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NEWS RELEASE

To: All Shareholders

The Board of Directors of United Overseas Insurance Limited wishes to make the following announcement:

**Unaudited financial results for the first half year ended 30 June 2025**

Details of the financial results are in the accompanying Condensed Interim Financial Statements.

**Dividend**

In line with our dividend policy to deliver a target payout ratio of 50 percent of net profit after tax, the Directors are pleased to declare an interim one-tier tax-exempt dividend of 7.0 cents (2024: 8.5 cents) per ordinary share in respect of the financial year ending 31 December 2025. The total interim dividend would amount to \$4.3 million. The dividend will be paid in cash on 19 August 2025.

**Borrowings, contingent liabilities and loan capital**

The Company has maintained strong liquidity for its business operations and has no borrowings, contingent liabilities and loan capital as at 30 June 2025 (30 June 2024: nil).

**Interested person transactions**

The Company has not obtained a general mandate from shareholders for interested person transactions.

**Confirmation by directors**

The Board of Directors of the Company hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results for first half year ended 30 June 2025 to be false or misleading in any material aspect.

**Undertakings from all its directors and executive officers**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual.

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**Closure of books**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 7 August 2025 up to (and including) 8 August 2025, for the purpose of determining shareholders' entitlements to the interim dividend. Duly completed registrable transfers of shares received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, up to 5.00 p.m. on 7 August 2025 will be registered for the interim dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), entitlements to the interim dividend will be computed based on the shareholdings position after settlement of all trades on 7 August 2025. The interim dividend will be paid by the Company to CDP which will, in turn, distribute the dividend to holders of the securities accounts.

**BY ORDER OF THE BOARD**

MS SHERYLENE WANG  
SECRETARY

Dated this 29 July 2025

**UNITED OVERSEAS INSURANCE LIMITED**

**Condensed Interim Financial Statements**

For the first half year ended 30 June 2025

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## NEWS RELEASE

### 1. Review of performance

#### Highlights and performance indicators

| Selected Financial Items                      | <b>1st Half<br/>2025</b> | 1st Half<br>2024 | Incr(+)/<br>Decr(-) | Incr(+)/<br>Decr(-) |
|---|--------------------------|------------------|---------------------|---------------------|
|   | <b>\$'000</b>            | \$'000           | \$'000              | %                   |
| Insurance revenue                             | <b>57,172</b>            | 50,972           | +6,200              | +12.2               |
| Insurance service expense                     | <b>(39,949)</b>          | (31,029)         | +8,920              | +28.7               |
| Net expenses from reinsurance contracts       | <b>(11,928)</b>          | (11,333)         | +595                | +5.3                |
| Insurance service result                      | <b>5,295</b>             | 8,610            | -3,315              | -38.5               |
| Net insurance service and financial result    | <b>5,074</b>             | 8,398            | -3,324              | -39.6               |
| Non-underwriting income                       | <b>5,445</b>             | 7,844            | -2,399              | -30.6               |
| Profit before tax                             | <b>10,519</b>            | 16,242           | -5,723              | -35.2               |
| Profit after tax                              | <b>8,638</b>             | 14,191           | -5,553              | -39.1               |
| Other comprehensive income/(loss), net of tax | <b>2,804</b>             | (2,062)          | +4,866              | -236.0              |
| Total comprehensive income                    | <b>11,442</b>            | 12,129           | -687                | -5.7                |
| Net asset value per share (\$)                | <b>7.71</b>              | 7.31             | +40 cents           | +5.5                |

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**1. Review of performance (cont'd)**

Highlights and performance indicators (cont'd)

1st Half 2025 ("1H2025") versus 1st Half 2024 ("1H2024")

Insurance revenue increased by S\$6.2 million or 12.2% driven by business growth initiatives and increased recognition of revenue from prior periods. Insurance service expenses rose to S\$39.9 million driven primarily by higher gross incurred claims and actuarial claims reserves, alongside increases in acquisition and administrative costs. Net expenses from reinsurance contracts had risen by S\$0.5 million. Consequently, insurance service result decreased by 38.5% to S\$5.3 million.

Non-underwriting income recorded a decrease of S\$2.4 million due to investment losses and foreign exchange movements.

Other comprehensive income, net of tax recorded an unrealised gain of S\$2.8 million as compared against an unrealised loss of S\$2.1 million in the corresponding period last year. This was attributed to mark-to-market gains on the investment portfolio.

Overall, total comprehensive income was a profit of S\$11.4 million, a decrease of S\$0.7 million from the corresponding period last year mainly due to the reasons mentioned earlier.

**2. Prospects for the next reporting period and the next 12 months**

The local insurance market, while highly saturated and competitive, is poised for steady growth underpinned by digital adoption and rising customer demand for private insurance solutions. The Company's continued digital transformation initiatives, synergies with its parent bank and expanding intermediary business lines fuel its growth ambition.

The investment landscape is marked by market fluctuations, tariff uncertainty and global geopolitical headwinds. The Company exercises defensive strategies in preserving capital through diversifying portfolio risk across its asset classes and allocation of funds with two fund managers.

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**3. Unaudited condensed interim income statement for first half year ended 30 June 2025**

|   | Note | 1st Half<br>2025<br>\$'000 | 1st Half<br>2024<br>\$'000 | Incr/<br>(Decr)<br>% |
|---|------|----------------------------|----------------------------|----------------------|
| (a) Insurance revenue   |      | 57,172                     | 50,972                     | 12.2                 |
| Insurance service expense   |      | (39,949)                   | (31,029)                   | 28.7                 |
| <b>Insurance service result before reinsurance contracts held</b>   |      | <b>17,223</b>              | <b>19,943</b>              | <b>(13.6)</b>        |
| Net expenses from reinsurance contracts   |      | (11,928)                   | (11,333)                   | 5.3                  |
| <b>Insurance service result</b>   |      | <b>5,295</b>               | <b>8,610</b>               | <b>(38.5)</b>        |
| Insurance finance expenses for insurance contracts issued   |      | (421)                      | (448)                      | (6.0)                |
| Reinsurance finance income for reinsurance contracts held   |      | 200                        | 236                        | (15.3)               |
| <b>Net insurance service and financial result</b>   |      | <b>5,074</b>               | <b>8,398</b>               | <b>(39.6)</b>        |
| Dividend income from investments  |      | 7,222                      | 3,265                      | 121.2                |
| Interest income from investments  |      | 3,438                      | 3,839                      | (10.4)               |
| Interest on fixed deposits and bank balances  |      | 800                        | 1,258                      | (36.4)               |
| Rental income from investment property  |      | 445                        | 354                        | 25.7                 |
| Miscellaneous income  |      | 5                          | 8                          | (37.5)               |
| Net fair value (losses)/gains on mandatorily measured at fair value through profit or loss ("FVTPL") investments - realised |      | (446)                      | 1,158                      | (138.5)              |
| Net fair value gains on mandatorily measured at fair value through profit or loss ("FVTPL") investments – unrealised        |      | 647                        | 684                        | (5.4)                |
| Net losses on disposal of fair value through other comprehensive income ("FVOCI") investments                               |      | (1,512)                    | (250)                      | 504.8                |
| (Provision)/write-back of expected credit loss on debt securities at FVOCI  |      | (19)                       | 19                         | (200.0)              |
| Amortisation of discount/(premium) on investments   |      | 245                        | (61)                       | (501.6)              |
| Net fair value losses on financial derivatives – realised   |      | (1,042)                    | (1,086)                    | (4.1)                |
| Net fair value gains/(losses) on financial derivatives - unrealised   |      | 5,225                      | (5,259)                    | (199.4)              |
| Exchange (losses)/gains   |      | (8,118)                    | 5,321                      | (252.6)              |
|   |      | (3,935)                    | (1,024)                    | 284.3                |
| Other management expenses   |      |                            |                            |                      |
| Depreciation on property  |      | (141)                      | (139)                      | 1.4                  |
| Management fees   |      | (491)                      | (652)                      | (24.7)               |
| Other operating expenses  |      | (813)                      | (615)                      | 32.2                 |
| <b>Total non-underwriting income</b>  |      | <b>5,445</b>               | <b>7,844</b>               | <b>(30.6)</b>        |
| <b>Profit before tax</b>  |      | <b>10,519</b>              | <b>16,242</b>              | <b>(35.2)</b>        |
| Tax expense   | 8(i) | (1,881)                    | (2,051)                    | (8.3)                |
| <b>Profit after tax</b>   |      | <b>8,638</b>               | <b>14,191</b>              | <b>(39.1)</b>        |
| <b>Profit attributable to equity holders of the Company</b>   |      | <b>8,638</b>               | <b>14,191</b>              | <b>(39.1)</b>        |
| (b) Earnings per share:   |      |                            |                            |                      |
| Basic and diluted (cents)   |      | 28.25                      | 46.41                      | (39.1)               |

Note: NM = Not Meaningful

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**4. Unaudited condensed interim statement of comprehensive income  
for first half year ended 30 June 2025**

|   | <b>1st Half<br/>2025</b> | <b>1st Half<br/>2024</b> | <b>Incr/(Decr)</b> |
|---|--------------------------|--------------------------|--------------------|
|   | <b>\$'000</b>            | <b>\$'000</b>            | <b>%</b>           |
| Net profit after tax  | <b>8,638</b>             | 14,191                   | (39.1)             |
| <b>Other comprehensive income :</b>   |                          |                          |                    |
| <b>Items that will not be reclassified<br/>to profit or loss :</b>                      |                          |                          |                    |
| Net fair value gains/(losses) on equity securities<br>at FVOCI                          | <b>1,013</b>             | (2,909)                  | (134.8)            |
| Tax related to the above  | <b>(172)</b>             | (2,348)                  | (92.7)             |
|   | <b>841</b>               | (5,257)                  | (116.0)            |
| <b>Items that may be reclassified subsequently<br/>to profit or loss :</b>              |                          |                          |                    |
| Debt securities at FVOCI  |                          |                          |                    |
| Changes in fair value   | <b>2,083</b>             | 1,471                    | 41.6               |
| Transfer to profit or loss on disposal  | <b>1,512</b>             | (250)                    | (704.8)            |
| Changes in allowance for expected credit<br>losses                                      | <b>19</b>                | (19)                     | (200.0)            |
| Tax related to the above  | <b>(1,652)</b>           | 1,988                    | (183.1)            |
|   | <b>1,962</b>             | 3,190                    | (38.5)             |
| Insurance finance expenses for insurance<br>contract issued                             | <b>2</b>                 | 6                        | (66.7)             |
| Reinsurance finance income for reinsurance<br>contracts held                            | <b>(1)</b>               | (1)                      | -                  |
| Net insurance finance result  | <b>1</b>                 | 5                        | (80.0)             |
| <b>Other comprehensive income/(loss) for<br/>period the period, net of tax</b>          | <b>2,804</b>             | (2,062)                  | (236.0)            |
| <b>Total comprehensive income for<br/>the period, net of tax</b>                        | <b>11,442</b>            | 12,129                   | (5.7)              |
| <b>Total comprehensive income<br/>attributable to equity holders of the<br/>Company</b> | <b>11,442</b>            | 12,129                   | (5.7)              |

Note: NM - Not Meaningful



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**5. Unaudited condensed interim statement of financial position**

|  |             | <b>30 June<br/>2025</b> | <b>31 December<br/>2024</b> |
|--|-------------|-------------------------|-----------------------------|
|  | <b>Note</b> | <b>\$'000</b>           | <b>\$'000</b>               |
| (a) Share capital - Issued and fully paid          |             | <b>91,733</b>           | 91,733                      |
| Reserves   |             | <b>379,583</b>          | 377,009                     |
| <b>Total equities</b>                              |             | <b>471,316</b>          | 468,742                     |
| <b>Liabilities</b>                                 |             |                         |                             |
| Non-trade creditors and accrued liabilities        |             | <b>10,383</b>           | 9,385                       |
| Lease liabilities                                  |             | <b>24</b>               | 24                          |
| Amount owing to related companies                  |             | <b>981</b>              | 2,344                       |
| Derivative financial liabilities                   |             | <b>66</b>               | 2,776                       |
| Tax payable  |             | <b>12,080</b>           | 10,758                      |
| Deferred tax liabilities                           |             | <b>2,242</b>            | 2,242                       |
| Insurance contract liabilities                     | 8(e), (f)   | <b>114,252</b>          | 106,082                     |
| Reinsurance contract liabilities                   | 8(g), (h)   | <b>2,377</b>            | 1,897                       |
| <b>Total liabilities</b>                           |             | <b>142,405</b>          | 135,508                     |
| <b>Total liabilities and equities</b>              |             | <b>613,721</b>          | 604,250                     |
| <b>Assets</b>                                      |             |                         |                             |
| Bank balances and fixed deposits                   |             | <b>62,266</b>           | 99,408                      |
| Non-trade debtors and accrued interest receivables |             | <b>4,675</b>            | 7,352                       |
| Associated company                                 |             | <b>1</b>                | 1                           |
| Derivative financial assets                        |             | <b>2,632</b>            | -                           |
| Investments  | 8(j)        | <b>436,048</b>          | 385,207                     |
| Investment property                                | 8(j), (l)   | <b>28,530</b>           | 28,530                      |
| Fixed assets                                       |             | <b>37,866</b>           | 38,580                      |
| Right-of-use assets                                |             | <b>19</b>               | 19                          |
| Reinsurance contract assets                        | 8(g), (h)   | <b>41,684</b>           | 45,153                      |
| <b>Total assets</b>                                |             | <b>613,721</b>          | 604,250                     |
| Net asset value per share (S\$)                    |             | <b>7.71</b>             | 7.66                        |
| (b) Number of shares issued ('000)                 |             | <b>61,155</b>           | 61,155                      |

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6. Unaudited condensed interim statements of changes in equity

|   | Share<br>capital | General<br>reserve | Revaluation<br>on<br>investment<br>reserve | Revaluation<br>surplus | Insurance /<br>reinsurance<br>finance<br>reserve | Retained<br>profits | Total          |
|---|------------------|--------------------|--|------------------------|--|---------------------|----------------|
|   | \$'000           | \$'000             | \$'000                                     | \$'000                 | \$'000   | \$'000              | \$'000         |
| Balance at 1 January 2025   | 91,733           | 22,880             | 27,544                                     | 3,801                  | 14   | 322,770             | 468,742        |
| Profit net of tax   | -                | -                  | -  | -                      | -  | 8,638               | 8,638          |
| Other comprehensive income<br>for first half year ended<br>30 June, net of tax                | -                | -                  | 2,803                                      | -                      | 1  | -                   | 2,804          |
| Total comprehensive income for<br>first half year ended 30 June                               | -                | -                  | 2,803                                      | -                      | 1  | 8,638               | 11,442         |
| Transfer of fair value reserves<br>of equity securities at FVOCI<br>upon disposal, net of tax | -                | -                  | 1,980                                      | -                      | -  | (1,980)             | -              |
| Dividend for Year 2024  | -                | -                  | -  | -                      | -  | (8,868)             | (8,868)        |
| <b>Balance at 30 June 2025</b>  | <b>91,733</b>    | <b>22,880</b>      | <b>32,327</b>                              | <b>3,801</b>           | <b>15</b>  | <b>320,560</b>      | <b>471,316</b> |

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6. Unaudited condensed interim statements of changes in equity (cont'd)

|   | Share<br>capital | General<br>reserve | Revaluation<br>on<br>investment<br>reserve | Revaluation<br>surplus | Insurance /<br>reinsurance<br>finance<br>reserve | Retained<br>profits | Total          |
|---|------------------|--------------------|--|------------------------|--|---------------------|----------------|
|   | \$'000           | \$'000             | \$'000                                     | \$'000                 | \$'000   | \$'000              | \$'000         |
| Balance at 1 January 2024   | 91,733           | 22,880             | 16,916                                     | 3,801                  | 8  | 307,123             | 442,461        |
| Profit net of tax   | -                | -                  | -  | -                      | -  | 14,191              | 14,191         |
| Other comprehensive income<br>for first half year ended<br>30 June, net of tax                | -                | -                  | (2,067)                                    | -                      | 5  | -                   | (2,062)        |
| Total comprehensive income for<br>first half year ended 30 June                               | -                | -                  | (2,067)                                    | -                      | 5  | 14,191              | 12,129         |
| Transfer of fair value reserves<br>of equity securities at FVOCI<br>upon disposal, net of tax | -                | -                  | 1,267                                      | -                      | -  | (1,267)             | -              |
| Dividend for Year 2023  | -                | -                  | -  | -                      | -  | (7,644)             | (7,644)        |
| <b>Balance at 30 June 2024</b>  | <b>91,733</b>    | <b>22,880</b>      | <b>16,116</b>                              | <b>3,801</b>           | <b>13</b>  | <b>312,403</b>      | <b>446,946</b> |

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**7. Unaudited condensed interim statement of cash flows**

|   | 1st Half<br>2025<br>\$'000 | 1st Half<br>2024<br>\$'000 |
|---|----------------------------|----------------------------|
| Note  |                            |                            |
| <b>Cash flows from operating activities</b>   |                            |                            |
| Profit before tax   | 10,519                     | 16,242                     |
| Adjustments for:  |                            |                            |
| Depreciation  | 880                        | 784                        |
| Movement in reinsurance contract assets   | 3,469                      | (2,527)                    |
| Movement in reinsurance contract liabilities  | 480                        | (462)                      |
| Movement in insurance contract liabilities  | 8,170                      | 5,411                      |
| Net fair value gains/(losses) on financial derivatives - unrealised                   | (5,225)                    | 5,259                      |
| Net fair value (losses)/gains on mandatorily measured at FVTPL investments - realised | 446                        | (1,158)                    |
| Net fair value gains on mandatorily measured at FVTPL investments - unrealised        | (647)                      | (684)                      |
| Net losses on disposal of FVOCI investments   | 1,512                      | 250                        |
| Amortisation of (discount)/premium on investments                                     | (245)                      | 61                         |
| Provision/(write-back) of expected credit loss on debt securities at FVOCI            | 19                         | (19)                       |
| Dividend income from investments  | (7,222)                    | (3,265)                    |
| Interest income from investments  | (3,438)                    | (3,839)                    |
| Interest on fixed deposits and bank balances  | (800)                      | (1,258)                    |
| Exchange gains/(losses)   | 8,743                      | (4,772)                    |
| Operating profit before working capital changes                                       | 16,661                     | 10,023                     |
| Changes in working capital:   |                            |                            |
| Other receivables   | 2,677                      | 178                        |
| Other payables  | 998                        | 643                        |
| Amount owing to related companies   | (1,363)                    | 659                        |
| Cash generated from operations  | 18,973                     | 11,503                     |
| Tax paid  | (2,346)                    | (3,175)                    |
| <b>Net cash flows from operating activities</b>                                       | <b>16,627</b>              | <b>8,328</b>               |
| <b>Cash flows from investing activities</b>   |                            |                            |
| Proceeds from disposal of investments   | 187,849                    | 71,900                     |
| Proceeds from fixed assets  | 11                         | -                          |
| Purchase of investments   | (243,789)                  | (55,764)                   |
| Purchase of fixed assets  | (177)                      | (100)                      |
| (Purchase of)/proceeds from long-term fixed deposits                                  | (4,591)                    | 1,032                      |
| Dividend received from investments  | 7,222                      | 3,265                      |
| Interest received from investments  | 3,127                      | 3,785                      |
| Interest received from fixed deposits and bank balances                               | 858                        | 1,239                      |
| <b>Net cash flows (used in)/from investing activities</b>                             | <b>(49,490)</b>            | <b>25,357</b>              |

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7. Unaudited condensed interim statement of cash flows (cont'd)

|   | 1st Half<br>2025<br>\$'000 | 1st Half<br>2024<br>\$'000 |
|---|----------------------------|----------------------------|
| <b>Cash flows from financing activity</b>                   |                            |                            |
| Leases paid   | (1)                        | (1)                        |
| Dividend paid   | (8,868)                    | (7,644)                    |
| <b>Cash flows used in financing activity</b>                | <b>(8,869)</b>             | <b>(7,645)</b>             |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | <b>(41,732)</b>            | 26,040                     |
| Cash and cash equivalents at beginning of period            | 97,976                     | 64,950                     |
| <b>Cash and cash equivalents at end of period</b>           | <b>56,244</b>              | <b>90,990</b>              |

For the purpose of statement of cash flows, cash and cash equivalents comprise the following:

|   | 1st Half<br>2025<br>\$'000 | 1st Half<br>2024<br>\$'000 |
|---|----------------------------|----------------------------|
| Cash and bank balances                                    | 14,059                     | 9,721                      |
| Fixed deposits placement with maturity less than 3 months | 42,185                     | 81,269                     |
| Cash and cash equivalents                                 | 56,244                     | 90,990                     |
| Fixed deposits placement with maturity more than 3 months | 6,022                      | 1,630                      |
|   | <b>62,266</b>              | <b>92,620</b>              |

## 8. Notes to the condensed interim financial statements

### (a) Review

The unaudited statement of financial position of United Overseas Insurance Limited as at 30 June 2025 and the related unaudited income statement, unaudited statement of comprehensive income, unaudited statement of changes in equity and unaudited statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### (b) Corporate information

United Overseas Insurance Limited (the Company) is a limited liability company domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). These condensed interim financial statements for the first half year ended 30 June 2025 are for the Company. The principal activities of the Company are the underwriting of general insurance business.

### (c) Basis of preparation

The condensed interim financial statements for the first half year ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"). The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance of the Company since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 8(c)(i).

The condensed financial statements are presented in Singapore dollar which is the Company's functional currency.

#### (i) **New and amended standards adopted by the Company**

A number of amendments to the standards have become applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

## 8. Notes to the condensed interim financial statements (cont'd)

### (c) Basis of preparation (cont'd)

#### (ii) Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the condensed financial statements.

##### Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

As general insurance business encompasses a wide range of different insurance products, a prudent management of risks is fundamental to the Company's business. This safeguards not only the interest of its shareholders but also that of its customers. The Company has developed a robust underwriting framework to ensure that all risks accepted meet with its guidelines and standards.

Although the insurance contract liabilities are estimated based on management's best knowledge and judgement of current facts, the actual outcome may differ from the estimates. The areas involving a higher degree of judgement or complexity, or areas whereby judgement, assumptions and estimates have been involved include, but are not limited to:

- 1) assumptions in estimating future cash flow;
- 2) discount rate; and
- 3) risk adjustment for non-financial risk.

##### Impairment losses on financial assets

The measurement of impairment losses under SFRS(I) 9 across relevant financial assets requires judgement, in particular for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios and the relevant input used.

##### Revaluation of owner-occupied and investment property

The Company carries its investment property at fair value, with changes in fair value being recognised in profit or loss. In addition, it measures the owner-occupied property at fair value less accumulated depreciation and impairment allowance.

The Company engaged real estate valuation experts to assess fair value on 12 November 2024. The fair value of the owner-occupied and investment property are determined by independent real estate valuation experts using the market comparable.

## 8. Notes to the condensed interim financial statements (cont'd)

### (d) Segment information

The Company is principally engaged in the business of underwriting general insurance. As the Company has different operating segments, its business are segregated into separate fund accounts in accordance with the requirements of the Singapore Insurance Act 1966.

As required under the Singapore Insurance Act, the Company has established and maintained a Singapore Insurance Fund (SIF) for insurance business relating to Singapore policies and an Offshore Insurance Fund (OIF) for insurance business relating to offshore policies. Shareholders' Fund (SHF) relates to the Company's investment activities of its non-insurance funds.

The segment information has been prepared in accordance with the Company's accounting policy and Singapore Financial Reporting Standards (International) (SFRS(I)).

### **Geographical information**

Geographical information of the Company's revenue derived from external customers based on location of insurance risks and non-current assets are as follows:

|           | <u>Revenue for</u>       |                  | <u>Non-current assets as at</u> |                  |
|-----------|--------------------------|------------------|---------------------------------|------------------|
|           | <b>1st Half<br/>2025</b> | 1st Half<br>2024 | <b>1st Half<br/>2025</b>        | 1st Half<br>2024 |
|           | <b>\$'000</b>            | \$'000           | <b>\$'000</b>                   | \$'000           |
| Singapore | <b>47,441</b>            | 41,867           | <b>37,885</b>                   | 39,161           |
| Asean     | <b>6,174</b>             | 5,865            | -                               | -                |
| Others    | <b>3,557</b>             | 3,240            | -                               | -                |
|           | <b>57,172</b>            | 50,972           | <b>37,885</b>                   | 39,161           |

The Company's non-current assets presented above consist of fixed assets (including property for its own occupancy) and right-of-use assets.



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8. Notes to the condensed interim financial statements (cont'd)

(d) Segment Information (cont'd)

|  | SIF<br>\$'000 | OIF<br>\$'000 | SHF<br>\$'000 | Total<br>\$'000 |
|--|---------------|---------------|---------------|-----------------|
| <b>For first half year ended 30 June 2025</b>  |               |               |               |                 |
| Insurance revenue  | 40,349        | 16,823        | -             | 57,172          |
| Insurance service expense  | (27,443)      | (12,506)      | -             | (39,949)        |
| <b>Insurance service result before reinsurance contracts held</b>  | <b>12,906</b> | <b>4,317</b>  | <b>-</b>      | <b>17,223</b>   |
| Net expenses from reinsurance contracts  | (7,920)       | (4,008)       | -             | (11,928)        |
| <b>Insurance service result</b>  | <b>4,986</b>  | <b>309</b>    | <b>-</b>      | <b>5,295</b>    |
| Insurance finance expenses for insurance contracts issued  | (385)         | (36)          | -             | (421)           |
| Reinsurance finance income for reinsurance contracts held  | 209           | (9)           | -             | 200             |
| <b>Net insurance service and financial result</b>  | <b>4,810</b>  | <b>264</b>    | <b>-</b>      | <b>5,074</b>    |
| Dividend income from investments   | 1,131         | 217           | 5,874         | 7,222           |
| Interest income from investments   | 1,971         | 322           | 1,145         | 3,438           |
| Interest on fixed deposits and bank balances   | 337           | 263           | 200           | 800             |
| Rental income from investment property   | -             | -             | 445           | 445             |
| Miscellaneous income   | (1)           | 1             | 5             | 5               |
| Net fair value losses on mandatorily measured at fair value through profit or loss ("FVTPL") investments - realised  | (118)         | (20)          | (308)         | (446)           |
| Net fair value gains on mandatorily measured at fair value through profit or loss ("FVTPL") investments - unrealised | 413           | 30            | 204           | 647             |
| Net losses on disposal of fair value through other comprehensive income ("FVOCI") investments                        | (607)         | (101)         | (804)         | (1,512)         |
| Provision for expected credit loss on debt securities at FVOCI   | (7)           | (3)           | (9)           | (19)            |
| Amortisation of discount on investments  | 119           | 22            | 104           | 245             |
| Net fair value gains/(losses) on financial derivatives - realised  | 344           | (120)         | (1,266)       | (1,042)         |
| Net fair value gains on financial derivatives - unrealised   | 2,667         | 633           | 1,925         | 5,225           |
| Exchange losses  | (4,588)       | (925)         | (2,605)       | (8,118)         |
|  | (1,577)       | (412)         | (1,946)       | (3,935)         |
| Other management expenses  |               |               |               |                 |
| Depreciation on property   | -             | -             | (141)         | (141)           |
| Management fees  | (263)         | (52)          | (176)         | (491)           |
| Other operating expenses   | (3)           | (73)          | (737)         | (813)           |
| <b>Total non-underwriting income</b>   | <b>1,395</b>  | <b>194</b>    | <b>3,856</b>  | <b>5,445</b>    |
| <b>Profit before tax</b>   | <b>6,205</b>  | <b>458</b>    | <b>3,856</b>  | <b>10,519</b>   |
| Tax expense  | (1,166)       | (60)          | (655)         | (1,881)         |
| <b>Profit after tax</b>  | <b>5,039</b>  | <b>398</b>    | <b>3,201</b>  | <b>8,638</b>    |
| Segment total assets as at 30 June 2025  | 286,559       | 54,186        | 272,976       | 613,721         |
| Segment total liabilities as at 30 June 2025   | 120,687       | 13,875        | 7,843         | 142,405         |

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**8. Notes to the condensed interim financial statements (cont'd)**

**(d) Segment Information (cont'd)**

|  | SIF<br>\$'000 | OIF<br>\$'000 | SHF<br>\$'000 | Total<br>\$'000 |
|--|---------------|---------------|---------------|-----------------|
| <b>For first half year ended 30 June 2024</b>  |               |               |               |                 |
| Insurance revenue  | 36,990        | 13,982        | -             | 50,972          |
| Insurance service expense  | (21,904)      | (9,125)       | -             | (31,029)        |
| <b>Insurance service result before reinsurance contracts held</b>  | <b>15,086</b> | <b>4,857</b>  | <b>-</b>      | <b>19,943</b>   |
| Net expenses from reinsurance contracts  | (8,793)       | (2,540)       | -             | (11,333)        |
| <b>Insurance service result</b>  | <b>6,293</b>  | <b>2,317</b>  | <b>-</b>      | <b>8,610</b>    |
| Insurance finance expenses for insurance contracts issued  | (398)         | (50)          | -             | (448)           |
| Reinsurance finance income for reinsurance contracts held  | 233           | 3             | -             | 236             |
| <b>Net insurance service and financial result</b>  | <b>6,128</b>  | <b>2,270</b>  | <b>-</b>      | <b>8,398</b>    |
| Dividend income from investments   | 1,299         | 266           | 1,700         | 3,265           |
| Interest income from investments   | 2,133         | 371           | 1,335         | 3,839           |
| Interest on fixed deposits and bank balances   | 760           | 285           | 213           | 1,258           |
| Rental income from investment property   | -             | -             | 354           | 354             |
| Miscellaneous income   | 2             | -             | 6             | 8               |
| Net fair value gains on mandatorily measured at fair value through profit or loss ("FVTPL") investments - realised   | 614           | 168           | 376           | 1,158           |
| Net fair value gains on mandatorily measured at fair value through profit or loss ("FVTPL") investments - unrealised | 437           | 67            | 180           | 684             |
| Net losses on disposal of fair value through other comprehensive income ("FVOCI") investments                        | (137)         | (58)          | (55)          | (250)           |
| Write-back of expected credit loss on debt securities at FVOCI   | 9             | 3             | 7             | 19              |
| Amortisation of (premium)/discount on investments  | (20)          | 8             | (49)          | (61)            |
| Net fair value losses on financial derivatives - realised  | (584)         | (111)         | (391)         | (1,086)         |
| Net fair value losses on financial derivatives - unrealised  | (2,876)       | (559)         | (1,824)       | (5,259)         |
| Exchange gains   | 2,891         | 607           | 1,823         | 5,321           |
|  | (569)         | (63)          | (392)         | (1,024)         |
| Other management expenses  |               |               |               |                 |
| Depreciation on property   | -             | -             | (139)         | (139)           |
| Management fees  | (353)         | (71)          | (228)         | (652)           |
| Other operating expenses   | 67            | (59)          | (623)         | (615)           |
| <b>Total non-underwriting income</b>   | <b>4,242</b>  | <b>917</b>    | <b>2,685</b>  | <b>7,844</b>    |
| <b>Profit before tax</b>   | <b>10,370</b> | <b>3,187</b>  | <b>2,685</b>  | <b>16,242</b>   |
| Tax expense  | (1,484)       | (110)         | (457)         | (2,051)         |
| <b>Profit after tax</b>  | <b>8,886</b>  | <b>3,077</b>  | <b>2,228</b>  | <b>14,191</b>   |
| Segment total assets as at 30 June 2024  | 304,988       | 52,935        | 239,320       | 597,243         |
| Segment total liabilities as at 30 June 2024   | 125,120       | 18,061        | 7,116         | 150,297         |

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8. Notes to the condensed interim financial statements (cont'd)

(e) Insurance contracts (Analysis by remaining coverage and incurred claims)

|   | For the half year ended 30 June 2025                              |                   |                                       |
|---|---|-------------------|---------------------------------------|
|   | Liabilities for remaining coverage<br>Excluding loss<br>component | Loss<br>component | Liabilities for<br>incurred<br>claims |
|   | \$'000  | \$'000            | \$'000                                |
| Insurance contract assets as at 1 January   | -   | -                 | -                                     |
| Insurance contract liabilities as at 1 January  | 18,382  | 704               | 86,996                                |
| <b>Net opening balance</b>  | <b>18,382</b>   | <b>704</b>        | <b>86,996</b>                         |
| <b>Changes in the statement of profit or loss<br/>and other comprehensive income</b>                  |   |                   |                                       |
| <b>Insurance contract revenue</b>   | <b>(57,172)</b>   | <b>-</b>          | <b>-</b>                              |
| <b>Insurance service expenses</b>   |   |                   |                                       |
| Incurred claims (excluding investment<br>components) and other incurred insurance<br>service expenses | -   | (931)             | 14,716                                |
| Changes related to past services  | -   | -                 | 10,789                                |
| <b>Incurred claims and benefits</b>   | <b>-</b>  | <b>(931)</b>      | <b>25,505</b>                         |
| Amortisation of insurance acquisition cash flows  | 14,422  | -                 | -                                     |
| Changes related to future services (i.e. losses on<br>onerous contracts)                              | -   | 953               | -                                     |
| <b>Insurance service operating expenses</b>   | <b>14,422</b>   | <b>953</b>        | <b>-</b>                              |
| <b>Total insurance service expenses</b>   | <b>14,422</b>   | <b>22</b>         | <b>25,505</b>                         |
| <b>Insurance service result</b>   | <b>(42,750)</b>   | <b>22</b>         | <b>25,505</b>                         |
| Net finance expenses from insurance contracts   | 143   | 4                 | 272                                   |
| <b>Total changes in the statement of profit or loss<br/>and other comprehensive income</b>            | <b>(42,607)</b>   | <b>26</b>         | <b>25,777</b>                         |
| <b>Cash flows</b>   |   |                   |                                       |
| Premiums received   | 57,818  | -                 | -                                     |
| Claims and other insurance service expenses<br>paid, including investment components                  | -   | -                 | (19,631)                              |
| Insurance acquisition cash flows  | (13,213)  | -                 | -                                     |
| <b>Total cash flows</b>   | <b>44,605</b>   | <b>-</b>          | <b>(19,631)</b>                       |
| Insurance contract assets as at 30 June   | -   | -                 | -                                     |
| Insurance contract liabilities as at 30 June  | 20,380  | 730               | 93,142                                |
| <b>Net closing balance</b>  | <b>20,380</b>   | <b>730</b>        | <b>93,142</b>                         |

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8. Notes to the condensed interim financial statements (cont'd)

(e) Insurance contracts (Analysis by remaining coverage and incurred claims) (cont'd)

|   | For the half year ended 30 June 2024 |                |                 |                 |
|---|--------------------------------------|----------------|-----------------|-----------------|
|   | Liabilities for remaining coverage   |                | Liabilities for | Total           |
|   | Excluding loss                       | Loss           | incurred        |                 |
|   | component                            | component      | claims          |                 |
|   | \$'000                               | \$'000         | \$'000          | \$'000          |
| Insurance contract assets as at 1 January   | -                                    | -              | -               | -               |
| Insurance contract liabilities as at 1 January  | 24,913                               | 1,853          | 94,800          | 121,566         |
| <b>Net opening balance</b>  | <b>24,913</b>                        | <b>1,853</b>   | <b>94,800</b>   | <b>121,566</b>  |
| <b>Changes in the statement of profit or loss and other comprehensive income</b>                |                                      |                |                 |                 |
| <b>Insurance contract revenue</b>   | <b>(50,972)</b>                      | <b>-</b>       | <b>-</b>        | <b>(50,972)</b> |
| <b>Insurance service expenses</b>   |                                      |                |                 |                 |
| Incurred claims (excluding investment components) and other incurred insurance service expenses | -                                    | (2,116)        | 8,166           | 6,050           |
| Changes related to past services  | -                                    | -              | 10,946          | 10,946          |
| <b>Incurred claims and benefits</b>   | <b>-</b>                             | <b>(2,116)</b> | <b>19,112</b>   | <b>16,996</b>   |
| Amortisation of insurance acquisition cash flows  | 12,683                               | -              | -               | 12,683          |
| Changes related to future services (i.e. losses on onerous contracts)                           | -                                    | 1,350          | -               | 1,350           |
| <b>Insurance service operating expenses</b>   | <b>12,683</b>                        | <b>1,350</b>   | <b>-</b>        | <b>14,033</b>   |
| <b>Total insurance service expenses</b>   | <b>12,683</b>                        | <b>(766)</b>   | <b>19,112</b>   | <b>31,029</b>   |
| <b>Insurance service result</b>   | <b>(38,289)</b>                      | <b>(766)</b>   | <b>19,112</b>   | <b>(19,943)</b> |
| Net finance expenses from insurance contracts   | 174                                  | 8              | 260             | 442             |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b>          | <b>(38,115)</b>                      | <b>(758)</b>   | <b>19,372</b>   | <b>(19,501)</b> |
| <b>Cash flows</b>   |                                      |                |                 |                 |
| Premiums received   | 59,932                               | -              | -               | 59,932          |
| Claims and other insurance service expenses paid, including investment components               | -                                    | -              | (21,129)        | (21,129)        |
| Insurance acquisition cash flows  | (13,891)                             | -              | -               | (13,891)        |
| <b>Total cash flows</b>   | <b>46,041</b>                        | <b>-</b>       | <b>(21,129)</b> | <b>24,912</b>   |
| Insurance contract assets as at 30 June   | -                                    | -              | -               | -               |
| Insurance contract liabilities as at 30 June  | 32,839                               | 1,095          | 93,043          | 126,977         |
| <b>Net closing balance</b>  | <b>32,839</b>                        | <b>1,095</b>   | <b>93,043</b>   | <b>126,977</b>  |

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8. Notes to the condensed interim financial statements (cont'd)

(f) Insurance contracts (Analysis by measurement component)

**For the half year ended 30 June 2025**

|   | Estimates of<br>the present<br>value of the<br>future cash<br>flows<br>\$'000 | Risk<br>adjustment<br>for non-<br>financial<br>risk<br>\$'000 | Contractual<br>service<br>margin<br>\$'000 | Total<br>\$'000 |
|---|---|---|--|-----------------|
| Insurance contract assets as at 1 January   | -   | -   | -  | -               |
| Insurance contract liabilities as at 1 January  | 83,798  | 7,977   | 14,307                                     | 106,082         |
| <b>Net opening balance</b>  | <b>83,798</b>   | <b>7,977</b>  | <b>14,307</b>                              | <b>106,082</b>  |
| <b>Changes in the statement of profit or loss and other<br/>comprehensive income</b>  |   |   |  |                 |
| Changes in estimates that adjust the contractual<br>service margin  | (2,248)   | (23)  | 2,271                                      | -               |
| Changes in estimates that do not adjust the<br>contractual service margin, ie losses on groups of<br>onerous contracts and reversals of such losses | (352)   | (40)  | -  | (392)           |
| Effects of contracts initially recognised in the period   | (21,924)  | 2,557   | 20,712                                     | 1,345           |
| <b>Changes that relate to future services</b>   | <b>(24,524)</b>   | <b>2,494</b>  | <b>22,983</b>                              | <b>953</b>      |
| CSM recognised in profit or loss for services provided  | -   | -   | (16,540)                                   | (16,540)        |
| Release of the risk adjustment for non-financial risk   | -   | (1,939)   | -  | (1,939)         |
| Experience adjustments  | (10,543)  | 57  | -  | (10,486)        |
| Revenue recognised for incurred policyholder tax expenses   | -   | -   | -  | -               |
| <b>Changes that relate to current services</b>  | <b>(10,543)</b>   | <b>(1,882)</b>  | <b>(16,540)</b>                            | <b>(28,965)</b> |
| Changes that relate to past service, ie changes in<br>fulfilment cash flows relating to incurred claims   | 10,308  | 481   | -  | 10,789          |
| <b>Changes that relate to past services</b>   | <b>10,308</b>   | <b>481</b>  | <b>-</b>                                   | <b>10,789</b>   |
| <b>Insurance service result</b>   | <b>(24,759)</b>   | <b>1,093</b>  | <b>6,443</b>                               | <b>(17,223)</b> |
| Net finance expenses from insurance contracts   | 262   | 46  | 111  | 419             |
| <b>Total changes in the statement of profit or loss and<br/>other comprehensive income</b>  | <b>(24,497)</b>   | <b>1,139</b>  | <b>6,554</b>                               | <b>(16,804)</b> |
| <b>Cash flows</b>   |   |   |  |                 |
| Premiums received   | 57,818  | -   | -  | 57,818          |
| Claims and other insurance service expenses paid,<br>including investment components  | (19,631)  | -   | -  | (19,631)        |
| Insurance acquisition cash flows  | (13,213)  | -   | -  | (13,213)        |
| <b>Total cash flows</b>   | <b>24,974</b>   | <b>-</b>  | <b>-</b>                                   | <b>24,974</b>   |
| Insurance contract assets as at 30 June   | -   | -   | -  | -               |
| Insurance contract liabilities as at 30 June  | 84,275  | 9,116   | 20,861                                     | 114,252         |
| <b>Net closing balance</b>  | <b>84,275</b>   | <b>9,116</b>  | <b>20,861</b>                              | <b>114,252</b>  |

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8. Notes to the condensed interim financial statements (cont'd)

(f) Insurance contracts (Analysis by measurement component) (cont'd)

For the half year ended 30 June 2024

|   | Estimates of<br>the present<br>value of the<br>future cash<br>flows<br>\$'000 | Risk<br>adjustment<br>for non-<br>financial<br>risk<br>\$'000 | Contractual<br>service<br>margin<br>\$'000 | Total<br>\$'000 |
|---|---|---|--|-----------------|
| Insurance contract assets as at 1 January   | -   | -   | -  | -               |
| Insurance contract liabilities as at 1 January  | 99,155  | 12,039  | 10,372                                     | 121,566         |
| <b>Net opening balance</b>  | <b>99,155</b>   | <b>12,039</b>   | <b>10,372</b>                              | <b>121,566</b>  |
| <b>Changes in the statement of profit or loss and other<br/>comprehensive income</b>  |   |   |  |                 |
| Changes in estimates that adjust the contractual<br>service margin  | (1,911)   | (3)   | 1,914                                      | -               |
| Changes in estimates that do not adjust the<br>contractual service margin, ie losses on groups of<br>onerous contracts and reversals of such losses | (423)   | (41)  | -  | (464)           |
| Effects of contracts initially recognised in the period   | (19,531)  | 2,635   | 18,710                                     | 1,814           |
| <b>Changes that relate to future services</b>   | <b>(21,865)</b>   | <b>2,591</b>  | <b>20,624</b>                              | <b>1,350</b>    |
| CSM recognised in profit or loss for services provided  | -   | -   | (12,894)                                   | (12,894)        |
| Release of the risk adjustment for non-financial risk   | -   | (1,900)   | -  | (1,900)         |
| Experience adjustments  | (17,534)  | 89  | -  | (17,445)        |
| Revenue recognised for incurred policyholder tax expenses   | -   | -   | -  | -               |
| <b>Changes that relate to current services</b>  | <b>(17,534)</b>   | <b>(1,811)</b>  | <b>(12,894)</b>                            | <b>(32,239)</b> |
| Changes that relate to past service, ie changes in<br>fulfilment cash flows relating to incurred claims   | 11,060  | (114)   | -  | 10,946          |
| <b>Changes that relate to past services</b>   | <b>11,060</b>   | <b>(114)</b>  | <b>-</b>                                   | <b>10,946</b>   |
| <b>Insurance service result</b>   | <b>(28,339)</b>   | <b>666</b>  | <b>7,730</b>                               | <b>(19,943)</b> |
| Net finance expenses from insurance contracts   | 308   | 45  | 89   | 442             |
| Effect of movements in exchange rates   | -   | -   | -  | -               |
| <b>Total changes in the statement of profit or loss and<br/>other comprehensive income</b>  | <b>(28,031)</b>   | <b>711</b>  | <b>7,819</b>                               | <b>(19,501)</b> |
| <b>Cash flows</b>   |   |   |  |                 |
| Premiums received   | 59,932  | -   | -  | 59,932          |
| Claims and other insurance service expenses paid,<br>including investment components  | (21,129)  | -   | -  | (21,129)        |
| Insurance acquisition cash flows  | (13,891)  | -   | -  | (13,891)        |
| <b>Total cash flows</b>   | <b>24,912</b>   | <b>-</b>  | <b>-</b>                                   | <b>24,912</b>   |
| Insurance contract assets as at 30 June   | -   | -   | -  | -               |
| Insurance contract liabilities as at 30 June  | 96,036  | 12,750  | 18,191                                     | 126,977         |
| <b>Net closing balance</b>  | <b>96,036</b>   | <b>12,750</b>   | <b>18,191</b>                              | <b>126,977</b>  |

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8. Notes to the condensed interim financial statements (cont'd)

(g) Reinsurance contracts (Analysis by remaining coverage and incurred claims)

|  | For the half year ended 30 June 2025 |                         |                            |                 |
|--|--------------------------------------|-------------------------|----------------------------|-----------------|
|  | Assets for remaining coverage        |                         |                            |                 |
|  | Excluding loss-recovery component    | Loss-recovery component | Assets for incurred claims | Total           |
|  | \$'000                               | \$'000                  | \$'000                     | \$'000          |
| Reinsurance contract assets as at 1 January  | 6,541                                | (233)                   | (51,461)                   | (45,153)        |
| Reinsurance contract liabilities as at 1 January                                       | 3,030                                | -                       | (1,133)                    | 1,897           |
| <b>Net opening balance</b>   | <b>9,571</b>                         | <b>(233)</b>            | <b>(52,594)</b>            | <b>(43,256)</b> |
| <b>Changes in the statement of profit or loss and other comprehensive income</b>       |                                      |                         |                            |                 |
| <b>Allocation of reinsurance premiums</b>  |                                      |                         |                            |                 |
| <b>Insurance contract revenue ceded to reinsurers</b>                                  | <b>20,409</b>                        | <b>-</b>                | <b>-</b>                   | <b>20,409</b>   |
| <b>Amounts recoverable from reinsurers</b>   |                                      |                         |                            |                 |
| Insurance claims and benefits recovered from reinsurers                                | -                                    | -                       | (2,331)                    | (2,331)         |
| Changes in amounts recoverable arising from changes in liability for incurred claims   | -                                    | -                       | (6,162)                    | (6,162)         |
| Changes in fulfilment cash flows which relates to onerous underlying contracts         | -                                    | 12                      | -                          | 12              |
| <b>Total amounts recoverable from reinsurers</b>                                       | <b>-</b>                             | <b>12</b>               | <b>(8,493)</b>             | <b>(8,481)</b>  |
| <b>Net expense/(income) from reinsurance contract held</b>                             | <b>20,409</b>                        | <b>12</b>               | <b>(8,493)</b>             | <b>11,928</b>   |
| Net finance income from reinsurance contracts  | (50)                                 | (1)                     | (148)                      | (199)           |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>20,359</b>                        | <b>11</b>               | <b>(8,641)</b>             | <b>11,729</b>   |
| <b>Cash flows</b>  |                                      |                         |                            |                 |
| Premiums paid  | (14,542)                             | -                       | -                          | (14,542)        |
| Reinsurance service expenses recovered for insurance contracts issued                  | -                                    | -                       | 6,762                      | 6,762           |
| <b>Total cash flows</b>  | <b>(14,542)</b>                      | <b>-</b>                | <b>6,762</b>               | <b>(7,780)</b>  |
| Reinsurance contract assets as at 30 June  | 11,646                               | (222)                   | (53,108)                   | (41,684)        |
| Reinsurance contract liabilities as at 30 June   | 3,742                                | -                       | (1,365)                    | 2,377           |
| <b>Net closing balance</b>   | <b>15,388</b>                        | <b>(222)</b>            | <b>(54,473)</b>            | <b>(39,307)</b> |



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8. Notes to the condensed interim financial statements (cont'd)

(g) Reinsurance contracts (Analysis by remaining coverage and incurred claims) (cont'd)

|  | For the half year ended 30 June 2024 |                         |                            |                 |
|--|--------------------------------------|-------------------------|----------------------------|-----------------|
|  | Assets for remaining coverage        |                         |                            |                 |
|  | Excluding loss-recovery component    | Loss-recovery component | Assets for incurred claims | Total           |
|  | \$'000                               | \$'000                  | \$'000                     | \$'000          |
| Reinsurance contract assets as at 1 January  | 9,012                                | (557)                   | (58,562)                   | (50,107)        |
| Reinsurance contract liabilities as at 1 January                                       | 2,939                                | -                       | (1,258)                    | 1,681           |
| <b>Net opening balance</b>   | <b>11,951</b>                        | <b>(557)</b>            | <b>(59,820)</b>            | <b>(48,426)</b> |
| <b>Changes in the statement of profit or loss and other comprehensive income</b>       |                                      |                         |                            |                 |
| <b>Allocation of reinsurance premiums</b>  |                                      |                         |                            |                 |
| <b>Insurance contract revenue ceded to reinsurers</b>                                  | <b>17,154</b>                        | <b>-</b>                | <b>-</b>                   | <b>17,154</b>   |
| <b>Amounts recoverable from reinsurers</b>   |                                      |                         |                            |                 |
| Insurance claims and benefits recovered from reinsurers                                | -                                    | -                       | (3,509)                    | (3,509)         |
| Changes in amounts recoverable arising from changes in liability for incurred claims   | -                                    | -                       | (1,248)                    | (1,248)         |
| Changes in fulfilment cash flows which relates to onerous underlying contracts         | -                                    | (1,064)                 | -                          | (1,064)         |
| <b>Total amounts recoverable from reinsurers</b>                                       | <b>-</b>                             | <b>(1,064)</b>          | <b>(4,757)</b>             | <b>(5,821)</b>  |
| <b>Net expense/(income) from reinsurance contract held</b>                             | <b>17,154</b>                        | <b>(1,064)</b>          | <b>(4,757)</b>             | <b>11,333</b>   |
| Net finance income from reinsurance contracts  | (74)                                 | (2)                     | (159)                      | (235)           |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b> | <b>17,080</b>                        | <b>(1,066)</b>          | <b>(4,916)</b>             | <b>11,098</b>   |
| <b>Cash flows</b>  |                                      |                         |                            |                 |
| Premiums paid  | (23,664)                             | -                       | -                          | (23,664)        |
| Reinsurance service expenses recovered for insurance contracts issued                  | -                                    | -                       | 9,577                      | 9,577           |
| <b>Total cash flows</b>  | <b>(23,664)</b>                      | <b>-</b>                | <b>9,577</b>               | <b>(14,087)</b> |
| Reinsurance contract assets as at 30 June  | 2,870                                | (1,623)                 | (53,881)                   | (52,634)        |
| Reinsurance contract liabilities as at 30 June   | 2,497                                | -                       | (1,278)                    | 1,219           |
| <b>Net closing balance</b>   | <b>5,367</b>                         | <b>(1,623)</b>          | <b>(55,159)</b>            | <b>(51,415)</b> |



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8. Notes to the condensed interim financial statements (cont'd)

(h) Reinsurance contracts (Analysis by measurement component)

|  | <u>For the half year ended 30 June 2025</u>                         |   |                                  |                 |
|--|---|---|----------------------------------|-----------------|
|  | Estimates of<br>the present<br>value of the<br>future cash<br>flows | Risk<br>adjustment<br>for non-<br>financial<br>risk | Contractual<br>service<br>margin | Total           |
|  | \$'000  | \$'000  | \$'000                           | \$'000          |
| Reinsurance contract assets as at 1 January  | (20,745)  | (4,075)   | (20,333)                         | (45,153)        |
| Reinsurance contract liabilities as at 1 January   | 2,206   | (309)   | -                                | 1,897           |
| <b>Net opening balance</b>   | <b>(18,539)</b>   | <b>(4,384)</b>                                      | <b>(20,333)</b>                  | <b>(43,256)</b> |
| <b>Changes in the statement of profit or loss and other comprehensive income</b>                     |   |   |                                  |                 |
| Changes in estimates that adjust the contractual service margin                                      | 1,645   | 63  | (1,708)                          | -               |
| Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts   | 824   | (733)   | -                                | 91              |
| Changes in recoveries of losses on onerous underlying contracts that adjust the CSM                  | -   | -   | (79)                             | (79)            |
| Effects of contracts initially recognised in the period  | 13,651  | (548)   | (13,103)                         | -               |
| <b>Changes that relate to future services</b>  | <b>16,120</b>   | <b>(1,218)</b>                                      | <b>(14,890)</b>                  | <b>12</b>       |
| CSM recognised in profit or loss for services provided   | -   | -   | 14,664                           | 14,664          |
| Release of the risk adjustment for non-financial risk  | -   | 590   | -                                | 590             |
| Experience adjustments   | 2,824   | -   | -                                | 2,824           |
| <b>Changes that relate to current services</b>   | <b>2,824</b>  | <b>590</b>  | <b>14,664</b>                    | <b>18,078</b>   |
| Changes that relate to past service, ie changes in fulfilment cash flows relating to incurred claims | (6,711)   | 549   | -                                | (6,162)         |
| <b>Changes that relate to past services</b>  | <b>(6,711)</b>  | <b>549</b>  | <b>-</b>                         | <b>(6,162)</b>  |
| <b>Net expense/(income) from reinsurance contract held</b>   | <b>12,233</b>   | <b>(79)</b>   | <b>(226)</b>                     | <b>11,928</b>   |
| Net finance income from reinsurance contracts  | (55)  | (21)  | (123)                            | (199)           |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b>               | <b>12,178</b>   | <b>(100)</b>  | <b>(349)</b>                     | <b>11,729</b>   |
| <b>Cash flows</b>  |   |   |                                  |                 |
| Premiums paid  | (14,542)  | -   | -                                | (14,542)        |
| Reinsurance service expenses recovered for insurance contracts issued                                | 6,762   | -   | -                                | 6,762           |
| <b>Total cash flows</b>  | <b>(7,780)</b>  | <b>-</b>  | <b>-</b>                         | <b>(7,780)</b>  |
| Reinsurance contract assets as at 30 June  | (16,840)  | (4,294)   | (20,550)                         | (41,684)        |
| Reinsurance contract liabilities as at 30 June   | 2,699   | (190)   | (132)                            | 2,377           |
| <b>Net closing balance</b>   | <b>(14,141)</b>   | <b>(4,484)</b>                                      | <b>(20,682)</b>                  | <b>(39,307)</b> |

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8. Notes to the condensed interim financial statements (cont'd)

(h) Reinsurance contracts (Analysis by measurement component) (cont'd)

|  | For the half year ended 30 June 2024                                |   |                                  |                 |
|--|---|---|----------------------------------|-----------------|
|  | Estimates of<br>the present<br>value of the<br>future cash<br>flows | Risk<br>adjustment<br>for non-<br>financial<br>risk | Contractual<br>service<br>margin | Total           |
|  | \$'000  | \$'000  | \$'000                           | \$'000          |
| Reinsurance contract assets as at 1 January  | (30,154)  | (5,565)   | (14,388)                         | (50,107)        |
| Reinsurance contract liabilities as at 1 January   | 2,012   | (331)   | -                                | 1,681           |
| <b>Net opening balance</b>   | <b>(28,142)</b>   | <b>(5,896)</b>                                      | <b>(14,388)</b>                  | <b>(48,426)</b> |
| <b>Changes in the statement of profit or loss and other comprehensive income</b>                     |   |   |                                  |                 |
| Changes in estimates that adjust the contractual service margin                                      | 277   | (5)   | (272)                            | -               |
| Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts   | (590)   | -   | -                                | (590)           |
| Changes in recoveries of losses on onerous underlying contracts that adjust the CSM                  | (475)   | -   | (946)                            | (1,421)         |
| Effects of contracts initially recognised in the period  | 14,892  | (805)   | (14,087)                         | -               |
| <b>Changes that relate to future services</b>  | <b>14,104</b>   | <b>(810)</b>  | <b>(15,305)</b>                  | <b>(2,011)</b>  |
| CSM recognised in profit or loss for services provided   | -   | -   | 10,322                           | 10,322          |
| Release of the risk adjustment for non-financial risk  | -   | (678)   | -                                | (678)           |
| Experience adjustments   | 3,903   | 1,045   | -                                | 4,948           |
| <b>Changes that relate to current services</b>   | <b>3,903</b>  | <b>367</b>  | <b>10,322</b>                    | <b>14,592</b>   |
| Changes that relate to past service, ie changes in fulfilment cash flows relating to incurred claims | (2,021)   | 773   | -                                | (1,248)         |
| <b>Changes that relate to past services</b>  | <b>(2,021)</b>  | <b>773</b>  | <b>-</b>                         | <b>(1,248)</b>  |
| <b>Net expense/(income) from reinsurance contract held</b>   | <b>15,986</b>   | <b>330</b>  | <b>(4,983)</b>                   | <b>11,333</b>   |
| Net finance income from reinsurance contracts  | (110)   | (23)  | (102)                            | (235)           |
| <b>Total changes in the statement of profit or loss and other comprehensive income</b>               | <b>15,876</b>   | <b>307</b>  | <b>(5,085)</b>                   | <b>11,098</b>   |
| <b>Cash flows</b>  |   |   |                                  |                 |
| Premiums paid  | (23,664)  | -   | -                                | (23,664)        |
| Reinsurance service expenses recovered for insurance contracts issued                                | 9,577   | -   | -                                | 9,577           |
| <b>Total cash flows</b>  | <b>(14,087)</b>   | <b>-</b>  | <b>-</b>                         | <b>(14,087)</b> |
| Reinsurance contract assets as at 30 June  | (28,115)  | (5,206)   | (19,313)                         | (52,634)        |
| Reinsurance contract liabilities as at 30 June   | 1,762   | (383)   | (160)                            | 1,219           |
| <b>Net closing balance</b>   | <b>(26,353)</b>   | <b>(5,589)</b>                                      | <b>(19,473)</b>                  | <b>(51,415)</b> |

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**8. Notes to the condensed interim financial statements (cont'd)**

**(i) Taxation**

The Company calculates the period income tax expense using the tax rate that would be applicable to the period concerned. The major components of income tax expense in the condensed income statement are:

|                            | 1st Half<br>2025 | 1st Half<br>2024 |
|----------------------------|------------------|------------------|
|                            | \$'000           | \$'000           |
|                            | 1,881            | 2,051            |
| Current income tax expense | 1,881            | 2,051            |

**(j) Investments**

Financial instruments as at:

|                     | 30 June<br>2025 | 31 December<br>2024 |
|---------------------|-----------------|---------------------|
|                     | \$'000          | \$'000              |
| Unit trusts         | 37,440          | 29,153              |
| Debt securities     | 239,967         | 223,822             |
| Equity securities   | 158,641         | 132,232             |
| Investment property | 28,530          | 28,530              |
|                     | 464,578         | 413,737             |

During the interim period, the Company disposed certain investments for cash and realised the capital appreciation due to the Company's investment strategy. These investments had a fair value of \$187,849,000 (30 June 2024: \$71,900,000) at the date of disposal.

The net loss on disposal of the above investments was \$4,344,000 (30 June 2024: Net gain on disposal of \$619,000).

**(i) Fair value measurement**

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- (a) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- (b) Level 2 – Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- (c) Level 3 – Unobservable inputs for the asset or liability.

## 8. Notes to the condensed interim financial statements (cont'd)

### (j) Investments (cont'd)

#### (i) Fair value measurement (cont'd)

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table presents the investments measured at fair value:

|                               | Level 1        | Level 2      | Level 3       | Total          |
|-------------------------------|----------------|--------------|---------------|----------------|
|                               | \$'000         | \$'000       | \$'000        | \$'000         |
| <b>30 June 2025</b>           |                |              |               |                |
| Mandatorily measured at FVTPL |                |              |               |                |
| - Unit trusts                 | 32,542         | -            | 4,898         | 37,440         |
| - Debt securities             | -              | 4,586        | -             | 4,586          |
| At FVOCI                      |                |              |               |                |
| - Debt securities             | 235,381        | -            | -             | 235,381        |
| - Equity securities           | 158,641        | -            | -             | 158,641        |
| Investment property           | -              | -            | 28,530        | 28,530         |
|                               | <b>426,564</b> | <b>4,586</b> | <b>33,428</b> | <b>464,578</b> |
| <b>31 December 2024</b>       |                |              |               |                |
| Mandatorily measured at FVTPL |                |              |               |                |
| - Unit trusts                 | 25,547         | -            | 3,606         | 29,153         |
| - Debt securities             | -              | 4,692        | -             | 4,692          |
| At FVOCI                      |                |              |               |                |
| - Debt securities             | 219,130        | -            | -             | 219,130        |
| - Equity securities           | 132,232        | -            | -             | 132,232        |
| Investment property           | -              | -            | 28,530        | 28,530         |
|                               | <b>376,909</b> | <b>4,692</b> | <b>32,136</b> | <b>413,737</b> |

The fair value of investments traded in active markets is based on the quoted market bid prices at the balance sheet date. These investments are included in Level 1.

The fair value of investments that are not traded in an active market is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at the balance sheet date. Over-the-counter quotes, dealer quotes as well as other techniques, such as estimated discounted cash flows are used to estimate fair value of these instruments. These investments are included in Level 2.

## 8. Notes to the condensed interim financial statements (cont'd)

### (j) Investments (cont'd)

#### (i) Fair value measurement (cont'd)

##### Movements in Level 3 fair value measurements

During the financial year, there were no transfers of financial assets between Level 1 and 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. The valuations of the Level 3 financial instruments are performed by the fund house.

The following table presents the reconciliation for the Level 3 investments measured at fair value:

|  | 30 June<br>2025<br>\$'000 | 31 December<br>2024<br>\$'000 |
|--|---------------------------|-------------------------------|
| Financial assets at fair value through profit or loss:                                     |                           |                               |
| Opening balance  | 3,606                     | 1,749                         |
| Purchases during the period  | 1,274                     | 1,388                         |
| Net changes in unrealised gain on financial assets at<br>fair value through profit or loss | 18                        | 469                           |
| Ending balance   | 4,898                     | 3,606                         |

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

| Description                                    | Fair value as at<br>30 June 2025 | Valuation<br>techniques | Unobservable<br>inputs | Range (weighted<br>average) |
|--|----------------------------------|-------------------------|------------------------|-----------------------------|
| Investment in collective<br>investment schemes | \$4,898,000                      | Net asset<br>value*     | Not applicable         | Not applicable              |

\* This investment is valued using net asset value of the fund. Accordingly, this investment is classified as Level 3 investments within the fair value hierarchy.

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**8. Notes to the condensed interim financial statements (cont'd)**

**(k) Property, plant and equipment**

During the first half year ended 30 June 2025, the Company acquired assets amounting to \$177,000 (30 June 2024: \$100,000) and disposed of assets amounting to \$11,000 (30 June 2024: \$NIL).

**(l) Investment property**

|                            | <b>30 June<br/>2025</b> | <b>31 December<br/>2024</b> |
|----------------------------|-------------------------|-----------------------------|
|                            | <b>\$'000</b>           | <b>\$'000</b>               |
| Opening and ending balance | <b>28,530</b>           | <b>28,530</b>               |

As at 30 June 2025, the investment property consists of leasehold office premises located at 146 Robinson Road, Singapore.

Investment property is stated at fair value, which has been determined based on valuations performed on 12 November 2024. The valuation was performed by an independent valuer with a recognised and relevant professional qualification. The valuer analysed and studied recent sales and rental evidence of similar properties in comparable localities that had been transacted in the open market.

**Valuation**

The Company classified the fair value of its investment property as Level 3 as the valuation is determined based on direct comparison method, with the key unobservable inputs being market value based on existing use and the age of the building.

**(m) Subsequent events**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.