TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.

(Incorporated in Singapore. Registration Number: 194800055D)

AND ITS SUBSIDIARIES

(Formerly known as Tokio Marine Life Insurance Singapore Ltd.)

ANNUAL REPORT

For the financial year ended 31 December 2025

TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
(Incorporated in Singapore)
AND ITS SUBSIDIARIES

ANNUAL REPORT
For the financial year ended 31 December 2025

Contents

DIRECTORS' STATEMENT

For the financial year ended 31 December 2025

The directors present their statement to the members together with the audited financial statements of the Company and of the Group for the financial year ended 31 December 2025.

In the opinion of the directors,

(a) the statement of comprehensive income, balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group set out on pages 6 to 173 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2025 and of the financial performance, changes in equity of the Company and of the Group, and cash flows of the Group for the financial year covered by the financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Yao Chih Matthias
Goh Seng Kee
Kuan Li Li
Yoshinari Endo (resigned on 31 March 2026)
Tang Loo Chuan

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director	
	As at 31.12.2025	As at 1.1.2025
Number of ordinary shares in:		
- Tokio Marine Holdings, Inc. ("Ultimate holding company")		
Yoshinari Endo (resigned on 31 March 2026)	38,100	35,900

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Yao Chih Matthias	Kuan Li Li
Director	Director

28 April 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Tokio Marine Life Insurance Singapore Ltd. (the "Company") and its subsidiaries (the "Group"), the statement of comprehensive income, balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and the financial performance and changes in equity of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company and of the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2025;
- the statement of comprehensive income of the Company for the financial year ended 31 December 2025;
- the consolidated balance sheet of the Group as at 31 December 2025;
- the balance sheet of the Company as at 31 December 2025;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the statement of changes in equity of the Company for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
For the financial year ended 31 December 2025

<u>Report on the Audit of the Financial Statements</u> (continued)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
For the financial year ended 31 December 2025

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants
Singapore, 28 April 2026

**TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
AND ITS SUBSIDIARIES**

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

	Notes	The Group 2025 $'000	The Group 2024 $'000	The Company 2025 $'000	The Company 2024 $'000
CONTINUING OPERATIONS					
Insurance revenue	5(B)	**359,809**	570,412	**359,809**	351,529
Insurance service expenses	5(B),8	**(322,015)**	(480,201)	**(322,015)**	(294,296)
Net (expenses)/income from reinsurance contracts held	5(B)	**(9,436)**	8,961	**(9,436)**	7,551
Insurance service result		**28,358**	99,172	**28,358**	64,784
Interest revenue on					
Financial assets not measured at fair value through profit or loss ("FVTPL")	6	**77,347**	156,036	**76,874**	65,423
Financial assets measured at fair value through profit or loss	6	**268,820**	272,153	**268,820**	264,600
Other investment return	6	**862,754**	567,596	**862,754**	371,317
Net impairment loss on financial assets	6	**(60)**	(202)	**(60)**	(210)
Investment return	6	**1,208,861**	995,583	**1,208,388**	701,130
Net finance expense from insurance contracts issued	6	**(1,149,007)**	(1,230,962)	**(1,149,007)**	(988,500)
Net finance income from reinsurance contracts held	6	**2,245**	3,966	**2,245**	3,068
Net investment return		**62,099**	(231,413)	**61,626**	(284,302)
NET INSURANCE AND INVESTMENT RESULT		**90,457**	(132,241)	**89,984**	(219,518)
OPERATING INCOME/(EXPENSES)					
Other income	7(a)	**3,313**	3,016	**2,450**	2,860
Other gains – net	7(b)	**45,739**	4,149	**480,377**	4,149
Other operating expenses	8	**(68,388)**	(87,316)	**(51,696)**	(61,111)
TOTAL (EXPENSES)/INCOME		**(19,336)**	(80,151)	**431,131**	(54,102)
PROFIT/(LOSS) BEFORE INCOME TAX		**71,121**	(212,392)	**521,115**	(273,620)
Income tax expense	4	**(33,305)**	(29,305)	**(33,305)**	5,623
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**37,816**	(241,697)	**487,810**	(267,997)
DISCONTINUED OPERATIONS					
Profit from discontinued operations	36	**47,616**	-	**-**	-
TOTAL PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**85,432**	(241,697)	**487,810**	(267,997)

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

**TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
AND ITS SUBSIDIARIES**

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

		The Group		The Company	
	Notes	**2025** **$'000**	2024 $'000	**2025** **$'000**	2024 $'000
OTHER COMPREHENSIVE INCOME:					
Items that may be reclassified subsequently to profit or loss:					
Financial assets at fair value through other comprehensive income (“FVOCI”)					
- Net gains/(losses) from fair value adjustments to financial assets measured at FVOCI	6	**210,535**	(10,194)	**210,535**	(15,050)
- Net (losses)/gains on investments in debt securities measured at FVOCI reclassified to profit or loss on disposal	6	**812**	(1,428)	**812**	2,091
- Deferred tax on financial assets measured at FVOCI	23	**-**	(575)	**-**	-
		211,347	(12,197)	**211,347**	(12,959)
Insurance/reinsurance finance (expense)/income					
- Finance (expense)/income from insurance contracts issued	6	**(14,131)**	(1,501)	**(14,131)**	117
- Finance income/(expense) from reinsurance contracts held	6	**197**	1	**197**	(664)
- Deferred tax on net finance income	23	**-**	201	**-**	-
		(13,934)	(1,299)	**(13,934)**	(547)
Currency translation differences arising from consolidation		**-**	23,954	**-**	-
Items that will not be reclassified subsequently to profit or loss:					
Revaluation of land and buildings					
- Revaluation gains		**-**	1,237	**-**	-
- Deferred tax	23	**-**	(115)	**-**	-
Other comprehensive income/(loss) net of tax		**197,413**	11,580	**197,413**	(13,506)
Other comprehensive income for the year from discontinued operations that may be reclassified subsequently to profit or loss					
Net gains from fair value adjustments to financial assets measured at FVOCI		**(20,024)**	-	**-**	-
Deferred tax on financial assets measured at FVOCI		**(7,935)**	-	**-**	-
Net finance income from insurance and reinsurance contracts		**18,317**	-	**-**	-
Currency translation differences arising from consolidation		**50,240**	-	**-**	-
TOTAL COMPREHENSIVE INCOME		**323,443**	(230,117)	**685,223**	(281,503)

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

TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
AND ITS SUBSIDIARIES

BALANCE SHEET
As at 31 December 2025

		The Group		The Company	
		31 Dec 2025	31 Dec 2024	**31 Dec 2025**	31 Dec 2024
	Notes	**$'000**	$'000	**$'000**	$'000
ASSETS					
Cash and cash equivalents	9	**986,954**	443,983	**966,083**	413,128
Reinsurance contract assets	5(A)	**77,440**	64,494	**77,440**	64,494
Financial assets at fair value through profit and loss	10	**9,681,880**	9,174,641	**9,681,880**	9,174,641
Financial assets at fair value through other comprehensive income	11	**3,250,002**	2,561,023	**3,250,002**	2,561,023
Derivative financial instruments	13	**125,664**	68,027	**125,664**	68,027
Other assets	14	**99,545**	96,556	**103,819**	98,882
Investment properties	15	**105,500**	103,500	**105,500**	125,700
Investment in subsidiaries	16	**-**	-	**35,000**	35,000
Property, plant and equipment	17	**8,194**	68,995	**6,996**	46,767
Intangible assets	19	**4,689**	4,073	**4,020**	3,758
Deferred tax assets	23	**107,746**	118,499	**107,746**	118,499
Non-current asset classified as held-for-sale		**-**	-	**-**	87,636
Assets of disposal group classified as held-for-sale	36	**-**	3,676,862	**-**	-
TOTAL ASSETS		**14,447,614**	16,380,653	**14,464,150**	12,797,555
LIABILITIES					
Other payables	20	**46,409**	59,344	**36,545**	47,227
Deferred income	21	**37,269**	39,177	**37,269**	39,177
Borrowings	22	**872,915**	866,765	**871,680**	866,765
Current tax liabilities		**6,066**	5,070	**6,066**	5,070
Deferred tax liabilities	23	**-**	-	**-**	-
Staff retirement benefits	24	**-**	-	**-**	-
Agents' retirement benefits	25	**45**	116	**-**	-
Derivative financial instruments	13	**36,501**	175,447	**36,501**	175,447
Obligations under repurchase agreement	26	**497,095**	566,539	**497,095**	566,539
Insurance contract liabilities	5(A)	**11,459,381**	10,274,099	**11,459,434**	10,262,993
Liabilities directly associated with disposal group classified as held-for-sale	36	**-**	3,225,606	**-**	-
TOTAL LIABILITIES		**12,955,681**	15,212,163	**12,944,590**	11,963,218

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

BALANCE SHEET
As at 31 December 2025

		The Group		The Company	
	Notes	**31 Dec 2025 $'000**	31 Dec 2024 $'000	**31 Dec 2025 $'000**	31 Dec 2024 $'000
EQUITY					
Share capital and reserves					
Share capital	27	**1,799,314**	1,799,314	**1,799,314**	1,799,314
Capital reserve		**-**	4,800		-
Fair value reserve		**(35,450)**	(224,924)	**(35,450)**	(246,797)
Asset revaluation reserve		**-**	1,286	**-**	-
Insurance/reinsurance finance reserve		**(8,389)**	(12,772)	**(8,389)**	5,545
Foreign currency translation reserve		**-**	(50,240)	**-**	-
Retained earnings		**(263,542)**	(348,974)	**(235,915)**	(723,725)
TOTAL EQUITY		**1,491,933**	1,168,490	**1,519,560**	834,337
TOTAL LIABILITIES AND EQUITY		**14,447,614**	16,380,653	**14,464,150**	12,797,555

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

TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - GROUP
For the financial year ended 31 December 2025

	Share capital $'000	Capital Reserve $'000	Fair value reserve $'000	Asset revaluation reserve $'000	Foreign currency translation reserve $'000	Insurance/ reinsurance finance reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2025	**1,799,314**	**4,800**	**(224,924)**	**1,286**	**(50,240)**	**(12,772)**	**(348,974)**	**1,168,490**
Profit after tax	-	-	-	-	-	-	85,432	85,432
Fair value gains on financial assets measured at FVOCI	-	-	210,535	-	-	-	-	210,535
Fair value losses on financial assets measured at FVOCI transferred to profit or loss on disposal	-	-	812	-	-	-	-	812
Net finance expense from insurance and reinsurance contracts	-	-	-	-	-	(13,934)	-	(13,934)
Reclassification of equity reserves to P&L due to disposal of a subsidiary	-	(4,800)	(13,938)	(1,286)	-	18,317	-	(1,707)
Tax on transfer reclassified from Fair Value Reserve	-	-	(7,935)	-	-	-	-	(7,935)
Reclassification of foreign currency translation reserves to P&L due to disposal of a subsidiary	-	-	-	-	50,240	-	-	50,240
Total comprehensive income	**-**	**(4,800)**	**189,474**	**(1,286)**	**50,240**	**4,383**	**85,432**	**323,443**
Share issued pursuant to rights issue	-	-	-	-	-	-	-	-
Balance at 31 December 2025	**1,799,314**	**-**	**(35,450)**	**-**	**-**	**(8,389)**	**(263,542)**	**1,491,933**
Balance at 1 January 2024	**369,625**	**4,800**	**(213,836)**	**1,222**	**(74,194)**	**(11,422)**	**(107,277)**	**(31,082)**
Loss after tax	-	-	-	-	-	-	(241,697)	(241,697)
Fair value losses on financial assets measured at FVOCI	-	-	(10,194)	-	-	-	-	(10,194)
Fair value gains on financial assets measured at FVOCI transferred to profit or loss on disposal	-	-	(1,428)	-	-	-	-	(1,428)
Tax on transfer reclassified from Fair Value Reserve (Note 23)	-	-	(575)	-	-	-	-	(575)
Revaluation gains on land and buildings	-	-	-	1,237	-	-	-	1,237
Tax on unrealised revaluation gains on land and buildings	-	-	-	(115)	-	-	-	(115)
Currency translation difference	-	-	-	-	23,954	-	-	23,954
Net finance expense from insurance and reinsurance contracts	-	-	1,109	(1,058)	-	(1,350)	-	(1,299)
Total comprehensive (loss)/income	**-**	**-**	**(11,088)**	**64**	**23,954**	**(1,350)**	**(241,697)**	**(230,117)**
Share issued pursuant to rights issue	1,429,689	-	-	-	-	-	-	1,429,689
Balance at 31 December 2025	**1,799,314**	**4,800**	**(224,924)**	**1,286**	**(50,240)**	**(12,772)**	**(348,974)**	**1,168,490**

The foreign currency translation reserve, asset revaluation reserve, fair value reserve and insurance/reinsurance finance reserve are not distributable.

TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY - COMPANY
For the financial year ended 31 December 2025

	Share capital $'000	Fair value reserve $'000	Asset revaluation reserve $'000	Insurance/ Reinsurance finance reserve $'000	Retained earnings $'000	Total equity $'000
Balance as at 1 January 2025	**1,799,314**	**(246,797)**	**-**	**5,545**	**(723,725)**	**834,337**
Profit after tax	-	-	-	-	487,810	487,810
Fair value gains on financial assets measured at FVOCI	-	210,535	-	-	-	210,535
Fair value losses on financial assets measured at FVOCI transferred to profit or loss on disposal	-	812	-	-	-	812
Tax on transfer reclassified from Fair Value Reserve (Note 23)	-	-	-	-	-	-
Net finance expense from insurance and reinsurance contracts	-	-	-	(13,934)	-	(13,934)
Total comprehensive income	**-**	**211,347**	**-**	**(13,934)**	**487,810**	**685,223**
Share issued pursuant to rights issue	-	-	-	-	-	-
Balance at 31 December 2025	**1,799,314**	**(35,450)**	**-**	**(8,389)**	**(235,915)**	**1,519,560**
Balance as at 1 January 2024	**369,625**	**(233,838)**	**-**	**6,092**	**(455,728)**	**(313,849)**
Loss after tax	-	-	-	-	(267,997)	(267,997)
Fair value losses on financial assets measured at FVOCI	-	(15,050)	-	-	-	(15,050)
Fair value losses on financial assets measured at FVOCI transferred to profit or loss on disposal	-	2,091	-	-	-	2,091
Tax on transfer reclassified from Fair Value Reserve (Note 23)	-	-	-	-	-	-
Net finance expense from insurance and reinsurance contracts	-	-	-	(547)	-	(547)
Total comprehensive loss	**-**	**(12,959)**	**-**	**(547)**	**(267,997)**	**(281,503)**
Share issued pursuant to rights issue	1,429,689	-	-	-	-	1,429,689
Balance at 31 December 2024	**1,799,314**	**(246,797)**	**-**	**5,545**	**(723,725)**	**834,337**

The fair value reserve and insurance/reinsurance finance reserve are not distributable.

**TOKIO MARINE LIFE INSURANCE SINGAPORE PTE. LTD.
AND ITS SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2025

	2025 $'000	2024 $'000
Cash flows from operating activities		
(Loss)/profit before income tax	**71,121**	(212,392)
Adjustments for:		
Profit for the year from discontinued operations	**47,616**	-
Depreciation of property, plant and equipment	**2,740**	2,682
Amortisation of intangible asset	**1,493**	2,884
Property, plant and equipment written off	**-**	4
Fair value gains on investment properties	**(1,890)**	(7,046)
Fair value gains on property, plant & equipment	**-**	(886)
Net (gains)/loss		
- Financial assets at fair value through profit or loss	**(661,279)**	(725,068)
- Financial assets at fair value through other comprehensive income	**45,089**	(3,796)
- Derivative financial instruments	**(196,582)**	164,028
Dividend income	**(78,200)**	(97,576)
Interest income	**(343,154)**	(428,189)
Interest expense	**45,893**	98,998
Rental Income	**(389)**	(2,871)
Increase in provision for staff retirement benefits	**-**	1
Provision for agents' retirement benefits	**(71)**	2,043
Unrealised currency translation (gains)/losses	**-**	(6,016)
Gain on disposal of subsidiary	**(42,535)**	-
Changes in working capital:		
Change in insurance contract liabilities	**1,148,424**	1,312,292
Change in reinsurance assets arising from insurance contract liabilities	**(12,946)**	(29,189)
Other assets	**11,708**	(1,030)
Disposal group classified as held-for-sale	**(58,281)**	-
Other payables	**(13,010)**	(4,844)
Income tax paid	**(5,441)**	(13,692)
Payment of agents' retirement benefits	**-**	(933)
Net cash generated/(used in) by operating activities	**(39,694)**	49,404

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

	Note	**2025** **$'000**	2024 $'000
Cash flows from investing activities			
Purchase of property, plant and equipment		**(9,469)**	(1,360)
Purchase of intangible assets		**(2,491)**	(1,092)
Proceeds from disposal of property, plant and equipment		**67,530**	-
Purchase of investment properties		**(110)**	(791)
Proceeds from disposal of intangible assets		**382**	-
Purchase of:			
- Financial assets at fair value through profit or loss		**(4,155,357)**	(3,414,224)
- Financial assets at fair value through other comprehensive income		**(1,022,385)**	(1,522,674)
Proceeds from disposal of:			
- Financial assets at fair value through profit or loss		**4,309,397**	3,542,544
- Financial assets at fair value through other comprehensive income		**532,638**	454,196
- Derivative financial instruments		**-**	6
Proceeds from repayment of loans		**-**	61
Rental received		**543**	3,493
Dividend received		**78,281**	102,907
Net Interest received		**331,668**	345,283
Net cash inflow/(outflow) from disposal of subsidiary		**561,800**	-
Net cash used in investing activities		**692,427**	(491,651)
Cash flows from financing activities			
Proceeds from issue of shares pursuant to right issue		**-**	1,429,689
Net settlement from repurchase agreements		**(66,062)**	(1,170,924)
Net proceeds from loan from intermediate company		**-**	320,000
Collateral received		**(8,449)**	1,737
Principal repayment of lease liabilities		**(2,225)**	(550)
Interest paid to intermediate holding company		**(31,532)**	(40,943)
Interest paid to immediate holding company		**(1,494)**	(1,498)
Net cash provided by financing activities		**(109,762)**	537,511
Net increase/(decrease) in cash and cash equivalents Held		**542,971**	95,264
Cash and cash equivalents at beginning of financial year		**443,983**	490,833
Effects of currency translation on cash and cash equivalents		**-**	10,311
Reclassified to disposal group		**-**	(152,425)
Cash and cash equivalents at end of financial year	9	**986,954**	443,983

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General Information

With effect from 18 October 2025, the name of the Company was changed from Tokio Marine Life Insurance Singapore Ltd. to Tokio Marine Life Insurance Singapore Pte. Ltd. (the "Company", "TMLS"). The Company is incorporated and domiciled in Singapore. The address of its registered office is 20 McCallum Street, Tokio Marine Centre, #07-01, Singapore 069046.

The financial statement refers to the Company and its subsidiaries, Tokio Marine Life Insurance Malaysia Bhd ("TMLM") and Tokio Marine Financial Advisers (Singapore) Private Limited ("TMFAS"), collectively termed as the "Group". On 1 October 2025, the Group completed the disposal of its wholly owned subsidiary, TMLM, to its intermediate holding company, Tokio Marine Nichido Fire Insurance Co. Ltd ("TMNF"), as part of an organisation-wide restructuring initiative. Accordingly, TMLM ceased to be a subsidiary of the Group from that date.

As at 31 December 2025, the Group comprises the Company and TMFAS. Following the disposal on 1 October 2025, TMLM's results are presented separately as "discontinued operations" in Note 36 and excluded from the Group's results and financial position for continuing operations for the financial year ended 31 December 2025. Comparative information for the financial year ended 31 December 2024 includes TMLM, unless otherwise stated. The results of TMLM up to date of disposal, 1 October 2025, are presented separately as "discontinued operations" in Note 36.

The principal activity of the Company and TMLM is providing life assurance. The principal activity of TMFAS is providing insurance advisory services (including financial planning services) and other activities auxiliary to financial service activities.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and Interpretations of SFRS(I). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

2. Material accounting policy information (continued)

2.2 New or revised accounting standards and interpretations

On 1 January 2025, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I).

The adoption of these new or amended SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Below are the mandatory standards, amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2026 and which the Group has not early adopted.

(i) Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)

(ii) SFRS(I) 18 - Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

(iii) Annual Improvements to SFRS(I) - Volume 11 (effective for annual reporting periods beginning on or after 1 January 2026)

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group.

These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for SFRS(I) 18 as its impacts on presentation and disclosure are expected to be pervasive, in particular, those related to the statement of comprehensive income and providing management-defined performance measures within the financial statements. The Group is currently assessing the detailed implication of applying the new standard on the Group's financial statements.

2.3 Insurance contracts

The Group's product lines are divided into the following main categories:

Segments	Product lines	Description
Individual Life	Non-participating	This product line covers Endowment, Whole Life, Annuity, Term and Individual Accidental & Health ("A&H") insurance contracts. All insurance contracts in this product line offer fixed and guaranteed benefits over the contractual term. Contracts issued typically have regular premium (i.e. monthly, quarterly, half-yearly, annual) or single premiums.
	Participating	This product line covers direct participating contracts which include protection and saving elements. All insurance contracts in this product line offer guaranteed and non-guaranteed benefits for the contract term in the form of bonus/dividend declarations determined by the performance of the ring fenced assets and liabilities. For participating funds, local regulations generally prescribe a minimum proportion of policyholder participation in declared dividends.
	Investment-linked	This product line covers investment-linked contracts. All insurance contracts in this product line offer guaranteed and non-guaranteed benefits in the form of investment return based on the performance of the selected funds. The policyholders have numerous investment options under the investment-linked contracts, including stock funds, bond funds and diversified funds.
Group Life	Non-participating	This product line covers Group Term Life, Medical, Personal Accident, Care & Health, Dread Disease, Disability Income. Coverage is provided typically for a 1 year term. Once the selected term has ended, the insurance contract is terminated and a policyholder may potentially obtain new coverage on new terms, subject to successful underwriting. All insurance contracts in this product line offer fixed and guaranteed benefits over the contractual term. Contracts issued typically have annual premium.

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

The Group uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant. Insurance risk is significant only if there is a scenario that has commercial substance in which, on present-value basis, it is a possibility that the insurer could (a) pay significant additional benefits beyond what would be paid if no insured event occurred; and (b) make a loss.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under SFRS(I) 9. The Group does not issue investment contracts.

The Group issues Participating and Investment-linked contracts that substantially provides investment-related service. The Group considers such contracts as insurance contracts with direct participation features, which are defined by the Group as contracts which, at inception, meets the following criteria:

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

Insurance contracts with direct participation features are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. The variable fee comprises the Group’s share of the fair value of the underlying items, which is based on either (a) for the case of Participating contracts, the Group’s participation in the declared dividends or bonuses based on the performance of the participating fund, or (b) for the case of Investment-linked contracts, a fixed amount and/or percentage of investment management fees, less the Fulfilment Cash Flows (“FCF”) that do not vary based on the returns on underlying items.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers insurance risk from the insured portion of the underlying insurance contracts.

All references to insurance contracts in the consolidated financial statements apply to insurance contracts issued or acquired and reinsurance contracts held, unless specifically stated otherwise.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(a) *Summary of measurement approaches*

The Group uses different measurement approaches, depending on the type of contracts, as follows:

	Product classification	Measurement model
Contracts issued		
Non-participating insurance contracts	Insurance contracts without direct participation features	General Measurement Model "GMM"
Participating insurance contracts	Insurance contracts with direct participation features	Variable Fee Approach "VFA"
Investment-linked insurance contracts	Insurance contracts with direct participation features	Variable Fee Approach "VFA"
Reinsurance contracts held		
Non-participating reinsurance contracts	Reinsurance contract held	General Measurement Model "GMM"

(b) *Unit of account*

The Group manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar quarter (quarterly cohorts) and further into (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held within a calendar quarter (quarterly cohorts) into groups of (i) contracts for which there is a net gain at initial recognition, and (ii) contracts for which there is a net loss at initial recognition.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(c) Separating components from insurance contracts and reinsurance contracts held

Before the Group accounts for an insurance contract based on SFRS(I) 17, it analyses whether the contract contains components that should be separated. SFRS(I) 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct non-insurance services.

The Group does not have any contracts that require further separation of the distinct components as stated above.

(d) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

Insurance contracts acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised at the later of:

- the beginning of the coverage period of the group; or
- the initial recognition of any underlying insurance contract.

The Group does not recognise a group of quota share reinsurance contracts held until it has recognised at least one of the underlying insurance contracts.

A group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognised at the beginning of the coverage period of that group.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(d) Recognition and derecognition (continued)

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the cohorting restrictions. Composition of the groups is not reassessed in subsequent periods.

Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- extinguished (i.e when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria are met.

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

(a) if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
  (i) is not in scope of SFRS(I) 17;
  (ii) results in different separable components;
  (iii) results in a different contract boundary; or
  (iv) belongs to a different group of contract;

(b) the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or

(c) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

(a) Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(d) Recognition and derecognition (continued)

Accounting for contract modification and derecognition (continued)

(b) Adjusts the contractual service margin ("CSM") (unless the decrease in the FCF is allocated to the loss component) in the following manner, depending on the reason for the derecognition:

   (i) If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.
   (ii) If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party.
   (iii) If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium the Group would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received.

(c) Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units.

When an insurance contract accounted for under the PAA is derecognised, adjustments to the FCF to remove relating rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

(a) if the contract is extinguished, any net difference between the derecognised part of the Liability for Remaining Coverage ("LRC") of the original contract and any other cash flows arising from extinguishment;

(b) if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; and

(c) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement

(i) Fulfilment cash flows

Fulfilment cash flows within contract boundary

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

The estimates of future cash flows:

(a) are based on a probability weighted mean of the full range of possible outcomes;

(b) are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and

(c) reflect conditions existing at the measurement date.

In the measurement of reinsurance contracts held, the estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Group estimates certain FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(i) Fulfilment cash flows (continued)

Contract boundary (continued)

(a) the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

(b) both of the following criteria are satisfied:
   (i) the Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
   (ii) the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

The Group's quota share life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a 3 months notice period in common by either party. Thus, the Group treats such reinsurance contracts as a series of quarterly contracts that cover underlying business issued within a quarter.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts are recognised in other operating expenses as incurred.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(i) Fulfilment cash flows (continued)

Insurance acquisition costs

The Group includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

(a) costs directly attributable to individual contracts and groups of contracts; and

(b) costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

Discount Rates

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

Methods and assumptions used to determine the discount rates are discussed in Note 3.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(i) Fulfilment cash flows (continued)

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk reflects the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

TMLS determines the risk adjustment using a confidence level approach, which is calibrated to a confidence level which is over the 90th percentile. The approach allows for implicit diversification as all non-financial risk shocks are applied concurrently, and hence no explicit diversification factor is being used in the calculation of the risk adjustment. Given insufficient data to construct a statistical risk distribution, TMLS uses the MAS solvency calibration (which is calibrated at 99.5th percentile confidence interval) and its prescribed shock factors in deriving the risk adjustments. Assuming that the non-financial risk is normally distributed, TMLS approximates the 90th percentile confidence interval by halving the MAS prescribed shock factors.

The resulting amount of the calculated risk adjustment corresponds to the confidence level of 90% in 2025 (2024: 90%).

The methods and assumptions used to determine the risk adjustment for non-financial risk were not changed in 2024 and 2025.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(ii) Initial measurement – Groups of contracts not measured under the PAA

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides coverage in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

(a) the initial recognition of the FCF;

(b) the derecognition at the date of initial recognition of any asset or liability recognised for insurance acquisition cash flows; and

(c) cash flows arising from the contracts in the group at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as reinsurance income or expense as it receives reinsurance coverage in the future.

Investment component

Investment components are amounts that an insurance contract requires the entity to repay to a policyholder in all circumstances, regardless of whether an insured event occurs. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

Investment-linked, Participating, and Non-participating contracts that have explicit surrender values are determined as contracts that contain non-distinct investment components. The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA

The carrying amount at the end of each reporting period of a group of insurance contracts issued is the sum of:

(a) the LRC, comprising:
   (i) the FCF related to future service allocated to the group at that date; and
   (ii) the CSM of the group at that date; and

(b) the Liability for Incurred Claims ("LIC"), comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

(a) the asset for remaining coverage, comprising:
   (i) the FCF related to future service allocated to the group at that date; and
   (ii) the CSM of the group at that date; and

(b) the incurred reinsurance recoveries, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows

The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

(a) changes that relate to current or past service are recognised in profit or loss; and

(b) changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as per the policy below.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Changes in fulfilment cash flows (continued)

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

(a) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;

(b) changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;

(c) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and

(d) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (a), (b), (c) and (d) are measured using the locked-in discount rates.

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

(a) changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;

(b) changes in the FCF relating to the LIC; and

(c) experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Changes in fulfilment cash flows (continued)

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

(a) changes in the Group's share of the fair value of the underlying items; and

(b) changes in the FCF that do not vary based on the returns of underlying items:
  (i) changes in the effect of the time value of money and financial risks including the effect of financial guarantees;
  (ii) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
  (iii) changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
  (iv) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
  (v) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (i) to (v) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:

(a) changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items; and

(b) changes in the FCF that do not vary based on the returns of underlying items:
  (i) changes in the FCF relating to the LIC; and
  (ii) experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:

(a) The effect of any new contracts added to the group.

(b) For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.

(c) Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with the corresponding amount to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.

(d) The effect of any currency exchange differences.

(e) The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For a group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a group of underlying insurance contracts issued.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Interest accretion on the CSM

Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates). If more contracts are added to the existing groups in the subsequent reporting periods, the Group revises the locked-in discount curves by calculating weighted-average discount curves over the period that contracts in the group are issued, using the Annualised Premium Equivalent ("APE") of the contracts.

Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the Changes in fulfilment cash flows section.

Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for services in the period is determined by the insurance services provided during the period. This is calculated by taking the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

For contracts issued, the Group determines the CSM recognition coverage period corresponding to the period in which insurance services are expected to be provided.

The total number of coverage units in a group is the quantity of coverage provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

(a) the quantity of benefits provided by contracts in the group;

(b) the expected coverage duration of contracts in the group; and

(c) the likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the group.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Release of the CSM to profit or loss (continued)

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits.

The Group determines coverage units as follows:

(a) for Non-participating insurance contracts, coverage units are determined based on the fixed coverage benefit (mortality, medical, critical illness, etc.) amounts during the insurance coverage period; or

(b) for direct participating contracts, coverage units are based on the total benefits amounts, inclusive of non-guaranteed bonuses, during the insurance coverage period; or

(c) for Investment-linked contracts, coverage units are based on policyholders' account values, sum-at-risk benefits payable and rider coverage benefit amounts (where applicable).

The Group reflects the time value of money in the determination of coverage units.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

Coverage units for the proportionate reinsurance contracts are based on the insurance coverage provided by the reinsurer and are determined by the ceded policies' fixed face values taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Onerous contracts - Loss component

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

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

(a) expected incurred claims and expenses for the period;

(b) changes in the risk adjustment for non-financial risk for the risk expired; and

(c) finance income or expenses from insurance contracts issued.

The amounts of loss component allocation above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

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

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(e) Measurement (continued)

(iii) Subsequent measurement – Groups of contracts not measured under the PAA (continued)

Reinsurance contracts held - Loss-recovery component

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that underlying insurance group. Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expect to recover from the group of reinsurance contracts held. The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance measurement.

(f) Amounts recognised in comprehensive income

(i) Insurance service result from insurance contracts issued

Insurance revenue

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

Insurance revenue comprises the following:

Amounts relating to the changes in the LRC:

(a) insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
- amounts related to the loss component;
- repayments of investment components;
- amounts of transaction-based taxes collected in a fiduciary capacity; and
- insurance acquisition expenses;

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(f) Amounts recognised in comprehensive income (continued)

(i) Insurance service result from insurance contracts issued (continued)

Insurance revenue (continued)

(b) changes in the risk adjustment for non-financial risk, excluding:
- changes included in insurance finance income and expenses;
- changes that relate to future coverage (which adjust the CSM); and
- amounts allocated to the loss component;

(c) amounts of the CSM recognised in profit or loss for the services provided in the period; and

(d) experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes.

Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

(a) incurred claims and benefits excluding investment components;

(b) other incurred directly attributable insurance service expenses;

(c) amortisation of insurance acquisition cash flows;

(d) changes that relate to past service (i.e. changes in the FCF relating to the LIC); and

(e) changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).

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

Expenses not meeting the above categories are included in other operating expenses in the statement of comprehensive income.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(f) Amounts recognised in comprehensive income (continued)

(ii) Insurance service result from reinsurance contract held

Net income/(expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income/(expenses) from reinsurance contracts held, comprising the following amounts:

(a) reinsurance expenses;

(b) incurred claims recovery;

(c) other incurred directly attributable insurance service expenses;

(d) effect of changes in non-performance risk of the reinsurer;

(e) for contracts measured under the GMM, changes that relate to future service (i.e. changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts); and

(f) changes relating to past service (i.e. adjustments to incurred reinsurance recoveries).

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(f) Amounts recognised in comprehensive income (continued)

(ii) Insurance service result from reinsurance contract held (continued)

Net income/(expenses) from reinsurance contracts held (continued)

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

(a) insurance claims and other expenses expected to be recovered in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;

(b) changes in the risk adjustment for non-financial risk, excluding:
- changes included in finance income or expenses from reinsurance contracts held; and
- changes that relate to future coverage (which adjust the CSM);

(c) amounts of the CSM recognised in profit or loss for the services received in the period; and

(d) ceded premium experience adjustments relating to past and current service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(f) Amounts recognised in comprehensive income (continued)

(iii) 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:

(a) the effect of the time value of money and changes in the time value of money; and

(b) the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

(a) interest accreted on the FCF and the CSM;

(b) the effect of changes in interest rates and other financial assumptions; and

(c) foreign exchange differences arising from contracts denominated in a foreign currency.

For contracts measured under the VFA, the main amounts within insurance finance income or expenses are:

(a) changes in the fair value of underlying items;

(b) interest accreted on the FCF relating to cash flows that do not vary with returns on underlying items; and

(c) the effect of changes in interest rates and other financial assumptions on the FCF relating to cash flows that do not vary with returns on underlying items.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

2. Material accounting policy information (continued)

2.3 Insurance contracts (continued)

(f) Amounts recognised in comprehensive income (continued)

(iii) Insurance finance income or expenses (continued)

The Group adopts the following approach on the disaggregation of insurance finance income or expenses:

(a) For contracts measured under the VFA and TMLS' Group Term Life contracts measured under the GMM, the Group includes all insurance finance income or expenses for the period in profit or loss (i.e. the profit or loss option is applied); or

(b) For other contracts measured under the GMM, the Group disaggregates the insurance finance income or expenses between profit or loss and other comprehensive income.

Insurance finance income or expenses, disaggregated between profit or loss and other comprehensive income for the relevant insurance and reinsurance contract balances where the approach is adopted, are presented separately from insurance revenue and insurance service expenses.

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

2.4 Investment Return

Investment return is recognised as follows:

(a) Interest income

Interest income is recognised using the effective interest method.

(b) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

(c) Rental income

Rental income from operating leases on investment properties is recognised on a straight-line basis over the lease term.

2. Material accounting policy information (continued)

2.5 Group accounting

Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency of policies adopted by the Group.

(ii) Business combinations

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

2. Material accounting policy information (continued)

2.5 Group accounting (continued)

Subsidiaries (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph 'Investment in subsidiaries for the accounting policy on investment in subsidiaries' (Note 2.9).

2.6 Property, plant and equipment

(a) Measurement

(i) Land and buildings

Land and buildings are initially recognised at cost. Freehold land is subsequently carried at cost less accumulated impairment losses. Leasehold land and buildings are subsequently carried at cost less accumulated depreciation and accumulated impairment losses (Note 2.11).

The Group has elected to measure owner-occupied land and buildings using the fair value model in accordance with SFRS(I) 1-40. The freehold land and buildings are subsequently carried at fair value, representing open market value determined by independent professional valuers. Changes in fair values are recognised in profit or loss.

2. Material accounting policy information (continued)

2.6 Property, plant and equipment

(a) *Measurement* (continued)

(i) *Land and buildings* (continued)

Surpluses arising on revaluation are credited to asset revaluation reserve. Any deficit arising from revaluation is charged against the asset revaluation reserve to the extent of a previous surplus held in the asset revaluation reserve for the same asset.

(ii) *Other property, plant and equipment*

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and impairment losses (Note 2.11).

(iii) *Components of cost*

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) *Depreciation*

Freehold land and buildings are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line basis to their residual values over the estimated useful lives of the assets. The estimated useful lives of the assets are summarised as follows:

	Useful lives
Leasehold land and buildings	Shorter of 50 years or the lease term
Motor vehicles	5 years
Furniture and equipment	3 or 5 years

Right-of-use assets in relation to other leased property, plant and equipment are carried at cost less accumulated depreciation. The right-of-use asset in relation to a lease is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2. Material accounting policy information (continued)

2.6 Property, plant and equipment (continued)

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of all other property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss within other gains - net in Note 7(b).

2.7 Intangible assets

(a) Acquired computer software licences

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of four or ten years.

The amortisation period and amortisation method of intangible assets are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2. Material accounting policy information (continued)

2.8 Investment properties

Investment properties include those portions of land and buildings that are held for long-term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost. Investment properties are subsequently carried at fair value, representing open market value determined by independent professional valuers. Fair value is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. The fair values of the investment properties are reviewed annually by an independent professional valuer. Valuations are performed as of the balance sheet date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. Changes in fair values are recognised in profit or loss.

The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.9 Investment in subsidiaries

Investment in subsidiaries is stated at cost less accumulated impairment losses (Note 2.11) in the Company's balance sheet. On disposal, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

2.10 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support, and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

2. Material accounting policy information (continued)

2.10 Structured entities (continued)

The Group assesses all of its collective investment schemes in accordance with SFRS(I) 10 – Consolidated Financial Statements. The considerations on which the Group assesses control over its investments in collective investment schemes (covering both wholesale or retail funds) include:

- whether the Group, being the unit holder, has the practical ability to summon a unitholders' meeting or any other alternative mechanism to remove the Trustee or the Manager of the collective investment schemes;
- whether the Group has the ability to change the investment objectives / mandates of the collective investment schemes to affect the collective investment schemes' investment strategies and returns;
- any rights arising from other contractual arrangements; and
- whether the Group is exposed to, or has rights to variable returns from its investments in collective investment schemes.

The Group invests in funds whose objectives range from achieving medium to long term capital growth. The funds are managed by related and unrelated asset managers and apply various investment strategies to accomplish their respective investment objectives. The funds finance their operations by issuing redeemable shares/units which entitles the holder to a proportional stake in the respective fund's net assets. The Group holds redeemable shares/units in each of these funds.

The change in fair value of the funds classified as fair value through profit or loss is included in other gains – net in Note 7(b).

The change in fair value of the funds classified as fair value through comprehensive income ("FVOCI") are included in the Consolidated Statement of Comprehensive Income in "Other Comprehensive Income".

2.11 Impairment of non-financial assets

Property, plant and equipment
Intangible assets
Investment in subsidiaries
Investment properties
Prepayments (included in Other assets)

2. Material accounting policy information (continued)

2.11 Impairment of non-financial assets (continued)

Property, plant and equipment, intangible assets, investment in subsidiaries, investment properties and prepayments are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of these assets, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.12 Financial assets

(a) Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, financial assets are measured at fair value plus, in the case of financial assets not carried at FVTPL, transaction costs incremental and directly attributable to the acquisition, such as fees and commissions. Transaction costs for financial assets at FVTPL are expensed in profit or loss. Subsequent to initial recognition, the Group recognises an expected credit loss ("ECL") allowance for investments in debt instruments measured at FVOCI at each reporting date.

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

(b) Amortised cost and effective interest rate

Amortised cost ("AC") is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method for any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate ("EIR") is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its AC before any impairment allowance) or to the AC of a financial liability. The calculation does not consider the ECL and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the EIR.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original EIR. Any changes are recognised in profit or loss.

Interest revenue is calculated by applying the EIR to the gross carrying amount of financial assets recognised at AC or FVOCI.

(c) Classification and subsequent measurement

The Group classifies its financial assets in the following categories: AC, FVOCI and FVTPL.

(i) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as government and corporate bonds.

The classification and subsequent measurement of debt instruments depend on:

(a) the Group's business model for managing the asset; and

(b) the cash flow characteristics of the asset (represented by solely payments of principal and interest on the principal amount outstanding ("SPPI")).

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

(c) Classification and subsequent measurement (continued)

(i) Debt instruments (continued)

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

(a) AC: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVTPL, are measured at AC. The carrying amount of these assets is adjusted by any ECL allowance recognised and measured as described further below. Interest revenue from these financial assets is included in interest revenue from financial assets not measured at FVTPL using the EIR method.

(b) 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 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 other investment return. Interest revenue from these financial assets is included in interest revenue from financial assets not measured at FVTPL using the EIR method.

(c) 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 profit or loss within other investment return in the period in which it arises.

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

(c) Classification and subsequent measurement (continued)

(i) Debt instruments (continued)

- Business model

The business model reflects how the Group manages assets in order to generate cash flows. That is, it reflects whether the Group'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.

The Group performs its business model assessment at both the investment portfolio level and financial asset type. Existing business models are reviewed whenever there are changes to investment portfolios or business models for managing financial assets.

Factors considered by the Group in determining the business model for a group 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. For example, the Group's business model for the investments underlying direct participating contracts is to hold to collect and sell contractual cash flows.

The proceeds from the contractual cash flows of the financial assets are used to settle insurance contract liabilities as they become due. To ensure that the contractual cash flows from the financial assets are sufficient to settle those liabilities, the Group undertakes significant buying and selling activity on a regular basis to rebalance its portfolio of assets and to meet cash flow needs as they arise. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the other business model and measured at FVTPL.

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

(c) *Classification and subsequent measurement* (continued)

(i) Debt instruments (continued)

- Solely payments of principal and interest

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent SPPI (the SPPI test). In making this assessment, the Group 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.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

The Group 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 financial assets backing participating insurance contracts are measured at FVTPL. For these instruments, the Company has applied the option to designate these financial assets at FVTPL.

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

(c) Classification and subsequent measurement (continued)

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective (i.e. instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets). Examples of equity instruments include basic ordinary shares.

The Group classifies and subsequently measures all equity investments at FVTPL. Equity instruments are mandatorily measured at FVTPL unless the FVOCI election is made at initial recognition, provided the holding of such equity investments is not for the purpose of trading. The Group has not made such an election.

Gains and losses on equity investments at FVTPL are included in other investment return in profit or loss.

(iii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments held for cash management purposes, which have maturities at acquisition of three months or less, or are convertible into known amounts of cash and subject to insignificant risk of changes in value. Cash and cash equivalents also include cash received as collateral for derivative transactions, and repurchase agreement, as well as cash and cash equivalents held for the benefit of policyholders in connection with unit-linked products. Cash and cash equivalents that are not mandatorily measured at fair value through profit or loss are measured at amortised cost using the EIR method.

2. Material accounting policy information (continued)

2.12 Financial assets (continued)

(c) Classification and subsequent measurement (continued)

(iv) Other assets

Accrued interest and accrued dividend are held at amortised cost.

Other assets measured at amortised cost primarily include loans, deposits and receivables. These financial assets are initially recognised at fair value plus transaction costs. Subsequently, they are carried at amortised cost using the EIR method less any impairment losses.

(d) Impairment

The Group assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at AC and FVOCI. The Group recognises a loss allowance for such losses at each reporting date. The measurement of the ECL reflects:

(i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
(ii) the time value of money; and
(iii) 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.

Note 32(C)(d) provides more detail on how the ECL allowance is measured.

(e) Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Group transfers substantially all the risks and rewards of ownership; or (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership but has transferred control of the asset. The Group considers control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and can exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

2. Material accounting policy information (continued)

2.13 Financial liabilities

(a) Classification and subsequent measurement

In the current period, financial liabilities are classified and subsequently measured at AC, except for derivatives, which is measured at FVTPL.

(b) Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

2.14 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.15 Other payables

Other payables are recognised when due and measured on initial recognition at the fair value less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the EIR method.

2.16 Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the EIR method.

2. Material accounting policy information (continued)

2.17 Derivative financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. Fair value changes for derivative financial instruments that do not qualify for hedge accounting are recognised in profit or loss in the financial year when the changes arise. Transaction costs incurred in buying and selling derivative instruments are recognised in profit or loss when incurred.

All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

(a) Forward exchange contracts

Forward exchange contracts represent agreements to exchange the currency of one country for the currency of another country at an agreed price and settlement date.

(b) Cross currency swaps

Cross currency swaps are contractual agreements that involve the exchange of both periodic and final amounts in two different currencies. Exposure to gain and loss on the foreign exchange contracts will increase or decrease over their respective lives as a function of maturity dates, interest and foreign exchange rates, implied volatilities of the underlying indices, and the timing of payments.

(c) Interest rate swaps

Interest rate swaps are contractual agreements between two parties to exchange periodic payments in the same currency, each of which is computed on a different interest rate basis, on a specified notional amount. Most interest rate swaps involve the net exchange of payments calculated as the difference between the fixed and floating rate interest payments.

2. Material accounting policy information (continued)

2.18 Securities lending including repurchase agreements

The Group has been a party to various repurchase agreements which securities are loans to third parties on short-term basis. The loaned securities are not derecognised and so, they continue to be recognised and remain within the appropriate investment classification.

Assets sold under repurchase agreements continue to be recognised and a liability is established for the consideration received.

2.19 Fair value estimation of financial assets and liabilities

The fair value of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) is based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking price.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used.

The fair values of currency forwards, cross currency swaps and interest rate swaps are determined using actively quoted forward exchange and swap rates respectively. The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2. Material accounting policy information (continued)

2.20 Operating leases

(a) *When the Group is the lessee:*

The Group leases certain assets from third parties.

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use ("ROU") assets

  The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment" (Note 17).

- Lease liabilities

  The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the interest rate implicit in the lease, If the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:
  - Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
  - The exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
  - Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2. Material accounting policy information (continued)

2.20 Operating leases (continued)

*(a) When the Group is the lessee: (*continued)

- Lease liabilities (continued)

  Lease liability is measured at amortised cost using the EIR method. Lease liability shall be remeasured when:

  - There is a change in the Group's assessment of whether it will exercise an extension option; or
  - There are modifications in the scope or the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- Short-term and low-value leases

  The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(b) When the Group is the lessor:

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

The Group leases investment properties under operating leases to non-related parties.

2. Material accounting policy information (continued)

2.21 Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to, or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management established provisions where appropriate, on the basis of amount expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income tax are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from the fair value gains and losses on financial assets at fair value through other comprehensive income are charged or credited directly to the fair value reserve in the same period the temporary differences arise.

2. Material accounting policy information (continued)

2.22 Provisions

Provisions for agents' retirement benefits are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Agents' retirement benefits are provided for the Group's tied agents and are calculated in accordance with the terms and conditions of the agency agreements.

2.23 Employee compensation

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and Employees Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expenses when they are due. No legal or constructive obligation exists to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contribution to defined contribution plans are recognised in the financial year to which they relate.

(b) Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

2. Material accounting policy information (continued)

2.24 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency exchange differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses for each income statement are translated at the average exchange rate (unless the average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

2. Material accounting policy information (continued)

2.24 Currency translation (continued)

(c) *Translation of Group entities' financial statements* (continued)

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign entity.

2.25 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

2.26 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2.27 Government grants

Grants from government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.28 Presentation of the statement of financial position

The Group's insurance and investment contract liabilities and related assets are realised and settled over periods of several years, reflecting the long-term nature of the Group's products. Accordingly, the Group presents the assets and liabilities in its balance sheet in approximate order of liquidity, rather than distinguishing current and non-current assets and liabilities. The Group regards its intangible assets, property and equipment and investment property as non-current assets as these are held for the longer-term use of the Group.

2. Material accounting policy information (continued)

2.29 Non-current assets (or disposal groups) classified as held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held-for-sale if their carrying amount is recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of carrying amount and fair value less costs to sell except for assets such as deferred tax assets, financial assets and investment property that are carried at fair value and groups of contracts within the scope of SFRS (I) 17 Insurance Contracts. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and:

(a) represents a separate major line of business or geographical area of operations; or
(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
(c) is a subsidiary acquired exclusively with a view to resale.

The Group sold its wholly owned subsidiary, TMLM to TMNF, with completion on 1 October 2025. The entire results from TMLM was presented separately as “Discontinued operations” for the financial year ended 31 December 2025 in Note 36.

3. Critical accounting estimates and judgements

Estimates/assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Insurance contract liabilities

In applying SFRS(I) 17 measurement requirements, the following inputs and methods were used that include significant estimates.

- Discount rates

There are two approaches for the derivation of discount rates. A top-down approach starts with considering a yield curve of a reference portfolio of assets and adjust this downwards to eliminate any risk premium not relevant to the insurance contracts (primarily the allowance for credit risk). The assessment of credit risk premium is done on external ratings. Alternatively, a bottom-up approach could be used under which discount rates are determined by adjusting the liquid risk-free yield curve to reflect the liquidity characteristics of the insurance contracts.

In constructing the discount rates, market observable rates are used up to the last available market data point which is reliable. The market observable rates are extrapolated between this point and an ultimate forward rate derived using long-term estimates by applying generally accepted technique such as Smith-Wilson method.

The table below shows the yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items:

		As at 31 December 2025				
Currency	Spot rates	1 year	5 years	10 years	15 years	20 years
SGD	Risk Free	1.41%	1.89%	2.16%	2.23%	2.21%
	Risk Free + Illiquidity Premium	2.33%	2.78%	3.11%	3.28%	3.32%

		As at 31 December 2024				
Currency	Spot rates	1 year	5 years	10 years	15 years	20 years
SGD	Risk Free	2.72%	2.75%	2.85%	2.89%	2.80%
	Risk Free + Illiquidity Premium	3.38%	3.83%	4.13%	4.24%	4.19%
MYR	Risk Free	3.29%	3.66%	3.86%	4.03%	4.20%
	Risk Free + Illiquidity Premium	3.37%	3.74%	3.94%	4.11%	4.27%

3. Critical accounting estimates and judgements (continued)

(a) Insurance contract liabilities (continued)

- Mortality and morbidity (including longevity)

  Assumptions for death and total and permanent disability ("TPD") are based on investigation into the Group's mortality and morbidity experiences over the recent years, and are generally expressed as a percentage of a standard table or reinsurer's risk premium rates.

  Morbidity assumptions for dread disease benefits are based on a percentage of the reinsurer's risk premium rates.

- Persistency

  Assumptions for persistency are based on investigation into the Group's experience over recent years. The investigation is conducted with respect to product classes, policy duration and premium payment mode (regular or single premium) as persistency rates are expected to vary by these factors. An allowance is then made for any trends in the data to arrive at a best estimate of future persistency rates.

- Expenses

  Assumptions for expenses are based on investigation into the Group's experience and business plan forecasts. Expenses comprise expenses directly attributable to the groups of contracts including an allocation of fixed and variable overheads. The expense assumption also take into consideration of the inflation. Different expense inflation is used for each territory, reflecting their respective interest rate and general economic environment.

- Additional assumptions for investment-linked contracts

  For investment-linked insurance policies, additional estimates are made for unit fund growth rate, fund management charge and investment and administration expenses. These assumptions are used for calculating the liabilities and are updated at each reporting date to reflect the best estimates.

  - *Unit growth rate*: The unit growth rate is set to the risk-free discount rate at valuation date.
  - *Fund management charge*: The fund management charge reflect the recent experience.
  - *Investment expenses:* A portfolio average of investment and other related expenses, as determined based on an internal expense analysis, for investment-linked funds are used.

3. **Critical accounting estimates and judgements** (continued)

(a) Insurance contract liabilities (continued)

- Additional assumptions for investment-linked contracts (continued)
  - *Take-up rate for premium holiday option:* The take-up rate for the option to cease premium payment while the policy remains in-force is set based on industry experience with some adjustment to reflect product features.

(b) Determining the fair value of unquoted investments

The Group holds financial assets which are not quoted in active markets, particularly its fixed income and unquoted equities portfolio. The majority of the unquoted fixed income investments is debt securities issued by government and public authorities and by private sector corporations. The fair values of these financial assets are based on quotations from independent third parties, such as brokers and agencies. The quotations from these third parties may change drastically due to market and economic conditions. For the unquoted equities portfolio, the fair values are measured based on the adjusted net asset value method by referencing to the annual financial statements of the entities that the Group invested in. The Group uses recent arm's length transactions or reference to instruments that are substantially the same or at cost if these are not available to value its unlisted equities. The assumption for valuation at cost will be affected by change in credit risk and interest rates and may have a negative impact on the financial statements.

(c) Expected credit loss

The measurement of the ECL allowance for financial assets measured at AC and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are required in applying the accounting requirements for measuring the ECL, such as:

i. Determining criteria for a significant increase in credit risk ("SICR");
ii Choosing appropriate models and assumptions for the measurement of the ECL;
iii Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated the ECL; and
iv Establishing groups of similar financial assets for the purposes of measuring the ECL.

For further disclosures relating to ECL allowance, refer to Note 32(C)(d).

3. Critical accounting estimates and judgements (continued)

(d) Uncertain tax positions

The Group is subject to income taxes in a number of jurisdictions. In determining the income tax liabilities, management has estimated the amount of capital allowances and the taxability/deductibility of certain income/expenses (“uncertain tax positions”) at each tax jurisdiction.

The Group has several open tax assessments with a tax authority at the balance sheet date that requires a certain degree of judgement and estimates. The Group has recognised the tax liability on these uncertain tax positions.

(e) Fair values of property held for own use and investment property

The Group uses independent professional valuers to determine the fair value of properties on the basis of the highest-and-best use using the sales comparison approach at the balance sheet date. These are registered as Level 3 of the fair value measurement hierarchy. Under the sales comparison approach, the recent sale prices of properties in close proximity are adjusted for differences in key attributes such as tenure, location and condition of the properties. The most significant input into this valuation approach is selling price per square foot.

Further details of the fair value of the property held for own use and investment property are provided in Note 17 and Note 15 respectively.

4. Income taxes

(a) Income tax expense

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
On the results for the financial year:				
Singapore income tax	**6,172**	4,996	**6,172**	4,996
Foreign income tax	**-**	15,731	**-**	-
Withholding tax and capital gains tax	**16,115**	6,601	**16,115**	6,601
Deferred tax (Note 23)	**10,753**	1,937	**10,753**	(17,474)
	33,040	29,265	**33,040**	(5,877)
Under/(over) provision in preceding financial years:				
Singapore income tax	**265**	254	**265**	254
Foreign income tax	**-**	(214)	**-**	-
	33,305	29,305	**33,305**	(5,623)

(b) The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Profit/(loss) before tax	**71,121**	(212,392)	**521,115**	(273,620)
Tax calculated at Singapore statutory tax rate of 17% (2024: 17%)	**12,090**	(36,107)	**88,590**	(46,515)
Tax calculated at concessionary tax rate (including the participating fund)	**(4,529)**	(3,643)	**(4,529)**	(3,643)
Effect of different tax rates in other countries	**-**	5,899	**-**	-
Income not subject to tax	**(41,860)**	(37,669)	**(46,225)**	(23,956)
Expenses not deductible for tax purpose	**7,903**	12,359	**11,384**	11,163
Tax effect of overseas branch	**1,589**	2,656	**1,589**	2,656
Tax effect of investment income from policyholders' and unitholders' funds	**-**	31,763	**-**	-
Withholding tax and capital gains tax	**16,115**	6,601	**16,115**	6,601
Different basis of tax	**75,604**	46,831	**2,227**	47,931
Deferred tax not recognised	**(33,872)**	575	**(36,111)**	(114)
Over provision of tax in preceding financial years	**265**	40	**265**	254
	33,305	29,305	**33,305**	(5,623)

The Company has unrecognised tax losses of $149,093,083 (2024: $365,478,000) at balance sheet which can be carried forward and used to offset future taxable income subject to meeting certain statutory requirements. The tax losses and capital allowances have no expiry date.

4. Income taxes (continued)

(c) OECD Pillar Two model rules

Singapore has implemented the Domestic Top-Up Tax (“DTT”) and Income Inclusion Rule (“IIR”) under Pillar Two of the Base erosion and profit shifting (“BEPS”) 2.0 initiative with effect from 1 January 2025.

Within the Tokio Marine Group, Tokio Marine Asia (“TMA”) is the Designated Filling Entity ("DFE") in Singapore. As there is no UPE or IPE (intermediate parent entity) in Singapore, any CE can be designated and hence TMA, being the regional entity, was designated. Consequently, TMA is responsible for consolidating the numbers of all TM Group entities in Singapore, assessing whether the safe harbour criteria are met, and, if not, determining the necessity of a top-up tax and calculating the required amount.

The Company has not recognised any top-up tax for the FY 2025 as the effective tax rate for TM Group of entities in Singapore is more than 15%. This is largely due to the significant adjustments to GloBE income in respect of excluded dividends and excluded equity gain from the investments of the TM Group of entities in Singapore. This results in a higher ETR. On 20 December 2021, the Organisation for Economic Co-operation and Development (OECD) published Pillar Two Global Anti-Base Erosion model rules as part of its efforts toward international tax reform. The Pillar Two model rules provide for the implementation of a 15% global minimum tax (“Pillar 2 tax”) for large multinational enterprises, which is to be applied on a jurisdiction-by-jurisdiction basis. The Company continues to apply the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to FRS 12.

As at 31 December 2025, Pillar Two legislation has not been enacted in Brunei. Accordingly, the Brunei Branch is not subject to any requirement to perform a Pillar Two top up tax analysis or to report to the Brunei Tax Authorities in respect of its local operations. Notwithstanding this, the Brunei Branch is included within the scope of the Income Inclusion Rule assessment undertaken at its ultimate parent entity, Tokio Marine Holdings, Inc., in Japan, where Pillar Two legislation has been enacted. Any resulting top up tax is determined and settled at the group level.

5. Insurance operations

(A) Composition of the insurance contract balances

An analysis of the amounts presented on the consolidated and Company level balance sheet for insurance contracts is included in the table below:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Insurance contract liabilities	**(11,459,381)**	(10,274,099)	**(11,459,434)**	(10,262,993)
Reinsurance contract assets	**77,440**	64,494	**77,440**	64,494

Detailed reconciliations of changes in insurance and reinsurance contract balances during the reporting periods are included in notes 5(B), (C) and (D). For credit risk disclosures relating to insurance and reinsurance contract assets, refer to Note 32(C)(d).

(B) Insurance revenue and expenses

(a) Insurance revenue and insurance service result

An analysis of insurance revenue, insurance service expenses and net expenses from reinsurance contracts held for 2025 and 2024 is included in the following tables. Additional information on amounts recognised in profit or loss and OCI is included in the insurance contract and reinsurance contract held balances reconciliations below in notes 5(C) and (D).

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Insurance revenue				
Contracts not measured under the PAA				
Amounts relating to the changes in the liability for remaining coverage				
- Expected incurred claims and other expenses after loss component allocation	**242,593**	383,097	**242,593**	221,078
- Change in the risk adjustment for non-financial risk	**10,772**	19,491	**10,772**	11,475
- CSM recognised in profit or loss for the services provided	**60,331**	109,557	**60,331**	79,908
- Insurance acquisition cash flows recovery	**46,054**	58,259	**46,054**	39,060
- Other	**59**	8	**59**	8
Total insurance revenue	**359,809**	570,412	**359,809**	351,529
Insurance service expenses				
Incurred claims and other directly attributable expenses	**(226,410)**	(364,980)	**(226,410)**	(197,678)
Losses on onerous contracts and reversal of those losses	**(46,208)**	(54,875)	**(46,208)**	(55,471)
Insurance acquisition cash flows amortisation	**(46,054)**	(58,259)	**(46,054)**	(39,060)
Other	**(3,343)**	(2,087)	**(3,343)**	(2,087)
Total insurance service expenses	**(322,015)**	(480,201)	**(322,015)**	(294,296)

5. Insurance operations (continued)

(B) Insurance revenue and expenses (continued)

(a) Insurance revenue and insurance service result (continued)

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Net (expenses)/income from reinsurance contracts held				
Reinsurance expenses – contracts not measured under the PAA				
Amounts relating to the changes in the remaining coverage:				
- Expected claims and other expenses after loss component allocation	**(86,919)**	(90,432)	**(86,919)**	(76,785)
- Change in the risk adjustment for non-financial risk for the expired after loss component allocation	**(15,229)**	(15,254)	**(15,229)**	(13,721)
- CSM recognised in profit or loss for the service received	**4,551**	(7,890)	**4,551**	(7,604)
Reinsurance expenses – contracts not measured under the PAA	**(97,597)**	(113,576)	**(97,597)**	(98,110)
Reinsurance expenses - contracts measured under the PAA	**-**	(102)	**-**	-
	(97,597)	(113,678)	**(97,597)**	(98,110)
Incurred claims recovery and other incurred directly attributable expenses	**89,307**	101,951	**89,307**	84,966
Effect of changes in the risk of reinsurers non-performance	**(25)**	(151)	**(25)**	(140)
Recovery of losses on onerous underlying contracts and reversal of those recoveries	**(1,121)**	20,839	**(1,121)**	20,835
Total net (expenses)/income from reinsurance contracts held	**(9,436)**	8,961	**(9,436)**	7,551
Total insurance service result	**28,358**	99,172	**28,358**	64,784

5. Insurance operations (continued)

(B) Insurance revenue and expenses (continued)

(b) Amounts determined on transition to SFRS(I) 17

For insurance contracts not measured under the PAA, an analysis of insurance revenue for insurance contracts issued and the CSM by transition method is included in the following tables.

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Insurance contracts issued				
Insurance revenue				
New contracts and contracts measured under the full retrospective approach at transition	**182,558**	218,510	**182,558**	153,265
Contract measured under the modified retrospective approach at transition	**-**	111,668	**-**	-
Contracts measured under the fair value approach at transition	**177,251**	240,234	**177,251**	198,264
CSM as at 31 December				
New contracts and contracts measured under the full retrospective approach at transition	**106,946**	47,565	**106,946**	47,565
Contract measured under the modified retrospective approach at transition	**-**	-	**-**	-
Contracts measured under the fair value approach at transition	**817,245**	992,009	**817,245**	992,009
Reinsurance contracts held				
CSM as at 31 December				
New contracts and contracts measured under the full retrospective approach at transition	**(2,671)**	(1,654)	**(2,671)**	(1,654)
Contracts measured under the fair value approach at transition	**(37,088)**	(19,950)	**(37,088)**	(19,950)

5. Insurance operations (continued)

(B) Insurance revenue and expenses (continued)

(c) Expected recognition of the contractual service margin

The Group and The Company

Number of years until expected to be recognised	Insurance contract issued $'000	Reinsurance contracts held $'000
As at 31 December 2025		
1 year or less	55,777	(4,304)
2	53,531	(3,003)
3	51,105	(2,764)
4	48,880	(2,554)
5	46,777	(2,356)
5 years or more	668,121	(24,778)
Total	**924,191**	**(39,759)**

Number of years until expected to be recognised	Insurance contract issued $'000	Reinsurance contracts held $'000
As at 31 December 2024		
1 year or less	68,806	(3,200)
2	64,780	(1,622)
3	61,199	(1,488)
4	57,725	(1,352)
5	54,373	(1,244)
5 years or more	732,691	(12,698)
Total	**1,039,574**	**(21,604)**

5. Insurance operations (continued)

(C) Insurance contracts issued

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims

	The Group					The Company			
	Liabilities for remaining coverage Excluding loss component	Liabilities for remaining coverage loss component	Liabilities for incurred claims	Assets for insurance acquisition cash flows	Total	Liabilities for remaining coverage Excluding loss component	Liabilities for remaining coverage loss component	Liabilities for incurred claims	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2025									
Opening insurance contract liabilities	9,918,096	110,260	245,743	-	10,274,099	9,906,990	110,260	245,743	10,262,993
Net balance as at 1 January	**9,918,096**	**110,260**	**245,743**	**-**	**10,274,099**	**9,906,990**	**110,260**	**245,743**	**10,262,993**
Insurance revenue	(359,809)	-	-	-	(359,809)	(359,809)	-	-	(359,809)
Insurance service expenses									
Incurred claims and other directly attributable expenses	-	(35,814)	262,224	-	226,410	-	(35,814)	262,224	226,410
Losses on onerous contracts and reversals of those losses	-	46,208	-	-	46,208	-	46,208	-	46,208
Insurance acquisition cash flows amortisation	46,054	-	-	-	46,054	46,054	-	-	46,054
Other	-	-	3,343	-	3,343	-	-	3,343	3,343
Insurance service expenses	**46,054**	**10,394**	**265,567**	**-**	**322,015**	**46,054**	**10,394**	**265,567**	**322,015**
Insurance service result	**(313,755)**	**10,394**	**265,567**	**-**	**(37,794)**	**(313,755)**	**10,394**	**265,567**	**(37,794)**
Finance expenses from insurance contracts through profit and loss	1,148,727	1,027	(747)	-	1,149,007	1,148,727	1,027	(747)	1,149,007
Finance expenses from insurance contracts through OCI	14,107	-	24	-	14,131	14,107	-	24	14,131
Total amounts recognised in comprehensive income	**849,079**	**11,421**	**264,844**	**-**	**1,125,344**	**849,079**	**11,421**	**264,844**	**1,125,344**
Investment components	(378,737)	-	378,737	-	-	(378,737)	-	378,737	-
Allocation of assets for acquisition cash flows	-	-	-	-	-	-	-	-	-

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	The Group					The Company			
	Liabilities for remaining coverage Excluding loss component $'000	Liabilities for remaining coverage loss component $'000	Liabilities for incurred claims $'000	Assets for insurance acquisition cash flows $'000	Total $'000	Liabilities for remaining coverage Excluding loss component $'000	Liabilities for remaining coverage loss component $'000	Liabilities for incurred claims $'000	Total $'000
2025 (continued)									
Cash flows									
Premium received	805,929	-	-	-	805,929	805,929	-	-	805,929
Claims and other insurance service expenses paid	-	-	(599,748)	-	(599,748)	-	-	(599,748)	(599,748)
Net policy loan disbursement	-	-	(20,435)	-	(20,435)	-	-	(20,435)	(20,435)
Insurance acquisition cash flows	(111,769)	-	-	-	(111,769)	(100,610)	-	-	(100,610)
Other movement (e.g. premium waiver)	1,336	-	(15,375)	-	(14,039)	1,336	-	(15,375)	(14,039)
Total cash flows	**695,496**	**-**	**(635,558)**	**-**	**59,938**	**706,655**	**-**	**(635,558)**	**71,097**
Currency translation differences	-	-	-	-	-	-	-	-	-
Net balance as at 31 December	**11,083,934**	**121,681**	**253,766**	**-**	**11,459,381**	**11,083,987**	**121,681**	**253,766**	**11,459,434**
Closing insurance contract liabilities	11,083,934	121,681	253,766	-	11,459,381	11,083,987	121,681	253,766	11,459,434
Reclassified to disposal group	-	-	-	-	-	-	-	-	-
Net balance as at 31 December	**11,083,934**	**121,681**	**253,766**	**-**	**11,459,381**	**11,083,987**	**121,681**	**253,766**	**11,459,434**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	The Group					The Company			
	Liabilities for remaining coverage Excluding loss component $'000	Liabilities for remaining coverage loss component $'000	Liabilities for incurred claims $'000	Assets for insurance acquisition cash flows $'000	Total $'000	Liabilities for remaining coverage Excluding loss component $'000	Liabilities for remaining coverage loss component $'000	Liabilities for incurred claims $'000	Total $'000
2024									
Opening insurance contract liabilities	11,226,534	91,047	541,994	(4,832)	11,854,743	8,925,758	86,974	236,037	9,248,769
Net balance as at 1 January	**11,226,534**	**91,047**	**541,994**	**(4,832)**	**11,854,743**	**8,925,758**	**86,974**	**236,037**	**9,248,769**
Insurance revenue	(570,412)	-	-	-	(570,412)	(351,529)	-	-	(351,529)
Insurance service expenses									
Incurred claims and other directly attributable expenses	-	(33,645)	398,625	-	364,980	-	(33,208)	230,886	197,678
Losses on onerous contracts and reversals of those losses	-	54,875	-	-	54,875	-	55,471	-	55,471
Insurance acquisition cash flows amortisation	58,259	-	-	-	58,259	39,060	-	-	39,060
Other	-	-	2,087	-	2,087	-	-	2,087	2,087
Insurance service expenses	**58,259**	**21,230**	**400,712**	**-**	**480,201**	**39,060**	**22,263**	**232,973**	**294,296**
Insurance service result	**(512,153)**	**21,230**	**400,712**	**-**	**(90,211)**	**(312,469)**	**22,263**	**232,973**	**(57,233)**
Finance expenses from insurance contracts through profit and loss	1,230,914	979	(931)	-	1,230,962	988,408	1,023	(931)	988,500
Finance expenses from insurance contracts through OCI	1,504	-	(3)	-	1,501	(114)	-	(3)	(117)
Total amounts recognised in comprehensive income	**720,265**	**22,209**	**399,778**	**-**	**1,142,252**	**675,825**	**23,286**	**232,039**	**931,150**
Investment components	(528,943)	-	528,943	-	-	(358,044)	-	358,044	-
Allocation of assets for acquisition cash flows	(4,932)	-	-	4,932	-	-	-	-	-

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(i) Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	The Group					The Company			
	Liabilities for remaining coverage Excluding loss component $'000	Liabilities for remaining coverage loss component $'000	Liabilities for incurred claims $'000	Assets for insurance acquisition cash flows $'000	Total $'000	Liabilities for remaining coverage Excluding loss component $'000	Liabilities for remaining coverage loss component $'000	Liabilities for incurred Claims $'000	Total $'000
2024 (continued)									
Cash flows									
Premium received	1,166,639	-	-	-	1,166,639	734,526	-	-	734,526
Claims and other insurance service expenses paid	-	-	(867,860)	-	(867,860)	-	-	(550,881)	(550,881)
Net policy loan disbursement	-	-	(14,861)	-	(14,861)	-	-	(14,861)	(14,861)
Insurance acquisition cash flows	(99,052)	-	-	-	(99,052)	(72,383)	-	-	(72,383)
Other movement (e.g. premium waiver)	3,271	(1,271)	(15,327)	-	(13,327)	1,308	-	(14,635)	(13,327)
Total cash flows	**1,070,858**	**(1,271)**	**(898,048)**	**-**	**171,539**	**663,451**	**-**	**(580,377)**	**83,074**
Currency translation differences	145,033	153	18,757	(100)	163,843	-	-	-	-
Net balance as at 31 December	**12,628,815**	**112,138**	**591,424**	**-**	**13,332,377**	**9,906,990**	**110,260**	**245,743**	**10,262,993**
Closing insurance contract liabilities	12,628,815	112,138	591,424	-	13,332,377	9,906,990	110,260	245,743	10,262,993
Reclassified to disposal group	(2,710,719)	(1,878)	(345,681)	-	(3,058,278)	-	-	-	-
Net balance as at 31 December	**9,918,096**	**110,260**	**245,743**	**-**	**10,274,099**	**9,906,990**	**110,260**	**245,743**	**10,262,993**

The Group and the Company identified certain cash flows related to attributable maintenance expenses that were classified as insurance acquisition cash flows within the LRC, rather than claims and other insurance service expenses paid within the LIC in the prior period. This was corrected retrospectively by restating the opening balances of the comparative LRC and LIC within insurance contract liabilities as at 1 January 2024, resulting to an increase in LRC and a corresponding decrease in LIC amounting to $56,692,000.

Comparative cash flow movements have also been restated, reflecting a reduction in insurance acquisition cash flows and an increase in claims and other insurance service expenses paid amounting to $28,823,000. This restatement affects only the presentation between LRC and LIC in Note 5(C)(i) and Note 5(C)(ii). It has no impact on the Group and Company's Statement of Comprehensive Income, total insurance contract liabilities in the Balance Sheet, and Statement of Changes in Equity as at 31 December 2025.

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(ii) Reconciliation of the measurement components of insurance contract balances

The table below presents a roll-forward of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustment and CSM.

	The Group					The Company			
	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Assets for Insurance Acquisition Cash flows $'000	Total $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025									
Opening insurance contract liabilities	9,059,307	175,218	1,039,574	-	10,274,099	9,048,201	175,218	1,039,574	10,262,993
Net balance as at 1 January	**9,059,307**	**175,218**	**1,039,574**	**-**	**10,274,099**	**9,048,201**	**175,218**	**1,039,574**	**10,262,993**
Changes that relate to current service									
CSM recognised in profit or loss for the services provided	-	-	(60,331)	-	(60,331)	-	-	(60,331)	(60,331)
Change in the risk adjustment for non-financial risk for the risk expired	-	(38,253)	-	-	(38,253)	-	(38,253)	-	(38,253)
Experience adjustments	14,583	-	-	-	14,583	14,583	-	-	14,583
	14,583	**(38,253)**	**(60,331)**	**-**	**(84,001)**	**14,583**	**(38,253)**	**(60,331)**	**(84,001)**
Changes that relate to future service									
Changes in estimates that adjust the CSM	60,558	34,675	(95,233)	-	-	60,558	34,675	(95,233)	-
Changes in estimates that result in onerous contract losses or reversal of losses	9,737	652	-	-	10,389	9,737	652	-	10,389
Contracts initially recognised in the period	(39,619)	35,698	39,739	-	35,818	(39,619)	35,698	39,739	35,818
	30,676	**71,025**	**(55,494)**	**-**	**46,207**	**30,676**	**71,025**	**(55,494)**	**46,207**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(ii) Reconciliation of the measurement components of insurance contract balances (continued)

	The Group					The Company			
	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Assets for insurance acquisition Cash flows $'000	Total $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025 (continued)									
Insurance service result	**45,259**	**32,772**	**(115,825)**	**-**	**(37,794)**	**45,259**	**32,772**	**(115,825)**	**(37,794)**
Finance expenses from insurance contracts through profit and loss	1,147,052	1,513	442	-	1,149,007	1,147,052	1,513	442	1,149,007
Finance expenses/(income) from insurance contracts issued through OCI	10,985	3,146	-	-	14,131	10,985	3,146	-	14,131
Total amounts recognised in comprehensive income	**1,203,296**	**37,431**	**(115,383)**	**-**	**1,125,344**	**1,203,296**	**37,431**	**(115,383)**	**1,125,344**
Allocation of assets for acquisition cash flows	-	-	-	-	-	-	-	-	-
Cash flows									
Premium received	805,929	-	-	-	805,929	805,929	-	-	805,929
Claims and other insurance service expenses paid	(599,748)	-	-	-	(599,748)	(599,748)	-	-	(599,748)
Net policy loan disbursement	(20,435)	-	-	-	(20,435)	(20,435)	-	-	(20,435)
Insurance acquisition cash flows	(111,769)	-	-	-	(111,769)	(100,610)	-	-	(100,610)
Other movement (e.g. premium waiver)	(14,039)	-	-	-	(14,039)	(14,039)	-	-	(14,039)
Total cash flows	**59,938**	**-**	**-**	**-**	**59,938**	**71,097**	**-**	**-**	**71,097**
Currency translation differences	-	-	-	-	-	-	-	-	-
Net balance as at 31 December	**10,322,541**	**212,649**	**924,191**	**-**	**11,459,381**	**10,322,594**	**212,649**	**924,191**	**11,459,434**
Closing insurance contract liabilities	10,322,541	212,649	924,191	-	11,459,381	10,322,594	212,649	924,191	11,459,434
Closing insurance contract assets	-	-	-	-	-	-	-	-	-
Net balance as at 31 December	**10,322,541**	**212,649**	**924,191**	**-**	**11,459,381**	**10,322,594**	**212,649**	**924,191**	**11,459,434**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(ii) Reconciliation of the measurement components of insurance contract balances (continued)

	The Group					The Company			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Assets for Insurance Acquisition Cash flows	Total	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2024									
Opening insurance contract liabilities	10,409,544	232,333	1,217,698	(4,832)	11,854,743	8,167,790	178,044	902,935	9,248,769
Net balance as at 1 January	**10,409,544**	**232,333**	**1,217,698**	**(4,832)**	**11,854,743**	**8,167,790**	**178,044**	**902,935**	**9,248,769**
Changes that relate to current service									
CSM recognised in profit or loss for the services provided	-	-	(109,557)	-	(109,557)	-	-	(79,908)	(79,908)
Change in the risk adjustment for non-financial risk for the risk expired	-	(43,066)	-	-	(43,066)	-	(35,050)	-	(35,050)
Experience adjustments	7,538	-	-	-	7,538	2,254	-	-	2,254
	7,538	**(43,066)**	**(109,557)**	**-**	**(145,085)**	**2,254**	**(35,050)**	**(79,908)**	**(112,704)**
Changes that relate to future service									
Changes in estimates that adjust the CSM	(168,377)	(4,368)	172,745	-	-	(188,607)	(6,695)	195,302	-
Changes in estimates that result in onerous contract losses or reversal of losses	20,278	6,923	-	-	27,201	19,304	8,512	-	27,816
Contracts initially recognised in the period	(76,581)	36,798	67,456	-	27,673	(23,167)	29,469	21,353	27,655
	(224,680)	**39,353**	**240,201**	**-**	**54,874**	**(192,470)**	**31,286**	**216,655**	**55,471**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(ii) Reconciliation of the measurement components of insurance contract balances (continued)

	The Group					The Company			
	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Assets for insurance acquisition Cash flows $'000	Total $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2024 (continued)									
Insurance service result	**(217,142)**	**(3,713)**	**130,644**	**-**	**(90,211)**	**(190,216)**	**(3,764)**	**136,747**	**(57,233)**
Finance expenses from insurance contracts through profit and loss	1,222,688	2,481	5,793	-	1,230,962	987,563	1,045	(108)	988,500
Finance expenses/(income) from insurance contracts issued through OCI	1,425	76	-	-	1,501	(10)	(107)	-	(117)
Total amounts recognised in comprehensive income	**1,006,971**	**(1,156)**	**136,437**	**-**	**1,142,252**	**797,337**	**(2,826)**	**136,639**	**931,150**
Allocation of assets for acquisition cash flows	(4,932)	-	-	4,932	-	-	-	-	-
Cash flows									
Premium received	1,166,639	-	-	-	1,166,639	734,526	-	-	734,526
Claims and other insurance service expenses paid	(867,860)	-	-	-	(867,860)	(550,881)	-	-	(550,881)
Net policy loan disbursement	(14,861)	-	-	-	(14,861)	(14,861)	-	-	(14,861)
Insurance acquisition cash flows	(99,052)	-	-	-	(99,052)	(72,383)	-	-	(72,383)
Other movement (e.g. premium waiver)	(13,327)	-	-	-	(13,327)	(13,327)	-	-	(13,327)
Total cash flows	**171,539**	**-**	**-**	**-**	**171,539**	**83,074**	**-**	**-**	**83,074**
Currency translation differences	142,202	3,252	18,489	(100)	163,843	-	-	-	-
Net balance as at 31 December	**11,725,323**	**234,430**	**1,372,624**	**-**	**13,332,377**	**9,048,201**	**175,218**	**1,039,574**	**10,262,993**
Closing insurance contract liabilities	11,725,323	234,430	1,372,624	-	13,332,377	9,048,201	175,218	1,039,574	10,262,993
Reclassified to disposal group	(2,666,016)	(59,212)	(333,050)	-	(3,058,278)	-	-	-	-
Net balance as at 31 December	**9,059,307**	**175,218**	**1,039,574**	**-**	**10,274,099**	**9,048,201**	**175,218**	**1,039,574**	**10,262,993**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(iii) Impact of contracts recognised in the year

	The Group			The Company		
	Non-onerous contracts originated	Onerous contracts originated	Total	Non-onerous contracts originated	Onerous contracts originated	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2025						
Estimates of the present value of future cash outflows						
- Insurance acquisition cash flows	59,343	69,778	129,121	59,343	69,778	129,121
- Claims and other directly attributable expenses	145,150	317,462	462,612	145,150	317,462	462,612
Estimates of the present value of future cash outflows	**204,493**	**387,240**	**591,733**	**204,493**	**387,240**	**591,733**
Estimates of the present value of future cash inflows	(249,195)	(382,157)	(631,352)	(249,195)	(382,157)	(631,352)
Risk adjustment for non-financial risk	4,963	30,735	35,698	4,963	30,735	35,698
CSM	39,739	-	39,739	39,739	-	39,739
Increase in insurance contract liabilities from contracts recognised in the period	-	35,818	**35,818**	**-**	**35,818**	**35,818**

	The Group			The Company		
	Non-onerous contracts originated	Onerous contracts originated	Total	Non-onerous contracts originated	Onerous contracts originated	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2024						
Estimates of the present value of future cash outflows						
- Insurance acquisition cash flows	82,169	56,716	138,885	32,842	56,567	89,409
- Claims and other directly attributable expenses	339,427	254,909	594,336	80,031	254,408	334,439
Estimates of the present value of future cash outflows	**421,596**	**311,625**	**733,221**	**112,873**	**310,975**	**423,848**
Estimates of the present value of future cash inflows	(499,597)	(310,205)	(809,802)	(137,507)	(309,508)	(447,015)
Risk adjustment for non-financial risk	10,545	26,253	36,798	3,281	26,188	29,469
CSM	67,456	-	67,456	21,353	-	21,353
Increase in insurance contract liabilities from contracts recognised in the period	-	**27,673**	**27,673**	-	**27,655**	**27,655**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(iv) Amounts determined on transition to SFRS(I) 17

Insurance revenue and the CSM by transition method

	The Group				The Company			
	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the modified retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the modified retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000
2025								
Insurance revenue	182,558	-	177,251	359,809	182,558	-	177,251	359,809
CSM as at 1 January	**47,565**	**-**	**992,009**	**1,039,574**	**47,565**	**-**	**992,009**	**1,039,574**
Changes that relate to current service								
CSM recognised in profit or loss for the services provided	(8,380)	-	(51,951)	(60,331)	(8,380)	-	(51,951)	(60,331)
Changes that relate to future service								
Changes in estimates that adjust the CSM	27,912	-	(123,145)	(95,233)	27,912	-	(123,145)	(95,233)
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	-	-	-	-	-	-
Contracts initially recognised in the period	39,739	-	-	39,739	39,739	-	-	39,739
Finance expenses/(income) from insurance contracts issued	110	-	332	442	110	-	332	442
Total amounts recognised in comprehensive income	**59,381**	**-**	**(174,764)**	**(115,383)**	**59,381**	**-**	**(174,764)**	**(115,383)**
Currency translation differences	-	-	-	-	-	-	-	-
CSM as at 31 December	**106,946**	**-**	**817,245**	**924,191**	**106,946**	**-**	**817,245**	**924,191**

5. Insurance operations (continued)

(C) Insurance contracts issued (continued)

(iv) Amounts determined on transition to SFRS(I) 17 (continued)

	The Group				The Company			
	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the modified retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the modified retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000
2024								
Insurance revenue	218,510	111,668	240,234	570,412	153,265	-	198,264	351,529
CSM as at 1 January	**120,120**	**183,684**	**913,894**	**1,217,698**	**19,165**	**-**	**883,770**	**902,935**
Changes that relate to current service								
CSM recognised in profit or loss for the services provided	(21,439)	(16,174)	(71,944)	(109,557)	(10,950)	-	(68,958)	(79,908)
Changes that relate to future service								
Changes in estimates that adjust the CSM	4,119	(21,009)	189,635	172,745	17,969	-	177,333	195,302
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	-	-	-	-	-	-
Contracts initially recognised in the period	67,456	-	-	67,456	21,353	-	-	21,353
Finance expenses/(income) from insurance contracts issued	2,513	2,966	314	5,793	28	-	(136)	(108)
Total amounts recognised in comprehensive income	**52,649**	**(34,217)**	**118,005**	**136,437**	**28,400**	**-**	**108,239**	**136,639**
Currency translation differences	6,832	9,524	2,133	18,489	-	-	-	-
Reclassified to disposal group	(132,036)	(158,991)	(42,023)	(333,050)	-	-	-	-
CSM as at 31 December	**47,565**	**-**	**992,009**	**1,039,574**	**47,565**	**-**	**992,009**	**1,039,574**

5. Insurance operations (continued)

(D) Reinsurance contracts held

(i) Reconciliation of assets for remaining coverage and incurred claims

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

	The Group			The Company		
	Asset for Remaining coverage	Asset for Incurred claims	Total	Asset for Remaining coverage	Asset for Incurred claims	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2025						
Opening reinsurance contract assets	(15,302)	79,796	64,494	(15,302)	79,796	64,494
Opening reinsurance contract liabilities	-	-	-	-	-	-
Net balance as at 1 January	**(15,302)**	**79,796**	**64,494**	**(15,302)**	**79,796**	**64,494**
Net (expense)/income from reinsurance contracts held						
Net (expenses)/income from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)	(98,718)	89,307	(9,411)	(98,718)	89,307	(9,411)
Effect of changes in the risk of reinsurers non-performance	(25)	-	(25)	(25)	-	(25)
Net (expenses)/ income from reinsurance contracts held	**(98,743)**	**89,307**	**(9,436)**	**(98,743)**	**89,307**	**(9,436)**
Finance income from reinsurance contracts held through profit & loss	3,455	(1,210)	2,245	3,455	(1,210)	2,245
Finance income/(expenses) from reinsurance contracts held through OCI	197	-	197	197	-	197
Total amounts recognised in comprehensive income	**(95,091)**	**88,097**	**(6,994)**	**(95,091)**	**88,097**	**(6,994)**
Investment components	-	-	-	-	-	-
Cash flows						
Premiums paid net of ceding commissions and other directly attributable expenses paid	104,820	-	104,820	104,820	-	104,820
Recoveries from reinsurance	-	(84,880)	(84,880)	-	(84,880)	(84,880)
Total cash flows	**104,820**	**(84,880)**	**19,940**	**104,820**	**(84,880)**	**19,940**
Currency translation differences	-	-	-	-	-	-
Net balance as at 31 December	**(5,573)**	**83,013**	**77,440**	**(5,573)**	**83,013**	**77,440**
Closing reinsurance contract assets	(5,573)	83,013	77,440	(5,573)	83,013	77,440
Closing reinsurance contract liabilities	-	-	-	-	-	-
Net balance as at 31 December	**(5,573)**	**83,013**	**77,440**	**(5,573)**	**83,013**	**77,440**

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(i) Reconciliation of assets for remaining coverage and incurred claims (continued)

	The Group			The Company		
	Asset for Remaining coverage	Asset for Incurred claims	Total	Asset for Remaining coverage	Asset for Incurred claims	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2024						
Opening reinsurance contract assets	(26,971)	94,378	67,407	(35,232)	77,863	42,631
Opening reinsurance contract liabilities	(1,611)	281	(1,330)	-	-	-
Net balance as at 1 January	**(28,582)**	**94,659**	**66,077**	**(35,232)**	**77,863**	**42,631**
Net (expense)/income from reinsurance contracts held						
Net (expenses)/income from reinsurance contracts held (excluding effect of changes in non-performance risk of reinsurers)	(92,839)	101,951	9,112	(77,275)	84,966	7,691
Effect of changes in the risk of reinsurers non-performance	(140)	(11)	(151)	(140)	-	(140)
Net (expenses)/ income from reinsurance contracts held	**(92,979)**	**101,940**	**8,961**	**(77,415)**	**84,966**	**7,551**
Finance income from reinsurance contracts held through profit & loss	3,152	814	3,966	2,250	818	3,068
Finance income/(expenses) from reinsurance contracts held through OCI	1	-	1	(664)	-	(664)
Total amounts recognised in comprehensive income	**(89,826)**	**102,754**	**12,928**	**(75,829)**	**85,784**	**9,955**
Investment components	(931)	931	-	-	-	-
Cash flows						
Premiums paid net of ceding commissions and other directly attributable expenses paid	113,942	-	113,942	95,758	-	95,758
Recoveries from reinsurance	-	(97,682)	(97,682)	-	(83,850)	(83,850)
Total cash flows	**113,942**	**(97,682)**	**16,260**	**95,758**	**(83,850)**	**11,908**
Currency translation differences	509	1,142	1,651	-	-	-
Net balance as at 31 December	**(4,888)**	**101,804**	**96,916**	**(15,303)**	**79,797**	**64,494**
Closing reinsurance contract assets	(3,540)	101,670	98,130	(15,303)	79,797	64,494
Closing reinsurance contract liabilities	(1,348)	134	(1,214)	-	-	-
Reclassified to disposal group	(10,415)	(22,007)	(32,422)	-	-	-
Net balance as at 31 December	**(15,303)**	**79,797**	**64,494**	**(15,303)**	**79,797**	**64,494**

5. **Insurance operations** (continued)

(D) **Reinsurance contracts held** (continued)

(ii) Reconciliation of the measurement components of reinsurance contract balances

The table below presents a roll-forward of the net asset or liability for reinsurance contracts held showing estimates of the present value of future cash flows, risk adjustment and CSM.

	The Group				The Company			
	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000	Present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	Contractual service margin $'000	Total $'000
2025								
Opening reinsurance contract assets	30,250	12,640	21,604	64,494	30,250	12,640	21,604	64,494
Opening reinsurance contract liabilities								
Net balance as at 1 January	**30,250**	**12,640**	**21,604**	**64,494**	**30,250**	**12,640**	**21,604**	**64,494**
Changes that relate to current service								
CSM recognised in profit or loss for the services provided (including loss recovery component)	-	-	(14,340)	(14,340)	-	-	(14,340)	(14,340)
Change in the risk adjustment for non-financial risk for the risk expired	-	(15,228)	-	(15,228)	-	(15,228)	-	(15,228)
Experience adjustments	2,385	-	-	2,385	2,385	-	-	2,385
	2,385	**(15,228)**	**(14,340)**	**(27,183)**	**2,385**	**(15,228)**	**(14,340)**	**(27,183)**
Changes that relate to future service								
Changes in estimates that adjust the CSM	(24,801)	4,069	20,732	-	(24,801)	4,069	20,732	-
Contracts initially recognised in the period	(6,212)	13,957	9,042	16,787	(6,212)	13,957	9,042	16,787
CSM adjustments for income on initial recognition of onerous underlying contracts	-	-	-	-	-	-	-	-
Changes in loss-recovery component other than changes in the FCF of reinsurance contracts held	-	-	985	985	-	-	985	985
	(31,013)	**18,026**	**30,759**	**17,772**	**(31,013)**	**18,026**	**30,759**	**17,772**

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(ii) Reconciliation of the measurement components of reinsurance contract balances (continued)

	The Group				The Company			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
2025 (continued)	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Effect of changes in the risk of reinsurers non-performance	(1,316)	1,291	-	(25)	(1,316)	1,291	-	(25)
Net income/(expenses) from reinsurance contracts held	**(29,944)**	**4,089**	**16,419**	**(9,436)**	**(29,944)**	**4,089**	**16,419**	**(9,436)**
Finance expenses from reinsurance contracts issued through profit & loss	(16)	525	1,736	2,245	(16)	525	1,736	2,245
Finance (income)/expenses from reinsurance contracts issued through OCI	(1,469)	1,666	-	197	(1,469)	1,666	-	197
Total amounts recognised in comprehensive income	**(31,429)**	**6,280**	**18,155**	**(6,994)**	**(31,429)**	**6,280**	**18,155**	**(6,994)**
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	104,820	-	-	104,820	104,820	-	-	104,820
Recoveries from reinsurance	(84,880)	-	-	(84,880)	(84,880)	-	-	(84,880)
Total cash flows	**19,940**	**-**	**-**	**19,940**	**19,940**	**-**	**-**	**19,940**
Currency translation differences	-	-	-	-	-	-	-	-
Net balance as at 31 December	**18,761**	**18,920**	**39,759**	**77,440**	**18,761**	**18,920**	**39,759**	**77,440**
Closing reinsurance contract assets	18,761	18,920	39,759	77,440	18,761	18,920	39,759	77,440
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-
Net balance as at 31 December	**18,761**	**18,920**	**39,759**	**77,440**	**18,761**	**18,920**	**39,759**	**77,440**

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(ii) Reconciliation of the measurement components of reinsurance contract balances (continued)

	The Group				The Company			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2024								
Opening reinsurance contract assets	21,324	24,304	21,779	67,407	8,352	14,379	19,900	42,631
Opening reinsurance contract liabilities	(970)	-	(360)	(1,330)	-	-	-	-
Net balance as at 1 January	**20,354**	**24,304**	**21,419**	**66,077**	**8,352**	**14,379**	**19,900**	**42,631**
Changes that relate to current service								
CSM recognised in profit or loss for the services provided (including loss recovery component)	-	-	(11,002)	(11,002)	-	-	(10,715)	(10,715)
Change in the risk adjustment for non-financial risk for the risk expired	-	(15,254)	-	(15,254)	-	(13,721)	-	(13,721)
Experience adjustments	10,411	-	1,006	11,417	8,180	-	-	8,180
	10,411	**(15,254)**	**(9,996)**	**(14,839)**	**8,180**	**(13,721)**	**(10,715)**	**(16,256)**
Changes that relate to future service								
Changes in estimates that adjust the CSM	20,032	5,214	(25,246)	-	13,699	(670)	(13,029)	-
Contracts initially recognised in the period	(10,950)	13,174	10,919	13,143	(11,531)	11,960	12,714	13,143
CSM adjustments for income on initial recognition of onerous underlying contracts	-	-	4	4	-	-	-	-
Changes in loss-recovery component other than changes in the FCF of reinsurance contracts held	-	-	10,804	10,804	-	-	10,804	10,804
	9,082	**18,388**	**(3,519)**	**23,951**	**2,168**	**11,290**	**10,489**	**23,947**

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(ii) Reconciliation of the measurement components of reinsurance contract balances (continued)

	The Group				The Company			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
2024 (continued)	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Effect of changes in the risk of reinsurers non-performance	139	(290)	-	(151)	150	(290)	-	(140)
Net income/(expenses) from reinsurance contracts held	**19,632**	**2,844**	**(13,515)**	**8,961**	**10,498**	**(2,721)**	**(226)**	**7,551**
Finance expenses from reinsurance contracts issued through profit & loss	872	1,168	1,926	3,966	383	755	1,930	3,068
Finance (income)/expenses from reinsurance contracts issued through OCI	(530)	531	-	1	(891)	227	-	(664)
Total amounts recognised in comprehensive income	**19,974**	**4,543**	**(11,589)**	**12,928**	**9,990**	**(1,739)**	**1,704**	**9,955**
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	113,942	-	-	113,942	95,758	-	-	95,758
Recoveries from reinsurance	(97,682)	-	-	(97,682)	(83,850)	-	-	(83,850)
Total cash flows	**16,260**	**-**	**-**	**16,260**	**11,908**	**-**	**-**	**11,908**
Currency translation differences	1,234	819	(402)	1,651	-	-	-	-
Net balance as at 31 December	**57,822**	**29,666**	**9,428**	**96,916**	**30,250**	**12,640**	**21,604**	**64,494**
Closing reinsurance contract assets	58,028	29,666	10,436	98,130	30,250	12,640	21,604	64,494
Closing reinsurance contract liabilities	(206)	-	(1,008)	(1,214)	-	-	-	-
Reclassified to disposal group	(27,572)	(17,026)	12,176	(32,422)	-	-	-	-
Net balance as at 31 December	**30,250**	**12,640**	**21,604**	**64,494**	**30,250**	**12,640**	**21,604**	**64,494**

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(iii) Impact of contracts recognised in the year

	The Group		The Company	
	Contracts originated		Contracts originated	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Estimates of the present value of future cash inflows	**75,552**	53,241	**75,552**	65,712
Estimates of the present value of future cash outflows	**(81,764)**	(64,191)	**(81,764)**	(77,243)
Risk adjustment for non-financial risk	**13,957**	13,174	**13,957**	11,960
CSM	**9,042**	10,923	**9,042**	12,714
	16,787	13,147	**16,787**	13,143

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(iii) Amounts determined on transition to SFRS(I) 17

	The Group			The Company		
	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000
2025						
CSM as at 1 January	**1,654**	**19,950**	**21,604**	**1,654**	**19,950**	**21,604**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided (including loss recovery component)	(9,046)	(5,294)	(14,340)	(9,046)	(5,294)	(14,340)
Experience adjustments for ceded premiums	-	-	-	-	-	-
Changes that relate to future service						
Changes in estimates that adjust the CSM	24	20,708	20,732	24	20,708	20,732
Contracts initially recognised in the period	9,042	-	9,042	9,042	-	9,042
Changes of loss-recovery component other than changes in the FCF of reinsurance contracts held	857	128	985	857	128	985
	877	**15,542**	**16,419**	**877**	**15,542**	**16,419**
Finance expenses from reinsurance contracts held	140	1,596	1,736	140	1,596	1,736
Total amounts recognised in comprehensive income	**1,017**	**17,138**	**18,155**	**1,017**	**17,138**	**18,155**
Currency translation differences	-	-	-	-	-	-
CSM as at 31 December	**2,671**	**37,088**	**39,759**	**2,671**	**37,088**	**39,759**

5. Insurance operations (continued)

(D) Reinsurance contracts held (continued)

(iv) Amounts determined on transition to SFRS(I) 17 (continued)

	The Group			The Company		
	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000	New contracts and contracts measured under the full retrospective approach at transition $'000	Contracts measured under the fair value approach at transition $'000	Total $'000
2024						
CSM as at 1 January	**(3,785)**	**25,204**	**21,419**	**1,441**	**18,459**	**19,900**
Changes that relate to current service						
CSM recognised in profit or loss for the services provided (including loss recovery component)	(18,925)	7,923	(11,002)	(18,706)	7,991	(10,715)
Experience adjustments for ceded premiums	786	220	1,006	-	-	-
	(18,139)	**8,143**	**(9,996)**	**(18,706)**	**7,991**	**(10,715)**
Changes that relate to future service						
Changes in estimates that adjust the CSM	(1,440)	(23,806)	(25,246)	1,440	(14,469)	(13,029)
Contracts initially recognised in the period	10,919	-	10,919	12,714	-	12,714
Changes of loss-recovery component other than changes in the FCF of reinsurance contracts held	4,242	6,566	10,808	4,238	6,566	10,804
	(4,418)	**(9,097)**	**(13,515)**	**(314)**	**88**	**(226)**
Finance expenses from reinsurance contracts held	283	1,643	1,926	527	1,403	1,930
Total amounts recognised in comprehensive income	**(4,135)**	**(7,454)**	**(11,589)**	**213**	**1,491**	**1,704**
Currency translation differences	(467)	65	(402)	-	-	-
Reclassified to disposal group	10,041	2,135	12,176	-	-	-
CSM as at 31 December	**1,654**	**19,950**	**21,604**	**1,654**	**19,950**	**21,604**

6. Net investment result

The net investment result in profit or loss and other comprehensive income:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Investment return				
Interest revenue on financial assets	**346,167**	428,189	**345,694**	330,023
Other investment return	**862,754**	567,596	**862,754**	371,317
Net impairment losses on financial assets	**(60)**	(202)	**(60)**	(210)
Amount recognised in profit or loss	**1,208,861**	995,583	**1,208,388**	701,130
Amount recognised in OCI	**211,347**	(11,622)	**211,347**	(12,959)
Total investment return	**1,420,208**	983,961	**1,419,735**	688,171
Net finance expense from insurance contracts issued				
Changes in fair value of underlying assets of contracts measured under the VFA	**(1,140,379)**	(1,199,577)	**(1,140,379)**	(982,397)
Interest accreted	**(8,532)**	(11,603)	**(8,532)**	(6,750)
Effect of changes in interest rates and other financial assumptions	**(14,131)**	604	**(14,131)**	604
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	**-**	(22,047)	**-**	-
Foreign exchange (loss)/gain	**(96)**	160	**(96)**	160
Total net finance expense from insurance contracts issued	**(1,163,138)**	(1,232,463)	**(1,163,138)**	(988,383)
Net finance income/(expense) from reinsurance contracts held				
Interest accreted	**2,442**	2,811	**2,442**	2,811
Effect of changes in interest rates and other financial assumptions	**198**	735	**198**	(664)
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	**-**	164	**-**	-
Foreign exchange (loss)/gain	**(198)**	257	**(198)**	257
Total net finance income/(expense) from reinsurance contracts held	**2,442**	3,967	**2,442**	2,404
Net investment result	**259,512**	(244,535)	**259,039**	(297,808)
Summary of the amounts recognised in profit or loss				
Investment return	**1,208,861**	995,583	**1,208,388**	701,130
Net finance expense from insurance contracts issued	**(1,149,007)**	(1,230,962)	**(1,149,007)**	(988,500)
Net finance income from reinsurance contracts held	**2,245**	3,966	**2,245**	3,068
	62,099	(231,413)	**61,626**	(284,302)
Summary of the amounts recognised in OCI				
Investment return	**211,347**	(11,622)	**211,347**	(12,959)
Net finance (expense)/income from insurance contracts issued	**(14,131)**	(1,501)	**(14,131)**	117
Net finance income/(expense) from reinsurance contracts held	**197**	1	**197**	(664)
	197,413	(13,122)	**197,413**	(13,506)
Summary of the amounts recognised				
Investment return	**1,420,208**	983,961	**1,419,735**	688,171
Net finance expense from insurance contracts issued	**(1,163,138)**	(1,232,463)	**(1,163,138)**	(988,383)
Net finance income from reinsurance contracts held	**2,442**	3,967	**2,442**	2,404
Net investment result	**259,512**	(244,535)	**259,039**	(297,808)

6. Net investment result (continued)

The net gains or losses for each class of financial instrument by measurement category is as follows:

The Group

	AC	FVOCI	FVTPL		Total
			Designated	Mandatory	
	$'000	$'000	$'000	$'000	$'000
2025					
Interest revenue on financial assets					
Financial assets measured at AC	8,524	-	-	-	8,524
Financial assets measured at FVOCI	-	68,823	-	-	68,823
Financial assets measured at FVTPL	-	-	218,533	50,287	268,820
	8,524	**68,823**	**218,533**	**50,287**	**346,167**
Other investment return					
Dividend income	-	-	-	75,186	75,186
Rental income	-	-	-	389	389
Net fair value movement of investment property and property, plant and equipment	-	-	-	1,890	1,890
Net gains of debt securities	-	(812)	371,329	1,678	372,195
Net gains of equity shares	-	-	-	433,732	433,732
Net fair value movement on derivatives	-	-	-	194,038	194,038
Investment expenses	8	(498)	-	(54,776)	(55,266)
Net foreign exchange losses	(6,902)	(7,763)	(142,004)	(2,741)	(159,410)
	(6,894)	**(9,073)**	**229,325**	**649,396**	**862,754**
Net impairment losses on financial assets	-	(60)	-	-	(60)
Total investment return	**1,630**	**59,690**	**447,858**	**699,683**	**1,208,861**

	AC	FVOCI	FVTPL		Total
			Designated	Mandatory	
	$'000	$'000	$'000	$'000	$'000
2024					
Interest revenue on financial assets					
Financial assets measured at AC	21,011	-	-	-	21,011
Financial assets measured at FVOCI	-	135,025	-	-	135,025
Financial assets measured at FVTPL	-	-	212,291	59,862	272,153
	21,011	**135,025**	**212,291**	**59,862**	**428,189**
Other investment return					
Dividend income	-	-	-	97,576	97,576
Rental income	-	-	-	2,871	2,871
Net fair value movement of investment property and property, plant and equipment	-	-	-	7,886	7,886
Net gains of debt securities	-	1,420	18,498	16,818	36,736
Net gains of equity shares	-	-	-	594,987	594,987
Net fair value movement on derivatives	-	-	-	(169,047)	(169,047)
Investment expenses	-	(2,592)	-	(100,627)	(103,219)
Net foreign exchange gains	477	5,911	92,509	909	99,806
	477	**4,739**	**111,007**	**451,373**	**567,596**
Net impairment losses on financial assets	-	(202)	-	-	(202)
Total investment return	**21,488**	**139,562**	**323,298**	**511,235**	**995,583**

6. Net investment result (continued)

The net gain or loss for each class of financial instrument by measurement category is as follows:

The Company

	AC	FVOCI	FVTPL Designated	FVTPL Mandatory	Total
	$'000	$'000	$'000	$'000	$'000
2025					
Interest revenue on financial assets					
Financial assets measured at AC	8,051	-	-	-	8,051
Financial assets measured at FVOCI	-	68,823	-	-	68,823
Financial assets measured at FVTPL	-	-	218,533	50,287	268,820
	8,051	**68,823**	**218,533**	**50,287**	**345,694**
Other investment return					
Dividend income	-	-	-	78,200	78,200
Rental income	-	-	-	431	431
Net fair value movement of investment property and property, plant and equipment (Note 16, 18)	-	-	-	1,890	1,890
Net (losses)/gains of debt securities	-	(812)	371,329	1,678	372,195
Net gains of equity shares	-	-	-	430,676	430,676
Net fair value movement on derivatives	-	-	-	194,038	194,038
Investment expenses	8	(498)	-	(54,776)	(55,266)
Net foreign exchange losses	(6,902)	(7,763)	(142,004)	(2,741)	(159,410)
	(6,894)	**(9,073)**	**229,325**	**649,396**	**862,754**
Net impairment losses on financial assets	-	(60)	-	-	(60)
Total investment return	**1,157**	**59,690**	**447,858**	**699,683**	**1,208,388**

6. Net investment result (continued)

The net gain or loss for each class of financial instrument by measurement category is as follows:

	AC	FVOCI	FVTPL		Total
			Designated	Mandatory	
	$'000	$'000	$'000	$'000	$'000
2024					
Interest revenue on financial assets					
Financial assets measured at AC	15,854	-	-	-	15,854
Financial assets measured at FVOCI	-	49,569	-	-	49,569
Financial assets measured at FVTPL	-	-	212,291	52,309	264,600
	15,854	**49,569**	**212,291**	**52,309**	**330,023**
Other investment return					
Dividend income	-	-	-	75,878	75,878
Rental income	-	-	-	1,358	1,358
Net fair value movement of investment property and property, plant and equipment (Note 16, 18)	-	-	-	3,549	3,549
Net (losses)/gains of debt securities	-	(2,091)	18,498	16,535	32,942
Net gains of equity shares	-	-	-	426,171	426,171
Net fair value movement on derivatives	-	-	-	(169,047)	(169,047)
Investment expenses	-	(1,869)	-	(97,471)	(99,340)
Net foreign exchange gains	477	5,911	92,509	909	99,806
	477	**1,951**	**111,007**	**257,882**	**371,317**
Net impairment losses on financial assets	-	(210)	-	-	(210)
Total investment return	**16,331**	**51,310**	**323,298**	**310,191**	**701,130**

On transition to SFRS(I) 17, for certain groups of contracts that the Group applies the fair value approach, the cumulative insurance finance income or expenses recognised in other comprehensive income at 1 January 2022 was determined to be zero.

6. Net investment result (continued)

For the group of contracts that the Group and the Company applies the fair value approach, the movement in the fair value reserve for the debt securities at fair value through other comprehensive income was as follows:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Balance at 1 January	**(7,306)**	52,426	**(7,306)**	(9,349)
Net change in fair value	**10,341**	(15,998)	**10,341**	2,998
Net amount reclassified to profit or loss	**116**	(3,684)	**116**	(955)
Currency translation difference	**-**	2,823	-	-
Reclassified to disposal group	**-**	(42,873)	-	-
Balance at 31 December	**3,151**	(7,306)	**3,151**	(7,306)

7(a). Other income

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Government grant	**12**	44	**8**	41
Management fee income	**493**	499	**2,442**	2,819
Commission income from third parties	**2,808**	2,473	**-**	-
	3,313	3,016	**2,450**	2,860

7(b). Other gains - net

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Gain on disposal of property, plant and equipment	**30**	-	**30**	-
Gain on disposal of subsidiary TMLM	**68,900**	-	**474,164**	-
Realised foreign currency translation reserve	**(29,419)**	-	**-**	-
Management fee rebate	**5,587**	3,974	**5,587**	3,974
Others	**641**	175	**596**	175
	45,739	4,149	**480,377**	4,149

8. Other operating expenses – expenses by nature

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Employee compensation	**44,078**	64,811	**41,336**	35,483
Commission and agency expenses	**109,376**	115,095	**78,818**	53,601
Depreciation	**2,740**	2,682	**2,138**	855
Amortisation	**1,493**	2,884	**1,483**	1,687
Other operating expenses [(2)]	**297,659**	430,431	**314,879**	276,691
	455,346	615,903	**438,654**	368,317
Amounts attributed to insurance acquisition cash flows [(1)]	**(110,997)**	(89,930)	**(110,997)**	(51,970)
Amortisation of insurance acquisition cash flows	**46,054**	41,544	**46,054**	39,060
Insurance service and other expense	**390,403**	567,517	**373,711**	355,407

An analysis of the expenses incurred by the Group in the reporting period is included in the table below:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Insurance service expenses	**322,015**	480,201	**322,015**	294,296
Other expenses	**68,388**	87,316	**51,696**	61,111
	390,403	567,517	**373,711**	355,407

(1) Expenses attributed to insurance acquisition cash flows incurred by the Group in the reporting period that relate directly to the fulfilment of contracts issued within SFRS(I) 17's scope and reinsurance contracts held. These expenses are recognised in the consolidated statement of comprehensive income based on SFRS(I) 17.

(2) The other operating expenses mainly relate to incurred claims and other benefits and loss on onerous contracts, refer to Note 5(B)(a).

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Employee compensation				
Wages and salaries	**40,697**	58,835	**38,232**	32,545
Employer's contribution to defined contribution plans including Central Provident Fund and Employees Provident Fund	**3,381**	5,975	**3,104**	2,938
Staff retirement benefits	**-**	1	**-**	-
Insurance service and other expense	**44,078**	64,811	**41,336**	35,483

9. Cash and cash equivalents

(a)

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**561,617**	338,861	**560,830**	332,414
Fixed deposits with financial institutions	**425,337**	105,122	**405,253**	80,714
	986,954	443,983	**966,083**	413,128

(b) Fixed deposits with financial institutions at the balance sheet date has an average maturity of 1 month (2024: 1 month) from the end of the financial year with the following weighted average effective interest rates per annum:

	The Group		The Company	
	2025	2024	**2025**	2024
	%	%	**%**	%
Singapore Dollar	**1.40**	3.09	**1.36**	2.98

(c) Fixed deposits with financial institutions are analysed as follows:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Fixed deposits maturing within 12 months	**425,337**	105,122	**405,253**	80,714
Total fixed deposits with financial institutions	**425,337**	105,122	**405,253**	80,714

10. Financial assets at fair value through profit or loss

The carrying amounts of the financial assets held by the Group and the Company are:

	The Group and the Company FVTPL		
	Designated	Mandatory	Total
	$'000	$'000	$'000
2025			
Government and public authority securities	1,930,773	-	1,930,773
Debt securities in corporations	3,676,418	93,319	3,769,737
Equity securities	-	3,981,370	3,981,370
Derivative financial assets	-	125,664	125,664
Total investment assets	**5,607,191**	**4,200,353**	**9,807,544**
Current			3,724,343
Non-current			6,083,201
			9,807,544

	The Group and the Company FVTPL		
	Designated	Mandatory	Total
	$'000	$'000	$'000
2024			
Government and public authority securities	2,120,437	-	2,120,437
Debt securities in corporations	3,636,891	37,408	3,674,299
Equity securities	-	3,379,905	3,379,905
Derivative financial assets	-	68,027	68,027
Total investment assets	**5,757,328**	**3,485,340**	**9,242,668**
Current			3,140,005
Non-current			6,102,663
			9,242,668

Refer to the accounting policies in Note 2.12 for an explanation as to why the Group and the Company have designated certain financial assets at FVTPL.

11. Financial assets at fair value through other comprehensive income

The carrying amounts of the financial assets held by the Group and the Company are:

	The Group and the Company FVOCI	
	2025	2024
	$'000	$'000
Government securities	**2,612,478**	2,102,391
Debt securities in corporations	**637,524**	458,632
Total investment assets	**3,250,002**	2,561,023
Current	**34,718**	129,216
Non-current	**3,215,284**	2,431,807
	3,250,002	2,561,023

Refer to the accounting policies in Note 2.12 for an explanation as to why the Group and the Company have designated certain financial assets at FVOCI.

12. Financial assets at amortised cost

The carrying amounts of the financial assets held by the Group and the Company are:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Accrued investment income	**87,639**	85,084	**87,625**	85,044
Other assets	**10,587**	19,716	**15,058**	12,721
Cash and cash equivalents	**986,954**	443,983	**966,083**	413,128
Total financial assets	**1,085,180**	548,783	**1,068,766**	510,893
Current	**1,085,180**	548,783	**1,068,766**	510,893
Non-current	**-**	-	**-**	-
	1,085,180	548,783	**1,068,766**	510,893

13. Derivative financial instruments

(a) Derivative financial instruments

	The Group and the Company	
	2025	2024
	$'000	$'000
Derivative financial assets:		
Foreign exchange contracts	**8,878**	-
Cross currency swaps	**116,786**	68,027
	125,664	68,027
Derivative financial liabilities:		
Foreign exchange contracts	**(32,445)**	(91,588)
Interest rate swaps	**-**	(73,976)
Cross currency swaps	**(4,056)**	(9,883)
	(36,501)	(175,447)

(b) Foreign exchange contracts

At 31 December, the contractual amounts and the fair value of the Group's and the Company's outstanding foreign exchange contracts are as follows:

	The Group and the Company			
Description	Contract notional amount		Net fair value	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
United States Dollar	**3,336,093**	2,855,473	**(23,567)**	(91,588)

	2025	2024
	$'000	$'000
Beginning of financial year	**(91,588)**	33,521
Fair value gains/(losses) recognised in profit or loss	**68,021**	(125,109)
Balance at end of financial year	**(23,567)**	(91,588)

13. Derivative financial instruments (continued)

(d) Cross currency swaps

At 31 December, the contractual amounts and the fair value of the Group's and the Company's outstanding cross currency swaps are as follows:

	The Group and the Company			
Description	Contract notional amount		Net fair value	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
United States Dollar	**674,883**	560,334	**112,730**	58,144

	2025	2024
	$'000	$'000
Beginning of financial year	**58,144**	90,166
Fair value gains/(losses) recognised in profit or loss	**54,586**	(32,022)
Balance at end of financial year	**112,730**	58,144

As at 31 December 2025, deferred income from cross currency swaps amounted to $37,269,000 (2024: $39,177,000).

(e) Interest rate swaps

At 31 December, the contractual amounts and the fair value of the Group's and the Company's outstanding interest rate swaps are as follows:

	The Group and the Company			
Description	Contract notional amount		Net fair value	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
United States Dollar	**-**	240,000	**-**	(73,976)

	2025	2024
	$'000	$'000
Beginning of financial year	**(73,976)**	(67,078)
Fair value gains/(losses) recognised in profit or loss	**73,976**	(6,898)
End of financial year	**-**	(73,976)

As at 31 December 2025, the Company has not pledged any debt securities, $nil million (2024: $31 million) for liabilities in respect of derivative transactions.

14. Other assets

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Accrued investment income - Financial assets at FVTPL	**62,564**	63,880	**62,564**	63,880
Accrued investment income - Financial assets at FVOCI	**24,702**	21,090	**24,702**	21,090
Accrued investment income - Financial assets at AC	**373**	114	**359**	74
Club memberships	**13**	13	**13**	13
Due from subsidiary company - non-trade	**-**	-	**3,739**	2,484
Due from fellow subsidiaries – non-trade	**512**	357	**512**	357
Due from intermediate holding company – non trade	**18**	19	**18**	19
Receivable from sales of investment	**4,557**	3,770	**4,557**	3,770
Prepayments	**1,306**	1,196	**1,123**	1,104
Other receivables	**5,500**	6,117	**6,232**	6,091
	99,545	96,556	**103,819**	98,882

Other assets are due within 12 months. Amounts due from fellow subsidiaries and related companies are unsecured, non-interest bearing and repayable on demand.

15. Investment properties

(a) The Group

Fair value	Freehold land $'000	Leasehold land $'000	Building $'000	Total $'000
2025				
At 1 January 2025	91,995	-	11,505	103,500
Currency translation differences	-	-	-	-
Transfer (to)/from property, plant and equipment (Note 18)	-	-	-	-
Additions	-	-	110	110
Disposals	-	-	-	-
Fair value changes for the financial year (Note 6)	-	-	1,890	1,890
Reclassified to disposal group	-	-	-	-
At 31 December 2025	**91,995**	**-**	**13,505**	**105,500**
2024				
At 1 January 2024	122,914	1,796	24,212	148,922
Currency translation differences	2,109	110	818	3,037
Transfer (to)/from property, plant and equipment (Note 18)	-	(37)	106	69
Additions	-	-	791	791
Fair value changes for the financial year (Note 6)	6,525	123	398	7,046
Reclassified to disposal group	(39,553)	(1,992)	(14,820)	(56,365)
At 31 December 2024	**91,995**	**-**	**11,505**	**103,500**

The following amounts are recognised in profit or loss:

	The Group **2025** **$'000**	The Group 2024 $'000
Rental income	**431**	5,265
Direct operating expenses arising from:		
- Investment properties that generate rental income	**(152)**	(1,809)
- Investment properties that do not generate rental income	**-**	(414)
	(152)	(2,223)
Net rental income	**279**	3,042
Fair value recognised in other gains	**1,890**	7,046
	2,169	10,088

15. Investment properties (continued)

(b) The Company

	Freehold land $'000	Building $'000	Total $'000
2025			
At 1 January 2025	108,446	17,254	125,700
Additions	-	110	110
Disposals	(16,446)	(5,754)	(22,200)
Fair value changes for the financial year (Note 6)	-	1,890	1,890
At 31 December 2025	**92,000**	**13,500**	**105,500**
2024			
At 1 January 2024	105,876	16,054	121,930
Additions	-	791	791
Fair value changes for the financial year (Note 6)	2,570	409	2,979
At 31 December 2024	**108,446**	**17,254**	**125,700**

The following amounts are recognised in profit or loss:

	The Company	
	2025 $'000	2024 $'000
Rental income	**431**	1,358
Direct operating expenses arising from:		
- Investment properties that generate rental income	**(152)**	(505)
	(152)	(505)
Net rental income	**279**	853
Fair value recognised in other gains/(losses)	**1,890**	2,979
	2,169	3,832

Investment properties are carried at fair value and the changes in fair values are presented in profit or loss as part of other gains.

The investment properties of the Company were valued by independent professional valuers based on the properties' highest-and-best use using the sales comparison approach at the balance sheet date. These are registered as Level 3 of the fair value measurement hierarchy. Under the sales comparison approach, the recent sale prices of properties in close proximity are adjusted for differences in key attributes such as tenure, location and condition of the properties. The most significant input into this valuation approach is based on the average selling price per square foot derived and evaluated on comparable transactions and industry data. Revaluation of the property is performed annually.

16. Investment in subsidiaries

		The Company	
		2025	2024
		$'000	$'000
(a)	Unquoted equity shares, at cost	**35,000**	35,000
	Beginning of financial year	**35,000**	107,636
	Additions	**-**	15,000
	Reclassified to non-current asset classified as held-for-sale	**-**	(87,636)
	End of financial year	**35,000**	35,000

(b) The subsidiaries of the Company is as follows:

Following the sale of the wholly-owned subsidiary TMLM completed on 1 October 2025, a net gain on disposal of the subsidiary amounting to $474,164,000 was recognised and is disclosed in Note 7(b). The carrying amount of the investment of $87,636,000, which had been previously classified and presented as "Assets of disposal group classified as held-for-sale" in the FY2024 financial statements, was derecognised upon completion of the disposal.

Name of subsidiary	Principal activities	Country of incorporation and place of business	Cost of investment		% of paid up capital held by the Company	
			2025	2024	**2025**	2024
			$'000	$'000	**%**	%
Tokio Marine Life Insurance Malaysia Bhd.*	Life assurance	Malaysia	**-**	87,636	**-**	100
Tokio Marine Financial Advisers (Singapore) Private Limited**	Insurance agencies and agents	Singapore	**35,000**	35,000	**100**	100

* Audited by PricewaterhouseCoopers PLT.
** Audited by PricewaterhouseCoopers LLP.

The nature of the balance is non-current.

17. Property, plant and equipment

(a) The Group

	Freehold land $'000	Leasehold land $'000	Buildings $'000	Freehold Land (SFRS(I) 1-40) $'000	Building (SFRS(I) 1-40) $'000	Motor vehicles $'000	Furniture and equipment $'000	Total $'000
2025								
Cost/Valuation								
At 1 January 2025	-	-	736	50,030	17,500	423	6,633	75,322
Currency translation differences	-	-	-	-	-	-	-	-
Transfer from/(to) Investment properties (Note 16)	-	-	-	-	-	-	-	-
Additions	-	-	8,971	-	-	-	498	9,469
Disposals	-	-	-	(50,030)	(17,500)	(151)	(1,229)	(68,910)
Write-offs	-	-	(322)	-	-	-	-	(322)
Revaluation gains for the financial year	-	-	-	-	-	-	-	-
Elimination of accumulated depreciation arising from revaluation	-	-	-	-	-	-	-	-
Reclassified to disposal group	-	-	-	-	-	-	-	-
At 31 December 2025	**-**	**-**	**9,385**	**-**	**-**	**272**	**5,902**	**15,559**
Cost	-	-	9,385	-	-	272	5,902	15,559
Valuation	-	-	-	-	-	-	-	-
At 31 December 2025	**-**	**-**	**9,385**	**-**	**-**	**272**	**5,902**	**15,559**
Accumulated depreciation								
At 1 January 2025	-	-	344	-	-	423	5,560	6,327
Currency translation differences	-	-	-	-	-	-	-	-
Depreciation charge	-	-	2,098	-	-	-	642	2,740
Disposals	-	-	-	-	-	(151)	(1,229)	(1,380)
Write-offs	-	-	(322)	-	-	-	-	(322)
Elimination of accumulated depreciation arising from revaluation	-	-	-	-	-	-	-	-
Reclassified to disposal group	-	-	-	-	-	-	-	-
At 31 December 2025	**-**	**-**	**2,120**	**-**	**-**	**272**	**4,973**	**7,365**
Net book value at 31 December 2025	**-**	**-**	**7,265**	**-**	**-**	**-**	**929**	**8,194**

17. Property, plant and equipment (continued)

(a) The Group (continued)

	Freehold land $'000	Leasehold land $'000	Buildings $'000	Freehold Land (SFRS(I) 1-40) $'000	Building (SFRS(I) 1-40) $'000	Motor vehicles $'000	Furniture and equipment $'000	Total $'000
2024								
Cost/Valuation								
At 1 January 2024	**23,124**	**1,738**	**29,126**	**49,190**	**17,500**	**688**	**13,578**	**134,944**
Currency translation differences	1,359	102	1,687	-	-	15	405	3,568
Transfer from/(to) Investment properties (Note 16)	-	37	(106)	-	-	-	-	(69)
Additions	-	-	633	-	-	-	727	1,360
Disposals	-	-	-	-	-	-	(376)	(376)
Write-offs	-	-	(102)	-	-	-	(49)	(151)
Revaluation gains for the financial year	478	8	797	840	-	-	-	2,123
Elimination of accumulated depreciation arising from revaluation	-	(20)	(797)	-	-	-	-	(817)
Reclassified to disposal group	(24,961)	(1,865)	(30,502)	-	-	(280)	(7,652)	(65,260)
At 31 December 2024	**-**	**-**	**736**	**50,030**	**17,500**	**423**	**6,633**	**75,322**
Cost	-	-	736	-	-	423	6,633	7,792
Valuation	-	-	-	50,030	17,500	-	-	67,530
At 31 December 2024	**-**	**-**	**736**	**50,030**	**17,500**	**423**	**6,633**	**75,322**
Accumulated depreciation								
At 1 January 2024	-	-	6,036	-	-	688	10,845	17,569
Currency translation differences	-	1	386	-	-	15	346	748
Depreciation charge	-	20	1,460	-	-	-	1,202	2,682
Disposals	-	-	-	-	-	-	(376)	(376)
Write-offs	-	-	(102)	-	-	-	(45)	(147)
Elimination of accumulated depreciation arising from revaluation	-	(20)	(797)	-	-	-	-	(817)
Reclassified to disposal group	-	(1)	(6,639)	-	-	(280)	(6,412)	(13,332)
At 31 December 2024	**-**	**-**	**344**	**-**	**-**	**423**	**5,560**	**6,327**
Net book value at 31 December 2024	**-**	**-**	**392**	**50,030**	**17,500**	**-**	**1,073**	**68,995**

17. Property, plant and equipment (continued)

(a) The Group (continued)

The table below shows the Group's net book value of the revalued land and buildings, as if these assets had been carried at cost less accumulated depreciation.

The freehold land of $4,670,000, leasehold land of $1,038,000, and buildings of $14,794,000 disclosed in FY2024 related solely to the wholly-owned subsidiary, TMLM. These assets were derecognised in FY2025 following the completion of the disposal of TMLM on 1 October 2025.

	Freehold land	Leasehold land	Buildings	Freehold Land (SFRS(I) 1-40)	Building (SFRS(I) 1-40)	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost	-	-	9,385	-	-	9,385
Accumulated depreciation	-	-	(2,120)	-	-	(2,120)
Net book value at 31 December 2025	**-**	**-**	**7,265**	**-**	**-**	**7,265**
Cost	4,670	1,163	27,260	13,938	8,568	55,599
Accumulated depreciation	-	(125)	(12,074)	-	(2,242)	(14,441)
Net book value at 31 December 2024	**4,670**	**1,038**	**15,186**	**13,938**	**6,326**	**41,158**

(b) The Company

	Freehold land	Buildings	Freehold Land (SFRS(I) 1-40)	Building (SFRS(I) 1-40)	Motor vehicles	Furniture and equipment	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2025							
Cost/Valuation							
At 1 January 2025	**-**	**736**	**33,584**	**11,746**	**423**	**6,586**	**53,075**
Additions	-	7,213	-	-	-	484	7,697
Disposals	-	-	(33,584)	(11,746)	(151)	(1,229)	(46,710)
Write-offs	-	(322)	-	-	-	-	(322)
Revaluation gains for the financial year	-	-	-	-	-	-	-
At 31 December 2025	**-**	**7,627**	**-**	**-**	**272**	**5,841**	**13,740**
Cost	-	7,627	-	-	272	5,841	13,740
Valuation	-	-	-	-	-	-	-
At 31 December 2025	**-**	**7,627**	**-**	**-**	**272**	**5,841**	**13,740**
Accumulated depreciation							
At 1 January 2025	**-**	**344**	**-**	**-**	**423**	**5,541**	**6,308**
Depreciation charge	-	1,512	-	-	-	626	2,138
Disposals	-	-	-	-	(151)	(1,229)	(1,380)
Write-offs	-	(322)	-	-	-	-	(322)
At 31 December 2025	**-**	**1,534**	**-**	**-**	**272**	**4,938**	**6,744**
Net book value at 31 December 2025	**-**	**6,093**	**-**	**-**	**-**	**903**	**6,996**

17. Property, plant and equipment (continued)

(b) The Company (continued)

	Freehold land $'000	Buildings $'000	Freehold Land (SFRS(I) 1-40) $'000	Building (SFRS(I) 1-40) $'000	Motor vehicles $'000	Furniture and equipment $'000	Total $'000
2024							
Cost/Valuation							
At 1 January 2024	**-**	**424**	**33,014**	**11,746**	**423**	**6,652**	**52,259**
Additions	-	414	-	-	-	310	724
Disposals	-	-	-	-	-	(376)	(376)
Write-offs	-	(102)	-	-	-	-	(102)
Revaluation gains for the financial year	-	-	570	-	-	-	570
At 31 December 2024	**-**	**736**	**33,584**	**11,746**	**423**	**6,586**	**53,075**
Cost	-	736	-	-	423	6,586	7,745
Valuation	-	-	33,584	11,746	-	-	45,330
At 31 December 2024	**-**	**736**	**33,584**	**11,746**	**423**	**6,586**	**53,075**
Accumulated depreciation							
At 1 January 2024	**-**	**185**	**-**	**-**	**423**	**5,323**	**5,931**
Depreciation charge	-	261	-	-	-	594	855
Disposals	-	-	-	-	-	(376)	(376)
Write-offs	-	(102)	-	-	-	-	(102)
At 31 December 2024	**-**	**344**	**-**	**-**	**423**	**5,541**	**6,308**
Net book value at 31 December 2024	**-**	**392**	**33,584**	**11,746**	**-**	**1,045**	**46,767**

(c) Right-of-use ("ROU") assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such assets are disclosed in Note 18.

(d) Land and buildings are recognised at fair value based on annual valuations performed by external independent valuers, with changes in fair value recognised in profit or loss for participating fund assets, and, for assets not held under participating funds, revaluation gains credited to the asset revaluation reserve in equity with subsequent depreciation charged on buildings. A revaluation gains is credited to asset revaluation reserve in equity. All other property, plant and equipment is recognised at historical cost less depreciation.

The land and buildings of the Group were valued by independent professional valuers based on the properties' highest-and-best use using the sales comparison approach at the balance sheet date. These are registered as Level 3 of the fair value measurement hierarchy. Under the sales comparison approach, the recent sale prices of properties in close proximity are adjusted for differences in key attributes such as tenure, location and condition of the properties. The most significant input into this valuation approach is selling price per square foot. The nature of the balance is non-current.

18. Leases

(A) *Leases – The Group and Company as a lessee*

Nature of the Group's and Company's leasing activities

Buildings

The Group and Company lease office space and residential space for the purpose of back-office operations and staff accommodation for certain foreign expatriate employees.

Furniture and equipment

The Group and Company lease copiers for the purpose of back office operations.

There are no externally imposed covenants on these lease arrangements.

(a) Carrying amounts

ROU assets classified within property, plant and equipment

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Leasehold Buildings	**7,265**	392	**6,093**	392
Furniture and equipment	**51**	112	**51**	112
	7,316	504	**6,144**	504

(b) Depreciation charge during the year

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Leasehold Land	**-**	20	**-**	-
Leasehold Buildings	**2,098**	426	**1,512**	261
Furniture and equipment	**61**	108	**61**	61
	2,159	**554**	**1,573**	**322**

(c) Interest expense

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Interest expense on lease liabilities	**343**	44	**281**	18

18. Leases (continued)

(A) Leases – The Group and Company as a lessee (continued)

(d) Lease expense not capitalised in lease liabilities

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Short term lease expense	**51**	46	**51**	13
Low value lease expense	**41**	52	**41**	42
	92	98	**92**	55

(e) Total cash outflow for all leases (including short term and low value leases) in 2025 was $2,264,000 and $1,640,000 (2024: $637,000 and $395,000) for the Group and the Company respectively.

(f) Addition of ROU assets during the financial year 2025 was $8,971,000 and $7,213,000 (2024: $414,000 and $414,000) for the Group and the Company respectively.

(B) Leases – The Group and Company as a lessor

The Group and the Company lease out their investment properties to third parties for monthly lease payments.

Rental income from investment properties are disclosed in Note 15.

The future aggregate minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables are as follows:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Not later than one year	**1,904**	1,022	**1,904**	1,022
Between one and five years	**5,574**	743	**5,574**	743
	7,478	1,765	**7,478**	1,765

19. Intangible assets

Computer software licences

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Cost				
At 1 January	**15,853**	30,338	**15,525**	15,452
Currency translation differences	**-**	873	**-**	-
Additions	**2,491**	1,092	**2,127**	73
Write-offs	**-**	-	**-**	-
Disposal	**(382)**	-	**(382)**	-
Reclassified to disposal group	**-**	(16,450)	**-**	-
At 31 December	**17,962**	15,853	**17,270**	15,525
Accumulated amortisation				
At 1 January	**11,780**	22,562	**11,767**	10,080
Currency translation differences	**-**	778	**-**	-
Amortisation charge	**1,493**	2,884	**1,483**	1,687
Write-offs	**-**	-	**-**	-
Reclassified to disposal group	**-**	(14,444)	**-**	-
At 31 December	**13,273**	11,780	**13,250**	11,767
Net book value at 31 December	**4,689**	4,073	**4,020**	3,758

Recognised within computer software licenses for the Group and the Company are assets under construction amounting to $1,810,000 and $1,810,000 (2024: $2,499,000 and $2,499,000). Assets under construction are not amortised until they are put in use.

20. Other payables

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Investment creditors	**14,497**	12,729	**14,497**	12,729
Cash collateral	**1,620**	10,069	**1,620**	10,069
Due to subsidiary companies - non-trade	**-**	-	**-**	189
Due to fellow subsidiaries - non-trade	**1,336**	236	**1,336**	236
Due to related companies - non-trade	**60**	-	**60**	-
Unclaimed dividend	**631**	631	**631**	631
Accrued management expenses	**1,592**	1,390	**1,155**	1,390
Rental deposits and advances	**221**	136	**221**	136
GST payable	**1,634**	850	**1,562**	778
Other non-trade payables	**24,818**	33,303	**15,463**	21,069
	46,409	59,344	**36,545**	47,227

Of the total payables, $46,409,000 and $36,545,000 (2024: $59,344,000 and $47,038,000) for the Group and the Company respectively are due within next 12 months.

Amounts due to fellow subsidiaries and intermediate holding company are unsecured, non-interest bearing and repayable on demand.

21. Deferred income

	The Group and The Company	
	2025	2024
	$'000	$'000
Deferred income – cross currency swaps	**37,269**	39,177

Deferred income from cross currency swaps, relates to upfront fees received from counterparties of cross currency swaps. The deferred income is amortised on a straight-line basis up to the maturity date of the cross currency swaps.

Details of the cross currency swaps are disclosed in Note 13(d).

22. Borrowings

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Loan from				
- immediate holding company	**47,129**	47,129	**47,129**	47,129
- intermediate holding company	**818,187**	819,126	**818,187**	819,126
Lease liabilities due to				
- fellow subsidiary (Tokio Marine Insurance Singapore Ltd)	**7,062**	-	**5,827**	-
- others	**537**	510	**537**	510
	872,915	866,765	**871,680**	866,765
Due within 12 months	**3,742**	2,857	**3,167**	2,857
Due after 12 months	**869,173**	863,908	**868,513**	863,908

The loan from immediate holding company is unsecured and repayable in full on 13 September 2026. Interest is fixed at 3.2% per annum. The loan from intermediate holding company is unsecured and repayable in full on 12 December 2028. The interest rate is calculated by applying an applicable margin of 0.81% on the SWAP rate.

With the cessation of the SWAP rate over the next few years, the Group monitors its contracts that are referenced to the SWAP rate. The Group believes that it will not result in a material impact to the financial statements even though there is uncertainty around the alternative interest rate benchmark.

Reconciliation of liabilities arising from financing activities

The Group

	1 January 2025 $'000	Proceeds from Borrowings $'000	Principal and interest payments $'000	Interest expense $'000	Addition - new leases $'000	Derecognition of leases $'000	Foreign Exchange Movement $'000	Reclassified to disposal group $'000	**31 December 2025 $'000**
Loan from immediate holding company	47,129	-	(1,494)	1,494	-	-	-	-	**47,129**
Loan from intermediate holding company	819,126	-	(31,532)	30,593	-	-	-	-	**818,187**
Lease Liabilities	510	-	(2,264)	346	9300	(293)	-	-	**7,599**

	1 January 2024 $'000	Proceeds from Borrowings $'000	Principal and interest payments $'000	Interest expense $'000	Addition - new leases $'000	Derecognition of leases $'000	Foreign Exchange Movement $'000	Reclassified to disposal group $'000	**31 December 2024 $'000**
Loan from immediate holding company	47,129	-	(1,498)	1,498	-	-	-	-	**47,129**
Loan from intermediate holding company	498,385	320,000	(40,943)	41,684	-	-	-	-	**819,126**
Lease Liabilities	569	-	(550)	45	589	-	9	(152)	**510**

22. Borrowings (continued)

Reconciliation of liabilities arising from financing activities (continued)

The Company

	1 January 2025 $'000	Proceeds from Borrowings $'000	Principal and interest payments $'000	Interest expense $'000	Addition - new leases $'000	Derecognition of leases $'000	Foreign Exchange Movement $'000	Reclassified to disposal group $'000	**31 December 2025 $'000**
Loan from immediate holding company	47,129	-	(1,494)	1,494	-	-	-	-	**47,129**
Loan from intermediate holding company	819,126	-	(31,532)	30,593	-	-	-	-	**818,187**
Lease Liabilities	510	-	(1,640)	-	281	7,213	-	-	**6,364**

	1 January 2024 $'000	Proceeds from Borrowings $'000	Principal and interest payments $'000	Interest expense $'000	Addition - new leases $'000	Derecognition of leases $'000	Foreign Exchange Movement $'000	Reclassified to disposal group $'000	**31 December 2024 $'000**
Loan from immediate holding company	47,129	-	(1,498)	1,498	-	-	-	-	**47,129**
Loan from intermediate holding company	498,385	320,000	(40,943)	41,684	-	-	-	-	**819,126**
Lease Liabilities	430	-	(352)	-	18	414	-	-	**510**

23. Deferred income taxes

Deferred tax assets and liabilities are offset when there is a legally enforceable right to net off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

	The Group		The Company	
	31 Dec 2025 $'000	31 Dec 2024 $'000	**31 Dec 2025 $'000**	31 Dec 2024 $'000
Settled after 12 months				
Deferred tax assets	(107,746)	(118,499)	(107,746)	(118,499)
Deferred tax liabilities	-	-	-	-

The movement in deferred tax liabilities (prior to offsetting of balances within the same jurisdiction) during the period is as follows:

The Group and The Company

Deferred tax assets

	Accelerated tax depreciation $'000	Fair value reserve $'000	Investment properties $'000	Other temporary differences $'000	Total $'000
31 December 2025					
At 1 January 2025	598	-	11,109	(130,206)	(118,499)
Tax (credit)/charge to profit or loss (Note 4(a))	(97)	-	226	10,624	10,753
At 31 December 2025	**501**	**-**	**11,335**	**(119,582)**	**(107,746)**
31 December 2024					
At 1 January 2024	832	-	10,610	(112,467)	(101,025)
Tax (credit)/charge to profit or loss (Note 4(a))	(234)	-	499	(17,739)	(17,474)
At 31 December 2024	**598**	**-**	**11,109**	**(130,206)**	**(118,499)**

The other temporary differences mainly relate to deferred tax liabilities recognised for timing difference in recognising the release of insurance contract liability between accounting basis and tax basis. The Company has not recognised deferred tax assets in respect of tax losses due to uncertainty of it recoverability against future taxable profits. The use of these tax losses is subject to the agreement of the Singapore Tax Authority and compliance with certain provisions of tax legislation.

23. Deferred income taxes (continued)

The Group and The Company

Deferred tax liabilities

	Accelerated tax depreciation	Fair value reserve	Asset revaluation reserve	Investment properties	Other temporary differences	Total
	$'000	$'000	$'000	$'000	$'000	$'000
31 December 2025						
At 1 January 2025	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Tax (credit)/charge to profit or loss (Note 4(a))	-	-	-	-	-	-
Tax charge/(credit) to equity	-	-	-	-	-	-
Reclassified to disposal group						
At 31 December 2025	**-**	**-**	**-**	**-**	**-**	**-**
31 December 2024						
At 1 January 2024	114	15,835	1,704	3,682	61,651	82,986
Currency translation differences	6	595	106	232	4,677	5,616
Tax (credit)/charge to profit or loss (Note 4(a))	(13)	-	-	347	19,077	19,411
Tax charge/(credit) to equity	-	575	115	-	(201)	489
Reclassified to disposal group	(107)	(17,005)	(1,925)	(4,261)	(85,204)	(108,502)
At 31 December 2024	-	-	-	-	-	-

24. Staff retirement benefits

	The Group and The Company	
	2025	2024
	$'000	$'000
At 1 January	**-**	2
Increase in provision for the financial year	**-**	1
Reclassified to disposal group	**-**	(3)
At 31 December	**-**	-
Due after 12 months	**-**	-

25. Agents' retirement benefits

	The Group and The Company	
	2025	2024
	$'000	$'000
At 1 January	**116**	11,948
Currency translation differences	**-**	696
Amount paid during the financial year	**-**	(933)
(Decrease)/Increase in provision for the financial year	**(71)**	2,043
Reclassified to disposal group	**-**	(13,638)
At 31 December	**45**	116
Due within 12 months	**-**	-
Due after 12 months	**45**	116
	45	116

26. Obligations under repurchase agreements

The Group and the Company entered into repurchase agreements whereby securities are sold to third parties with a concurrent agreement to repurchase the securities at a specified date.

The securities related to these agreements are not de-recognised from the Group's and the Company's balance sheet, but are retained within the appropriate financial asset classification. During the term of the repurchase agreements, the Group and the Company is restricted from selling or pledging the transferred debt securities.

The following table specifies the amounts included within financial investments subject to repurchase agreements which do not qualify for de-recognition at each period end:

	The Group and The Company	
	2025	2024
	$'000	$'000
Debt securities - FVOCI		
Repurchase agreements	**475,301**	-
Debt securities - FVTPL		
Repurchase agreements	**-**	580,936

Collateral

As at 31 December 2025, the Company had $25.5 million pledged debt securities (2024: $4.2 million). Cash collateral of $ 2 million (2024: $1 million) was received based on the market value of securities transferred.

As at 31 December 2025, the obligations under repurchase agreements were $497 million (2024: $567 million).

26. Obligations under repurchase agreements (continued)

Reconciliation of liabilities arising from financing activities

The Group and The Company

	1 January 2025 $'000	Proceeds from borrowings $'000	Collaterals (paid)/received $'000	Principal and interest payments $'000	Non-cash changes Interest expense $'000	**31 December 2025 $'000**
Obligations under repurchase agreements	566,539	1,135,259	-	(1,219,224)	14,521	**497,095**
Collaterals payable	10,069	-	(8,449)	529	(529)	**1,620**

	1 January 2024 $'000	Proceeds from borrowings $'000	Collaterals (paid)/received $'000	Principal and interest payments $'000	Non-cash changes Interest expense $'000	**31 December 2024 $'000**
Obligations under repurchase agreements	1,762,711	3,672,963	-	(4,923,448)	54,313	**566,539**
Collaterals payable	8,332	-	1,737	(729)	729	**10,069**

27. Share capital

	31 December 2025	31 December 2024	**31 December 2025**	31 December 2024
	Number of ordinary shares		Amount	
	'000	'000	**$'000**	$'000
The Group and The Company				
At 1 January	**356,698**	77,240	**1,799,314**	369,625
Shares issued pursuant to rights issue	**-**	279,458	**-**	1,430,826
Share issue expenses	**-**	-	**-**	(1,137)
At 31 December	**356,698**	356,698	**1,799,314**	1,799,314

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

As at 31 December 2025, the Company did not issue any new ordinary shares pursuant to the rights issue (2024: 279,458,276 new ordinary shares issued for a total sum of $1,430,826,373).

28. Related party transactions

The related parties of, and their relationship with the Group, are as follows:

	Country of incorporation	Relationship
Asia General Holdings Ltd	Singapore	Immediate holding company
Tokio Marine Insurance Singapore Ltd	Singapore	Fellow subsidiary
Tokio Marine Asset Management International Pte. Ltd.	Singapore	Fellow subsidiary
Tokio Marine Asia Pte Ltd	Singapore	Fellow subsidiary
Tokio Marine Nichido Fire Insurance Co. Ltd	Japan	Intermediate holding company
Tokio Marine & Nichido Life Insurance Co. Ltd	Japan	Fellow subsidiary
Tokio Marine Life Insurance (Malaysia) Berhad	Malaysia	Subsidiary (Before 1 October 2025) Fellow subsidiary (After 1 October 2025)
Tokio Marine Financial Advisers (Singapore) Pte Ltd	Singapore	Subsidiary
TM Claims Service Asia Pte Ltd	Singapore	Fellow subsidiary
Tokio Marine Holdings, Inc.	Japan	Ultimate holding corporation

28. Related party transactions (continued)

(a) Other than disclosed elsewhere in the financial statements, the following significant transactions took place between the Group, the Company and related parties during the financial year on terms agreed between the parties concerned:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Office rent paid to fellow subsidiary	**(44)**	(21)	**(115)**	(115)
Office rent received from subsidiary	**-**	-	**42**	676
Dividend received from subsidiary	**-**	-	**3,014**	2,868
Insurance premium received from fellow subsidiary	**386**	169	**172**	162
Insurance premium received from a subsidiary	**-**	-	**69**	75
Insurance premium paid to fellow subsidiary	**(189)**	(185)	**(45)**	(41)
Investment management fee received from fellow subsidiary	**493**	499	**493**	499
General Service fee paid to fellow subsidiary	**(484)**	(5,520)	**(484)**	(780)
Management fee received from fellow subsidiary	**140**	283	**96**	204
Management fee received from a subsidiary	**-**	-	**1,949**	2,327
Commission expense paid to a subsidiary	**-**	-	**(21,804)**	(17,178)
Loan interest paid to immediate holding company	**(1,494)**	(1,498)	**(1,494)**	(1,498)
Loan interest paid to intermediate holding company	**(30,593)**	(41,684)	**(30,593)**	(41,684)
Guarantee fee paid to intermediate holding company	**(241)**	(186)	**(241)**	(186)
Expenses paid on behalf for related corporation	**(425)**	(315)	**-**	-
Management fee paid to fellow subsidiary	**-**	-	**(1)**	(17)
Retainer fee paid to fellow subsidiary	**-**	(10)	**-**	(10)
Proceeds received from intermediate holding company for disposal of TMLM	**561,800**	-	**561,800**	-

28. Related party transactions (continued)

(b) Key management personnel compensation

Key management personnel includes the directors, Chief Executive Officer ("CEO") and senior management who report directly to the respective CEO of the Group and the Company.

Key management personnel compensation is analysed as follows:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Salaries and other short-term employment benefits	4,785	10,576	3,748	2,939
Post-employment benefits including contributions to Central Provident Fund	189	92	106	92
Directors' fees	508	695	508	524

29. Immediate holding company and ultimate holding corporation

The Company's immediate holding company is Asia General Holdings Ltd., incorporated in Singapore. The ultimate holding corporation is Tokio Marine Holdings, Inc. incorporated in Japan.

30. Commitments

Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	The Group		The Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Capital commitments	-	923	-	-

Investment commitments

The Company has entered into obligations under repurchase agreements (Note 26) and the securities under repurchase agreements are treated as pledged assets. As at year-end, borrowings amounting to $497 million (2024: $567 million) were backed by securities sold under repurchase agreements.

31. Segmental information

By Business Segments

	The Group					
	2025			2024		
	Par	**Others**	**Total**	Par	Others	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Insurance revenue	**151,004**	**208,805**	**359,809**	199,396	371,016	570,412
Insurance service expenses	**(97,776)**	**(224,239)**	**(322,015)**	(126,764)	(353,437)	(480,201)
Net (expense)/income from reinsurance contracts held	**-**	**(9,436)**	**(9,436)**	-	8,961	8,961
Insurance service result	**53,228**	**(24,870)**	**28,358**	72,632	26,540	99,172
Investment return	**1,060,738**	**148,123**	**1,208,861**	725,409	270,174	995,583
Net finance expense from insurance contracts and reinsurance contracts held	**(1,061,733)**	**(85,029)**	**(1,146,762)**	(1,044,478)	(182,518)	(1,226,996)
Net investment result	**(995)**	**63,094**	**62,099**	(319,069)	87,656	(231,413)
Other income	**1,079**	**2,234**	**3,313**	1,450	1,566	3,016
Other (losses)/gains	**(44)**	**45,783**	**45,739**	(52,390)	56,539	4,149
Other operating Income/(expenses)	**1,030**	**(69,418)**	**(68,388)**	17,850	(105,166)	(87,316)
Profit before tax	**54,298**	**16,823**	**71,121**	(279,527)	67,135	(212,392)
Tax (expenses)/credit	**(55,521)**	**22,216**	**(33,305)**	(11,172)	(18,133)	(29,305)
Net (loss)/profit	**(1,223)**	**39,039**	**37,816**	(290,699)	49,002	(241,697)

The amounts relating to reinsurance contracts held for both business segments are being presented under the Others segment in light of its size relative to Par segment.

By Business Segments

	The Company					
	2025			2024		
	Par	**Others**	**Total**	Par	Others	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Insurance revenue	**151,004**	**208,805**	**359,809**	168,237	183,292	351,529
Insurance service expenses	**(97,776)**	**(224,239)**	**(322,015)**	(97,730)	(196,566)	(294,296)
Net (expense)/income from reinsurance contracts held	**-**	**(9,436)**	**(9,436)**	-	7,551	7,551
Insurance service result	**53,228**	**(24,870)**	**28,358**	70,507	(5,723)	64,784
Investment return	**1,060,738**	**147,650**	**1,208,388**	578,959	122,171	701,130
Net finance expense from insurance contracts and reinsurance contracts held	**(1,061,733)**	**(85,029)**	**(1,146,762)**	(909,658)	(75,774)	(985,432)
Net investment result	**(995)**	**62,621**	**61,626**	(330,699)	46,397	(284,302)
Other income	**1,079**	**1,371**	**2,450**	1,450	1,410	2,860
Other (losses)/gains	**(44)**	**480,421**	**480,377**	(52,390)	56,539	4,149
Other operating Income/(expenses)	**1,030**	**(52,726)**	**(51,696)**	17,876	(78,987)	(61,111)
Profit before tax	**54,298**	**466,817**	**521,115**	(293,256)	19,636	(273,620)
Tax (expenses)/credit	**(55,521)**	**22,216**	**(33,305)**	(298)	5,921	5,623
Net (loss)/profit	**(1,223)**	**489,033**	**487,810**	**(293,554)**	**25,557**	**(267,997)**

32. Insurance and financial risk management

(A) Insurance risk

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

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits will vary from year to year from the estimate. A more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio.

The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims management.

The Group has developed its underwriting strategy for accepting insurance risks, including selection and approval of risks to be insured, use of limits, appropriate risk classification and premium level.

The Group utilises both quota share and surplus reinsurance.

A substantial portion of the Group's life insurance business is Participating in nature. The Group carries out bonus investigation on an annual basis to ascertain the sustainability of current bonus scales, in light of volatility in the investment climate and/or unusual claims experience. The Company also performs notional bonus cuts to reflect bonus rates that are as close as possible to the bonus rates based on the investigation.

For Individual non-participating contracts where the benefits are fully guaranteed and future premiums are fixed, there are no mitigating terms and conditions that reduce the insurance risk accepted. For contracts offering Dread Disease and stand-alone medical benefits, the Group generally has the right to vary the non-guaranteed future premium rates if claim experience deteriorates in the future.

32. Insurance and financial risk management (continued)

(A) Insurance risk (continued)

For Group non-participating contracts, the contracts are mainly issued to employers as part of their employee benefit plans. The risk of death and disability may be affected by the nature of the industry in which the employer operates, in addition to other factors stated above. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims management.

For Investment-linked contracts where the Group applies explicitly mortality and morbidity risks charges, it has the right to alter these charges based on its mortality and morbidity experience and hence minimise its exposure to these risks. Delays in implementing increases in charges and market or regulatory restraints over the extent of the increases may reduce its mitigating effect.

For Investment-linked contracts where the Group does not apply explicit mortality and morbidity risk charges, the Group retains and manages the related risks arising from this.

The Group performs regular experience analyses, including mortality, morbidity, investment return, management expenses, and policy persistency. The objective is to compare the current best estimate assumptions with actual experiences, to identify any unexpected changes that would materially impact the Group's financial position. The Group reviews and updates the assumptions (where the basis are not prescribed) used in the estimation of its insurance contract liabilities annually to ensure its relevance and appropriateness.

Stress testing on the financial condition is performed on an annual basis to assess the Group's ability to withstand adverse deviations in various assumptions. For Singapore, the regulatory prescribed scenarios are relied upon.

32. Insurance and financial risk management (continued)

(A) Insurance risk (continued)

(a) Concentrations of insurance risks

The following tables present the concentration of insured benefits across three bands of insured benefits per individual life assured, separately for non-linked and investment-linked business. These tables do not include annuity contracts.

The Group and the Company

Benefits assured ($'000) per life assured at the end of 2025

	Total benefits insured for non-linked business			
	Before reinsurance		After reinsurance (estimated)	
	$'000	%	$'000	%
0 – 500	13,506,679	65	10,021,250	80
500 - 1,000	3,447,389	17	1,467,175	12
More than 1,000	3,740,963	18	973,281	8
Total	**20,695,031**	**100**	**12,461,706**	**100**

Benefits assured ($'000) per life assured at the end of 2024

	Total benefits insured for non-linked business			
	Before reinsurance		After reinsurance (estimated)	
	$'000	%	$'000	%
0 - 500	13,619,230	65	10,097,666	81
500 - 1,000	3,464,053	17	1,445,956	11
More than 1,000	3,794,914	18	954,584	8
Total	**20,878,197**	**100**	**12,498,206**	**100**

Benefits assured (in terms of Sum at Risk) ($'000) per life assured at the end of 2025

	Total benefits insured (in terms of sum at risk, for linked business			
	Before reinsurance		After reinsurance (estimated)	
	$'000	%	$'000	%
0 - 100	122,689	22	79,619	27
100 - 200	144,661	27	90,931	31
More than 200	278,797	51	122,169	42
Total	**546,147**	**100**	**292,719**	**100**

Benefits assured (in terms of Sum at Risk) ($'000) per life assured at the end of 2024

	Total benefits insured (in terms of sum at risk, for linked business			
	Before reinsurance		After reinsurance (estimated)	
	$'000	%	$'000	%
0 - 100	108,516	22	71,417	27
100 - 200	125,845	26	81,164	31
More than 200	253,388	52	111,315	42
Total	**487,749**	**100**	**263,896**	**100**

32. Insurance and financial risk management (continued)

(A) Insurance risk (continued)

(a) Concentrations of insurance risks (continued)

The following table for annuity insurance contracts illustrates the concentration of risk based on three bands that group these contracts in relation to the amount payable per annum as if the annuity were in payment at the year end. The Group does not hold any reinsurance contracts against the liabilities carried for these contracts.

The Group and The Company

Annuity payable ($'000) per annum per life assured at the end of 2025	**Total annuity payable per annum for annuity business (TMLS)**	
	$ '000	%
0 – 10	6,584	84
10 - 20	1,080	14
More than 20	174	2
Total	**7,838**	**100**

Annuity payable ($'000) per annum per life assured at the end of 2024	**Total annuity payable per annum for annuity business (TMLS)**	
	$ '000	%
0 – 10	6,713	84
10 - 20	1,092	14
More than 20	174	2
Total	**7,979**	**100**

32. Insurance and financial risk management (continued)

(A) Insurance risk (continued)

(b) Sensitivity analysis

The following tables present information on how reasonably possible changes in assumptions made by the Group regarding underwriting risk variables impact product line insurance liabilities and profit or loss and equity before and after risk mitigation by reinsurance contracts held. The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The Group and The Company

	Change in assumption (%)	Impact on profit before tax		Impact on equity (before the effects of taxation)	
		Gross $'000	Net $'000	Gross $'000	Net $'000
As at 31 December 2025					
Worsening of mortality/morbidity	25	(76,152)	(36,985)	(77,429)	(25,888)
Improvement in mortality/morbidity	-25	69,474	38,208	70,786	26,710
Worsening of lapse/surrender rates	25	9,521	5,107	10,346	6,046
Improvement in lapse/surrender rates	-25	(10,141)	(4,403)	(11,219)	(5,600)
Worsening of expense	25	(39,354)	(39,362)	(39,653)	(39,682)
Improvement in expense	-25	37,163	33,768	37,461	34,088
As at 31 December 2024					
Worsening of mortality/morbidity	25	(72,575)	(34,309)	(70,328)	(35,651)
Improvement in mortality/morbidity	-25	66,805	32,138	64,506	33,993
Worsening of lapse/surrender rates	25	11,330	5,947	10,814	5,481
Improvement in lapse/surrender rates	-25	(12,462)	(5,496)	(11,827)	(4,924)
Worsening of expense	25	(37,331)	(37,318)	(36,915)	(36,904)
Improvement in expense	-25	34,620	30,667	34,205	30,254

32. Insurance and financial risk management (continued)

(B) Risk Management Policies

In alignment with Tokio Marine Holdings, Inc., the Group does not seek to eliminate all risks, but to identify, understand and manage the risks effectively. The Group is selective in its approach to risk taking, striking a balance between risk accepted and the reward it can derive from accepting that risk. The Boards of Directors of the respective entities within the Group are responsible for the overall establishment, supervision and review of all risk management processes for each entity.

The Company has in place an Enterprise Risk Management ("ERM") Framework which is a structured and disciplined approach for aligning strategy, processes, people and systems to evaluate and manage the uncertainties the enterprise faces as it creates value. Key industry frameworks and guidelines, relevant regulatory requirements and Tokio Marine Holdings, Inc.'s practices are considered in the ERM Framework.

The key objectives of the Company's Risk Management Philosophy include:

- Protecting the interest of policyholders by ensuring that future obligations can be met;
- Maintaining financial resilience to fund existing business and future growth in most market environments;
- Ensuring financial sufficiency to meet liquidity and capital management needs;
- Seeking earnings consistency in order to achieve sustainable growth in long term shareholder value; and
- Building of a strong risk culture through appropriate tone from the top and ownership of risks.

The Board of Directors of the Company is ultimately responsible for the governance of risk and plays a pivotal role in ensuring a sound risk management culture and environment. It is entrusted to be the custodian of good corporate governance, the prerequisite for sound risk management. The Board is collectively accountable to stakeholders, including shareholders, for the long-term success and financial soundness of the institution.

The Board has established a Board Risk Management Committee ("RMC") which is a committee dedicated to assist the Board in the governance of risk within the Company. The Board and RMC are supported by the Chief Risk Officer* and Risk Management Department. They are responsible for the development, review and implementation of the ERM Framework.

32. Insurance and financial risk management (continued)

(B) Risk Management Policies (continued)

To ensure that appropriate risks are taken, business risk strategies follow the risk appetite as set out by the Company and are monitored on a regular basis to ensure that they are within the tolerances and limits set. These levels are reviewed on an annual basis to ensure its relevance and sufficiency in relation to the overall Company's business objectives. As such, quantitative and qualitative approaches are taken to set the relevant risk appetite statements.

In addition to the ERM Framework, the Company recognises that establishing a strong risk culture is necessary for the long-term success of the Company. Having a good risk culture helps in creating risk awareness among all staff of the Company. As all staff are responsible for managing the risks within their area of influence, having a higher state of risk awareness enables better recognition and addressing of risks. This enhances the Company's performance by decreasing issues and impediments. The Company uses a repertoire of tools consisting of setting the appropriate tone from the top, risk culture surveys, implementing accountability and governance policies, and staff education and training to ensure continual improvement to the risk culture.

*As at 31 December 2025, the Chief Risk Officer position is vacant. In the interim, the Risk Management Department is overseen by an Acting Head of Risk Management.

(C) Investment Committee

The Company's Investment Committee (also known as "Asset Liability Management & Investment Committee") is responsible for managing the Company's investment activities.

The Company establishes suitable investment allocations and limits - Strategic Asset Allocation ("SAA") for each asset class that are in line with the Company's and Subsidiary's broad investment strategy, subject to an overall risk tolerance and requirements from shareholders, regulators and policyholders.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

For the insurance funds, the setting of SAA pays due regard to asset-liability management, which puts priority on ensuring the ability to pay all contractual policyholder benefits and expense obligations. The primary aim is to generate relatively stable investment returns for the portfolio over the long-term.

The SAA is reviewed on an annual basis, recognising among other things, changes in business in-force and the economic environment, so as to ensure that it remains appropriate and is consistent with the asset-liability management strategies required to support any new products.

The monitoring of market risks includes the quantification of the Group's exposure to interest rate, currency, equity price and credit risks.

The Group is exposed to market risk arising from its investment in debt securities, equities and properties. Changes in interest rates, foreign exchange rates, equity prices and credit ratings will impact the financial positions of the Group as they affect the present and future earnings of the Group.

The Investment Committee are responsible and have oversight over the investment teams to manage market risk actively through the setting of investment policies and strategic asset allocations. Investment limits are set and monitored at various levels to ensure that all investment activities are within the guidelines set by the Investment Committee.

The following is a brief description of the Group's various exposures to market risk.

The liabilities assumptions used for Asset Liability Management ("ALM") purpose are the same as those disclosed in Note 3(a) Critical accounting estimates and judgements. Capital held as a consequence of a mismatch between assets and liabilities are in accordance with the Insurance (Valuation & Capital) (Amendment) Regulations 2020, MAS Notice 133 (Notice on Valuation and Capital Framework for Insurers) and BDCB Insurance Order 2006, including any subsequent revisions to the notice and regulations.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(a) Interest rate risk

The Group is exposed to interest rate risk primarily through investments in debt instruments.

The Group manages the interest rate risk after taking into consideration the underwriting and investment risks. The Company produces a quarterly Investment and ALM report for the Investment Committee to monitor the duration, convexity of its fixed income portfolio and projected policy cash-flow. The Investment Committee of the Company would receive quarterly updates on their exposures to interest rate as part of the fixed income review.

The Group reduces interest rate risk through the close matching of assets and guaranteed liabilities of insurance funds. In this respect, the Group is able to use repurchase agreements of fixed income securities, derivative instruments – such as interest rate and cross currency swaps, to manage interest rate risk with the aim of facilitating efficient portfolio management.

The tables below illustrate the interest rate exposure of the Group's financial assets and liabilities:

The Group

	Fixed rate $'000	Floating rate $'000	Non-interest bearing $'000	Total $'000
As at 31 December 2025				
Financial Assets at FVTPL				
Government securities	1,830,483	-	100,290	**1,930,773**
Debt securities	2,954,470	815,267	-	**3,769,737**
Equity securities	6,908	493,907	3,480,555	**3,981,370**
Derivative financial instruments (exclude interest rate swaps)	116,786	-	8,878	**125,664**
Financial Assets at FVOCI				
Government securities	2,596,413	-	16,065	**2,612,478**
Debt securities in corporations	548,668	88,856	-	**637,524**
Financial Assets at Amortised Cost				
Accrued investment income	72,141	15,034	464	**87,639**
Other assets (Excluding club membership and prepayments)	-	-	10,587	**10,587**
Cash and cash equivalents	425,337	-	561,617	**986,954**
	8,551,206	**1,413,064**	**4,178,456**	**14,142,726**
Financial Liabilities				
Other payables	-	-	46,409	**46,409**
Borrowings	54,728	818,187	-	**872,915**
Agent's retirement benefit	45	-	-	**45**
Derivative financial instruments	4,056	-	32,445	**36,501**
Obligations under repurchase agreement	497,095	-	-	**497,095**
	555,924	**818,187**	**78,854**	**1,452,965**

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(a) Interest rate risk (continued)

The Group (continued)

The Group identified certain equity securities relating to perpetual bonds that were classified under non-interest bearing with the rest of the equity securities instead of their respective fixed and floating rate classifications in the prior period. This was corrected by restating the balances of the comparative Fixed rate and Floating rate equity securities to $7,199,000 and $394,608,000 respectively with a corresponding decrease in Non-interest bearing equity securities as at 31 December 2024. This restatement affects only the presentation in Note 32(C)(a) and has no impact on the Statement of Comprehensive Income and Balance Sheet.

	Fixed rate	Floating rate	Non-interest bearing	Total
	$'000	$'000	$'000	$'000
As at 31 December 2024				
Financial Assets at FVTPL				
Government securities	2,065,515	-	54,922	**2,120,437**
Debt securities	2,992,538	681,761	-	**3,674,299**
Equity securities	7,199	394,608	2,978,098	**3,379,905**
Derivative financial instruments (exclude interest rate swaps)	68,027	-	-	**68,027**
Financial Assets at FVOCI				
Government securities	2,002,521	-	99,870	**2,102,391**
Debt securities in corporations	365,015	93,617	-	**458,632**
Financial Assets at Amortised Cost				
Accrued investment income	71,565	12,974	545	**85,084**
Other assets (Excluding club membership and prepayments)	-	-	19,716	**19,716**
Cash and cash equivalents	105,122	-	338,861	**443,983**
	7,677,502	**1,182,960**	**3,492,012**	**12,352,474**
Financial Liabilities				
Other payables	-	-	59,344	**59,344**
Borrowings	47,659	819,106	-	**866,765**
Agent's retirement benefit	116	-	-	**116**
Derivative financial instruments	9,883	73,976	91,588	**175,447**
Obligations under repurchase agreement	566,539	-	-	**566,539**
	624,197	**893,082**	**150,932**	**1,668,211**

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(a) Interest rate risk (continued)

The tables below illustrate the interest rate exposure of the Company's financial assets and liabilities:

The Company

	Fixed rate	Floating rate	Non-interest bearing	Total
	$'000	$'000	$'000	$'000
As at 31 December 2025				
Financial Assets at FVTPL				
Government securities	1,830,483	-	100,290	**1,930,773**
Debt securities	2,954,470	815,267	-	**3,769,737**
Equity securities	6,908	493,907	3,480,555	**3,981,370**
Derivative financial instruments (exclude interest rate swaps)	116,786	-	8,878	**125,664**
Financial Assets at FVOCI				
Government securities	2,596,413	-	16,065	**2,612,478**
Debt securities in corporations	548,668	88,856	-	**637,524**
Financial Assets at Amortised Cost				
Accrued investment income	72,127	15,034	464	**87,625**
Other assets (Excluding club membership and prepayments)	-	-	15,058	**15,058**
Cash and cash equivalents	405,253	-	560,830	**966,083**
	8,531,108	**1,413,064**	**4,182,140**	**14,126,312**
Financial Liabilities				
Other payables	-	-	36,545	**36,545**
Borrowings	53,493	818,187	-	**871,680**
Derivative financial instruments	4,056	-	32,445	**36,501**
Obligations under repurchase agreement	497,095	-	-	**497,095**
	554,644	**818,187**	**68,990**	**1,441,821**

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(a) Interest rate risk (continued)

The Company (continued)

The Company identified certain equity securities relating to perpetual bonds that were classified under non-interest bearing with the rest of the equity securities instead of their respective fixed and floating rate classifications in the prior period. This was corrected by restating the balances of the comparative Fixed rate and Floating rate equity securities to $7,199,000 and $394,608,000 respectively with a corresponding decrease in Non-interest bearing equity securities as at 31 December 2024. This restatement affects only the presentation in Note 32(C)(a) and has no impact on the Statement of Comprehensive Income and Balance Sheet.

	Fixed rate	Floating rate	Non-interest bearing	Total
	$'000	$'000	$'000	$'000
As at 31 December 2024				
Financial Assets at FVTPL				
Government securities	2,065,515	-	54,922	**2,120,437**
Debt securities	2,992,538	681,761	-	**3,674,299**
Equity securities	7,199	394,608	2,978,098	**3,379,905**
Derivative financial instruments (exclude interest rate swaps)	68,027	-	-	**68,027**
Financial Assets at FVOCI				
Government securities	2,002,521	-	99,870	**2,102,391**
Debt securities in corporations	365,015	93,617	-	**458,632**
Financial Assets at Amortised Cost				
Accrued investment income	71,525	12,974	545	**85,044**
Other assets (Excluding club membership and prepayments)	-	-	12,721	**12,721**
Cash and cash equivalents	80,714	-	332,414	**413,128**
	7,653,054	**1,182,960**	**3,478,570**	**12,314,584**
Financial Liabilities				
Other payables	-	-	47,227	**47,227**
Borrowings	47,659	819,106	-	**866,765**
Derivative financial instruments	9,883	73,976	91,588	**175,447**
Obligations under repurchase agreement	566,539	-	-	**566,539**
	624,081	**893,082**	**138,815**	**1,655,978**

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(a) Interest rate risk (continued)

As the Group also invests in bonds, a study of movement in risk-free rate is undertaken for all the bonds held on the balance sheet date.

A study of a 100 basis points parallel increase or decrease across the relevant yield curves has been undertaken on the fair value of fixed income securities. The 2025 table below summarises the impact on profit before tax and total equity (before the effects of taxation).

The Group and The Company

	Impact on:	
	Profit before tax $'000	Equity (before the effects of taxation) $'000
As at 31 December 2025		
100bps increase in interest rates		
Net insurance contracts balance	660,553	682,674
Financial instruments	(638,398)	(1,124,152)
100bps decrease in interest rates		
Net insurance contracts balance	(806,194)	(833,063)
Financial instruments	777,132	1,389,199
As at 31 December 2024		
100bps increase in interest rates		
Net insurance contracts balance	697,667	713,691
Financial instruments	(680,348)	(1,032,166)
100bps decrease in interest rates		
Net insurance contracts balance	(852,660)	(871,823)
Financial instruments	831,938	1,270,543

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(a) Interest rate risk (continued)

Effect of IBOR reform

IBOR reform refers to the global reform of interest rate benchmarks, which includes the replacement of some interbank offered rates ("IBOR") with alternative benchmark rates. The Company's interest rate exposure that is directly affected by the IBOR reform predominantly comprises of variable rate and callable debt securities that are linked to the USD LIBOR and Singapore SWAP Offer Rate. The table below summarises exposure of instruments that are affected by the IBOR reform.

The Group and the Company

	Carrying amount $'000	Of which: not yet transited to an alternative benchmark rate $'000
Other debt securities	140,835	140,835
Equity securities	71,196	71,196
Loan from intermediate company	817,000	-

(b) Foreign currency risk

The Group is exposed to foreign exchange risk primarily from transactions denominated in foreign currencies pertaining to investment activities. The Investment Committee manage foreign currency risk by setting limits and monitoring the exposure to foreign currency on a regular basis.

The Singapore Operations has approximately 10% net foreign currency exposure for all its overseas investment assets. Currency risk arising from fixed income investments in foreign currency instruments is generally managed using foreign currency forward contracts and cross currency swaps, which are relatively certain in their timing and extent.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(b) Foreign currency risk (continued)

The table below shows the Group's foreign exchange positions for insurance contracts, reinsurance contracts held, financial assets and liabilities by major currencies.

The Group

	SGD $'000	HKD $'000	USD $'000	Others* $'000	Total $'000
As at 31 December 2025					
Financial Assets at FVTPL					
Government securities	1,445,668	-	485,105	-	1,930,773
Debt securities in corporations	1,295,090	-	2,474,647	-	3,769,737
Equity securities	1,397,728	625,875	1,155,055	802,712	3,981,370
Financial Assets at FVOCI					
Government securities	2,570,096	-	42,382	-	2,612,478
Debt securities in corporations	501,154	-	136,370	-	637,524
Financial Assets at Amortised Cost					
Accrued investment income	44,411	12	42,965	251	87,639
Other assets (exclude club membership and prepayments)	10,268	-	229	90	10,587
Cash and Cash equivalents	935,176	30	48,718	3,030	986,954
Reinsurance Contract assets	64,559	-	12,164	717	77,440
	8,264,150	**625,917**	**4,397,635**	**806,800**	**14,094,502**
Financial Liabilities					
Insurance contract liabilities	11,371,309	-	8,935	79,137	11,459,381
Reinsurance contract liabilities	-	-	-	-	-
Other payables	34,185	1,522	10,578	124	46,409
Borrowings	872,915	-	-	-	872,915
Obligations under repurchase agreement	497,095	-	-	-	497,095
Agent's retirement benefit	45	-	-	-	45
	12,775,549	**1,522**	**19,513**	**79,261**	**12,875,845**
Net financial assets	**(4,511,399)**	**624,395**	**4,378,122**	**727,539**	**1,218,657**
Less: Forward foreign exchange contracts (net)	-	-	(3,336,093)	-	(3,336,093)
Less: Cross currency swap contracts (net)	-	-	(674,883)	-	(674,883)
Less: Net financial assets denominated in the respective entities	4,511,399	-	-	-	4,511,399
Currency Exposure	**-**	**624,395**	**367,146**	**727,539**	**1,719,080**

**Others foreign currency mainly includes EUR, TWD and JPY.*

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(b) Foreign currency risk (continued)

The Group (continued)

	SGD $'000	HKD $'000	USD $'000	Others* $'000	Total $'000
As at 31 December 2024					
Financial Assets at FVTPL					
Government securities	1,699,454	-	420,983	-	**2,120,437**
Debt securities in corporations	1,453,818	-	2,220,481	-	**3,674,299**
Equity securities	1,161,479	236,162	1,043,047	939,217	**3,379,905**
Financial Assets at FVOCI					
Government securities	2,076,934	-	25,457	-	**2,102,391**
Debt securities in corporations	321,358	-	137,274	-	**458,632**
Financial Assets at Amortised Cost					
Accrued investment income	46,162	37	38,504	381	**85,084**
Other assets (exclude club membership and prepayments)	14,542	-	3,752	1,422	**19,716**
Cash and Cash equivalents	388,583	32	50,245	5,123	**443,983**
Reinsurance Contract assets	46,793	-	17,420	281	**64,494**
	7,209,123	**236,231**	**3,957,163**	**946,424**	**12,348,941**
Financial Liabilities					
Insurance contract liabilities	10,196,397	-	10,904	66,798	**10,274,099**
Reinsurance contract liabilities	-	-	-	-	**-**
Other payables	44,775	2,918	8,868	2,783	**47,227**
Borrowings	866,765	-	-	-	**866,765**
Obligations under repurchase agreement	566,539	-	-	-	**566,539**
Agent's retirement benefit	116	-	-	-	**116**
	11,674,592	**2,918**	**19,772**	**69,581**	**11,766,863**
Net financial assets	**(4,465,469)**	**233,313**	**3,937,391**	**876,843**	**582,078**
Less: Forward foreign exchange contracts (net)	-	-	(2,855,473)	-	**(2,855,473)**
Less: Cross currency swap contracts (net)	-	-	(560,334)	-	**(560,334)**
Less: Net financial assets denominated in the respective entities	4,465,469	-	-	-	**4,465,469**
Currency Exposure	**-**	**236,231**	**521,584**	**873,925**	**1,631,740**

**Others foreign currency mainly includes EUR, TWD and JPY.*

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(b) Foreign currency risk (continued)

The tables below show the foreign exchange position of the Company's insurance contracts and reinsurance contracts held, financial assets and liabilities by major currencies:

The Company

	SGD $'000	HKD $'000	USD $'000	Others* $'000	Total $'000
As at 31 December 2025					
Financial Assets at FVTPL					
Government securities	1,445,668	-	485,105	-	1,930,773
Debt securities in corporations	1,295,090	-	2,474,647	-	3,769,737
Equity securities	1,397,728	625,875	1,155,055	802,712	3,981,370
Financial Assets at FVOCI					
Government securities	2,570,096	-	42,382	-	2,612,478
Debt securities in corporations	501,154	-	136,370	-	637,524
Financial Assets at Amortised Cost					
Accrued investment income	44,397	12	42,965	251	87,625
Other assets (exclude club membership and prepayments)	14,739	-	229	90	15,058
Cash and Cash equivalents	914,305	30	48,718	3,030	966,083
Insurance Contract assets	-	-	-	-	-
Reinsurance Contract assets	64,559	-	12,164	717	77,440
	8,247,736	**625,917**	**4,397,635**	**806,800**	**14,078,088**
Financial Liabilities					
Insurance contract liabilities	11,371,362	-	8,935	79,137	11,459,434
Reinsurance contract liabilities	-	-	-	-	-
Other payables	24,321	1,522	10,578	124	36,545
Borrowings	871,680	-	-	-	871,680
Obligations under repurchase agreement	497,095	-	-	-	497,095
	12,764,458	**1,522**	**19,513**	**79,261**	**12,864,754**
Net financial assets	**(4,516,722)**	**624,395**	**4,378,122**	**727,539**	**1,213,334**
Less: Forward foreign exchange contracts (net)	-	-	(3,336,093)	-	(3,336,093)
Less: Cross currency swap contracts (net)	-	-	(674,883)	-	(674,883)
Less: Net financial assets denominated in the respective entities	4,516,722	-	-	-	4,516,722
Currency Exposure	**-**	**624,395**	**367,146**	**727,539**	**1,719,080**

**Others foreign currency mainly includes EUR, TWD and JPY.*

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(b) Foreign currency risk (continued)

The Company (continued)

	SGD $'000	HKD $'000	USD $'000	Others* $'000	Total $'000
As at 31 December 2024					
Financial Assets at FVTPL					
Government securities	1,699,454	-	420,983	-	**2,120,437**
Debt securities in corporations	1,453,818	-	2,220,481	-	**3,674,299**
Equity securities	1,161,479	236,162	1,043,047	939,217	**3,379,905**
Financial Assets at FVOCI					
Government securities	2,076,934	-	25,457	-	**2,102,391**
Debt securities in corporations	321,358	-	137,274	-	**458,632**
Financial Assets at Amortised Cost					
Accrued investment income	46,122	37	38,504	381	**85,044**
Other assets (exclude club membership and prepayments)	7,547	-	3,752	1,422	**12,721**
Cash and Cash equivalents	357,728	32	50,245	5,123	**413,128**
Insurance Contract assets	-	-	-	-	-
Reinsurance Contract assets	46,793	-	17,420	281	**64,494**
	7,171,233	**236,231**	**3,957,163**	**946,424**	**12,311,051**
Financial Liabilities					
Insurance contract liabilities	10,185,291	-	10,904	66,798	**10,262,993**
Reinsurance contract liabilities	-	-	-	-	-
Other payables	32,658	2,918	8,868	2,783	**47,227**
Borrowings	866,765	-	-	-	**866,765**
Obligations under repurchase agreement	566,539	-	-	-	**566,539**
	11,651,253	**-**	**19,772**	**69,581**	**11,743,524**
Net financial assets	**(4,480,020)**	**233,313**	**3,937,391**	**876,843**	**567,527**
Less: Forward foreign exchange contracts (net)	-	-	(2,855,473)	-	**(2,855,473)**
Less: Cross currency swap contracts (net)	-	-	(560,334)	-	**(560,334)**
Less: Net financial assets denominated in the respective entities	4,480,020	-	-	-	**4,480,020**
Currency Exposure	**-**	**233,313**	**521,584**	**876,843**	**1,631,740**

**Others foreign currency mainly includes EUR, TWD and JPY.*

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(b) Foreign currency risk (continued)

A study of a 5% increase or decrease in the foreign currency assets and liabilities has been undertaken for Singapore operations. The table below summarises the impact on profit before tax and total equity before the effects of taxation.

The Group and The Company

	Impact on:			
	Profit before tax $'000		Equity (before the effects of taxation) $'000	
	USD	Others*	USD	Others*
As at 31 December 2025				
5% increase in foreign currency				
Net insurance contracts balance	(14,536)	(57,275)	(14,542)	(57,275)
Financial instruments	5,468	57,395	14,659	57,395
5% decrease in foreign currency				
Net insurance contracts balance	14,536	57,275	14,542	57,275
Financial instruments	(5,468)	(57,395)	(14,659)	(57,395)
As at 31 December 2024				
5% increase in foreign currency				
Net insurance contracts balance	(17,463)	(44,661)	(17,468)	(44,661)
Financial instruments	9,256	44,800	17,498	44,800
5% decrease in foreign currency				
Net insurance contracts balance	17,463	44,661	17,468	44,661
Financial instruments	(9,256)	(44,800)	(17,498)	(44,800)

**Others foreign currency mainly includes EUR, TWD, JPY and HKD.*

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(c) Equity risk

The Group is exposed to equity price risk primarily through its investments in quoted equity instruments. The Group is directly exposed to equity price risk for investments and bears all or most of the volatility in returns and investment performance. Equity price risk also exists in investment-linked products but these risks are generally borne by the policyholders. The impact to the Group is that the revenues of the insurance operations (management fees) are linked to the value of the underlying investment-linked assets.

The Group has determined the target percentage of equity exposure to the total investment portfolio. These exposure limits approved by the Investment Committee, are defined within SAA and includes the monitoring of limits to various countries and sectors in the equity market.

The Group invests primarily in Developed Market and Asian stock markets. In this analysis, the applicable shock is applied to each market exposure. In addition, the Group make adjustments or assumptions where it determines this to be necessary or appropriate.

A study of a 10% increase or decrease in the equity prices has been undertaken. The table below summarises the impact on profit before tax and total equity (before the effects of taxation).

32. **Insurance and financial risk management** (continued)

(C) **Investment Committee** (continued)

(c) Equity risk (continued)

The Group and The Company

	Impact on: Profit before tax	Impact on: Equity (before the effects of taxation)
	$'000	$'000
As at 31 December 2025		
10% increase in equity prices		
Net insurance contracts balance	(334,812)	(334,432)
Financial instruments	348,140	348,140
10% decrease in equity prices		
Net insurance contracts balance	334,123	333,724
Financial instruments	(348,140)	(348,140)
As at 31 December 2024		
10% increase in equity prices		
Net insurance contracts balance	(286,618)	(286,643)
Financial instruments	297,920	297,920
10% decrease in equity prices		
Net insurance contracts balance	286,905	287,041
Financial instruments	(297,920)	(297,920)

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk

The Group is exposed to credit risk through (i) investments in cash, money market and debt instruments (ii) exposure to counterparty's credit in group and reinsurance contracts (iii) lending activities.

For all three types of exposures, financial loss may materialise as a result of a default by the borrower or counterparty. For investments in cash, money market and debt instruments, financial loss may also materialise as a result of a default by the issuer on the coupon payment or the principal amount. Even without a default, losses may materialise due to a widening of credit spread or a downgrade of credit rating. The Group has internal limits by issuer or counterparty and restrict debt instruments to investment grade ratings or equivalents (internal ratings for unrated bonds). These limits are actively monitored to manage the credit and concentration risk. These limits are reviewed on a regular basis by the Investment Committee. For unrated issues, they were not rated as the issuer did not obtain any credit rating from the respective rating agencies during the launch. Such issues although not rated are issued by companies which have sound financial and high credit worthiness. The credit worthiness for such bonds is evaluated and given an internal rating by the investment manager. They are then monitored on an ongoing basis with a review annually at the minimum for any deviation especially for a deterioration.

The creditworthiness of reinsurers is assessed on at least a quarterly basis by reviewing their financial strength through published credit ratings and other publicly available financial information.

The Group manages its lending activities by extending loans against collateral pledged to the Group. Regular monitoring and review of the payments of loans are performed by the Group to identify any non-performing loan. Any non-performing loan identified is communicated to management. Based on the decisions made by management on the possible course of recovery and provision of these loans, appropriate action is taken.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

The table below shows the maximum exposure to credit risk for the components of the balance sheet. In compiling the credit rating tables, ratings from external credit agencies have been used where available. The table also provides information regarding the credit risk exposure of the Group by classifying assets according to the Group's credit ratings of counterparties.

The Group

	Neither past-due nor impaired			Past due or impaired	Total
	Investment grade* (AAA+ to A-) $'000	Investment grade* (BB+ to BBB-) $'000	Not rated $'000	Not rated $'000	$'000
As at 31 December 2025					
Financial Assets at FVTPL					
Government and public authority securities	1,723,920	206,852	-	-	1,930,772
Debt securities in corporations	1,964,980	1,125,570	679,187	-	3,769,737
Equities securities	206,960	272,336	3,502,074	-	3,981,370
Derivative financial instruments	-	-	125,664	-	125,664
Financial Assets at FVOCI					
Government and public authority securities	2,604,662	7,816	-	-	2,612,478
Debt securities in corporations	296,210	92,140	249,174	-	637,524
Financial Assets at Amortised Cost					
Accrued investment income	56,804	22,474	8,361	-	87,639
Other assets (exclude club membership and prepayments)	-	-	10,587	-	10,587
Cash and cash equivalents	966,903	20,051	-	-	986,954
Reinsurance contract assets	77,440	-	-	-	77,440
	7,897,879	**1,747,239**	**4,575,047**	**-**	**14,220,165**
As at 31 December 2024					
Financial Assets at FVTPL					
Government and public authority securities	1,938,287	182,150	-	-	2,120,437
Debt securities in corporations	1,712,639	1,149,163	812,497	-	3,674,299
Equities securities	158,287	215,873	3,005,745	-	3,379,905
Derivative financial instruments	-	-	68,027	-	68,027
Financial Assets at FVOCI					
Government and public authority securities	2,094,066	8,325	-	-	2,102,391
Debt securities in corporations	205,366	99,534	153,732	-	458,632
Financial Assets at Amortised Cost					
Accrued investment income	52,942	22,940	9,202	-	85,084
Other assets (exclude club membership and prepayments)	-	-	19,716	-	19,716
Cash and cash equivalents	439,937	4,046	-	-	443,983
Reinsurance contract assets	64,494	-	-	-	64,494
	6,666,018	**1,682,031**	**4,068,919**	**-**	**12,416,968**

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

The tables below show the credit ratings of financial assets held by the Company:

The Company

	Neither past-due nor impaired			Past due or impaired	Total
	Investment grade* (AAA+ to A-) $'000	Investment grade* (BBB+ to BBB-) $'000	Not rated $'000	Not rated $'000	$'000
As at 31 December 2025					
Financial Assets at FVTPL					
Government and public authority securities	1,723,920	206,853	-	-	1,930,773
Debt securities in corporations	1,964,980	1,125,570	679,187	-	3,769,737
Equities securities	206,960	272,336	3,502,074	-	3,981,370
Derivative financial instruments	-	-	125,664	-	125,664
Financial Assets at FVOCI					
Government and public authority securities	2,604,662	7,816	-	-	2,612,478
Debt securities in corporations	296,210	92,140	249,174	-	637,524
Financial Assets at Amortised Cost					
Accrued investment income	56,790	22,474	8,361	-	87,625
Other assets (exclude club membership and prepayments)	-	-	15,058	-	15,058
Cash and cash equivalents	946,032	20,051	-	-	966,083
Reinsurance contract assets	77,440	-	-	-	77,440
	7,876,994	**1,747,240**	**4,579,518**	**-**	**14,203,752**
As at 31 December 2024					
Financial Assets at FVTPL					
Government and public authority securities	1,938,287	182,150	-	-	2,120,437
Debt securities in corporations	1,712,639	1,149,163	812,497	-	3,674,299
Equities securities	158,287	215,873	3,005,745	-	3,379,905
Derivative financial instruments	-	-	68,027	-	68,027
Financial Assets at FVOCI					
Government and public authority securities	2,094,066	8,325	-	-	2,102,391
Debt securities in corporations	205,366	99,534	153,732	-	458,632
Financial Assets at Amortised Cost					
Accrued investment income	52,902	22,940	9,202	-	85,044
Other assets (exclude club membership and prepayments)	-	-	12,721	-	12,721
Cash and cash equivalents	409,082	4,046	-	-	413,128
Reinsurance contract assets	64,494	-	-	-	64,494
	6,635,123	**1,682,031**	**4,061,924**	**-**	**12,379,078**

*Credit rating scale as per S&P and Fitch

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

The FVOCI financial assets which are not rated comprise mainly bonds issued by Singapore statutory authorities or companies listed on the Singapore Stock Exchange or the Kuala Lumpur Stock Exchange. The issues were not rated as the issuer did not obtain any credit rating from the respective rating agencies during the launch. Such issues although not rated are issued by companies which have sound financial and high credit worthiness. The credit worthiness for such bonds is monitored by the investment manager on a regular basis and reviewed annually at the minimum.

<u>Model for expected credit losses</u>

SFRS(I) 9 outlines a three-stage model for impairment based on changes in credit quality since initial recognition as summarised below:

(i) A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored by the Group.
(ii) If a SICR[5] since initial recognition is identified (unless they have low credit risk at the reporting date), the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired.
(iii) If the financial instrument is credit-impaired, the financial instrument is then moved to Stage 3.
(iv) Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of the lifetime ECL that results from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on the ECL on a lifetime basis.
(vi) A pervasive concept in measuring the ECL on accordance with SFRS(I) 9 is that is should consider forward-looking information.
(v) 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 (Stage 3).

[5] "SICR" refers to significant increase in credit risk

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

(i) Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

(ii) Qualitative criteria

The borrower meets the unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance;
- The borrower is insolvent;
- The borrower is in breach of (a) financial covenant(s);
- An active market for that financial asset has disappeared because of financial difficulties;
- Concessions have been made by the lender relating to the borrower's financial difficulties;
- It is becoming probable that the borrower will enter bankruptcy or financial reorganisation; or
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD") throughout the Group's expected loss calculations.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

<u>Measuring ECL – Explanation of inputs, assumptions and estimation techniques</u>

The ECL is measured on either a 12-month ("12M") or lifetime basis depending on whether a SICR has occurred since initial recognition or whether an asset is considered to be credit-impaired. The ECL is the discounted product of the PD, EAD and LGD, defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per definition of default and credit-impaired assets above), either over the next 12 months ("12M PD") or over the remaining lifetime ("Lifetime PD")
- The EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.
- The LGD represents the Group's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of borrower, type and seniority of claim and availability of collateral or other credit support. The LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). The LGD is calculated on a 12M or lifetime basis, where the 12M LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and the lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future year and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier year). This effectively calculates an ECL for each future year, 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.

For the Group, the Lifetime PD is developed by calculating probabilities of default at a minimum of an annual frequency all the way out for 20 years. For maturities beyond 20 years, due to lack of availability of data, it is assumed that the 20 year annual marginal PD holds constant from the 20 year mark till maturity.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

Measuring ECL – Explanation of inputs, assumptions and estimation techniques (continued)

Forward-looking economic information is also included in determining the 12M and lifetime PD, EAD and LGD. These assumptions vary by product type.

The Group assesses at each reporting date the loss allowances for ECL and the impairment staging of financial assets measured at AC and FVOCI.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Significant increase in credit risk

The Group considers a financial instrument to have experienced a SICR when one or more of the following quantitative, qualitative or backstop criteria have been met:

(i) Quantitative criteria

Thresholds have been established to determine whether the remaining Lifetime PD at the reporting date has increased significantly compared to the residual Lifetime PD expected at the reporting date when the exposure was first recognised.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

Significant increase in credit risk (continued)

(ii) Qualitative criteria

For debt instruments securities, if the instrument meets one or more of the following criteria:

- significant increase in credit spread;
- significant adverse changes in business, financial and/or economic conditions in which the borrower operates;
- actual or expected forbearance or restructuring; or
- actual or expected significant adverse change in operating results of the borrower.

The assessment of a SICR incorporates forward-looking information and is performed at the borrower level and on a periodic basis. The criteria used to identify a SICR are monitored and reviewed periodically for appropriateness by the finance team.

(iii) Backstop criteria

A backstop is applied and the debt financial instrument considered to have experienced a SICR if the borrower is more than 30 days past due on its contractual payments.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

Low credit risk debt instruments

The Group has used the low credit risk exemption for financial instruments when they meet the following conditions:

- the financial instrument has a low risk of default;
- the borrower is considered to have a strong capacity to meet its obligations in the near term; and
- the Group 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.

The Group defines low credit risk financial assets as financial assets that are "investment grade" at the reporting date, based on the Group's credit grading policies. For such instruments, the SICR is still assessed, but the impairment allowance is calculated and the financial asset is measured using the 12M ECL, as long as the financial asset meets the criteria above.

Forward-looking information incorporated in the ECL models

The Group subscribes to Bloomberg's IFRS 9 ECL product which incorporates forward-looking information into the assessment of SICR and calculation of ECL. This is done through Bloomberg's methodology of deriving PD from the share price and asset volatility (forward-looking indicators) of the issuer of the financial instrument. This PD value is then used by Bloomberg in both assessment of SICR and ECL computation.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(d) Credit risk (continued)

Amounts arising from expected credit loss

The following tables explain the changes in the loss allowance for FVOCI debt securities between the beginning and the end of the annual period.

The Group

	Stage 1		Stage 2		Total	
	Carrying amount $'000	Related ECL allowance $'000	Carrying amount $'000	Related ECL allowance $'000	Carrying amount $'000	Related ECL allowance $'000
As at 1 January 2025	**2,549,122**	**1,087**	**11,901**	**133**	**2,561,023**	**1,220**
Transfer from Stage 2 to Stage 1	4,778	1	(4,778)	(1)	-	-
Originated or purchased	1,022,385	-	-	-	1,022,385	-
Matured or sold	(527,646)	(81)	(4,992)	(82)	(532,638)	(163)
Remeasurements[1]	201,363	111	(2,131)	(50)	199,232	61
	700,880	**31**	**(11,901)**	**(133)**	**688,979**	**(102)**
As at 31 December 2025	**3,250,002**	**1,118**	**-**	**-**	**3,250,002**	**1,118**

	Stage 1		Stage 2		Total	
	Carrying amount $'000	Related ECL allowance $'000	Carrying amount $'000	Related ECL allowance $'000	Carrying amount $'000	Related ECL allowance $'000
As at 1 January 2024	**3,537,069**	**1,207**	**-**	**-**	**3,537,069**	**1,207**
Transfer from Stage 1 to Stage 2	(8,021)	(1)	8,021	1	-	-
Originated or purchased	1,522,674	25	-	-	1,522,674	25
Matured or sold	(454,196)	(92)	-	-	(454,196)	(92)
Remeasurements[1]	(30,940)	103	3,880	132	(27,060)	235
	1,029,517	**35**	**11,901**	**133**	**1,041,418**	**168**
Currency translation differences	**115,372**	**10**	**-**	**-**	**115,372**	**10**
Reclassified to disposal group	(2,132,836)	(165)	-	-	(2,132,836)	(165)
As at 31 December 2024	**2,549,122**	**1,087**	**11,901**	**133**	**2,561,023**	**1,220**

Credit risk grading

The Group uses external credit risk ratings to assess credit risk. The credit ratings are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an A and A- rating is lower than the difference in the PD between a B and B- rating.

[1] Includes releases of ECL allowance.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(e) Alternative investment risk

The Group is exposed to alternative investment risk through investments in direct real estate investments in Singapore, but the exposure is minimal.

(f) Fair value measurements

Fair value hierarchy

The Group categorises a financial asset or a financial liability measured at fair value at the same level of fair value hierarchy as the lowest-level input that is significant to the entire measurement.

The Group ranks fair value measurements based on the type of inputs, as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equities, bonds and derivatives) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The Company holds Level 3 investments during the two reporting periods presented.

During the financial years ended 31 December 2025 and 2024, there was no transfer of investments between Level 1 and 2 and in and out of Level 3 of the fair value hierarchy for the Group.

The Group’s policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(f) Fair value measurements (continued)

Valuation techniques used to determined fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts determined using forward exchange rates at the balance sheet date; and
- the fair value of the remaining financial instruments determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in Level 2.

Recognised fair value measurement

This note sets out the split of financial instruments by fair value hierarchy level:

The Group and The Company

	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
As at 31 December 2025				
Investment assets at FVTPL				
Government and public authority securities	1,445,668	485,105	-	1,930,773
Debt securities in corporations	-	3,769,737	-	3,769,737
Equity securities	2,354,823	1,626,547	-	3,981,370
Derivatives	-	125,664	-	125,664
	3,800,491	**6,007,053**	**-**	**9,807,544**
Investments assets at FVOCI				
Government bonds	2,570,096	42,382	-	2,612,478
Other debt securities	-	637,524	-	637,524
	2,570,096	**679,906**	**-**	**3,250,002**
Investment properties	-	-	105,500	105,500
Total Assets	**6,370,587**	**6,686,959**	**105,500**	**13,163,046**
Derivatives	-	36,501	-	36,501
Total Liabilities	**-**	**36,501**	**-**	**36,501**

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(f) Fair value measurements (continued)

Recognised fair value measurement (continued)

The Group and the Company (continued)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
As at 31 December 2024				
Investment assets at FVTPL				
Government and public authority securities	1,699,454	420,983	-	2,120,437
Debt securities in corporations	-	3,674,299	-	3,674,299
Equity securities	2,187,015	1,192,890	-	3,379,905
Derivatives	-	68,027	-	68,027
	3,886,469	**5,356,199**	**-**	**9,242,668**
Investments assets at FVOCI				
Government bonds	2,076,934	25,457	-	2,102,391
Other debt securities	-	458,632	-	458,632
	2,076,934	**484,089**	**-**	**2,561,023**
Investment properties	-	-	103,500	103,500
Total Assets	**5,963,403**	**5,840,288**	**103,500**	**11,907,191**
Derivatives	-	175,447	-	175,447
Total Liabilities	**-**	**175,447**	**-**	**175,447**

The following table presents the changes in Level 3 instruments at the Group and the Company level:

	The Group		The Company	
	2025 $'000	2024 $'000	**2025 $'000**	2024 $'000
Beginning of financial year	**103,500**	154,757	**125,700**	121,930
Currency translation differences	**-**	3,510	**-**	-
Transfers	**-**	69	**-**	-
Purchases	**110**	791	**110**	791
Disposals	**-**	-	**(22,200)**	-
Fair value gains recognised in:				
- profit or loss	**1,890**	10,579	**1,890**	2,979
Reclassified to disposal group	-	(66,206)	-	-
End of financial year	**105,500**	103,500	**105,500**	125,700

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(f) Fair value measurements (continued)

Recognised fair value measurement (continued)

The carrying amounts of cash and cash equivalents, floating rate subordinated debt, other financial assets and other financial liabilities approximate their fair value.

(g) Offsetting financial assets and financial liabilities

The Group entered into enforceable master netting agreements for derivative transactions with various counterparties.

The provision in the master netting agreements or similar agreements enable a party to terminate transactions early and settle at a net amount if a default or termination event occurs. The Group and the Company have the following financial instruments subject to enforceable master netting arrangements or similar agreements.

The Group and The Company

	2025	2024
	$'000	$'000
Derivative financial assets		
Gross amount	**125,664**	68,027
Less: Gross amount set off in balance sheet	**-**	-
Net amount presented in balance sheet	**125,664**	68,027
Less: Financial collateral received	**-**	-
Net amount	**125,664**	68,027
Derivative financial liabilities		
Gross amount	**36,501**	175,447
Less: Gross amount set off in balance sheet	**-**	-
Net amount presented in balance sheet	**36,501**	175,447
Less: Financial collateral pledged	**-**	(30,528)
Net amount	**36,501**	144,919

32. Insurance and financial risk management (continued)

(C) Investment Committee (continued)

(h) Investment in funds

The funds invested in by the Group may utilise a variety of financial instruments in their trading strategies, including equity and debt securities as well as an array of derivative instruments. Several of these financial instruments contain varying degrees of off-balance sheet risk whereby changes in market values of the securities underlying the financial instruments may be in excess of the amounts recorded on each portfolio fund's statement of financial position. However, as the Group has limited interests in these funds, the Group's risk with respect to such transactions is limited to its capital balance in each fund.

The Group's holding in a fund, as a percentage of the fund's total net asset value, may vary from time to time depending on the volume of subscriptions and redemptions at the fund level. It is possible that the Group may, at any point in time, hold a majority of a fund's total units in issue.

(i) Underlying items of contract with direct participation features

The following table sets out the composition and the fair value of the underlying items for the Group's and the Company's contracts with direct participation features at all the reporting date.

	The Group and the Company	
	2025	2024
	$'000	$'000
Cash & cash equivalent	**224,974**	171,618
Financial assets at fair value through profit and loss	**9,613,678**	8,335,250
Derivative financial instruments	**124,366**	68,027
Other assets	**106,199**	63,279
Loans	**-**	-
Investment properties	**80,191**	78,670
Property, plant & equipment	**803**	68,466
Intangible asset	**1,927**	2,197
Less: payables and other liabilities	**(93,812)**	(1,034,669)
	10,058,326	7,752,838

33. Capital management

The Group's capital management objective is to hold sufficient capital in order **to**

- Ensure obligations to policyholders are met with a high degree of certainty.
- Provide capacity to take risk and generate a reasonable return on capital for shareholders.
- Fulfil expectations of regulators about the Company's capital adequacy.

The Group currently uses capital requirements under the respective regulatory regimes it operates in as a proxy for capital adequacy assessment. Each regime prescribes a minimum amount of capital that must be held to fulfil statutory solvency requirements in each country that it operates in and must be met at all times throughout the year. As part of the statutory requirements, the Company report their capital position quarterly. Internally, the Group also sets its own minimum capital position with consideration for the above objectives.

For TMLS, under the Notice 133 Insurance (Valuation and Capital) (Amendment) Regulations 2020 new capital regime (RBC2) pursuant to the section 18 and 64(2) of the Insurance Act, the minimum capital adequacy ratio is 100% as well as any additional capital add-ons imposed by MAS. As at 31 December 2025, the capital adequacy ratio is 260% (2024: 233%), which is the ratio of financial resources of $4,561 million (2024: $3,706 million) to the total risk requirement of $1,754 million (2024: $1,592 million).

33. Capital management (continued)

Liquidity Risks

Liquidity risk arises when a company is unable to meet its obligations on a timely basis; especially when the investment portfolio is largely made up of illiquid assets. Under normal circumstances, the liquidity demands of an insurance company are often determined through ongoing operations, continuous premium income, sale of disposable assets and borrowings. For insurers, the expected liquidity needs are often determined through projection of outflows from the in-force insurance policy contract liabilities; the liabilities include renewal commissions, claims and other benefits (maturity and surrender). While the nature of these outflows is deemed to be largely stable and can be assumed at the outset, the Group remains susceptible to exceptional experiences (surrender or catastrophic events) for its insurance portfolio. Also, companies may be subject to unexpected liquidity tightening due to adverse implications from the wider economic factors (domestic or global) or undue volatilities and unexpected losses experienced within investments. Liquidity risk is reduced by having insurance contract liabilities that are well diversified by product and policyholder. The Group designs insurance products to encourage policyholders to maintain their policies in-force, thereby generating a diversified and stable flow of recurring premium income.

The Group adopts prudent liquidity risk management by monitoring daily operating liquidity and cash movements to ensure liquidity is available and cash is employed optimally. The Group and the Company have cash and cash equivalents of $987 million and $966 million as at 31 December 2025 (31 December 2024: $444 million and $413 million) to meet its liquidity requirements.

The following table shows the contractual maturity profile of the Group's investment assets and insurance liabilities. For investment assets, the expected recovery or settlement of financial assets and maturity profile of the Group's financial liabilities are presented on a contractual undiscounted cash flow basis. For insurance contracts issued and reinsurance contracts held, the maturity profile is presented based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

33. Capital management (continued)

Liquidity Risks (continued)

The Group

	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	No fixed maturity
	$'m	$'m	$'m	$'m	$'m	$'m	$'m
As at 31 December 2025							
Financial Assets at FVTPL							
Government and public authority securities	100	-	43	3	9	1,776	-
Debt securities in corporations	135	120	137	144	204	3,030	-
Equities securities	-	-	-	-	-	501	3,481
Derivative financial instruments	9	-	-	-	-	117	-
Financial Assets at FVOCI							
Government and public authority securities	20	-	3	-	2	2,587	-
Debt securities in corporations	15	10	16	21	27	548	-
Financial Assets at Amortised Cost							
Accrued investment income	88	-	-	-	-	-	-
Other assets (Exclude club membership and prepayments)	10	-	-	-	-	-	-
Cash and cash equivalents	405	-	-	-	-	-	582
Total investment asset	**782**	**130**	**199**	**168**	**242**	**8,559**	**4,063**
Insurance contract balances							
Reinsurance contract assets	(53)	3	2	3	2	24	-
Insurance contract liabilities	434	236	281	281	283	8,807	-
Total insurance contract balances	**381**	**239**	**283**	**284**	**285**	**8,831**	**-**

33. Capital management (continued)

Liquidity Risks (continued)

The Group (continued)

	Up to 1 year $'m	1-2 years $'m	2-3 years $'m	3-4 years $'m	4-5 years $'m	Over 5 years $'m	No fixed maturity $'m
As at 31 December 2024							
Financial Assets at FVTPL							
Government and public authority securities	55	-	-	4	38	2,023	-
Debt securities in corporations	107	144	109	75	144	3,095	-
Equities securities	-	-	-	-	-	402	2,978
Derivative financial instruments	-	-	-	-	-	68	-
Financial Assets at FVOCI							
Government and public authority securities	103	1	-	-	1	1,997	-
Debt securities in corporations	26	22	13	17	24	357	-
Financial Assets at Amortised Cost							
Accrued investment income	85	-	-	-	-	-	-
Other assets (Exclude club membership and prepayments)	20	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	444
Total investment asset	**396**	**167**	**122**	**96**	**207**	**7,942**	**3,422**
Insurance contract balances							
Reinsurance contract assets	(39)	5	4	4	4	(8)	-
Insurance contract liabilities	526	230	260	289	282	7,462	-
Total insurance contract balances	**487**	**235**	**264**	**293**	**286**	**7,454**	**-**

33. Capital management (continued)

Liquidity Risks (continued)

The Company

	Up to 1 year $'m	1-2 years $'m	2-3 years $'m	3-4 years $'m	4-5 years $'m	Over 5 years $'m	No fixed maturity $'m
As at 31 December 2025							
Financial Assets at FVTPL							
Government and public authority securities	100	-	43	3	9	1,776	-
Debt securities in corporations	135	120	137	144	204	3,030	-
Equities securities	-	-	-	-	-	501	3,481
Derivative financial instruments	9	-	-	-	-	117	-
Financial Assets at FVOCI							
Government and public authority securities	20	-	3	-	2	2,587	-
Debt securities in corporations	15	10	16	21	27	548	-
Financial Assets at Amortised Cost							
Accrued investment income	88	-	-	-	-	-	-
Other assets (exclude club membership and prepayments)	15	-	-	-	-	-	-
Cash & cash equivalents	405	-	-	-	-	-	561
Total investment asset	**787**	**130**	**199**	**168**	**242**	**8,559**	**4,042**
Insurance contract balances							
Reinsurance contract assets	(53)	3	2	3	2	24	-
Insurance contract liabilities	434	236	281	281	283	8,807	-
Total insurance contract balances	**381**	**239**	**283**	**284**	**285**	**8,831**	**-**

33. Capital management (continued)

Liquidity Risks (continued)

The Company (continued)

	Up to 1 year $'m	1-2 years $'m	2-3 years $'m	3-4 years $'m	4-5 years $'m	Over 5 years $'m	No fixed maturity $'m
As at 31 December 2024							
Financial Assets at FVTPL							
Government and public authority securities	55	-	-	4	38	2,023	-
Debt securities in corporations	107	144	109	75	144	3,095	-
Equities securities	-	-	-	-	-	402	2,978
Derivative financial instruments	-	-	-	-	-	68	-
Financial Assets at FVOCI							
Government and public authority securities	103	1	-	-	1	1,997	-
Debt securities in corporations	26	22	13	17	24	357	-
Financial Assets at Amortised Cost							
Accrued investment income	85	-	-	-	-	-	-
Other assets (exclude club membership and prepayments)	13	-	-	-	-	-	-
Cash & cash equivalents	-	-	-	-	-	-	413
Total investment asset	**389**	**167**	**122**	**96**	**207**	**7,942**	**3,391**
Insurance contract balances							
Reinsurance contract assets	(39)	5	4	4	4	(8)	-
Insurance contract liabilities	526	230	260	289	282	7,462	-
Total insurance contract balances	**487**	**235**	**264**	**293**	**286**	**7,454**	**-**

33. Capital management (continued)

Liquidity Risks (continued)

The following table shows the contractual maturity profile of the Group's financial liabilities. As all the financial liabilities are current, the carrying value approximates the undiscounted cash flows.

The Group

	Up to 1 year S$'m	1-5 years S$'m	>5 years S$'m
As at 31 December 2025			
Other payables	46	-	-
Borrowings	50	155	668
Obligations under repurchase agreement	497	-	-
Derivative financial instruments	33	-	4
As at 31 December 2024			
Other payables	59	-	-
Borrowings	3	197	667
Obligations under repurchase agreement	567	-	-
Derivative financial instruments	92	-	83

The Company

	Up to 1 year S$'m	1-5 years S$'m	>5 years S$'m
As at 31 December 2025			
Other payables	37	-	-
Borrowings	50	155	668
Obligations under repurchase agreement	497	-	-
Derivative financial instruments	33	-	4
As at 31 December 2024			
Other payables	47	-	-
Borrowings	3	197	667
Obligations under repurchase agreement	567	-	-
Derivative financial instruments	92	-	83

33. Capital management (continued)

Liquidity Risks (continued)

Demands for funds can usually be met through ongoing normal operations, premiums received, sale of assets or borrowings. Unexpected demands for liquidity may be triggered by negative publicity, deterioration of the economy, reports of problems in other companies in the same or similar lines of business, unanticipated policy claims, or other unexpected cash demands from policyholders. Expected liquidity demands are managed through a combination of treasury, investment and asset-liability management practices, which are monitored on an ongoing basis. Actual and projected cash inflows and outflows are monitored and a reasonable amount of assets are kept in liquid instruments at all times. The projected cash flows from the in-force insurance policy contract liabilities consist of renewal premiums, commissions, claims, maturities and surrenders. Renewal premiums, commissions, claims and maturities are generally stable and predictable. Surrenders can be more uncertain although it has been quite stable at a company level over the past several years. Unexpected liquidity demands are managed through a combination of product design, diversification limits, investment strategies and systematic monitoring. The existence of surrender penalty in insurance contracts also protects the Group from losses due to unexpected surrender trends as well as reduces the sensitivity of surrenders to changes in interest rates.

34. Net fair values of financial assets and liabilities

The financial assets and the financial liabilities of the Group and the Company comprise current assets (except tax recoverable and prepayments), loans, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, derivative financial instruments, current liabilities (except current tax liabilities), staff retirement benefits and agents’ retirement benefits. The fair values of these financial assets and liabilities at 31 December 2025 approximate their carrying amounts as shown in the balance sheet.

35. New or revised accounting standards and interpretations

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
Amendments to SFRS(I) 9 and SFRS(I) 7:	
- Amendments to the Classification and Measurement of Financial Instruments	*1 January 2026*
Annual Improvements to SFRS(I)s- Volume 11	
New accounting standards:	
SFRS(I) 18 - Presentation and Disclosure in Financial Statements	*1 January 2027*
Amendments to:	*To be determined*
SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 28 Investment in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

36. Discontinued operations and disposal group classified as held-for-sale

On 1 October 2025, the Group completed the disposal of its wholly owned subsidiary, TMLM to its intermediate holding company, TMNF, as part of an organisation-wide restructuring initiative. The entire results from TMLM was presented separately on the statement of comprehensive income as "Discontinued operations" for the financial year ended 31 December 2025. Please refer to note 2.29 for the accounting policy applied.

(a) The results of the discontinued operations and the re-measurement of the disposal group are as follows:

	The Group	
	For the financial period 1 January to 1 October 2025 $'000	For the financial year 1 January to 31 December 2024 $'000
Insurance revenue	**175,103**	220,293
Insurance service expenses	**(151,374)**	(185,905)
Net investment return	**46,690**	56,024
Expenses	**(1,364)**	(5,073)
Profit before tax from discontinued operations	**69,055**	85,339
Income tax	**(21,439)**	(34,928)
Profit after tax from discontinued operations	**47,616**	50,411

	The Group	
	For the financial period 1 January to 1 October 2025 $'000	For the financial year 1 January to 31 December 2024 $'000
Items that may be reclassified to profit or loss		
Net gains from fair value adjustments to financial assets measured at FVOCI	**43,168**	4,856
Net gains on investments in debt securities measured at FVOCI reclassified to profit or loss on disposal	**(2,259)**	(3,519)
Finance income from insurance contracts issued	**(25,849)**	(1,618)
Finance income from reinsurance contracts held	**774**	665
Deferred tax on financial assets measured at FVOCI	**(7,935)**	(575)
Deferred tax on Finance expense/income	**2,150**	201
Items that will not be reclassified to profit or loss		
Revaluation of land and buildings		
- Revaluation gains	**-**	1,237
- Deferred tax	**-**	(115)
Other comprehensive income from discontinued operations	**10,049**	1,132

36. Discontinued operations and disposal group classified as held-for-sale (continued)

(b) The impact of the discontinued operations on the cash flows of the Group was as follows:

	The Group	
	For the financial period 1 January to 1 October 2025 $'000	For the financial year 1 January to 31 December 2024 $'000
Net cash inflow/(outflow) from operating activities	**146,497**	(25,599)
Net cash inflow/(outflow) from investing activities	**(111,203)**	(1,136)
Net cash inflow/(outflow) from financing activities	**(3,161)**	(5,431)
Total cash inflows/(outflows)	**32,133**	(32,166)

(c) Details of the sale of subsidiary

	The Group **As at 1 October 2025 $'000**
Cash consideration received	**561,800**
Carrying amount of net assets sold	**(509,537)**
Gain on sale before income tax and reclassification of foreign currency translation reserve	**52,263**
Reclassification of foreign currency translation reserve	**(29,418)**
Income tax expense on gain	**(11,525)**
Gain on sale after income tax	**11,320**

(d) Details of assets of disposal group classified as discontinued operations were as follows:

	The Group **As at 1 October 2025 $'000**
Cash & cash equivalent	**185,928**
Reinsurance contract assets	**28,360**
Financial assets at fair value through profit and loss	**1,290,640**
Financial assets at fair value through other comprehensive income	**2,274,171**
Derivative financial instruments	**15**
Tax recoverable	**3,248**
Other assets	**35,803**
Loans	**163**
Investment properties	**56,753**
Property, plant and equipment	**51,659**
Intangible asset	**1,741**
Total assets	**3,928,481**

36. Discontinued operations and disposal group classified as held-for-sale (continued)

(e) Details of liabilities directly associated with disposal group classified as discontinued operations were as follows:

	The Group **As at 1 October 2025** **$'000**
Other payables	**68,616**
Borrowings	**175,000**
Current tax liabilities	**-**
Deferred tax liabilities	**129,755**
Staff retirement benefit	**3**
Agent's retirement benefit	**14,389**
Insurance contract liabilities*	**3,029,887**
Reinsurance contract liabilities	**1,294**
Total liabilities	**3,418,944**
Net assets	**509,537**

37. Events occurring after balance sheet date

Subsequent to the financial year end, the Group intends to fully settle the Asia General Holdings ("AGH") Loan and TMNF Loan amounting to $46.7 million and $150 million respectively, by end of May 2026, subject to certain conditions being fulfilled by the Group. As at the date of issuance of these financial statements, the proposed loan settlements have not been completed. Accordingly, no adjustments have been made to these financial statements in respect of the proposed loan settlements.

38. Authorisation of financial statements

These financial statements were authorised for issue in accordance with resolution of the Board of Directors of Tokio Marine Life Insurance Singapore Pte. Ltd. on 28 April 2026.