paid or transferred to the liability for incurred claims.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in 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. A loss component is established by the Company for the LRC for such onerous group depicting the losses recognised.

The Company does not adjust the LRC for insurance contracts issued for the effect of the time value of money, because most insurance premiums are due within the coverage period of contracts, which is one year or less.

The Company estimates the liability for incurred claims ("LIC") as the fulfilment cash flows related to incurred claims. The fulfilment cash flows 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). Future cash flows are adjusted for the time value of money.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(vi) Initial and subsequent measurement (continued)***Reinsurance Contracts*

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on to the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued.

On initial recognition, the remaining coverage for reinsurance contracts held is:

- the amount of ceding premiums paid;
- increased by broker fees paid to a party other than the reinsurance; and
- increased by any amounts arising from the derecognition of any other relevant pre-recognition cash flows.

At each of the subsequent reporting dates, the remaining coverage for reinsurance contracts held is:

- increased for ceding premiums paid in the period;
- increased for broker fees paid in the period; and
- decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

The Company subsequently reduces the loss-recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(vi) Initial and subsequent measurement (continued)***Insurance acquisition cash flows*

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

The Company uses a systematic and rational method to allocate:

- Insurance acquisition cash flows that are directly attributable to a group of insurance contracts; and
- Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Company revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Company applies:

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Company recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

As of the reporting date, the Company does not have any asset for insurance acquisition cash flows for renewals outside the contract boundary as of the reporting date.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(vii) Derecognition and contract modification**

The Company derecognises a contract when it is extinguished, i.e., when the specified obligations in the contract expire or are discharged or cancelled.

The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

(viii) Presentation

The Company has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Company disaggregates the total amount recognised in profit or loss into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

(1) Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(I) Insurance and reinsurance contracts (continued)****(viii) Presentation (continued)****(2) *Insurance service expenses***

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

- incurred claims and other insurance service expenses
- losses on onerous contracts and reversals of such losses
- adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein
- Impairment losses on assets for insurance acquisition cash flows and its reversals

(3) *Net income or expense from reinsurance contracts held*

Net income or expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the Company of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(l) Insurance and reinsurance contracts (continued)****(viii) Presentation (continued)****(4) *Insurance finance income or expenses***

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

(m) Other revenue recognition**(i) Rental income**

Rental income from investment property is recognised on an accrual basis and straight-line basis over the term of the lease.

(ii) Investment income

Interest income from securities such as government securities, bonds and loan stocks are recognised using the effective interest rate method.

The interest income from fixed deposits with financial institutes, are recognised in the historical financial information on the accrual basis.

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

(n) Foreign currencies**(i) Functional currency**

Functional currency is the currency of the primary economic environment in which an entity operates.

(ii) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency ("foreign currencies") are translated to the functional currency at the rate of exchange ruling at the date of the transaction.

Monetary items denominated in foreign currencies at the reporting date are translated at foreign exchange rates ruling at that date.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(n) Foreign currencies (continued)****(ii) Transactions and balances in foreign currencies (continued)**

Non-monetary items which are measured in terms of historical costs denominated in foreign currencies are translated at foreign exchange rates ruling at the date of the transaction.

Non-monetary items which are measured at fair values denominated in foreign currencies are translated at the foreign exchange rates ruling at the date when the fair values were determined.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in profit or loss for the period.

When a gain or loss on a non-monetary item is recognised directly in other comprehensive income, any corresponding exchange gain or loss is recognised directly in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any corresponding exchange gain or loss is recognised in profit or loss.

(o) Employee benefits**(i) Short term benefits**

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as expenses in the period in which the associated services are rendered by employees of the Company.

(ii) Post-employment benefits

The Company pays fixed contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The Company's legal or constructive obligation is limited to the amount that it agrees to contribute to the EPF. The Company's contributions to the EPF are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.1 MATERIAL ACCOUNTING POLICIES (CONTINUED)****(o) Employee benefits (continued)****(iii) Share-based long term incentive plan**

The eligible employees of the Company participate in an equity-settled, share-based long term incentive plan offered by its ultimate holding company, Chubb Limited ("Chubb"). The long-term incentive plan consists of a restricted share grant plan, a restricted share option plan and an employee share participation plan.

Employees' services received in exchange for the share-based long term incentive plan are recognised as an expense in the Company's profit or loss over the vesting period of the grant with a corresponding increase in equity reserves.

The annual expense is based on an amortised calculation that is reflective of the current financial period's expense portion of all share grants issued in the current and prior financial period/years. There is no liability to the Company for the unamortised portion of the share grants issued. The amortised calculation incorporates the fair market value of Chubb's common stock at grant date, in determining the expense amount.

At each date of statement of financial position, the Company revises its estimate of the number of options that are expected to become vest. It recognises the impact of the revision of original estimates, if any, in profit or loss and a corresponding adjustment to equity reserves over the remaining vesting period.

(p) Income taxes

Tax expense for the period comprises current and deferred income tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated by Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimate and assumption that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year/period are outlined below.

(a) Insurance and reinsurance contracts

The Company applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under MFRS 4 'Insurance Contracts'. However, when measuring liabilities for incurred claims, the Company now discounts projected future claims payment, both gross and net of reinsurance and other recoveries and associated claims handling costs, to a present value using risk-free discount rates (derived from market yields on government bonds) to reflect the time value of money. The explicit risk adjustment for non-financial risk is set as the provision of risk margin for adverse deviation ("PRAD").

(i) Liability for remaining coverage – Onerous groups

The Company has assessed and identified insurance contracts that are onerous based on the facts and circumstances which indicate that the contracts are onerous. Further, judgement is required to assess whether facts and circumstances indicate that any changes in the onerous group's profitability and whether any loss component remeasurement is required.

Loss-recovery component is determined with reference to the loss component recognised on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

(ii) Liability for incurred claims

Liabilities for incurred claims for each group of business are estimated by reference to a variety of estimation techniques, generally based on a statistical analysis of historical experience which assumes an underlying pattern of claims development, claims payment and the direct and indirect claims-related expenses. Risk adjustment on non-financial risk (PRAD) was also included in liabilities for incurred claims. PRAD is a component of the value of the insurance liabilities which is set at a level such that there is a higher level of confidence (or probability) that the provisions will ultimately be sufficient. For the purpose of this valuation basis, the level of confidence is at 75% at an overall Company level.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)****(a) Insurance and reinsurance contracts (continued)****(ii) Liability for incurred claims (continued)**

The final selected estimates are based on a judgemental consideration of results of each method and qualitative information, for example, the class of business, the maturity of the portfolio and expected term to settlement of the class. Projections are based on historical experience and external benchmarks where relevant.

The ultimate costs of outstanding claims were assessed using four standard actuarial valuation methods:

- Chain Ladder method on incurred claims and paid claims
- Average Claim Size method
- Bornhuetter-Ferguson method on incurred claims and paid claims
- Expected loss ratio method

The key assumptions and the sensitivity analysis of liabilities of incurred claims are disclosed in Note 2.25 (e) to the financial information.

Discount rates

Insurance contract 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 yields of government bonds. The illiquidity premium adjustment is set as zero.

Discount rates applied for discounting of future cash flows are listed below:

	<u>1 year</u>	<u>5 years</u>	<u>10 years</u>	<u>20 years</u>	<u>30 years</u>
<u>December 2022</u>					
MYR	3.37%	3.86%	4.09%	4.57%	4.52%
USD	5.07%	3.95%	3.75%	3.63%	3.27%
<u>December 2023</u>					
MYR	3.20%	3.59%	3.82%	4.26%	4.24%
USD	4.76%	3.50%	3.45%	3.46%	3.23%
<u>December 2024</u>					
MYR	3.01%	3.37%	3.59%	3.88%	3.91%
USD	4.18%	4.02%	4.07%	4.10%	3.84%
<u>June 2024</u>					
MYR	2.97%	3.37%	3.63%	3.97%	4.00%
USD	5.05%	4.06%	3.94%	3.91%	3.63%
<u>June 2025</u>					
MYR	3.04%	3.23%	3.52%	3.98%	4.29%
USD	3.87%	3.43%	3.72%	4.04%	3.92%

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.3 PROPERTY AND EQUIPMENT**

	Freehold land RM'000	Buildings RM'000	Computers RM'000	Office equipment, furniture and fittings RM'000	Motor Vehicles RM'000	Renovation work-in- progress RM'000	Total RM'000
<u>Audited Cost</u>							
As at 1 January 2022	15,206	36,071	16,218	20,123	740	-	88,358
Additions	-	-	1,114	626	-	-	1,740
Disposals	(161)	(239)	-	(1,156)	(180)	-	(1,736)
Write-offs	-	-	(2,454)	(634)	-	-	(3,088)
As at 31 December 2022	15,045	35,832	14,878	18,959	560	-	85,274
<u>Accumulated depreciation</u>							
As at 1 January 2022	-	13,393	14,202	16,791	556	-	44,942
Depreciation charge for the financial year (Note 2.19)	-	770	1,268	1,792	15	-	3,845
Disposals	-	(133)	-	(1,029)	(130)	-	(1,292)
Write-offs	-	-	(2,454)	(600)	-	-	(3,054)
As at 31 December 2022	-	14,030	13,016	16,954	441	-	44,441
<u>Net carrying amount</u>							
As at 31 December 2022	15,045	21,802	1,862	2,005	119	-	40,833

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.3 PROPERTY AND EQUIPMENT (CONTINUED)**

	Freehold land RM'000	Buildings RM'000	Computers RM'000	Office equipment, furniture and fittings RM'000	Motor Vehicles RM'000	Renovation work-in- progress RM'000	Total RM'000
<u>Audited Cost</u>							
As at 1 January 2023	15,045	35,832	14,878	18,959	560	-	85,274
Additions	-	-	1,145	1,339	-	-	2,484
Disposals	-	-	-	-	(449)	-	(449)
Write-offs	-	-	(1,254)	(367)	-	-	(1,621)
As at 31 December 2023	15,045	35,832	14,769	19,931	111	-	85,688
<u>Accumulated depreciation</u>							
As at 1 January 2023	-	14,030	13,016	16,954	441	-	44,441
Depreciation charge for the financial year (Note 2.19)	-	765	963	690	3	-	2,421
Disposals	-	-	-	-	(349)	-	(349)
Write-offs	-	-	(1,254)	(349)	-	-	(1,603)
As at 31 December 2023	-	14,795	12,725	17,295	95	-	44,910
<u>Net carrying amount</u>							
As at 31 December 2023	15,045	21,037	2,044	2,636	16	-	40,778

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.3 PROPERTY AND EQUIPMENT (CONTINUED)**

	Freehold land	Buildings	Computers	Office equipment, furniture and fittings	Motor Vehicles	Renovation work-in- progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Audited</u>							
<u>Cost</u>							
As at 1 January 2024	15,045	35,832	14,769	19,931	111	-	85,688
Additions	-	-	907	1,280	-	-	2,187
Disposals	(48)	(147)	-	-	-	-	(195)
Write-offs	-	-	-	(302)	-	-	(302)
As at 31 December 2024	14,997	35,685	15,676	20,909	111	-	87,378
<u>Accumulated depreciation</u>							
As at 1 January 2024	-	14,795	12,725	17,295	95	-	44,910
Depreciation charge for the financial year (Note 2.19)	-	762	821	629	-	-	2,212
Disposals	-	(73)	-	-	-	-	(73)
Write-offs	-	-	-	(221)	-	-	(221)
As at 31 December 2024	-	15,484	13,546	17,703	95	-	46,828
<u>Net carrying amount</u>							
As at 31 December 2024	14,997	20,201	2,130	3,206	16	-	40,550

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2.3 PROPERTY AND EQUIPMENT (CONTINUED)

	Freehold land	Buildings	Computers	Office equipment, furniture and fittings	Motor Vehicles	Renovation work-in- progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Audited</u>							
<u>Cost</u>							
As at 1 January 2025	14,997	35,685	15,676	20,909	111	-	87,378
Additions	-	-	1,105	475	-	1,449	3,029
Disposals	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-
As at 30 June 2025	14,997	35,685	16,781	21,384	111	1,449	90,407
<u>Accumulated depreciation</u>							
As at 1 January 2025	-	15,484	13,546	17,703	95	-	46,828
Depreciation charge for the financial period (Note 2.19)	-	381	460	339	-	-	1,180
Disposals	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-
As at 30 June 2025	-	15,865	14,006	18,042	95	-	48,008
<u>Net carrying amount</u>							
As at 30 June 2025	14,997	19,820	2,775	3,342	16	1,449	42,399

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.4 LEASES**The Company as a lessee

The Company leases various offices and equipment. Rental contracts are typically made for fixed periods of 1 to 5 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

	31.12.2022	31.12.2023	31.12.2024	30.06.2025
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
(a) Right-of-use assets				
Carrying amount of right-of-use assets by class of underlying assets:				
Offices	1,033	1,374	916	629
Equipment	661	395	276	151
Motor vehicles	-	246	112	401
	<u>1,694</u>	<u>2,015</u>	<u>1,304</u>	<u>1,181</u>
Additions to the right-of-use assets during the financial year/period	<u>326</u>	<u>1,404</u>	<u>454</u>	<u>538</u>
Depreciation charge of right-of-use assets by class of underlying assets (Note 2.19):				
Offices	(815)	(781)	(789)	(398)
Equipment	(296)	(279)	(242)	(125)
Motor vehicles	-	(23)	(134)	(138)
	<u>(1,111)</u>	<u>(1,083)</u>	<u>(1,165)</u>	<u>(661)</u>
(b) Lease liabilities				
Current	911	1,004	911	704
Non-current	847	943	385	493
	<u>1,758</u>	<u>1,947</u>	<u>1,296</u>	<u>1,197</u>
Interest expenses	<u>(128)</u>	<u>(99)</u>	<u>(97)</u>	<u>(48)</u>
Total cash outflows for leases	<u>(1,211)</u>	<u>(1,307)</u>	<u>(1,190)</u>	<u>(681)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.4 LEASES (CONTINUED)**The Company as a lessee (continued)**(b) Lease liabilities (continued)**

Reconciliation of movement of liabilities to cash flows arising from financing activities.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
As at 1 January	2,516	1,758	1,947	1,296
Additions	326	1,404	454	538
Interest expense	128	99	97	48
Cash flows	(1,211)	(1,307)	(1,190)	(681)
Lease modification	(1)	(7)	(12)	(4)
As at 31 December/30 June	<u>1,758</u>	<u>1,947</u>	<u>1,296</u>	<u>1,197</u>

The Company as a lessor

The Company leases out its building under operating leases with rentals payable monthly. The Company classifies it as operating lease as the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
Rental income	<u>1,362</u>	<u>1,311</u>	<u>1,210</u>	<u>605</u>	<u>604</u>

The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Within one year	2,118	655	202	-
Later than one year but not later than 3 years	655	-	-	-
Rental income	<u>2,773</u>	<u>655</u>	<u>202</u>	<u>-</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.5 INTANGIBLE ASSETS**

	Computer software RM'000	Work-in- progress RM'000	Total RM'000
<u>Audited Cost</u>			
As at 1 January 2022	19,119	604	19,723
Additions	-	3,781	3,781
Write-offs	(236)	-	(236)
Reclassification	3,793	(3,793)	-
As at 31 December 2022	<u>22,676</u>	<u>592</u>	<u>23,268</u>
<u>Accumulated amortisation</u>			
As at 1 January 2022	12,044	-	12,044
Amortisation for the financial year (Note 2.19)	2,089	-	2,089
Write-offs	(236)	-	(236)
As at 31 December 2022	<u>13,897</u>	<u>-</u>	<u>13,897</u>
<u>Net carrying amount</u>			
As at 31 December 2022	<u>8,779</u>	<u>592</u>	<u>9,371</u>
<u>Audited Cost</u>			
As at 1 January 2023	22,676	592	23,268
Additions	812	2,223	3,035
Write-offs	(1,255)	-	(1,255)
Reclassification	2,652	(2,652)	-
As at 31 December 2023	<u>24,885</u>	<u>163</u>	<u>25,048</u>
<u>Accumulated amortisation</u>			
As at 1 January 2023	13,897	-	13,897
Amortisation for the financial year (Note 2.19)	2,698	-	2,698
Write-offs	(1,255)	-	(1,255)
As at 31 December 2023	<u>15,340</u>	<u>-</u>	<u>15,340</u>
<u>Net carrying amount</u>			
As at 31 December 2023	<u>9,545</u>	<u>163</u>	<u>9,708</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.5 INTANGIBLE ASSETS (CONTINUED)**

	Computer software RM'000	Work-in- progress RM'000	Total RM'000
<u>Audited Cost</u>			
As at 1 January 2024	24,885	163	25,048
Additions	4,348	5,307	9,655
Write-offs	925	-	925
Reclassification	446	(446)	-
As at 31 December 2024	<u>30,604</u>	<u>5,024</u>	<u>35,628</u>
<u>Accumulated amortisation</u>			
As at 1 January 2024	15,340	-	15,340
Amortisation for the financial year (Note 2.19)	3,562	-	3,562
Write-offs	925	-	925
As at 31 December 2024	<u>19,827</u>	<u>-</u>	<u>19,827</u>
<u>Net carrying amount</u>			
As at 31 December 2024	<u>10,777</u>	<u>5,024</u>	<u>15,801</u>
<u>Audited Cost</u>			
As at 1 January 2025	30,604	5,024	35,628
Additions	-	3,911	3,911
Reclassification	1,940	(1,940)	-
As at 30 June 2025	<u>32,544</u>	<u>6,995</u>	<u>39,539</u>
<u>Accumulated amortisation</u>			
As at 1 January 2025	19,827	-	19,827
Amortisation for the financial period (Note 2.19)	1,934	-	1,934
As at 30 June 2025	<u>21,761</u>	<u>-</u>	<u>21,761</u>
<u>Net carrying amount</u>			
As at 30 June 2025	<u>10,783</u>	<u>6,995</u>	<u>17,778</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.6 INVESTMENTS**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited RM'000	Audited RM'000	Audited RM'000	Audited RM'000
Malaysian government securities and guaranteed loans	747,908	956,526	899,439	938,146
Debt securities	551,597	526,925	559,483	573,841
Equity securities	375	375	375	375
	<u>1,299,880</u>	<u>1,483,826</u>	<u>1,459,297</u>	<u>1,512,362</u>
Fair value through profit or loss ("FVTPL")	<u>1,299,880</u>	<u>1,483,826</u>	<u>1,459,297</u>	<u>1,512,362</u>
The following instruments mature after 12 months:				
Malaysian government securities and guaranteed loans	545,063	785,033	787,933	806,207
Debt securities	421,135	380,738	331,816	365,619
	<u>966,198</u>	<u>1,165,771</u>	<u>1,119,749</u>	<u>1,171,826</u>
Current	<u>333,682</u>	<u>318,055</u>	<u>339,548</u>	<u>340,536</u>
(a) FVTPL				
<u>Fair value</u>				
Unquoted equity securities	375	375	375	375
Unquoted debt securities	551,597	526,925	559,483	573,841
Malaysian government securities and guaranteed loans	747,908	956,526	899,439	938,146
	<u>1,299,880</u>	<u>1,483,826</u>	<u>1,459,297</u>	<u>1,512,362</u>
(b) Carrying values of financial instruments				
<u>FVTPL</u>				
As at 1 January	1,339,400	1,299,880	1,483,826	1,459,297
Purchases	570,741	721,650	705,117	298,468
Maturities	(365,000)	(420,000)	(440,000)	(225,000)
Disposals	(222,964)	(136,987)	(292,033)	(35,470)
Realised gains in profit or loss	2,698	2,091	5,160	42
Fair value gains recorded in profit or loss	(17,790)	20,950	3,296	16,714
Net change in interest receivables	(445)	2,629	(306)	26
Amortisation of premium	(6,760)	(6,387)	(5,763)	(1,715)
As at 31 December/30 June	<u>1,299,880</u>	<u>1,483,826</u>	<u>1,459,297</u>	<u>1,512,362</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.6 INVESTMENTS (CONTINUED)****(c) Estimation of fair values**Fair value hierarchy

Included in the quoted market price category are financial instruments that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, secondary market via dealer and broker, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis (Level 1).

For financial instruments where quoted prices are generally not available, fair value is measured using valuation technique that include the use of recent traded prices, adjusted with observable yield curves provided by the bond pricing agency (Level 2).

Financial instruments that are valued not based on observable market data are categorised as Level 3.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
<u>Fair value investments</u>				
Valuation techniques				
- market observable inputs (Level 2)	1,299,505	1,483,451	1,458,922	1,511,987
- unobservable inputs (Level 3)	375	375	375	375
	<u>1,299,880</u>	<u>1,483,826</u>	<u>1,459,297</u>	<u>1,512,362</u>

There are no investments that are valued based on Level 1 category.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.7 OTHER RECEIVABLES**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Amount due from Malaysian Motor Insurance Pool ("MMIP")	40,708	38,107	36,108	36,354
Deposits	652	649	620	1,232
Prepayment	984	1,325	939	2,851
Other charges due from intermediaries	4,429	5,231	6,884	8,452
Other receivables	3,134	2,127	1,031	2,933
	<u>49,907</u>	<u>47,439</u>	<u>45,582</u>	<u>51,822</u>
Current	49,255	46,790	44,962	50,590
Non-current	652	649	620	1,232
	<u>49,907</u>	<u>47,439</u>	<u>45,582</u>	<u>51,822</u>

As at 30 June 2025, there is a net receivable of RM25,987,000 (2024: RM RM24,012,000 net receivable, 2023: RM22,954,000 net receivable and 2022: RM23,160,000 net receivable) from MMIP, after setting off the amounts receivable from MMIP against the Company's share of MMIP's net insurance contract liabilities of RM10,367,000 (2024: RM12,096,000, 2023: RM15,154,000 and 2022: RM17,548,000) included in Note 2.12 to the financial information.

The carrying amounts disclosed above approximate fair values at the reporting date.

2.8 DEFERRED TAX ASSETS AND LIABILITIES

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
At beginning of financial year/period	1,916	1,631	(4,197)	(2,876)
Recognised in profit or loss (Note 2.20)	(285)	(5,828)	1,321	(5,611)
At end of financial year/period	<u>1,631</u>	<u>(4,197)</u>	<u>(2,876)</u>	<u>(8,487)</u>
Deferred tax assets/(liabilities) expected to be settled after more than 12 months after the reporting date	<u>1,631</u>	<u>(4,197)</u>	<u>(2,876)</u>	<u>(8,487)</u>

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes related to the same authority. The following amounts determined after appropriate set off are shown in the statement of financial position:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Presented after appropriate offsetting as follows:				
Deferred tax assets	1,631	-	-	-
Deferred tax liabilities	<u>-</u>	<u>4,197</u>	<u>2,876</u>	<u>8,487</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.8 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
<u>Deferred tax assets</u>				
Investments	10,465	6,039	4,031	228
Other receivables	416	(127)	(152)	4
Reinsurance contract liabilities	27	-	893	840
Leased liabilities	422	467	311	287
Other payables	10,963	10,423	12,603	11,062
	<u>22,293</u>	<u>16,802</u>	<u>17,686</u>	<u>12,421</u>
<u>Deferred tax liabilities</u>				
Property and equipment	1,190	1,348	1,571	1,657
Right-of-use-assets	407	484	313	284
Insurance contract assets	-	3	5	2
Reinsurance contract assets	483	(872)	2,083	1,488
Insurance contract liabilities	18,582	20,036	16,590	17,449
Other receivables	-	-	-	28
	<u>20,662</u>	<u>20,999</u>	<u>20,562</u>	<u>20,908</u>
Deferred tax assets/(liabilities) (after off-setting)	<u>1,631</u>	<u>(4,197)</u>	<u>(2,876)</u>	<u>(8,487)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.9 SHARE CAPITAL**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Issued and paid up:				
100,000,000 ordinary shares with no par value				
At beginning and end of financial year/period	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

2.10 RETAINED EARNINGS

Under the single-tier tax system which came into effect on 1 January 2008, companies are not required to have tax credits under Section 108 of the Income Tax Act, 1967 for dividend payment purposes. Dividends paid under this system are single-tier dividends and are tax exempt on the hands of shareholders.

As at 30 June 2025, the Company is already under the single-tier tax system. The Company also has no tax exempt income available for future distribution of tax exempt dividends.

The Company may distribute single tier tax exempt dividend to its shareholder out of its retained earnings. Pursuant to Section 51 (1) of the Financial Services Act 2013, the Company is required to obtain Bank Negara Malaysia ("BNM")'s written approval prior to declaring or paying any dividend.

Pursuant to the Risk-Based Capital Framework for Insurers ("RBC Framework"), the Company shall not pay dividends if its Capital Adequacy Ratio position is less than its internal target capital level or if the payment of dividend would impair its Capital Adequacy Ratio position to below its internal target.

The eligible employees of the Company participate in an equity-settled, share-based long term incentive plan offered by its ultimate holding company, Chubb Limited. The long term incentive plan consists of a restricted share grant plan, a restricted share option plan and an employee share participation plan.

2.11 EQUITY RESERVE**Restricted Share Grant Plan**

Under Chubb Limited's long term incentive plan, 2,357 (2024: 2,117, 2023: 2,032 and 2022: 2,598) restricted ordinary shares of Chubb Limited were awarded during the financial period/year ended 30 June 2025 to the eligible employees of the Company. These shares vest at various dates over a 4 year period from the grant dates and any unvested shares are cancelled on termination of the employment of the eligible employees. This plan is a Company scheme with expenses incurred under the scheme charged out by Chubb Limited to the Company on an annual basis. The annual expense is based on an amortised calculation that is reflective of the current financial period's expense portion of all restricted share grants issued in the current and prior financial period/years and is consistent with the treatment required by MFRS 2 'Share-based Payment'. There is no liability to the Company for the unamortised portion of the restrictive stock grants issued. The amortised calculation incorporates the fair market value of Chubb Limited's common stock at the grant date, in determining the expense amount. Expected future dividend payments in relation to the restrictive stock grants issued are made directly by Chubb Limited to the eligible employees.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.11 EQUITY RESERVE (CONTINUED)**Restricted Share Option Plan

Under Chubb Limited's long term incentive plan, restrictive share options were granted to eligible employees of the Company over Chubb Limited's shares. The exercisable price of these options is the fair market value at the issue date. These options vest at various dates over a 3 year period from the grant date and any unvested options are cancelled on termination of employment. This plan is a Company scheme with expenses incurred under the scheme charged out by Chubb Limited to the Company on an annual basis. Any option not exercised or cancelled pursuant to the terms of plan will be forfeited by the tenth anniversary from the date of grant.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	31.12.2022		31.12.2023		31.12.2024		30.06.2025	
	<u>Audited</u>		<u>Audited</u>		<u>Audited</u>		<u>Audited</u>	
	Average exercise price per share	Share options	Average exercise price per share	Share options	Average exercise price per share	Share options	Average exercise price per share	Share options
	<u>RM</u>	<u>Units</u>	<u>RM</u>	<u>Units</u>	<u>RM</u>	<u>Units</u>	<u>RM</u>	<u>Units</u>
At beginning of financial year/period		30,931		27,768		23,900		23,713
Granted	942.65	3,004	983.81	2,709	1,123.97	2,812	1,242.05	3,143
Forfeited	853.79	(631)	929.81	(414)	857.76	(1,092)	991.96	(417)
Exercised	528.56	(5,074)	509.83	(4,030)	512.25	(5,851)	675.39	(2,731)
Transferred out		(462)		(2,209)	-	(153)		-
Transferred in		-		76		4,097		277
At end of financial year/period		<u>27,768</u>		<u>23,900</u>		<u>23,713</u>		<u>23,985</u>

Out of the 23,985 outstanding options as at 30 June 2025, 17,984 options were exercisable. Options granted in 2025 resulted in 3,143 shares options being issued at the exercise price of RM1,242.05 each. 2,731 options were exercised in 2025 at the exercise price of RM675.39.

Out of the 23,713 outstanding options as at 31 December 2024, 17,744 options were exercisable. Options granted in 2024 resulted in 2,812 shares options being issued at the exercise price of RM1,123.97 each. 5,851 options were exercised in 2024 at the exercise price of RM512.25.

Out of the 23,900 outstanding options as at 31 December 2023, 19,158 options were exercisable. Options granted in 2023 resulted in 2,709 shares options being issued at the exercise price of RM983.81 each. 4,030 options were exercised in 2023 at the exercise price of RM509.83.

Out of the 27,768 outstanding options as at 31 December 2022, 22,116 options were exercisable. Options granted in 2022 resulted in 3,004 shares options being issued at the exercise price of RM942.65 each. 5,074 options were exercised in 2022 at the exercise price of RM528.56.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.11 EQUITY RESERVE (CONTINUED)**Restricted Share Option Plan (continued)

Share options outstanding at the end of the financial year/period have the following expiry date and exercise prices:

	Exercise price per share	Share Option			
		31.12.2022	31.12.2023	31.12.2024	30.06.2025
		Audited	Audited	Audited	Audited
	RM	Units	Units	Units	Units
2023	366.11	2,591	-	-	-
2024	414.86	2,790	2,586	-	-
2025	492.12	2,996	2,736	207	-
2026	507.60	2,936	2,582	2,582	2,252
2027	596.01	3,124	2,814	2,907	2,276
2028	613.41	2,287	2,049	2,287	2,035
2029	574.10	2,629	2,302	2,571	2,406
2030	643.60	2,763	2,080	2,653	2,453
2031	707.18	2,982	2,099	2,415	2,192
2032	853.34	2,670	2,159	2,261	1,823
2033	894.37	-	2,493	2,764	2,558
2034	1,092.63	-	-	3,066	2,847
2035	1,242.05	-	-	-	3,143
		27,768	23,900	23,713	23,985

The weighted average fair value of options granted during the financial period/year ended 30 June 2025 determined using the Black-Scholes valuation model was RM342.04 (2024: RM293.89, 2023: RM255.02 and 2022: RM173.45) per option. The significant inputs into the model were share price of RM1,242.05 (2024: RM1,123.97, 2023: RM983.81 and 2022: RM942.65), at the grant date, the exercise price shown above, volatility of 23.00% (2024: 22.00%, 2023: 23.00% and 2022: 20.00%), dividend yield of 1.26% (2024: 1.44%, 2023: 1.65% and 2022: 1.67%) an expected option life of 5 years and on annual risk-free interest rate of 4.03% (2024: 4.42%, 2023: 4.04% and 2022: 1.90%). The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last three years.

Employee Share Purchase Plan

Local eligible employees of the Company have the right to acquire ordinary shares of Chubb Limited. The price paid by eligible employees is set at a discount of 15% (2024: 15%, 2023: 15% and 2022: 15%) to the fair value of the ordinary shares at the date of acquisition. The Company collects monies from these local eligible employees and acquires ordinary shares in Chubb Limited on their behalf on a bi-annual basis. The discount incurred at the Company level is borne by Chubb Limited and not reimbursed from the Company.

The total expenses of employee equity-settled share-based long term incentive plan for the financial period/year of 30 June 2025 was RM1,009,079 (30 June 2024: RM974,840; 31 December 2024: RM1,576,235; 31 December 2023: RM2,228,915 and 31 December 2022: RM1,079,638).

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS**

Note	31.12.2022		31.12.2023		31.12.2024		30.06.2025	
	Audited		Audited		Audited		Audited	
	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Insurance contracts								
Accident and Health	(a) -	51,925	-	63,573	-	71,691	-	85,794
Property and Casualty	(b) -	542,331	(13)	508,079	(19)	440,697	(9)	499,563
Motor	(c) -	277,564	-	280,821	-	333,181	-	361,016
Total insurance contracts	-	871,820	(13)	852,473	(19)	845,569	(9)	946,373
Expected to be settled more than 12 months after the reporting date	-	315,612	-	312,248	-	276,408	-	347,264
Reinsurance contracts								
Accident and Health	5,248	(111)	6,432	-	5,170	(901)	8,000	(427)
Property and Casualty	293,777	-	235,755	-	169,758	(1,820)	198,295	(3,074)
Motor	18,189	-	13,473	-	23,587	(1,001)	24,116	-
Total reinsurance contracts	317,214	(111)	255,660	-	198,515	(3,722)	230,411	(3,501)
Expected to be settled more than 12 months after the reporting date	169,640	44	102,011	-	55,110	-	88,332	-

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(a) Accident and Health – Insurance contracts**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2022</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	6,651	-	46,602	3,634	56,887
	<u>6,651</u>	<u>-</u>	<u>46,602</u>	<u>3,634</u>	<u>56,887</u>
Insurance revenue from contracts measured under PAA	(162,457)	-	-	-	(162,457)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	40,395	1,831	42,226
Amortisation of insurance acquisition cash flows	33,005	-	-	-	33,005
Losses on onerous contracts and reversals	-	-	-	-	-
Changes related to past service - liabilities for incurred claims	-	-	(13,996)	(2,242)	(16,238)
	<u>33,005</u>	<u>-</u>	<u>26,399</u>	<u>(411)</u>	<u>58,993</u>
Total insurance service result	<u>(129,452)</u>	<u>-</u>	<u>26,399</u>	<u>(411)</u>	<u>(103,464)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	1,090	-	1,090
Effect of movements in exchange rates	1	-	-	-	1
	<u>1</u>	<u>-</u>	<u>1,090</u>	<u>-</u>	<u>1,091</u>
Total changes in the statement of comprehensive income	<u>(129,451)</u>	<u>-</u>	<u>27,489</u>	<u>(411)</u>	<u>(102,373)</u>
Investment components	(728)	-	728	-	-
<u>Cash flows</u>					
Premiums received	163,152	-	-	-	163,152
Claims and other insurance service expenses paid including investment component paid	-	-	(33,537)	-	(33,537)
Insurance acquisition cash flows	(32,204)	-	-	-	(32,204)
	<u>130,948</u>	<u>-</u>	<u>(33,537)</u>	<u>-</u>	<u>97,411</u>
<u>At 31 December 2022 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	7,420	-	41,282	3,223	51,925
	<u>7,420</u>	<u>-</u>	<u>41,282</u>	<u>3,223</u>	<u>51,925</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(a) Accident and Health – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2023</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	7,420	-	41,282	3,223	51,925
	<u>7,420</u>	<u>-</u>	<u>41,282</u>	<u>3,223</u>	<u>51,925</u>
Insurance revenue from contracts measured under PAA	(184,265)	-	-	-	(184,265)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	57,472	2,218	59,690
Amortisation of insurance acquisition cash flows	38,190	-	-	-	38,190
Losses on onerous contracts and reversals	-	-	-	-	-
Changes related to past service - liabilities for incurred claims	-	-	(6,378)	(2,076)	(8,454)
	<u>38,190</u>	<u>-</u>	<u>51,094</u>	<u>142</u>	<u>89,426</u>
Total insurance service result	<u>(146,075)</u>	<u>-</u>	<u>51,094</u>	<u>142</u>	<u>(94,839)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	1,788	-	1,788
Effect of movements in exchange rates	1	-	-	-	1
	<u>1</u>	<u>-</u>	<u>1,788</u>	<u>-</u>	<u>1,789</u>
Total changes in the statement of comprehensive income	<u>(146,074)</u>	<u>-</u>	<u>52,882</u>	<u>142</u>	<u>(93,050)</u>
Investment components	(791)	-	791	-	-
<u>Cash flows</u>					
Premiums received	184,013	-	-	-	184,013
Claims and other insurance service expenses paid including investment component paid	-	-	(43,147)	-	(43,147)
Insurance acquisition cash flows	(36,168)	-	-	-	(36,168)
	<u>147,845</u>	<u>-</u>	<u>(43,147)</u>	<u>-</u>	<u>104,698</u>
<u>At 31 December 2023 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	8,400	-	51,808	3,365	63,573
	<u>8,400</u>	<u>-</u>	<u>51,808</u>	<u>3,365</u>	<u>63,573</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(a) Accident and Health – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2024</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	8,400	-	51,808	3,365	63,573
	<u>8,400</u>	<u>-</u>	<u>51,808</u>	<u>3,365</u>	<u>63,573</u>
Insurance revenue from contracts measured under PAA	(201,693)	-	-	-	(201,693)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	69,799	2,604	72,403
Amortisation of insurance acquisition cash flows	43,041	-	-	-	43,041
Losses on onerous contracts and reversals	-	-	-	-	-
Changes related to past service - liabilities for incurred claims	-	-	(5,461)	(1,855)	(7,316)
	<u>43,041</u>	<u>-</u>	<u>64,338</u>	<u>749</u>	<u>108,128</u>
Total insurance service result	<u>(158,652)</u>	<u>-</u>	<u>64,338</u>	<u>749</u>	<u>(93,565)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	1,990	-	1,990
Effect of movements in exchange rates	(5)	-	-	-	(5)
	<u>(5)</u>	<u>-</u>	<u>1,990</u>	<u>-</u>	<u>1,985</u>
Total changes in the statement of comprehensive income	<u>(158,657)</u>	<u>-</u>	<u>66,328</u>	<u>749</u>	<u>(91,580)</u>
Investment components	(530)	-	530	-	-
<u>Cash flows</u>					
Premiums received	201,031	-	-	-	201,031
Claims and other insurance service expenses paid including investment component paid	-	-	(55,335)	-	(55,335)
Insurance acquisition cash flows	(45,998)	-	-	-	(45,998)
	<u>155,033</u>	<u>-</u>	<u>(55,335)</u>	<u>-</u>	<u>99,698</u>
<u>At 31 December 2024 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	4,246	-	63,331	4,114	71,691
	<u>4,246</u>	<u>-</u>	<u>63,331</u>	<u>4,114</u>	<u>71,691</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(a) Accident and Health – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2025</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	4,246	-	63,331	4,114	71,691
	<u>4,246</u>	<u>-</u>	<u>63,331</u>	<u>4,114</u>	<u>71,691</u>
Insurance revenue from contracts measured under PAA	(110,935)	-	-	-	(110,935)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	42,679	2,330	45,009
Amortisation of insurance acquisition cash flows	24,053	-	-	-	24,053
Losses on onerous contracts and reversals	-	-	-	-	-
Changes related to past service - liabilities for incurred claims	-	-	(9,514)	(1,741)	(11,255)
	<u>24,053</u>	<u>-</u>	<u>33,165</u>	<u>589</u>	<u>57,807</u>
Total insurance service result	<u>(86,882)</u>	<u>-</u>	<u>33,165</u>	<u>589</u>	<u>(53,128)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	1,114	-	1,114
Effect of movements in exchange rates	(2)	-	-	-	(2)
	<u>(2)</u>	<u>-</u>	<u>1,114</u>	<u>-</u>	<u>1,112</u>
Total changes in the statement of comprehensive income	<u>(86,884)</u>	<u>-</u>	<u>34,279</u>	<u>589</u>	<u>(52,016)</u>
Investment components	(41)	-	41	-	-
<u>Cash flows</u>					
Premiums received	115,288	-	-	-	115,288
Claims and other insurance service expenses paid including investment component paid	-	-	(25,269)	-	(25,269)
Insurance acquisition cash flows	(23,900)	-	-	-	(23,900)
	<u>91,388</u>	<u>-</u>	<u>(25,269)</u>	<u>-</u>	<u>66,119</u>
<u>At 30 June 2025 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	8,709	-	72,382	4,703	85,794
	<u>8,709</u>	<u>-</u>	<u>72,382</u>	<u>4,703</u>	<u>85,794</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(b) Property and Casualty – Insurance contracts**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2022</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	53,424	2,683	386,429	40,508	483,044
	<u>53,424</u>	<u>2,683</u>	<u>386,429</u>	<u>40,508</u>	<u>483,044</u>
Insurance revenue from contracts measured under PAA	(350,847)	-	-	-	(350,847)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	170,491	15,277	185,768
Amortisation of insurance acquisition cash flows	69,711	-	-	-	69,711
Losses on onerous contracts and reversals	-	(1,180)	-	-	(1,180)
Changes related to past service - liabilities for incurred claims	-	-	3,543	(9,420)	(5,877)
	<u>69,711</u>	<u>(1,180)</u>	<u>174,034</u>	<u>5,857</u>	<u>248,422</u>
Total insurance service result	<u>(281,136)</u>	<u>(1,180)</u>	<u>174,034</u>	<u>5,857</u>	<u>(102,425)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	8,966	-	8,966
Effect of movements in exchange rates	8	-	17	-	25
	<u>8</u>	<u>-</u>	<u>8,983</u>	<u>-</u>	<u>8,991</u>
Total changes in the statement of comprehensive income	<u>(281,128)</u>	<u>(1,180)</u>	<u>183,017</u>	<u>5,857</u>	<u>(93,434)</u>
Investment components	-	-	-	-	-
<u>Cash flows</u>					
Premiums received	356,750	-	-	-	356,750
Claims and other insurance service expenses paid including investment component paid	-	-	(135,677)	-	(135,677)
Insurance acquisition cash flows	<u>(68,352)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,352)</u>
	<u>288,398</u>	<u>-</u>	<u>(135,677)</u>	<u>-</u>	<u>152,721</u>
<u>At 31 December 2022 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	60,694	1,503	433,769	46,365	542,331
	<u>60,694</u>	<u>1,503</u>	<u>433,769</u>	<u>46,365</u>	<u>542,331</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(b) Property and Casualty – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2023</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	60,694	1,503	433,769	46,365	542,331
	<u>60,694</u>	<u>1,503</u>	<u>433,769</u>	<u>46,365</u>	<u>542,331</u>
Insurance revenue from contracts measured under PAA	(359,011)	-	-	-	(359,011)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	155,259	14,408	169,667
Amortisation of insurance acquisition cash flows	68,939	-	-	-	68,939
Losses on onerous contracts and reversals	-	(1,249)	-	-	(1,249)
Changes related to past service - liabilities for incurred claims	-	-	(98,585)	(15,682)	(114,267)
	<u>68,939</u>	<u>(1,249)</u>	<u>56,674</u>	<u>(1,274)</u>	<u>123,090</u>
Total insurance service result	<u>(290,072)</u>	<u>(1,249)</u>	<u>56,674</u>	<u>(1,274)</u>	<u>(235,921)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	18,845	-	18,845
Effect of movements in exchange rates	89	-	35	-	124
	<u>89</u>	<u>-</u>	<u>18,880</u>	<u>-</u>	<u>18,969</u>
Total changes in the statement of comprehensive income	<u>(289,983)</u>	<u>(1,249)</u>	<u>75,554</u>	<u>(1,274)</u>	<u>(216,952)</u>
Investment components	-	-	-	-	-
<u>Cash flows</u>					
Premiums received	347,467	-	-	-	347,467
Claims and other insurance service expenses paid including investment component paid	-	-	(95,710)	-	(95,710)
Insurance acquisition cash flows	(69,070)	-	-	-	(69,070)
	<u>278,397</u>	<u>-</u>	<u>(95,710)</u>	<u>-</u>	<u>182,687</u>
<u>At 31 December 2023 (Audited)</u>					
Insurance contract assets	(13)	-	-	-	(13)
Insurance contract liabilities	49,121	254	413,613	45,091	508,079
	<u>49,108</u>	<u>254</u>	<u>413,613</u>	<u>45,091</u>	<u>508,066</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(b) Property and Casualty – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2024</u>					
Insurance contract assets	(13)	-	-	-	(13)
Insurance contract liabilities	49,121	254	413,613	45,091	508,079
	49,108	254	413,613	45,091	508,066
Insurance revenue from contracts measured under PAA	(351,727)	-	-	-	(351,727)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	131,700	11,929	143,629
Amortisation of insurance acquisition cash flows	67,737	-	-	-	67,737
Losses on onerous contracts and reversals	-	359	-	-	359
Changes related to past service - liabilities for incurred claims	-	-	(116,509)	(18,456)	(134,965)
	67,737	359	15,191	(6,527)	76,760
Total insurance service result	(283,990)	359	15,191	(6,527)	(274,967)
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	16,580	-	16,580
Effect of movements in exchange rates	(22)	-	5	-	(17)
	(22)	-	16,585	-	16,563
Total changes in the statement of comprehensive income	(284,012)	359	31,776	(6,527)	(258,404)
Investment components	-	-	-	-	-
<u>Cash flows</u>					
Premiums received	355,804	-	-	-	355,804
Claims and other insurance service expenses paid including investment component paid	-	-	(88,970)	-	(88,970)
Insurance acquisition cash flows	(75,818)	-	-	-	(75,818)
	279,986	-	(88,970)	-	191,016
<u>At 31 December 2024 (Audited)</u>					
Insurance contract assets	(19)	-	-	-	(19)
Insurance contract liabilities	45,101	613	356,419	38,564	440,697
	45,082	613	356,419	38,564	440,678

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(b) Property and Casualty – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2025</u>					
Insurance contract assets	(19)	-	-	-	(19)
Insurance contract liabilities	45,101	613	356,419	38,564	440,697
	<u>45,082</u>	<u>613</u>	<u>356,419</u>	<u>38,564</u>	<u>440,678</u>
Insurance revenue from contracts measured under PAA	(179,338)	-	-	-	(179,338)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	80,245	8,402	88,647
Amortisation of insurance acquisition cash flows	36,648	-	-	-	36,648
Losses on onerous contracts and reversals	-	(13)	-	-	(13)
Changes related to past service - liabilities for incurred claims	-	-	4,043	(2,894)	1,149
	<u>36,648</u>	<u>(13)</u>	<u>84,288</u>	<u>5,508</u>	<u>126,431</u>
Total insurance service result	<u>(142,690)</u>	<u>(13)</u>	<u>84,288</u>	<u>5,508</u>	<u>(52,907)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	6,642	-	6,642
Effect of movements in exchange rates	45	-	(1)	-	44
	<u>45</u>	<u>-</u>	<u>6,641</u>	<u>-</u>	<u>6,686</u>
Total changes in the statement of comprehensive income	<u>(142,645)</u>	<u>(13)</u>	<u>90,929</u>	<u>5,508</u>	<u>(46,221)</u>
Investment components	-	-	-	-	-
<u>Cash flows</u>					
Premiums received	191,181	-	-	-	191,181
Claims and other insurance service expenses paid including investment component paid	-	-	(43,618)	-	(43,618)
Insurance acquisition cash flows	<u>(42,466)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,466)</u>
	<u>148,715</u>	<u>-</u>	<u>(43,618)</u>	<u>-</u>	<u>105,097</u>
<u>At 30 June 2025 (Audited)</u>					
Insurance contract assets	(9)	-	-	-	(9)
Insurance contract liabilities	51,161	600	403,730	44,072	499,563
	<u>51,152</u>	<u>600</u>	<u>403,730</u>	<u>44,072</u>	<u>499,554</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(c) Motor – Insurance contracts**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2022</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	74,656	5,623	212,182	19,388	311,849
	<u>74,656</u>	<u>5,623</u>	<u>212,182</u>	<u>19,388</u>	<u>311,849</u>
Insurance revenue from contracts measured under PAA	(158,143)	-	-	-	(158,143)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	116,524	6,992	123,516
Amortisation of insurance acquisition cash flows	23,832	-	-	-	23,832
Losses on onerous contracts and reversals	-	(2,283)	-	-	(2,283)
Changes related to past service - liabilities for incurred claims	-	-	(34,202)	(8,477)	(42,679)
	<u>23,832</u>	<u>(2,283)</u>	<u>82,322</u>	<u>(1,485)</u>	<u>102,386</u>
Total insurance service result	<u>(134,311)</u>	<u>(2,283)</u>	<u>82,322</u>	<u>(1,485)</u>	<u>(55,757)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	4,442	-	4,442
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>4,442</u>	<u>-</u>	<u>4,442</u>
Total changes in the statement of comprehensive income	<u>(134,311)</u>	<u>(2,283)</u>	<u>86,764</u>	<u>(1,485)</u>	<u>(51,315)</u>
Investment components	-	-	-	-	-
<u>Cash flows</u>					
Premiums received	145,940	-	-	-	145,940
Claims and other insurance service expenses paid including investment component paid	-	-	(106,158)	-	(106,158)
Insurance acquisition cash flows	(22,752)	-	-	-	(22,752)
	<u>123,188</u>	<u>-</u>	<u>(106,158)</u>	<u>-</u>	<u>17,030</u>
<u>At 31 December 2022 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	63,533	3,340	192,788	17,903	277,564
	<u>63,533</u>	<u>3,340</u>	<u>192,788</u>	<u>17,903</u>	<u>277,564</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(c) Motor – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2023</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	63,533	3,340	192,788	17,903	277,564
	<u>63,533</u>	<u>3,340</u>	<u>192,788</u>	<u>17,903</u>	<u>277,564</u>
Insurance revenue from contracts measured under PAA	(147,678)	-	-	-	(147,678)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	-	-	110,866	6,291	117,157
Amortisation of insurance acquisition cash flows	21,602	-	-	-	21,602
Losses on onerous contracts and reversals	-	653	-	-	653
Changes related to past service - liabilities for incurred claims	-	-	(14,207)	(6,247)	(20,454)
	<u>21,602</u>	<u>653</u>	<u>96,659</u>	<u>44</u>	<u>118,958</u>
Total insurance service result	<u>(126,076)</u>	<u>653</u>	<u>96,659</u>	<u>44</u>	<u>(28,720)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	-	7,215	-	7,215
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>7,215</u>	<u>-</u>	<u>7,215</u>
Total changes in the statement of comprehensive income	<u>(126,076)</u>	<u>653</u>	<u>103,874</u>	<u>44</u>	<u>(21,505)</u>
Investment components	-	-	-	-	-
<u>Cash flows</u>					
Premiums received	145,076	-	-	-	145,076
Claims and other insurance service expenses paid including investment component paid	-	-	(99,455)	-	(99,455)
Insurance acquisition cash flows	<u>(20,859)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,859)</u>
	<u>124,217</u>	<u>-</u>	<u>(99,455)</u>	<u>-</u>	<u>24,762</u>
<u>At 31 December 2023 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	61,674	3,993	197,207	17,947	280,821
	<u>61,674</u>	<u>3,993</u>	<u>197,207</u>	<u>17,947</u>	<u>280,821</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(c) Motor – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2024</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	61,674	3,993	197,207	17,947	280,821
	<u>61,674</u>	<u>3,993</u>	<u>197,207</u>	<u>17,947</u>	<u>280,821</u>
Insurance revenue from contracts measured under PAA	(150,075)	-	-	-	(150,075)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	45	-	116,393	7,356	123,794
Amortisation of insurance acquisition cash flows	22,156	-	94	-	22,250
Losses on onerous contracts and reversals	-	6,465	-	-	6,465
Changes related to past service - liabilities for incurred claims	-	-	8,408	(3,352)	5,056
	<u>22,201</u>	<u>6,465</u>	<u>124,895</u>	<u>4,004</u>	<u>157,565</u>
Total insurance service result	<u>(127,874)</u>	<u>6,465</u>	<u>124,895</u>	<u>4,004</u>	<u>7,490</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	20	7,116	42	7,178
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>20</u>	<u>7,116</u>	<u>42</u>	<u>7,178</u>
Total changes in the statement of comprehensive income	<u>(127,874)</u>	<u>6,485</u>	<u>132,011</u>	<u>4,046</u>	<u>14,668</u>
Other Movements	(352)	416	(4,461)	1,915	(2,482)
<u>Cash flows</u>					
Premiums received	159,347	-	-	-	159,347
Claims and other insurance service expenses paid including investment component paid	(45)	-	(95,301)	-	(95,346)
Insurance acquisition cash flows	<u>(23,733)</u>	<u>-</u>	<u>(94)</u>	<u>-</u>	<u>(23,827)</u>
	<u>135,569</u>	<u>-</u>	<u>(95,395)</u>	<u>-</u>	<u>40,174</u>
<u>At 31 December 2024 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	69,017	10,894	229,362	23,908	333,181
	<u>69,017</u>	<u>10,894</u>	<u>229,362</u>	<u>23,908</u>	<u>333,181</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(c) Motor – Insurance contracts (continued)**

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		
	<u>Excluding loss component</u>	<u>Loss component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2025</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	69,017	10,894	229,362	23,908	333,181
	<u>69,017</u>	<u>10,894</u>	<u>229,362</u>	<u>23,908</u>	<u>333,181</u>
Insurance revenue from contracts measured under PAA	(85,317)	-	-	-	(85,317)
<u>Insurance service expenses</u>					
Incurred claims and directly attributable expenses	(45)	-	68,793	4,746	73,494
Amortisation of insurance acquisition cash flows	13,598	-	(94)	-	13,504
Losses on onerous contracts and reversals	-	1,432	-	-	1,432
Changes related to past service - liabilities for incurred claims	-	-	(5,697)	(3,359)	(9,056)
	<u>13,553</u>	<u>1,432</u>	<u>63,002</u>	<u>1,387</u>	<u>79,374</u>
Total insurance service result	<u>(71,764)</u>	<u>1,432</u>	<u>63,002</u>	<u>1,387</u>	<u>(5,943)</u>
<u>Insurance finance expenses</u>					
Insurance finance expenses	-	18	4,140	28	4,186
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>18</u>	<u>4,140</u>	<u>28</u>	<u>4,186</u>
Total changes in the statement of comprehensive income	<u>(71,764)</u>	<u>1,450</u>	<u>67,142</u>	<u>1,415</u>	<u>(1,757)</u>
Other movements	12	11	503	46	572
<u>Cash flows</u>					
Premiums received	96,299	-	-	-	96,299
Claims and other insurance service expenses paid including investment component paid	45	-	(50,719)	-	(50,674)
Insurance acquisition cash flows	(16,699)	-	94	-	(16,605)
	<u>79,645</u>	<u>-</u>	<u>(50,625)</u>	<u>-</u>	<u>29,020</u>
<u>At 30 June 2025 (Audited)</u>					
Insurance contract assets	-	-	-	-	-
Insurance contract liabilities	76,910	12,355	246,382	25,369	361,016
	<u>76,910</u>	<u>12,355</u>	<u>246,382</u>	<u>25,369</u>	<u>361,016</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(d) Accident and Health – Reinsurance contracts**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2022</u>					
Reinsurance contract assets	96	-	11,666	875	12,637
Reinsurance contract liabilities	-	-	-	-	-
	<u>96</u>	<u>-</u>	<u>11,666</u>	<u>875</u>	<u>12,637</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(10,830)	-	-	-	(10,830)
Recoveries of incurred claims and other insurance service expenses	-	-	3,139	152	3,291
Changes relating to past service - adjustments to incurred claims	-	-	(6,907)	(694)	(7,601)
Recoveries and reversals of recoveries of losses on onerous underlying	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	1	-	1
	<u>(10,830)</u>	<u>-</u>	<u>(3,767)</u>	<u>(542)</u>	<u>(15,139)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	247	-	247
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>247</u>	<u>-</u>	<u>247</u>
Total changes in the statement of comprehensive income	<u>(10,830)</u>	<u>-</u>	<u>(3,520)</u>	<u>(542)</u>	<u>(14,892)</u>
<u>Cash flows</u>					
Premiums paid net of ceding commissions	10,979	-	-	-	10,979
Recoveries from reinsurance	-	-	(3,587)	-	(3,587)
	<u>10,979</u>	<u>-</u>	<u>(3,587)</u>	<u>-</u>	<u>7,392</u>
<u>At 31 December 2022 (Audited)</u>					
Reinsurance contract assets	460	-	4,491	297	5,248
Reinsurance contract liabilities	(215)	-	68	36	(111)
	<u>245</u>	<u>-</u>	<u>4,559</u>	<u>333</u>	<u>5,137</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(d) Accident and Health – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2023</u>					
Reinsurance contract assets	460	-	4,491	297	5,248
Reinsurance contract liabilities	(215)	-	68	36	(111)
	<u>245</u>	<u>-</u>	<u>4,559</u>	<u>333</u>	<u>5,137</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(12,617)	-	-	-	(12,617)
Recoveries of incurred claims and other insurance service expenses	-	-	5,249	219	5,468
Changes relating to past service - adjustments to incurred claims	-	-	(970)	(219)	(1,189)
Recoveries and reversals of recoveries of losses on onerous underlying	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-
	<u>(12,617)</u>	<u>-</u>	<u>4,279</u>	<u>-</u>	<u>(8,338)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	230	-	230
Effect of movements in exchange rates	7	-	(4)	-	3
	<u>7</u>	<u>-</u>	<u>226</u>	<u>-</u>	<u>233</u>
Total changes in the statement of comprehensive income	<u>(12,610)</u>	<u>-</u>	<u>4,505</u>	<u>-</u>	<u>(8,105)</u>
Other Movements	-	-	-	-	-
<u>Cash flows</u>					
Premiums paid net of ceding commissions	12,693	-	-	-	12,693
Recoveries from reinsurance	-	-	(3,293)	-	(3,293)
	<u>12,693</u>	<u>-</u>	<u>(3,293)</u>	<u>-</u>	<u>9,400</u>
<u>At 31 December 2023 (Audited)</u>					
Reinsurance contract assets	328	-	5,771	333	6,432
Reinsurance contract liabilities	-	-	-	-	-
	<u>328</u>	<u>-</u>	<u>5,771</u>	<u>333</u>	<u>6,432</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(d) Accident and Health – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2024</u>					
Reinsurance contract assets	328	-	5,771	333	6,432
Reinsurance contract liabilities	-	-	-	-	-
	<u>328</u>	<u>-</u>	<u>5,771</u>	<u>333</u>	<u>6,432</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(12,425)	-	-	-	(12,425)
Recoveries of incurred claims and other insurance service expenses	-	-	4,865	150	5,015
Changes relating to past service - adjustments to incurred claims	-	-	(914)	(187)	(1,101)
Recoveries and reversals of recoveries of losses on onerous underlying	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-
	<u>(12,425)</u>	<u>-</u>	<u>3,951</u>	<u>(37)</u>	<u>(8,511)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	202	-	202
Effect of movements in exchange rates	(4)	-	-	-	(4)
	<u>(4)</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>198</u>
Total changes in the statement of comprehensive income	<u>(12,429)</u>	<u>-</u>	<u>4,153</u>	<u>(37)</u>	<u>(8,313)</u>
Other Movements	-	-	-	-	-
<u>Cash flows</u>					
Premiums paid net of ceding commissions	10,749	-	-	-	10,749
Recoveries from reinsurance	-	-	(4,599)	-	(4,599)
	<u>10,749</u>	<u>-</u>	<u>(4,599)</u>	<u>-</u>	<u>6,150</u>
<u>At 31 December 2024 (Audited)</u>					
Reinsurance contract assets	(48)	-	4,929	289	5,170
Reinsurance contract liabilities	(1,304)	-	396	7	(901)
	<u>(1,352)</u>	<u>-</u>	<u>5,325</u>	<u>296</u>	<u>4,269</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(d) Accident and Health – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2025</u>					
Reinsurance contract assets	(48)	-	4,929	289	5,170
Reinsurance contract liabilities	(1,304)	-	396	7	(901)
	<u>(1,352)</u>	<u>-</u>	<u>5,325</u>	<u>296</u>	<u>4,269</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(5,993)	-	-	-	(5,993)
Recoveries of incurred claims and other insurance service expenses	-	-	3,654	196	3,850
Changes relating to past service - adjustments to incurred claims	-	-	(753)	(109)	(862)
Recoveries and reversals of recoveries of losses on onerous underlying	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-
	<u>(5,993)</u>	<u>-</u>	<u>2,901</u>	<u>87</u>	<u>(3,005)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	84	-	84
Effect of movements in exchange rates	(1)	-	-	-	(1)
	<u>(1)</u>	<u>-</u>	<u>84</u>	<u>-</u>	<u>83</u>
Total changes in the statement of comprehensive income	<u>(5,994)</u>	<u>-</u>	<u>2,985</u>	<u>87</u>	<u>(2,922)</u>
Other Movements	-	-	-	-	-
<u>Cash flows</u>					
Premiums paid net of ceding commissions	8,020	-	-	-	8,020
Recoveries from reinsurance	-	-	(1,794)	-	(1,794)
	<u>8,020</u>	<u>-</u>	<u>(1,794)</u>	<u>-</u>	<u>6,226</u>
<u>At 30 June 2025 (Audited)</u>					
Reinsurance contract assets	1,273	-	6,361	366	8,000
Reinsurance contract liabilities	(599)	-	155	17	(427)
	<u>674</u>	<u>-</u>	<u>6,516</u>	<u>383</u>	<u>7,573</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(e) Property and Casualty – Reinsurance contracts**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2022</u>					
Reinsurance contract assets	14,664	1,312	182,775	18,930	217,681
Reinsurance contract liabilities	-	-	-	-	-
	<u>14,664</u>	<u>1,312</u>	<u>182,775</u>	<u>18,930</u>	<u>217,681</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(106,516)	-	-	-	(106,516)
Recoveries of incurred claims and other insurance service expenses	-	-	85,827	7,934	93,761
Changes relating to past service - adjustments to incurred claims	-	-	27,618	(1,591)	26,027
Recoveries and reversals of recoveries of losses on onerous underlying	-	(620)	-	-	(620)
Effect of changes in the risk of reinsurers non-performance	-	-	3	-	3
	<u>(106,516)</u>	<u>(620)</u>	<u>113,448</u>	<u>6,343</u>	<u>12,655</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	4,554	-	4,554
Effect of movements in exchange rates	4	-	15	-	19
	<u>4</u>	<u>-</u>	<u>4,569</u>	<u>-</u>	<u>4,573</u>
Total changes in the statement of comprehensive income	<u>(106,512)</u>	<u>(620)</u>	<u>118,017</u>	<u>6,343</u>	<u>17,228</u>
<u>Cash flows</u>					
Premiums paid net of ceding commissions	114,251	-	-	-	114,251
Recoveries from reinsurance	-	-	(55,383)	-	(55,383)
	<u>114,251</u>	<u>-</u>	<u>(55,383)</u>	<u>-</u>	<u>58,868</u>
<u>At 31 December 2022 (Audited)</u>					
Reinsurance contract assets	22,403	692	245,409	25,273	293,777
Reinsurance contract liabilities	-	-	-	-	-
	<u>22,403</u>	<u>692</u>	<u>245,409</u>	<u>25,273</u>	<u>293,777</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(e) Property and Casualty – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2023</u>					
Reinsurance contract assets	22,403	692	245,409	25,273	293,777
Reinsurance contract liabilities	-	-	-	-	-
	<u>22,403</u>	<u>692</u>	<u>245,409</u>	<u>25,273</u>	<u>293,777</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(123,996)	-	-	-	(123,996)
Recoveries of incurred claims and other insurance service expenses	-	-	62,321	6,469	68,790
Changes relating to past service - adjustments to incurred claims	-	-	(61,350)	(9,877)	(71,227)
Recoveries and reversals of recoveries of losses on onerous underlying	-	(663)	-	-	(663)
Effect of changes in the risk of reinsurers non-performance	-	-	6	-	6
	<u>(123,996)</u>	<u>(663)</u>	<u>977</u>	<u>(3,408)</u>	<u>(127,090)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	9,219	-	9,219
Effect of movements in exchange rates	5	-	21	-	26
	<u>5</u>	<u>-</u>	<u>9,240</u>	<u>-</u>	<u>9,245</u>
Total changes in the statement of comprehensive income	<u>(123,991)</u>	<u>(663)</u>	<u>10,217</u>	<u>(3,408)</u>	<u>(117,845)</u>
<u>Cash flows</u>					
Premiums paid net of ceding commissions	120,514	-	-	-	120,514
Recoveries from reinsurance	-	-	(60,691)	-	(60,691)
	<u>120,514</u>	<u>-</u>	<u>(60,691)</u>	<u>-</u>	<u>59,823</u>
<u>At 31 December 2023 (Audited)</u>					
Reinsurance contract assets	18,926	29	194,935	21,865	235,755
Reinsurance contract liabilities	-	-	-	-	-
	<u>18,926</u>	<u>29</u>	<u>194,935</u>	<u>21,865</u>	<u>235,755</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(e) Property and Casualty – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding</u>	<u>Loss-</u>	<u>Present value</u>	<u>Risk</u>	<u>Total</u>
	<u>loss-recovery</u>	<u>recovery</u>	<u>of future</u>	<u>adjustment</u>	
	<u>component</u>	<u>component</u>	<u>cash flows</u>		
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2024</u>					
Reinsurance contract assets	18,926	29	194,935	21,865	235,755
Reinsurance contract liabilities	-	-	-	-	-
	<u>18,926</u>	<u>29</u>	<u>194,935</u>	<u>21,865</u>	<u>235,755</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(123,764)	-	-	-	(123,764)
Recoveries of incurred claims and other insurance service expenses	-	-	43,463	4,035	47,498
Changes relating to past service - adjustments to incurred claims	-	-	(77,909)	(11,255)	(89,164)
Recoveries and reversals of recoveries of losses on onerous underlying	-	168	-	-	168
Effect of changes in the risk of reinsurers non-performance	-	-	8	-	8
	<u>(123,764)</u>	<u>168</u>	<u>(34,438)</u>	<u>(7,220)</u>	<u>(165,254)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	7,553	-	7,553
Effect of movements in exchange rates	10	-	(2)	-	8
	<u>10</u>	<u>-</u>	<u>7,551</u>	<u>-</u>	<u>7,561</u>
Total changes in the statement of comprehensive income	<u>(123,754)</u>	<u>168</u>	<u>(26,887)</u>	<u>(7,220)</u>	<u>(157,693)</u>
Other Movements	(70)	-	-	-	(70)
<u>Cash flows</u>					
Premiums paid net of ceding commissions	115,428	-	-	-	115,428
Recoveries from reinsurance	-	-	(25,482)	-	(25,482)
	<u>115,428</u>	<u>-</u>	<u>(25,482)</u>	<u>-</u>	<u>89,946</u>
<u>At 31 December 2024 (Audited)</u>					
Reinsurance contract assets	8,554	(132)	145,156	16,180	169,758
Reinsurance contract liabilities	1,976	329	(2,590)	(1,535)	(1,820)
	<u>10,530</u>	<u>197</u>	<u>142,566</u>	<u>14,645</u>	<u>167,938</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(e) Property and Casualty – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	Excluding loss-recovery component RM'000	Loss- recovery component RM'000	Present value of future cash flows RM'000	Risk adjustment RM'000	Total RM'000
<u>At 1 January 2025</u>					
Reinsurance contract assets	8,554	(132)	145,156	16,180	169,758
Reinsurance contract liabilities	1,976	329	(2,590)	(1,535)	(1,820)
	<u>10,530</u>	<u>197</u>	<u>142,566</u>	<u>14,645</u>	<u>167,938</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(61,706)	-	-	-	(61,706)
Recoveries of incurred claims and other insurance service expenses	-	-	24,305	2,701	27,006
Changes relating to past service - adjustments to incurred claims	-	-	18,608	663	19,271
Recoveries and reversals of recoveries of losses on onerous underlying	-	(1)	-	-	(1)
Reinsurance acquisition cash flows amortisation	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	(3)	-	(3)
	<u>(61,706)</u>	<u>(1)</u>	<u>42,910</u>	<u>3,364</u>	<u>(15,433)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	2,578	-	2,578
Effect of movements in exchange rates	(1)	-	1	-	-
	<u>(1)</u>	<u>-</u>	<u>2,579</u>	<u>-</u>	<u>2,578</u>
Total changes in the statement of comprehensive income	<u>(61,707)</u>	<u>(1)</u>	<u>45,489</u>	<u>3,364</u>	<u>(12,855)</u>
Other Movements					
<u>Cash flows</u>					
Premiums paid net of ceding commissions	62,384	-	-	-	62,384
Recoveries from reinsurance	-	-	(22,246)	-	(22,246)
	<u>62,384</u>	<u>-</u>	<u>(22,246)</u>	<u>-</u>	<u>40,138</u>
<u>At 30 June 2025 (Audited)</u>					
Reinsurance contract assets	9,921	(160)	171,180	17,354	198,295
Reinsurance contract liabilities	1,286	356	(5,371)	655	(3,074)
	<u>11,207</u>	<u>196</u>	<u>165,809</u>	<u>18,009</u>	<u>195,221</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(f) Motor – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding loss-recovery component</u>	<u>Loss- recovery component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2022</u>					
Reinsurance contract assets	1,027	191	24,592	2,619	28,429
Reinsurance contract liabilities	-	-	-	-	-
	<u>1,027</u>	<u>191</u>	<u>24,592</u>	<u>2,619</u>	<u>28,429</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(5,095)	-	-	-	(5,095)
Recoveries of incurred claims and other insurance service expenses	-	-	3,800	267	4,067
Changes relating to past service - adjustments to incurred claims	-	-	(15,746)	(1,887)	(17,633)
Recoveries and reversals of recoveries of losses on onerous underlying	-	(75)	-	-	(75)
Reinsurance acquisition cash flows amortisation	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	3	-	3
	<u>(5,095)</u>	<u>(75)</u>	<u>(11,943)</u>	<u>(1,620)</u>	<u>(18,733)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	338	-	338
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>338</u>	<u>-</u>	<u>338</u>
Total changes in the statement of comprehensive income	<u>(5,095)</u>	<u>(75)</u>	<u>(11,605)</u>	<u>(1,620)</u>	<u>(18,395)</u>
Other Movements	-	-	-	-	-
<u>Cash flows</u>					
Premiums paid net of ceding commissions	10,737	-	-	-	10,737
Recoveries from reinsurance	-	-	(2,582)	-	(2,582)
	<u>10,737</u>	<u>-</u>	<u>(2,582)</u>	<u>-</u>	<u>8,155</u>
<u>At 31 December 2022 (Audited)</u>					
Reinsurance contract assets	6,669	116	10,405	999	18,189
Reinsurance contract liabilities	-	-	-	-	-
	<u>6,669</u>	<u>116</u>	<u>10,405</u>	<u>999</u>	<u>18,189</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(g) Motor – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding loss-recovery component RM'000</u>	<u>Loss- recovery component RM'000</u>	<u>Present value of future cash flows RM'000</u>	<u>Risk adjustment RM'000</u>	<u>Total RM'000</u>
<u>At 1 January 2023</u>					
Reinsurance contract assets	6,669	116	10,405	999	18,189
Reinsurance contract liabilities	-	-	-	-	-
	<u>6,669</u>	<u>116</u>	<u>10,405</u>	<u>999</u>	<u>18,189</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(5,952)	-	-	-	(5,952)
Recoveries of incurred claims and other insurance service expenses	-	-	4,238	326	4,564
Changes relating to past service - adjustments to incurred claims	-	-	(99)	(414)	(513)
Recoveries and reversals of recoveries of losses on onerous underlying	-	32	-	-	32
Reinsurance acquisition cash flows amortisation	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-
	<u>(5,952)</u>	<u>32</u>	<u>4,139</u>	<u>(88)</u>	<u>(1,869)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	392	-	392
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>392</u>	<u>-</u>	<u>392</u>
Total changes in the statement of comprehensive income	<u>(5,952)</u>	<u>32</u>	<u>4,531</u>	<u>(88)</u>	<u>(1,477)</u>
Other Movements	-	-	-	-	-
<u>Cash flows</u>					
Premiums paid net of ceding commissions	2,026	-	-	-	2,026
Recoveries from reinsurance	-	-	(5,265)	-	(5,265)
	<u>2,026</u>	<u>-</u>	<u>(5,265)</u>	<u>-</u>	<u>(3,239)</u>
<u>At 31 December 2023 (Audited)</u>					
Reinsurance contract assets	2,743	148	9,671	911	13,473
Reinsurance contract liabilities	-	-	-	-	-
	<u>2,743</u>	<u>148</u>	<u>9,671</u>	<u>911</u>	<u>13,473</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(h) Motor – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding loss-recovery component</u>	<u>Loss- recovery component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>At 1 January 2024</u>					
Reinsurance contract assets	2,743	148	9,671	911	13,473
Reinsurance contract liabilities	-	-	-	-	-
	<u>2,743</u>	<u>148</u>	<u>9,671</u>	<u>911</u>	<u>13,473</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(7,684)	-	-	-	(7,684)
Recoveries of incurred claims and other insurance service expenses	-	-	4,233	323	4,556
Changes relating to past service - adjustments to incurred claims	-	-	8,922	904	9,826
Recoveries and reversals of recoveries of losses on onerous underlying	-	291	-	-	291
Reinsurance acquisition cash flows amortisation	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	(2)	-	(2)
	<u>(7,684)</u>	<u>291</u>	<u>13,153</u>	<u>1,227</u>	<u>6,987</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	-	315	-	315
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>315</u>	<u>-</u>	<u>315</u>
Total changes in the statement of comprehensive income	<u>(7,684)</u>	<u>291</u>	<u>13,468</u>	<u>1,227</u>	<u>7,302</u>
Other Movements	(12)	-	147	-	135
<u>Cash flows</u>					
Premiums paid net of ceding commissions	3,941	-	-	-	3,941
Recoveries from reinsurance	-	-	(2,265)	-	(2,265)
	<u>3,941</u>	<u>-</u>	<u>(2,265)</u>	<u>-</u>	<u>1,676</u>
<u>At 31 December 2024 (Audited)</u>					
Reinsurance contract assets	(11)	439	21,021	2,138	23,587
Reinsurance contract liabilities	(1,001)	-	-	-	(1,001)
	<u>(1,012)</u>	<u>439</u>	<u>21,021</u>	<u>2,138</u>	<u>22,586</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.12 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)****(i) Motor – Reinsurance contracts (continued)**

	<u>Assets for remaining coverage</u>		<u>Assets for incurred claims</u>		
	<u>Excluding loss-recovery component</u>	<u>Loss- recovery component</u>	<u>Present value of future cash flows</u>	<u>Risk adjustment</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>At 1 January 2025</u>					
Reinsurance contract assets	(11)	439	21,021	2,138	23,587
Reinsurance contract liabilities	(1,001)	-	-	-	(1,001)
	<u>(1,012)</u>	<u>439</u>	<u>21,021</u>	<u>2,138</u>	<u>22,586</u>
<u>Net (expense)/income from reinsurance contracts held</u>					
Allocation of reinsurance premiums paid	(4,243)	-	-	-	(4,243)
Recoveries of incurred claims and other insurance service expenses	-	-	1,822	130	1,952
Changes relating to past service - adjustments to incurred claims	-	-	(2,102)	(175)	(2,277)
Recoveries and reversals of recoveries of losses on onerous underlying	-	55	-	-	55
Reinsurance acquisition cash flows amortisation	-	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-
	<u>(4,243)</u>	<u>55</u>	<u>(280)</u>	<u>(45)</u>	<u>(4,513)</u>
<u>Reinsurance finance income</u>					
Finance income from reinsurance contracts held	-	1	361	2	364
Effect of movements in exchange rates	-	-	-	-	-
	<u>-</u>	<u>1</u>	<u>361</u>	<u>2</u>	<u>364</u>
Total changes in the statement of comprehensive income	<u>(4,243)</u>	<u>56</u>	<u>81</u>	<u>(43)</u>	<u>(4,149)</u>
Other Movements	11	11	503	46	571
<u>Cash flows</u>					
Premiums paid net of ceding commissions	6,261	-	-	-	6,261
Recoveries from reinsurance	-	-	(1,153)	-	(1,153)
	<u>6,261</u>	<u>-</u>	<u>(1,153)</u>	<u>-</u>	<u>5,108</u>
<u>At 30 June 2025 (Audited)</u>					
Reinsurance contract assets	1,017	506	20,452	2,141	24,116
Reinsurance contract liabilities	-	-	-	-	-
	<u>1,017</u>	<u>506</u>	<u>20,452</u>	<u>2,141</u>	<u>24,116</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.13 OTHER PAYABLES**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Accrued liabilities	35,720	32,724	38,454	34,409
Payroll liabilities	7,770	8,638	9,270	5,018
Deposit held on bonds	62,041	59,897	60,071	64,737
Advanced premium	3,383	4,184	4,107	3,816
Dividend payables	-	-	164,000	-
Other payables	42,410	29,472	42,069	40,378
	<u>151,324</u>	<u>134,915</u>	<u>317,971</u>	<u>148,358</u>
Current	133,224	119,045	300,674	126,061
Non-current	18,100	15,870	17,297	22,297
	<u>151,324</u>	<u>134,915</u>	<u>317,971</u>	<u>148,358</u>

The carrying amounts disclosed above approximate fair value at the reporting date.

2.14 INSURANCE SERVICE RESULT

	<u>Accident and health</u>	<u>Property and Casualty</u>	<u>Motor</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<u>Financial year ended 31 December 2022 (Audited)</u>				
Insurance revenue from contracts measured under PAA	<u>162,457</u>	<u>350,847</u>	<u>158,143</u>	<u>671,447</u>
<u>Insurance service expenses</u>				
Incurred claims and directly attributable expenses	(42,226)	(185,768)	(123,516)	(351,510)
Acquisition expenses cashflow amortisation	(33,005)	(69,711)	(23,832)	(126,548)
Losses on onerous contracts and reversals	-	1,180	2,283	3,463
Changes related to past service - liabilities for incurred claims	16,238	5,877	42,679	64,794
	<u>(58,993)</u>	<u>(248,422)</u>	<u>(102,386)</u>	<u>(409,801)</u>
<u>Financial year ended 31 December 2023 (Audited)</u>				
Insurance revenue from contracts measured under PAA	<u>184,265</u>	<u>359,011</u>	<u>147,678</u>	<u>690,954</u>
<u>Insurance service expenses</u>				
Incurred claims and directly attributable expenses	(59,690)	(169,667)	(117,157)	(346,514)
Acquisition expenses cashflow amortisation	(38,190)	(68,939)	(21,602)	(128,731)
Losses on onerous contracts and reversals	-	1,249	(653)	596
Changes related to past service - liabilities for incurred claims	8,454	114,267	20,454	143,175
	<u>(89,426)</u>	<u>(123,090)</u>	<u>(118,958)</u>	<u>(331,474)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.14 INSURANCE SERVICE RESULT (CONTINUED)**

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial year ended 31 December 2024 (Audited)</u>				
Insurance revenue from contracts measured under PAA	201,693	351,727	150,075	703,495
<u>Insurance service expenses</u>				
Incurred claims and directly attributable expenses	(72,403)	(143,629)	(123,794)	(339,826)
Acquisition expenses cashflow amortisation	(43,041)	(67,737)	(22,250)	(133,028)
Losses on onerous contracts and reversals	-	(359)	(6,465)	(6,824)
Changes related to past service - liabilities for incurred claims	7,316	134,965	(5,056)	137,225
	(108,128)	(76,760)	(157,565)	(342,453)
<u>Financial period ended 30 June 2025 (Audited)</u>				
Insurance revenue from contracts measured under PAA	110,935	179,338	85,317	375,590
<u>Insurance service expenses</u>				
Incurred claims and directly attributable expenses	(45,009)	(88,647)	(73,494)	(207,150)
Acquisition expenses cashflow amortisation	(24,053)	(36,648)	(13,504)	(74,205)
Losses on onerous contracts and reversals	-	13	(1,432)	(1,419)
Changes related to past service - liabilities for incurred claims	11,255	(1,149)	9,056	19,162
	(57,807)	(126,431)	(79,374)	(263,612)
<u>Financial period ended 30 June 2024 (Unaudited)</u>				
Insurance revenue from contracts measured under PAA	100,771	169,791	72,803	343,365
<u>Insurance service expenses</u>				
Incurred claims and directly attributable expenses	(34,551)	(86,424)	(53,478)	(174,453)
Acquisition expenses cashflow amortisation	(21,579)	(33,160)	(10,976)	(65,715)
Losses on onerous contracts and reversals	-	(22)	32	10
Changes related to past service - liabilities for incurred claims	1,000	30,742	4,825	36,567
	(55,130)	(88,864)	(59,597)	(203,591)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.15 NET EXPENSE FROM REINSURANCE CONTRACTS HELD**

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial year ended 31 December 2022 (Audited)</u>				
Allocation of reinsurance premiums	(10,830)	(106,516)	(5,095)	(122,441)
<u>Amounts recoverable from reinsurers for incurred claims</u>				
Recoveries of incurred claims and other insurance service expenses	3,291	93,761	4,067	101,119
Changes relating to past service - adjustments to incurred claims	(7,601)	26,027	(17,633)	793
Recoveries and reversals of recoveries of losses on onerous underlying	-	(620)	(75)	(695)
Effect of changes in the risk of reinsurers non-performance	1	3	3	7
	(4,309)	119,171	(13,638)	101,224
<u>Financial year ended 31 December 2023 (Audited)</u>				
Allocation of reinsurance premiums	(12,617)	(123,996)	(5,952)	(142,565)
<u>Amounts recoverable from reinsurers for incurred claims</u>				
Recoveries of incurred claims and other insurance service expenses	5,468	68,790	4,564	78,822
Changes relating to past service - adjustments to incurred claims	(1,189)	(71,227)	(513)	(72,929)
Recoveries and reversals of recoveries of losses on onerous underlying	-	(663)	32	(631)
Effect of changes in the risk of reinsurers non-performance	-	6	-	6
	4,279	(3,094)	4,083	5,268

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.15 NET EXPENSE FROM REINSURANCE CONTRACTS HELD (CONTINUED)**

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial year ended 31 December 2024 (Audited)</u>				
Allocation of reinsurance premiums	(12,425)	(123,764)	(7,684)	(143,873)
<u>Amounts recoverable from reinsurers for incurred claims</u>				
Recoveries of incurred claims and other insurance service expenses	5,015	47,498	4,556	57,069
Changes relating to past service - adjustments to incurred claims	(1,101)	(89,164)	9,826	(80,439)
Recoveries and reversals of recoveries of losses on onerous underlying	-	168	291	459
Effect of changes in the risk of reinsurers non-performance	-	8	(2)	6
	3,914	(41,490)	14,671	(22,905)
<u>Financial period ended 30 June 2025 (Audited)</u>				
Allocation of reinsurance premiums	(5,993)	(61,706)	(4,243)	(71,942)
<u>Amounts recoverable from reinsurers for incurred claims</u>				
Recoveries of incurred claims and other insurance service expenses	3,850	27,006	1,952	32,808
Changes relating to past service - adjustments to incurred claims	(862)	19,271	(2,277)	16,132
Recoveries and reversals of recoveries of losses on onerous underlying	-	(1)	55	54
Reinsurance acquisition cash flows amortisation	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	(3)	-	(3)
	2,988	46,273	(270)	48,991

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.15 NET EXPENSE FROM REINSURANCE CONTRACTS HELD (CONTINUED)**

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial period ended 30 June 2024 (Unaudited)</u>				
Allocation of reinsurance premiums	(5,773)	(56,625)	(3,651)	(66,049)
<u>Amounts recoverable from reinsurers for incurred claims</u>				
Recoveries of incurred claims and other insurance service expenses	3,805	30,658	1,760	36,223
Changes relating to past service - adjustments to incurred claims	(522)	(17,092)	(2,612)	(20,226)
Recoveries and reversals of recoveries of losses on onerous underlying	-	(17)	-	(17)
Reinsurance acquisition cash flows amortisation	-	-	-	-
Effect of changes in the risk of reinsurers non-performance	-	-	-	-
	<u>3,283</u>	<u>13,549</u>	<u>(852)</u>	<u>15,980</u>

2.16 TOTAL INVESTMENT INCOME

	<u>Financial year ended/period ended</u>				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited RM'000	Audited RM'000	Audited RM'000	Audited RM'000	Unaudited RM'000
<u>Investment income from financial assets measured at FVTPL</u>					
Interest income	49,878	54,714	58,976	27,461	29,178
Dividend income					
- unquoted equity securities in Malaysia	66	66	33	-	-
Amortisation of premium (Note 2.6)	(6,760)	(6,387)	(5,763)	(1,715)	(3,014)
Other investment expense from MMIP	(436)	1,997	1,434	717	1,337
Investment advisory fees and custodian charges	(2,013)	(2,121)	(2,241)	(1,095)	(1,098)
	<u>40,735</u>	<u>48,269</u>	<u>52,439</u>	<u>25,368</u>	<u>26,403</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.16 TOTAL INVESTMENT INCOME (CONTINUED)**

	Financial year ended/period ended				
	31.12.2022	31.12.2023	31.12.2024	30.06.2025	30.06.2024
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Interest income from financial assets not measured at FVTPL</u>					
Cash and cash equivalents - interest income	5,106	5,822	4,593	2,006	2,085
<u>Net fair value losses/(gains) on financial assets</u>					
Malaysian government securities and guaranteed loans	(11,397)	9,391	1,810	12,759	872
Unquoted debt securities in Malaysia	(6,393)	11,559	1,486	3,955	1,688
	(17,790)	20,950	3,296	16,714	2,560
<u>Net realised gains</u>					
Malaysian government securities and guaranteed loans	1,623	1,203	607	21	142
Unquoted debt securities in Malaysia	1,075	888	4,553	21	1,283
	2,698	2,091	5,160	42	1,425
Total investment income	30,749	77,132	65,488	44,130	32,473

2.17 INSURANCE FINANCE EXPENSE FOR INSURANCE CONTRACTS ISSUED

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial year ended 31 December 2022 (Audited)</u>				
Interest accreted to insurance contracts using current financial assumptions	(1,306)	(11,032)	(5,304)	(17,642)
Due to changes in interest rates and other financial assumptions	216	2,066	862	3,144
Total insurance finance expenses from insurance contracts issued	(1,090)	(8,966)	(4,442)	(14,498)
<u>Financial year ended 31 December 2023 (Audited)</u>				
Interest accreted to insurance contracts using current financial assumptions	(1,547)	(14,898)	(5,959)	(22,404)
Due to changes in interest rates and other financial assumptions	(241)	(3,947)	(1,256)	(5,444)
Total insurance finance expenses from insurance contracts issued	(1,788)	(18,845)	(7,215)	(27,848)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.17 INSURANCE FINANCE EXPENSE FOR INSURANCE CONTRACTS ISSUED**

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial year ended 31 December 2024 (Audited)</u>				
Interest accreted to insurance contracts using current financial assumptions	(1,770)	(13,337)	(5,922)	(21,029)
Due to changes in interest rates and other financial assumptions	<u>(220)</u>	<u>(3,243)</u>	<u>(1,256)</u>	<u>(4,719)</u>
Total insurance finance expenses from insurance contracts issued	<u>(1,990)</u>	<u>(16,580)</u>	<u>(7,178)</u>	<u>(25,748)</u>
<u>Financial period ended 30 June 2025 (Audited)</u>				
Interest accreted to insurance contracts using current financial assumptions	(1,064)	(5,916)	(3,847)	(10,827)
Due to changes in interest rates and other financial assumptions	<u>(50)</u>	<u>(726)</u>	<u>(339)</u>	<u>(1,115)</u>
Total insurance finance expenses from insurance contracts issued	<u>(1,114)</u>	<u>(6,642)</u>	<u>(4,186)</u>	<u>(11,942)</u>
<u>Financial period ended 30 June 2024 (Unaudited)</u>				
Interest accreted to insurance contracts using current financial assumptions	(879)	(6,811)	(3,148)	(10,838)
Due to changes in interest rates and other financial assumptions	<u>(187)</u>	<u>(2,345)</u>	<u>(789)</u>	<u>(3,321)</u>
Total insurance finance expenses from insurance contracts issued	<u>(1,066)</u>	<u>(9,156)</u>	<u>(3,937)</u>	<u>(14,159)</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.18 REINSURANCE FINANCE INCOME FOR REINSURANCE CONTRACTS HELD**

	Accident and health RM'000	Property and Casualty RM'000	Motor RM'000	Total RM'000
<u>Financial year ended 31 December 2022 (Audited)</u>				
Interest accreted to reinsurance contracts using current financial assumptions	297	5,457	375	6,129
Due to changes in interest rates and other financial assumptions	(50)	(903)	(37)	(990)
Total reinsurance finance income from reinsurance contracts held	247	4,554	338	5,139
<u>Financial year ended 31 December 2023 (Audited)</u>				
Interest accreted to reinsurance contracts using current financial assumptions	197	7,291	327	7,815
Due to changes in interest rates and other financial assumptions	33	1,928	65	2,026
Total reinsurance finance income from reinsurance contracts held	230	9,219	392	9,841
<u>Financial year ended 31 December 2024 (Audited)</u>				
Interest accreted to reinsurance contracts using current financial assumptions	178	6,054	287	6,519
Due to changes in interest rates and other financial assumptions	24	1,499	28	1,551
Total reinsurance finance income from reinsurance contracts held	202	7,553	315	8,070
<u>Financial period ended 30 June 2025 (Audited)</u>				
Interest accreted to reinsurance contracts using current financial assumptions	85	2,200	349	2,634
Due to changes in interest rates and other financial assumptions	(1)	378	15	392
Total reinsurance finance income from reinsurance contracts held	84	2,578	364	3,026
<u>Financial period ended 30 June 2024 (Unaudited)</u>				
Interest accreted to reinsurance contracts using current financial assumptions	90	3,180	123	3,393
Due to changes in interest rates and other financial assumptions	21	1,061	25	1,107
Total reinsurance finance income from reinsurance contracts held	111	4,241	148	4,500

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE**

	<u>Note</u>	Expenses attributed to insurance acquisition cash flow*	Other direct attributable expenses	Other operating expenses	Total
		RM'000	RM'000	RM'000	RM'000
<u>Financial year ended 31 December 2022 (Audited)</u>					
Employee benefits expense	2.19(a)	23,376	-	52,778	76,154
Directors' remuneration	2.19(b)	-	-	795	795
Auditors' remuneration					
- Statutory audit		-	-	424	424
- Audit-related services		-	-	544	544
- Non-audit services		-	-	85	85
Depreciation of property and equipment	2.3	-	-	3,845	3,845
Depreciation of right-of-use assets	2.4	-	-	1,111	1,111
Property and equipment written off		-	-	34	34
Amortisation of intangible assets	2.5	-	-	2,089	2,089
Electronic data processing expenses ("EDP")		32	-	16,521	16,553
Advertising		5,297	-	1,110	6,407
Printing and stationery		83	-	106	189
Electricity and water		317	-	519	836
Postage and telephone		500	-	(140)	360
Regional technical service charges		-	-	11,338	11,338
Outsourced services fees		-	-	17,479	17,479
Other expenses		468	-	11,910	12,378
Commission		123,308	-	-	123,308
Claims handling expenses		-	5,504	-	5,504
		<u>153,381</u>	<u>5,504</u>	<u>120,548</u>	<u>279,433</u>

* Expenses attributed to insurance acquisition cash flows excluded capitalisation and amortisation of insurance acquisition cost.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)**

	<u>Note</u>	Expenses attributed to insurance acquisition cash flow*	Other direct attributable expenses	Other operating expenses	Total
		RM'000	RM'000	RM'000	RM'000
<u>Financial year ended 31 December 2023 (Audited)</u>					
Employee benefits expense	2.19(a)	21,800	-	58,296	80,096
Directors' remuneration	2.19(b)	-	-	834	834
Auditors' remuneration					
- Statutory audit		-	-	522	522
- Audit-related services		-	-	225	225
- Non-audit services		-	-	30	30
Depreciation of property and equipment	2.3	-	-	2,421	2,421
Depreciation of right-of-use assets	2.4	-	-	1,083	1,083
Property and equipment written off		-	-	18	18
Amortisation of intangible assets	2.5	-	-	2,698	2,698
Electronic data processing expenses ("EDP")		30	-	15,122	15,152
Advertising		4,940	-	2,222	7,162
Printing and stationery		78	-	190	268
Electricity and water		295	-	886	1,181
Postage and telephone		466	-	(110)	356
Regional technical service charges		-	-	12,548	12,548
Outsourced services fees		-	-	13,653	13,653
Other expenses		436	-	12,657	13,093
Commission		98,052	-	-	98,052
Claims handling expenses		-	1,757	-	1,757
		<u>126,097</u>	<u>1,757</u>	<u>123,295</u>	<u>251,149</u>

* Expenses attributed to insurance acquisition cash flows excluded capitalisation and amortisation of insurance acquisition cost.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)**

	<u>Note</u>	Expenses attributed to insurance acquisition cash flow*	Other direct attributable expenses	Other operating expenses	Total
		RM'000	RM'000	RM'000	RM'000
<u>Financial year ended 31 December 2024 (Audited)</u>					
Employee benefits expense	2.19(a)	23,174	-	61,611	84,785
Directors' remuneration	2.19(b)	-	-	933	933
Auditors' remuneration					
- Statutory audit		-	-	529	529
- Audit-related services		-	-	76	76
- Non-audit services		-	-	210	210
Depreciation of property and equipment	2.3	-	-	2,212	2,212
Depreciation of right-of-use assets	2.4	-	-	1,165	1,165
Property and equipment written off		-	-	81	81
Amortisation of intangible assets	2.5	-	-	3,562	3,562
Electronic data processing expenses ("EDP")		-	-	20,342	20,342
Advertising		7,208	-	8,090	15,298
Printing and stationery		39	-	962	1,001
Electricity and water		349	-	733	1,082
Postage and telephone		267	-	162	429
Regional technical service charges		-	-	18,218	18,218
Outsourced services fees		-	-	13,105	13,105
Other expenses		1,272	-	13,887	15,159
Commission		113,334	-	-	113,334
Claims handling expenses		-	4,575	-	4,575
		<u>145,643</u>	<u>4,575</u>	<u>145,878</u>	<u>296,096</u>

* Expenses attributed to insurance acquisition cash flows excluded capitalisation and amortisation of insurance acquisition cost.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)**

	<u>Note</u>	Expenses attributed to insurance acquisition cash flow*	Other direct attributable expenses	Other operating expenses	Total
		RM'000	RM'000	RM'000	RM'000
<u>Financial period ended 30 June 2025 (Audited)</u>					
Employee benefits expense	2.19(a)	13,905	-	32,024	45,929
Directors' remuneration	2.19(b)	-	-	472	472
Auditors' remuneration					
- Statutory audit		-	-	264	264
- Audit-related services		-	-	-	-
- Non-audit services		-	-	65	65
Depreciation of property and equipment	2.3	-	-	1,180	1,180
Depreciation of right-of-use assets	2.4	-	-	661	661
Amortisation of intangible assets	2.5	-	-	1,934	1,934
Electronic data processing expenses ("EDP")		153	-	11,700	11,853
Advertising		8,001	-	980	8,981
Printing and stationery		240	-	647	887
Electricity and water		166	-	345	511
Postage and telephone		217	-	(30)	187
Regional technical service charges		-	-	9,109	9,109
Outsourced services fees		-	-	7,847	7,847
Other expenses		2,154	-	8,926	11,080
Commission		58,135	-	-	58,135
Claims handling expenses		-	4,218	-	4,218
		<u>82,971</u>	<u>4,218</u>	<u>76,124</u>	<u>163,313</u>

* Expenses attributed to insurance acquisition cash flows excluded capitalisation and amortisation of insurance acquisition cost.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)**

	<u>Note</u>	Expenses attributed to insurance acquisition cash flow*	Other direct attributable expenses	Other operating expenses	Total
		RM'000	RM'000	RM'000	RM'000
<u>Financial period ended 30 June 2024 (Unaudited)</u>					
Employee benefits expense	2.19(a)	11,254	-	29,982	41,236
Directors' remuneration	2.19(b)	-	-	444	444
Auditors' remuneration					
- Statutory audit		-	-	257	257
- Audit-related services		-	-	-	-
- Non-audit services		-	-	65	65
Depreciation of property and equipment	2.3	-	-	1,116	1,116
Depreciation of right-of-use assets	2.4	-	-	574	574
Property and equipment written off		-	-	7	7
Amortisation of intangible assets	2.5	-	-	1,560	1,560
Electronic data processing expenses ("EDP")		-	-	11,087	11,087
Advertising		3,501	-	4,021	7,522
Printing and stationery		19	-	832	851
Electricity and water		170	-	369	539
Postage and telephone		130	-	57	187
Regional technical service charges		-	-	6,274	6,274
Outsourced services fees		-	-	4,944	4,944
Other expenses		618	-	8,100	8,718
Commission		76,051	-	-	76,051
Claims handling expenses		-	1,688	-	1,688
		<u>91,743</u>	<u>1,688</u>	<u>69,689</u>	<u>163,120</u>

* Expenses attributed to insurance acquisition cash flows excluded capitalisation and amortisation of insurance acquisition cost.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)****(a) Employee benefits expense**

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
Wages and salaries	53,724	54,986	57,664	32,591	28,376
Social security contributions	379	424	437	259	211
Contributions to defined contribution plan EPF	8,462	8,463	8,929	4,714	4,378
Other benefits	13,589	16,223	17,755	8,365	8,271
	<u>76,154</u>	<u>80,096</u>	<u>84,785</u>	<u>45,929</u>	<u>41,236</u>

(b) Directors' remuneration

The Directors' remuneration and other emoluments are as follows:

	<u>Fees</u>	<u>Others</u>	<u>Total</u>
	RM'000	RM'000	RM'000
<u>Financial year ended 31 December 2022</u>			
<u>(Audited)</u>			
Executive Directors:			
Olivier Bouchard	86	21	107
Non-executive Directors:			
Dato Mohzani bin Abdul Wahab	139	47	186
Cheryl Khor Hui Peng	127	36	163
Dr. Heng Kiah Ngan	127	36	163
Susan Yuen Su Min	130	46	176
Total Directors' remuneration	<u>609</u>	<u>186</u>	<u>795</u>
<u>Financial year ended 31 December 2023</u>			
<u>(Audited)</u>			
Executive Directors:			
Olivier Bouchard	89	20	109
Non-executive Directors:			
Dato Mohzani bin Abdul Wahab	144	50	194
Cheryl Khor Hui Peng	131	47	178
Dr. Heng Kiah Ngan	131	39	170
Susan Yuen Su Min	134	49	183
Total Directors' remuneration	<u>629</u>	<u>205</u>	<u>834</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)****(b) Directors' remuneration (continued)**

	<u>Fees</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
<u>Financial year ended 31 December 2024</u>			
<u>(Audited)</u>			
Executive Directors:			
Olivier Bouchard	96	27	123
Non-executive Directors:			
Dato Mohzani bin Abdul Wahab	154	62	216
Cheryl Khor Hui Peng	142	58	200
Dr. Heng Kiah Ngan	141	47	188
Susan Yuen Su Min	144	62	206
Total Directors' remuneration	<u>677</u>	<u>256</u>	<u>933</u>
<u>Financial period ended 30 June 2025</u>			
<u>(Audited)</u>			
Executive Directors:			
Olivier Bouchard	47	14	61
Non-executive Directors:			
Dato Mohzani bin Abdul Wahab	76	33	109
Cheryl Khor Hui Peng	70	33	103
Dr. Heng Kiah Ngan	70	25	95
Susan Yuen Su Min	71	33	104
Total Directors' remuneration	<u>334</u>	<u>138</u>	<u>472</u>
<u>Financial period ended 30 June 2024</u>			
<u>(Unaudited)</u>			
Executive Directors:			
Olivier Bouchard	46	13	59
Non-executive Directors:			
Dato Mohzani bin Abdul Wahab	74	30	104
Cheryl Khor Hui Peng	68	26	94
Dr. Heng Kiah Ngan	68	22	90
Susan Yuen Su Min	69	28	97
Total Directors' remuneration	<u>325</u>	<u>119</u>	<u>444</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)****(b) Directors' remuneration (continued)**

The number of executive and non-executive Directors whose total remuneration received during the financial year/period that fall within the following bands are as follows:

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
Executive Directors:					
RM1-RM100,000	-	-	-	1	1
RM100,001-RM4,000,000	1	1	1	-	-
Non-executive Directors:					
RM1-RM100,000	-	-	-	1	3
RM100,001-RM200,000	4	4	4	3	1

(c) Compensation of Key Management Personnel

The compensation of the key management personnel including Chief Executive Officer is as follows:

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Fixed remuneration</u>					
Cash-based	9,057	8,779	9,618	4,458	4,408
Contributions to defined contribution plan, EPF	868	693	769	292	339
Benefits-in-kind and other remuneration	386	380	494	11	11
<u>Variable remuneration</u>					
Cash-based	1,647	2,049	2,066	19	364
Contributions to defined contribution plan, EPF	128	132	115	-	-
Shares and share-linked instruments (Deferred)	1,772	2,240	1,988	-	-
Benefits-in-kind and other remuneration	290	166	213	68	27
	<u>14,148</u>	<u>14,439</u>	<u>15,263</u>	<u>4,848</u>	<u>5,149</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.19 EXPENSES BY NATURE (CONTINUED)****(c) Compensation of Key Management Personnel (continued)**

All Senior Officers have received variable remuneration during the financial year/period.

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	No. of	No. of	No. of	No. of	No. of
	officer	officer	officer	officer	officer
Guaranteed bonus	-	-	-	-	-
Sign-on awards	-	1	1	-	-
Severance payments	-	-	2	-	-
	RM'000	RM'000	RM'000	RM'000	RM'000
Guaranteed bonus	-	-	-	-	-
Sign-on awards	-	250	540	-	-
Severance payments	-	-	480	-	-

	As at			
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
<u>Deferred remuneration</u>				
Outstanding shares and share-linked instruments as at 31 December/30 June		3,845	3,317	4,237
Shares and share-linked instruments paid during the financial year/period		1,693	2,828	1,106
				-

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.20 TAXATION**

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
Current income tax:					
Current financial year/period	40,442	34,420	27,049	6,928	11,262
(Over)/under provision in prior financial years	(3,486)	703	79	-	-
	<u>36,956</u>	<u>35,123</u>	<u>27,128</u>	<u>6,928</u>	<u>11,262</u>
Deferred tax (Note 2.8):					
Origination and reversal of temporary differences	(102)	5,915	(1,412)	5,611	-
Under/(over) provision in prior financial years	387	(87)	91	-	-
	<u>285</u>	<u>5,828</u>	<u>(1,321)</u>	<u>5,611</u>	<u>-</u>
Total	<u>37,241</u>	<u>40,951</u>	<u>25,807</u>	<u>12,539</u>	<u>11,262</u>

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before taxation	<u>145,880</u>	<u>160,107</u>	<u>99,566</u>	<u>50,408</u>	<u>44,965</u>
Taxation at Malaysian statutory tax rate of 24%	35,010	38,426	23,896	12,098	10,792
Special one-off (Cukai Makmur) at 33%	4,484	-	-	-	-
Income not subject to tax	(323)	(362)	(344)	(130)	-
Expenses not deductible for tax purposes	1,556	2,184	2,176	571	470
(Over)/under provision of tax in prior financial years	<u>(3,486)</u>	<u>703</u>	<u>79</u>	<u>-</u>	<u>-</u>
Tax expense for the financial year/period	<u>37,241</u>	<u>40,951</u>	<u>25,807</u>	<u>12,539</u>	<u>11,262</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.20 TAXATION (CONTINUED)**Organisation for Economic Co-operation and Development ("OECD") Pillar Two Model rules

The OECD's Pillar Two Model rules ("the rules") aims to ensure that multinational enterprises with global revenues exceeding EUR 750 million pay a minimum effective tax rate on income arising in each jurisdiction in which they operate. The framework imposes a top-up tax on profits arising in jurisdictions where the effective tax rate is below 15%.

According to the rules, Chubb Limited group may be subject to a top-up tax payment calculated as the variance between the tax rate under the framework or a 15% minimum tax rate. The effective tax rate for the Company is well above the minimum tax rate, and as such the Company is unlikely to be impacted.

2.21 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net profit for the financial year/period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year/period.

	Financial year ended/period ended				
	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
	Audited	Audited	Audited	Audited	Unaudited
	RM'000	RM'000	RM'000	RM'000	RM'000
Net profit attributable to ordinary equity holders	108,639	119,156	73,759	37,869	33,703
Weighted average number of shares in issue	100,000	100,000	100,000	100,000	100,000
Basic earnings per share (sen)	<u>108.64</u>	<u>119.16</u>	<u>73.76</u>	<u>37.87</u>	<u>33.70</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.22 RELATED PARTY BALANCES AND TRANSACTIONS**

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

<u>Company</u>	<u>Country of incorporation</u>	<u>Relationship</u>
Chubb Limited	Switzerland	Ultimate holding company
Chubb INA International Holdings Ltd	United States	Immediate holding company
Chubb Tempest Reinsurance Ltd	Bermuda	Subsidiary of ultimate holding company
Chubb Tempest Reinsurance Ltd, Labuan Branch	Labuan	Subsidiary of ultimate holding company
Chubb Asia Pacific Pte Ltd	Singapore	Subsidiary of immediate holding
Chubb Services UK Limited	United Kingdom	Subsidiary of immediate holding company
Cover Direct, Inc	United States	Subsidiary of immediate holding company
Chubb Insurance Hong Kong Limited	Hong Kong	Subsidiary of immediate holding company
Chubb Business Services Malaysia Sdn. Bhd. (formerly known as Chubb IT Development Centre Sdn. Bhd.)	Malaysia	Subsidiary of immediate holding company
ACE INA Overseas Insurance Co Ltd	Bermuda	Subsidiary of immediate holding company
Chubb INA Overseas Insurance Co Ltd	Bermuda	Subsidiary of immediate holding company
Chubb INA Holdings Inc	United States	Subsidiary of ultimate holding company
Chubb International Management Corporation	United States	Subsidiary of immediate holding company
ACE American Fire and Marine Insurance Company Korea	Korea	Subsidiary of ultimate holding company
Chubb Business Services (A branch of Chubb Asia Pacific Pte Ltd)	Philippines	Subsidiary of immediate holding company
Chubb European Group SE	France	Subsidiary of immediate holding company

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.22 RELATED PARTY BALANCES AND TRANSACTIONS (COTINUED)**

- (a) In the normal course of business, the Company undertakes at agreed terms and prices, various transactions with its ultimate holding company and related companies, being subsidiaries of Chubb Limited.

The significant related party balances as at the date of the statement of financial position and significant related party transactions arising from normal business transactions during the financial year/period are set out below.

		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
		Audited	Audited	Audited	Audited
		RM'000	RM'000	RM'000	RM'000
Significant related party balances:					
<u>Reinsurance contract assets – assets/(liabilities) for remaining coverage</u>					
Chubb Tempest Reinsurance Ltd,					
Labuan Branch	Labuan	(10,141)	(10,820)	(9,997)	(8,659)
Chubb Tempest Reinsurance Ltd	Bermuda	(10)	-	-	-
Other related companies within Chubb					
Company	Others	<u>(99)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Reinsurance contract assets – assets for incurred claims</u>					
Chubb Tempest Reinsurance Ltd,					
Labuan Branch	Labuan	<u>2,450</u>	<u>1,469</u>	<u>7,097</u>	<u>879</u>
<u>Insurance contract liabilities – assets/(liabilities) for remaining coverage</u>					
Chubb Insurance Hong Kong Limited	Hong Kong	(422)	(61)	74	(448)
Chubb European Group SE	France	-	2	914	-
Other related companies within Chubb					
Company	Others	<u>(231)</u>	<u>(45)</u>	<u>(14)</u>	<u>(45)</u>
<u>Insurance contract liabilities – liabilities for incurred claims</u>					
Chubb Insurance Hong Kong Limited	Hong Kong	<u>(83)</u>	<u>(91)</u>	<u>(81)</u>	<u>(81)</u>
<u>Other receivables</u>					
Chubb INA International Holdings Ltd	United States	21	-	-	-
Chubb Samaggi Insurance Public	Thailand	-	-	16	-
Company Limited					
Chubb Asia Pacific Pte Ltd	Singapore	1,630	1,436	-	-
Other related companies within Chubb					
Company	Others	<u>28</u>	<u>138</u>	<u>11</u>	<u>4</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.22 RELATED PARTY BALANCES AND TRANSACTIONS (COTINUED)**

		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
		Audited	Audited	Audited	Audited
		RM'000	RM'000	RM'000	RM'000
Significant related party balances (continued):					
<u>Other payables</u>					
Chubb Asia Pacific Pte Ltd	Singapore	(11,011)	(12,673)	(20,037)	(7,510)
Chubb Services UK Limited	United Kingdom	(4,382)	(4,552)	(3,693)	(2,659)
Cover Direct, Inc	United States	(2,689)	(3,139)	(5,144)	(4,048)
Chubb Business Services Malaysia Sdn. Bhd. (f.k.a. Chubb IT Development Centre Sdn. Bhd.)	Malaysia	(4,510)	(2,918)	(6,555)	(2,828)
Chubb INA Holdings Inc	United States	(339)	(395)	(502)	(448)
ACE American Insurance Company	United States	(933)	-	(725)	(19)
Other related companies within Chubb Company	Others	(630)	(716)	(464)	(502)

		Financial year ended/period ended				
		<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
		Audited	Audited	Audited	Audited	Unaudited
		RM'000	RM'000	RM'000	RM'000	RM'000

Significant related party transactions:

Insurance revenue

Chubb Insurance Hong Kong Limited	Hong Kong	1	610	743	396	226
Chubb European Group SE	France	752	1,058	992	8	20
Other related companies within Chubb Company	Others	514	573	885	(397)	195

Insurance service income/(expense)

Chubb Insurance Hong Kong Limited	Hong Kong	(716)	(1,032)	(3,058)	(147)	(123)
Other related companies within Chubb Company	Others	(454)	(230)	(407)	(60)	(124)

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.22 RELATED PARTY BALANCES AND TRANSACTIONS (COTINUED)**

			Financial year ended/period ended				
			<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>	<u>30.06.2024</u>
			Audited	Audited	Audited	Audited	Unaudited
			RM'000	RM'000	RM'000	RM'000	RM'000
Significant related party transactions:							
<u>Allocation of reinsurance premium</u>							
Chubb Tempest Reinsurance Ltd. Labuan Branch	Labuan		(87,919)	(104,120)	(117,285)	(59,457)	(51,377)
Other related companies within Chubb Company	Others		(1,056)	(875)	(884)	(458)	(405)
<u>Amounts recoverable/(payables) from reinsurers for incurred claims</u>							
Chubb Tempest Reinsurance Ltd. Labuan Branch	Labuan		70,399	7,483	35,410	11,363	3,582
Other related companies within Chubb Company	Others		(181)	573	94	(42)	99
<u>Other income - Accounting and administration services</u>							
Chubb Business Services Malaysia Sdn. Bhd. (f.k.a. Chubb IT Development Centre Sdn. Bhd.)	Malaysia		240	240	240	120	120
<u>Rental and other income</u>							
Chubb Business Services Malaysia Sdn. Bhd. (f.k.a. Chubb IT Development Centre Sdn. Bhd.)	Malaysia		1,422	1,361	1,259	632	629
<u>Other operating expense - EDP system charges</u>							
Chubb Services UK Limited	United Kingdom		(4,414)	(4,415)	(3,826)	(2,168)	(1,984)
Cover Direct, Inc	United States		(2,061)	(2,520)	(4,657)	(2,379)	(1,064)
Chubb Business Services Malaysia Sdn. Bhd. (f.k.a. Chubb IT Development Centre Sdn. Bhd.)	Malaysia		(2,671)	(826)	(1,483)	(596)	(528)
Chubb INA Holdings Inc	United States		(340)	(391)	(516)	(463)	(210)
ACE American Fire and Marine Insurance Company Korea	Korea		(12)	(13)	(8)	-	-

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.22 RELATED PARTY BALANCES AND TRANSACTIONS (COTINUED)**

		Financial year ended/period ended				
		31.12.2022	31.12.2023	31.12.2024	30.06.2025	30.06.2024
		Audited	Audited	Audited	Audited	Unaudited
		RM'000	RM'000	RM'000	RM'000	RM'000
Significant related party transactions (continued):						
<u>Other operating expense - Technical support and consultancy services</u>						
Chubb Asia Pacific Pte Ltd	Singapore	(11,246)	(12,444)	(18,080)	(8,970)	(9,047)
Cover Direct, Inc	United States	(41)	(37)	(182)	-	-
<u>Other operating expense - Service fees and others</u>						
Cover Direct, Inc	United States	(622)	(518)	(398)	(334)	(265)
Chubb International Management Corporation	United States	(87)	(107)	(92)	(47)	(43)
Chubb Business Service (Philippines)	Philippines	(213)	(260)	(295)	(201)	(210)
<u>Other operating expense - Employee share-based incentive plan</u>						
Chubb Limited	Switzerland	(1,796)	(4,387)	(1,846)	-	-
<u>Capital expenditure – Work-in-progress</u>						
Chubb Services UK Limited	United Kingdom	-	-	-	(584)	-
Chubb Business Services Malaysia Sdn. Bhd. (f.k.a. Chubb IT Development Centre Sdn. Bhd.)	Malaysia	(1,853)	(2,092)	(5,199)	(2,802)	(1,919)
Chubb Asia Pacific Pte Ltd	Singapore	-	-	(4,299)	-	-

(b) The remuneration of directors and other key management personnel during the financial year/period are set out in Note 2.19 to the financial information.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.23 DIVIDENDS**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>As at</u> <u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
<u>Dividends</u>				
<u>In respect of financial year ended</u> <u>31 December 2022</u>				
Dividend of RM0.75 per share on 100,000,000 ordinary shares, paid on 20 January 2023	-	75,000	-	-
<u>In respect of financial year ended</u> <u>31 December 2023</u>				
Dividend of RM1.10 per share on 100,000,000 ordinary shares, paid on 2 February 2024 (2023 interim dividend)	-	-	110,000	-
<u>In respect of financial year ended</u> <u>31 December 2024</u>				
Dividend of RM1.64 per share on 100,000,000 ordinary shares, paid on 3 January 2025 (2024 interim dividend)	-	-	164,000	-
	-	75,000	274,000	-

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.24 OPERATING SEGMENTS**

Segment information is presented in respect of the Company's class of business segments. This is based on the Company's management and internal reporting structure. There is no inter-segment trade.

Segment results are net insurance result which is directly attributable to a segment as well as other operating expense that can be allocated on a reasonable basis.

<u>For the financial year ended</u> <u>31 December 2022 (Audited)</u>	<u>Accident and</u> <u>health</u> RM'000	<u>Property and</u> <u>casualty</u> RM'000	<u>Motor</u> RM'000	<u>Total</u> RM'000
Insurance revenue	162,457	350,847	158,143	671,447
Insurance service expense	(58,993)	(248,422)	(102,386)	(409,801)
Allocation of reinsurance premiums	(10,830)	(106,516)	(5,095)	(122,441)
Amounts recoverable from reinsurers for incurred claims	(4,309)	119,171	(13,638)	101,224
Insurance service result	88,325	115,080	37,024	240,429
Insurance finance expense for insurance contracts issued	(1,090)	(8,966)	(4,442)	(14,498)
Reinsurance finance income for reinsurance contracts held	247	4,554	338	5,139
Net foreign exchange (losses)/gains	(1)	(6)	-	(7)
Net insurance financial result	(844)	(4,418)	(4,104)	(9,366)
Other operating expense	(47,961)	(52,198)	(20,389)	(120,548)
Net insurance result after other operating expense	39,520	58,464	12,531	110,515
Investment income from financial assets measured at FVTPL				40,735
Interest income from financial assets not measured at FVTPL				5,106
Net fair value losses on financial assets				(17,790)
Net realised gains				2,698
Total investment income				30,749
Other income				4,616
Finance cost				-
Total income				4,616
Profit before tax				145,880

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.24 OPERATING SEGMENTS (CONTINUED)**

<u>For the financial year ended</u> <u>31 December 2023 (Audited)</u>	<u>Accident and</u> <u>health</u> RM'000	<u>Property and</u> <u>casualty</u> RM'000	<u>Motor</u> RM'000	<u>Total</u> RM'000
Insurance revenue	184,265	359,011	147,678	690,954
Insurance service expense	(89,426)	(123,090)	(118,958)	(331,474)
Allocation of reinsurance premiums	(12,617)	(123,996)	(5,952)	(142,565)
Amounts recoverable from reinsurers for incurred claims	4,279	(3,094)	4,083	5,268
Insurance service result	86,501	108,831	26,851	222,183
Insurance finance expense for insurance contracts issued	(1,788)	(18,845)	(7,215)	(27,848)
Reinsurance finance income for reinsurance contracts held	230	9,219	392	9,841
Net foreign exchange gains/losses	2	(98)	-	(96)
Net insurance financial result	(1,556)	(9,724)	(6,823)	(18,103)
Other operating expense	(46,756)	(54,917)	(21,622)	(123,295)
Net insurance result after other operating expense	38,189	44,190	(1,594)	80,785
Investment income from financial assets measured at FVTPL				48,269
Interest income from financial assets not measured at FVTPL				5,822
Net fair value gains on financial assets				20,950
Net realised gains				2,091
Total investment income				77,132
Other income				2,289
Finance cost				(99)
Total income				2,190
Profit before tax				160,107

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.24 OPERATING SEGMENTS (CONTINUED)**

<u>For the financial year ended</u> <u>31 December 2024 (Audited)</u>	<u>Accident and</u> <u>health</u> RM'000	<u>Property and</u> <u>casualty</u> RM'000	<u>Motor</u> RM'000	<u>Total</u> RM'000
Insurance revenue	201,693	351,727	150,075	703,495
Insurance service expense	(108,128)	(76,760)	(157,565)	(342,453)
Allocation of reinsurance premiums	(12,425)	(123,764)	(7,684)	(143,873)
Amounts recoverable from reinsurers for incurred claims	3,914	(41,490)	14,671	(22,905)
Insurance service result	85,054	109,713	(503)	194,264
Insurance finance expense for insurance contracts issued	(1,990)	(16,580)	(7,178)	(25,748)
Reinsurance finance income for reinsurance contracts held	202	7,553	315	8,070
Net foreign exchange gains	1	25	-	26
Net insurance financial result	(1,787)	(9,002)	(6,863)	(17,652)
Other operating expense	(50,212)	(69,484)	(26,182)	(145,878)
Net insurance result after other operating expense	33,055	31,227	(33,548)	30,734
Investment income from financial assets measured at FVTPL				52,439
Interest income from financial assets not measured at FVTPL				4,593
Net fair value gains on financial assets				3,296
Net realised gains				5,160
Total investment income				65,488
Other income				3,441
Finance cost				(97)
Total income				3,344
Profit before tax				99,566

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.24 OPERATING SEGMENTS (CONTINUED)**

<u>For the financial period ended</u> <u>30 June 2025 (Audited)</u>	<u>Accident and</u> <u>health</u> RM'000	<u>Property and</u> <u>casualty</u> RM'000	<u>Motor</u> RM'000	<u>Total</u> RM'000
Insurance revenue	110,935	179,338	85,317	375,590
Insurance service expense	(57,807)	(126,431)	(79,374)	(263,612)
Allocation of reinsurance premiums	(5,993)	(61,706)	(4,243)	(71,942)
Amounts recoverable from reinsurers for incurred claims	2,988	46,273	(270)	48,991
Insurance service result	50,123	37,474	1,430	89,027
Insurance finance expense for insurance contracts issued	(1,114)	(6,642)	(4,186)	(11,942)
Reinsurance finance income for reinsurance contracts held	84	2,578	364	3,026
Net foreign exchange gains/(losses)	1	(44)	-	(43)
Net insurance financial result	(1,029)	(4,108)	(3,822)	(8,959)
Other operating expense	(28,097)	(32,145)	(15,882)	(76,124)
Net insurance result after other operating expense	20,997	1,221	(18,274)	3,944
Investment income from financial assets measured at FVTPL				25,368
Interest income from financial assets not measured at FVTPL				2,006
Net fair value gains on financial assets				16,714
Net realised gains				42
Total investment income				44,130
Other income				2,382
Finance cost				(48)
Total income				2,334
Profit before tax				50,408

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.24 OPERATING SEGMENTS (CONTINUED)**

<u>For the financial period ended</u> <u>30 June 2024 (Unaudited)</u>	<u>Accident and</u> <u>health</u> RM'000	<u>Property and</u> <u>casualty</u> RM'000	<u>Motor</u> RM'000	<u>Total</u> RM'000
Insurance revenue	100,771	169,791	72,803	343,365
Insurance service expense	(55,130)	(88,864)	(59,597)	(203,591)
Allocation of reinsurance premiums	(5,773)	(56,625)	(3,651)	(66,049)
Amounts recoverable from reinsurers for incurred claims	3,283	13,549	(852)	15,980
Insurance service result	43,151	37,851	8,703	89,705
Insurance finance expense for insurance contracts issued	(1,066)	(9,156)	(3,937)	(14,159)
Reinsurance finance income for reinsurance contracts held	111	4,241	148	4,500
Net foreign exchange losses	(2)	(10)	(8)	(20)
Net insurance financial result	(957)	(4,925)	(3,797)	(9,679)
Other operating expense	(23,170)	(34,776)	(11,743)	(69,689)
Net insurance result after other operating expense	19,024	(1,850)	(6,837)	10,337
Investment income from financial assets measured at FVTPL				26,403
Interest income from financial assets not measured at FVTPL				2,085
Net fair value gains on financial assets				2,560
Net realised gains				1,425
Total investment income				32,473
Other income				2,155
Finance cost				-
Total income				2,155
Profit before tax				44,965

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK**

The Company recognises the importance of effective risk management practices and embedding risk culture within the Company and therefore, it is the commitment of the Company to integrate Enterprise Risk Management ("ERM") into strategic planning and decision making.

(a) Risk Appetite

The risk appetite outlines the degree of risk the Company is willing to assume in pursuit of its strategic objectives against the capital exposed to the risk. The risk appetite is formulated by the Board and is reviewed annually. The risk appetite articulates the risks, controls and returns for material exposures. The Company in general has a conservative risk appetite with a prudent Risk Management Framework in place.

(b) Risk Management Framework ("RMF")

The Company's RMF describes the role of ERM and helps the Company to achieve its business objectives, meet its corporate obligations and at the same time maintain the Company's reputation.

The RMF puts in place a structure and a process to mitigate risks as they are identified or emerge by assessing them against the Company's established appetite and tolerance levels, thus helping to protect and maintain the capital in the interests of all key stakeholders.

(c) Risk Governance and Oversight

The responsibility and oversight of ERM rests with the Board of Directors ("Board"), with the Enterprise Risk Committee ("ERC") responsible for oversight, policy development, execution and maintaining the appropriate infrastructure. Primary ownership for the daily execution of risk management and controls rests with the business and operating units.

The Board has ultimate risk management responsibility and is also responsible for providing the overall Company direction and strategy, setting financial objectives and for monitoring compliance with regulatory requirements and ethical standards. Chubb's Board has a specific charter setting out its duties and responsibilities. In discharging its responsibility for overall risk management and control, the Board delegates a number of key functions to the Board Risk Management Committee ("BRMC").

The ERC is charged with the responsibility of monitoring, assessing and reporting on risk related activities and meets at least once a quarter, and reports to the BRMC through the Chief Risk Officer ("CRO"). Its objective is to establish, maintain and monitor compliance within a sound risk management framework that integrates risk management into all activities of the business. Its role is to provide advice and assistance including submitting recommendations to the Board on risk management.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(d) Capital Management and Capital Adequacy**

Prudent capital management is the foundation for ensuring the Company is able to fulfil its financial obligations to its shareholders, policyholders, regulators and other key stakeholders. The Board is ultimately responsible for determining that the Company's capital is adequate after taking into account the Company's strategic objectives, size and the complexity of its business.

The Company has separately documented its Internal Capital Adequacy Assessment Process ("ICAAP") to ensure that the capital held is adequate based on the Company's risk profile, business mix and complexity of operations. ICAAP outlines the procedures, systems, controls and personnel to identify, measure, monitor and manage the risks arising from capital related activities of the Company. Capital Management is a fundamental aspect of risk management. Capital adequacy assessments and stress tests are conducted on a regular basis, to ensure that sufficient capital is held to meet the minimum regulatory requirement with an additional buffer to withstand a range of adverse or extreme risk event scenarios.

(e) Major Risks

The Company considers insurance risks, financial risks and operational risks as its major risks.

1 Insurance Risk

The Company has in place underwriting guidelines which ensure that underwriting risk undertaken adhere to proper control procedures, to mitigate the Company's exposure to potential financial liabilities resulting from incurring higher claims cost than expected.

This is due to the nature of claims which can be unpredictable in frequency and severity, and the risk of change in legal or economic conditions affecting insurance pricing and conditions of insurance or reinsurance cover.

The underwriting and claims monitoring programme incorporates standards for underwriting procedures, policy retention limits, use of reinsurance and the setting of claims reserves. Underwriting standards are established to manage the initial insurability of customers. Renewal underwriting standards are in place for business that renews on a periodic basis.

1.1 Reinsurance risk

In the normal course of business, the Company limits the amount of loss on any one policy by reinsuring certain levels of risk with other reinsurers or insurers. Reinsurance does not discharge the Company's liability as the primary insurer. Failure of reinsurers to honour their obligations could result in losses to the Company. In order to minimise losses from reinsurance insolvencies, the Company's reinsurance arrangement is in line with BNM's JPI/GPI 22 on "Guidelines on General Reinsurance Arrangement".

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.2 Concentration risk**

The table below sets out the concentration of the Company's insurance contract liabilities (net) by portfolio.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Accident and Health	51,925	63,573	71,691	85,794
Property and Casualty	542,331	508,066	440,678	499,554
Motor	277,564	280,821	333,181	361,016
	<u>871,820</u>	<u>852,460</u>	<u>845,550</u>	<u>946,364</u>

The table below sets out the concentration of the Company's reinsurance contract assets (net) by portfolio.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Accident and Health	5,137	6,432	4,269	7,573
Property and Casualty	293,777	235,755	167,938	195,221
Motor	18,189	13,473	22,586	24,116
	<u>317,103</u>	<u>255,660</u>	<u>194,793</u>	<u>226,910</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.3 Key assumptions**

The principal assumptions underlying the estimation of liabilities is that the Company's future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claims costs, claims handling costs, claims inflation factors and average number of claims for each accident year.

Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example, isolated occurrence, changes in market factors such as public attitude to claiming, economic conditions, as well as internal factors, such as, portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors, such as judicial decisions and government legislation, affect the estimates.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

1.4 Sensitivity analysis

The liability for incurred claims and liability for remaining coverage are sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following sensitivity analysis shows the impact on gross and net liabilities, profit after tax and equity for reasonably possible movements in key assumptions with all other assumptions held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions have been changed on an individual basis. It should be noted that movements in these assumptions are non linear. As the insurance contract liabilities are now discounted, there will be an additional sensitivity test analysis on the discount rates.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.4 Sensitivity analysis (continued)**

	Change in assumptions RM'000	Impact on gross liabilities RM'000	Impact on net liabilities RM'000	Impact on profit after tax gross of reinsurance RM'000	Impact on profit after tax net of reinsurance RM'000	Impact on equity gross of reinsurance RM'000	Impact on equity net of reinsurance RM'000
<u>31 December 2022 (Audited)</u>							
Ultimate loss ratio for the latest accident year	+ 10%	35,041	24,706	(26,631)	(18,777)	(26,631)	(18,777)
Average claims handling expenses	+ 10%	3,272	3,272	(2,487)	(2,487)	(2,487)	(2,487)
Discount rate	+ 1%	10,331	6,296	(7,852)	(4,785)	(7,852)	(4,785)
PRAD*	+ 10%	6,749	4,089	(5,129)	(3,108)	(5,129)	(3,108)
Weighted average term to settlement	+ 10%	(3,819)	(2,408)	2,902	1,830	2,902	1,830
Ultimate loss ratio for the latest accident year	- 10%	(35,041)	(24,706)	26,631	18,777	26,631	18,777
Average claims handling expenses	- 10%	(3,272)	(3,272)	2,487	2,487	2,487	2,487
Discount rate	- 1%	(10,758)	(6,561)	8,176	4,986	8,176	4,986
PRAD*	- 10%	(6,749)	(4,089)	5,129	3,108	5,129	3,108
Weighted average term to settlement	- 10%	3,807	2,404	(2,893)	(1,827)	(2,893)	(1,827)

* Provision for Risk of Adverse Deviation

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.4 Sensitivity analysis (continued)**

	Change in <u>assumptions</u> RM'000	Impact on gross <u>liabilities</u> RM'000	Impact on net <u>liabilities</u> RM'000	Impact on profit after tax gross of <u>reinsurance</u> RM'000	Impact on profit after tax net of <u>reinsurance</u> RM'000	Impact on equity gross of <u>reinsurance</u> RM'000	Impact on equity net of <u>reinsurance</u> RM'000
<u>31 December 2023 (Audited)</u>							
Ultimate loss ratio for the latest accident year	+ 10%	34,702	26,893	(26,374)	(20,439)	(26,374)	(20,439)
Average claims handling expenses	+ 10%	3,588	3,588	(2,727)	(2,727)	(2,727)	(2,727)
Discount rate	+ 1%	(10,363)	(6,916)	7,876	5,256	7,876	5,256
PRAD*	+ 10%	6,640	4,329	(5,046)	(3,290)	(5,046)	(3,290)
Weighted average term to settlement	+ 10%	(3,607)	(2,534)	2,741	1,926	2,741	1,926
Ultimate loss ratio for the latest accident year	- 10%	(34,702)	(26,893)	26,374	20,439	26,374	20,439
Average claims handling expenses	- 10%	(3,588)	(3,588)	2,727	2,727	2,727	2,727
Discount rate	- 1%	10,801	7,212	(8,209)	(5,481)	(8,209)	(5,481)
PRAD*	- 10%	(6,640)	(4,329)	5,046	3,290	5,046	3,290
Weighted average term to settlement	- 10%	3,621	2,424	(2,752)	(1,842)	(2,752)	(1,842)

* Provision for Risk of Adverse Deviation

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.4 Sensitivity analysis (continued)**

	Change in <u>assumptions</u> RM'000	Impact on gross <u>liabilities</u> RM'000	Impact on net <u>liabilities</u> RM'000	Impact on profit after tax gross of <u>reinsurance</u> RM'000	Impact on profit after tax net of <u>reinsurance</u> RM'000	Impact on equity gross of <u>reinsurance</u> RM'000	Impact on equity net of <u>reinsurance</u> RM'000
<u>31 December 2024 (Audited)</u>							
Ultimate loss ratio for the latest accident year	+ 10%	42,011	35,869	(31,928)	(27,260)	(31,928)	(27,260)
Average claims handling expenses	+ 10%	4,612	4,586	(3,505)	(3,485)	(3,505)	(3,485)
Discount rate	+ 1%	(9,561)	(7,504)	7,266	5,703	7,266	5,703
PRAD*	+ 10%	7,428	5,656	(5,645)	(4,299)	(5,645)	(4,299)
Weighted average term to settlement	+ 10%	(2,991)	(2,467)	2,273	1,875	2,273	1,875
Ultimate loss ratio for the latest accident year	- 10%	(41,990)	(35,848)	31,912	27,244	31,912	27,244
Average claims handling expenses	- 10%	(4,612)	(4,586)	3,505	3,485	3,505	3,485
Discount rate	- 1%	9,892	7,765	(7,518)	(5,901)	(7,518)	(5,901)
PRAD*	- 10%	(7,433)	(5,661)	5,649	4,302	5,649	4,302
Weighted average term to settlement	- 10%	2,996	2,378	(2,277)	(1,807)	(2,277)	(1,807)

* Provision for Risk of Adverse Deviation

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.4 Sensitivity analysis (continued)**

	Change in <u>assumptions</u> RM'000	Impact on gross <u>liabilities</u> RM'000	Impact on net <u>liabilities</u> RM'000	Impact on profit after tax gross of <u>reinsurance</u> RM'000	Impact on profit after tax net of <u>reinsurance</u> RM'000	Impact on equity gross of <u>reinsurance</u> RM'000	Impact on equity net of <u>reinsurance</u> RM'000
<u>30 June 2025 (Audited)</u>							
Ultimate loss ratio for the latest accident year	+ 10%	31,912	28,104	(24,253)	(21,359)	(24,253)	(21,359)
Average claims handling expenses	+ 10%	5,178	5,150	(3,935)	(3,914)	(3,935)	(3,914)
Discount rate	+ 1%	(11,637)	(8,904)	8,844	6,767	8,844	6,767
PRAD*	+ 10%	8,333	6,215	(6,333)	(4,723)	(6,333)	(4,723)
Weighted average term to settlement	+ 10%	(3,633)	(2,953)	2,761	2,244	2,761	2,244
Ultimate loss ratio for the latest accident year	- 10%	(29,509)	(25,800)	22,427	19,608	22,427	19,608
Average claims handling expenses	- 10%	(5,178)	(5,150)	3,935	3,914	3,935	3,914
Discount rate	- 1%	12,045	9,219	(9,154)	(7,006)	(9,154)	(7,006)
PRAD*	- 10%	(8,333)	(6,215)	6,333	4,723	6,333	4,723
Weighted average term to settlement	- 10%	3,633	2,941	(2,761)	(2,235)	(2,761)	(2,235)

* Provision for Risk of Adverse Deviation

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)

(e) Major Risks (continued)1 Insurance Risk (continued)1.5 Claims development table

The following tables show the estimate of cumulative incurred claims, including both claims notified and incurred but not reported ("IBNR") for each successive accident year at each reporting date, together with cumulative payments to-date.

The table provides a historical perspective on the adequacy of the unpaid claims estimates established in previous years. The Company gives consideration to the probability and magnitude of future experience being more adverse than assumed and exercises a degree of caution in setting reserve when there is considerable uncertainty. Generally, the uncertainty associated with ultimate claims experience in an accident year is greatest when the accident year is at an early stage of development and the margin necessary to provide the necessary confidence of adequacy of provision is relatively at its highest.

The Company believes that the estimate of the total claims outstanding as at 30 June 2025 is adequate. However, due to the inherent uncertainties in the reserving process, it cannot be assured that such balances will ultimately prove to be adequate.

The Company has not disclosed previously unpublished information about claims development that occurred earlier than seven years before the end of the annual reporting period in which it first applies MFRS 17.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Gross estimated liabilities for incurred claims for the financial year ended 31 December 2022

Audited

<u>Accident year</u>	<u>2015</u> RM'000	<u>2016</u> RM'000	<u>2017</u> RM'000	<u>2018</u> RM'000	<u>2019</u> RM'000	<u>2020</u> RM'000	<u>2021</u> RM'000	<u>2022</u> RM'000
At end of accident year	465,667	508,386	511,495	527,127	489,591	425,587	312,591	343,312
One year later	419,774	429,937	454,671	443,108	438,801	340,677	312,210	
Two years later	413,319	419,641	454,011	440,460	441,397	319,442		
Three years later	404,762	411,250	449,465	440,330	426,935			
Four years later	402,296	409,981	443,059	440,046				
Five years later	404,248	408,542	443,415					
Six years later	402,631	404,834						
Seven years later	401,973							
Current estimate of cumulative claims incurred	401,973	404,834	443,415	440,046	426,935	319,442	312,210	343,312
At end of accident year	(120,578)	(158,548)	(180,681)	(181,004)	(157,632)	(117,828)	(73,508)	(88,761)
One year later	(335,296)	(319,636)	(332,828)	(319,242)	(281,458)	(200,748)	(175,803)	
Two years later	(364,033)	(365,672)	(380,641)	(356,089)	(324,900)	(230,426)		
Three years later	(377,282)	(379,343)	(401,103)	(369,009)	(353,654)			
Four years later	(383,020)	(384,823)	(409,948)	(382,443)				
Five years later	(387,247)	(386,822)	(414,284)					
Six years later	(397,396)	(389,169)						
Seven years later	(398,127)							
Cumulative payments to-date	(398,127)	(389,169)	(414,284)	(382,443)	(353,654)	(230,426)	(175,803)	(88,761)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)

(e) Major Risks (continued)1 Insurance Risk (continued)1.5 Claims development table (continued)Gross estimated liabilities for incurred claims for the financial year ended 31 December 2022 (continued)

<u>Audited</u>											
<u>Accident year</u>	<u>Prior years</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Total</u>	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross undiscounted liabilities for incurred claims	10,181	3,846	15,665	29,131	57,603	73,281	89,016	136,407	254,551	669,681	
Effect of discounting	(111)	(72)	(432)	(1,110)	(2,780)	(3,471)	(5,134)	(9,172)	(13,518)	(35,800)	
Gross discounted liabilities for incurred claims	10,070	3,774	15,233	28,021	54,823	69,810	83,882	127,235	241,033	633,881	
Claims handling expenses										32,721	
Risk adjustment										70,066	
Others										(1,338)	
Gross liabilities for incurred claims										735,330	

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)****Gross estimated liabilities for incurred claims for the financial year ended 31 December 2023****Audited**

Accident year	2016	2017	2018	2019	2020	2021	2022	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At end of accident year	508,386	511,495	527,127	489,591	425,587	312,591	343,312	335,605
One year later	429,937	454,671	443,108	438,801	340,677	312,210	296,401	
Two years later	419,641	454,011	440,460	441,397	319,442	302,031		
Three years later	411,250	449,465	440,330	426,935	310,411			
Four years later	409,981	443,059	440,046	418,462				
Five years later	408,542	443,415	434,793					
Six years later	404,834	429,536						
Seven years later	394,674							
Current estimate of cumulative claims incurred	394,674	429,536	434,793	418,462	310,411	302,031	296,401	335,605
At end of accident year	(158,548)	(180,681)	(181,004)	(157,632)	(117,828)	(73,508)	(88,761)	(88,465)
One year later	(319,636)	(332,828)	(319,242)	(281,458)	(200,748)	(175,803)	(163,393)	
Two years later	(365,672)	(380,641)	(356,089)	(324,900)	(230,426)	(211,393)		
Three years later	(379,343)	(401,103)	(369,009)	(353,654)	(244,200)			
Four years later	(384,823)	(409,948)	(382,443)	(362,923)				
Five years later	(386,822)	(414,284)	(392,927)					
Six years later	(389,169)	(416,504)						
Seven years later	(392,597)							
Cumulative payments to-date	(392,597)	(416,504)	(392,927)	(362,923)	(244,200)	(211,393)	(163,393)	(88,465)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)

(e) Major Risks (continued)1 Insurance Risk (continued)1.5 Claims development table (continued)

Gross estimated liabilities for incurred claims for the financial year ended 31 December 2023 (continued)

<u>Audited</u>										
<u>Accident year</u>	<u>Prior years</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross undiscounted liabilities for incurred claims	8,216	2,077	13,032	41,866	55,539	66,211	90,638	133,008	247,140	657,727
Effect of discounting	(89)	(37)	(369)	(1,576)	(2,403)	(3,587)	(4,845)	(7,710)	(12,793)	(33,409)
Gross discounted liabilities for incurred claims	8,127	2,040	12,663	40,290	53,136	62,624	85,793	125,298	234,347	624,318
Claims handling expenses										35,884
Risk adjustment										68,669
Others										160
Gross liabilities for incurred claims										<u>729,031</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Gross estimated liabilities for incurred claims for the financial year ended 31 December 2024

<u>Audited</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Accident year</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At end of accident year	511,495	527,127	489,591	425,587	312,591	343,312	335,605	325,708
One year later	454,671	443,108	438,801	340,677	312,210	296,401	297,437	
Two years later	454,011	440,460	441,397	319,442	302,031	280,860		
Three years later	449,465	440,330	426,935	310,411	278,377			
Four years later	443,059	440,046	418,462	294,212				
Five years later	443,415	434,793	411,099					
Six years later	429,536	431,412						
Seven years later	426,125							
Current estimate of cumulative claims incurred	426,125	431,412	411,099	294,212	278,377	280,860	297,437	325,708
At end of accident year	(180,681)	(181,004)	(157,632)	(117,828)	(73,508)	(88,761)	(88,465)	(95,001)
One year later	(332,828)	(319,242)	(281,458)	(200,748)	(175,803)	(163,393)	(171,263)	
Two years later	(380,641)	(356,089)	(324,900)	(230,426)	(211,393)	(185,156)		
Three years later	(401,103)	(369,009)	(353,654)	(244,200)	(228,024)			
Four years later	(409,948)	(382,443)	(362,923)	(255,454)				
Five years later	(414,284)	(392,927)	(366,510)					
Six years later	(416,504)	(400,020)						
Seven years later	(417,144)							
Cumulative payments to-date	(417,144)	(400,020)	(366,510)	(255,454)	(228,024)	(185,156)	(171,263)	(95,001)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**Gross estimated liabilities for incurred claims for the financial year ended 31 December 2024 (continued)

<u>Audited</u> <u>Accident year</u>	<u>Prior years</u> RM'000	<u>2017</u> RM'000	<u>2018</u> RM'000	<u>2019</u> RM'000	<u>2020</u> RM'000	<u>2021</u> RM'000	<u>2022</u> RM'000	<u>2023</u> RM'000	<u>2024</u> RM'000	<u>Total</u> RM'000
Gross undiscounted liabilities for incurred claims	5,361	8,981	31,392	44,589	38,758	50,353	95,704	126,174	230,707	632,019
Effect of discounting	(63)	(288)	(677)	(1,226)	(1,304)	(2,135)	(3,144)	(5,909)	(10,172)	(24,918)
Gross discounted liabilities for incurred claims	5,298	8,693	30,715	43,363	37,454	48,218	92,560	120,265	220,535	607,101
Claims handling expenses										41,861
Risk adjustment										66,586
Others										150
Gross liabilities for incurred claims										<u>715,698</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**Gross estimated liabilities for incurred claims for financial period ended 30 June 2025Audited

<u>Accident year</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At end of accident year	527,127	489,591	425,587	312,591	343,312	335,605	325,708	196,575
One year later	443,108	438,801	340,677	312,210	296,401	297,437	303,301	
Two years later	440,460	441,397	319,442	302,031	280,860	304,211		
Three years later	440,330	426,935	310,411	278,377	288,872			
Four years later	440,046	418,462	294,212	278,253				
Five years later	434,793	411,099	292,651					
Six years later	431,412	404,959						
Seven years later	429,580							
Current estimate of cumulative claims incurred	429,580	404,959	292,651	278,253	288,872	304,211	303,301	196,575
At end of accident year	(181,004)	(157,632)	(117,828)	(73,508)	(88,761)	(88,465)	(95,001)	(27,059)
One year later	(319,242)	(281,458)	(200,748)	(175,803)	(163,393)	(171,263)	(145,928)	
Two years later	(356,089)	(324,900)	(230,426)	(211,393)	(185,156)	(187,450)		
Three years later	(369,009)	(353,654)	(244,200)	(228,024)	(191,711)			
Four years later	(382,443)	(362,923)	(255,454)	(235,522)				
Five years later	(392,927)	(366,510)	(259,357)					
Six years later	(400,020)	(367,883)						
Seven years later	(405,497)							
Cumulative payments to-date	(405,497)	(367,883)	(259,357)	(235,522)	(191,711)	(187,450)	(145,928)	(27,059)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)

(e) Major Risks (continued)

1 Insurance Risk (continued)

1.5 Claims development table (continued)

Gross estimated liabilities for incurred claims for the financial period ended 30 June 2025 (continued)

<u>Audited</u>										
<u>Accident year</u>	<u>Prior years</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross undiscounted liabilities for incurred claims	27,393	24,083	37,076	33,294	42,731	97,161	116,761	157,373	169,516	705,388
Effect of discounting	(801)	(463)	(941)	(1,018)	(1,856)	(4,181)	(5,475)	(7,197)	(7,915)	(29,847)
Gross discounted liabilities for incurred claims	26,592	23,620	36,135	32,276	40,875	92,980	111,286	150,176	161,601	675,541
Claims handling expenses										46,846
Risk adjustment										74,144
Others										107
Gross liabilities for incurred claims										796,638

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Net estimated liabilities for incurred claims for the financial year ended 31 December 2022

(Audited)

<u>Accident year</u>	<u>2015</u> RM'000	<u>2016</u> RM'000	<u>2017</u> RM'000	<u>2018</u> RM'000	<u>2019</u> RM'000	<u>2020</u> RM'000	<u>2021</u> RM'000	<u>2022</u> RM'000
At end of accident year	294,111	383,254	406,854	397,779	367,657	296,144	234,253	242,318
One year later	283,517	338,221	375,033	358,130	341,927	242,335	202,837	
Two years later	281,604	337,398	374,241	360,108	338,646	234,213		
Three years later	277,990	334,081	373,458	357,182	336,075			
Four years later	277,431	335,093	367,722	360,668				
Five years later	273,343	333,363	366,471					
Six years later	270,042	325,491						
Seven years later	268,663							
Current estimate of cumulative claims incurred	268,663	325,491	366,471	360,668	336,075	234,213	202,837	242,318
At end of accident year	(104,029)	(139,422)	(161,085)	(156,711)	(133,173)	(89,744)	(67,188)	(76,210)
One year later	(224,228)	(265,183)	(290,806)	(271,821)	(237,288)	(155,854)	(140,626)	
Two years later	(246,896)	(298,988)	(324,229)	(302,030)	(271,855)	(176,116)		
Three years later	(259,025)	(310,325)	(340,158)	(314,009)	(289,242)			
Four years later	(263,917)	(315,435)	(345,975)	(326,116)				
Five years later	(263,825)	(317,263)	(348,198)					
Six years later	(266,691)	(319,218)						
Seven years later	(266,925)							
Cumulative payments to-date	(266,925)	(319,218)	(348,198)	(326,116)	(289,242)	(176,116)	(140,626)	(76,210)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Net estimated liabilities for incurred claims for the financial year ended 31 December 2022 (continued)

Audited

<u>Accident year</u>	<u>Prior years</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net undiscounted liabilities for incurred claims	4,131	1,738	6,273	18,273	34,552	46,833	58,097	62,211	166,108	398,216
Effect of discounting	(30)	(33)	(156)	(657)	(1,322)	(2,573)	(4,004)	(4,723)	(7,686)	(21,184)
Net discounted liabilities for incurred claims	4,101	1,705	6,117	17,616	33,230	44,260	54,093	57,488	158,422	377,032
Claims handling expenses										32,721
Non-performance risk of reinsurers										31
Risk adjustment										43,461
Others										(4,893)
Net liabilities for incurred claims										<u>448,352</u>

	Estimates of the present value of future cash flows	Risk adjustment	Total
	RM'000	RM'000	RM'000
<u>Audited</u>			
Gross liabilities for incurred claims	665,264	70,066	735,330
Amounts recoverable from reinsurers	(260,373)	(26,605)	(286,978)
Total net liabilities for incurred claims	<u>404,891</u>	<u>43,461</u>	<u>448,352</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)****Net estimated liabilities for incurred claims for the financial year ended 31 December 2023****Audited**

<u>Accident year</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At end of accident year	383,254	406,854	397,779	367,657	296,144	234,253	242,318	259,652
One year later	338,221	375,033	358,130	341,927	242,335	202,837	222,780	
Two years later	337,398	374,241	360,108	338,646	234,213	197,770		
Three years later	334,081	373,458	357,182	336,075	230,659			
Four years later	335,093	367,722	360,668	332,033				
Five years later	333,363	366,471	358,967					
Six years later	325,491	358,050						
Seven years later	323,155							
Current estimate of cumulative claims incurred	323,155	358,050	358,967	332,033	230,659	197,770	222,780	259,652
At end of accident year	(139,422)	(161,085)	(156,711)	(133,173)	(89,744)	(67,188)	(76,210)	(81,796)
One year later	(265,183)	(290,806)	(271,821)	(237,288)	(155,854)	(140,626)	(136,553)	
Two years later	(298,988)	(324,229)	(302,030)	(271,855)	(176,116)	(143,021)		
Three years later	(310,325)	(340,158)	(314,009)	(289,242)	(186,542)			
Four years later	(315,435)	(345,975)	(326,116)	(296,940)				
Five years later	(317,263)	(348,198)	(334,928)					
Six years later	(319,218)	(350,171)						
Seven years later	(321,335)							
Cumulative payments to-date	(321,335)	(350,171)	(334,928)	(296,940)	(186,542)	(143,021)	(136,553)	(81,796)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Net estimated liabilities for incurred claims for the financial year ended 31 December 2023 (continued)

<u>Audited</u> <u>Accident year</u>	<u>Prior years</u> RM'000	<u>2016</u> RM'000	<u>2017</u> RM'000	<u>2018</u> RM'000	<u>2019</u> RM'000	<u>2020</u> RM'000	<u>2021</u> RM'000	<u>2022</u> RM'000	<u>2023</u> RM'000	<u>Total</u> RM'000
Net undiscounted liabilities for incurred claims	3,051	1,820	7,879	24,039	35,093	44,117	54,749	86,227	177,856	434,831
Effect of discounting	(22)	(36)	(184)	(733)	(1,107)	(2,367)	(4,380)	(4,998)	(7,949)	(21,776)
Net discounted liabilities for incurred claims	3,029	1,784	7,695	23,306	33,986	41,750	50,369	81,229	169,907	413,055
Claims handling expenses										35,884
Non-performance risk of reinsurers										26
Risk adjustment										45,559
Others										1,021
Net liabilities for incurred claims										<u>495,545</u>

<u>Audited</u>	Estimates of the present value of future cash flows RM'000	Risk adjustment RM'000	Total RM'000
Gross liabilities for incurred claims	660,362	68,669	729,031
Amounts recoverable from reinsurers	(210,376)	(23,110)	(233,486)
Total net liabilities for incurred claims	<u>449,986</u>	<u>45,559</u>	<u>495,545</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**Net estimated liabilities for incurred claims for the financial year ended 31 December 2024Audited

<u>Accident year</u>	<u>2017</u> RM'000	<u>2018</u> RM'000	<u>2019</u> RM'000	<u>2020</u> RM'000	<u>2021</u> RM'000	<u>2022</u> RM'000	<u>2023</u> RM'000	<u>2024</u> RM'000
At end of accident year	406,854	397,779	367,657	296,144	234,253	242,318	259,652	270,667
One year later	375,033	358,130	341,927	242,335	202,837	222,780	244,931	
Two years later	374,241	360,108	338,646	234,213	197,770	215,840		
Three years later	373,458	357,182	336,075	230,659	190,173			
Four years later	367,722	360,668	332,033	224,785				
Five years later	366,471	358,967	333,122					
Six years later	358,050	354,519						
Seven years later	356,530							
Current estimate of cumulative claims incurred	356,530	354,519	333,122	224,785	190,173	215,840	244,931	270,667
At end of accident year	(161,085)	(156,711)	(133,173)	(89,744)	(67,188)	(76,210)	(81,796)	(83,699)
One year later	(290,806)	(271,821)	(237,288)	(155,854)	(140,626)	(136,553)	(149,057)	
Two years later	(324,229)	(302,030)	(271,855)	(176,116)	(143,021)	(156,230)		
Three years later	(340,158)	(314,009)	(289,242)	(186,542)	(152,662)			
Four years later	(345,975)	(326,116)	(296,940)	(195,224)				
Five years later	(348,198)	(334,928)	(300,477)					
Six years later	(350,171)	(339,473)						
Seven years later	(350,697)							
Cumulative payments to-date	(350,697)	(339,473)	(300,477)	(195,224)	(152,662)	(156,230)	(149,057)	(83,699)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Net estimated liabilities for incurred claims for the financial year ended 31 December 2024 (continued)

<u>Audited</u> <u>Accident year</u>	<u>Prior years</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net undiscounted liabilities for incurred claims	3,286	5,833	15,046	32,645	29,561	37,511	59,610	95,874	186,968	466,334
Effect of discounting	(44)	(201)	(323)	(928)	(1,082)	(1,769)	(2,566)	(4,350)	(7,747)	(19,010)
Net discounted liabilities for incurred claims	3,242	5,632	14,723	31,717	28,479	35,742	57,044	91,524	179,221	447,324
Claims handling expenses										41,861
Non-performance risk of reinsurers										20
Risk adjustment										49,506
Others										(9,004)
Net liabilities for incurred claims										<u>529,707</u>

	Estimates of the present value of future cash flows	Risk adjustment	Total
	RM'000	RM'000	RM'000
<u>Audited</u>			
Gross liabilities for incurred claims	649,112	66,586	715,698
Amounts recoverable from reinsurers	(168,911)	(17,080)	(185,991)
Total net liabilities for incurred claims	<u>480,201</u>	<u>49,506</u>	<u>529,707</u>

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**Net estimated liabilities for incurred claims for the financial period ended 30 June 2025Audited

<u>Accident year</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At end of accident year	397,779	367,657	296,144	234,253	242,318	259,652	270,667	165,393
One year later	358,130	341,927	242,335	202,837	222,780	244,931	255,230	
Two years later	360,108	338,646	234,213	197,770	215,840	246,793		
Three years later	357,182	336,075	230,659	190,173	214,298			
Four years later	360,668	332,033	224,785	189,482				
Five years later	358,967	333,122	223,458					
Six years later	354,519	330,545						
Seven years later	352,729							
Current estimate of cumulative claims incurred	352,729	330,545	223,458	189,482	214,298	246,793	255,230	165,393
At end of accident year	(156,711)	(133,173)	(89,744)	(67,188)	(76,210)	(81,796)	(83,699)	(25,679)
One year later	(271,821)	(237,288)	(155,854)	(140,626)	(136,553)	(149,057)	(127,276)	
Two years later	(302,030)	(271,855)	(176,116)	(143,021)	(156,230)	(159,992)		
Three years later	(314,009)	(289,242)	(186,542)	(152,662)	(161,956)			
Four years later	(326,116)	(296,940)	(195,224)	(158,428)				
Five years later	(334,928)	(300,477)	(197,882)					
Six years later	(339,473)	(301,809)						
Seven years later	(344,022)							
Cumulative payments to-date	(344,022)	(301,809)	(197,882)	(158,428)	(161,956)	(159,992)	(127,276)	(25,679)

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****1 Insurance Risk (continued)****1.5 Claims development table (continued)**

Net estimated liabilities for incurred claims for the financial period ended 30 June 2025 (continued)

<u>Audited</u> <u>Accident year</u>	<u>Prior years</u> RM'000	<u>2018</u> RM'000	<u>2019</u> RM'000	<u>2020</u> RM'000	<u>2021</u> RM'000	<u>2022</u> RM'000	<u>2023</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>Total</u> RM'000
Net undiscounted liabilities for incurred claims	7,627	8,707	28,736	25,576	31,054	52,342	86,801	127,954	139,714	508,511
Effect of discounting	(216)	(207)	(685)	(956)	(1,564)	(2,316)	(3,961)	(5,861)	(6,454)	(22,220)
Net discounted liabilities for incurred claims	7,411	8,500	28,051	24,620	29,490	50,026	82,840	122,093	133,260	486,291
Claims handling expenses										46,846
Non-performance risk of reinsurers										24
Risk adjustment										53,611
Others										(3,444)
Net liabilities for incurred claims										<u>583,328</u>

<u>Audited</u>	<u>Estimates of the present value of future cash flows</u> RM'000	<u>Risk adjustment</u> RM'000	<u>Total</u> RM'000
Gross liabilities for incurred claims	722,494	74,144	796,638
Amounts recoverable from reinsurers	(192,777)	(20,533)	(213,310)
Total net liabilities for incurred claims	<u>529,717</u>	<u>53,611</u>	<u>583,328</u>

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk**

The Board recognises the Company's exposure to business, economic and financial risks and the need to develop and implement measures to mitigate the risks identified as having potentially adverse impact on the Company's operations and impairment of its financial strength. The Board has assumed the primary responsibility of developing and implementing the Company's risk management program by evaluating, managing and monitoring the principal risks.

2.1 Credit Risk

Credit risk is the risk of financial loss resulting from a failure of a debtor to honour its obligations to the Company.

The Company manages its credit risk in respect of receivables by establishing defined tolerance on credit period, putting in place collection procedures and rigorously monitoring its credit portfolio.

In terms of exposures to debt securities, the Company maintains a diversified portfolio of investments in government guaranteed and minimum A-rated financial instruments at the time of purchase issued by companies with strong credit ratings.

The Company monitors credit risk associated with reinsurance by following the counterparties' limits set and reviewed periodically by the Malaysian Reinsurance Committee ("MRC"). When selecting its reinsurers, the Company considers their relative financial security. The security of the reinsurer is assessed based on external rating information and annual reports. The Company also ensures that its reinsurers are financially resilient to fulfil the contractual obligations in a timely manner. The reinsurers are required to maintain a minimum financial strength rating and are assessed annually. To reduce credit risk, The Company limits the proportion of exposure to reinsurers with lower ratings in relation to the overall reinsurance exposure. The Company's reinsurance program is also approved by the Board, taking into consideration the recommendations of the MRC.

Credit exposure

The table below shows the maximum exposure to credit risk for the components in the statement of financial position.

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Debt instruments at FVTPL	1,299,505	1,483,451	1,458,922	1,511,987
Insurance contract assets	-	13	19	9
Reinsurance contract assets – amounts recoverable from reinsurers	286,978	233,486	185,991	213,310
Other receivables *	48,923	46,114	44,643	48,971
Cash and cash equivalents	344,978	235,548	287,950	163,329
	<u>1,980,384</u>	<u>1,998,612</u>	<u>1,977,525</u>	<u>1,937,606</u>

* Excluding prepayments which are not subject to credit risk.

All the financial assets above are neither past due nor impaired.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.1 Credit Risk (continued)****Credit exposure by credit rating**

The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the Standard & Poor's Financial Services LLC's ("S&P"), Rating Agency of Malaysia's ("RAM") or Malaysian Rating Corporation Berhad's ("MARC") credit rating of counterparties. AAA is the highest possible rating.

	Government <u>Guaranteed</u> RM'000	<u>AAA</u> RM'000	<u>AA</u> RM'000	<u>A</u> RM'000	<u>BBB</u> RM'000	Not <u>Rated</u> RM'000	<u>Total</u> RM'000
<u>31.12.2022</u>							
<u>(Audited)</u>							
Investments	747,908	312,107	239,490	-	-	-	1,299,505
Insurance							
contract assets	-	-	-	-	-	-	-
Reinsurance							
contract assets -							
amount							
recoverable							
from reinsurers	-	-	19,604	265,527	13	1,834	286,978
Other receivables	-	-	-	-	-	48,923	48,923
Cash and cash							
equivalents	-	258,140	7,764	78,740	315	19	344,978
	747,908	570,247	266,858	344,267	328	50,776	1,980,384
<u>31.12.2023</u>							
<u>(Audited)</u>							
Investments	956,526	313,335	213,590	-	-	-	1,483,451
Insurance							
contract assets	-	-	-	-	-	13	13
Reinsurance							
contract assets -							
amount							
recoverable							
from reinsurers	-	-	179,397	54,455	181	(547)	233,486
Other receivables	-	-	-	-	-	46,114	46,114
Cash and cash							
equivalents	-	184,633	4,262	46,380	254	19	235,548
	956,526	497,968	397,249	100,835	435	45,599	1,998,612

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.1 Credit Risk (continued)**Credit exposure by credit rating

	Government Guaranteed RM'000	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Not Rated RM'000	Total RM'000
<u>31.12.2024</u> <u>(Audited)</u>							
Investments	899,439	335,248	224,235	-	-	-	1,458,922
Insurance contract assets	-	-	-	-	-	19	19
Reinsurance contract assets - amount recoverable from reinsurers	-	-	141,843	43,957	124	67	185,991
Other receivables	-	-	-	-	-	44,643	44,643
Cash and cash equivalents	-	217,268	4,032	66,485	147	18	287,950
	899,439	552,516	370,110	110,442	271	44,747	1,977,525
<u>30.06.2025</u> <u>(Audited)</u>							
Investments	938,146	302,418	266,370	5,053	-	-	1,511,987
Insurance contract assets	-	-	-	-	-	9	9
Reinsurance contract assets - amount recoverable from reinsurers	-	-	169,027	44,137	165	(19)	213,310
Other receivables	-	-	-	-	-	48,971	48,971
Cash and cash equivalents	-	138,088	4,100	21,072	51	18	163,329
	938,146	440,506	439,497	70,262	216	48,979	1,937,606

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.1 Credit Risk (continued)****Expected credit loss**

As at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, the Company has assessed the possible default events of the lifetime ECL for other receivables and cash and cash equivalents. The probability of default is deemed low based on the economic scenarios.

2.2 Liquidity risk

Liquidity risk arises when the Company does not have the availability of funds to honour all cash outflow commitments as they fall due.

The Company's principal liquidity objective is to ensure that funds are available to meet its insurance and reinsurance obligations. Management utilises monthly cash flow reporting and forecasting to identify known, expected and potential cash outflows to determine an appropriate operating liquidity to cover expected and potential payments.

Maturity profiles

The table in the following page summarises the maturity profile of portfolios of insurance contracts issued that are liabilities with portfolios of reinsurance contracts held that are assets and liabilities of the Company based on the remaining contractual undiscounted net cash flows expected to be paid out in the periods presented.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)**(e) Major Risks (continued)2 Financial Risk (continued)2.2 Liquidity Risk (continued)Maturity profiles

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>31 December 2022 (Audited)</u>									
<u>Reinsurance contracts assets</u>									
Accident and Health	4,892	5,293	3,290	1,262	346	101	8	-	10,300
Property and Casualty	270,682	158,327	50,060	33,020	18,795	10,591	15,727	-	286,520
Motor	11,404	15,524	2,638	1,260	503	190	85	-	20,200
Total	286,978	179,144	55,988	35,542	19,644	10,882	15,820	-	317,020
<u>Insurance contract liabilities</u>									
Accident and Health	44,505	33,868	8,057	2,602	962	315	156	-	45,960
Property and Casualty	480,134	274,995	81,419	55,388	35,504	21,475	43,147	-	511,928
Motor	210,691	119,612	56,463	26,553	10,555	4,598	2,362	-	220,143
Total	735,330	428,475	145,939	84,543	47,021	26,388	45,665	-	778,031

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)**(e) Major Risks (continued)2 Financial Risk (continued)2.2 Liquidity Risk (continued)Maturity profiles (continued)

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>31 December 2023 (Audited)</u>									
<u>Reinsurance contracts assets</u>									
Accident and Health	6,104	4,840	1,328	327	155	7	15	-	6,672
Property and Casualty	216,800	124,046	42,096	19,830	17,488	10,799	15,233	-	229,492
Motor	10,582	10,140	2,517	1,212	470	210	123	-	14,672
Total	233,486	139,026	45,941	21,369	18,113	11,016	15,371	-	250,836
<u>Insurance contract liabilities</u>									
Accident and Health	55,173	41,260	10,515	2,870	1,377	466	261	-	56,749
Property and Casualty	458,704	260,465	81,976	42,998	32,983	22,888	46,106	-	487,416
Motor	215,154	122,845	56,775	26,665	10,731	4,590	2,402	-	224,008
Total	729,031	424,570	149,266	72,533	45,091	27,944	48,769	-	768,173

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)

2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)

(e) Major Risks (continued)2 Financial Risk (continued)2.2 Liquidity Risk (continued)Maturity profiles (continued)

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>31 December 2024 (Audited)</u>									
<u>Reinsurance contracts assets</u>									
Accident and Health	5,621	4,357	1,353	500	291	65	25	-	6,591
Property and Casualty	157,211	111,146	26,960	7,331	12,124	2,606	3,065	-	163,232
Motor	23,159	31,659	2,984	1,433	604	310	122	-	37,112
Total	185,991	147,162	31,297	9,264	13,019	2,981	3,212	-	206,935
<u>Insurance contract liabilities</u>									
Accident and Health	67,445	51,118	10,929	4,010	2,062	856	360	-	69,335
Property and Casualty	394,983	244,781	81,510	33,898	27,680	10,102	14,116	-	412,087
Motor	253,270	150,664	64,233	28,949	11,691	5,429	2,710	-	263,676
Total	715,698	446,563	156,672	66,857	41,433	16,387	17,186	-	745,098

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)**(e) Major Risks (continued)2 Financial Risk (continued)2.2 Liquidity Risk (continued)Maturity profiles (continued)

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>30 June 2025 (Audited)</u>									
<u>Reinsurance contracts assets</u>									
Accident and Health	6,899	5,056	1,482	362	359	258	147	-	7,664
Property and Casualty	183,818	107,987	46,571	23,545	12,895	4,013	(160)	-	194,851
Motor	22,593	17,112	3,109	1,324	842	259	132	-	22,778
Total	213,310	130,155	51,162	25,231	14,096	4,530	119	-	225,293
<u>Insurance contract liabilities</u>									
Accident and Health	77,085	57,550	14,177	4,316	2,042	835	446	-	79,366
Property and Casualty	447,802	243,814	108,779	59,451	29,874	13,026	14,683	-	469,627
Motor	271,751	155,783	69,669	31,973	15,584	6,435	3,569	-	283,013
Total	796,638	457,147	192,625	95,740	47,500	20,296	18,698	-	832,006

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.2 Liquidity Risk (continued)****Maturity profiles (continued)**

The following table summarises the expected settlement of lease liabilities and financial liabilities that do not relate to insurance operations based on the remaining undiscounted cash flows, including interest receivable.

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>31 December 2022</u>									
<u>(Audited)</u>									
<u>Assets</u>									
Investments	1,299,880	339,568	222,406	144,029	223,442	215,018	334,289	375	1,479,127
Other receivables	48,923	48,271	-	-	-	-	-	652	48,923
Cash and cash equivalents	344,978	345,339	-	-	-	-	-	-	345,339
Total	1,693,781	733,178	222,406	144,029	223,442	215,018	334,289	1,027	1,873,389
<u>Liabilities</u>									
Lease liabilities	1,758	985	513	293	54	35	-	-	1,880
Other payables	151,324	133,298	9,728	5,679	1,824	1,049	267	-	151,845
Total	153,082	134,283	10,241	5,972	1,878	1,084	267	-	153,725

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.2 Liquidity Risk (continued)****Maturity profiles (continued)**

The following table summarises the expected settlement of lease liabilities and financial liabilities that do not relate to insurance operations based on the remaining undiscounted cash flows, including interest receivable. (continued)

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
31 December 2023									
(Audited)									
Assets									
Investments	1,483,826	322,996	90,603	416,931	190,491	191,153	484,227	375	1,696,776
Other receivables	46,114	45,465	-	-	-	-	-	649	46,114
Cash and cash equivalents	235,548	235,665	-	-	-	-	-	-	235,665
Total	1,765,488	604,126	90,603	416,931	190,491	191,153	484,227	1,024	1,978,555
Liabilities									
Lease liabilities	1,947	1,068	771	132	39	4	-	-	2,014
Other payables	134,915	119,160	8,924	4,458	2,198	633	190	-	135,563
Total	136,862	120,228	9,695	4,590	2,237	637	190	-	137,577

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)**(e) Major Risks (continued)2 Financial Risk (continued)2.2 Liquidity Risk (continued)Maturity profiles (continued)

The following table summarises the expected settlement of lease liabilities and financial liabilities that do not relate to insurance operations based on the remaining undiscounted cash flows, including interest receivable. (continued)

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>31 December 2024</u>									
<u>(Audited)</u>									
<u>Assets</u>									
Investments	1,459,297	343,735	245,492	172,582	190,153	114,930	589,645	375	1,656,912
Other receivables	44,643	44,023	-	-	-	-	-	620	44,643
Cash and cash equivalents	287,950	288,130	-	-	-	-	-	-	288,130
Total	1,791,890	675,888	245,492	172,582	190,153	114,930	589,645	995	1,989,685
<u>Liabilities</u>									
Lease liabilities	1,296	941	235	90	29	9	-	-	1,304
Other payables	317,971	300,766	9,386	4,164	2,235	435	1,685	-	318,671
Total	319,267	301,707	9,621	4,254	2,264	444	1,685	-	319,975

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.2 Liquidity Risk (continued)****Maturity profiles (continued)**

The following table summarises the expected settlement of lease liabilities and financial liabilities that do not relate to insurance operations based on the remaining undiscounted cash flows, including interest receivable. (continued)

	Carrying value RM'000	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	No maturity RM'000	Total RM'000
<u>30 June 2025 (Audited)</u>									
<u>Assets</u>									
Investments	1,512,362	345,230	225,063	192,201	258,750	668,600	-	375	1,690,219
Other receivables	48,971	47,739	-	-	-	-	-	1,232	48,971
Cash and cash equivalents	163,329	163,566	-	-	-	-	-	-	163,566
Total	1,724,662	556,535	225,063	192,201	258,750	668,600	-	1,607	1,902,756
<u>Liabilities</u>									
Lease liabilities	1,197	349	134	41	-	-	-	-	524
Other payables	148,358	126,133	12,474	5,106	2,991	1,819	667	-	149,190
Total	149,555	126,482	12,608	5,147	2,991	1,819	667	-	149,714

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.3 Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument, insurance contract issued or reinsurance contract held will fluctuate because of changes in market prices. Market risk comprises of three types of risk, namely foreign exchange rates (foreign currency risk), market interest rates (interest rate risk) and market prices (equity price risk).

2.3.1 Foreign Currency Risk

Foreign currency risk is the exposure of a company's financial strength to the potential impact of movements in foreign exchange rates. The risk is that adverse fluctuations in exchange rates may result in a reduction in measures of financial strength.

The Company transacts in minimal selected currencies and monitors corresponding assets and liabilities created at transaction level to ensure optimal currency positions.

The Company's primary transactions are carried out in Ringgit Malaysia ("RM"). Its exposure to foreign currency risk is minimum and mainly arises principally with respect to United State Dollar ("USD"), Australian Dollar ("AUD"), New Zealand Dollar ("NZD"), Singapore Dollar ("SGD") and New Taiwan Dollar ("TWD").

As the Company's business is conducted primarily in Malaysia, the Company's financial assets are also primarily maintained in Malaysia, and hence, primarily denominated in the local currency as is its insurance contract liabilities.

The Company does not engage in derivative transactions for speculative purposes. Where deemed necessary in line with the Company's risk management policy, the Company enters into derivative transactions solely for hedging purposes.

As the Company's main foreign currency risk from recognised assets and liabilities arises from reinsurance contracts for which the balances are expected to be settled and realised in less than a year, the impact arising from sensitivity in foreign exchange rates is deemed minimal as the Company has no significant concentration of foreign currency risk.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.3 Market Risk (continued)****2.3.2 Interest Rate Risk**

Interest rate risk refers to the effect of interest rate changes on the market value of a fixed income portfolio. When interest rates (yields) of fixed income securities increase, their prices will decrease, and vice versa. Fixed income securities with longer maturity and lower coupon rates are usually more sensitive to interest rate changes.

The Company is exposed to interest rate risk through its investments in fixed income securities and money market placements with the financial institutions. These investments are managed internally, aided by an appointed investment advisor which is a licensed fund manager. Interest rate risk is managed via management and monitoring of the portfolio duration with active support from the investment advisor.

The Company manages interest rate risk primarily by matching the timing of cash flows from its fixed income portfolio with the timing of cash flows from insurance and reinsurance contracts. Interest rate risk is monitored by calculating the mean duration of the investment portfolio and the insurance contracts. The mean duration is an indicator of the sensitivity of the assets and liabilities to changes in interest rates. The mean duration of insurance liabilities and assets are determined by means of projecting expected cash flows from the contracts. Any gap between the mean duration of the assets and the mean duration of the liabilities is minimised by means of buying and selling fixed-interest portfolio of different durations. The Company will always ensure the assets are consistently aligned with its liabilities with respect to effective duration.

The sensitivity analysis below illustrates impact of 100 basis points ("bps") increase or decrease in interest rate to investment value based on portfolio holdings as of 30 June 2025, holding other variables constant. Note that the sensitivity analysis assumes the following:

- 1) Money market rates are adjusted to the same quantum of any change in interest rate movement. This refers to money market placements with financial institutions.
- 2) Parallel shift in yields in the same quantum of any change in interest rate movement. This refers to investment in fixed income securities.

		<u>30 June 2025</u>		<u>30 June 2024</u>	
		<u>Audited</u>		<u>Unaudited</u>	
	<u>Variable charges</u>	Impact on profit after tax RM'000	Impact on equity RM'000	Impact on profit after tax RM'000	Impact on equity RM'000
Interest rate	+100 basis points	(34,582)	(34,582)	(32,149)	(32,149)
Interest rate	-100 basis points	34,582	34,582	32,149	32,149

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****2 Financial Risk (continued)****2.3 Market Risk (continued)****2.3.2 Interest Rate Risk (continued)**

		<u>31 December 2024</u>		<u>31 December 2023</u>		<u>31 December 2022</u>	
		Impact	Audited	Impact	Audited	Impact	Audited
		on profit	on	on profit	on	on profit	on
		after tax	equity	after tax	equity	after tax	equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Variable	charges						
Interest rate	+100 basis points	(32,060)	(32,060)	(33,602)	(33,602)	(24,448)	(24,448)
Interest rate	-100 basis points	32,060	32,060	33,602	33,602	24,448	24,448

2.3.3 Equity Price Risk

Equity price risk refers to risk of changes in the value of an equity security. Securities may increase or decline in value due to various factors affecting equity market. Generally, it can be affected by industry-wide factors, or reasons specific to the company or its securities, such as management performance and financial positions. Price risk can be mitigated through diversification in general.

The Company is exposed to equity price risk arising from investment held by the Company and classified in the statement of financial position as investment in FVTPL that mainly consists of unquoted equities amounting to RM375,000 (2024: RM375,000).

As the Company's portfolio of investments in unquoted equities is insignificant, the impact arising from sensitivity in equity price risk is deemed minimal. There are no insurance or reinsurance contracts that are exposed to price risk.

3 Operational Risk

Operational risk is the risk of loss arising from system failure, human errors, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss.

The Company cannot expect to eliminate all operational risks but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access control, authorisation and reconciliation procedures, staff training and evaluation procedures, including the use of Internal Audit.

Business risks, such as, changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.25 RISK MANAGEMENT FRAMEWORK (CONTINUED)****(e) Major Risks (continued)****Capital structure**

The capital structure of the Company as prescribed under the RBC Framework is provided below:

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Eligible Tier 1 Capital:				
Share capital	100,000	100,000	100,000	100,000
Retained earnings	873,237	894,862	700,416	734,198
	<u>973,237</u>	<u>994,862</u>	<u>800,416</u>	<u>834,198</u>
Tier 2 Capital:				
AFS reserve	(21,547)	-	-	-
Eligible reserves	7,982	6,275	5,682	6,399
Amount deducted from capital	<u>(34,311)</u>	<u>(29,131)</u>	<u>(34,715)</u>	<u>(36,692)</u>
	<u>(47,876)</u>	<u>(22,856)</u>	<u>(29,033)</u>	<u>(30,293)</u>
Total capital available	<u>925,361</u>	<u>972,006</u>	<u>771,383</u>	<u>803,905</u>

These are based on statistical returns for financial year/period ended 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, including the estimation of insurance contract liabilities based on the valuation methods specified in Part D of the RBC Framework in accordance with the provisions of the FSA 2013 and the accounting policies prescribed in the notes to the statistical returns. The accounting policies prescribed in the notes to the statistical returns are the accounting policies adopted in the historical financial information of the Company for the financial year/period then ended prepared in accordance with the MFRS, as modified by the BNM pursuant to Section 65 of the FSA 2013.

2.26 CONTINGENT LIABILITY

The Malaysia Competition Commission ("MyCC") had issued Notice of Finding of an Infringement under Section 40 of the Competition Act 2010 in September 2020. MyCC has determined that the Company, together with Persatuan Insurans Am Malaysia ("PIAM") and the other 21 other insurers, had infringed the prohibitions in Section 4 of the Competition Act in that the parties had entered into an agreement to fix the price of parts trade discount and labour rates for PIAM Approved Repairers Scheme ("PARS") workshops.

In MyCC's Final Decision, it imposed a financial penalty of RM4,218,671 on the Company in 2020. This Final Decision was set aside by the Competition Appeal Tribunal (the "Tribunal") on 2 September 2022.

MyCC filed an application to seek leave to commence judicial review proceedings in the High Court to review the decision of the Tribunal, and this was dismissed by the High Court with cost of RM10,000 to be paid to the Company on 16 January 2024. However, MyCC has, on 15 February 2024, filed an appeal against the dismissal of the leave application to the Court of Appeal. The hearing at the Court of Appeal which was initially fixed for 22 May 2025 has been rescheduled to 30 April 2026.

Saved as disclosed above, the Company does not have any other contingent assets and liabilities as at 30 June 2025.

13. ACCOUNTANTS' REPORT (Cont'd)

CHUBB INSURANCE MALAYSIA BERHAD
(Incorporated in Malaysia)
Registration No. 197001000564 (9827-A)

2 NOTES TO THE HISTORICAL FINANCIAL INFORMATION (CONTINUED)**2.27 CAPITAL COMMITMENTS**

	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2024</u>	<u>As at</u> <u>30.06.2025</u>
	Audited	Audited	Audited	Audited
	RM'000	RM'000	RM'000	RM'000
Authorised but not contracted for:				
- Office renovation	-	-	-	976

2.28 SUBSEQUENT EVENT TO THE FINANCIAL PERIOD

The Company is currently in the midst of its application for the proposed listing of and quotation for the entire enlarged share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("the Proposed Listing").

In connection with the Proposed Listing, the Company plans to undertake a share subdivision which is subject to the Board of Directors' approval after the approval of the SC on the Company's application in relation to the Proposed Listing has been obtained.

As of the date of this report, the Company has yet to obtain the approval from Bursa Malaysia Securities Berhad and SC on the Company's Proposed Listing.

2.29 APPROVAL FOR HISTORICAL FINANCIAL INFORMATION

The historical financial information was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 October 2025.

13. ACCOUNTANTS' REPORT (Cont'd)**CHUBB INSURANCE MALAYSIA BERHAD**

(Incorporated in Malaysia)

Registration No. 197001000564 (9827-A)

STATEMENT BY DIRECTORS

We, Dato' Mohzani Bin Abdul Wahab and Cheryl Khor Hui Peng, the Directors of Chubb Insurance Malaysia Berhad ("the Company"), state that, in the opinion of the Directors, the historical financial information set out on pages 2 to 150 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2022, 31 December 2023 and 31 December 2024 and the Company's financial performance and cash flows for each of the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the Prospectus Guidelines issued by the Securities Commission Malaysia ("SC") and of the financial position of the Company as at 30 June 2025 and of its financial performance and cash flows for the 6 months financial period ended 30 June 2025 in accordance with MFRS 134 "Interim Financial Reporting", International Accounting Standard 34 "Interim Financial Reporting" and the Prospectus Guidelines issued by the SC for the purposes of inclusion in the prospectus approved by the Board of Directors of the Company in connection with the initial public offering ("IPO") of the ordinary shares in the Company and the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad ("the Listing").

Signed on behalf of the Board of Directors in accordance with their resolution dated 30 October 2025.



DATO' MOHZANI BIN ABDUL WAHAB
DIRECTOR



CHERYL KHOR HUI PENG
DIRECTOR

Kuala Lumpur

13. ACCOUNTANTS' REPORT (Cont'd)



The Board of Directors
Chubb Insurance Malaysia Berhad
Wisma Chubb
38 Jalan Sultan Ismail
50250 Kuala Lumpur

30 October 2025

PwC/FS/CHUBB/AW/WHN/KCG/2025/006Vl00000fqGSUIA2/01

Dear Sirs,

Reporting Accountants' Opinion on the Historical Financial Information contained in the Accountants' Report of Chubb Insurance Malaysia Berhad

Our Opinion

We have audited the accompanying historical financial information of Chubb Malaysia Insurance Berhad ("the Company") which comprise the statements of financial position as at 31 December 2022, 31 December 2023, 31 December 2024 and 30 June 2025, and the statements comprehensive income, statements of changes in equity and statements of cash flows for the financial years ended 31 December 2022, 2023 and 2024, and for the financial period ended 30 June 2025, and notes to the financial information, including a summary of material accounting policy information (together, the "Historical Financial Information"), as set out on pages 2 to 150. The Historical Financial Information have been prepared by the directors of the Company for inclusion in the Company's prospectus for purposes of submission to the Securities Commission Malaysia ("SC") in connection with the initial public offering ("IPO") of the ordinary shares in the Company in conjunction with the listing of and quotation for the entire issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad (the "Listing").

In our opinion, the accompanying Historical Financial Information gives a true and fair view of the financial position of the Company as at 31 December 2022, 31 December 2023 and 31 December 2024, and of its financial performance and cash flows for each of the financial years ended 31 December 2022, 2023 and 2024 in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS") and of the financial position of the Company as at 30 June 2025 and of its financial performance and cash flows for the financial period ended 30 June 2025 in accordance with Malaysian Financial Reporting Standard 134 "Interim Financial Reporting" ("MFRS 134") and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

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.my

13. ACCOUNTANTS' REPORT (Cont'd)

**The Board of Directors
Chubb Insurance Malaysia Berhad
PwC/FS/CHUBB/AW/WHN/KCG/2025/006Vl0000ofqGSUIA2/01
30 October 2025**

Reporting Accountants' Opinion on the Historical Financial Information contained in the Accountants' Report of Chubb Insurance Malaysia Berhad (continued)

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 *“Reporting Accountants' Responsibilities for the Audit of the Historical Financial Information”* section of our opinion. 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 Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants’ (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Directors' Responsibilities for the Historical Financial Information

The directors of the Company (the “Directors”) are responsible for the preparation of the financial information for the financial years ended 31 December 2022, 2023 and 2024 that gives a true and fair view in accordance with MFRS and IFRS and in accordance with the Prospectus Guidelines issued by SC (“the Prospectus Guidelines”) and for the preparation of the financial information for the financial period ended 30 June 2025 that gives a true and fair view in accordance with MFRS 134 and IAS 34 and the Prospectus Guidelines. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Financial Information 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.

13. ACCOUNTANTS' REPORT (Cont'd)

**The Board of Directors
Chubb Insurance Malaysia Berhad
PwC/FS/CHUBB/AW/WHN/KCG/2025/006Vl0000ofqGSUIA2/01
30 October 2025**

Reporting Accountants' Opinion on the Historical Financial Information contained in the Accountants' Report of Chubb Insurance Malaysia Berhad (continued)

Reporting Accountants' Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the Historical Financial Information of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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 Historical Financial Information.

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:

- Identify and assess the risks of material misstatement of the Historical Financial Information 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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 opinion to the related disclosures in the Historical Financial Information 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 opinion. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Historical Financial Information of the Company, including the disclosures, and whether the Historical Financial Information represent the underlying transactions and events in a manner that achieves fair presentation.

13. ACCOUNTANTS' REPORT (Cont'd)

**The Board of Directors
Chubb Insurance Malaysia Berhad
PwC/FS/CHUBB/AW/WHN/KCG/2025/006Vl0000ofqGSUIA2/01
30 October 2025**

Reporting Accountants' Opinion on the Historical Financial Information contained in the Accountants' Report of Chubb Insurance Malaysia Berhad (continued)

Reporting Accountants' Responsibilities for the Audit of the Financial Information (continued)

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

The comparative information for the statement of comprehensive income, statement of changes in equity and statement of cash flows and related explanatory notes for the financial period ended 30 June 2024 has not been audited.

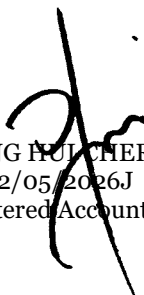
Restriction on Distribution and Use

This opinion is issued for the sole purpose of submission to the Securities Commission Malaysia in connection with the IPO and Listing and should not be used or relied upon for any other purpose. Accordingly, we will not accept any liability or responsibility to any other party to whom our opinion is shown or into whose hands it may come.

Yours faithfully,


PRICWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur


WONG HUI CHERN
03252/05/2026J
Chartered Accountant

14. ADDITIONAL INFORMATION**14.1 SHARE CAPITAL**

- (i) Save as disclosed in this Prospectus, no securities will be allotted or issued on the basis of this Prospectus later than six months after the date of issue of this Prospectus.
- (ii) As at the LPD, we have only one class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iii) Our Company has not issued or proposed to issue any shares, stocks or debentures as fully or partly paid-up in cash or otherwise, within the Financial Years and Period Under Review and up to the LPD.
- (iv) As at the date of this Prospectus, save for the Offer Shares reserved for subscription by the Eligible Persons as disclosed in Section 4.2.3(i) of this Prospectus, there is currently no other scheme involving our employees and Directors in the share capital of our Company.
- (v) As at the date of this Prospectus, we do not have any outstanding warrants, options, convertible securities or uncalled capital.
- (vi) Save as disclosed in Sections 2.2 and 12.4 of this Prospectus, and save as provided for under our Constitution as reproduced in Section 14.2 below and the Act, there are no other restrictions upon the holding or voting or transfer of our Shares or the interests in our Company or upon the declaration or payment of any dividend or distribution thereon.

14.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are extracted from our Constitution and are qualified in its entirety by reference to our Constitution and by applicable law. The words, terms and expressions appearing in the following provisions shall bear the same meanings used in our Constitution unless they are otherwise defined or the context otherwise requires.

Words	Meaning
“Act”	means the Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.
“Allottee”	means a person whose application for the Company's unissued Shares has been accepted by the Company and notice of allotment has been duly sent to him.
“Applicable Laws”	means all laws, by-laws, regulations, rules, orders and/or official directives for the time being in force affecting the Company, including but not limited to the Act, the Securities Laws, the FSA 2013, the Listing Requirements and every other law for the time being in force concerning companies and affecting the Company and any other directives or requirements imposed on the Company by the relevant regulatory bodies and/or authorities.
“Board”	means the Board of Directors of the Company and where the context permits or requires, shall mean the Directors whose number is not less than the required quorum acting as a Board of Directors.

14. ADDITIONAL INFORMATION (Cont'd)

Words	Meaning
“Bursa Depository”	means Bursa Malaysia Depository Sdn Bhd including any further change of name, or its successor in title or any entity that owns or operates the central depository system of the Exchange.
“Central Depositories Act”	means the Securities Industry (Central Depositories) Act 1991, and any statutory modification, amendment or re-enactment thereof for the time being in force.
“Chairman”	means the Chairman of the Board.
“CMSA”	means the Capital Markets and Services Act 2007, and any statutory modification, amendment or re-enactment thereof for the time being in force.
“Company”	means Chubb Insurance Malaysia Berhad or such other name which may be adopted from time to time.
“Constitution”	means the constitution of the Company as originally framed or as altered from time to time by Special Resolution.
“Deposited Security”	means a security in the Company standing to the credit of a Securities Account of a Depositor and includes securities in the Securities Account that is in suspense subject to the provisions of the Central Depositories Act and the Rules.
“Directors”	means the members of the Board of Directors of the Company as defined in Section 2(1) of the CMSA.
“Exchange”	means Bursa Malaysia Securities Berhad or such other name as it may assume from time to time and its successors-in-title and permitted assigns and/or any other Exchange on which the Securities of the Company are listed.
“FSA 2013”	means the Financial Services Act 2013 and any statutory modification or amendment thereto or re-enactment thereof.
“General Meeting”	means a general meeting and/or an extraordinary general meeting, as the context shall require.
“Listing Requirements”	means the Main Market Listing Requirements of the Exchange, including the practice notes, directives, circulars, and appendices that may be issued thereunder and any modifications or amendments thereto that may be made from time to time.
“Market Day”	means a day on which the stock market of the Exchange is open for trading in securities, which may include a Surprise Holiday.
“Member(s)” or “holder of shares”	means, unless otherwise expressed to the contrary, any person(s) holding one or more shares in the Company and whose name(s) appears in the Register and/or Record of Depositors and includes a Depositor who shall be treated as if he were a member pursuant to Section 35 of the Central Depositories Act but excludes the Bursa Depository in its capacity as a bare trustee member.

14. ADDITIONAL INFORMATION (Cont'd)

Words	Meaning
“Ordinary Resolution”	has the meaning assigned thereto by Section 291 of the Act.
“Register”	means the register of members to be kept pursuant to the Act and unless otherwise expressed to the contrary, includes the Record of Depositors.
“Rules”	means the Rules of the Bursa Depository as defined under the Central Depositories Act and any appendices thereto, as amended, modified and supplemented from time to time.
“Securities Laws”	means the Securities Commission Malaysia Act 1993, the CMSA, the Central Depositories Act, the Rules and any other legislation which the Securities Commission Malaysia is empowered to administer or enforce, and any other regulations, rules, orders, notifications or other subsidiary legislation made thereunder.
“Security(ies)”	Security(ies) as defined in Section 2(1) of the CMSA.
“Share(s)”	Issued shares of the Company and includes stock except where a distinction between stock and shares is expressed or implied.
“Special Resolution”	has the meaning assigned thereto by Section 292 of the Act.
“Surprise Holiday”	means a day that is declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the Year.
“Year”	means calendar year.

14.2.1 Remuneration of Directors

The provisions in our Constitution dealing in respect of the remuneration of our Directors are as follows:

Clause 111

“The fees and any benefits payable to the Directors of the Company including any compensation for loss of employment of a Director or a former Director shall be approved by an Ordinary Resolution of the Company in a General Meeting annually and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine, provided always that:-

- (a) Fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover and which shall not exceed the amount approved by Members in General Meeting;
- (b) Remuneration and other emoluments (including salary, bonus, benefits or any other elements) payable to executive Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in General Meeting but such salaries and emoluments may not include a commission on or percentage of turnover. Nothing herein shall prejudice the powers of the Directors to appoint any of their Members to be the employee or agent of the Company at such remuneration and upon such terms as they think fit provided that such remuneration shall not include commission on or percentage of turnover;

14. ADDITIONAL INFORMATION (Cont'd)

- (c) Fees of Directors and any benefits payable to Directors shall be subject to annual shareholders' approval at a General Meeting;
- (d) Any fee paid to an alternate Director shall be agreed between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- (e) The monetary fees and/or benefits payable to non-executive Directors of the Company, including those who are also Director of the subsidiaries includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company provided by the Company and subsidiaries, but does not include insurance premium or any issue of securities."

Clause 112

- "(1) The Directors shall be paid or reimbursed for all their travel, hotel and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending meetings of the Directors or any committee of the Directors or General Meetings or otherwise in the course of the performance of their duties as Directors.
- (2) If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board provided that in the case of non-executive Directors, the said remuneration shall not include a commission on or percentage of profits or turnover. In the case of an executive Director, such fee may be either in addition to or in substitution for his share in the fee from time to time provided for the Directors."

14.2.2 Voting and borrowing powers of Directors

The provisions in our Constitution in respect of the voting and borrowing powers of Directors, including voting powers on contracts or arrangements in which they are interested in are as follows:

Clause 116

"The Board may exercise all the powers of the Company to borrow money, raise funds, accept credit facilities and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of the Company or subsidiary company or associate company or any related third party subject to the Applicable Laws, including but not limited to the provisions of the Act and the Listing Requirements, as they may think fit."

Clause 136

"Subject to this Constitution, any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Board. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue. A Director present at a meeting of the Directors is presumed to have agreed to, and to have voted in favour of, a resolution of the Directors unless he expressly dissents from or votes to object against the resolution at the meeting."

14. ADDITIONAL INFORMATION (Cont'd)

Clause 140

"A Director shall not participate in any discussion or vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest (and if he shall do so his vote shall not be counted)."

Clause 142

"A Director may vote in respect of:-

- (a) Any arrangement for giving the Director himself or any other Directors any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; and
- (b) Any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part, under a guarantee or indemnity or by the deposit of a security."

14.2.3 Alteration of capital

The provisions in our Constitution in respect of the changes in capital and variation of class rights, which are no less stringent than those required by law are as follows:

Clause 6

"The liability of the Members is limited to the amount, if any, unpaid on Shares held by the Members of the Company."

Clause 8

"The capital of the Company is its issued share capital. The Shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividends, capital, voting or otherwise."

Clause 9

"Subject always to the respective rights, terms and conditions mentioned in Clause 8 hereof, the Company shall have power to increase or reduce the capital, to consolidate or sub-divide the Shares into Shares of larger or smaller amounts and to issue all or any part of the original or any additional capital as fully paid or partly paid Shares, and with any special or preferential rights or privileges, or subject to any special terms or conditions and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Company."

Clause 60

"Subject to the Applicable Laws, and the conditions, restrictions and limitations expressed in this Constitution, the Company may from time to time, whether all the Shares for the time being issued shall have been fully paid up or not, by Ordinary Resolution passed at a General Meeting increase its share capital by the creation and issue of new Shares, such new capital to be of such amount and to be divided into Shares of such respective amounts and (subject to any special, limited or conditional voting rights for the time being attached to any existing class of Shares) to carry such preferential rights or to be subjected to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may, by the resolution authorising such increase directs."

14. ADDITIONAL INFORMATION (Cont'd)Clause 61

"Subject to any direction to the contrary that may be given by the Company in a General Meeting, all new Shares or other convertible Securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as nearly as the circumstances admit, to the amount of the existing Shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of Shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Shares or Securities offered, the Directors may dispose of those Shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new Share or Security which (by reason of the ratio which the new Shares or Securities bear to the Shares or Securities held by persons entitled to an offer of new Shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."

Clause 63

"Subject to the provisions of the Act and the Listing Requirements, the Company may by Ordinary Resolution:-

- (a) Consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided Share shall be the same as it was in the case of the Shares from which the subdivided Share is derived;
- (b) Subject to the provisions of this Constitution and the Act, convert and/or reclassify any class of Shares into another class of Shares; or
- (c) Subdivide its share capital or any part thereof, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided Share shall be the same as it was in the case of the Shares from which the subdivided Share is derived; or
- (d) Cancel any Shares which at the date of the passing of the resolution which resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the Shares so cancelled."

Clause 64

"The Company may reduce its share capital by:-

- (a) A Special Resolution and confirmation by the Court in accordance with Section 116 of the Act; or
- (b) A Special Resolution supported by a solvency statement in accordance with Section 117 of the Act."

Clause 66

"Subject to the provisions of Applicable Laws, the Company may with the sanction of an Ordinary Resolution of a General Meeting, purchase in good faith and in the best interests of the Company, the Company's own Shares through the Exchange on which the Shares are quoted. The provisions of Clauses 63 and 64 hereof shall not affect the power of the Company to cancel any Shares or reduce its share capital pursuant to any exercise of the Company's powers under this Constitution. Any Shares in the Company so purchased by the Company shall be dealt with as provided by the Act, the requirements of the Exchange and any other relevant authority."

14. ADDITIONAL INFORMATION (Cont'd)Clause 186

“The Board may, with the sanction of an Ordinary Resolution of the Company:-

- (a) Issue bonus Shares for which no consideration is payable to the Company to the persons registered as holders of Shares in the Register or (as the case may be) the Record of Depositors at the close of business on:-

- (i) The date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
- (ii) Such other date as may be determined by the Board,

In the proportion to their then holdings of Shares; and/or

- (b) Capitalise any sum standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of Shares in the Register or (as the case may be) in the Record of Depositors at the close of business on:-

- (i) The date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
- (ii) Such other date as may be determined by the Board,

In proportion to their then holdings of Shares and applying such sum on their behalf in paying up in full unissued Shares (or, subject to any special rights previously conferred on any Shares or class of Shares for the time being issued, unissued Shares of any other class not being redeemable Shares) for allotment and distribution credited as fully paid up to and amongst them as bonus Shares in the proportion aforesaid.

The Board may do all acts and things considered necessary or expedient to give effect to any such bonus issue or capitalisation under this Clause, with full power to the Board to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

In addition and without prejudice to the power to capitalise profits and other monies provided for by this Clause, the Board shall have the power to issue Shares for which no consideration is payable and to capitalise any undistributable profits or other monies of the Company not required for the payment or provision of any dividends on any Shares entitled to cumulative or noncumulative preferential dividends (including profits or other monies carried and standing to any reserve or reserves) and to apply such profits or other monies in paying up in full, in each case on terms that such Shares shall, upon issue, be held by or for the benefit of participants of any share option scheme or plan implemented by the Company and approved by Members in General Meeting and on such terms as the Board shall think fit.”

14. ADDITIONAL INFORMATION (Cont'd)**14.2.4 Transfer of Shares**Clause 36

“The instrument of transfer of any Securities lodged with the Company shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the Securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed Securities or class of listed Securities, shall be made by way of book entry by the Bursa Depository in accordance with the Rules and, notwithstanding Sections 105, 106 and 110 of the Act, but subject to Section 148(2) of the Act and any exemption that may be made from compliance with Section 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of such listed Securities.”

Clause 37

“Subject to the Applicable Laws, the registration of transfer of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine not exceeding thirty (30) days in aggregate in any calendar year. At least ten (10) Market Days’ notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned, of intention to close the Register shall be published in a daily newspaper circulating in Malaysia and also be given to the Exchange. In relation to the closure, the Company shall give at least three (3) Market Days’ prior notice to the Bursa Depository to prepare the appropriate Record of Depositors.”

Clause 38

“Subject to the restrictions imposed by this Constitution and the provisions of any other Applicable Law, there shall be no restrictions on the transfer of fully paid Securities. In the case of Deposited Securities, Bursa Depository may, in its absolute discretion, refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules.”

Clause 39

“Subject to the provisions of this Constitution, the Directors may at any time after the allotment of any Share but before any person has been entered in the Register as the holder recognise a renunciation of such Share by the Allottee thereof in favour of some other person and may accord to any Allottee of a Share a right to effect such renunciation on such terms and conditions as the Directors may determine.”

Clause 40

“Subject to any Applicable Laws, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of the Bursa Depository in registering or acting upon a transfer of Securities although the same may, by reason of any fraud or other causes not known to the Company or the Directors or Bursa Depository or other officers, be legally inoperative or insufficient to pass the property in the Securities proposed or professed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside and notwithstanding that the Company may have noticed that such instrument or transfer was signed or executed and delivered by the transferor in the blank as to the name of the transferee, of the particulars of the Securities transferred or otherwise in defective manner. And in every case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such Securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.”

14. ADDITIONAL INFORMATION (Cont'd)**14.2.5 Changes in capital and variation of class rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any rights**Clause 11

"Subject to the Applicable Laws, any preference Shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as may be provided for by this Constitution as the Board may think fit. The Company shall have the power to issue preference capital ranking equally with, or in priority to, existing preference shares. Preference shareholders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending meetings of the Company and shall also have the right to vote at any meeting convened for the following purposes:

- (a) On a proposal to reduce the Company's issued share capital;
- (b) On a proposal to wind up the Company and any other proposals during the winding-up of the Company;
- (c) On a proposal for the disposal of the whole of the Company's property, business and undertaking;
- (d) On a proposal or resolution which affects their rights and/or privileges attached to the preference Shares; and
- (e) On a proposal or resolution in respect of the dividend, or part of the dividend, on the preference Shares which is in arrears for more than six (6) Months.

Preference shareholders shall be entitled to a return of capital in preference to holders of ordinary Shares in the event that the Company is wound up."

Clause 13

"Subject to the provisions of Sections 71 and 91 of the Act, if at any time the share capital is divided into different classes of Shares, the rights attached to Shares in any class of Shares (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with:-

- (a) A Special Resolution passed at a separate meeting of the shareholders of that class; or
- (b) Where necessary majority of such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the holders of not less than seventy-five per centum (75%) of the total voting rights of the shareholders of that class within two (2) Months of the meeting,

Shall be as valid and effectual as a Special Resolution carried at the meeting. To every such separate General Meeting, the provisions of this Constitution relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two (2) persons who are shareholders present in person or represented by proxy holding at least one-third (1/3) of the number of issued Shares of the class, excluding any Shares of that class held as treasury shares and that any holder of Shares of the class present in person or by proxy may demand a poll.

14. ADDITIONAL INFORMATION (Cont'd)

If that class of Shares only has one (1) holder, a quorum is constituted by one (1) person present holding Shares of such class. For adjourned meeting, quorum is one (1) person present holding Shares of such class. To every such Special Resolution, the provisions of Section 292 of the Act shall with such adaptations as are necessary, apply.”

Clause 14

“The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking as regards participation in profits or assets of the Company in some or all respects *pari passu* therewith.”

Clause 46

“Subject to the provisions of any Applicable Laws, where the registered holder of any Share dies or becomes bankrupt, his personal representative or the assignee or his estate, as the case may be, shall, upon the production of such evidence as may from time to time be required by the Board and/or the Bursa Depository in that behalf, be entitled to the same dividends and other advantages and to the same rights (whether in relation to the meetings of the Company or to voting or otherwise) as the registered holder would have been entitled to if he had not died or become bankrupt. The Board may at any time give notice requiring any person so becoming entitled to a Share in consequence of the death or bankruptcy of a Member, elects to register himself or to transfer the Share, and if the notice is not complied within sixty (60) days, the Board may thereafter withhold payment of all dividend or monies payable in respect of the Shares until the requirement of the notice have been complied with.”

Clause 58

“The holders of stock shall, according to the amount of the stock held by them have the same rights, privileges and advantages as regards dividends, return of capital, voting at meetings of the Company and other matters as if they held the Shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such part of stock as it would not, if existing in Shares, have conferred that right, privilege or advantage.”

Clause 179

“Subject to the rights of persons, if any, entitled to Shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect of which the dividend is paid, but no amount paid or credited as paid on a Share in advance of call shall be treated for the purposes of this Constitution as paid on the Share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid; but if any Share is issued on terms providing that it shall rank for dividend as from a particular date, that Share shall rank for dividend accordingly.”

14. ADDITIONAL INFORMATION (Cont'd)Clause 184

“Subject to the provisions of the Listing Requirements, any General Meeting declaring a dividend or bonus may upon recommendation of the Board, direct payment of such dividend or bonus, wholly or partly by the distribution of specific assets and in particular, of paid-up Shares, debenture or debenture stock of any other company or in any one (1) or more of such ways and the Board shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Board may settle the same as they think expedient, and fix the value for the distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Board. No distribution, settlement, arrangement or adjustment so made by the Board shall be questioned by any Member.”

14.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

As our Shares are proposed for quotation on the Official List, such Shares must be prescribed as shares required to be deposited with Bursa Depository. Upon such prescription, a holder of our Shares must deposit his Shares with Bursa Depository on or before the date is fixed, failing which our Share Registrar will be required to transfer his Shares to the MoF and such Shares may not be traded on Bursa Securities.

Dealing in our Shares deposited with Bursa Depository may only be effected by a person having a securities account with Bursa Depository (“**Depositor**”) by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares shall be deemed to be a shareholder of our Company and shall be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

14.4 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 14.3 above, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or non-Malaysian shareholder to hold or exercise voting rights on our Shares, which is imposed by Malaysian law or by our Constitution.

14.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

As at the LPD, our Company has not established any other place of business outside Malaysia and is not subject to any foreign government laws, decrees, regulations and/or other requirements which may affect the repatriation of capital and remittance of profits by our Company. As our Company is licensed under the FSA, any dividend declaration is subject to the prior approval of BNM.

All corporations in Malaysia are required to adopt a single-tier dividend system. Under this system, dividends distributed by Malaysian resident companies are exempt from tax in the hands of shareholders. Furthermore, there is no withholding tax imposed on dividends paid to non-resident shareholders by Malaysian resident companies. There is also no Malaysian capital gains tax arising from the disposal of listed shares.

Pursuant to the Finance Act 2024, which was gazetted on 31 December 2024, a dividend tax at the rate of 2.0% will be imposed on annual chargeable dividend income exceeding RM100,000 received by individual shareholders (resident and non-residents) including individuals who hold shares through nominees, subject to certain exemptions. This tax is effective from year of assessment 2025.

14. ADDITIONAL INFORMATION (Cont'd)**14.6 MATERIAL CONTRACTS**

Save as disclosed below, our Company has not entered into any material contracts that are not in the ordinary course of our business during the Financial Years and Period Under Review and up to the date of this Prospectus:

(i) Retail Underwriting Agreement dated [●]

[●]

(ii) Lock-up letter dated [●] in relation to our IPO and our Listing

[●]

14.7 MATERIAL LITIGATION

Save as disclosed below, we are not engaged in any governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability in the 12 months immediately preceding the date of this Prospectus:

(i) Court of Appeal case involving MyCC

On 25 September 2020, MyCC released its decision dated 14 September 2020 ("**Decision**") against PIAM and its 22 members comprising Malaysian insurance companies, including our Company.

MyCC made a finding under Section 40 of the Competition Act that the parties had infringed Section 4 of the Competition Act by participating in an agreement (found in PIAM's Members' Circular No. 132/2011) which had, as its object, the prevention, restriction or distortion in relation to the market of parts trade and labour charges for PIAM Approved Repairers Scheme ("**PARS**") workshops from 1 January 2012 to 17 February 2017. This is despite the fact that Circular No. 132/2011 was issued at the direction of BNM.

In the Decision, MyCC directed the parties to cease and desist from implementing the said agreement in respect of PARS, and required the parties to undertake that the future parts trade discount and the hourly labour rate for the PARS workshops be determined independently. In addition, MyCC imposed financial penalties on each of the insurance companies ranging from RM137,918.45 to RM24,732,794.62, amounting in aggregate to RM173,655,300. The financial penalty imposed on our Company was RM4,218,670.78.

On 13 October 2020, our Company had appealed against the Decision. On 2 September 2022, the Competition Appeal Tribunal allowed our Company's and the other 21 insurance companies' appeals ("**Tribunal's Decision**"). The Competition Appeal Tribunal set aside the Decision without any order as to costs.

On 1 December 2022, MyCC applied for leave to the Kuala Lumpur High Court to commence judicial review proceedings against the Tribunal's Decision. On 16 January 2024, the High Court dismissed MyCC's leave application and ordered costs of RM10,000 to be paid by MyCC to our Company, subject to allocator fee ("**High Court Decision**").

On 15 February 2024, MyCC filed an appeal to the Court of Appeal against the High Court Decision. MyCC's appeal against the High Court Decision is fixed for hearing on 30 April 2026. The parties have filed their respective written submissions.

14. ADDITIONAL INFORMATION (Cont'd)

Our solicitors have advised our Board that, based on the law as it stands, it can be strongly argued that the Kuala Lumpur High Court was correct in dismissing MyCC's leave application for judicial review as MyCC lacked standing to challenge the decision of its own appellate body, i.e. the Tribunal, and there is arguably no miscarriage of justice to warrant appellate intervention. Based on that advice, we believe our Company has a more than even chance in resisting MyCC's appeal.

Our Board, having considered the legal opinion of our solicitors, is of the view that on successful defence, this suit will not have any material adverse impact to our Company's financial position or business operations.

In the event the court ruling is unfavourable to our Company, the financial penalty imposed on our Company is expected to be approximately RM4.2 million, representing approximately 4.2% of our Company's PBT for the FYE 2024. This financial penalty is not expected to have a material adverse impact to our Company's business operations or financial condition.

(ii) Court of Appeal case involving Kejora Resources Sdn Bhd ("**Kejora**")

Kejora is the registered owner of a vessel ("**Vessel**") insured under a marine hull policy issued by our Company. The policy was first written in January 2018 and renewed in January 2019 for the insured sum of RM12,439,725.20.

The Vessel was damaged on 25 May 2019 and required repairs at costs of SGD1,402,589.25 or RM4,238,905.23. Kejora claimed under the policy but our Company rejected Kejora's claim on the grounds of among others, breach of warranty stipulated in the policy.

Kejora filed a suit against our Company on 3 August 2022, claiming for, among others, the sum of RM4,238,905.23 (equivalent to SGD1,402,589.25) with interest or damages and cost.

Our Company contended, among others, that it has no obligation to pay Kejora for its claims under the policy because Kejora has breached the warranty requiring the Vessel to be properly maintained, equipped, kept up, officered and manned. Our Company alleged, among others, that poor maintenance and inadequate crew supervision, were breaches of the warranty justifying repudiation of Kejora's claims.

On 8 April 2025, the Kuala Lumpur High Court granted an order allowing Kejora's claim. Our Company filed a notice of appeal to the Court of Appeal on 30 April 2025 against the Kuala Lumpur High Court's decision. The appeal will be heard on 3 September 2026. The Court of Appeal has instructed the parties to file written submissions by 6 August 2026 and reply submissions by 19 August 2026.

Our solicitors are of the view that there are good merits to our Company's appeal as the Kuala Lumpur High Court judge incorrectly applied the doctrine of *contra proferentem* (i.e. the legal principle that where a contractual term is unclear, it should be interpreted against the interests of the party who drafted it) and that this principle should not have been applied in this case against our Company. Based on the solicitors' view, there is a significant flaw in the decision of the Kuala Lumpur High Court, arising from the judge's failure to address an important proviso relating to insurance coverage in the case of crew negligence, despite substantial evidence showing that the crew's negligence was caused by Kejora's lack of proper care and supervision. The admissions filed by Kejora disclosed, on a reasonable assessment of the evidence, that Kejora demonstrated a marked lack of due diligence in the circumstances of the case. Our Board, having considered the opinion of our solicitors, is of the view that this suit will not have any material adverse impact to our Company's financial position or business operations.

14. ADDITIONAL INFORMATION (Cont'd)

In the event the court ruling is unfavourable to our Company, the financial impact on our Company is estimated to be approximately RM50,000 as our Company has provided for the full judgment sum plus interests and legal fees as calculated up to the date of the judgment (of approximately RM5.4 million). In this regard, it is not expected to have a material adverse impact to our Company's business operations or financial condition.

14.8 CONSENTS

The written consents of the Principal Adviser, Sole Bookrunner, Sole Underwriter and Sole Placement Agent, legal advisers, Share Registrar, Issuing House, internal control consultant and joint company secretaries as listed in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issuance of this Prospectus and have not subsequently been withdrawn.

The written consent of the Reporting Accountants for the inclusion of its name, opinion on our historical financial statements for the Financial Years and Period Under Review contained in the Accountants' Report, the Reporting Accountants' Letter on the Pro Forma Statements of Financial Position of Chubb Malaysia and all references thereto in the form and context in which they are included in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

The written consent of Vital Factor for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are included in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

The written consent of Bloomberg for the inclusion of its name and citation of the market data available to its subscribers in the form and context in which such name and market data appear has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

14.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office during office hours for a period of six months from the date of this Prospectus:

- (i) our Constitution;
- (ii) our material contracts as referred to in Section 14.6 of this Prospectus;
- (iii) our audited financial statements for the Financial Years and Period Under Review;
- (iv) Reporting Accountants' Letter on the Pro Forma Statements of Financial Position as included in Section 12.5 of this Prospectus;
- (v) Accountants' Report as included in Section 13 of this Prospectus;
- (vi) IMR Report as included in Section 8 of this Prospectus; and
- (vii) letters of consent referred to in Section 14.8 of this Prospectus.

14. ADDITIONAL INFORMATION (Cont'd)

14.10 RESPONSIBILITY STATEMENTS

Our Directors, our Promoter and the Selling Shareholder have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Maybank IB, being the Principal Adviser, Sole Bookrunner and Sole Placement Agent for the Institutional Offering, and Sole Underwriter for the Retail Offering, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THE SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR THE OFFER SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used in this Section shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

15.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., [●]

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., [●]

Applications for the Offer Shares will open and close at the time and dates stated above. If there are any changes to this timetable, we will advertise the notice of changes in widely circulated English and Bahasa Malaysia daily newspapers within Malaysia and make an announcement on the website of Bursa Securities.

Late Applications will not be accepted.

15.2 METHODS OF APPLICATIONS

15.2.1 Application for the Offer Shares under the Retail Offering

Application must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that the Application will succeed.

<u>Types of Application and category of investors</u>	<u>Application method</u>
Applications by Eligible Persons	Pink Application Form only
Applications by the Malaysian Public:	
(i) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(ii) Non-Individuals	White Application Form only

15.2.2 Application of the Offer Shares under the Institutional Offering

Institutional and selected investors who have been allocated the Offer Shares under the Institutional Offering (other than Bumiputera investors approved by the MoF) will be contacted directly by the Sole Placement Agent and should follow the instructions as communicated by the Sole Placement Agent.

Bumiputera investors approved by the MoF who have been allocated the Offer Shares will be contacted directly by the [MoF and should follow the instructions as communicated by the MoF].

Institutional and selected investors and Bumiputera investors approved by the MoF may still apply for the Offer Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.3 ELIGIBILITY****15.3.1 General**

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 OFFER SHARES OR MULTIPLES OF 100 OFFER SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

15.3.2 Application by the Malaysian Public

You can only apply for the Offer Shares if you fulfil all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the Application; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;
- (ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) you must submit the Application by using only one of the following methods:
 - (a) White Application Form;
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.3.3 Application by Eligible Persons**

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation as well as detailed procedures on how to subscribe to the allocated Offer Shares. Applicants must follow the notes and instructions in the said document and where relevant, in our Prospectus. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, the Issuing House, Maybank IB, Participating Organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

15.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM[●] for each Offer Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. [●]**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

The method below is relevant for White Application Forms only. Pink Application Forms should be submitted in accordance with Section 15.3.3 above.

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatch by **ORDINARY POST** in the official envelopes provided to the following address:

Malaysian Issuing House Sdn Bhd
(Registration No. 199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
or

P.O. Box **00010**
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan

- (ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan so as to arrive not later than 5.00 p.m. on [●] or by such other time and date specified in any change to the date or time for closing. We will not accept late Applications.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)**15.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION**

Only Malaysian individuals may apply for the Offer Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Participating Financial Institutions.

Please refer to the detailed procedures and terms and conditions of Electronic Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Participating Financial Institutions for further enquiries.

15.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATION

Only Malaysian individuals may use the Internet Share Application to apply for the Offer Shares offered to the Malaysian Public.

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions or Participating Securities Firms, namely Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn. Bhd., Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn. Bhd., Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions or Participating Securities Firms.

Please refer to the detailed procedures and terms and conditions of Internet Share Application set out in the “**Detailed Procedures for Application and Acceptance**” accompanying the electronic copy of this Prospectus on the website of Bursa Securities or contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

15.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board, reserves the right to:

- (i) reject Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) bank in all Application monies (including those from unsuccessful / partially successful Applicants) which would subsequently be refunded, where applicable (without interest), in accordance with Section 15.9 of this Prospectus.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor shall it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

15.8 OVER / UNDER-SUBSCRIPTION

In the event of over-subscription for the Retail Offering, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating the Offer Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of Shares and the balloting results in connection therewith will be furnished by our Issuing House to the SC, Bursa Securities, all major English and Bahasa Malaysia newspapers as well as posted on the Issuing House's website at www.mih.com.my within one Market Day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25.0% of our Company's issued share capital to be held by at least 1,000 public shareholders holding not less than 100 Shares each upon our Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

In the event of an under-subscription of the Offer Shares by the Malaysian Public and/or Eligible Persons, subject to the clawback and reallocation as set out in Section 4.2.4 of this Prospectus, any of the abovementioned Offer Shares not applied for will then be underwritten by the Sole Underwriter based on the terms of the Retail Underwriting Agreement.

15.9 UNSUCCESSFUL / PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful / partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner:

15.9.1 For applications by way of Application Form

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful Applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your last address maintained with Bursa Depository (for partially successful Applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

15.9.2 For applications by way of Electronic Share Application and Internet Share Application

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms of the unsuccessful or partially successful Applications within two Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institution) within two Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the fifth Market Day from the balloting date.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within two Market Days after the final balloting date. The Participating Financial Institutions or Internet Participating Financial Institutions or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within two Market Days after the receipt of confirmation from the Issuing House.

15.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) The Offer Shares allocated to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at your registered or correspondence address last maintained with the Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as prescribed securities. As such, the Offer Shares offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.

15. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS accounts. No share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.
- (v) In the event that the Final Retail Price is lower than the Retail Price, the difference will be refunded to you without any interest thereon. The refund will be credited into your bank account for purposes of cash dividend/ distribution if you have provided such bank account information to Bursa Depository or despatched, in the form of cheques, by ordinary post to your address maintained with Bursa Directory if you have not provided such bank account information to Bursa Depository, or by crediting into your account with the Electronic Participating Financial Institutions for applications made via the Electronic Share Application or by crediting into your account with the Internet Participating Financial Institutions or Participating Securities Firms for applications made via the Internet Share Application, within 10 Market Days from the date of the final ballot, at your own risk.

15.11 ENQUIRIES

Enquiries in respect of the Applications may be directed as follows:

Mode of Application	Parties to direct the enquiries
Application Form	Issuing House Enquiry Services Telephone at telephone no. +603-7890 4700
Electronic Share Application	The relevant Participating Financial Institutions
Internet Share Application	The relevant Internet Participating Financial Institutions or Participating Securities Firms or Authorised Financial Institutions

You may also check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account Number on the site after the allotment date. The status of your Application will be available by 3.00 p.m. Alternatively, you may contact any of the ADAs set out in the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS

We have various major licences, permits and approvals for our operations. Details of the major licences, permits and approvals obtained by our Company for our operations and the status of compliance as at the LPD are as follows⁽¹⁾:

No.	Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence no. / Permit no. / Bill no. / Reference no.	Issuance date / Validity period	Major conditions imposed	Status of compliance
1.	Chubb Malaysia	MoF	Insurance Licence (In accordance with Section 16(2) of the Insurance Act 1996) ⁽²⁾	Nil	<u>Issuance date</u> 27 June 1997 <u>Validity period</u> N/A	Nil	N/A
2.	Chubb Malaysia	Personal Data Protection Commissioner	Registration of data users (insurance)	AB20012014-0019/4	<u>Issuance date</u> 11 August 2025 <u>Validity period</u> 11 August 2025 to 10 August 2027	Nil	N/A
3.	Chubb Malaysia	Kuala Lumpur City Hall	Licence for insurance agency for its head office at Kuala Lumpur	4990250116903	<u>Issuance date</u> 24 January 2025 <u>Validity period</u> 24 February 2025 to 23 February 2026	The licence must be renewed 60 days before the date of expiry.	Complied
4.	Chubb Malaysia	Mayor of the City of Kota Kinabalu	Licence to display illuminated signboard "CHUBB" for its branch office at Kota Kinabalu, Sabah	A02500227	<u>Issuance date</u> 4 January 2025 <u>Validity period</u> 1 January 2025 to 31 December 2025	(a) The advertisement must state its activities in Malay. (b) Signboard shall be taken down within three days after the date of expiry unless renewal application is made.	Complied
5.	Chubb Malaysia	Mayor of the City of Kota Kinabalu	Licence to carry out general insurance business for its branch office at Kota Kinabalu, Sabah	853258	<u>Issuance date</u> 7 February 2025 <u>Validity period</u> 7 February 2025 to 31 December 2025	Nil	N/A

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence no. / Permit no. / Bill no. / Reference no.	Issuance date / Validity period	Major conditions imposed	Status of compliance
6.	Chubb Malaysia	Hang Tuah Jaya Municipal Council	Licence for trade (for insurance services) and signboard for its branch office at Melaka	L 067167	<u>Issuance date</u> 8 August 2025 <u>Validity period</u> 19 August 2025 to 18 August 2026	The licence must be displayed.	Complied
7.	Chubb Malaysia	Tawau Municipal Council	Licence to carry out general insurance business for its branch office at Tawau, Sabah	CTRPT-TL02-00018984	<u>Issuance date</u> 3 January 2025 <u>Validity period</u> 3 January 2025 to 31 December 2025	Nil	N/A
8.	Chubb Malaysia	Kuantan City Council	Permanent licence for its branch office at Kuantan	L0120167172	<u>Issuance date</u> 1 January 2025 <u>Validity period</u> 1 January 2025 to 31 December 2025	Nil	N/A
9.	Chubb Malaysia	Segamat District Council	Licence for trade (for insurance agency) and signboard at for its branch office at Segamat, Johor	L202536920	<u>Issuance date</u> 10 January 2025 <u>Validity period</u> 1 January 2025 to 31 December 2025	Nil	N/A
10.	Chubb Malaysia	Klang Royal City Council	Business (for insurance company office) and advertising licence for its branch office at Klang, Seremban	P250127831922029 6348	<u>Issuance date</u> 7 February 2025 <u>Validity period</u> 1 January 2025 to 31 December 2025	(a) The licence must be renewed three months before the date of expiry (between 1 October to 31 December of effective year). (b) The licence must always be displayed in a conspicuous place.	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence no. / Permit no. / Bill no. / Reference no.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(c) Foreign workers are not allowed to work on the premises without a valid permit from the Malaysian Immigration Department.	
11.	Chubb Malaysia	Johor Bahru City Council	Licence for business (general insurance) and advertising licence for its branch office at Johor Bahru, Johor	L2024581867	<u>Issuance date</u> 19 March 2025 <u>Validity period</u> 19 March 2025 to 31 December 2025	Nil	N/A
12.	Chubb Malaysia	Alor Setar City Council	Licence for business (insurance) and advertisement for its branch office at Alor Setar, Kedah	01263679	<u>Issuance date</u> 23 June 2025 <u>Validity period</u> 30 June 2025 to 29 June 2026	This licence must be displayed.	Complied
13.	Chubb Malaysia	Ipoh City Council	Licence for trade and advertisement for its branch office at Ipoh, Perak	L0142220-01	<u>Issuance date</u> 15 May 2025 <u>Validity period</u> 15 May 2025 to 14 May 2026	The licence must be renewed and paid 30 days before its expiry.	Complied
14.	Chubb Malaysia	Government of Sarawak	Trading licence (underwriting all general insurance except life) for its branch office at Kuching, Sarawak	1247762	<u>Issuance date</u> 18 July 2025 <u>Validity period</u> 18 July 2025 to 31 July 2026	Nil	N/A

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence no. / Permit no. / Bill no. / Reference no.	Issuance date / Validity period	Major conditions imposed	Status of compliance
15.	Chubb Malaysia	City Council of Penang	Business premise licence at for its branch office at Penang	202637072508	<u>Issuance date</u> 21 January 2025 <u>Validity period</u> 21 January 2025 to 31 December 2025	(a) Payment for renewal must be made before or at the end of the month of February of every year. (b) This licence must be displayed.	Complied
16.	-	Fire and Rescue Department of Malaysia	Fire certificate for its head office at Kuala Lumpur	JBPM: KL/5/414/2024	<u>Issuance date</u> 11 October 2024 <u>Validity period</u> 27 September 2024 to 26 September 2025 ⁽³⁾	Nil	N/A
17.	-	Fire and Rescue Department of Malaysia	Fire certificate for its branch office at Kota Kinabalu	JBPM: SB/9/122/2025	<u>Issuance date</u> 7 July 2025 <u>Validity period</u> 7 July 2025 to 6 July 2026	Nil	N/A
18.	Chubb Malaysia	MoF	Certificate of registration for finance and insurance services/insurance company	K984578310039988 89	<u>Issuance date</u> 25 November 2024 <u>Validity period</u> 25 November 2024 to 24 November 2027	(a) Any changes to the information stated in the licence should be updated on www.eperolehan.gov.my within 21 days. (b) The Company shall ensure that the scope registered under this certificate does not overlap with the scope approved for any of the following companies: (i) companies having the same owner or board of directors/director,	Complied

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS *(Cont'd)*

No.	Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence no. / Permit no. / Bill no. / Reference no.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						management, and employees; (ii) companies operating at the same premises. (c) Failure to comply with the general terms may result in the revocation or suspension of the licence. (d) An application for renewal of registration shall be submitted 3 months before the date of expiry. (e) The Company's registration will be suspended/cancelled if the Company is found to have committed any of the following offences: (i) the Company/ owner/ partnership/ director/ any management member has committed a crime and is found guilty by a court in Malaysia or abroad or has civil liabilities. (ii) The Company withdraws its offer before the tender is considered or rejects it after the offer is made. The Company fails to fulfil contractual obligations that have been signed with the Malaysian Government. (iii) The Company is found to have altered the Company Registration Certificate with the intent to deceive or for other purposes.	

ANNEXURE A: OUR MAJOR LICENCES, PERMITS AND APPROVALS *(Cont'd)*

No.	Licensee	Approving authority/ Issuer	Description of licence, permit or approval	Licence no. / Permit no. / Bill no. / Reference no.	Issuance date / Validity period	Major conditions imposed	Status of compliance
						(iv) The Company allows the Company Registration Certificate to be misused by other individuals/companies.	
						(v) The Company is found to be involved in price collusion with other companies when participating in Government tenders or subcontracts without prior consent from the relevant Government Agency.	

Notes:

- (1) *As we intend to cease the operations of three branch offices (namely the Muar, Miri and Sibu branch offices) progressively by the end of 2025, the details of these branches have not been disclosed in this Prospectus.*
- (2) *Section 273 of the FSA provides that a licence granted to a person by the MoF under Section 16 of the repealed Insurance Act 1996 to carry on insurance business under the said act, shall be deemed to be a licence granted under Section 10 of the FSA, authorising such person to carry on banking business, investment banking business or insurance business, as the case may be.*
- (3) *On 12 August 2025, our Company submitted an application to renew the fire certificate. As at the LPD, the renewed fire certificate has not been issued. See Section 7.26.2 of this Prospectus for further details of the status of renewal of this fire certificate.*

ANNEXURE B: OUR MATERIAL PROPERTIES**B.1 MATERIAL PROPERTIES OWNED BY OUR COMPANY**

As at the LPD, details of the material properties owned by our Company are as follows:

No.	Registered owner / Beneficial owner / Title details / Postal address / Tenure	Description / Existing use / Intended use	Date of issuance of CCC or equivalent	Built-up area / Land area (approximate)	Category of land use / Express condition / Restriction in interest	Encumbrances on property	Audited NBV as at 30 June 2025 (RM'000)
1.	<u>Registered owner</u> Chubb Malaysia <u>Title details</u> H.S.(D) 83191, PT 1219, Mukim Kuala Lumpur, Kuala Lumpur, Wilayah Persekutuan <u>Postal address</u> Wisma Chubb, 38, Jalan Sultan Ismail, Bukit Bintang, 50250 Kuala Lumpur, Wilayah Persekutuan <u>Tenure</u> Freehold	<u>Description</u> 18-storey high rise office building <u>Existing use</u> Head office save for the 8 th , 10 th , 11 th and 12 th floors which are tenanted by Chubb Business Services	14 December 1997	<u>Built-up area</u> 20,850 sq. m. <u>Land area</u> 1,632 sq. m.	<u>Category of land use</u> Building <u>Express condition</u> The land can only be used for commercial building site only <u>Restriction in interest</u> None	None	33,518

ANNEXURE B: OUR MATERIAL PROPERTIES (Cont'd)

No.	Registered owner / Beneficial owner / Title details / Postal address / Tenure	Description / Existing use / Intended use	Date of issuance of CCC or equivalent	Built-up area / Land area (approximate)	Category of land use / Express condition / Restriction in interest	Encumbrances on property	Audited NBV as at 30 June 2025 (RM'000)
2.	Registered owner Chubb Malaysia	Description Three-storey shop lot	Nil ⁽¹⁾	Built-up area 10,075 sq. m.	Category of land use Nil	None	1,299
	<u>Title details</u> (a) H.S.(D) 45, PT 678, Mukim Bandar Georgetown, Timor Laut, Pulau Pinang (b) H.S.(D) 44, PT 677, Mukim Bandar Georgetown, Timor Laut, Pulau Pinang. (c) H.S.(D) 47, PT 680, Mukim Bandar Georgetown, Timor Laut, Pulau Pinang (d) H.S.(D) 42, PT 675, Mukim Bandar Georgetown, Timor Laut, Pulau Pinang <u>Postal address</u> No. 266 & 268, Victoria Street, 10300 Pulau Pinang <u>Tenure</u> Freehold	<u>Existing use</u> Branch office save for the second floor which is tenanted by B-Global Sdn Bhd		<u>Land area</u> (a) 222 sq. m. (b) 136 sq. m. (c) 39 sq. m. (d) 125 sq. m.	<u>Express condition</u> (a) The land shall not be affected by any provision of the National Land Code limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; (b) The land is subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years and shall revert to the State only if the proprietor for the time being dies without heirs; and (c) The title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits		

ANNEXURE B: OUR MATERIAL PROPERTIES *(Cont'd)*

No.	Registered owner / Beneficial owner / Title details / Postal address / Tenure	Description / Existing use / Intended use	Date of issuance of CCC or equivalent	Built-up area / Land area (approximate)	Category of land use / Express condition / Restriction in interest	Encumbrances on property	Audited NBV as at 30 June 2025 (RM'000)
					on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).		
					<u>Restriction in interest</u> None		

Note:

- (1) *The CCC for this property was unable to be located. In October 2025, we appointed an architect to apply for a new CCC for this property. We expect to obtain the CCC by July 2026. See Section 7.26.1 of this Prospectus for further details of this non-compliance and its rectification status.*

Save as disclosed in Section 7.26.1 of this Prospectus, none of the above properties are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

ANNEXURE B: OUR MATERIAL PROPERTIES (Cont'd)**B.2 TENANCY OF MATERIAL PROPERTIES GRANTED BY OUR COMPANY**

As at the LPD, details of the material properties tenanted out by our Company are as follows:

No.	Landlord / Tenant / Postal address	Description / Existing use	Date of issuance of CCC or equivalent	Rented area (approximate)	Period of tenancy	Annual rental (RM unless otherwise stated)
1.	<u>Landlord</u> Chubb Malaysia <u>Tenant</u> Chubb Business Services <u>Postal address</u> Levels 8, 10, 11 and 12, Wisma Chubb, 38, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan	<u>Description</u> 8 th , 10 th , 11 th and 12 th floor of an 18-storey high rise office building <u>Existing use</u> Office	14 December 1997	3,164 sq. m.	Three years from 1 September 2025 to 31 August 2028	3,280,149.68 ⁽¹⁾
2.	<u>Landlord</u> Chubb Malaysia <u>Tenant</u> B-Global Sdn Bhd <u>Postal address</u> No. 266B and 268B, Victoria Street, 10300 Pulau Pinang	<u>Description</u> Second floor of a three-storey shop lot <u>Existing use</u> Office	Nil ⁽²⁾	316 sq. m.	Three years from 1 May 2024 to 30 April 2027	37,416

Notes:

- (1) For the period from 1 September 2025 to 31 December 2025 ("**First Term**"), the monthly rental is RM270,017.92. For the period from 1 January 2026 to 31 August 2028 ("**Subsequent Term**"), the monthly rental is RM275,009.75. The annual rental disclosed has been computed for the period from 1 September 2025 to 31 August 2026, comprising four months under the First Term and eight months under the Subsequent Term (i.e. calculated as $(RM270,017.92 \times 4) + (RM275,009.75 \times 8) = RM3,280,149.68$).
- (2) The CCC for this property was unable to be located. In October 2025, we appointed an architect to apply for a new CCC for this property. We expect to obtain the CCC by July 2026. See Section 7.26.1 of this Prospectus for further details of this non-compliance and its rectification status.

ANNEXURE B: OUR MATERIAL PROPERTIES (Cont'd)**B.3 MATERIAL PROPERTIES TENANTED BY OUR COMPANY**

As at the LPD, details of the material properties tenanted by our Company⁽¹⁾ are as follows:

No.	Landlord / Tenant / Postal address	Description / Existing use	Date of issuance of CCC or equivalent	Rented area (approximate)	Period of tenancy	Annual rental (RM)
1.	<u>Landlord</u> Teh Seok Gouh <u>Tenant</u> Chubb Malaysia <u>Postal address</u> No. 225-B, Medan Putra, Seberang Jalan Putra, 05100 Alor Setar, Kedah	<u>Description</u> First floor of a three-storey shop lot <u>Existing use</u> Branch office	6 October 1998	195 sq. m.	Three years from 1 March 2024 to 28 February 2027	14,400
2.	<u>Landlord</u> Murali Mohan A/L CK Gopinathan <u>Tenant</u> Chubb Malaysia <u>Postal address</u> No. 16 (Ground Floor), Jalan Pusat Perniagaan Falim 6, Pusat Perniagaan Falim, 30200 Ipoh, Perak	<u>Description</u> Ground floor of a three-storey shop lot <u>Existing use</u> Branch office	11 April 2016	116 sq. m.	Three years from 1 May 2024 to 30 April 2027	27,600
3.	<u>Landlord</u> JSBW Sentosa Sdn Bhd <u>Tenant</u> Chubb Malaysia <u>Postal address</u> 47, Jalan Kebun Teh 1, Pusat Perdagangan Kebun Teh, 80250 Johor Bahru, Johor	<u>Description</u> Two-storey shop lot <u>Existing use</u> Branch office	8 June 2014	269 sq. m.	Two years from 1 September 2024 to 31 August 2026	84,000

ANNEXURE B: OUR MATERIAL PROPERTIES (Cont'd)

No.	Landlord / Tenant / Postal address	Description / Existing use	Date of issuance of CCC or equivalent	Rented area (approximate)	Period of tenancy	Annual rental (RM)
4.	<u>Landlord</u> Ng Yiet Kheong Ng Yoke Kheng Ng Yat Fai <u>Tenant</u> Chubb Malaysia <u>Postal address</u> No. 31 (Ground Floor), Jalan Tiara 2C/KU1, Pusat Perniagaan BBK, Bandar Baru Klang, 41150 Klang, Selangor	<u>Description</u> Ground floor of a three-storey shop lot <u>Existing use</u> Branch office	14 July 2006	137 sq. m.	Three years from 1 August 2023 to 31 July 2026	39,600
5.	<u>Landlord</u> Fadilaju Sdn Bhd <u>Tenant</u> Chubb Malaysia <u>Postal address</u> Lot A-1-3, Block A, Signature Office, Times Square, Off Coastal Highway, 88100 Kota Kinabalu, Sabah	<u>Description</u> Third floor of a four-storey commercial office building <u>Existing use</u> Branch office	30 January 2008	129 sq. m.	One year from 1 March 2025 to 28 February 2026	52,800
6.	<u>Landlord</u> KM Otomobil Sdn Bhd <u>Tenant</u> Chubb Malaysia <u>Postal address</u> Ground Floor, B-30, Lorong Tun Ismail 11, Jalan Tun Ismail, 25300 Kuantan, Pahang	<u>Description</u> Ground floor of a three-storey shop lot <u>Existing use</u> Branch office	10 January 2004	176 sq. m.	Three years from 1 April 2023 to 31 March 2026	54,000

ANNEXURE B: OUR MATERIAL PROPERTIES (Cont'd)

No.	Landlord / Tenant / Postal address	Description / Existing use	Date of issuance of CCC or equivalent	Rented area (approximate)	Period of tenancy	Annual rental (RM)
7.	<u>Landlord</u> Benuakaya Sdn Bhd <u>Tenant</u> Chubb Malaysia <u>Postal address</u> Lot 7686 & 7687, 1 st Floor, Section 64, Jalan Pending, 93450 Kuching, Sarawak	<u>Description</u> First floor of a three-storey shop lot <u>Existing use</u> Branch office	9 June 2006	323 sq. m.	Three years from 1 October 2024 to 30 September 2027	42,180
8.	<u>Landlord</u> Teh Swee Mui <u>Tenant</u> Chubb Malaysia <u>Postal address</u> No.63-1, Jalan Merdeka Permai 3, Taman Merdeka Permai, Mukim Batu Berendam, 75350 Melaka Tengah, Melaka	<u>Description</u> First floor of a three-storey shop lot <u>Existing use</u> Branch office	8 February 2010	229 sq. m.	Three years from 1 March 2025 to 29 February 2028	18,480
9.	<u>Landlord</u> Sinar Semarak Budi Sdn Bhd <u>Tenant</u> Chubb Malaysia <u>Postal address</u> Tingkat 1, No.1, Jalan Genuang Perdana, Taman Genuang Perdana, 85000 Segamat, Johor	<u>Description</u> First floor of a three-storey shop lot <u>Existing use</u> Branch office	14 December 2009	201 sq. m.	Three years from 1 July 2023 to 30 June 2026	18,000

ANNEXURE B: OUR MATERIAL PROPERTIES *(Cont'd)*

No.	Landlord / Tenant / Postal address	Description / Existing use	Date of issuance of CCC or equivalent	Rented area (approximate)	Period of tenancy	Annual rental (RM)
10.	<u>Landlord</u> Leong Hua Sdn Bhd <u>Tenant</u> Chubb Malaysia <u>Postal address</u> TB305, 2 nd Floor, Leong Hua Building, Jalan Dunlop, 91000 Tawau, Sabah	<u>Description</u> Second floor of a four-storey shop lot <u>Existing use</u> Branch office	16 April 1979	204 sq. m.	Three years from 1 August 2025 to 31 July 2028	33,000

None of the above properties are in breach of any land use conditions and/or are in non-compliance with current statutory requirements, land rules or building regulations which will have a material adverse impact on our operations or the utilisation of our assets on the said properties.

Note:

- (1) *As we intend to cease the operations of three branch offices (namely the Muar, Miri and Sibu branch offices) progressively by the end of 2025, the details of these branches have not been disclosed in this Prospectus.*

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS

Pursuant to the Trademark Licensing Agreement, Chubb Limited and Chubb IH have granted our Company a non-exclusive, royalty-free, fully-sublicensable licence to use certain trademarks, including the “Chubb” name and logo, for the purposes of our Company’s business in Malaysia. See Section 7.21 of this Prospectus for further details of the Trademark Licensing Agreement.

Save for the licensed Trademarks as set out below, we do not have any other patents, trademarks, brand names, technical assistance agreements, franchises and other intellectual property rights which our Company’s business or profitability relies on:

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
1.	CHUBB	Chubb IH	TM2021035346	Malaysia	18 October 2031	<u>Class 36</u> Insurance underwriting services in the field of property insurance, casualty insurance, medical risk insurance, homeowners insurance, accident insurance, product recall insurance, disability income insurance, travel accident insurance, life insurance, automobile insurance, valuable articles insurance, yacht insurance, cyberinsurance, personal excess liability insurance, package insurance, multinational insurance, political risk insurance, monoline property insurance, machinery breakdown insurance, ocean marine insurance, inland marine insurance, environmental insurance, entertainment insurance, contingency insurance, equine insurance, monoline general liability insurance, workers compensation insurance, commercial automobile insurance, intellectual property and communications liability insurance, energy industries insurance, umbrella insurance, excess liability insurance, reputational damages insurance, successor liability insurance, retroactive limits of liability insurance, discontinued products liability insurance, liability trigger conversion insurance, marine liabilities insurance, errors and omissions insurance, alternative risk transfer insurance, crime insurance, directors and officers liability insurance, employment practices liability insurance, employers stop loss insurance, family office management insurance, fiduciary liability insurance, general partners liability insurance,

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
						HMO reinsurance, internet liability insurance, kidnap/ransom and extortion insurance, management liability insurance, media liability insurance, outside directors liability insurance, professional liability insurance, provider excess insurance, venture capital asset protection insurance, workplace violence expense insurance, construction surety bonds, performance and payment bonds insurance, bid bonds, commercial surety, license and permit bonds, fiduciary bonds, court bonds, miscellaneous bonds trade credit, condominiums and cooperatives insurance, renter's insurance, family protection insurance and collector vehicles insurance; Providing risk mitigation services for insurance customers in the insurance industry, namely, analysis in the nature of assessing insurance claims; Insurance underwriting services for protecting businesses and individuals from Internet-based risks, and more generally from risks relating to information technology infrastructure and activities; Insurance services, namely, case assessments for cyberinsurance underwriting; Providing information and consultation to others relating to financial risk modeling to determine risk exposure with regard to liability risks in the fields of cyberinsurance underwriting; Information and consulting regarding cyberinsurance; Providing consulting services, advice, and information relating to financial risk analysis, financial risk prevention and financial risk management in the field of cyberinsurance; Insurance services, namely, reinsurance underwriting services; Insurance services, namely, life reinsurance risk management services in the field of fixed and variable annuity product.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
2.	ELITE	Chubb Limited	07002042	Malaysia	5 February 2027	<u>Class 36</u> Insurance services; all included in Class 36.
3.	CHUBB	Chubb IH	97021555	Malaysia	15 December 2027	<u>Class 36</u> Financial and insurance services; all included in Class 36.
4.	LIVING GUARD PERSONAL ACCIDENT	Chubb Limited	2016070053	Malaysia	26 October 2026	<u>Class 36</u> Accident insurance; Personal accident insurance; Health insurance; All included in Class 36.
5.	SIMPLY HOME	Chubb Limited	2017052040	Malaysia	8 February 2027	<u>Class 36</u> Insurance services included in Class 36.
6.	CHUBB CARGOADVANTAGE	Chubb IH	2017052359	Malaysia	13 February 2027	<u>Class 36</u> Insurance services; property and casualty insurance; freight insurance; cargo insurance; All included in Class 36.
		Chubb IH	2017052363	Malaysia	13 February 2027	<u>Class 42</u> Providing online, non-downloadable software for providing and accessing insurance quotes, for submitting and receiving insurance claims, and for payment processing relating to insurance and insurance claims; Providing temporary use of non-downloadable software featuring a web- based platform to facilitate insurance transactions, workflow, and for providing and accessing insurance quotes, for submitting and receiving insurance claims, and for payment processing relating to insurance and insurance claims; All included in Class 42.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
7.	FLEXIGUARD PLUS	Chubb Limited	2018058378	Malaysia	20 April 2028	<u>Class 36</u> Business insurance; Fire insurance; Burglary insurance; Plate glass and signboard insurance; Public liability insurance; Fidelity guarantee insurance; Employer's liability insurance; Consequential loss insurance; Group personal accident insurance; Providing a website featuring educational information in the field of business insurance; All included in Class 36.
8.	PRO SHIELD PLUS	Chubb Limited	2017066564	Malaysia	29 August 2027	<u>Class 36</u> Accident insurance; Life insurance; Health insurance; Accidental death and dismemberment insurance; Accident hospital income insurance; Disability income insurance; Travel accident insurance; Personal injury protection insurance underwriting; Personal casualty insurance; Personal liability insurance; Medical payments insurance; Kidnap/ransom and extortion insurance; Casualty insurance; Medical risk insurance; Property and casualty insurance; All included in Class 36.
9.	安达	Chubb Limited	2015057965	Malaysia	25 May 2035	<u>Class 36</u> Insurance; Actuarial services; Insurance underwriting; Health insurance underwriting; Life insurance underwriting; Accident insurance underwriting; Insurance brokerage; Fire insurance underwriting; Insurance consultancy; Insurance information; Consultancy, advisory services and provision of information relating to all the foregoing; All included in Class 36.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
10.	安达保险	Chubb Limited	2015057967	Malaysia	25 May 2035	<u>Class 36</u> Insurance; Actuarial services; Insurance underwriting; Health insurance underwriting; Life insurance underwriting; Accident insurance underwriting; Insurance brokerage; Fire insurance underwriting; Insurance consultancy; Insurance information; Consultancy, advisory services and provision of information relating to all the foregoing; All included in Class 36.
11.	安达集团	Chubb Limited	2015057969	Malaysia	25 May 2035	<u>Class 36</u> Insurance; Actuarial services; Insurance underwriting; Health insurance underwriting; Life insurance underwriting; Accident insurance underwriting; Insurance brokerage; Fire insurance underwriting; Insurance consultancy; Insurance information; Consultancy, advisory services and provision of information relating to all the foregoing; All included in Class 36.
12.	Pro Family Shield Plus	Chubb Limited	2017074230	Malaysia	5 December 2027	<u>Class 36</u> Life insurance; Accident insurance; Personal accident insurance; Health insurance; Hospital income insurance; Critical illness insurance; All included in Class 36.
13.	Family Shield Plus	Chubb Limited	2016073602	Malaysia	14 December 2026	<u>Class 36</u> Accident insurance; Personal accident insurance; Health insurance; Hospital income insurance; Critical illness insurance; All included in Class 36.
14.	CHUBB CARGO PLUS	Chubb IH	2017069723	Malaysia	10 October 2027	<u>Class 36</u> Marine insurance; Ocean and inland marine risks insurance; Marine liabilities insurance; Environmental insurance; Ocean shipping insurance; Inland marine transit insurance; Railroad protective insurance; All included in Class 36.

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
15.		Chubb IH	TM2018018696	Malaysia	26 December 2028	<u>Class 9</u> Computer software and mobile applications; Bank cards; Credit cards; Cheque cards; Cash cards; Cards bearing magnetic data media; Debit cards; Smart cards; Telecommunications apparatus and instruments; Counting, data processing and computing apparatus and input and output devices for use therewith; Apparatus and instruments for data transmission; Network access devices; Data storage apparatus; Graphical recording apparatus; Magnetic recording media and cassettes and cartridges for use therewith; Computer programs; Teaching apparatus and instruments; Electronic data processing programs (software); Machine-readable data carriers equipped with programs; All included in Class 9.
		Chubb IH	TM2018018703	Malaysia	26 December 2028	<u>Class 35</u> Business management, business administration, business advice, information and inquiries; Advertising and business affairs; Opinion polling; Organization of exhibitions (for commercial or advertising purposes); Business risk management consultation; Business consultation, namely, providing advice regarding safety and loss programs that identify, mitigate, and prevent risk; Business management of insurance programs; Data compiling and analyzing in the field of insurance; Providing business information to businesses and legal entities; Insurance claims auditing services; Managing general agency services in the insurance field, namely, providing insurance agent referrals, and providing a pricing program in the field of property and casualty insurance through which members of designated associations, organizations, and groups may be offered or granted downward adjustments in the

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
						premiums for such insurance; Business services, namely, acting as a business intermediary connecting insurance agents and insurance underwriting companies for the placement of insurance coverages; Providing business information to insurance brokers in the field of insurance companies; Business services, namely, premium auditing; Tracking and monitoring insurance compliance services for others, for business purposes; Business record-keeping services for others, for insurance risk management and regulatory compliance purposes; Outsource service provider in the field of insurance claims business analytics; Insurance lead collection and matching services, namely, matching consumer requests for insurance policy quotes collected over the internet to pre-qualified insurance brokers, agents, and agencies interested in those requests; Consultancy, information and advisory services relating to all the foregoing; All included in Class 35. <u>Class 42</u> Providing temporary use of non-downloadable software; Providing temporary use of non-downloadable software for rate quoting, policy issuance, and policy maintenance; Scientific and industrial research; Computer software and programming services; Computer services; Lease, hire and rental of computer equipment, hardware, software and programs; Structural inspection services; Building inspection (surveying); Building inspection services (structural and surveying) for insurance purposes; Inspection of plant and machinery; Engineering consultancy services; Energy auditing; Building and interior design services; Surveying; Consultancy, information and advisory services relating to all the foregoing; All included in Class 42.
		Chubb IH	TM2018018706	Malaysia	26 December 2028	

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
16.	CHUBB STUDIO	Chubb IH	TM2019030492	Malaysia	19 August 2029	<u>Class 36</u> Insurance; Technology liability insurance; Professional indemnity insurance; Cyber insurance; General liability insurance; All included in class 36.
		Chubb IH	TM2019030524	Malaysia	19 August 2029	<u>Class 42</u> Providing temporary use of non-downloadable software; Providing temporary use of non-downloadable software for rate quoting, policy issuance, and policy maintenance; Cloud computing; Providing temporary use of on-line non-downloadable operating software for accessing and using a cloud computing network; Hosting platforms on the Internet; Providing temporary use of on-line applications and software tools, all the aforesaid services particularly in the fields of insurance, reinsurance, financial services, risk analysis, risk modelling and risk management; Electronic data storage; Scientific and technological services and research and design relating thereto; Industrial analysis and research services; Providing information relating to technological research; Computer-aided industrial and scientific analysis of data; Hosting computer software applications of others; Hosting interactive applications; All included in Class 42.
17.	MY CHUBB CONNECT	Chubb IH	TM2019035529	Malaysia	26 September 2029	<u>Class 9</u> Application software; Software; Computer software; Mobile software; Software for use in the insurance industry, namely, computer software for use in insurance claims information, assessment, management, and billing, aggregation of data and analysis of exposure and risk, predictive modeling and data analytics providing insights into insurance underwriting and claims management, the

ANNEXURE C: OUR TRADEMARKS, BRAND NAMES AND OTHER INTELLECTUAL PROPERTY RIGHTS (Cont'd)

No.	Trademark	Registered owner	Registration no.	Place of registration	Expiry date	Class/ Description of trademark
						management and automation of, and for deployment of a web-based platform to facilitate and automate, insurance operations; Software for management of underwriting, accounting and reinsurance, all for use in the insurance industry; Software for use in insurance policy claims submissions and processing, provision of and access to insurance quotes, and policy issuance and electronic delivery of program documents; Software for use in the provision of workflow, rules and a data schema that enables insurers to transact business with their agents via a global computer network; Software that allows transmission and exchange of data in real time between and among businesses, and for conversion of digital content into other forms of digital content, all for use in the insurance industry; Downloadable electronic publications, electronic information in the nature of downloadable reports and downloadable written articles, provided online in the fields of risk management, insurance, insurance brokerage, reinsurance, and reinsurance brokerage; All included in Class 9.
18.	CHUBB ASSEMBLY	Chubb IH	TM2022000566	Malaysia	7 January 2032	<u>Class 36</u> Insurance services; Insurance underwriting services.
19.	CHUBB ASSISTANCE	Chubb IH	TM2022034921	Malaysia	27 December 2032	<u>Class 39</u> Travel information services and assistance. <u>Class 44</u> Medical assistance and advice. <u>Class 45</u> Legal services.