income
made yours

Here for You

Annual Report 2025



















About Us

Income Insurance Limited ("Income Insurance") traces our roots to 1970 when NTUC Income was established to make insurance more accessible to people in Singapore, particularly the underserved. That focus continues to guide how we operate today, as we support individuals, families, and businesses in meeting their evolving protection needs.

We provide life, health and general insurance, alongside savings and investment solutions, to help people manage risks, protect what matters, and plan ahead with confidence. As needs change, we use data and insights to keep our solutions relevant and practical across different segments of society — an approach that has contributed to Income Insurance being recognised as Singapore's most trusted insurer.

Beyond our products and services, we invest in communities through Income OrangeAid. We work with partners to address gaps in support and build resilience over time, recognising that stronger communities are better able to support individuals as they move forward through change.

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Here for You

2025 was a standout year for Income Insurance. It marked our 55th anniversary of dedicated service and growth alongside Singapore.

Here for you is more than a commemorative theme. It reflects the enduring commitment that has guided us for over five decades. Amid emerging uncertainties, changing environments and evolving needs, we have remained steadfast in supporting our customers, partners, and communities with protection they can rely on.

Our unwavering commitment is to serve as a trusted partner for the road ahead. We are proudly here alongside every life stage, staying closely connected, and securing our shared future.

Our 55-Year Journey Together

Over the past 55 years, Income Insurance has adapted to meet changing needs, expanding access to protection, supporting livelihoods, and contributing to stronger communities. This journey reflects our continued focus on staying relevant and grounded in how we support the people we serve.

1970s

Founded to Expand Access

- Established to make insurance affordable and accessible to low-income workers, bringing protection to those most underserved.



1980s



Beyond Life Insurance

- Expanded into general insurance to offer home and motor cover.

Widened Access to Support

- Introduced **one-stop service counter**, enabling easier access to insurance and claims support.

1990s

Advancing Healthcare Access

- Launched IncomeShield to help Singaporeans better manage healthcare and hospitalisation costs.

Pioneering Digital Access

- First insurer in Singapore to launch a website, further widening access to insurance information.



2000s



A Pillar in Times of Need

- Supported families during the SARS outbreak with a special financial relief.
- Launched the LUV Plan, making term life insurance more accessible for union members with **premiums from S$0.70 monthly.**

2010s

Championing Inclusion and Community Support

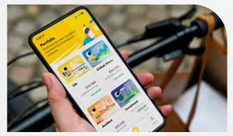
- Introduced insurance plans for seniors and extended coverage to individuals with autism and Down syndrome.



- Established Income OrangeAid to support underserved and underprivileged communities through sustained partnerships.
- Launched Income Family Microinsurance Scheme to help eligible children and youths through difficult times when a parent or guardian passed on or suffered permanent disability.

income orangeaid

2020–2021



Responding with Agility and Building Resilience

- Rolled out S$26 million in relief schemes to support workers and customers facing hardship during COVID-19 pandemic.
- Committed S$100 million in 2021 to uplift communities and support social causes over a period of 10 years.
- Launched SNACK, a flexible, bite-sized insurance product for first jobbers and gig workers, while expanding our Insurtech reach regionally.

2022–2024

Transforming for Growth

- Completed corporatisation and became Income Insurance, strengthening competitiveness for the future.



Innovating for New Needs

- Introduced first-in-market solutions — from hourly travel insurance to mental wellness subscription coverage and EV motor insurance with emergency mobile charging.

Driving Sustainability Progress and Advocacy

- Launched first Sustainability Report and Income Eco Run to rally people behind a zero-waste and climate-positive lifestyle.

2025

55 Years of Protecting and Serving Singapore

- Marked 55th anniversary in 2025 with initiatives such as Income Big Sale, S$10 million grant for caregiver support, staff volunteerism across 55 community initiatives, among others.



2026 and Beyond



The Promise of Growth and Sustainability

- Will continue to remain relevant, expand access to protection, and strengthen communities, while working towards a greener future through our Net Zero-by-2050 ambition and support for the Singapore Green Plan 2030.

income orangeaid

Income OrangeAid stands at the heart of our community initiatives, dedicating our efforts to empowering the people of Singapore. Guided by an unwavering belief in leaving no one behind, we work alongside like-minded partners to uplift vulnerable families, ensure our seniors age gracefully, and champion vital sustainability movements. This snapshot of our ongoing journey reflects our enduring promise to build a more resilient and inclusive society for everyone.

Impact Since Inception in 2010

S$56 million
donated to beneficiaries

180,000
lives impacted through our various initiatives

Close to **10,000**
OrangeAid donors annually from 2023–2025

26
like-minded community partners

Standing with Families in Times of Need

4,400 eligible students received **S$10 million in bursaries** via the Future Development Programme (FDP)

Over **56,000 eligible children and youths** on average have been covered by the Income Family Microinsurance Scheme (IFMIS) annually since 2021

More than **S$5.5 million raised** via OrangeAid RoundUp

Paid out more than **S$2 million in claims** from OrangeAid RoundUp



Provides support to an average of **23,600 lower-income union members and their families** annually via the NTUC UCare Fund

Supporting Seniors to Age Well



Contributed **S$30 million** to the Health for Life Fund (HLF) since 2022

Enabling more than **2,550 seniors** to age well



Spurring innovation in eldercare, research work, pilot projects, and community-based services

Championing a Zero-waste Lifestyle

Close to **14,000 participants** joined the Income Eco Run (IER) from 2023–2025

Raised more than **S$160,000 for the zero-waste** cause from 2023–2025

Saved **1,348kg of source materials** by using recycled materials for IER t-shirts and kids' medals from 2023–2025

Composted **41,000 plastic-free cups** that were used at Income Eco Run 2025



Here for you, alongside every life stage

People move through life in different ways, with changing needs, responsibilities, and goals at each stage. Income Insurance supports individuals, families, and businesses with inclusive protection and financial solutions, where it matters most.

Start Well
Building Strong Foundations

We support people in protecting their health, lives, and loved ones from a young age. As individuals start their careers, build families, and take on new responsibilities, our solutions are designed to be simple, accessible and able to grow with them as their priorities and needs evolve.

Live Well
Strengthening Financial Resilience

In the years when people are earning and raising families, we stand by them as they build financial security. Our savings and cashflow solutions provide stability, regular income and peace of mind, while our investment-linked plans combine protection with the opportunity to build value over time as goals and risk comfort change.

Age Well
Enabling Long-term Protection & Care

As people live longer, their health needs can become more complex, compounded by the rising cost of care. We support them with tailored solutions focused on accident coverage, long-term care and recovery, helping seniors stay independent and manage healthcare costs so they can age well, with confidence and dignity.

Serving close to **1.4 million customers**

S$4.2 billion claims issued

9 in 10 senior applicants (aged 50+) qualified for our life insurance products

"Most Trusted" Insurer in Singapore[1]

Garnered deeper customer insights across life stages via **300 hours of customer dialogue**

[1] Based on a survey by NielsenIQ with 5,678 respondents between 21 and 65 years old, Income Insurance ranked first as an insurance company that can be trusted in good and bad times.



For me, I've always loved dancing and I can express myself freely on the dance floor. I am proud to be a DanceSport* athlete with the Special Olympics Singapore. Knowing that I am protected with Income Insurance's SpecialCare plan, I am able to pursue my dreams with greater confidence.

Megan, 20, Special Olympics Athlete, SpecialCare Policy Holder

* WDSF www.worlddancesport.org

Here for you, staying closely connected

When people need support, it should be easy to reach us and get help. We focus on making that happen, whether it is through different ways to connect, simpler digital services or working with partners to be where our customers are. This helps create a smooth and more inclusive experience, so people can rely on us when it matters.

Multi-Channel Touchpoints

Our customers want to connect with us in different ways, depending on what they need and when they need it. We give them the options, whether through face-to-face advice, digital self-service tools, our contact centre or partner platforms. They can choose what works best, while enjoying a seamless and consistent experience.

Embedded Insurance

People do not always think about protection in advance, even when they need it. By making insurance available in everyday moments — like when booking a trip or shopping online — we help people protect themselves when it counts, so fewer are left unprotected.

Digitalised Experience

Dealing with one's insurance matters should be quick and simple to do at any time. We make it easy for customers to find, buy, and manage their insurance through our digital services — from getting an instant quote to making premium payments and accessing online and offline support when they need it.

11 service branches
(including 'Lite' branches)

>1,300 financial advisory representatives
(across our distribution channels and subsidiary)

Supported
85%
customer call accessibility

Enabled
80%
policy self-service digital submission



For me, accessibility is about meeting clients where they are. Our multi-channel approach allows them to begin digitally, while enabling meaningful, in-person support when needed. With digitalised processes, I can focus on personalised advice and being present when it matters most.

Crystal Ong, 33,
Financial Representative

Here for you, securing our shared future

Now more than ever, the future comes with change and challenge. From climate pressures to geopolitical uncertainty and shifting social needs — all of which affect how people live and plan ahead. We are responding by strengthening how we support people through these changes, investing in communities, strengthening partnerships, and advancing our environmental efforts while building a more resilient organisation — so we can continue to be here for people, now and for generations to come.

Community Resilience

Communities are shaped by the challenges people go through together — from events like COVID-19 to rising costs, job uncertainty and an ageing population. Being able to recover from these setbacks is what keeps communities strong. We play our part by putting protection within reach, so more people can move forward, recover from setbacks and continue to contribute to their communities.

Corporate Resilience

In a more uncertain and fast-changing world, people need organisations they can rely on. We build that trust by running our business responsibly and investing in our people, so we can continue to serve customers well and remain dependable over the long term.

Environmental Resilience

Environmental changes are already affecting how people live — from rising temperatures to more frequent weather disruptions. We are reducing our environmental impact and supporting more sustainable ways of living, so we can help protect the future for the communities we serve.

Committed to invest **S$1 billion** in 2023 to finance climate transition

Disbursed **S$4.2 million** to support multi-year community initiatives

Composted **41,000 plastic-free cups** that were used at Income Eco Run 2025

Protected over **56,000 children and youths** via the Income Family Microinsurance Scheme

Engaged close to **4,400 hours** of employee volunteerism activities



We are proud to support the Income Eco Run, showing how event waste like banana peels and compostable cups can be reused as part of a bigger solution. At Ento Industries, we turn such event waste into value using circular solutions like black soldier flies to support local food systems and reduce waste. This shows how collective action can build a more resilient and zero-waste future.

Nathaniel Phua, 35,
Founder and CEO, Ento Industries

Letter to Shareholders

For the financial year ended 31 December 2025



Andrew Yeo
Chief Executive Officer

Joy Tan
Chairperson

Dear Shareholders,

2025 marked a defining year for Income Insurance and for Singapore. As we marked our 55th anniversary, alongside the nation's SG60 Diamond Jubilee, we reaffirmed our commitment to empower people across life stages to achieve better financial wellbeing, protecting what matters and enabling families, businesses, and communities to thrive.

This milestone was grounded in the trust placed in us by our customers, partners, employees, shareholders and the wider community.

Celebrating 55 Years Through Action

All year round, we celebrated the milestone occasion with a clear objective: to give back in practical, meaningful ways to the people and communities we serve.

For customers, we returned value through targeted anniversary initiatives, including the Income Big Sale in 2025, and enhanced rewards that celebrated loyalty and trust, while strengthening protection and retirement solutions to address protection gaps and long-term financial resilience.

We also reinforced our role as a trusted corporate citizen by deepening support for vulnerable children and caregivers in families. In 2025, we committed S$10 million over five years to uplift the ecosystem for caregiver support in Singapore via the Income OrangeAid Caregiver Support Accelerator Grant. We also launched the Child Secure Project and the e-book, 'Mummy Needs Me', to provide counselling and emotional support, respectively, for children impacted by a parent's critical illness — an area of need often overlooked.

In support of SG60, we recognised everyday Singaporeans through focused initiatives — from extending protection to ice cream vendors during the National Day period, to programmes that encouraged dialogue on aspirations, financial wellbeing and resilience via a special 55th anniversary edition of *The Singaporean Dream* card game to reinforce the message that with proper financial planning, Singaporeans can secure their Singaporean Dreams.

These efforts were underpinned by our people. Employees contributed close to 4,400 of volunteer hours across 55 community initiatives, as well as staff engagement and wellness programmes reflecting our belief that sustainable impact starts within the organisation.

These activities took place amidst a challenging global environment. Slowing growth, persistent inflationary pressures in advanced economies, geopolitical tensions, supply chain disruptions and energy market volatility formed the backdrop of the year.

> **"Despite uneven global recovery, we delivered a strong financial performance while maintaining our commitment to protect the people of Singapore with steadfast reliability."**

It was against such uncertainty that our 55th anniversary took on deeper meaning, underscoring the resilience that has carried the company through changing economic cycles and operating landscapes.

Despite uneven global recovery, we delivered a strong financial performance while maintaining our commitment to protect the people of Singapore with steadfast reliability.

Financial Performance

For the financial year ended 31 December 2025 (FY2025), the Group's profit after tax (PAT) rose 165% to S$118.9 million (Prior Year 2024 (PY24): S$44.8 million) compared to the year before, boosted by strong investment returns.

Our total assets grew to S$44.7 billion (PY24: S$43.4 billion), representing nearly 3% year-on-year growth, largely driven by robust investment performance. This continues to provide a solid foundation for fulfilment of policyholder obligations and thoughtful capital deployment that balances growth opportunities with shareholder returns.

As at 31 December 2025, our Net Asset Value per share increased to S$32.66 (PY24: S$31.97), after excluding non-controlling interest. This reflects the strengthening of shareholders' equity during the year and underscores our disciplined approach to long-term value creation.

Financial Strength

Our financial stability continues to be recognised externally. We maintained our S&P rating of 'AA-' with a stable outlook. The strong rating is a position we have held since 2009 and is testament to continued confidence in our financial strength, market position and long-term prospects.

Furthermore, our Capital Adequacy Ratio remained above regulatory requirements throughout FY2025, reflecting our diversified portfolio, strong capital position and resilience amid global market volatility. This sound footing enables us to meet policyholder commitments, invest confidently in future capabilities and drive sustainable shareholder value.

Letter to Shareholders

"In recognition of our strong FY2025 financial performance and capital base, the Board has proposed an ordinary dividend of S$0.600 per share and a special dividend of S$0.463 per share, bringing the total final dividend to S$1.063 per share, representing an increase of 55.5% from the previous year."

Disciplined Portfolio Growth

Our disciplined focus on targeted product propositions across Life, Health, Consumer General Insurance and Corporate business lines has been a key driver of performance and value creation.

By aligning product design to evolving customer needs — from investment-linked and retirement solutions to health, motor, travel and specialty segments — we improved portfolio quality and mix, while attracting younger, more affluent customers. New products and funds launched over the past year have contributed meaningfully to new business and embedded value, reinforcing the role of innovation and diversification in driving sustainable business returns.

Looking ahead, we will continue to sharpen this focus towards profitable and resilient growth. We will prioritise propositions with strong long-term fundamentals, maintain underwriting and pricing discipline amid regulatory and cost pressures, and leverage data and analytics to refine targeting and customer engagement. Through disciplined execution and selective product innovation, we aim to capture emerging opportunities and enhance long-term shareholder value.

Inclusive and Embedded Insurance

Through our Insurtech platforms such as HIVE by Income, we are extending insurance access by embedding simple, relevant protection into customers' everyday digital journeys and partner ecosystems. By meeting customers where they are — online, through trusted platforms and partners — we broaden reach to underserved and younger segments while improving conversion efficiency.

At the same time, these scalable and capital-light insurance-as-a-service models deliver high quality leads, drive faster growth, improve unit economics, and support regional expansion thereby creating long-term value for shareholders.

Technology Resilience and Smarter Efficiency

In 2025, we strengthened operational efficiency and service delivery through continued digitalisation and process improvement. Greater automation across new business, servicing and claims improved turnaround times, raised straight-through processing rates and reduced manual effort, while enhancing customer satisfaction.

These gains position us well to scale and to accelerate automation and digital self-service. Our branches and contact centres are being repositioned as higher-value service and advisory hubs, supported by faster, more intelligent workflows. Together, these initiatives will enable us to serve customers more effectively, unlock productivity across the organisation, and sustain profitable growth as we scale.

Our ongoing transformation of work practices is also being reinforced by deeper data analytics, stronger AI governance and the responsible adoption of emerging technologies. Together, these capabilities are strengthening organisational speed and agility while enabling more consistent, insight-driven decision-making across the Group.

Advancing Sustainability

In 2025, we marked the 15th anniversary of Income OrangeAid. Over the years, Income OrangeAid has supported communities through targeted initiatives focused on caregivers, seniors and vulnerable groups — priorities shaped by national agendas and Singapore's transition to a super-aged society.

Since its inception in 2010, Income OrangeAid has disbursed S$56 million to beneficiaries, impacting 180,000 lives through various initiatives, collaborating with diverse community partners. In 2021, we committed S$100 million to support communities by 2030. Our social efforts show both consistency and scale, proving that sustained impact builds long-term trust across generations.

We are also staying the course to advance our net-zero ambition by taking tangible actions to decarbonise emissions across our financing, operations and insurance portfolios, mapped to business growth plans, risks and opportunities. Additionally, we are complementing these efforts by advancing environmental initiatives aligned with the Singapore Green Plan, including zero-waste advocacy through the Income Eco Run.

We are also continually integrating sustainability into our business continually. For example, we introduced a Vendors' Code of Conduct to set out expectations of our vendors to safeguard responsible business conduct in our supply chain. We also established a Sustainable Product Framework to embed consistent environmental and social considerations into our product design, and are tapping the responsible use of technology, such as embedding Artificial Intelligence in our way of working to enhance our enterprise resilience through higher productivity and efficiency.

Collectively, these efforts reinforce our role as a trusted, homegrown insurer — supporting nation-building, strengthening societal resilience and creating a foundation of trust that underpins long-term value for shareholders.

Strengthening for Our Next Chapter

The progress we have made across disciplined portfolio growth, inclusive insurance expansion, technology resilience and sustainability has strengthened Income Insurance's core capabilities and sharpened our strategic direction.

This combination of financial strength, strategic focus and operational readiness marks an important inflection point for the company as we continue strengthening the foundations that are needed for the long-term — building more inclusive insurance solutions, deepening technology and data capabilities, and advancing sustainability commitments to better serve Singapore's evolving needs.

Rewarding Shareholders

In recognition of our strong FY2025 financial performance and capital base, the Board has proposed an ordinary dividend of S$0.600 per share (PY24: S$0.208 per share) and a special dividend of S$0.463 per share (PY24: S$0.208 per share), bringing the total final dividend to S$1.063 per share (PY24: S$0.416 per share).

In determining the dividends, the Board's considerations include performance outcomes, long-term investment plans, strategic priorities, regulatory requirements, and prevailing market conditions. These recommendations will be tabled for approval at the Annual General Meeting.

Conclusion

As we look ahead, we remain committed to building a resilient, future-ready Income Insurance that continues to deliver value to shareholders while serving Singapore with unwavering dedication. We express our gratitude to our Board for their guidance, to our employees for their commitment, and to you — our partners, customers and shareholders — for your trust and support. Together, we look forward to empowering a more resilient future for generations to come.



Joy Tan
Chairperson



Andrew Yeo
Chief Executive Officer

Financial Highlights

For the financial year ended 31 December 2025

S$118.9 million
Profit After Tax

S$113.9 million
(S$1.063 per share)
Total Dividends[1]

S$32.66
Net Asset Value Per Share[2]

S$44.7 billion
Total Assets

AA-
Credit Rating

[1] Subject to shareholders' approval
[2] Net Asset Value Per Share is calculated using the audited Shareholders' Equity excluding non-controlling interest as at 31 December 2025 before the impact of proposed dividends

Our 55th Anniversary Highlights

55 Acts of Good

To mark our 55th anniversary, we launched 55 Acts of Good, which mobilised staff to support vulnerable families, seniors, and cancer patients through 55 volunteering and fundraising activities across Singapore. Some employees even shaved their heads and raised a total of S$75,000 for Hair for Hope 2025.





EV Drive-in Comedy Show

We hosted Singapore's first EV-only drive-in comedy show to address common EV misconceptions and concerns through humour. The event supported car owners' transition to EVs and Singapore's clean-vehicle goals, following the launch of eDrivo, our targeted EV insurance with 24/7 mobile rescue.

Income Big Sale

We refreshed our products and launched new solutions to close seniors' protection gaps and enhance retirement adequacy. We also rolled out limited-time anniversary promotions to thank customers, offering better value while meeting their protection needs.





Income Eco Run 2025

Income Eco Run (IER) 2025 drew nearly 5,500 participants and raised $70,000 for WWF Singapore. The carbon-neutral event featured a commemorative 55km Eco Ultramarathon, a new pet category and complimentary participation for the first 1,000 registrants aged 55 years and above. It also retained sustainable practices like the use of compostable cups, bibs that are 65% than industry standard, e-medals, while encouraging participants to run in their own tees to promote reducing, reusing, and recycling.



Celebrating with Staff

Our Family Day at GastroBeats 2025 brought together 1,230 employees and their families, including pets. The event strengthened staff camaraderie through food, music, and activities, alongside a 55-day staff wellness programme that supported employee wellbeing throughout the year.

Protecting Local Heritage

We supported Singapore's traditional ice cream vendors by partnering with them during the National Day weekend to distribute free ice creams islandwide. This initiative helped preserve local heritage while providing vendors with complimentary financial protection, including personal accident and motorcycle insurance.





Income Insurance 55th Anniversary Singaporean Dream Card Game

We launched a special 55th anniversary edition of The Singaporean Dream card game to spark conversations about financial protection and wellbeing. The updated gameplay reflects real-life challenges such as health events and travel disruptions, and highlights how insurance and early financial planning help protect life goals.

Child Secure Project

We launched the 'Mummy Needs Me' eBook under our Child Secure Project to help young caregivers to a critically ill parent or guardian address their often-overlooked emotional toll. Backed by research, the free resource helps parents guide their children through difficult times and gives eligible policyholders access to professional counselling support.



Board of Directors

The Board provides valuable strategic direction to steer long-term success for Income Insurance. Tapping its collective expertise and experience, it works closely with the Executive Committee to ensure that the company's goals align with stakeholders' interests by upholding strong corporate governance practices.



- Two-thirds of the Board have deep expertise and are seasoned practitioners in the financial sector, while the rest have extensive experience in other relevant industries.
- All our Board members are non-executive directors and over two-thirds are independent directors.
- Our Board brings together a good mix of genders and backgrounds.

Standing, from left to right: Robert Charles (Director), Mak Keat Meng (Director), Vincent Lien (Director), Chen Peng (Director), Adeline Sum* (Deputy Chairperson), Chew Sutat (Director)

Seated, from left to right: Neo Chin (Director), Craig Ellis (Director), Sim Hwee Hoon (Director), Joy Tan (Chairperson), Richard Koh (Director)

* Resigned on 31 March 2026

Board of Directors



Joy Tan
Chairperson

Ms Joy Tan was elected to the Board of NTUC Income Insurance Co-operative Limited as an independent non-executive director on 26 May 2017. She was appointed to the Board of Income Insurance Limited on 1 August 2022. Ms Tan is the Chairperson of the Board and Board Executive Committee, and a member of the Nominating, Human Capital and Remuneration Committee.

At Wong Partnership LLP, Ms Tan is the Co-Head of the Commercial & Corporate Disputes Practice, the Corporate Governance & Compliance Practice and the Financial Services Regulatory Practice. She is a Fellow of the Chartered Institute of Arbitrators, is an accredited mediator with the Singapore International Mediation Centre (SIMC), and sits on the panels of various professional tribunals, including the panel of arbitrators of the Singapore International Arbitration Centre (SIAC), the Law Society Disciplinary Tribunal appointed by the Honourable Chief Justice under the Legal Profession Act, and the Complaints and Disciplinary Tribunal of the Accounting & Corporate Regulatory Authority (ACRA). She chairs the Appeals Board of the Council of Estate Agencies. Ms Tan sits on the Governing Council of the Singapore Institute of Directors (SID) and is ranked as a Senior Accredited Board Director by SID.

In the not-for-profit sector, Ms Tan is the Chair of the Board of the Singapore Repertory Theatre and is a director of the Singapore Chinese Cultural Centre.

Ms Tan graduated with First Class Honours from Cambridge University. In 1992, she was awarded the UK Council of Legal Education Prize at the Non-Vocational Bar Exam.



Adeline Sum*
Deputy Chairperson

Ms Adeline Sum was appointed as a non-independent non-executive director to the Board of Income Insurance Limited on 3 November 2023. She is the Deputy Chairperson and a member of the Nominating, Human Capital and Remuneration Committee and Board Executive Committee.

Ms Sum was Chief Executive Officer (CEO) of NTUC Enterprise Co-operative Limited. She retired as CEO of NTUC Enterprise Co-operative Limited on 31 March 2026. Since 1993, Ms Sum has served within the NTUC network of organisations, including as chief executive of the childcare and real estate businesses. Ms Sum was NTUC Enterprise's Deputy CEO from 2017 to 2023. Between 2016 to 2019, she was concurrently Managing Director of NTUC FairPrice, overseeing business strategy and talent development.

Ms Sum holds a BA (Honours) in History from the National University of Singapore and started her career in the Singapore Government's Administrative Service. She also holds an MBA from the Nanyang Technological University, and a Master of Public Administration from Harvard University. She was conferred the Public Service Medal at the 2014 National Day Awards.

* Resigned as Director and ceased to be Deputy Chairperson and a member of (i) the Nominating, Human Capital and Remuneration Committee and (ii) the Board Executive Committee with effect from 31 March 2026.



Sim Hwee Hoon
Director

Ms Sim Hwee Hoon was elected to the Board of NTUC Income Insurance Co-operative Limited as an independent non-executive director on 26 May 2017. She was appointed to the Board of Income Insurance Limited on 1 August 2022. She is the Chairperson of the Nominating, Human Capital and Remuneration Committee and a member of the Audit Committee and Board Executive Committee.

Ms Sim was the Regional Chief Operating Officer of Private Wealth Management Asia in Morgan Stanley from 2010 to 2016. She was also the CEO of Morgan Stanley Asia International Limited, Singapore Branch, and sat on the Board of Directors of Morgan Stanley Asia International Limited.

Before Morgan Stanley, Ms Sim spent 12 years with JPMorgan Private Bank Asia. Her appointments included being the Asia Regional CFO from 2006 to 2010 and Asia Head of Risk Management from 1998 to 2006. She also sat on the Board of Directors of JPMorgan International Bank Limited (UK incorporated) and JPMorgan Securities Asia Private Limited.

Ms Sim currently holds directorships at Singapore Labour Foundation and Stashaway**. Ms Sim is also appointed to the Central Co-operative Fund Committee by the Ministry of Culture, Community and Youth. In the social arena, Ms Sim serves as the President of the Board of YWCA of Singapore and is a board member of the Singapore Council of Women's Organisations (SCWO).

Ms Sim holds a Master of Finance degree from the Royal Melbourne Institute of Technology and an Honours degree in Bachelor of Accountancy from the National University of Singapore.

** https://www.stashaway.sg/



Neo Chin
Director

Ms Neo Chin was co-opted to the Board of NTUC Income Insurance Co-operative Limited on 15 April 2019 and formally elected as an independent non-executive director on 24 May 2019. She was appointed to the Board of Income Insurance Limited on 1 August 2022. She is a member of the Sustainability Committee and Board Executive Committee.

Ms Neo is currently the Chief Investment Officer of Singapore University of Technology and Design (SUTD). She is a seasoned investment professional with over three decades of experience spanning global capital markets and institutional investment management. Prior to joining SUTD, she worked at GIC for more than 20 years in various senior direct investing and portfolio management roles.

Ms Neo has served on various investment committees and is currently a member of the Wealth Management Institute Investment Committee. In addition, she has served as a non-executive director on the boards of various investment funds managed by Singapore-regulated asset management companies.

Ms Neo graduated with a Bachelor of Business Administration (Honours) from the National University of Singapore. She has been a Chartered Financial Analyst charterholder since 1994.



Vincent Lien
Director

Mr Vincent Lien was co-opted to the Board of NTUC Income Insurance Co-operative Limited on 3 October 2019 and formally elected as an independent non-executive director on 26 June 2020. He was appointed as director of Income with effect from 13 October 2021, the date of incorporation of Income. He is a member of the Audit Committee.

Mr Lien is currently Managing Director of Lien Properties Private Limited, and a director of Lien Ying Chow Private Limited, and Wah Hin & Company, among others. He has over 20 years' experience in banking, specializing in corporate finance and capital management in Hong Kong, the PRC, Singapore and Southeast Asia. Prior to his retirement, he held various senior positions at major multinational banking institutions including Swiss Bank Corporation, Bankers Trust and ABN AMRO. He is a Council Member of the Lien Ying Chow Legacy Fellowship. He is also Income Insurance's nominee director on the boards of FFMC Holdings Pte Ltd and Fullerton Fund Management Company Ltd.

Mr Lien graduated with a Bachelor's degree in Business Administration from the University of New Brunswick in 1986. He was awarded an honorary Doctorate in Business Administration in 2018 by HyupSung University.



Robert Charles
Director

Mr Robert Charles was elected as an independent non-executive director of NTUC Income Insurance Co-operative Limited on 26 June 2020. He was appointed to the Board of Income Insurance Limited on 1 August 2022. He is the Chairman of the Risk Management Committee and a member of the Digital & Technology Committee and Board Executive Committee.

Mr Charles is currently Head of Actuarial at Coherent, a global technology company originally founded in Hong Kong SAR that provides digital solutions to financial services companies. He is an actuary with experience in insurance, retirement, and investment. Mr Charles spent most of his career in consulting. He served as the Asia Pacific CEO of Towers Watson, a leading global risk and human capital management firm. He then built up the Hong Kong SAR business of a health insurance technology start-up.

Mr Charles obtained a First-Class Honours degree in Mathematics from the University of Oxford in 1987. He is a Fellow of the Institute of Actuaries, UK.

Board of Directors



Mak Keat Meng
Director

Mr Mak Keat Meng was elected as an independent non-executive director of NTUC Income Insurance Co-operative Limited on 26 June 2020. He was appointed to the Board of Income Insurance Limited on 1 August 2022. He is the Chairman of the Audit Committee and a member of the Risk Management Committee.

Mr Mak has over 37 years of experience in auditing and advisory with Ernst & Young LLP. During this period, he has held various leadership positions such as Head of Audit for Singapore & ASEAN, Quality Enablement Leader, and Head of Japanese Business Services. Mr Mak has deep domain knowledge of the insurance business in Singapore and was previously the Chairman of the Insurance Committee of ISCA. Mr Mak is also an independent director of MPACT Management Ltd. and a member of its Audit Committee.

Mr Mak graduated with a Bachelor of Commerce from the University of Auckland in 1982. He also holds a Master of Business Administration from International Management Centre (UK). He is a Fellow of Chartered Accountants Australia and New Zealand, a Fellow of the Association of Chartered Certified Accountants, and a Fellow of the Institute of Singapore Chartered Accountants (ISCA). He was a recipient of the Pingat Bakti Masyarakat (PBM) in 2015 for his contribution to the public service in Singapore.



Chen Peng
Director

Dr Chen Peng was co-opted to the Board of NTUC Income Insurance Co-operative Limited on 21 September 2020 and was formally elected as an independent non-executive director on 28 May 2021. He was appointed to the Board of Income Insurance Limited on 1 August 2022. He is a member of the Risk Management Committee and Sustainability Committee.

Dr Chen was the Chief Executive Officer, Asia ex-Japan, of Dimensional Fund Advisors (DFA) from July 2012 to November 2019. He was responsible for all aspects of DFA's Asia business, overseeing business strategy and development, client servicing and portfolio management. Prior to joining DFA, he was with Morningstar where he held various roles over 15 years, including President of Morningstar's Investment Management Division, Chief Investment Officer, and Head of Research and Consulting. His clients included insurance companies and pension funds (including manager selection for CPF).

Dr Chen's other appointments include Adjunct Professor at the Chinese University of Hong Kong SAR and the Harbin Institute of Technology in China. He is a member of the Advisory Council of the Centre for Asset Management Research and Investments, National University of Singapore. He is also Income's nominee director on the boards of FFMC Holdings Pte Ltd and Fullerton Fund Management Company Ltd.

Dr Chen graduated with a Master of Science in Consumer Economics from the Ohio State University in 1995 and obtained a PhD from the same university in 1997.



Richard Koh
Director

Mr Richard Koh was elected as an independent non-executive director of NTUC Income Insurance Co-operative Limited on 28 May 2021. He was appointed to the Board of Income Insurance Limited on 1 August 2022. He is the Chairman of the Digital & Technology Committee and a member of the Risk Management Committee.

Mr Koh is currently the Chief Technology Officer of Microsoft Asia, Enterprise Partner Solutions. In this role, he leads the technology strategy of the Microsoft Asia partners across Australia, New Zealand, ASEAN, India & South Asia, Korea, Greater China Region and Japan, helping partners leverage relevant technology innovations for their AI transformation in creating new products and services with Microsoft technologies.

Mr Koh's career was built largely with HP and Microsoft, with a short stint with Singtel. His past professional experience spans the Asia and North America regions and covers multiple functional areas including R&D, IT, product management, marketing, business development, and sales operations. He is deeply passionate about the promises that the Internet, Cloud and AI can bring to communities and countries.

Mr Koh is currently also serving on the Board of Directors of the National Heritage Board (NHB), under Singapore's Ministry of Culture, Community and Youth. He also previously served on the Board of Directors of Singapore's Ministry of Home Affairs' Home Team Science & Technology Agency (HTX) and on Sentosa Development Corporation's Digital Transformation Advisory Panel and was the past chairman of SGTech's AI & HPC Chapter.

Mr Koh graduated from the National University of Singapore with a Bachelor of Science in Computer Science and Information Systems.



Craig Ellis
Director

Mr Craig Ellis was appointed to the Board of Income Insurance Limited as an independent non-executive director on 12 October 2022. He is a member of the Audit Committee and the Nominating, Human Capital and Remuneration Committee.

A Chartered Accountant, Mr Ellis has over 40 years of experience in the financial services industry, mainly in insurance covering general, life, and health, but also in banking. He brings substantial and broad international experience having worked in Australia, Europe, and Asia. He retired in December 2021 as the Chief Executive Officer of MSIG Insurance Singapore. From March 2020 to December 2021, Mr Ellis served as President of the General Insurance Association (GIA) of Singapore.

Prior to joining MSIG, Mr Ellis was the Chief Executive Officer of Charles Monat Associates Pte Ltd in Singapore. He commenced his career with KPMG before serving in a succession of increasingly senior positions with Bank of America, Allianz and Old Mutual International.

Mr Ellis is an independent non-executive Board member of RACT Insurance Pty Ltd, RACT Pty Ltd, RACT Holdings Pty Ltd, RACT Investment Holdings Pty Ltd and the Royal Automobile Club of Tasmania Limited, which are Australian companies.

Mr Ellis graduated with a Bachelor of Commerce degree from the University of New South Wales and has participated in an executive leadership programme at INSEAD.



Chew Sutat
Director

Mr Chew Sutat was appointed to the Board of Income Insurance Limited as an independent non-executive director on 21 October 2022. He is the Chairman of the Sustainability Committee and a member of the Board Executive Committee.

Mr Chew retired from Singapore Exchange (SGX) in July 2022. He was senior managing director and a member of SGX's executive management team for 14 years. On his watch, the exchange transformed from an Asian gateway to a global multi-asset exchange. As Head of Global Sales and Origination, he led SGX's equity and debt capital market teams in developing private-to-public capital raising solutions for companies.

Prior to SGX, Mr Chew had senior roles at Standard Chartered Bank, OCBC Securities and DBS Bank, where he held varying portfolios in strategic planning and business development for institutional banking and private clients. He founded Shan De Advisors in September 2021. Mr Chew is a Senior Accredited Director of the Singapore Institute of Directors and a Fellow of both the Singapore Institute of Directors and the Institute of Banking and Finance Singapore (IBF). In 2021, he received the Global Investor Asia Capital Markets Lifetime Achievement Award in recognition of his contributions to the industry.

In the social sector, Mr Chew serves on the Boards of ImpactSG and Binjai Tree Foundation. He previously chaired Community Chest and Caregivers Alliance Limited. Mr Chew is also Patron of Kaki Bukit Citizens' Consultative Committee, with initial grassroots experience in 1996. In recognition of his contributions, Mr Chew was awarded the Public Service Medal (Pingat Bakti Masyarakat) in 2023.

Mr Chew graduated with a Bachelor of Arts (First Class Honours) degree in Philosophy, Politics and Economics (PPE) from the University of Oxford and holds a Master of Arts from Oxford.

Executive Committee

The Executive Committee executes Income Insurance's strategy and long-term goals. It drives business performance while safeguarding and elevating the company's brand and reputation.



Standing, from left to right: Mark Shi (Chief Risk Officer), David Chua (Chief Investment Officer), Santosh Gon (Chief Operations Officer), Grace Tng (Chief Consumer Distribution Officer), Andrew Yeo (Chief Executive Officer), Chen Boon Khing (Chief Technology Officer), Colin Chu (Chief Strategy Officer), Michael Fang (Chief Financial Officer)

Seated, from left to right: Lau Sok Hoon (Chief Actuary), Angie Ng (Chief People Officer), Joshua Margolis (Chief Legal and Compliance Officer), Susan Ong (General Manager – Corporate Business), Peter Tay (Chief Digital Platform Officer), Dhiren Amin (Chief Customer Officer)

Corporate Governance Report

For the financial year ended 31 December 2025

INTRODUCTION

Income Insurance Limited ("**Income Insurance**" or "**Company**") adopts a high standard of corporate governance consistent with best practices and is generally aligned with the Guidelines on Corporate Governance ("**CG Guidelines**") issued by the Monetary Authority of Singapore ("**MAS**"), the Insurance (Corporate Governance) Regulations 2013 ("**ICGR**"), the Singapore Companies Act 1967, and the Constitution of the Company.

Income Insurance recognises the importance of having a set of well-defined corporate governance processes to enhance performance and accountability, sustain business integrity, and safeguard the interest of its stakeholders. The promotion of corporate transparency and accountability at all levels of the organisation is led by the Board of Directors ("**Board**") and assisted by the Management team ("**Management**").

BOARD GOVERNANCE

Board Role and Responsibilities

The Board oversees the affairs of the Company, including setting its strategic direction and long-term goals, and reviewing its performance.

Matters which require specific Board approval/endorsement include, but are not limited to, the following:

1. Reviewing and approving the Company's business plan and financial scorecard and overseeing the delivery of the business plan.
2. Reviewing and approving the Company's risk appetite to ensure it is consistent with Income Insurance's business strategy, strategic decision-making, operating, and regulatory environment.
3. Overseeing corporate governance including reviewing the code of conduct and overseeing the establishment of policies to strengthen the organisational culture of Income Insurance.
4. Reviewing and approving the following policies:
    - Asset and Liability Management Policy
    - Capital Management Policy
    - Internal Governance Policy for the Participating Business
    - Investment Policy (including strategic asset allocation of insurance funds)
    - Related Party Transactions Policy
    - Fit and Proper Policy
5. Approving Income Insurance's organisational structure and ensuring that adequate corporate governance frameworks and systems are in place.
6. Approving transactions with a related party and the write-off of related-party exposures that are exceeding specified amounts or otherwise posing special risks before such a transaction occurs.

The Board provides strategic direction to the Company towards achieving its objectives. It ensures that the Company adopts sound corporate governance practices, complies with applicable laws and regulations, and has the necessary measures in place to achieve its objectives. It provides oversight over the Management performance with emphasis on professionalism, and integrity in all dealings, and at all levels in the organisation to sustain the Company's image, and reputation.

Directors with a conflict of interest recuse themselves from discussions and decisions pertaining to such matters.

Board Composition

The Board comprises 11 members as follows at the end of the financial year.

Chairman	Mr Ronald Ong (retired on 31 July 2025)
Chairperson	Ms Joy Tan (appointed as Chairperson on 1 August 2025)
Deputy Chairperson	Ms Adeline Sum (resigned on 31 March 2026)
Directors	Ms Sim Hwee Hoon Ms Neo Chin Mr Vincent Lien Mr Robert Charles Mr Mak Keat Meng Mr Chen Peng Mr Richard Koh Mr Craig Ellis Mr Chew Sutat

Details of the Board members including their designation and roles can be found in our website at https://www.income.com.sg/about-us/corporate-information/board-of-directors.

The Nominating, Human Capital and Remuneration Committee ("**NHCRC**") is of the view that diversity on the Board is important. In this regard, it considers diversity of backgrounds, qualifications, skills, experience, age, and gender among other factors for Board appointments. The NHCRC annually assesses the diversity of the directors' profiles and determines the collective skills required for the Board and the Board Committees to discharge their responsibilities effectively. Steps are taken to enhance the skills as necessary.

The desired competencies on the Board include but are not limited to accounting, actuarial science, finance, insurance, investments, legal, information technology, sustainability, human resource management, and risk management. The current Board collectively possesses a wide spectrum of these competencies. There is a good mix of general business background and specialist skills. With their broad knowledge, expertise and experience from different industries, the Board provides valuable insights and advice to the Management.

Board Independence

The CG Guidelines and the ICGR advocate a strong and independent element on the Board so that it can exercise objective judgment independent from the Management and substantial shareholders[1]. The NHCRC determines the independence of the directors prior to appointment and annually, based on criteria set out in the ICGR and CG Guidelines.

Under the ICGR, an independent director of the Company is one who is independent from the substantial shareholders of the Company, and the Management and business relationships with the Company and its subsidiaries and has not served for more than nine years on the Board. The assessment is based on whether any relationship with the Company, its related companies or its officers could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment, and whether a director's length of service has affected his/her independence.

The NHCRC has assessed all but two directors to be independent. The non-independent directors are Mr Ronald Ong (up until his retirement as Director and Chairman on 31 July 2025) and Ms Adeline Sum (up until her resignation as Director and Deputy Chairperson on 31 March 2026). Mr Ronald Ong is a director of NTUC Enterprise Co-operative Limited ("**NTUC Enterprise**"), the Company's substantial shareholder. Mr Ronald Ong is also non-independent due to business relationship with the Company. He is a director of Morgan Stanley Investment Management Company with which the Company has a business relationship. Ms Adeline Sum is non-independent as she is the CEO of NTUC Enterprise.

[1] A "substantial shareholder" is a shareholder who has an interest in voting shares with attached total votes note less than 5% of the total votes attached to all voting shares in the company, in line with the definitions set out in section 81 of the Companies Act and section 2 of the Securities and Futures act.

Corporate Governance Report

For the financial year ended 31 December 2025

The current Board meets the regulatory requirements on Board composition and independence under the ICGR. All Board members are non-executive directors. Ten out of eleven directors are independent directors, and majority of the directors are independent from the Management and business relationships with the Company and its subsidiaries.

The Board is of the view that its current size is adequate to facilitate robust discussion at meetings and effective decision-making.

Board Meetings and Attendance

The Board conducts five scheduled meetings a year and additional meetings are held when deemed necessary. At these meetings, the Board reviews the Company's business performance, corporate strategy, business plan, strategic operational issues as well as other significant matters. During the year, Board approvals are also obtained through circular resolutions.

An annual Board Retreat is held for the Management to engage the Board on a strategic review of the Company's key business plans and initiatives.

The directors attend general meetings, Board meetings and meetings of the Board Committees on which they serve. All materials and necessary information are disseminated in a timely manner, in advance of meetings. Directors are equipped with iPads to allow access to meeting materials via a secure portal.

The Management makes presentations at Board meetings and addresses the queries that are raised. External consultants engaged for specific projects may also be invited to update the Board, where relevant.

Directors participate actively at Board meetings and decisions are taken objectively in the interests of the Company and its stakeholders.

The number of Board meetings held during the financial year and the attendance of the directors at these meetings is tabulated below.

Name of Director	No. of Meetings	
	Held	Attended
Ronald Ong[2]	7	4
Joy Tan	7	7
Adeline Sum	7	7
Chen Peng	7	7
Chew Sutat	7	7
Craig Ellis	7	7
Mak Keat Meng	7	7
Neo Chin	7	6
Richard Koh	7	6
Robert Charles	7	7
Sim Hwee Hoon	7	7
Vincent Lien	7	3

[2] Retired as Director and Chairman on 31 July 2025

Board Attendance at Annual General Meeting

All directors attended the Company's Annual General Meeting held on 24 June 2025.

Chairperson and Chief Executive Officer

There is no familial relationship between the Chairperson and Chief Executive Officer. The roles of the Chairperson and Chief Executive Officer are separate, with a clear division of responsibilities. This is consistent with ensuring a balance of authority. It also provides for greater accountability and facilitates independent decision-making.

The Chairperson leads the Board and ensures its effectiveness in all aspects of its role. The Chairperson promotes high standards of corporate governance and steers the Board towards making sound decisions. The Chairperson ensures that there is active participation and robust discussions on all matters that are tabled to the Board and encourages positive relations between the Board and the Management to work towards achieving common goals in the interest of the Company.

The Chairperson plays a key role at general meetings in fostering constructive dialogue between the shareholders of the Company, the Board, and the Management.

The Chief Executive Officer assumes executive responsibility for the Company's business. He oversees the execution of the Company's corporate and business strategies and is overall responsible for managing its operations to achieve performance and business targets. He is assisted by a management team.

Lead Independent Director

There is no lead independent Director appointed as at the end of the financial year as the Chairperson of the Board, Ms Joy Tan, is a non-executive and independent Director.

Board Induction and Continuous Professional Development

The Company has an induction programme to provide new directors with structured training which includes briefings by the Management on the Company's structure, business lines, key performance measures, strategy, business plan and risk profile, among other key areas. In addition, the induction programme is tailored to include briefings on specific topics relevant to the Board Committee appointment taken on by the new director to provide an overview to the director and enable him/her to discharge his/her role effectively. The Company reviews the content of such briefings as necessary to incorporate new developments and changes that may be relevant.

The NHCRC has formalised an annual Continuous Professional Development ("**CPD**") programme for the directors to further equip them with the necessary skills to perform their roles effectively. The CPD programme comprises courses organised by professional bodies, presentations by invited speakers at Board and Board Committee meetings, and the training component from presentations on technical issues made at such meetings. The topics covered include matters relevant to the insurance industry, accounting and regulatory changes, and updates on major industry and market developments. The topics selected ensure that the directors are provided with up-to-date knowledge on salient matters. The CPD programme is reviewed annually.

A formal record of the training and development received by the directors is maintained and reviewed by the NHCRC twice a year. The CPD programme for the financial year included the following topics:

- Sustainability
- Counter-Fraud Training
- Third Party Risk Management – Security Posture Management
- Intelligentisation

Board Evaluation

The Board has implemented an annual evaluation process to assess the performance and effectiveness of the Board, Board Committees, and individual directors. All eligible directors participate in the evaluation which is conducted through confidential completion of an evaluation questionnaire. The purpose of the evaluation is to increase the overall effectiveness of the Board. It also serves as an opportunity to obtain feedback and suggestions from the directors. The evaluation results and feedback are presented to the NHCRC and Board for discussion.

For this financial year, Egon Zehnder International Pte Ltd ("**Egon Zehnder**") was engaged to facilitate the Board evaluation exercise and to provide the Board with an independent perspective of its performance, as well as benchmarks and industry best practices. Egon Zehnder is not related to the Company and the Company is not aware of any relationship between Egon Zehnder and the Company's directors and the Management. The evaluation exercises included individual director's peer assessment.

The findings by Egon Zehnder were reviewed by the NHCRC Chair and the Chairman and shared with the directors.

Corporate Governance Report

For the financial year ended 31 December 2025

ASSURANCE ON FINANCIAL RECORDS AND RISK

The Board has received assurance from:

- the Chief Executive Officer, together with the Chief Financial Officer that the financial records have been properly maintained; and
- the Chief Executive Officer and other such key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

BOARD COMMITTEES

The Board has established six Board Committees to assist it in carrying out its oversight of the operations of the Company. The Board Committees comprise the Audit, Board Executive, Risk Management, Nominating, Human Capital and Remuneration, Digital and Technology, and Sustainability Committees. The Board has delegated authority to these Board Committees to monitor and exercise oversight over specific areas.

The composition of the Board Committees satisfies the independence requirements stipulated in the CG Guidelines and the ICGR, where applicable. They are of an appropriate size, and comprise directors who, collectively as a group, provide the appropriate balance and mix of skills, knowledge, and experience.

Each Board Committee has its own clearly defined terms of reference which are approved by the Board and describe its objectives, composition, and key duties and responsibilities. The respective terms of reference are reviewed at least annually to ensure alignment to the Notices and Guidelines issued by the MAS, where applicable.

The minutes of Board Committee meetings are circulated to the Board.

Audit Committee

Under the ICGR, the Audit Committee ("**AC**") is required to comprise at least three non-executive directors, all of whom are independent from the Management and business relationships and at least a majority of the directors, including the AC Chair, are independent directors. At least two members of the AC, including the AC Chair must have relevant accounting or related financial management experience or qualifications.

The members of the AC during the financial year were as follows:

Chair	Mak Keat Meng
Members	Joy Tan (ceased on 1 August 2025) Craig Ellis Sim Hwee Hoon (appointed on 1 August 2025) Vincent Lien

All the members are non-executive and independent. The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, for as long as they have any financial interest in the auditing firm or auditing corporation.

The members of the AC are qualified to discharge their responsibilities. The AC operates within the Board-approved written terms of reference which set out the AC's authority and responsibilities. It keeps abreast of relevant developments through updates from the external auditor on changes to accounting standards and relevant matters.

The key duties and responsibilities of the AC are to:

- Review the financial statements, including allocation of charges and expenses to the participating fund, and tax related matters, of the Company with the Management and the external auditors.
- Review the effectiveness of material financial, operational, compliance and information technology controls, including the corporate fraud risk management policy/ framework and whistle-blowing arrangements which staff and other parties may in confidence raise concerns about possible improprieties relating to financial reporting, controls or any other matters.
- Assess the adequacy and effectiveness of the Internal Audit ("IA") function in terms of its organisational independence, resources, capability, practices, and work plans.
- Review the audit plan and results of external audits, as well as the independence and objectivity of external auditors, on both audit and non-audit services and recommend to the Board on the appointment, re-appointment, or removal of external auditors.
- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of the Management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Review all material related party transactions and keep the Board informed of such transactions.

The number of AC meetings held during the financial year and the attendance of the directors at these meetings are tabulated below. Internal auditors, the Chief Executive Officer and certain management executives attended these meetings. The external auditors attended all meetings.

	No. of Meetings	
Name of Director	Held	Attended
Mak Keat Meng	4	4
Joy Tan[3]	4	2
Craig Ellis	4	3
Sim Hwee Hoon[4]	4	2
Vincent Lien	4	2

[3] Ceased to be a member of AC with effect from 1 August 2025
[4] Appointed as a member of AC with effect from 1 August 2025

During the financial year, the AC reviewed with the Management the quarterly management reports, financial statements, significant accounting policies, and estimates. The external auditors' audit plan, the management letter and the Management's response were presented to the AC and discussed with both the Management and the external auditors. The AC also reviewed the internal audit plan, scope of internal audit activities, reports of internal audits, and follow up reviews performed by internal audit. The AC ensures that there are processes in place for ensuring that recommendations made by internal audit, external audit, and the MAS are effectively dealt with in a timely manner.

The AC reviewed its terms of reference and the IA Charter to ensure they are adequate and relevant. Income Insurance has a whistle-blowing policy whereby staff could raise concerns about possible improprieties in matters of financial reporting or other matters in confidence. The AC reviewed the arrangements in place for independent investigation of such matters and for appropriate follow-up action.

The Chief Internal Auditor has a direct reporting line to the AC. The IA function resides in-house and is independent of the activities it audits. An external quality assurance review is conducted periodically to ensure that IA's activity conforms to the Global Internal Audit Standards. The AC is of the view that the IA function is independent, effective, and adequately resourced.

The Chief Legal and Compliance Officer helps ensure that the Company complies with all applicable laws and regulations on an on-going basis.

On a quarterly basis, the Management reports to the AC material related party transactions (for business related arrangements), contingent liabilities, if applicable, and regulatory compliance issues. In performing its functions, the AC had met up at least annually with the internal and external auditors without the presence of the Management.

Corporate Governance Report

For the financial year ended 31 December 2025

Based on the internal controls that are put in place and review performed by the relevant Management and Board Committees, the Board with the concurrence of the AC, is of the view that the internal controls (including financial, operational, compliance and information technology controls and risk management systems) were adequate and effective for the financial year. The AC believes that, in the absence of evidence to the contrary, the system of internal controls maintained by the Company's management provides reasonable, but not absolute, assurance against material financial misstatements or loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices, and the identification and containment of financial risk. The AC notes that no system of internal controls can provide absolute assurance against the occurrence of loss especially arising from fraud or other irregularities.

Board Executive Committee

The Board Executive Committee ("**Board Exco**") is a committee constituted by the Board of Directors of Income Insurance whose responsibility is to provide strategic direction on major developments to Income Insurance's overall strategy and to review strategic matters for the Board's approval.

The members of the Board Exco during the financial year were as follows:

Chair	Ronald Ong (retired on 31 July 2025) Joy Tan (appointed on 1 August 2025)
Members	Adeline Sum (ceased on 31 March 2026) Sim Hwee Hoon Neo Chin Robert Charles Chew Sutat

The Board Exco operates within the Board-approved written terms of reference which set out the Board Exco's authority and responsibilities.

The key duties and responsibilities of the Board Exco are to:

- Provide strategic direction on major developments to the Company's overall strategy and to review strategic matters for the Board's approval.
- Provide oversight on major corporate development, capital distribution, restructuring or merger and acquisition, as may be approved by the Board.
- Review and approve the Management's recommended Investment Policy.
- Review and approve any business opportunities, strategic investments, information technology programs, digital and technology innovation opportunities, and divestments within delegated authority limits.
- Review and approve investment transactions with material consequence.
- Review and approve unbudgeted expenditures within delegated authority limits.
- Provide steer to the Company's management on matters at early stages of development that will eventually be tabled to the Board; and significant initiatives, including new or potential initiatives in conceptualization and early exploration.

The number of Board Exco meetings held during the financial year and the attendance of the directors at these meetings are tabulated below.

Name of Director	No. of Meetings	
	Held	Attended
Ronald Ong[5]	5	3
Joy Tan[6]	5	5
Adeline Sum[7]	5	4
Chew Sutat	5	3
Neo Chin	5	4
Robert Charles	5	5
Sim Hwee Hoon	5	5

[5] Ceased as Chairman of Board Exco with effect from 31 July 2025
[6] Appointed as Chairperson of Board Exco with effect from 1 August 2025
[7] Ceased to be a member of Board Exco with effect from 31 March 2026

During the financial year, the Board Exco reviewed and discussed various topics including the investment strategy, capital utilization, and consumer distribution strategy. The Board Exco also reviewed its Terms of Reference to ensure that it remains relevant.

Risk Management Committee

The Risk Management Committee ("**RMC**") shall comprise at least three directors, the majority of whom, including the RMC Chair, shall be non-executive. The members of the RMC, including the RMC Chair, shall have relevant insurance or risk management experience. At least two members shall have the relevant technical financial sophistication in risk disciplines or business experience, as the Board interprets such qualification in its judgment.

The members of the RMC during the financial year were as follows:

Chair	Robert Charles
Members	Chen Peng Mak Keat Meng Richard Koh

The Board has not appointed any non-director to the RMC.

The Board delegates its oversight function to the RMC while retaining ultimate authority and responsibility. The RMC oversees the effectiveness of the risk management framework and policies, covering all material risks including market, credit, insurance, operational, liquidity, environmental, legal, regulatory, reputational, and technology risks.

Corporate Governance Report

For the financial year ended 31 December 2025

The key duties and responsibilities of the RMC are to:

- Set the tone from the top to inculcate the appropriate risk culture in the organization to promote risk awareness, effective risk management, and sound risk taking within the risk appetite approved by the Board.
- Review and approve or endorse for the Board's approval, the Company's risk management framework, key policies, risk appetite, tolerance limits and key risk indicators, which provide the structure for effective risk management.
- Review and endorse for the Board's approval the Company's solvency and capital management strategies.
- Review the adequacy and effectiveness of the enterprise-wide risk management system and processes for identifying, measuring, managing, monitoring, and reporting of risks.
- Review and advise the Board on the current and emerging risk profiles of the Company and the quality of response to managing these risks including those from stress test scenarios.
- Review the adequacy of risk management resources and the independence of the risk management function.
- Oversee the compliance framework, processes and legal matters, including significant issues related to fair dealing and complaint handling.
- Highlight to the Board issues of concern on key risks.

The RMC works closely with the NHCRC on the appointment of the Chief Risk Officer. The Chief Risk Officer reports directly to the Chief Executive Officer and has direct access to the RMC. In addition, the RMC works closely with the Investment Committee on investment risk matters and the AC in respect of regulatory risk matters.

The number of RMC meetings held during the financial year and the attendance of the directors at these meetings are tabulated below.

	No. of Meetings	
Name of Director	Held	Attended
Robert Charles	4	4
Chen Peng	4	4
Mak Keat Meng	4	4
Richard Koh	4	2

Amongst other activities, the RMC reviewed management initiatives to promote risk culture and refreshed the Company's risk appetite and tolerance limits as part of the annual exercise to align with Board approved business strategy. The RMC has also sharpened the Company's risk focus by identifying and reviewing priority risks and extensively discussed with the Management the Company's strategies for navigating the volatility of financial markets during the year. The RMC reviewed and was satisfied with the Management's response to Income Insurance's Own Risk and Solvency Assessment during the year. The RMC also oversaw the Company's compliance framework and processes. On risk culture, the Company has rolled out a program to systematically assess the design and effectiveness of internal controls and conducted activities to elevate risk awareness.

Nominating, Human Capital and Remuneration Committee

The NHCRC shall comprise at least three directors, all of whom shall be non-executive directors, and the majority of whom shall be independent. The Lead Independent Director (if any) should be a member of the NHCRC. There is no lead independent Director appointed at the end of the financial year as the Chairperson of the Board, Ms Joy Tan, is a non-executive and independent Director.

The members of the NHCRC during the financial year were as follows:

Chair	Sim Hwee Hoon
Members	Adeline Sum (ceased on 31 March 2026) Joy Tan Craig Ellis

The key duties and responsibilities of the NHCRC are:

- Determining the criteria to be applied in identifying suitable candidates and reviewing nominations and re-nominations for appointments to the Board and Board Committees.
- Reviewing and recommending to the Board a framework for determining the remuneration for the Board and external advisor to the Board, and the specific remuneration packages for each director.
- Recommending to the Board on the development of a process for the annual evaluation of the performance of the Board, Board Committees, and directors.
- Assessing the skills of the directors on an annual basis and identifying steps to improve the effectiveness of the Board and Board Committees.
- Determining the independence of each director at the time of appointment and on an annual basis prior to every annual general meeting, based on the definition and criteria set out in the provisions of the prevailing ICGR, including any amendment thereto. The NHCRC may make an alternate assessment of independence that a director who is not considered independent from business relationship, or not considered independent from the substantial shareholder, shall nonetheless be considered independent if the NHCRC is satisfied that the director's independent business judgment and ability to act in the interest of Income Insurance will not be impeded despite the relationship.
- Reviewing the adequacy of Board training and education and implementing an annual CPD program for the directors.
- Leading the process of appointing the key position holders with the approval of the Board.
- Reviewing and approving a framework for determining remuneration based on the factors set out in the ICGR.
- Reviewing and approving the remuneration plans and actual pay-out for the Management, including the Chief Executive Officer.
- Reviewing appointments and terminations of the Management, including the Chief Executive Officer.
- Reviewing the talent management framework and progress, and the succession plans for the executive team and key roles such as the Chief Executive Officer.
- Ensuring that remuneration plans, and talent planning take into account the organisation's culture and conduct framework.
- Oversight of Income Insurance's implementation of, and ongoing review of compliance with, the MAS Individual Accountability and Conduct Guidelines.

The NHCRC assists the Board to evaluate the suitability of candidates for appointment to the Board by ensuring that competent and qualified individuals capable of contributing to the success of the Company are considered. The NHCRC may engage external search consultants to source for potential candidates. Proposals for the appointment of new directors are reviewed by the NHCRC. The latter meets with short-listed candidates to assess their suitability and commitment. Competent individuals are assessed on their suitability taking into consideration, amongst others, their professional qualifications, integrity, financial and commercial business experience, and field of expertise relevant to the Company, potential to contribute to the effectiveness of the Board and to complement the expertise and experience of the Board.

In addition, the NHCRC determines the proposed candidate's independence under the ICGR and ensures that the appointment of the proposed candidate would satisfy the criteria under the regulations, and that he/she is a fit and proper person for the office, considering his/her track record, age, experience, capabilities, skills, and other relevant factors as may be determined by the Board. Such reviews are also conducted on an annual basis to ensure that each Director remains qualified for office based on the above criteria. The NHCRC recommends all director appointments for the Board's endorsement. In keeping with good corporate governance, all directors are subject to re-nomination and re-appointment once every three years. All new nominations to the Board require the prior approval of the MAS.

The NHCRC is mindful that directors who serve on multiple boards may be faced with competing time commitment. Although the NHCRC has not imposed a formal limit on the number of directorships which a director may hold, it requires each director to declare annually that he/she is able to devote sufficient time and attention to the Company and to adequately discharge his/her duties as director. The NHCRC has reviewed and is satisfied that directors who currently hold multiple board representations are able to devote adequate time and attention to discharge their duties effectively. The key directorships and principal commitments of each director are included in the write-up on the Board on our website at https://www.income.com.sg/about-us/corporate-information/board-of-directors.

The NHCRC also leads the process of appointing the key executive positions with the approval of the Board and reviews the resignations of such key executives.

Corporate Governance Report

For the financial year ended 31 December 2025

The number of meetings held during the financial year and the attendance of the directors at these meetings are tabulated below.

Name of Director	No. of Meetings Held	Attended
Sim Hwee Hoon	7	7
Adeline Sum[8]	7	7
Craig Ellis	7	6
Joy Tan	7	7

[8] Ceased to be a member of NHCRC with effect from 31 March 2026

In relation to the Board, the key areas reviewed included the assessment of new Board candidates, the skills and competencies required on the Board, the composition of the Board Committees, independence of directors, and Board evaluation results. In relation to the organisation, the key areas reviewed were the remuneration framework and remuneration of the Management team, talent management framework and development plans for the Management, the organisation's conduct and culture, as well as succession plans for the executive team and key position holders.

The NHCRC monitors the effectiveness of remuneration policies. It has reviewed the Company's compensation practices ensuring that compensation is aligned with prudent risk taking and is market competitive.

In 2025, the NHCRC commissioned Willis Towers Watson to conduct an independent annual review of Income Insurance's Remuneration Framework to assess the compliance of the framework with relevant regulations and guidelines to ensure good governance and practices within its policies and framework.

The Company also engaged Willis Towers Watson to perform a review of the Total Compensation framework for senior management to ensure the compensation is market comparable.

Digital and Technology Committee

The Digital and Technology Committee ("**DTC**") shall comprise at least three non-executive members, including the DTC Chair. External members may be appointed to the DTC based on relevant expertise and experience. The members of the DTC, including the DTC Chair, shall have relevant business, digital and/or technology innovation experience. At least two members shall have the relevant technical knowledge or business experience, as the Board interprets such qualification in its judgment.

The members of the DTC during the financial year were as follows:

Chair	Richard Koh
Members	Robert Charles
	Chen Peng (ceased on 1 August 2025)
	Han Soon Lang*
	Lim Kuo Siong*

* external member

The key duties and responsibilities of the DTC, as delegated by the Board, are to:

- Provide oversight on major IT programs and investment.
- Provide advice on strategies related to digital transformation, technology architecture, and technology-related innovations.
- Monitor and reviewing emerging trends in digitisation and technologies that may affect Income Insurance's strategy, including new developments in fintech and Insurtech.
- Review specific technology risks as requested by RMC. These will include cyber, IT resilience, and IT security. The outcome of the review will be updated to the RMC.
- Highlight and bringing to the attention of the Board any matters as the DTC deems appropriate.

The number of meetings held during the financial year and the attendance of the directors at these meetings are tabulated below.

Name of Director	No. of Meetings Held	Attended
Richard Koh	6	5
Robert Charles	6	6
Chen Peng[9]	6	4

[9] Ceased to be a member of DTC with effect from 1 August 2025

Sustainability Committee

The Sustainability Committee ("**SC**") was constituted by the Board in fulfilling its statutory and fiduciary responsibilities in sustainability-related matters by providing effective oversight, review and challenge to Income Insurance's management in the implementation of the Company's sustainability strategy, communication of its sustainability activities with its stakeholders and to provide input to the Board and other Board Committees on related matters.

The SC comprises at least three directors, including the SC Chair who is an Independent Director and appointed by the Board. The members of the SC shall have sustainability-related experience, relevant expertise, and business experience as the Board interprets such qualification in its judgment.

The SC comprises three members as follows.

Chair	Chew Sutat
Members	Sim Hwee Hoon (ceased on 1 August 2025)
	Neo Chin
	Chen Peng (appointed on 1 August 2025)

The key duties and responsibilities of the SC, as delegated by the Board, are to:

- Maintain oversight of the Company's execution of its sustainability strategy based on the identified priorities, actions, metrics and targets, as well as all relevant matters and issues, regulations, and public disclosure requirements as well as incentive arrangements linked to sustainability.
- Review, make recommendations and approve the Company's sustainability strategy, position statements, frameworks, ambition, policies, related sustainability matters, initiatives or activities, as well as escalating issues.
- Maintain oversight, review and approve the Company's disclosures relating to sustainability, including but not limited to its annual Sustainability Report, and provide information and advice to support the Board and the AC in relation to those disclosures, as required.

The number of meetings held during the financial year and the attendance of the directors at these meetings are tabulated below.

Name of Director	No. of Meetings Held	Attended
Chew Sutat	5	5
Chen Peng[10]	5	3
Neo Chin	5	5
Sim Hwee Hoon[11]	5	2

[10] Appointed as a member of SC with effect from 1 August 2025
[11] Ceased to be a member of SC with effect from 1 August 2025

The SC is the key driver of sustainability performance at Income Insurance as it continues to provide strategic inputs to drive the Company's progress in Environmental, Social and Governance and to deliver positive social impact in Singapore.

Corporate Governance Report

For the financial year ended 31 December 2025

RELATED PARTY TRANSACTIONS POLICY AND PROCESS

The Related Party Transactions Policy of the Company provides guidance and direction on the identification and approval of related party transactions. The policy prohibits all related party transactions, unless approved or ratified by the Board, or considered pre-approved as outlined in the policy. On a quarterly basis, the Management reports to the AC and Board any material related party transactions that are identified, and these transactions are reviewed at the AC and Board meetings.

Please refer to the Annual Report for Related Party Transactions disclosures.

REMUNERATION POLICY

Employees' Remuneration

The Company's policy is to remunerate its employees at competitive and appropriate levels that commensurate with their performance and contribution. It seeks to attract, motivate, reward, and retain quality employees and foster a performance-oriented culture across the organisation. The total compensation package for employees comprises basic salary, fixed and variable bonuses, as well as other staff benefits. The approximate mix of remuneration of fixed and variable is, on average, 84% - 16% for employees and managers. For the Management, the approximate mix is about 56% - 44%. In addition, a retention plan is provided for eligible staff members. To ensure that its remuneration package is competitive, the Company regularly reviews its base salary ranges and benefits package versus market data. Each job is graded, and base salary ranges are established (by using the market median as a midpoint guide) for each respective grade.

The company currently does not have any employee share option scheme in place.

Remuneration of Non-Executive Directors for 2025

The fee structure for Non-Executive Directors for 2025 is set out in the table below:

		Retainer Fee ($)
Board	Chairperson	120,000
	Deputy Chairperson	85,000
	Lead Independent Director	60,000
	Member	45,000
Board Committees	**Chair**	
	Audit Committee	40,000
	Board Executive Committee	40,000
	Digital and Technology Committee	40,000
	Nominating, Human Capital and Remuneration Committee	40,000
	Risk Management Committee	40,000
	Sustainability Committee	40,000
	Member	
	Audit Committee	28,500
	Board Executive Committee	28,500
	Risk Management Committee	28,500
	Digital and Technology Committee	20,000
	Nominating, Human Capital and Remuneration Committee	20,000
	Sustainability Committee	20,000

Each director is paid a director fee based on the retainer fee and the number of appointments held.

Non-Executive Directors' Remuneration for 2025

	Director Fee
Ronald Ong[12]	$92,931.51
Joy Tan	$155,024.65
Adeline Sum	$133,500.00
Sim Hwee Hoon	$137,063.02
Neo Chin	$93,500.00
Vincent Lien	$73,500.00
Robert Charles	$133,500.00
Mak Keat Meng	$113,500.00
Chen Peng	$93,500.00
Richard Koh	$113,500.00
Craig Ellis	$93,500.00
Chew Sutat	$113,500.00

[12] Mr Ronald Ong retired as Chairman and stepped down as a member of the Board Exco on 31 July 2025, and his retainer fee and fee for appointment to Board Exco for the financial year were pro-rated accordingly.

Ms Adeline Sum's retainer fee and fee for appointment to Board Exco and NHCRC for the financial year was paid fully in cash to NTUC Enterprise.

Immediate Family Member of Substantial Shareholder and Directors

The Company did not employ any immediate family member of a director, the Chief Executive Officer or substantial shareholder for the financial year. There is no employee who is a substantial shareholder of the Company.

Remuneration of Key Executives

The CG Guidelines recommend that the remuneration of at least the top five key executives be disclosed within bands of $250,000. After careful consideration, the Board has decided not to disclose information on the remuneration of the top five key executives, as the disadvantages to the Company's business interests would far outweigh the benefits of such disclosure in view of the disparities in remuneration in the industry, and the competitive pressures that are likely to result from such disclosure.

COMMUNICATION WITH SHAREHOLDERS

Shareholders of the Company can access relevant information on the Company at its website at www.income.com.sg. The corporate website is one of the means used to engage shareholders.

Shareholders are also given the opportunity to participate actively at the Company's general meetings where they can ask questions and communicate their views. The directors, the Management and external auditors are present at these meetings to address queries and concerns raised by shareholders.

Shareholders can also send in their enquiry to the Company via income.com.sg/inquiry.

MANAGEMENT OF STAKEHOLDER RELATIONSHIPS

The Company adopts an inclusive approach in management and engagement of stakeholders such as regulators, customers, employees, shareholders, business and community partners as part of its overall responsibility to ensure that the interest of the Company is served. The Sustainability Report FY 2025 sets out the Company's approach and key areas of focus in relation to managing its stakeholder relationships. The report is available at https://www.income.com.sg/sustainability.

Corporate Governance Report

For the financial year ended 31 December 2025

ENTERPRISE RISK MANAGEMENT

The Risk Management Strategy, as advised and endorsed by the RMC and approved by the Board, serves to ensure that the risk management framework is in place to identify, measure, manage, monitor, and report material risks consistently across all business activities.

Enterprise Risk Management Framework

The Enterprise Risk Management ("**ERM**") Framework at the Company level involves the overall assessment of risks to which Income Insurance can be exposed, at present as well as over the reasonably foreseeable future, and its integration with capital management.

Income Insurance's enterprise-wide Risk Appetite Statement articulates, quantitatively and qualitatively, the level of risk that the Company is ready to accept and tolerate and provides the basis for oversight and governance.

The foremost principle underlying the Income Insurance's ERM Framework is that all risk management activities are aimed at facilitating the achievement of its stated corporate objectives and social priorities, in a manner consistent with Income Insurance's aims of financial stability and serving the community, whilst protecting and enhancing the reputation and standing of the Company.

Within the ERM Framework, Income Insurance operates a "Three Lines of Defence" model for the management of the risks facing the business. The first line of defence comprises the various business units who are the ultimate owners of the risks. They have responsibility to identify, measure, manage, and monitor the risks in their respective areas. The second line of defence comprises the Risk Management and Compliance functions. They provide a review and challenge of the processes and controls in the first line business activities, and propose risk limits and polices for approval by the RMC or Board. The third line of defence comprises the IA function which provides independent assurance that the risks are being managed effectively.

Risk Management Principles

Risk is a key part of the Company's business and is defined as events which have a range of probabilistic outcomes, some of which have a negative impact on the organisation.

The risk management framework ensures that risks are properly measured, managed, and monitored. The framework is tailored to the organisation and business structure to ensure that it is relevant and effective. A review of the framework is performed regularly to ensure that it remains fit for purpose and that it provides the safeguards and assurances that the business is soundly run.

Under the risk management framework, risks are classified under eight broad categories which are most central to the business:

1. Market Risk

Market Risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as equity prices, interest rates, exchange rates, and others that may be only indirectly observable such as volatilities and correlations.

This risk is managed in accordance with the Market Risk Policy, which requires exposure limits and risk indicators to be established in line with the Income Insurance's risk appetite. Market risk is factored into the design of the asset-liability management strategy, investment management process, and product design and pricing.

2. Insurance Risk

Insurance risk refers to the uncertainty of claims paid by Income Insurance upon contingent, uncontrollable, events in return for premiums. Taking insurance risk to earn an economic profit is Income Insurance's core business. This risk is managed through the combination of underwriting and pricing.

The Insurance Risk Policy sets out the types of risks that are acceptable to Income Insurance, the limits of retention, and how new risks are to be evaluated and approved.

3. Credit Risk

Credit risk is the risk arising from the uncertainty of an obligor's ability to fulfil its contractual obligations to the Group. The risk gives rise to financial losses as a result of default of an obligor or deterioration in its credit quality. The obligors include security issuers, derivatives transactional counterparties, reinsurers, brokers, and other intermediaries such as exchange/clearing houses.

Income Insurance's Credit Risk Management Policy provides guidance on the measures for managing credit risk. The Company has put in place a robust process whereby credit exposures are managed through exposure limits set according to the credit worthiness of the obligors and the Income Insurance's risk appetite. Other measures include regular review of credit exposures and evaluation of different sources of credit risk.

4. Liquidity Risk

Liquidity risk is the risk of being unable to meet obligations in a timely and at a reasonable cost as they fall due. Liquidity risk could arise through uncertainties in the value and timing of our obligations, bad publicity and/or adverse market conditions leading to unexpected cash demands.

The risk is mitigated through effective asset-liability matching and holding sufficient and good quality liquid assets on the balance sheet. There is a robust process in place to maintain a level of operational cash to finance business operations and to mitigate the effects of fluctuations in cash requirements, as well as monitoring of liquidity risk indicators to manage the risk within risk appetite.

5. Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

Operational Risks are managed through:

- Establishing and executing enterprise-wide risk management strategies for specific operational risks that could materially impact the ability to do business or impact reputation.
- Risk and Control Self-Assessment

  Heads of Business Units and/or appointed Risk Champions and Representatives are accountable for the day-to-day management of the operational risks inherent in their operations. They identify and assess key risks and controls, and design controls and action plans to manage operational risks as part of their overall portfolio of risk, to achieve an effective internal control environment.
- Use of appropriate operational risk management tools, methodology, and mitigation strategies to identify, measure, and monitor key operational risk exposures.
- Risk reviews by the Risk Management function on specific areas of concern to identify areas for improvements and to close gaps or weaknesses.

In particular, there are policies, processes and controls in place:

- to protect the Company from risks associated with money laundering and terrorist financing, which include regular monitoring and screening activities.
- to protect customers, Income Insurance, and related third parties from fraud risks.

Corporate Governance Report

For the financial year ended 31 December 2025

6. Legal and Regulatory Risk

Legal and regulatory risks can arise from non-compliance, misinterpretation of regulations, unenforceable contracts and adverse assessments or judgments regarding an institution's business practices, or its inability or unwillingness to comply with laws, rules and regulations.

Legal risk is managed via the provision of adequate legal protection in contracts Income Insurance enters into, to mitigate against the non-enforceability of such legal contracts, and the risk of litigation.

Regulatory risk is managed through participation in industry-wide consultations, forums and impact studies, to keep abreast of the continually changing regulatory landscape that could materially impact Income Insurance's business activities such as business strategy, capital requirements, disclosure practices, provision of types of services or products, etc, and through timely implementation of appropriate compliance monitoring processes, controls, measures, and systems.

7. Reputational Risk

Income Insurance's business relies on its reputation and the trust its policyholders place in it for their financial security. Income Insurance is committed to continue to earn this trust by reinforcing fair and ethical practices, supported by strong compliance and corporate governance structures and processes.

8. Environmental Risk

Environmental risk arises from the potential adverse impact of changes in the environment on economic activities and human well-being. Environmental issues can result from climate change, loss of biodiversity, pollution, and changes in land use. These issues are inter-linked, and the current focus is on climate change, as the most serious environmental risk locally and globally.

9. Technology Risk

Technology Risk refers to risk related to any adverse outcome, damage, loss, disruption, violation, irregularity, or failure arising from the use of or reliance on computer hardware, software, electronic devices, networks, and telecommunication systems.

Technology risks are managed in accordance with the Technology Risk Policy, which provides guidance on identification, measurement, management, monitoring and reporting of technology risks that could have material impact to Income Insurance. There are processes and controls in place to manage cyber risks and technology risks relating to data loss/leakage, system security vulnerabilities, system breakdown and availability, privileged access misuse, and technology obsolescence.

ASSET LIABILITY MANAGEMENT

The Company adopts a rigorous and dynamic Asset Liability Management ("**ALM**") approach that drives the Company's strategic asset allocation ("**SAA**"). The ALM process does not focus only on addressing interest rate risk of the Company's Assets and Liabilities but rather, a 'balance sheet approach' is adopted with consideration of liability requirements and liquidity needs, supported by well-articulated risk appetite boundaries for the achievement of the Company's long-term return objectives.

The overall ALM approach in setting of the SAA is premised upon a prudent philosophy guided by the risk appetite.

The asset pool backing guaranteed liabilities is invested in a conservative mix of Singapore government bonds and other fixed income assets. The duration of the assets is driven by the profile of the liabilities, targeting good cash flow matching to minimise the fund's liquidity and interest rate risks.

The asset pool backing surpluses consists of assets backing non-guaranteed liabilities, capital requirements and surplus capital. The asset pool backing surpluses are invested in a conservative mix of public equities, fixed income and private assets to achieve optimal asset diversification benefit.

ALM METHODOLOGY

Studies are conducted annually to determine the optimal SAA to be adopted by the Company.

A range of financial models, such as interest rate models and multi-factor models, is used to develop economic scenarios. Each scenario contains forward looking views on interest rates, credit spreads, equity returns, and property returns, which are used to simulate the possible changes in both the value of the liabilities and the value of a portfolio of assets.

Several portfolio assets are run through the economic scenarios to determine their risk and return characteristics. The SAA is chosen as the portfolio that generates sufficient returns to meet fund objectives while staying within the Company's risk appetite.

Shareholder Listing

As of 31 December 2025

INSTITUTIONAL SHAREHOLDERS (25)	Number of Shares
NTUC Enterprise Co-operative Limited	77,987,342
Phillip Securities Pte Ltd	647,482
Singapore Mercantile Co-operative Society Limited	214,035
AUPE Credit Co-operative Limited	138,255
Singapore Teachers' Co-operative Society Limited	134,057
Singapore Shell Employees' Union Co-operative Ltd	83,463
Singapore Government Staff Credit Co-operative Society Limited	71,077
Esteemedia Co-operative Ltd	62,572
Customs Credit Co-operative Society Limited	59,715
Singapore National Co-operative Federation Limited	57,075
Citiport Credit Co-operative Limited	51,265
TCC Credit Co-operative Limited	38,124
Temasek Polytechnic Co-operative Society Ltd	35,880
Singapore Public Works Employees Credit Co-operative Society Limited	35,625
The Singapore Police Co-operative Society Limited	29,613
Green Link Digital Bank Pte Ltd	28,977
Singapore Prison Service Multi-Purpose Co-operative Society Limited	20,100
Premier Security Co-operative Limited	14,200
UTES Multi-Purpose Co-operative Society Ltd	13,304
TRC Multi-Purpose Co-operative Society Ltd	12,919
Industrial and Services Co-operative Society Limited	6,095
Ngee Ann Polytechnic Consumer Co-operative Society Limited	6,000
NUS Multi-Purpose Co-operative Society Limited	4,420
Seatrium Multi-Purpose Co-operative Society Ltd	3,306
Singapore Amalgamated Services Co-operative Organisation Limited	2,130
Total for Institutional Shareholders	79,757,031
INDIVIDUAL SHAREHOLDERS (15,492)	**27,434,714**
TOTAL	**107,191,745**

Corporate Information

As of 31 December 2025

BOARD OF DIRECTORS

Joy Tan (Chairperson)
Adeline Sum (Deputy Chairperson)
Chen Peng
Chew Sutat
Craig Ellis
Mak Keat Meng
Neo Chin
Richard Koh
Robert Charles
Sim Hwee Hoon
Vincent Lien

Audit Committee

Mak Keat Meng (Chairman)
Craig Ellis
Sim Hwee Hoon
Vincent Lien

Board Executive Committee

Joy Tan (Chairperson)
Adeline Sum
Chew Sutat
Neo Chin
Robert Charles
Sim Hwee Hoon

Digital & Technology Committee

Richard Koh (Chairman)
Robert Charles
Han Soon Lang
Lim Kuo Siong

Nominating, Human Capital and Remuneration Committee

Sim Hwee Hoon (Chairperson)
Adeline Sum
Craig Ellis
Joy Tan

Risk Management Committee

Robert Charles (Chairman)
Chen Peng
Mak Keat Meng
Richard Koh

Sustainability Committee

Chew Sutat (Chairman)
Chen Peng
Neo Chin

COMPANY SECRETARY

Cho Form Po
Boardroom Corporate & Advisory Services Pte. Ltd.

AUDITOR

KPMG LLP

REGISTERED ADDRESS

75 Bras Basah Road
Income Centre
Singapore 189557
Tel: 6788 1777
Website: www.income.com.sg

Statement by Directors

For the financial year ended 31 December 2025

We are pleased to present this annual report to the members together with the audited consolidated financial statements of Income Insurance Limited (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 31 December 2025.

In our opinion,

(a) the consolidated financial statements set out on pages 55 to 192 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International); 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

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

Tan Whei Mien, Joy
Sim Hwee Hoon
Neo Chin
Lien Jown Jing Vincent
Robert James Charles
Mak Keat Meng
Chen Peng
Koh Chin Kiong
Craig Anthony Ellis
Chew Sutat

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 kept by the Company for the purposes of Section 164 of the Act, particulars of interest of directors holding office at the end of the financial year (including those held by their spouses and children) in the shares in, or debentures of, the Company and related corporations are as follow:

	Holding registered in the name of director		Holding in which director is deemed to have an interest	
Name of director and corporation in which interest is held	As at 31 December 2025	As at 31 December 2024	As at 31 December 2025	As at 31 December 2024
Ordinary shares of Income Insurance Limited				
Neo Chin	**5,210**	5,210	**–**	–
Sim Hwee Hoon	**5,150**	5,150	**5,150**(1)	5,150(1)
Ordinary shares of NTUC Fairprice Co-operative Limited				
Sum Wai Fun Adeline (resigned on 31 March 2026)	**20**	20	**–**	–

Note:
(1) Deemed interest through spouse

Except as disclosed in this statement, no director holding office at the end of the financial year had interests in shares in, or debentures of, the Company or any related corporations either at the beginning or the end of the financial year.

SHARE OPTIONS

The Company does not have any share option scheme in place.

AUDITORS

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Tan Whei Mien, Joy
Chairperson

Mak Keat Meng
Director

Singapore
16 April 2026

Independent Auditors' Report

For the financial year ended 31 December 2025

MEMBERS OF THE COMPANY
INCOME INSURANCE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Income Insurance Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 55 to 192.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position 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 for the financial year ended on that date.

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 "Auditors' responsibilities for the audit of the financial statements" section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of insurance contract liabilities (Refer to Note 4(a), 5(a), 5(b), and 17 to the financial statements)

The key audit matter

The Group's insurance business comprises life and general insurance contracts. The Group has significant insurance contract liabilities representing more than 94% (2024: 94%) of its total liabilities as at 31 December 2025.

i) Life insurance contract liabilities measured using the general measurement model ("GMM") or the variable fee approach ("VFA")

Out of the total insurance contract liabilities, S$37.8 billion (2024: $36.5 billion) are attributable to the life insurance business measured using the GMM and VFA.

As indicated in Note 17 of the financial statements, the liabilities related to these insurance contracts include estimates for the present value of future cash flows, the risk adjustment for non-financial risk and the contractual service margin.

The valuation of the insurance contract liabilities involve significant judgements over the appropriateness of methods, assumptions and data used which include:

- estimation of the amount, timing, uncertainty of future cash flows and discount rate curves applied;
- determination of risk adjustment and the corresponding confidence level to be applied; and
- determination of the coverage units used to amortise the contractual service margin.

Economic assumptions such as investment return and interest rates, and non-economic assumptions such as mortality, morbidity, policyholder persistency and claims experience are some of the key inputs used to estimate the Group's life insurance contract liabilities.

Inappropriate or incomplete methods, assumptions and data can result in a material impact to the present value of future cash flows, risk adjustment and contractual service margin.

Due to the complexity and subjective judgements involved, coupled with sensitivity of the valuation of the insurance contract liabilities to these key judgements and assumptions, we have identified this as a key audit matter.

Independent Auditors' Report

For the financial year ended 31 December 2025

Valuation of insurance contract liabilities
(Refer to Note 4(a), 5(a), 5(b), and 17 to the financial statements) (Continued)

How was the matter addressed in our audit

We have involved our internal actuarial specialists to assist in performing the following audit procedures, amongst others:

- Discussed with management on the selection and application of the methods, assumptions and data used;
- Evaluated the appropriateness of methods, models and assumptions selected to estimate the future cash flows, discount rate curves, risk adjustment and contractual service margin;
- Evaluated the appropriateness and test the mathematical accuracy of methods, assumptions and data used;
- Evaluated management's sensitivity analysis;
- Evaluated the completeness, accuracy and relevance of data used, which include performing an assessment on the appropriateness of the reconciliation of data and data checks performed by management;
- Evaluated management's analysis of change to verify that the movement in the estimates of future cash flows and total insurance contract liabilities period to period are in-line with our business understanding; and
- Assessed the adequacy of the disclosures in the financial statements.

Findings

Based on our above procedures, we found the methods, data and assumptions used by management to be appropriate. We also found the disclosures on the valuation methodologies and assumptions applied (Note 4(a)), the insurance risk management note and the sensitivity analysis (Note 5(a)) to be in accordance with relevant SFRS(I) 17 disclosure requirements.

ii) General and life insurance contract liabilities measured under the premium allocation model ("PAA")

Out of the total insurance contract liabilities, $743 million (2024: $712 million) are attributed to the liabilities for incurred claim ("LIC") of the general and life insurance business measured under the PAA.

These are determined based on the Group's expectation of future payments for known and unknown claims and their related expenses. They are determined based on historical claims experience, existing knowledge of events, the terms and conditions of the relevant policies and interpretation of circumstances. The estimation of the LIC is sensitive to various assumptions applied including the assumed loss ratio, loss development factors as well as the discount rate.

Due to the complexity and subjective judgements involved, coupled with the sensitivity of the valuation of the insurance contract liabilities to these key judgements and assumptions, we have identified this as a key audit matter.

How was the matter addressed in our audit

We have involved our internal actuarial specialists to assist in performing the following audit procedures, amongst others:

- Evaluated the appropriateness of the actuarial valuation methodologies used against regulatory requirements and industry practices, where applicable;
- Evaluated the reasonableness of key assumptions used with reference to historical trends and experience. Where applicable, we benchmarked the assumptions to those used by other insurers with similar insurance contracts;
- Assessed the reasonableness of the movements in the liabilities to understand the key drivers of the changes during the year;
- Re-computed the insurance contract liabilities for all classes of business, using management's selected methodologies and assumptions to ascertain the accuracy of the calculation;
- Analysed independently all key classes of businesses using our internal actuarial selected methodologies and assumptions to determine a reasonable range of best estimates, and compared the Group's calculated result against that range; and
- Assessed the adequacy of the disclosures in the financial statements.

Valuation of insurance contract liabilities
(Refer to Note 4(a), 5(a), 5(b), and 17 to the financial statements) (Continued)

Findings

Based on our above procedures, we considered the methodologies and assumptions used in the valuation of the general and life insurance contract liabilities measured using PAA were in accordance with relevant requirements. We tested management's evaluation in arriving at their justification of the key assumptions which have been tested for sensitivity and retrospective review. We also found that the disclosures on the valuation methodologies and assumptions applied (Note 4(a)), the insurance risk management note and sensitivity analysis (Note 5(b)) to be in accordance with relevant requirements.

Valuation of other financial assets classified as Level 3 under the fair value hierarchy
(Refer to Note 5(f) and 12 to the financial statements)

The key audit matter

The Group's investment portfolio represents more than 91% (2024: 89%) of its total assets. Out of the financial instruments that were carried at fair value in the Group's consolidated financial statements as at 31 December 2025, the areas that involved significant judgement were the valuation of unquoted funds, debt and equities, representing approximately 15% (2024: 15%) of the Group's total investments.

These financial instruments are classified as Level 3 in the fair value hierarchy, where their fair values are measured using significant unobservable inputs such as the net asset value of the investee funds or companies.

How was the matter addressed in our audit

Our overall approach to audit the valuation of financial assets classified as Level 3 included the following:

- Understood from management on their valuation approaches for these Level 3 instruments to assess the appropriateness of the basis of valuations;
- Considered management's sensitivity analysis in respect of the key assumptions used to assess the impact, if any, to the valuation;
- Obtained independent confirmations to ascertain the reliability of inputs used in the valuations;
- Evaluated the reliability of valuation approaches used in the valuation of Level 3 instruments by performing look-back procedures to compare prior year inputs to the investees' audited financial statements; and
- Assessed the adequacy of the disclosures in the financial statements on the fair value measurement basis.

Findings

The valuation methods applied are in line with generally accepted market practices and the valuations are consistent with the net asset values obtained from external fund manager reports. We also found that the disclosures on fair value measurement (Note 5(f)) to be in accordance with relevant requirements.

Independent Auditors' Report

For the financial year ended 31 December 2025

Valuation of investment properties

(Refer to Note 5(f) and 8 to the financial statements)

The key audit matter

The Group owns a portfolio of investment properties comprising commercial properties. These investment properties are carried at fair values as determined by independent professional valuers.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are sensitive to key assumptions applied such as the capitalisation rates and discount rates; where a change in the assumptions can have a significant impact to the valuation.

How was the matter addressed in our audit

Our overall approach to audit the valuation of investment properties included the following:

- Inquired and assessed management's basis of determining fair values of investment properties;
- Evaluated the competency and objectivity of the independent property valuers;
- Assessed the appropriateness and reasonableness of the valuation methodologies and key assumptions used by the independent property valuers such as the capitalisation rates, discount rates, rental growth rates and estimated rental rates;
- Assessed management's computation and accounting treatment of fair value changes; and
- Assessed the adequacy of the disclosures in the financial statements in describing the inherent degree of subjectivity and key assumptions in the estimates.

Findings

The Group has a process in appointing valuers, and in reviewing, challenging and accepting their valuations. A valuation was performed by the valuers on the Group's portfolio of investment properties at the reporting date. The valuers are members of recognised professional bodies for valuers and have considered their own independence in carrying out their work. The valuation methodologies used are in line with generally accepted market practices and the key assumptions used are within the range of market data. We also found that the disclosures on the fair value measurement (Note 5(f)) to be in accordance with relevant requirements.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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.

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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 controls.
- Obtain an understanding of internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditors' Report

For the financial year ended 31 December 2025

- 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 auditors' 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 auditors' 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 activities 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.

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 controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

The engagement partner on the audit resulting in this independent auditors' report is Ms. Fan Yuanling Pamela.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
16 April 2026

Statements of Financial Position

As at 31 December 2025

	Note	Group 2025 $'000	Group 2024 $'000	Company 2025 $'000	Company 2024 $'000
Assets					
Property, plant and equipment	6	**44,261**	45,796	**43,460**	44,591
Intangible assets	7	**180,176**	193,428	**179,977**	192,899
Investment properties	8	**1,078,463**	1,071,738	**1,078,463**	1,071,738
Investment in subsidiaries	9	**–**	–	**98,898**	114,666
Investment in joint ventures	10	**621,920**	636,928	**621,920**	636,928
Investment in associated companies	11	**68,328**	85,246	**–**	–
Other financial assets	12	**40,817,063**	39,013,169	**40,792,022**	38,991,767
Loans	14	**83,617**	83,871	**83,617**	83,871
Derivative financial instruments	15	**175,080**	104,962	**175,080**	104,962
Insurance contract assets	17	**17,400**	6,700	**17,400**	6,700
Reinsurance contract assets	17	**128,957**	102,293	**128,957**	102,293
Other receivables	18	**535,265**	474,027	**536,773**	467,932
Cash and cash equivalents	19	**930,193**	1,550,713	**923,457**	1,546,102
Assets held for sale	32	**–**	45,840	**–**	45,840
Total Assets		**44,680,723**	43,414,711	**44,680,024**	43,410,289
Liabilities					
Insurance contract liabilities	17	**39,078,072**	37,714,569	**39,078,072**	37,714,569
Reinsurance contract liabilities	17	**13,348**	26,187	**13,348**	26,187
Deferred tax liabilities	16	**39,104**	45,786	**39,104**	45,786
Derivative financial instruments	15	**69,608**	510,904	**69,608**	510,904
Borrowings	20	**841,142**	840,719	**840,450**	839,729
Current tax liabilities	16	**19,872**	–	**19,872**	–
Other payables	21	**1,109,663**	840,649	**1,118,711**	845,209
Liabilities held for sale	32	**–**	1,274	**–**	1,274
Total Liabilities		**41,170,809**	39,980,088	**41,179,165**	39,983,658
Net Assets		**3,509,914**	3,434,623	**3,500,859**	3,426,631
Share Capital and Reserves					
Share capital	22	**3,203,821**	3,203,821	**3,203,821**	3,203,821
Retained earnings		**297,038**	222,810	**297,038**	222,810
Shareholders' Equity		**3,500,859**	3,426,631	**3,500,859**	3,426,631
Non-controlling interest		**9,055**	7,992	**–**	–
Total equity		**3,509,914**	3,434,623	**3,500,859**	3,426,631

The accompanying notes form an integral part of the consolidated financial statement.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2025

	Note	2025 $'000	2024 $'000
Insurance revenue	24	**1,790,594**	1,629,460
Insurance service expenses	17, 26	**(1,704,821)**	(1,541,628)
Net expenses from reinsurance contracts	17	**(4,930)**	(13,770)
Insurance service result		**80,843**	74,062
Other investment revenue	25	**3,116,329**	2,103,333
Net impairment loss on financial assets	25	**(13,488)**	(23,992)
Investment return		**3,102,841**	2,079,341
Net finance expenses from insurance contracts	25	**(2,932,429)**	(1,995,942)
Net finance income from reinsurance contracts	25	**2,198**	4,165
Net financial result		**172,610**	87,564
Other income		**20,927**	16,796
Other operating expenses	26	**(113,884)**	(126,821)
Interest expenses	20	**(26,961)**	(26,682)
Share of results of joint ventures (net of tax)	10	**309**	15,618
Share of results of associated companies (net of tax)	11	**(1,744)**	(6,620)
Share of results of equity-accounted investees (net of tax)		**(1,435)**	8,998
Profit before tax		**132,100**	33,917
Tax (expense)/credit	16	**(13,186)**	10,906
Profit after tax		**118,914**	44,823
Attributable to:			
Shareholders		**118,820**	44,632
Non-controlling interest		**94**	191
		118,914	44,823
Other comprehensive income/(loss):			
Items that will not be reclassified to profit or loss:			
Fair value loss of equity instruments at fair value through other comprehensive income ("FVOCI")		**3,641**	(102)
Change in insurance contract liabilities arising from FVOCI movement		**(2,672)**	75
Other comprehensive income/(loss)		**969**	(27)
Total comprehensive income		**119,883**	44,796
Total comprehensive income attributable to:			
Shareholders		**118,820**	44,632
Non-controlling interests		**1,063**	164
		119,883	44,796

The accompanying notes form an integral part of the consolidated financial statement.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2025

	Note	Attributable to equity holders of the Company: Share Capital $'000	Fair Value Reserve $'000	Retained Earnings $'000	Total $'000	Non-Controlling Interests $'000	Total Equity $'000
Group							
Balance at 1 January 2024		3,203,821	(93,651)	336,815	3,446,985	7,828	3,454,813
Adjustment on initial application of SFRS(I) 9, net of tax	3(b)	–	93,651	(89,284)	4,367	–	4,367
Restated balance at 1 January 2024		3,203,821	–	247,531	3,451,352	7,828	3,459,180
Comprehensive income/(loss) for the financial year							
Profit for the financial year		–	–	44,632	44,632	191	44,823
Other comprehensive loss		–	–	–	–	(27)	(27)
Total comprehensive income for the financial year		–	–	44,632	44,632	164	44,796
Transactions with owners, recognised directly in equity							
Dividends	23	–	–	(69,353)	(69,353)	–	(69,353)
Total transactions with owners		–	–	(69,353)	(69,353)	–	(69,353)
Balance at 31 December 2024		3,203,821	–	222,810	3,426,631	7,992	3,434,623
Group							
Balance at 1 January 2025		3,203,821	–	222,810	3,426,631	7,992	3,434,623
Comprehensive income/(loss) for the financial year							
Profit for the financial year		–	–	118,820	118,820	94	118,914
Other comprehensive income		–	–	–	–	969	969
Total comprehensive income for the financial year		–	–	118,820	118,820	1,063	119,883
Transactions with owners, recognised directly in equity							
Dividends	23	–	–	(44,592)	(44,592)	–	(44,592)
Total transactions with owners		–	–	(44,592)	(44,592)	–	(44,592)
Balance at 31 December 2025		3,203,821	–	297,038	3,500,859	9,055	3,509,914

The accompanying notes form an integral part of the consolidated financial statement.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2025

	Note	Share Capital $'000	Fair Value Reserve $'000	Retained Earnings $'000	Total Equity $'000
Company					
Balance at 1 January 2024		3,203,821	(105,322)	348,486	3,446,985
Adjustment on initial application of SFRS(I) 9, net of tax	3(b)	–	105,322	(100,955)	4,367
Restated balance at 1 January 2024		3,203,821	–	247,531	3,451,352
Comprehensive income for the financial year					
Profit for the financial year		–	–	44,632	44,632
Total comprehensive income for the financial year		–	–	44,632	44,632
Transactions with owners, recognised directly in equity					
Dividends	23	–	–	(69,353)	(69,353)
Total transactions with owners		–	–	(69,353)	(69,353)
Balance at 31 December 2024		3,203,821	–	222,810	3,426,631

	Note	Share Capital $'000	Fair Value Reserve $'000	Retained Earnings $'000	Total Equity $'000
Company					
Balance at 1 January 2025		3,203,821	–	222,810	3,426,631
Comprehensive income for the financial year					
Profit for the financial year		–	–	118,820	118,820
Total comprehensive income for the financial year		–	–	118,820	118,820
Transactions with owners, recognised directly in equity					
Dividends	23	–	–	(44,592)	(44,592)
Total transactions with owners		–	–	(44,592)	(44,592)
Balance at 31 December 2025		3,203,821	–	297,038	3,500,859

The accompanying notes form an integral part of the consolidated financial statement.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2025

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Profit after tax		**118,914**	44,823
Adjustments for:			
Tax expense/ (credit)	16	**13,186**	(10,906)
Depreciation of property, plant and equipment	6	**8,405**	9,424
Amortisation of intangible assets	7	**46,782**	44,838
Amortisation of intangible assets arising from an associated company	11	**1,686**	4,353
Write-offs of property, plant and equipment	6	**22**	154
Write-offs of intangible assets	7	**5,334**	6,444
Interest income	25	**(912,236)**	(860,270)
Dividend income	25	**(429,536)**	(408,325)*
Interest expenses		**26,961**	26,682
Change in fair value of other financial assets	25	**(1,410,187)**	(1,870,403)
Change in fair value of derivatives	25	**(471,227)**	973,470
Change in fair value of investment properties	25	**(3,900)**	(70,712)
Gain on sale of investment properties	25	**(1,934)**	–
Impairment made during the year	18, 25	**13,528**	27,821
Allowance for doubtful loans written back during the year	14	**–**	8
Increase in insurance and reinsurance contract assets/liabilities	17	**1,313,300**	648,042
Share of results of joint venture companies	10	**(309)**	(15,618)*
Share of results of associated companies	11	**1,744**	6,620
Operating cash flows before changes in working capital		**(1,679,467)**	(1,443,555)
Changes in working capital:			
Other receivables		**(56,492)**	(131,704)
Other payables		**270,422**	51,214
Cash generated from operations		**(1,465,537)**	(1,524,045)
Net cash flows used in operating activities		**(1,465,537)**	(1,524,045)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	**(4,294)**	(1,767)
Purchase of intangible assets	7	**(38,864)**	(55,816)
Increase in investment properties	8	**(2,825)**	(3,096)
Proceeds from disposal of investment property	8, 32	**48,090**	142,000
Interest received		**907,425**	858,811
Dividend received		**444,878**	425,076
Increase in other financial assets and derivative financial instruments		**(432,925)**	(106,053)
Increase in loans		**254**	584
Net cash flows from investing activities		**921,739**	1,259,739
Cash flows from financing activities			
Payment of lease liabilities	20	**(5,265)**	(4,714)
Dividends paid	22	**(44,592)**	(69,353)
Interest paid	20	**(26,865)**	(26,589)
Net cash flows used in financing activities		**(76,722)**	(100,656)
Net decrease in cash and cash equivalents		**(620,520)**	(364,962)
Cash and cash equivalents as at beginning of year		**1,550,713**	1,915,675
Cash and cash equivalents at 31 December	19	**930,193**	1,550,713

* See Notes 10 and 25

The accompanying notes form an integral part of the consolidated financial statement.

Notes to the Financial Statements

For the financial year ended 31 December 2025

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

1. GENERAL

Income Insurance Limited ("the Company") is domiciled in Singapore and constituted under the Companies Act 1967 ("the Act"). The address of the Company's registered office is 75 Bras Basah Road, Income Centre, Singapore 189557.

The Company was incorporated as a company limited by shares on 13 October 2021 as Income Insurance Private Limited with $1 share capital held by NTUC Income Insurance Co-operative Limited ("Co-operative"). On 27 December 2021, the Company was converted to a public company and thus correspondingly changed its name to Income Insurance Limited.

On 1 September 2022, there was a transfer of the entire insurance business, including all the assets and liabilities, of the Co-operative to the Company, pursuant to a scheme of transfer under Section 117 of the Insurance Act 1966 and other agreements.

The principal activities of the Company consist of the underwriting of life and general insurance business and carrying out investment activities incidental to its business. The principal activities of its subsidiaries are investment holding and financial advisory services.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s").

The assets and liabilities of the Company which relate to the insurance business carried on in Singapore are subject to the requirements of the Insurance Act 1966 ("the Insurance Act"). Assets held in the insurance funds may be withdrawn only if the withdrawal meets the requirements stipulated in Section 16 of the Insurance Act and the Company continues to be able to meet the solvency requirement of Section 17 of the Insurance Act.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

(c) Functional and presentation currency

The financial statements are presented in Singapore Dollars ("SGD" or "$") which is the functional currency of the Company, and all values are rounded to the nearest thousand, unless otherwise stated.

2. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are made are disclosed in Note 4.

(i) Judgements

Information about critical judgements in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements are included in the following notes:

- Note 3(m) – impairment of financial assets
- Notes 3(k) to 3(l), 12 and 15 – classification of financial assets and financial liabilities
- Notes 3(a)(i) and 17 – classification of insurance, reinsurance and investment contracts
- Notes 3(a)(iii) and 17 – level of aggregation of insurance and reinsurance contacts
- Notes 3(a)(vi), 3(a)(vii) and 4(a) – measurement of insurance and reinsurance contracts
- Note 5(f) – fair value measurements
- Note 8 – classification of investment properties

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year are included in the following notes:

- Notes 3(a)(vi), 3(a)(vii) and 4(a) – measurement of insurance and reinsurance contracts
- Note 3(m) – impairment of financial assets
- Note 8 and 12 – measurement of the fair value of financial instruments, investment properties and owner-occupied properties with significant unobservable inputs
- Note 16 – recognition of deferred tax assets

(e) New accounting standards and amendments

The Group has applied Amendments to SFRS(I) 1-21 *Lack of Exchangeability* for the first time for the annual period beginning on 1 January 2025. The application of these amendments to accounting standards have no material impact on the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

(a) Insurance and reinsurance contracts

(i) Classification

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, are classified as insurance contracts.

Contracts held by the Group under which it transfers significant insurance risk related to its issued insurance contracts are classified as reinsurance contracts held. Insurance and reinsurance contracts may also expose the Group to financial risk.

Insurance contracts can be classified as direct participating contracts or contracts without direct participation features ("DPF"). Direct participating contracts are contracts for which, at inception:

- the contractual terms specify that the policyholder participates 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.

All other insurance contracts, and all reinsurance contracts held, are classified as contracts without direct participation features.

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

The Group does not separate components from insurance and reinsurance contracts except in the following cases. At inception, the Group is required to separate distinct investment components, embedded derivatives, goods and non-insurance services from an insurance contract, and account for them as if they were stand-alone contracts. The separated components need to be accounted for according to SFRS(I) 9 (embedded derivatives, investment components) or SFRS(I) 15 (non-insurance goods and services).

An investment component, represents the amount that an insurance contract requires the Group to repay to a policyholder in all circumstances, regardless of whether an insured event occurs.

Distinct investment component(s) within an insurance contract should be separated, if and only if:

- a separate measurement of the investment component is possible;
- the policyholder can benefit from one component without the other; and
- there is a contract with equivalent terms sold, or could be sold.

Embedded derivatives in a host insurance contract should be separated, if and only if:

- the embedded derivative is not closely related to the host; and
- a separate financial instrument with the same terms as the embedded derivative would meet the derivative definition in SFRS(I) 9.

The cash value and deposit account are accounted as investment component(s) of a contract. With the above assessment, cash value and deposit account are highly interrelated with the insurance contract, therefore they are defined as non-distinct investment component(s) and are not separately accounted for. Non-distinct investment components are excluded from insurance revenue and insurance service expenses.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(iii) Level of aggregation

The Group has identified portfolios of insurance contracts. Each portfolio comprises contracts that are subject to similar risks and managed together. No groups for level of aggregation purposes may contain contracts issued more than one year apart. Subsequently, the portfolios of contracts are further divided into three groups, as follows:

- contracts that are onerous at initial recognition;
- contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently; and
- any remaining contracts in the portfolio.

For reinsurance contracts held, the identified portfolios are divided into three groups:

- contracts that have a net gain at initial recognition;
- contracts that have no significant possibility of a net gain arising subsequently to initial recognition; and
- any remaining contracts in the portfolio.

The resulting groups represent the level at which the recognition and measurement accounting policies are applied. The groups are established on initial recognition, and their composition is not reassessed subsequently.

(iv) Recognition

The Group recognises a group of insurance contracts issued from the earliest of the following:

- the beginning of the coverage period of the group of contracts, where the coverage period refers to the period during which the Group provides insurance contract services, including the services that relates to all premiums within the boundary of the insurance contract;
- the date when the first payment from a policyholder in the group becomes due, or the date when the first payment from the policyholder is received if there is no contractual due date; or
- the date when facts and circumstances indicate a group of insurance contracts has become onerous.

The Group recognises a group of proportionate reinsurance contracts held at the later of:

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

The Group recognises a group of non-proportionate reinsurance contracts held at the beginning of the coverage period of the group of reinsurance contracts held.

When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition, and their composition is not revised once all contracts have been added to the group.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(v) Contract boundary and fulfilment cash flows within contract boundary

Contract boundary

The measurement of a group of contracts includes all future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services.

A substantive obligation to provide insurance contract services ends when:

- the Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those reassessed risks; or
- both of the following criteria are satisfied:
  - (i) the Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio; and
  - (ii) the pricing of the premiums up to the reassessment date does not consider the risks that relate to periods after the reassessment date.

The assessment of the contract boundary is performed at the initial recognition date of the contract, and is reassessed at each reporting period to include the effect of changes in circumstances on the Group's substantive rights and obligations.

Cash flows outside the contract 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 that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer, or has a substantive right to receive services from the reinsurer. A substantive right to receive services from the reinsurer ends either when the reinsurer has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks, or when the reinsurer has a substantive right to terminate the coverage.

Fulfilment cash flows

Fulfilment cash flows comprise estimates of future cash flows adjusted to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows, together with a risk adjustment for non-financial risk.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(v) Contract boundary and fulfilment cash flows within contract boundary (continued)

Fulfilment cash flows (continued)

Future cash flows

The estimates of the future cash flows are based on a probability weighted mean of the full range of possible outcomes. They are determined from the Group's perspective and reflect conditions existing at the measurement date, including assumptions at that date about the future.

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.

Cash flows within the contract boundary are those that relate directly to the fulfilment of the contract, including cash flows which the Group has discretion over the amount or timing. Cash flows relating to costs that cannot be directly attributed to portfolios of insurance contracts are recognised in profit or loss when incurred.

Discount rates

The estimates of future cash flows are discounted to reflect the time value of money and the financial risks related to those cash flows, to the extent that the financial risks are not included in the estimates of the cash flows. The discount rates applied reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of the cash flows. The determination of discount rates requires significant judgement and estimation. Refer to Note 4(a)(i) for further details.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing the uncertainty of the amount and timing of the cash flows of groups of insurance contracts, that arises from non-financial risk.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk transferred by the Group to the reinsurer.

The risk adjustment for non-financial risk is estimated separately and explicitly from the estimates of future cash flows (refer to Note 4(a)(i)).

Non-performance risk

Non-performance risk of the reinsurer is included in the estimates of the present value of the future cash flows for the groups of reinsurance contracts held, to account for the effect of any risk of non-performance by issuer of the reinsurance contract. This is not measured for groups of insurance contracts issued.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts not measured under the PAA

Under SFRS(I) 17, insurance contracts are measured applying GMM or VFA. The Group applies GMM or VFA based on the specific characteristics of the insurance contracts issued. Reinsurance contracts held are measured under GMM.

Insurance contracts – Initial measurement

On initial recognition, the Group measures a group of insurance contracts as the total of the fulfilment cash flows (refer to note 3(a)(v)) and the contractual service margin ("CSM").

The CSM is a component of the asset or liability of a group of insurance contracts that represents the unearned profit that the Group will recognise as it provides insurance contract services under those contracts.

The CSM at initial recognition of a group of insurance contracts that is not onerous, is an amount that results in no income or expenses arising from:

(a) the initial recognition of an amount of fulfilment cash flows;

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

(c) any cash flows arising from the contracts in the group at that date; and

(d) the derecognition at the date of initial recognition of any assets or liabilities previously recognised for other cash flows related to the group.

If the total of (a) to (d) is a net outflow, the group of insurance contracts is considered onerous, and a loss is recognised in profit or loss immediately with no CSM recognised on the balance sheet on initial recognition of the group of insurance contracts.

A loss component of the liability for remaining coverage will be established for an onerous group to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous groups, and are consequently excluded from the determination of insurance revenue.

Whereas if the total of (a) to (d) is a net inflow, the CSM measured will result in no income or expenses arising at initial recognition except in relation to assets for other cash flows referred to in (d). The Group recognises insurance revenue and insurance service expenses for the amount of an asset for other cash flows that is derecognised on initial recognition of the related group of insurance contracts.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts not measured under the PAA (continued)

Insurance contracts – Subsequent measurement

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

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates, and current estimates of the risk adjustment for non-financial risk.

Changes in fulfilment cash flows are recognised as follows.

- changes relating to future service – Adjusted against the CSM (or recognised in the insurance service result in profit or loss, if the group is onerous);
- changes relating to current or past services - Recognised in the insurance service result in profit or loss; and
- effects of the time value of money, financial risk, and changes therein on estimated future cash flows - Recognised as insurance finance income or expenses.

The CSM of each group of contracts subsequent to initial recognition is measured at the end of each reporting period. The CSM at the end of the reporting period represents the unearned profit in the group of insurance contracts that has not yet been recognised in profit or loss because it relates to the future service to be provided under the contracts in the group.

Insurance contracts without direct participation features

Insurance contracts without direct participation features are measured under GMM. The carrying amount of the CSM at the end of each reporting period is the carrying amount at the start of the reporting period, adjusted for:

- the CSM of any new contracts that are added to the group in the period;
- interest accreted on the carrying amount of the CSM during the period based on discount rates determined at initial recognition;
- changes in fulfilment cash flows that relate to future services, except to the extent that any increases in the fulfilment cash flows exceeds the carrying amount of the CSM, giving rise to a loss, or any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in the profit or loss;
- the effect of any currency exchange differences on the CSM; and
- the amount of CSM recognised as insurance revenue because of the services provided during the period determined after all other adjustments above.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts not measured under the PAA (continued)

Insurance contracts without direct participation features (continued)

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise:

- experience adjustments that arise from the premiums received in the period that relate to future service and related cash flows, measured at the discount rates determined at initial recognition;
- changes in estimates of the present value of the future cash flows in the liability for remaining coverage, measured at the discount rates determined at initial recognition, except those relating to the time value of money and changes in financial risk;
- differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, measured at the discount rates determined at initial recognition;
- differences between any loan to a policyholder expected to become repayable in the year and the actual amount that becomes repayable in the year; and
- changes in the risk adjustment for non-financial risk that relate to future service.

Any changes in discretionary cash flows are regarded as relating to future services and the CSM will be adjusted accordingly.

Direct participating contracts

Direct participating contracts are measured under VFA, subject to meeting the VFA eligibility test. They are contracts under which the Group's obligation to the policyholder is the net of:

- the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
- a variable fee in exchange for future services provided by the contracts, being the Group's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns on the underlying items. The Group provides investment services under these contracts by promising an investment return based on underlying items, in addition to insurance coverage.

When measuring a group of direct participating contracts, the Group adjusts the fulfilment cash flows for the changes in the obligation to pay policyholders by an amount equal to the fair value of the underlying items. These changes do not relate to future services and do not adjust the CSM. They are recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts not measured under the PAA (continued)

Direct participating contracts (continued)

The Group then adjusts the CSM for changes in the Group's share of the fair value of the underlying items, which relate to future services, as follows:

- the CSM of any new contracts that are added to the group in the period;
- the Group's share of the change in the fair value of the underlying items, except to the extent that:
  - i. the Group's share of a decrease in the fair value of the underlying items exceeds the carrying amount of the CSM, giving rise to a loss; or
  - ii. the Group's share of an increase in the fair value of the underlying items, reversing losses previously recognised in profit or loss; or
  - iii. risk mitigation applies
- the changes in fulfilment cash flows relating to future services, except to the extent that:
  - i. any increases in the fulfilment cash flows exceeds the carrying amount of the CSM, giving rise to a loss; or
  - ii. any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss; or
  - iii. risk mitigation applies.
- the effect of any currency exchange differences on the CSM; and
- the amount of CSM recognised as insurance revenue because of the services provided during the period.

Changes in the fulfilment cash flows that do not vary based on the returns on underlying items comprise the change in the effect of the time value of money and financial risks not arising from the underlying items, and those specified above for contracts without direct participation features. These changes relate to future service and will adjust the CSM. For all other changes in the fulfilment cash flows, they will adjust the CSM to the extent they relate to future service.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts not measured under the PAA (continued)

Reinsurance contracts

The Group applies the same accounting policies as are applied to insurance contracts without direct participation features to measure a group of reinsurance contracts, with the following modifications.

Reinsurance contracts held – Initial measurement

Reinsurance contracts held are measured under GMM.

On initial recognition, the CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. The CSM measured at initial recognition is equal to the opposite amount of the sum of:

(a) the fulfilment cash flows;

(b) the derecognition at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held;

(c) any cash flows arising at that date; and

(d) any income recognised in profit or loss because of onerous underlying contracts recognised at that date.

If the net cost of purchasing reinsurance coverage relates to insured events that occurred before the purchase of the group of reinsurance contracts, the Group recognises such a cost immediately in profit or loss as an expense.

Reinsurance contracts held – Recognition of recovery of losses on underlying insurance contracts

For reinsurance contracts held, the Group adjusts the CSM, and as a result recognises income, 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 group.

A loss recovery component within the remaining coverage for reinsurance contracts held is established by depicting the amount of income recognised in Note(3)(a)(vi)(d) above. The loss recovery component is calculated by multiplying the loss recognised on the group of underlying insurance contracts and the percentage of claims on the group of underlying insurance contracts the Group has a right to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid.

It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vi) Measurement – Contracts not measured under the PAA (continued)

Reinsurance contracts (continued)

Reinsurance contracts held – Subsequent measurement

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage component and the asset for incurred claims component. The asset for remaining coverage component comprises:

(a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods; and

(b) any remaining CSM at the date.

The present value of future cash flows of groups of reinsurance contracts are measured using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for the risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

The carrying amount of the CSM of a group of reinsurance contracts held at the end of each reporting period is the carrying amount at the start of the reporting period, adjusted for:

- the CSM of any new contracts that are added to the group in the period;
- interest accreted on the carrying amount of the CSM during the period, measured at the discount rates determined at initial recognition;
- income recognised in profit or loss in the reporting period on initial recognition of onerous underlying reinsurance contracts held due to loss recovery;
- reversal of loss recovery component, to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held;
- changes in fulfilment cash flows measured at the discount rates determined on initial recognition, to the extent that the change relates to future services, unless it results from a change in fulfilment cash flows allocated to a group of underlying insurance contracts that does not adjust the CSM of the group of underlying insurance contracts;
- the effect of any currency exchange differences on the CSM; and
- the amount of CSM recognised in profit or loss because of the services received in the period.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vii) Measurement – Contracts measured under the PAA

The Group applies PAA to all insurance contracts issued, and reinsurance contracts held, that satisfy either one of the following conditions:

- the coverage period of each contract in the group is one year or less; or
- for contracts longer than one year, the Group has applied the PAA Eligibility test and reasonably expects that the measurement of the liability for remaining coverage does not differ materially from the measurement that would be produced applying the general measurement model.

Insurance contracts – Initial measurement

For a group of contracts that is not onerous at initial recognition, the carrying amount of the liability for remaining coverage is measured as the premiums received on initial recognition, less insurance acquisition cash flows at that date, adjusted for any amount arising from the derecognition of any assets for insurance acquisition cash flows asset, and any other asset and liability previously recognised for cash flows related to the group of contracts.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage (including the risk adjustment for non-financial risk) exceed the carrying amount of the liability for remaining coverage.

The fulfilment cash flows are adjusted for the time value of money and the effect of financial risk using current estimates.

Insurance contracts – Subsequent measurement

The carrying amount of the liability for remaining coverage at the end of each subsequent reporting period is the carrying amount at the start of the reporting period, adjusted by:

- the premiums received in the period;
- the insurance acquisition cash flows paid;
- the amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period;
- the adjustments reflecting the time value of money;
- the amount recognised as insurance revenue for insurance contract services provided during the period; and
- the investment components paid or transferred to the liability for incurred claims.

The Group recognises the liability for incurred claims of a group of insurance contracts at the amount of the estimated fulfilment cash flows relating to incurred claims. The estimated fulfilment cash flows are discounted to reflect the time value of money and the effect of financial risk.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(vii) Measurement – Contracts measured under the PAA (continued)

Reinsurance contracts held

The Group applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

The Group adjusts the carrying amount of the asset for remaining coverage instead of adjusting the CSM for a group of reinsurance contracts held and as a result recognise income when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or on addition of onerous underlying insurance contracts to that group.

(viii) Derecognition and contract modification

The Group derecognises an insurance contract when the obligation specified in the insurance contract expires, is discharged, or is cancelled.

The Group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly such that a new contract would have been recognised if the modified terms had been included at contract inception. If a contract modification does not result in derecognition, the Group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

Contracts not measured under the PAA

On the derecognition of a contract within a group of contracts:

- the fulfilment cash flows allocated to the group are adjusted to eliminate the present value of the future cash flows and risk adjustment for non-financial risk that relates to the rights and obligations derecognised;
- the CSM of the group is adjusted for the change in fulfilment cash flows, except when such changes are allocated to a loss component; and
- the number of coverage units for the expected remaining insurance contract services is adjusted to reflect the coverage units derecognised from the group.

If a contract is derecognised because its terms are modified, then the CSM is adjusted for the premium that would have been charged had the Group entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification. The new contract recognised is measured assuming the premium has been received at the date of the modification.

Contracts measured under the PAA

On the derecognition of a contract within a group of contracts due to extinguishment of rights and obligations (expired, discharged or cancelled), or contract modifications, any net difference between the carrying amount derecognised and any consideration paid is recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(ix) Presentation

The Group has presented separately in the statement of financial position the carrying amount of portfolios of:

(a) insurance contracts issued that are assets;
(b) insurance contracts issued that are liabilities;
(c) reinsurance contracts held that are assets; and
(d) reinsurance contracts held that are liabilities.

Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows) are included in the carrying amount of the portfolios of the related portfolios of contracts.

The Group disaggregates amounts recognised in the statement of profit or loss and other comprehensive income ("OCI") into (a) an insurance service result, comprising insurance revenue and insurance service expenses; and (b) insurance finance income or expenses.

Income and expenses from reinsurance contracts held are presented separately from income and expenses from insurance contracts issued. Income and expenses from reinsurance contracts held, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts held' in the insurance service result.

The Group does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result.

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue

For contracts not measured under the PAA, the Group recognises insurance revenue as it satisfies its performance obligations – that is, as it provides services under groups of insurance contracts. The insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.

- a release of the CSM, measured based on coverage units provided;
- changes in the risk adjustment for non-financial risk relating to current services;
- claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
  - (i) amounts allocated to the loss component;
  - (ii) repayments of investment components;
  - (iii) amounts that relate to transaction-based taxes collected on behalf of third parties;
  - (iv) insurance acquisition expenses; and
  - (v) amounts related to the risk adjustment for non-financial risk; and
- other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment, and amounts related to incurred policyholder tax expenses for the participating segment.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(ix) Presentation (continued)

Insurance revenue (continued)

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount as insurance revenue and an equal amount as insurance service expenses.

The amount recognised in profit or loss as insurance revenue is the amount of the CSM allocated to coverage units provided in the period.

The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage duration (refer to Note 4(a)(ii)).

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts allocated to the period. The Group allocates the expected premium receipts to each period of coverage on the basis of the passage of time for the Group's insurance contracts issued.

Insurance Service Expenses

Insurance service expenses comprise the following items:

(a) incurred claims (excluding investment components) and other incurred insurance service expenses;
(b) amortisation of insurance acquisition cashflows;
(c) changes relating to past service - changes in the FCF relating to LIC;
(d) losses on onerous groups of contracts, and reversals of such losses; and
(e) impairment losses on assets for insurance acquisition cash flows, and reversals of such impairment losses.

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.

For contracts measured under PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses based on the passage of time.

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

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(ix) Presentation (continued)

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise reinsurance service expenses less amounts recovered from reinsurers.

The Group recognises reinsurance service expenses as it receives coverage or other services under groups of reinsurance contracts held.

For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each reporting period represent the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each reporting period is based on the passage of time over the coverage period of a Group of reinsurance contracts held.

For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised.

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from:

- the effects of the time value of money; and
- the effects of financial risk and changes therein

unless any such changes for groups of contracts are allocated to a loss component and included in insurance service expenses.

The Group presents insurance finance income or expenses in profit or loss.

(x) Impact on unrealised gains or losses on FVOCI assets on liabilities from insurance contracts

Changes in life participating insurance contract liabilities, which are due to the unrealised gains or losses arising from FVOCI assets, are recognised directly in the fair value reserve to match the corresponding unrealised gains or losses arising from FVOCI assets.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(xi) Contracts measured under the fair value approach

There were certain groups of contracts for which FVA was adopted on transition to SFRS(I) 17 previously as supportable information to apply the full retrospective approach was impracticable without undue cost or effort.

CSM or loss component of the liability for remaining coverage at the transition date was determined as the difference between the fair value of the group of insurance contracts and the fulfilment cash flows measured at that date. The requirements of SFRS(I) 13 Fair Value Measurement were applied in determining fair value.

Contracts issued more than one year apart in determining groups of insurance contracts under the FVA at transition were aggregated. For these groups, the discount rates on initial recognition were determined at 1 January 2022 instead of at the date of initial recognition. For the application of the FVA, reasonable and supportable information available at the transition date were used in order to:

- identify groups of insurance contracts;
- determine whether any contracts are direct participating insurance contracts; and
- identify any discretionary cash flows for insurance contracts without direct participation features.

The present value technique method was used to fair value the insurance contracts at the transition date.

The cash flows considered in the fair value measurement are consistent with those that were within the contract boundary. Therefore, the cash flows related to expected future renewals of insurance contracts are not considered in determining the fair value of those contracts if they are outside the contract boundary.

The approach used to measure fair value differs from the SFRS(I) 17 requirements for measuring fulfilment cash flows in certain respects. These differences gave rise to a CSM at the date of transition. In particular, in measuring fair value:

- all expenses were considered while the fulfilment cash flows only consider attributable expenses;
- credit risk relating to the risk of non-performance of the reinsurers were considered;
- includes a profit margin and risk premium from the market participants' perspective rather than the risk adjustment amount, which is the compensation required from a cost neutrality point of view. the margin reflects compensation required for taking on the group of insurance contracts; and
- market consistent basis assumption on cash flow projections were applied. typically, non-financial assumptions such as mortality and morbidity are in line with what a market participant would do in measuring them and no adjustment is needed.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Revenue

Investment return

Investment income comprises rental income from investment properties, dividend and interest income from financial assets, interest income on loans and bank deposits, and gains or losses on sale of investments.

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

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

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

Gains or losses on sale of investments are derived from the difference between net sales proceeds and the purchase or amortised cost. They are recognised on trade date.

(c) Employee compensation

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 Board on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. These contributions to defined contribution plans are expensed as the related service is provided.

Short-term employee benefits

Short-term employee benefits are recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount arising from past service provided by the employee, and the obligation can be estimated reliably.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave arising from past services rendered by the employees up to the reporting date.

Share-based compensation- cash-settled plan

For cash-settled share-based compensation, the fair value of the employee services received in exchange for the grant of virtual shares is recognised as expense with the recognition of a corresponding liability over the vesting period. Until the liability is settled, it is re-measured at each reporting date based on available projected information on the Group's net asset per share with changes in fair value of the liability recognised as staff expense in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit and loss except to the extent that they relate to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received reflecting the uncertainty related to income taxes, if any.

Current tax positions which are subject to interpretation are periodically reviewed. Current tax assets and liabilities are offset if there is legally enforceable right to set off the recognised amounts and intends to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for tax purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination, and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity.

Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profit will be available against which they can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual entities in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profit improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will be available against which they can be used.

(e) Foreign currency transactions and balances

Foreign currency transactions are translated into Singapore Dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses on debt securities measured at amortised cost or FVOCI are recognised in profit or loss.

Foreign exchange gains and losses on equity securities elected as FVOCI are recognised in OCI.

Foreign exchange gains and losses on all other financial assets are designated at Fair Value Through Profit or Loss ("FVTPL"), are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation

(i) Subsidiaries

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 consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that 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 but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries are aligned where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. This is shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of financial position.

Total comprehensive income is attributed to the non-controlling interests based on their respective interests in the subsidiary, even if this results in non-controlling interests having a deficit balance.

Business combinations

The acquisition method in accordance with SFRS(I) 103 Business Combinations 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 the fair value of any contingent consideration arrangement. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Acquisition-related costs are expensed as incurred.

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

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Transactions with non-controlling interests

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation (continued)

(ii) Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities. The Group's interest in joint ventures is accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint ventures over the Group's share of the fair value of the identifiable net assets of the joint ventures and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Group's share of its joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in OCI directly. These post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in joint ventures equals or exceeds its interest in the joint ventures, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has legal or constructive obligations or has made payments on behalf of the joint ventures. If the joint ventures subsequently report profits, the Group resumes recognising its share of those profits only after its share of losses not recognised.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Gains or losses arising from partial disposal or dilution in investment in joint ventures are recognised in profit or loss.

The accounting policies of joint ventures are aligned where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Associated companies

Associated companies are entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated companies over the Group's share of the fair value of the identifiable net assets of the associated companies and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in OCI directly. These post-acquisition movements and distributions are adjusted against the carrying amount of the investments.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Basis of consolidation (continued)

(iii) Associated companies (continued)

When the Group's share of losses in an associated companies equals or exceeds its interest in the associated companies, the Group does not recognise further losses, unless it has legal or constructive obligations or has made payments on behalf of the associated companies. If the associated companies subsequently report profits, the Group resumes recognising its share of those profits only after share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the assets transferred.

Accounting policies of associated companies have been aligned where necessary to ensure consistency with the accounting policies adopted by the Group.

Investments in associated companies are derecognised when the Group loses significant influence. Any retained interest in the entity is re-measured at its fair value. The difference between the carrying amount of the retained investment at the date when significant influence is lost and its fair value and any proceeds on partial disposal is recognised in profit or loss.

(iv) Business combinations involving entities under common control

The assets and liabilities acquired through business combinations with entities that are under the shareholder that controls the Group are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Group. The presumption is that no acquisition has occurred and the risks and benefits that existed prior to the business combination continues with the controlling party.

(v) Subsidiaries, joint ventures and associates in the separate financial statements

In the Company's separate financial statements, investments in subsidiaries, joint ventures and associates are recognised at fair value with transaction cost recognised immediately in profit or loss. Changes in the fair value are included in profit or loss in the period in which they arise, including dividend income.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. 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. Included in the property, plant and equipment are right-of-use assets presented as properties class of asset.

Depreciation on property, plant and equipment is calculated on a straight-line basis to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Properties	2 to 10 years
Office equipment	5 years
Furniture and fittings	5 years
Computer equipment	3 to 5 years
Motor vehicles	5 years

In the case of properties which are right-of-use assets, estimated useful lives are determined by reference to the lease term.

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

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 of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred. On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

(h) Intangible assets

(i) Computer software

Intangible assets include cost of computer software acquired. Acquired computer software licenses are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures 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 computer software are expensed through profit and loss when incurred. Computer software licenses are subsequently carried at cost, less accumulated amortisation and accumulated impairment losses.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Intangible assets (continued)

(ii) Customer contracts

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives are as follow:

Computer software	5 to 10 years
Customer contracts	5 to 15 years

(iii) Goodwill

Goodwill that arises upon the acquisition of a subsidiary is included in intangible assets.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(i) Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

(j) Investment properties

Investment properties are initially recognised at cost and subsequently carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative methods such as discounted cash flow projections or recent prices in less active markets. These valuations are reviewed annually by an independent professional valuer. Changes in fair values are recorded in profit or loss.

Investment properties are subject to renovations or improvements at regular intervals. 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 net disposal proceeds and the carrying amount is recognised in profit or loss.

(k) Financial assets and financial liabilities

(i) Initial recognition and measurement

Financial assets or financial liabilities are recognised on trade date, when and only, the Group becomes a party to the contractual provisions of the instruments. The Group determines the classification of the instruments at initial recognition.

Financial assets (unless it is a trade receivable without a significant financing component) or financial liabilities is measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial assets and financial liabilities (continued)

(ii) Classification and subsequent measurement

On initial recognition, financial assets are classified into the following categories, amortised cost, FVOCI and FVTPL.

Classification is designated based on both instrument's cash flow characteristics and business models. It is irrevocable once adopted, unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Non-derivative financial assets: Classification

Financial assets at Amortised cost

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

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

Debt investments at FVOCI

Debt investment is measured at FVOCI if it meets both of the following conditions and not designated as FVTPL:

- debt investment is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- contractual terms of the debt investment give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of certain equity investments that are not held-for-trading, the Group has made an irrevocable election to present subsequent changes in the investments' fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial asset that meets the requirements to be measured at amortised cost or at FVOCI may be designated as FVTPL through an irrevocable election if doing so eliminates or significantly reduces an accounting mismatch.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial assets and financial liabilities (continued)

(ii) Classification and subsequent measurement (continued)

Business model assessment

The Group assesses the objective of the business model in which a financial asset is held for each portfolio of financial assets because this best reflects the way that the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cashflows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected);
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation but as part of an overall assessment of how the Group's stated objectives for management the financial asset is achieved and how cashflows are realised; and
- transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

For a majority of debt investments, the objective of the Group's business model is to fund insurance contract liabilities. The Group undertakes significant buying and selling activity on a regular basis to rebalance its portfolio of assets and to ensure that contractual cashflows from the financial assets are sufficient to settle insurance contract liabilities.

The Group determines that both collecting contractual cashflows as they come due and selling financial assets to maintain the desired asset profile are integral to achieving the business model's objective. Certain debt securities are held in separate portfolios for long term yield. These securities may be sold but such sales are not expected to be more than infrequent. The Group considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Portfolios of financial assets that are managed and whose performance is evaluated on a fair value basis, which include underlying items of participating contracts, and portfolios of financial assets that are held for trading, are measured at FVTPL because they are neither held to collect contractual cashflows, nor held both to collect contractual cashflows and to sell financial assets.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial assets and financial liabilities (continued)

(ii) Classification and subsequent measurement (continued)

Non-derivative financial assets: Assessment whether contractual cash flows are Solely Payments of Principal and Interest ("SPPI")

For SPPI assessment, 'Principal' is defined as the fair value of the financial asset upon initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the Principal amount outstanding during a particular period of time, and for other basic lending risks and costs as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instruments. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers the following key aspects:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that the Group's claim to cash flows from specified assets; and
- features that modify consideration of time value of money, credit risk, other basic lending risks and cost associated with the principal amount outstanding.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt instruments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated under the effective interest method, foreign exchange gains and losses, and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial assets and financial liabilities (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

The Group classifies its financial liabilities, other than financial guarantees, into one of the following categories:

- financial liabilities at FVTPL, and within this category as:
- held-for-trading;
- derivative instruments; or
- designated as at FVTPL; and
- financial liabilities at amortised cost.

The Group has designated investment contract liabilities and third-party interests in consolidated funds as FVTPL on initial recognition. This is because these liabilities, as well as the related assets, are managed and their performance is evaluated on a fair value basis.

All investment contract liabilities, and third-party interests in consolidated funds, have a unit-linking feature whereby the amount due to contract holders is contractually determined on the basis of specified assets. The effect of the unit-linking feature on the fair value of the liability is asset-specific performance risk and not credit risk, and the liabilities are fully collateralised. The Group has determined that any residual credit risk is insignificant and has not had any impact on the fair value of the liabilities.

Financial liabilities at FVTPL

These liabilities are measured at fair value. Net gains and losses, including any interest expenses and foreign exchange gains and losses, are recognised in profit or loss.

Financial liabilities at amortised cost

These liabilities are measured at amortised cost under the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Borrowings

Borrowings are recognised when, and only when, the entity becomes a party to the contractual provisions of the instrument. The Group determines the classification of its borrowings at initial recognition.

Borrowings are recognised initially at fair value less transaction costs that are directly attributable to the acquisition or issue of the borrowing.

After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Financial assets and financial liabilities (continued)

(ii) Classification and subsequent measurement (continued)

Borrowings (continued)

A borrowing is derecognised when the obligation under the borrowing is extinguished. When an existing borrowing is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as an extinguishment of the original borrowing and the recognition of a new borrowing. The difference between the carrying amount of a borrowing extinguished shall be recognised in profit or loss.

Derivative financial instruments

Derivatives, including embedded derivatives separated from their host contracts, are classified as held-for-trading, unless they form part of a qualifying net investment hedging relationship.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cashflows from the financial asset expire; or
- it transfers the rights to receive the contractual cashflows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial assets are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Where the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all, or substantially all, of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cashflows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Information about the Group's accounting policies relating to offsetting of financial assets and financial liabilities is provided in Note 5(c)(ii) (Master netting or similar agreements).

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) 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).

The Group considers all of its investments in other funds to be investments in unconsolidated structured entities. The Group invests in funds whose objectives range from achieving medium to long term capital growth. The funds are managed by unrelated asset managers and apply various investment strategies to accomplish their respective investment objectives.

Unitised funds finance their operations by issuing redeemable shares/units which entitle the holder to a proportional stake in the respective fund's net assets. The Group holds redeemable shares/units in such funds. The change in fair value of the funds are included in the statement of comprehensive income in "net investment income/(losses) and fair value gains/(losses)".

The Group also has interests in funds registered as partnership structures. The funds are financed via capital commitments, which entitle the partners to a proportional share of income distributions from such funds. The change in fair value of the funds is included in the statement of comprehensive income in "net investment income/(losses) and fair value gains/(losses)".

(m) Impairment of assets

Impairment of financial assets

Financial assets carried at amortised costs

The Group assesses at each reporting date whether there is objective evidence that a financial asset, or a group of financial assets, is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulty of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments, are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

Loans and receivables (continued)

The Group recognises loss allowances for expected credit losses ("ECL") on:

- financial assets measured at amortised cost ('other receivables', 'lease receivable', and 'cash and cash equivalents');
- debt investments measured at FVOCI; and
- loan commitments.

Lease receivables are disclosed as part of other receivables (see Note 18).

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within 12 months after the reporting date; or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all other receivables (including lease receivables). The Group uses historical credit loss experience for receivables to estimate the 12-month ECLs or the lifetime ECLs on financial assets, as relevant.

General approach

The Group applies the general approach to provide for ECLs on other financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment that includes forward-looking information.

Impairment of non-financial assets

Intangible assets, property, plant and equipment and investments in subsidiaries, joint ventures and associated companies are reviewed for impairment at each reporting date to determine whether there is any objective evidence or indication that these assets may be impaired. In respect of associate and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment and impairment loss on such investment is not allocated to any asset, including goodwill that forms part of the carrying amount of the associate and joint ventures.

For impairment testing, 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.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of assets (continued)

Impairment of non-financial assets (continued)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

(n) Other receivables

Other receivables include trade receivables, accrued interest receivable from fixed deposits with banks, and other receivables. These are recognised initially at fair value and subsequently measured at amortised cost less accumulated impairment losses.

(o) Cash and cash equivalents

Cash and cash equivalents comprise bank balances and fixed deposits held with banks which are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

(p) Other payables

Other payables are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method.

(q) Share capital

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

(r) Dividends to the Company's shareholders

Dividends to the Company's shareholders as disclosed are recognised when the dividends are approved for payment at general meetings of the Company.

(s) Other provisions

Provisions, other than insurance contract provisions, are recognised when the Group has a present legal or constructive obligation, as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably measured.

(t) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Additional disclosures on each of these segments are shown in Note 31, including factors used to identify the reportable segments and the measurement basis of segment information.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or 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.

As a lessee

At commencement, or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone prices. However, for the lease of property, the Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU 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 ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property that are carried at fair value in accordance with Note 3(j).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of lease, unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payment arising from a change in assessment of whether it will exercise a purchase, extension or termination option, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured a corresponding adjustment is made to the carrying amount of the ROU asset or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Group presents ROU assets that do not meet the definition of investment property in 'property, plant and equipment' and the related lease liabilities in 'borrowings' in the statement of financial position.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(u) Leases (continued)

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognised the lease payments associated with these leases as expenses on a straight-line basis over the lease term.

As a lessor

At inception, or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group recognises lease payments received from investment properties under operating leases as income on straight-line basis over the lease term as part of net investment income.

(v) Non-current assets and liabilities held for sale

Non-current assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the applicable SFRS(I). Thereafter, the assets classified as held for sale are generally measured at the lower of their carrying amount or fair value less costs to sell. Impairment losses on initial classification as held for sale, and subsequent gains or losses on remeasurement are recognised in the statement of comprehensive income. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated. In addition, equity accounting of associates and joint ventures ceases once classified as held for sale.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Insurance and reinsurance contracts

(i) Estimation of future cash flows

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

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

When estimating future cash flows, the Group will consider current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not considered until the change in legislation is substantively enacted.

Cash flows within the boundary of a contract are those that relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows, and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

- claims handling, maintenance, and administration costs;
- recurring commissions payable on instalment premiums receivable within the contract boundary;
- costs that the Group will incur in providing investment services;
- costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs;
- transaction-based taxes and levies that arise directly from existing insurance contracts, or that can be attributed to them on a reasonable and consistent basis;
- payments by the insurer in a fiduciary capacity to meet tax obligations incurred by the policyholder, and related receipts; and
- any other costs specifically chargeable to the policyholder under the terms of the contract.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows attributable to acquisition and other fulfilment activities will be allocated to groups of contracts using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics. Other costs are recognised in profit or loss as they are incurred.

Notes to the Financial Statements

For the financial year ended 31 December 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(i) Estimation of future cash flows (continued)

The following assumptions were used when estimating future cash flows, for Life insurance contracts excluding those measured under PAA:

Mortality and morbidity rates

The Group conducts detailed review on mortality and morbidity assumptions from the recent experience, where credible. The Group also uses industry/reinsurance mortality and/or morbidity tables for plans that have no historical experience.

Longevity rates

The Group uses standard industry and national tables, adjusted when appropriate to reflect the Group's own risk experience. Appropriate allowance is made for expected future improvements.

Persistency

The Group conducts review on persistency experience for lapse and surrender assumption. The best-estimate assumptions are in line with the expected long term average persistency levels. For new plans with no historical experience, the Group uses the experience of similar plan types as a basis to set the best-estimate assumptions. Lapses relate to the termination of policies due to non–payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders.

Identifying changes in discretionary cash flows

For participating products, the extent to which participation percentages exceed minimum participation percentages is a key assumption in measuring the contracts. The assumed estimated crediting rates and participation percentages are generally based on the actual rates and percentages applied in the current year. The crediting rates vary between different products, and they are often determined by interest rate guarantees.

The Group generally regards its commitment to be the return implicit in the estimates of the fulfilment cash flows on initial recognition. Changes in discretionary cash flows for these contracts are identified by the subsequent changes to the commitment to reflect current financial risk assumptions.

The following assumptions were used when estimating future cash flows, for Life and GI contracts measured under PAA:

The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques – for example, the chain-ladder and Bornhuetter-Ferguson methods. These techniques assume that the Group's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each line of business, except for large claims, which are assessed separately.

The assumptions used, including ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(i) Estimation of future cash flows (continued)

Discount Rates

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group adopts a bottom-up approach in which discount rates are based on the relevant currency's risk-free yield curves and an adjustment for illiquidity premium is applied. References are made in particular to the Monetary Authority of Singapore Risk Based Capital Framework ("MAS RBC 2").

A three-segment approach is used to derive the risk-free discount rate. For the first segment, the Group will determine risk-free discount rates using observable market prices on government bonds up to last liquid point ("LLP") in the currency of the insurance contract liabilities.

For the second segment after the LLP, extrapolation of discount rate between the first segment and third segment is performed.

For the third segment, discount rates are determined based on the ultimate forward rate, which is determined based on the sum of expected real interest rate and expected inflation rate.

The tables below set out the yield curves used to discount the cash flows of insurance contracts for major currencies:

	1 year	5 years	10 years	15 years	20 years
2025					
Singapore dollar ("SGD")	**1.41% – 1.82%**	**1.89% – 2.30%**	**2.16% – 2.57%**	**2.23% – 2.64%**	**2.21% – 2.62%**
United States dollar ("USD")	**3.62%**	**3.87%**	**4.37%**	**4.88%**	**5.13%**

	1 year	5 years	10 years	15 years	20 years
2024					
Singapore dollar ("SGD")	2.72% – 3.88%	2.75% – 3.91%	2.85% – 4.01%	2.89% – 4.05%	2.80% – 3.96%
United States dollar ("USD")	4.28%	4.51%	4.72%	4.95%	5.07%

Risk adjustments for non-financial risk

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts and covers insurance risk, lapse risk, and expense risk. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that reflects its degree of risk aversion.

For both Life (including GH) and GI businesses, the Group applies the confidence level approach. The risk adjustment for non-financial risk is the excess of the value at risk between 70th to 90th percentile over the expected present value of the future cash flows. The Group does not disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

Notes to the Financial Statements

For the financial year ended 31 December 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(a) Insurance and reinsurance contracts (continued)

(ii) Determination of coverage units

The amount of the CSM recognised in profit or loss for services as insurance revenue in the period is determined by the allocation of the remaining CSM 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.

The number of coverage units in a group is the quantity of service coverage provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided and its expected coverage period.

For insurance contracts issued, the Group determines the quantity of benefits based on the terms and features of the contract. The Group defines the quantity of benefits for insurance services as the maximum amount which a policyholder receives when an insured event takes place, for example:

- total benefit amount excluding accelerating benefit and investment component for non-indemnity type benefits;
- maximum remaining cover less any deductibles for indemnity type benefits;
- simple sum of all benefits, excluding accelerating benefit and investment component for contracts which offer multiple benefits;
- investment component for investment return service; and
- insurance service and investment-related service for participating and investment-linked products.

Where there are multiple different services in a group of contracts (if both insurance and investment services are provided), the quantities of benefits for the different types of services are combined using weighing factors.

The expected coverage duration reflects the period when the relevant services are provided and considers all decrements which would affect the expected duration of the policy.

The total coverage units are calculated by summing up the discounted quantity of benefits over the expected coverage duration within the contract boundary. It is reassessed at the end of each reporting period by applying current best estimate assumptions consistent with the best estimate liabilities calculation. They are then allocated equally, based on the coverage units provided in the current period and expected to be provided in the future.

For reinsurance contracts held, the number of coverage units in a group reflects the sum of quantity of reinsurance benefits discounted at current discount rates and expected coverage duration. The quantity of benefit is the reinsured portion of the insurance benefit. For reinsurance contract covering multiple risks, a sum of all benefits reinsured will be used as the quantity of benefits.

An analysis of the expected timing of the allocation of the CSM to profit or loss is disclosed in Note 17(c).

(iii) Identification of investment components

The Group identifies the investment component of an insurance and reinsurance contract by determining the amount required to be repaid to a policyholder in all circumstances, regardless of whether an insured event occurs. Investment components are excluded from insurance revenue and insurance service expenses.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Fair value of financial instruments and investment properties

The majority of the Group's financial instruments reported at fair value are based on quoted and observable market prices, or on service providers' internally developed models that are based on independently sourced market parameters, including interest rate yield curves, option volatilities, and currency rates. Investment properties are carried at fair values as determined by independent professional valuers.

Management exercises judgement in determining the risk characteristics of various financial instruments, discount rates, estimates of future cash flows, and other factors used in the valuation process. Judgement may also be applied when less readily observable external parameters are used in fair value estimation. The valuation techniques and unobservable inputs used by management in the valuation process are detailed in Note 5(f).

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS

(a) Life Insurance Contracts Risk Management

(i) Insurance Risk

The Group is exposed to life insurance risk when it signs a contract with the insured party for a premium amount and in return promises to pay a sum of money if a specified event occurs within the time frame stipulated in the contract. The terms of acceptance of the risks by the Group are generally long term in nature (except when they are group or health insurance plans, which are usually on an annual basis). These risks accepted by the Group are mortality risk, morbidity risk, longevity risk, and persistency risk.

In general, payment occurs upon death, occurrence of specific morbidity, surrender, or survival of the policyholder, depending on the type of policy.

For Participating policies, the eventual payment to the policyholders typically consists of a guaranteed amount (the sum assured) and a non-guaranteed component distributed via annual reversionary (if any) and final terminal bonuses (if any). Once declared, annual bonuses become a fully guaranteed liability, although the Group has the discretion to reduce future reversionary and terminal bonuses if experience is unfavourable.

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(a) Life Insurance Contracts Risk Management (continued)

(ii) Objectives of managing life insurance risks and the policies for mitigating risks

To manage insurance risk, the Group has implemented underwriting and claims management guidelines and procedures. It also limits overall risk exposure for mortality and longevity risk by using reinsurance coverage and keep risk levels within its risk appetite.

Insurance risks are selected through underwriting, and appropriate premiums are charged based on the level of risks associated with the applicants. The insurance risk assumptions used are based on the Group's best estimates from experience studies conducted annually. The risk levels are determined by age, gender, and underwriting experience. For mortality, longevity and morbidity risks, the Group transfers insurance risk above its retention limit to its appointed reinsurers on a per life basis.

To manage the concentration of mortality risks from a single event, the Group obtains catastrophe reinsurance that limits its maximum overall exposure, up to an agreed limit.

Insurance risk is managed through appropriate claim management systems that help to identify fraudulent claims. The results of yearly experience reviews of mortality, longevity, morbidity and persistency are used to decide on the basis for reserving, pricing and development of products.

The table below shows the concentration of liabilities (net of reinsurance) by type of contract

	Net of Reinsurance		
	With DPF	Without DPF	Total
	$'000	$'000	$'000
Group and Company			
2025	**36,190,078**	**2,139,494**	**38,329,572**
2024	34,158,358	2,867,857	37,026,215

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(a) Life Insurance Contracts Risk Management (continued)

(iii) Sensitivity Analysis

The table below analyses how the CSM, profit or loss (gross of tax), and equity of the Group would have increased (or decreased) if changes in the insurance risk exposures that were reasonably possible at the reporting date had occurred. This analysis presents the sensitivities both before and after risk mitigation by reinsurance and assumes that all other variables remain constant.

		2025					
		CSM		Profit or loss		Equity	
$'000	Assumption change	Gross	Net	Gross	Net	Gross	Net
Group							
Life Insurance							
Mortality/ morbidity rate	+ 10%	**(3,279)**	**(42,443)**	**(116,719)**	**(119,337)**	**(116,719)**	**(119,337)**
	-10%	**453**	**43,934**	**105,190**	**108,104**	**105,190**	**108,104**
Lapse	+ 10%	**5,487**	**7,102**	**1,382**	**1,344**	**1,382**	**1,344**
	-10%	**(6,256)**	**(7,983)**	**(1,641)**	**(1,616)**	**(1,641)**	**(1,616)**
Expense	+10%	**(16,364)**	**(16,384)**	**(1,260)**	**(1,262)**	**(1,260)**	**(1,262)**
	-10%	**16,365**	**16,384**	**1,254**	**1,256**	**1,254**	**1,256**

		2024					
		CSM		Profit or loss		Equity	
$'000	Assumption change	Gross	Net	Gross	Net	Gross	Net
Group							
Life Insurance							
Mortality/ morbidity rate	+ 10%	1,461	(32,953)	(102,874)	(105,209)	(102,874)	(105,209)
	-10%	(5,536)	34,669	83,350	86,083	83,350	86,083
Lapse	+ 10%	4,105	5,766	1,068	1,074	1,068	1,074
	-10%	(5,230)	(6,973)	(1,135)	(1,142)	(1,135)	(1,142)
Expense	+10%	(13,193)	(13,202)	(1,565)	(1,566)	(1,565)	(1,566)
	-10%	13,188	13,196	1,563	1,563	1,563	1,563

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(b) General Insurance Contracts Risk Management

(i) General Insurance Risks

Insurance contracts transfer risk to the Group by indemnifying the policyholders against adverse effects arising from the occurrence of specified uncertain future events. The insurance risks arise from the fluctuations in the timing, frequency and severity of claims, as well as the adequacy of premiums and reserves.

Majority of the General Insurance business is Motor insurance. Other insurance business includes Personal Accident, Worker's Compensation, Fire, Marine, and Other Miscellaneous classes.

(ii) Objectives of managing risks and policies for mitigating risks

The objectives of managing insurance risks are to enhance the long-term financial performance of the business and limit any excessive variability in the insurance results.

Underwriting insurance contracts involve the pooling of many uncorrelated risks to reduce relative variability. The Group adopts the following measures to manage the General Insurance risks:

- underwriting standards – to select risks and control exposure in accordance to established guidelines;
- claims control – to pay claims fairly and control claim wastage or fraud;
- pricing and reserving standards – to ensure adequate pricing for risks and valuation of insurance liabilities; and
- reinsurance protection – to limit exposure to large insurance contracts and large claims.

Concentration risk is particularly relevant in the case of natural disasters and other catastrophes. The Group's insurance contracts mostly cover perils and risks in Singapore. As such, the Group's concentration risk is considered negligible as Singapore has limited exposure to natural disasters.

Perils like floods, epidemics and terrorism do present a level of variability and correlation in the future claim experience, however the concentration of these risks is protected by event excess of loss reinsurance. In addition, these risks are not material given the likelihood of such events.

Geographically, the Group's risks are concentrated in Singapore. Concentration risk arising from natural catastrophes is negligible as the exposure to natural disasters in Singapore is minimal based on historical experience.

The table below shows the concentration of liabilities (net of reinsurance) by type of contract.

	Net of Reinsurance		
	Motor $'000	Non-Motor $'000	Total $'000
Group			
2025	**449,100**	**166,391**	**615,491**
2024	452,807	152,741	605,548

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(b) General Insurance Contracts Risk Management (continued)

(iii) Sensitivity analysis

The table below analyses how the profit (gross of tax) and equity would have increased (or decreased) if changes in the insurance risk exposures that were reasonably possible at the reporting date had occurred. The analysis presents the sensitivities both before and after risk mitigation by reinsurance and assumes that all other variables remain constant.

		2025			
		Profit or loss		Equity	
$'000	Assumption change	Gross	Net	Gross	Net
Group					
General Insurance					
Expected loss ratio	**+ 10%**	**(37,711)**	**(34,479)**	**(37,711)**	**(34,479)**
	-10%	**35,484**	**32,449**	**35,484**	**32,449**

		2024			
		Profit or loss		Equity	
$'000	Assumption change	Gross	Net	Gross	Net
Group					
General Insurance					
Expected loss ratio	+ 10%	(33,831)	(31,828)	(33,831)	(31,828)
	-10%	33,030	31,146	33,030	31,146

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(b) General Insurance Contracts Risk Management (continued)

(iv) Claims development

Below is the summary of the development of past years' gross claims liabilities as at this year's valuation. This disclosure is provided for the General Insurance portfolio only. The Group does not provide this disclosure for its Par, Non-par and ILP portfolios because claim amounts are known from the contractual arrangements (i.e. there is no uncertainty with respect to the amount of claims) and claims are typically settled within one year.

The claims development tables include periods prior to the transfer of insurance business from NTUC Income Insurance Co-operative Limited which are still relevant to the Group.

Claims development table 2025

$'000	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Gross of reinsurance											
Estimates of undiscounted gross cumulative claims											
At end of accident year	245,677	259,533	272,379	273,346	218,313	212,603	256,309	299,803	286,810	310,885	
One year later	230,753	244,141	260,548	276,280	229,486	221,775	248,689	300,067	298,368		
Two years later	214,483	220,667	260,803	267,655	202,355	214,309	249,340	315,395			
Three years later	203,070	218,555	253,001	263,103	195,506	204,909	260,670				
Four years later	200,236	212,676	245,131	258,334	186,039	200,425					
Five years later and beyond	194,411	206,793	227,950	245,957	186,419						
Cumulative gross claims paid	**193,755**	**205,359**	**222,042**	**224,337**	**157,958**	**166,942**	**211,234**	**234,103**	**208,030**	**115,972**	**1,939,732**
Gross liabilities – accident years from 2016 to 2025	656	1,434	5,908	21,620	28,461	33,483	49,436	81,292	90,338	194,913	507,541
Gross liabilities – accident years before 2016											1,719
Claims handling expenses and other adjustments											7,044
Effect of discounting											(17,206)
Effect of the risk adjustment margin											42,339
Gross liabilities for incurred claims included in the statement of financial position											**541,437**

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(b) General Insurance Contracts Risk Management (continued)

(iv) Claims development (continued)

Claims development table 2024

$'000	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Gross of reinsurance											
Estimates of undiscounted gross cumulative claims											
At end of accident year	224,563	245,677	259,533	272,379	273,346	218,313	212,603	256,309	299,803	286,810	
One year later	206,268	230,753	244,141	260,548	276,280	229,486	221,775	248,689	300,067		
Two years later	180,470	214,483	220,667	260,803	267,655	202,355	214,309	249,340			
Three years later	169,599	203,070	218,555	253,001	263,103	195,506	204,909				
Four years later	162,520	200,236	212,676	245,131	258,334	186,039					
Five years later and beyond	162,240	194,485	207,512	233,841	248,959						
Cumulative gross claims paid	**158,611**	**189,274**	**200,557**	**216,242**	**217,195**	**150,672**	**158,671**	**193,332**	**201,257**	**109,547**	**1,795,358**
Gross liabilities – accident years from 2015 to 2024	3,629	5,211	6,955	17,599	31,764	35,367	46,238	56,008	98,810	177,263	478,844
Gross liabilities – accident years before 2015											406
Claims handling expenses and other adjustments											19,361
Effect of discounting											(24,715)
Effect of the risk adjustment margin											39,962
Gross liabilities for incurred claims included in the statement of financial position											**513,858**

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(b) General Insurance Contracts Risk Management (continued)

(iv) Claims development (continued)

Below is the summary of the development of past years' net claims liabilities as at this year's valuation:

Claims development table 2025

$'000	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Net of reinsurance Estimates of undiscounted net cumulative claims											
At end of accident year	227,849	241,377	247,778	242,580	193,541	191,196	230,759	251,985	236,959	243,574	
One year later	214,611	222,091	231,223	244,930	206,379	199,668	209,024	247,913	233,767		
Two years later	195,111	195,831	231,209	240,705	182,183	180,128	206,002	247,108			
Three years later	180,214	193,755	227,526	236,876	164,323	169,294	204,232				
Four years later	177,515	191,262	220,695	217,130	153,703	157,030					
Five years later and beyond	174,836	186,178	191,593	203,207	146,057						
Cumulative net claims paid	**174,322**	**185,055**	**186,964**	**186,268**	**123,758**	**130,796**	**165,499**	**183,416**	**162,988**	**90,862**	**1,589,928**
Net liabilities – accident years from 2016 to 2025	514	1,123	4,629	16,939	22,299	26,234	38,733	63,692	70,779	152,712	397,654
Net liabilities – accident years before 2016											1,346
Claims handling expenses and other adjustments											(22,576)
Effect of discounting											(14,842)
Effect of the risk adjustment margin											32,605
Net liabilities for incurred claims included in the statement of financial position											**394,187**

Claims development table 2024

$'000	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Net of reinsurance Estimates of undiscounted net cumulative claims											
At end of accident year	209,542	227,849	241,377	247,778	242,580	193,541	191,196	230,759	251,985	236,959	
One year later	191,300	214,611	222,091	231,223	244,930	206,379	199,668	209,024	247,913		
Two years later	167,845	195,111	195,831	231,209	240,705	182,183	180,128	206,002			
Three years later	154,281	180,214	193,755	227,526	236,876	164,323	169,294				
Four years later	144,229	177,515	191,262	220,695	217,130	153,703					
Five years later and beyond	143,831	174,902	186,826	196,544	205,688						
Cumulative net claims paid	**140,832**	**170,597**	**181,080**	**182,004**	**179,444**	**124,484**	**131,092**	**159,729**	**166,277**	**90,507**	**1,526,046**
Net liabilities - accident years from 2015 to 2024	2,999	4,305	5,746	14,540	26,244	29,219	38,202	46,273	81,636	146,452	395,616
Net liabilities - accident years before 2015											337
Claims handling expenses and other adjustments											(2,389)
Effect of discounting											(21,716)
Effect of the risk adjustment margin											32,314
Net liabilities for incurred claims included in the statement of financial position											**404,162**

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk

The Group is required to meet substantial long-term liabilities to policyholders for claims and maturity payments and to ensure that adequate liquidity is available to meet short term claims, solvency margin and capital adequacy for existing and new business. The Group invests in a variety of market instruments such as debt securities and quoted and unquoted equities which expose the Group to a number of risks such as liquidity, market and credit risks.

The management of these risks lies with the Risk Management Committee which sets the policy and framework for the risk management function and reviews its appropriateness regularly. The administration of the financial risk management process is delegated to the senior management of the Group. Primarily, the risk management process focuses on mitigating the risks due to uncertainties of the financial market to minimise the adverse impact of these risks on the financial performance of the Group. A key aspect of risk management is matching the timing of cash flows from assets and liabilities. The Investment Committee reviews the strategic asset allocation to ensure consistency with the asset/liability management strategies and approves investment guidelines and limits.

The Group's investment objective is to ensure that it is able to meet future liabilities associated with the insurance products that it underwrites and produce stable and sustainable medium to long term returns on investments, while at the same time, preserving the solvency and liquidity of the Group.

Disciplined risk control is an integral part of the Group's investment process. Well established and liquid market indices are employed as the benchmarks to ensure diversification across geography, sector, industry and security. In addition, the Group makes use of limits and guidelines to control the risks in the areas of country, sector, duration, currency, credit quality, and single security exposure.

Investment-Linked Fund's liabilities are fully matched by the assets held in the respective investment-linked policies sub-funds. Financial risk is wholly borne by the policyholders.

(i) Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investor's expectation and the like, which may have significant impact on the value of investments.

The Group's investments are substantially dependent on changes in interest rates and equity prices.

The Group regularly monitors its exposure to different asset classes to satisfy itself that its exposure to equities, debt securities, and other risk assets are within the Group's self-imposed risk tolerance limits.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(i) Market risk (continued)

The Group distinguishes market risk as follows:

(a) equity price risk

(b) interest rate risk; and

(c) foreign exchange risk

(a) Equity price risk

The Group is exposed to equity price risk arising from its investments in equity securities and collective investment schemes that invest in equities.

The Group monitors equity exposure against a benchmark agreed by the Investment Committee and has a process in place to manage the exposure. This process includes monitoring the country, sector, and single security exposure of the portfolio against the limits set.

The Group also formulates equity risk management strategy considering the full range of the Group's equity holdings. The Group's investments in equities are substantially in Asia.

The Group has chosen the FTSE Straits Times Index, MSCI Asia Ex-Japan and MSCI Global indices as representative market indices for all the equities held at the reporting date. In addition, the Group makes adjustments or assumptions where it determines this to be necessary or appropriate. Historical statistics used in the model may not accurately estimate future changes particularly in periods of market turmoil. Actual results may differ substantially from these estimates.

The following table presents an analysis of how a possible shift in market equity prices might impact insurance and reinsurance contract balances and the respective underlying assets held for participating and investment-linked contracts and other investment assets, as well as the net impact on profit or loss and equity.

Sensitivity analysis on the change in equity prices that was reasonably possible at the reporting date, assuming that all other variables remain constant, is presented below. The analysis assumes that all other variables remain constant.

2025	%	CSM $'000	Profit or loss $'000	Equity $'000
Group				
Equity Price and Consequential Effects				
Insurance and reinsurance contracts	+10%	62,734	(1,403,871)	(1,403,871)
Financial instruments	+10%	–	1,682,920	1,682,920
Insurance and reinsurance contracts	-10%	(66,460)	1,411,596	1,411,596
Financial instruments	-10%	–	(1,682,920)	(1,682,920)

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(i) Market risk (continued)

(a) Equity price risk (continued)

2024	%	CSM $'000	Profit or loss $'000	Equity $'000
Group				
Equity Price and Consequential Effects				
Insurance and reinsurance contracts	+10%	52,319	(1,270,125)	(1,270,125)
Financial instruments	+10%	–	1,427,646	1,427,646
Insurance and reinsurance contracts	-10%	(50,284)	1,266,276	1,266,276
Financial instruments	-10%	–	(1,427,646)	(1,427,646)

(b) Interest rate risk

The Group is exposed to interest rate risk primarily through investments in fixed income securities by the insurance funds and policy liabilities in those funds which are guaranteed.

The presence of interest rate risk is the result of not holding assets that match policy liabilities fully. The interest rate risk arising from asset-liability tenure mismatch is actively managed and monitored by the Investment Committee and Risk Management Committee.

Interest rate risk are managed by the Group on an ongoing basis with the primary objective of limiting the extent to which solvency can be affected by an adverse movement in interest rates.

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 derivative instruments, including interest rate and cross currency swaps, and bond forward, to manage interest rate risk with the aim of facilitating efficient portfolio management.

The long duration of policy liabilities in the insurance funds and the uncertainty of the cash flows of the said funds mean interest rate risk cannot be completely eliminated, except to match guarantees as much as possible.

The Group's approach is to extend the duration of assets to better match the duration of liabilities. This is achieved by allocating assets to long-dated bonds. The entire fixed income portfolio is consolidated into a single pool to be matched in principle against the minimum condition liability of the Par Fund, allowing greater investment flexibility.

The remaining liabilities are backed by equities, fixed income securities, loans and investment properties with a view to maximise long term returns subject to acceptable volatility in market value.

Shareholders' fund has exposure to fixed income investments, which will be subject to mark-to-market valuation.

A study of fixed income securities' yield movement during the previous periods has been undertaken and a 100bps change in yield across the different curves is considered to be a reasonable basis for interest rate sensitivity analysis.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(i) Market risk (continued)

(b) Interest rate risk (continued)

The Group's exposure to interest rate risk sensitive insurance and reinsurance contracts and financial instruments are as follows:

	2025 $'000	2024 $'000
Group		
Financial instruments	**24,683,639**	24,647,510
Insurance and reinsurance contracts	**(36,208,642)**	(35,319,248)

Sensitivity analysis on the change in market interest rates at the reporting date, assuming that all other variables remain constant is presented below. The analysis assumes that all other variables remain constant.

2025	Change in assumptions %	CSM $'000	Profit or loss $'000	Equity $'000
Group				
Insurance and reinsurance contracts	**+ 100bps**	**31,037**	**2,154,857**	**2,154,857**
Financial instruments	**+ 100bps**	**–**	**(2,239,412)**	**(2,239,412)**
Insurance and reinsurance contracts	**- 100bps**	**(71,924)**	**(2,380,751)**	**(2,380,751)**
Financial instruments	**- 100bps**	**–**	**2,459,827**	**2,459,827**

2024	Change in assumptions %	CSM $'000	Profit or loss $'000	Equity $'000
Group				
Insurance and reinsurance contracts	+ 100bps	41,270	1,774,295	1,774,295
Financial instruments	+ 100bps	–	(1,852,602)	(1,852,602)
Insurance and reinsurance contracts	- 100bps	(55,420)	(2,109,371)	(2,109,371)
Financial instruments	- 100bps	–	2,181,672	2,181,672

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(i) Market risk (continued)

(c) Foreign currency risk

The Group operates mainly in Singapore, with over 99% (2024: 99%) of its insurance liabilities denominated in Singapore Dollars.

The Group mitigates the potential foreign currency risks arising from its investment in financial assets through hedging. The potential foreign currency risks arising from the investment in foreign currency denominated securities are managed using foreign exchange forward contracts and cross currency swaps.

The Company's financial assets are primarily denominated in the same currencies as its insurance contract liabilities. Foreign currency risk arising from the underlying items of participating contracts and investment-linked contracts is generally borne by the policyholders except to the extent of the Group's share of the performance of the underlying items.

The following table presents the Group and Company's exposures to currency risk arising from insurance and reinsurance contracts and their relationship to the financial instruments held at the reporting date.

2025	SGD $'000	USD $'000	Others $'000	Total $'000
Group				
Financial assets	**36,566,497**	**2,619,101**	**2,952,812**	**42,138, 410**
Financial liabilities	**3,531,143**	**(1,384,670)**	**(2,866,793)**	**(720,320)**
Total	**40,097,640**	**1,234,431**	**86,019**	**41,418,090**
Insurance and reinsurance contract assets	**146,357**	**–**	**–**	**146,357**
Insurance and reinsurance contract liabilities	**(38,803,110)**	**(288,310)**	**–**	**(39,091,420)**
Net exposure	**1,440,887**	**946,121**	**86,019**	**2,473,027**

2025	SGD $'000	USD $'000	Others $'000	Total $'000
Company				
Financial assets	**36,566,497**	**2,594,060**	**2,952,812**	**42,113,369**
Financial liabilities	**3,531,143**	**(1,384,670)**	**(2,866,793)**	**(720,320)**
Total	**40,097,640**	**1,209,390**	**86,019**	**41,393,049**
Insurance and reinsurance contract assets	**146,357**	**–**	**–**	**146,357**
Insurance and reinsurance contract liabilities	**(38,803,110)**	**(288,310)**	**–**	**(39,091,420)**
Net exposure	**1,440,887**	**921,080**	**86,019**	**2,447,986**

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(i) Market risk (continued)

(c) Foreign currency risk (continued)

2024	SGD $'000	USD $'000	Others $'000	Total $'000
Group				
Financial assets	16,606,366	23,318,524	894,073	40,818,963
Financial liabilities	18,697,398	(18,848,505)	(799,316)	(950,423)
Total	35,303,764	4,470,019	94,757	39,868,540
Insurance and reinsurance contract assets	108,993	–	–	108,993
Insurance and reinsurance contract liabilities	(37,434,363)	(306,393)	–	(37,740,756)
Net exposure	(2,021,606)	4,163,626	94,757	2,236,777

2024	SGD $'000	USD $'000	Others $'000	Total $'000
Company				
Financial assets	16,606,366	23,297,122	894,073	40,797,561
Financial liabilities	18,697,398	(18,848,505)	(799,316)	(950,423)
Total	35,303,764	4,448,617	94,757	39,847,138
Insurance and reinsurance contract assets	108,993	–	–	108,993
Insurance and reinsurance contract liabilities	(37,434,363)	(306,393)	–	(37,740,756)
Net exposure	(2,021,606)	4,142,224	94,757	2,215,375

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(i) Market risk (continued)

(c) Foreign currency risk (continued)

The Group's foreign currency risk exposure is closely tracked and the net exposure is minimised through monthly rebalancing.

Based on monthly volatilities, management estimates ±2% (2024: ±2%) change in the relevant currency risk to be reasonably possible at the reporting date.

A sensitivity analysis of the impact on CSM, profit and equity, arising from change in currency risk variable on the measurement of insurance and reinsurance contracts and financial instruments denominated in a foreign currency, is shown below.

The analysis assumes that all other variables remain constant.

		CSM		Profit or loss		Equity	
2025		$'000 Strengthen	$'000 Weaken	$'000 Strengthen	$'000 Weaken	$'000 Strengthen	$'000 Weaken
USD	**2%**						
Insurance and reinsurance contracts		**1,339**	**(1,337)**	**(16,673)**	**16,669**	**(16,673)**	**16,669**
Financial instruments		**–**	**–**	**24,188**	**(24,188)**	**24,188**	**(24,188)**

		CSM		Profit or loss		Equity	
2024		$'000 Strengthen	$'000 Weaken	$'000 Strengthen	$'000 Weaken	$'000 Strengthen	$'000 Weaken
USD	2%						
Insurance and reinsurance contracts		2,814	(2,808)	(76,201)	76,202	(76,201)	76,202
Financial instruments		–	–	83,039	(83,039)	83,039	(83,039)

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk

Credit risk is the risk arising from the uncertainty of an obligor's ability to fulfil its contractual obligations to the Group. The risk gives rise to financial losses as a result of default of an obligor or deterioration in its credit quality. The obligors include security issuers, derivatives transactional counterparties, policyholders, reinsurers, brokers and other intermediaries such as exchange / clearing houses.

Credit risk management is incorporated in the management of the Group's investments and business activities, and entails credit quality controls, credit risk limits and active monitoring of exposures against these limits with ongoing effort to manage breaches or deviations.

The Risk Management Committee approves and reviews on a regular basis the credit risk management framework including the limits and methodology, and provides oversight of credit risk taken by the Group to ensure it is consistent with the investment and business strategies approved by the Board.

Evaluation of an issuer's or counterparty's credit risk is undertaken by credit origination business units. Monitoring of credit and concentration risk is carried out by Risk Management. Overall investment limits monitoring is put in place at various levels to ensure that all investment activities are aligned with the Group's risk management principles and philosophies.

The loans in the portfolio are generally unsecured. Evaluation and monitoring of credit risk arising from such loans is undertaken by the Investment Department. The carrying amount of past due or impaired corporate loans on 31 December 2025 is nil (2024: nil).

The consumer loan portfolio as at 31 December 2025 amounts to $2,366,000 net of impairment (2024: $2,620,000). This is made up of secured and unsecured loans of which about 99% (2024: 99%) are secured loans.

For the management of credit risk of secured consumer loans, the Group regularly performs a valuation exercise to derive the fair value of the collaterals. The purpose of this exercise is to monitor the Loan to Valuation Ratio. For some loans, the Group may repossess the collateral when the loan defaults.

The Group's credit policy to monitor the default risk on unsecured loans is to engage an external agent to regularly inform the Group if any of the borrowers are currently facing legal actions by other creditors.

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk (continued)

The following table provides information regarding the carrying value of financial assets that have been impaired and the ageing of financial assets that are past due but not impaired as at 31 December:

		Financial assets that are past due but not impaired				
2025	Neither past due nor impaired $'000	Up to 3 months $'000	3 months to 1 year $'000	Greater than 1 year $'000	Financial assets that have been impaired $'000	Total $'000
Group						
Debt securities	**24,683,639**	**–**	**–**	**–**	**–**	**24,683,639**
Loans	**83,607**	**–**	**4**	**6**	**–**	**83,617**
Derivative financial instruments	**175,080**	**–**	**–**	**–**	**–**	**175,080**
Other receivables	**535,229**	**169**	**–**	**5**	**(138)**	**535,265**
Cash and cash equivalents	**930,193**	**–**	**–**	**–**	**–**	**930,193**

		Financial assets that are past due but not impaired				
2024	Neither past due nor impaired $'000	Up to 3 months $'000	3 months to 1 year $'000	Greater than 1 year $'000	Financial assets that have been impaired $'000	Total $'000
Group						
Debt securities	24,647,509	–	–	–	–	24,647,509
Loans	83,863	–	–	8	–	83,871
Derivative financial instruments	104,962	–	–	–	–	104,962
Other receivables	474,125	–	–	–	(98)	474,027
Cash and cash equivalents	1,550,713	–	–	–	–	1,550,713

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk (continued)

		Financial assets that are past due but not impaired				
2025	Neither past due nor impaired $'000	Up to 3 months $'000	3 months to 1 year $'000	Greater than 1 year $'000	Financial assets that have been impaired $'000	Total $'000
Company						
Debt securities	**24,683,639**	**–**	**–**	**–**	**–**	**24,683,639**
Loans	**83,607**	**–**	**4**	**6**	**–**	**83,617**
Derivative financial instruments	**175,080**	**–**	**–**	**–**	**–**	**175,080**
Other receivables	**536,677**	**143**	**–**	**3**	**(50)**	**536,773**
Cash and cash equivalents	**923,457**	**–**	**–**	**–**	**–**	**923,457**

		Financial assets that are past due but not impaired				
2024	Neither past due nor impaired $'000	Up to 3 months $'000	3 months to 1 year $'000	Greater than 1 year $'000	Financial assets that have been impaired $'000	Total $'000
Company						
Debt securities	24,647,509	–	–	–	–	24,647,509
Loans	83,863	–	–	8	–	83,871
Derivative financial instruments	104,962	–	–	–	–	104,962
Other receivables	467,986	–	–	–	(54)	467,932
Cash and cash equivalents	1,546,102	–	–	–	–	1,546,102

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk (continued)

The table below provides information regarding the credit risk exposure of the Group as at 31 December by classifying assets according to the rating buckets:

2025	Investment Grade (AAA to BBB-) $'000	Below Investment Grade (Below BBB-) $'000	Non-rated $'000	Total $'000
Group				
Debt securities	**19,496,916**	**804,144**	**4,382,579**	**24,683,639**
Loans	**–**	**–**	**83,617**	**83,617**
Derivative financial assets	**174,121**	**–**	**959**	**175,080**
Cash and cash equivalents	**930,193**	**–**	**–**	**930,193**

2024	Investment Grade (AAA to BBB-) $'000	Below Investment Grade (Below BBB-) $'000	Non-rated $'000	Total $'000
Group				
Debt securities	18,378,461	849,666	5,419,382	24,647,509
Loans	–	–	83,871	83,871
Derivative financial assets	103,155	–	1,807	104,962
Cash and cash equivalents	1,550,713	–	–	1,550,713

2025	Investment Grade (AAA to BBB-) $'000	Below Investment Grade (Below BBB-) $'000	Non-rated $'000	Total $'000
Company				
Debt securities	**19,496,916**	**804,144**	**4,382,579**	**24,683,639**
Loans	**–**	**–**	**83,617**	**83,617**
Derivative financial assets	**174,121**	**–**	**959**	**175,080**
Cash and cash equivalents	**923,457**	**–**	**–**	**923,457**

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk (continued)

2024	Investment Grade (AAA to BBB-) $'000	Below Investment Grade (Below BBB-) $'000	Non-rated $'000	Total $'000
Company				
Debt securities	18,378,461	849,666	5,419,382	24,647,509
Loans	–	–	83,871	83,871
Derivative financial assets	103,155	–	1,807	104,962
Cash and cash equivalents	1,546,102	–	–	1,546,102

The carrying amount of assets included on the statement of financial position represents the maximum credit exposure.

Substantial portion of non-rated debt securities are in Singapore Government and government-related organisations.

Cash and cash equivalents and derivative transactions are carried out with banks and financial institutions: (i) which are regulated by the MAS and other regulators overseas; and (ii) whose credit are rated investment grade by the rating agencies.

The Group enters into master netting arrangements with counterparties. The credit risk associated with favourable contracts is reduced by the master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis.

Master netting arrangements do not meet the criteria for offsetting of financial assets and liabilities on the statement of financial position, as the legal right to set off the transactions is conditional upon default.

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk (continued)

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

Group and Company	Gross amounts of recognised financial assets $'000	Gross amounts of recognised financial liabilities set-off in the statement of financial position $'000	Net amounts of financial assets presented in the statement of financial position $'000	Related amounts not set-off in the statement of financial position		Net amount $'000
				Financial Instruments $'000	Cash collateral $'000	
31 December 2025						
Derivatives	**169,845**	**–**	**169,845**	**8,718**	**127,147**	**33,980**
Securities lending	**1,550,583**	**–**	**1,550,583**	**1,705,595**	**–**	**(155,012)**
31 December 2024						
Derivatives	94,479	–	94,479	674	33,417	60,388

Financial liabilities subject to offsetting:

Group and Company	Gross amounts of recognised financial liabilities $'000	Gross amounts of recognised financial assets set-off in the statement of financial position $'000	Net amounts of financial liabilities presented in the statement of financial position $'000	Related amounts not set-off in the statement of financial position		Net amount $'000
				Financial Instruments $'000	Cash collateral $'000	
31 December 2025						
Derivatives	**66,224**	**–**	**66,224**	**41,947**	**14,440**	**9,837**
Securities lending	**–**	**–**	**–**	**–**	**–**	**–**
31 December 2024						
Derivatives	495,322	–	495,322	287,927	73,264	134,131

The Group currently participates in a securities lending programme, whereby securities are lent to approved borrowers of the lending agent in return for a fee. These transactions are conducted under terms and conditions that are usual and customary to standard securities lending arrangements. The loaned securities are not derecognised and continue to be recognised within the appropriate investment classification.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(ii) Credit risk (continued)

The Group's security lending policy requires collateral in excess of 100 per cent of the fair value of securities loaned from all securities borrowers, and such collateral typically comprises cash and marketable securities, including government and investment grade corporate bonds and listed equity securities on major indices. The collateral received and corresponding obligation to return such collateral are recognised in the statement of financial position.

The fair values of the assets on loan and collateral under the securities lending programme are as follows:

Fair value of assets on Loan		Fair value of Collateral		Collateral as a % of assets of Loan	
2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 %	2024 %
1,550,583	–	**1,705,596**	–	**110**	–

Ceded reinsurance contains credit risk, and such reinsurance assets are reported after deductions for known insolvencies and uncollectible items. The measurement of the future cash flows of the groups of reinsurance contracts held also includes the non-performance risk of the reinsurer. The Group monitors the financial condition of its reinsurers on an ongoing basis and reviews its reinsurance arrangements periodically. When selecting its reinsurers, the Group considers their relative financial security. The security of the reinsurer is assessed based on public rating information.

Reinsurance contract assets and liabilities are analysed in the table below using the Group's credit risk rating. The table represents the credit risk exposure of the Group, which equals the maximum exposure to credit risk considering the ability to set off, where applicable, under the reinsurance contracts.

2025	Credit Rating (AAA to BBB-) $'000	Credit Rating (Below BBB-) $'000	Non-rated $'000	Total $'000
Group and Company				
Reinsurance contract assets	**128,957**	**–**	**–**	**128,957**
Reinsurance contract liabilities	**–**	**–**	**–**	**–**
Maximum credit risk exposure	**128,957**	**–**	**–**	**128,957**

2024	Credit Rating (AAA to BBB-) $'000	Credit Rating (Below BBB-) $'000	Non-rated $'000	Total $'000
Group and Company				
Reinsurance contract assets	102,274	–	19	102,293
Reinsurance contract liabilities	–	–	–	–
Maximum credit risk exposure	102,274	–	19	102,293

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For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(iii) Liquidity risk

The Group is exposed to liquidity risk when it is unable to meet its obligations in a timely manner and at a reasonable cost. The liquidity risk could arise through uncertainties in the value and timing of its obligations, adverse reputational events, or adverse market conditions, leading to unexpected cash demands and material numbers of surrenders. As a result, the Group may have to sell off assets with unfavourable prices to provide the cash lump sum payment.

The Group maintains a level of cash and cash flow deemed adequate by management to finance its operations and to mitigate the effects of fluctuations in cash requirements. Liquidity management requires the Group to maintain a liquid position at all times to meet unexpected claims payments when they fall due, while holding an asset mix which is expected to meet the Group's target return. The Group monitors liquidity risk through the monthly tracking of the liquidity position of each insurance fund and through the performance of liquidity stress tests.

Maturity analysis for insurance and reinsurance liabilities

The following table summarises the maturity profile of groups of insurance contract issued and groups of reinsurance contracts held that are liabilities of the Group on the estimates of the remaining contractual undiscounted net cash flows expected to be paid out in the periods presented.

2025	Total $'000	Within 1 year $'000	1 – 2 years $'000	2 – 3 years $'000	3 – 4 years $'000	4 – 5 years $'000	More than 5 years $'000
Group and Company							
Insurance contract liabilities	**67,752,656**	**1,582,429**	**1,190,760**	**944,825**	**1,092,876**	**1,209,758**	**61,732,008**
Reinsurance contract liabilities	**33,137**	**1,768**	**553**	**507**	**435**	**377**	**29,497**
Total	**67,785,793**	**1,584,197**	**1,191,313**	**945,332**	**1,093,311**	**1,210,135**	**61,761,505**

2024	Total $'000	Within 1 year $'000	1 – 2 years $'000	2 – 3 years $'000	3 – 4 years $'000	4 – 5 years $'000	More than 5 years $'000
Group and Company							
Insurance contract liabilities	75,407,962	1,100,790	1,811,734	1,709,343	1,459,580	1,165,560	68,160,955
Reinsurance contract liabilities	11,982	(8,307)	(955)	(670)	(518)	(467)	22,899
Total	75,419,944	1,092,483	1,810,779	1,708,673	1,459,062	1,165,093	68,183,854

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(iii) Liquidity risk (continued)

The amount of insurance contract liabilities that are payable on demand are set out below:

	2025 $'000	2024 $'000
Group and Company		
Amount payable on demand	**29,911,448**	30,006,160
Carrying amount	**37,733,620**	36,481,900

The amounts payable on demand represent the policyholders' account values less applicable surrender fees as at the reporting date.

The table below shows the Group and Company's undiscounted financial assets and financial liabilities with the remaining contractual maturities:

2025	Total $'000	Within 1 year $'000	1 – 5 years $'000	Over 5 years $'000	No stated maturity $'000
Group					
Assets					
Investments					
– Equities	**5,367,979**	**–**	**–**	**–**	**5,367,979**
– Debt securities	**24,683,639**	**1,982,494**	**6,729,881**	**15,699,654**	**271,610**
– Funds	**10,740,404**	**–**	**–**	**–**	**10,740,404**
– Derivative financial instruments	**175,080**	**137,128**	**37,393**	**559**	**–**
Other receivables	**535,265**	**520,589**	**43**	**–**	**14,633**
Cash and cash equivalents	**930,193**	**1,676**	**–**	**–**	**928,517**
Total	**42,432,560**	**2,641,887**	**6,767,317**	**15,700,213**	**17,323,143**
Liabilities					
Derivative financial instruments	**(69,608)**	**(42,095)**	**(26,913)**	**(600)**	**–**
Other payables	**(1,109,663)**	**(1,061,317)**	**(41,937)**	**(5,037)**	**(1,372)**
Borrowings (include interest)	**(1,161,061)**	**(24,800)**	**(99,268)**	**(1,036,993)**	**–**
Lease liabilities	**(51,729)**	**(7,580)**	**(25,219)**	**(18,930)**	**–**
Total	**(2,392,061)**	**(1,135,792)**	**(193,337)**	**(1,061,560)**	**(1,372)**

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(iii) Liquidity risk (continued)

2024	Total $'000	Within 1 year $'000	1 – 5 years $'000	Over 5 years $'000	No stated maturity $'000
Group					
Assets					
Investments					
– Equities	4,939,068	–	–	–	4,939,068
– Debt securities	24,647,509	2,101,790	7,217,908	15,032,586	295,225
– Funds	9,426,592	–	–	–	9,426,592
– Derivative financial instruments	104,962	97,483	5,603	1,876	–
Other receivables	474,027	400,570	–	–	73,457
Cash and cash equivalents	1,550,713	388,466	–	–	1,162,247
Total	41,142,871	2,988,309	7,223,511	15,034,462	15,896,589
Liabilities					
Derivative financial instruments	(510,904)	(505,037)	(5,843)	(24)	–
Other payables	(840,649)	(820,466)	(15,584)	(4,599)	–
Borrowings (include interest)	(1,185,861)	(24,800)	(99,268)	(1,061,793)	–
Lease liabilities	(52,920)	(6,879)	(22,520)	(23,521)	–
Total	(2,590,334)	(1,357,182)	(143,215)	(1,089,937)	–

2025	Total $'000	Within 1 year $'000	1 – 5 years $'000	Over 5 years $'000	No stated maturity $'000
Company					
Assets					
Investments					
– Equities	**5,367,979**	**–**	**–**	**–**	**5,367,979**
– Debt securities	**24,683,639**	**1,982,494**	**6,729,881**	**15,699,654**	**271,610**
– Funds	**10,740,404**	**–**	**–**	**–**	**10,740,404**
– Derivative financial instruments	**175,080**	**137,128**	**37,393**	**559**	**–**
Other receivables	**536,773**	**522,097**	**43**	**–**	**14,633**
Cash and cash equivalents	**923,457**	**–**	**–**	**–**	**923,457**
Total	**42,427,332**	**2,641,719**	**6,767,317**	**15,700,213**	**17,318,083**
Liabilities					
Derivative financial instruments	**(69,608)**	**(42,095)**	**(26,913)**	**(600)**	**–**
Other payables	**(1,118,711)**	**(1,070,365)**	**(41,937)**	**(5,037)**	**(1,372)**
Borrowings (include interest)	**(1,161,061)**	**(24,800)**	**(99,268)**	**(1,036,993)**	**–**
Lease liabilities	**(51,008)**	**(7,199)**	**(24,879)**	**(18,930)**	**–**
Total	**(2,400,388)**	**(1,144,459)**	**(192,997)**	**(1,061,560)**	**(1,372)**

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(c) Financial risk (continued)

(iii) Liquidity risk (continued)

2024	Total $'000	Within 1 year $'000	1 – 5 years $'000	Over 5 years $'000	No stated maturity $'000
Company					
Assets					
Investments					
– Equities	4,917,666	–	–	–	4,917,666
– Debt securities	24,647,509	2,101,790	7,217,908	15,032,586	295,225
– Funds	9,426,592	–	–	–	9,426,592
– Derivative financial instruments	104,962	97,483	5,603	1,876	–
Other receivables	467,932	394,475	–	–	73,457
Cash and cash equivalents	1,546,102	385,000	–	–	1,161,102
Total	41,110,763	2,978,748	7,223,511	15,034,462	15,874,042
Liabilities					
Derivative financial instruments	(510,904)	(505,037)	(5,843)	(24)	–
Other payables	(845,209)	(825,026)	(15,584)	(4,599)	–
Borrowings (include interest)	(1,185,861)	(24,800)	(99,268)	(1,061,793)	–
Lease liabilities	(51,930)	(6,550)	(21,859)	(23,521)	–
Total	(2,593,904)	(1,361,413)	(142,554)	(1,089,937)	–

(d) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position and in Note 12 and Note 15 to the consolidated financial statements presented as fair value, except for the following:

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Financial assets				
Loans	**83,617**	83,871	**83,617**	83,871
Other receivables	**535,265**	474,027	**536,773**	467,932
Cash and cash equivalents	**930,193**	1,550,713	**923,457**	1,546,102
Financial liabilities				
Borrowings	**841,142**	840,719	**840,450**	839,729
Other payables	**1,109,663**	840,649	**1,118,711**	845,209

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(e) Capital management

Capital management policy and framework

The Group's capital management policy is to manage its capital by balancing the required capital for the Group's strategic intent, business objectives, solvency requirements and dividend distribution to the shareholders in accordance with the Group's risk appetite.

The Group's capital management framework includes processes to manage the use of capital and ensure generation of surplus. This is achieved through bonus distribution strategies, investment strategies, product pricing and development strategies and risk management. The Group sets pricing standards to ensure that its products are priced on a profitable basis to generate surpluses and bolster capital.

Under the Group's capital management framework, the Group manages various forms of capital. These include, but are not limited to, shareholders' equity, Tier 2 subordinated debt, allowance for provision for non-guaranteed benefits expected to be paid to participating policyholders, and other adjustments as specified in MAS Notice 133. The total financial resources of the Group as at 31 December 2025 amounted to $14.9 billion (2024: $15.1 billion).

Solvency requirements

The Group strives to manage its capital and fund solvency such that they are adequate at all times and in compliance with the Capital Adequacy Requirements as stipulated by the Monetary Authority of Singapore ("MAS") for insurers. This is set out below.

Under the Insurance (Valuation and Capital) Regulations 2004 ("Regulations"), insurers are required to maintain minimum solvency ratios above the solvency requirements as specified in MAS Notice 133. The solvency requirements are determined by applying a risk-based approach to capital adequacy based on the ratios of the available capital to the sum of the aggregate of the total risk requirements.

The total risk requirements consist of three components: the insurance risk requirement, asset risk requirement comprising mainly asset specific and asset/liability duration mismatch charge and operational risk requirement.

The Group's capital management focuses on three key relevant capital ratios: the Capital Adequacy Ratio ("CAR"), the Participating Fund Solvency Ratio ("Par FSR") and the Tier 1 Capital Ratio ("Tier 1 Ratio"). The CAR, Par FSR and Tier 1 Ratio of the Group remains well above the solvency requirements.

Capital and solvency positions are regularly monitored and reported as part of the Group's risk management and reporting process.

The above describes the Group's approach to capital management which remains unchanged from previous financial year.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements

The following table presents our financial assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
Assets				
Investments measured at FVTPL				
– Equities	**5,348,181**	**1,549**	**18,249**	**5,367,979**
– Funds	**3,448,301**	**798,957**	**6,493,146**	**10,740,404**
– Debt securities	**15,682,635**	**9,001,004**	**–**	**24,683,639**
Investments measured at FVOCI				
– Equities	**–**	**25,041**	**–**	**25,041**
	24,479,117	**9,826,551**	**6,511,395**	**40,817,063**
Derivative financial instruments	**5,235**	**142,583**	**27,262**	**175,080**
	24,484,352	**9,969,134**	**6,538,657**	**40,992,143**
Liabilities				
Derivative financial instruments	**(3,384)**	**(40,777)**	**(25,447)**	**(69,608)**

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
Assets				
Investments measured at FVTPL				
– Equities	4,895,029	–	22,637	4,917,666
– Funds	3,304,649	–	6,121,943	9,426,592
– Debt securities	16,875,405	7,772,104	–	24,647,509
Investments measured at FVOCI				
– Equities	–	21,402	–	21,402
	25,075,083	7,793,506	6,144,580	39,013,169
Derivative financial instruments	10,484	94,478	–	104,962
	25,085,567	7,887,984	6,144,580	39,118,131
Liabilities				
Derivative financial instruments	(15,582)	(495,322)	–	(510,904)

2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Company				
Assets				
Investments measured at FVTPL				
– Equities	**5,348,181**	**1,549**	**18,249**	**5,367,979**
– Funds	**3,448,301**	**798,957**	**6,493,146**	**10,740,404**
– Debt securities	**15,682,635**	**9,001,004**	**–**	**24,683,639**
	24,479,117	**9,801,510**	**6,511,395**	**40,792,022**
Derivative financial instruments	**5,235**	**142,583**	**27,262**	**175,080**
	24,484,352	**9,944,093**	**6,538,657**	**40,967,102**
Liabilities				
Derivative financial instruments	**(3,384)**	**(40,777)**	**(25,447)**	**(69,608)**

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Company				
Assets				
Investments measured at FVTPL				
– Equities	4,895,029	–	22,637	4,917,666
– Funds	3,304,649	–	6,121,943	9,426,592
– Debt securities	16,875,405	7,772,104	–	24,647,509
	25,075,083	7,772,104	6,144,580	38,991,767
Derivative financial instruments	10,484	94,478	–	104,962
	25,085,567	7,866,582	6,144,580	39,096,729
Liabilities				
Derivative financial instruments	(15,582)	(495,322)	–	(510,904)

The fair value of Level 1 financial instruments, which are traded in active markets, is based on quoted market prices as of the reporting date. For financial assets and financial liabilities held by the Group, the valuation is derived from the last traded price for equity investments, the bid price for fixed income investments and the settlement price for exchange-traded derivatives.

The fair value of Level 2 financial instruments, which are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group and Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Transfers between Level 1 and 2

The Group and Company recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred. As at 31 December 2025, the Group and the Company's debt, equity and fund investments measured at FVTPL with a carrying amount of $ 1,838,715,000 were transferred from Level 1 to Level 2 because an active market for these assets no longer exists. To determine the fair value of such assets, management had used valuation techniques in which all significant inputs were based on observable market data.

As at 31 December 2025, the Group and the Company's debt investments measured at FVTPL with a carrying amount of $232,077,000 were transferred from Level 2 to Level 1 because an active market exists for these assets. There were no transfers from Level 2 to Level 1 in 2024.

Transfer between Level 2 and 3

For unquoted open-ended funds, there were no transfers from Level 2 to Level 3 in 2025, but there were transfers from Level 2 to Level 3 in 2024, as their valuations rely on unobservable inputs rather than directly observable market data.

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

Transfer between Level 2 and 3 (continued)

The following table presents the changes in Level 3 instruments:

	Investments measured at FVTPL		
	Unquoted funds $'000	Unquoted equities $'000	Total $'000
Group and Company			
At 1 January 2025	**6,121,943**	**22,637**	**6,144,580**
Sales of Level 3 securities	**(362,982)**	**–**	**(362,982)**
Purchases of Level 3 securities	**846,167**	**–**	**846,167**
Gains or losses on sale of investments and changes in fair value	**(111,982)**	**(4,388)**	**(116,370)**
At 31 December 2025	**6,493,146**	**18,249**	**6,511,395**

	Derivative Financial Instruments	
	Assets $'000	Liabilities $'000
Group and Company		
At 1 January 2025	**–**	**–**
Gains or losses on sale of investments and changes in fair value	**27,262**	**(25,447)**
At 31 December 2025	**27,262**	**(25,447)**

	Investments measured at FVTPL		
	Unquoted funds $'000	Unquoted equities $'000	Total $'000
Group and Company			
At 1 January 2024	4,695,837	21,442	4,717,279
Sales of Level 3 securities	(472,638)	–	(472,638)
Purchases of Level 3 securities	1,786,731	–	1,786,731
Gains or losses on sale of investments and changes in fair value	46,058	1,195	47,253
Transfer from Level 2	65,955	–	65,955
At 31 December 2024	6,121,943	22,637	6,144,580

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investments categorised under Level 2 and Level 3 of the fair value hierarchy which involves significant unobservable inputs:

2025	Group and Company			
Type	Classification	Valuation technique	Significant unobservable input	Inter-relationship between key unobservable inputs and fair value measurement
Quoted equities	FVTPL	Quoted market price	Not applicable	Not applicable
Quoted funds	FVTPL	Quoted market price	Not applicable	Not applicable
Debt securities	FVTPL	Quoted market prices or dealer quotes for similar instruments	Not applicable	Not applicable
Unquoted equities	FVOCI	Net asset value and market quoted price	Not applicable	Not applicable
Derivative financial instruments				
– Interest rate swaps	FVTPL	Present value of the estimated future cash flows	Not applicable	Not applicable
– Forward foreign exchange	FVTPL	Quoted forward exchange rates at the reporting date	Not applicable	Not applicable
– Cross currency swaps	FVTPL	Present value of the estimated future cash flows	Not applicable	Not applicable
– Credit detault swaps	FVTPL	Present value of the estimated future cash flows	Not applicable	Not applicable
Unquoted funds	FVTPL	Net asset value	Net asset value of investment vehicles	The estimated fair value would increase (decrease) if the net asset value were high (lower)
Unquoted equities	FVTPL	Net asset value	Net asset value of investment entities	The estimated fair value would increase (decrease) if the net asset value were high (lower)
Derivative financial instruments – Bond forward	FVTPL	Discounted cash flow	Forward bond price	The estimated fair value would increase (decrease) if the expected forward bond price were higher (lower)

Valuation processes of the Group

Valuation of unquoted funds were based on net asset value reports as at 30 September, adjusted for the net cash flows movement from 1 October until 31 December.

Valuation of unquoted equities were valued based on net asset value from their latest management accounts.

Valuation of bond forwards were valued using a discounted cash flow technique. Expected cash flows are derived from the difference between contractual forward price and the estimated forward price of the underlying bond.

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

Investment properties

Investment properties (see Note 8) are carried at fair values at the reporting date as determined by independent professional valuers.

Fair value hierarchy

	Fair value measurements at 31 December 2025 using		
	Quoted prices in active markets for identical assets (Level 1) $'000	Significant other observable inputs (Level 2) $'000	Significant unobservable inputs (Level 3) $'000
Group and Company			
Recurring fair value measurements			
Investment properties	–	–	**1,078,463**

	Fair value measurements at 31 December 2024 using		
	Quoted prices in active markets for identical assets (Level 1) $'000	Significant other observable inputs (Level 2) $'000	Significant unobservable inputs (Level 3) $'000
Group and Company			
Recurring fair value measurements			
Investment properties	–	–	1,071,738

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

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties that are categorised under Level 3 of the fair value hierarchy which involves significant unobservable inputs:

Description	Fair value at 31 December 2025 ($'000)	Fair value at 31 December 2024 ($'000)	Valuation techniques	Unobservable inputs[1]	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Completed Investment properties	**1,078,463**	1,071,738	Income Capitalisation Approach	Estimated rental rate	Retail: **$6.60 to $15.06** (2024: $6.60 to $14.69) per square foot per month	The higher the rental value per square foot, the higher the fair value.
					Office/ Industrial: **$2.61 to $8.00** (2024: $2.48 to $7.90) per square foot per month	
				Capitalisation rate	**3.25% to 5%** (2024: 3.25% to 5%)	The higher the capitalisation rate, the lower the fair value.
			Discounted Cash Flow Approach	Rental growth rate	**3% to 3.54%** (2024: 3% to 3.64%)	The higher the rental growth rate, the higher the fair value.
				Discount rate	**6.75% to 7.25%** (2024: 6.25% to 7.25%)	The higher the discount rate, the lower the fair value.
			Direct Comparison Approach	Valuation per square foot	Retail: **$1,642 to $4,133** (2024: $1,574 to $3,459) per square foot	The higher the valuation per square foot, the higher the fair value.
					Office/Industrial: **$425 to $3,269** (2024: $421 to $3,230) per square foot	

[1] There were no significant inter-relationships between unobservable inputs.

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

Valuation processes of the Group

The Group engages external, independent and qualified valuer to determine the fair values of the Group's investment properties at the end of every financial year based on the properties' highest and best use.

In the Income Capitalisation Approach, gross rental income (net of GST) is estimated at a mature maintainable occupancy level from which total expenses have been deducted and net income capitalised at an appropriate rate.

The Discounted Cash Flow ("DCF") Approach involves the estimation and projection of a net income stream over a period and discounting the net income stream with an internal rate of return to arrive at the market value. The discounted cash flow method requires the valuer to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with the current market requirements.

The Direct Comparison Approach involves analysis of recent transactions of comparable properties within the vicinity and elsewhere in Singapore. Necessary adjustments have been made for the differences in location, tenure, size, shape, design and layout, age and condition of buildings, date of transactions and the prevailing market and prevailing condition amongst other factors affecting their values.

Assets held for sale

The fair value of the Group's investment properties held for sale (see Note 32) is either valued by independent valuers or based on agreed contractual selling price on a willing buyer willing seller basis. For investment properties held for sale valued by independent valuer, the valuer applies valuation techniques including the market comparison method, capitalisation method and DCF method in arriving at the open market value as at the reporting date. In determining the fair value, the valuer uses valuation techniques which involve certain estimates and assumptions.

5. MANAGEMENT OF INSURANCE AND FINANCIAL RISKS (CONTINUED)

(f) Fair value measurements (continued)

Financial asset/liabilities not carried at fair value

Loans

The fair value of consumer loans of Group and Company is based on cash flows discounted at the weighted average interest rate of the Company's subordinated debts (Note 20) and are classified as Level 3. The fair value and interest rates used as at 31 December are as follows:

	Carrying value $'000	Fair value $'000	Interest rate used
Group and Company			
2025			
Consumer loans	**2,366**	**2,283**	**3.10%**
2024			
Consumer loans	2,620	2,420	3.10%

Other payables

The fair values of other payables are based on cash flows discounted at the weighted average interest rate of the Company's subordinated debt (Note 20) and are classified as Level 3. The fair values and interest rates used as at 31 December are as follows:

	Carrying value $'000	Fair value $'000	Interest rate used
Group and Company			
2025			
Accruals and other liabilities	**46,974**	**42,070**	**3.10%**
2024			
Accruals and other liabilities	20,182	16,877	3.10%

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For the financial year ended 31 December 2025

6. PROPERTY, PLANT AND EQUIPMENT

	Group					
2025	Properties $'000	Office equipment $'000	Furniture and fittings $'000	Computer equipment $'000	Motor vehicles $'000	Total $'000
Cost						
At 1 January 2025	**75,599**	**2,906**	**30,989**	**21,639**	**948**	**132,081**
Additions	**3,322**	**149**	**477**	**346**	**–**	**4,294**
Re-measurement of right-of-use asset	**2,682**	**–**	**–**	**–**	**–**	**2,682**
Derecognition of ROU asset	**(7,583)**	**(18)**	**–**	**–**	**–**	**(7,601)**
Disposals/Write-offs	**–**	**(239)**	**(39)**	**(1,112)**	**(153)**	**(1,543)**
At 31 December 2025	**74,020**	**2,798**	**31,427**	**20,873**	**795**	**129,913**
Accumulated depreciation						
At 1 January 2025	**35,553**	**2,632**	**29,136**	**18,104**	**860**	**86,285**
Charge for the year	**6,019**	**124**	**628**	**1,572**	**62**	**8,405**
Derecognition of ROU asset	**(7,499)**	**(18)**	**–**	**–**	**–**	**(7,517)**
Disposals/Write-offs	**–**	**(239)**	**(18)**	**(1,111)**	**(153)**	**(1,521)**
At 31 December 2025	**34,073**	**2,499**	**29,746**	**18,565**	**769**	**85,652**
Carrying amount						
At 31 December 2025	**39,947**	**299**	**1,681**	**2,308**	**26**	**44,261**

	Group					
2024	Properties $'000	Office equipment $'000	Furniture and fittings $'000	Computer equipment $'000	Motor vehicles $'000	Total $'000
Cost						
At 1 January 2024	55,785	2,807	30,391	23,939	1,012	113,934
Additions	581	99	598	489	–	1,767
Re-measurement of right-of-use asset	19,505	–	–	–	–	19,505
Derecognition of ROU asset	(272)	–	–	–	–	(272)
Disposals/Write-offs	–	–	–	(2,789)	(64)	(2,853)
At 31 December 2024	75,599	2,906	30,989	21,639	948	132,081
Accumulated depreciation						
At 1 January 2025	29,884	2,461	27,891	18,473	851	79,560
Charge for the year	5,669	171	1,245	2,268	71	9,424
Disposals/Write-offs	–	–	–	(2,637)	(62)	(2,699)
At 31 December 2024	35,553	2,632	29,136	18,104	860	86,285
Carrying amount						
At 31 December 2024	**40,046**	**274**	**1,853**	**3,535**	**88**	**45,796**

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Company					
2025	Properties $'000	Office equipment $'000	Furniture and fittings $'000	Computer equipment $'000	Motor vehicles $'000	Total $'000
Cost						
At 1 January 2025	**73,896**	**2,871**	**30,500**	**21,408**	**948**	**129,623**
Additions	**3,322**	**110**	**477**	**346**	**–**	**4,255**
Re-measurement of right-of-use asset	**2,682**	**–**	**–**	**–**	**–**	**2,682**
Derecognition of ROU asset	**(7,583)**	**–**	**–**	**–**	**–**	**(7,583)**
Disposals/Write-offs	**–**	**(239)**	**(39)**	**(1,112)**	**(153)**	**(1,543)**
At 31 December 2025	**72,317**	**2,742**	**30,938**	**20,642**	**795**	**127,434**
Accumulated depreciation						
At 1 January 2025	**34,755**	**2,604**	**28,909**	**17,904**	**860**	**85,032**
Charge for the year	**5,700**	**113**	**533**	**1,554**	**62**	**7,962**
Derecognition of ROU asset	**(7,499)**	**–**	**–**	**–**	**–**	**(7,499)**
Disposals/Write-offs	**–**	**(239)**	**(18)**	**(1,111)**	**(153)**	**(1,521)**
At 31 December 2025	**32,956**	**2,478**	**29,424**	**18,347**	**769**	**83,974**
Carrying amount						
At 31 December 2025	**39,361**	**264**	**1,514**	**2,295**	**26**	**43,460**

	Company					
2024	Properties $'000	Office equipment $'000	Furniture and fittings $'000	Computer equipment $'000	Motor vehicles $'000	Total $'000
Cost						
At 1 January 2024	54,082	2,772	29,902	23,711	1,012	111,479
Additions	581	99	598	486	–	1,764
Re-measurement of right-of-use asset	19,505	–	–	–	–	19,505
Derecognition of ROU asset	(272)	–	–	–	–	(272)
Disposals/Write-offs	–	–	–	(2,789)	(64)	(2,853)
At 31 December 2024	73,896	2,871	30,500	21,408	948	129,623
Accumulated depreciation						
At 1 January 2024	29,432	2,438	27,768	18,299	851	78,788
Charge for the year	5,323	166	1,141	2,242	71	8,943
Disposals/Write-offs	–	–	–	(2,637)	(62)	(2,699)
At 31 December 2024	34,755	2,604	28,909	17,904	860	85,032
Carrying amount						
At 31 December 2024	**39,141**	**267**	**1,591**	**3,504**	**88**	**44,591**

Depreciation expense is included in "Other operating expenses" in the statement of comprehensive income.

Property, plant and equipment comprise right-of-use assets of $39,947,000 and $39,361,000 (2024: $40,046,000 and $39,141,000) related to leased properties for Group and Company respectively.

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For the financial year ended 31 December 2025

7. INTANGIBLE ASSETS

	Group		
2025	Computer software $'000	Customer contracts $'000	Total $'000
Cost			
At 1 January 2025	**457,763**	**850**	**458,613**
Additions	**38,864**	**–**	**38,864**
Write-offs	**(8,869)**	**–**	**(8,869)**
At 31 December 2025	**487,758**	**850**	**488,608**
Accumulated amortisation			
At 1 January 2025	**264,335**	**850**	**265,185**
Charge for the year	**46,782**	**–**	**46,782**
Write-offs	**(3,535)**	**–**	**(3,535)**
At 31 December 2025	**307,582**	**850**	**308,432**
Carrying amount at 31 December 2025	**180,176**	**–**	**180,176**

	Group		
2024	Computer software $'000	Customer contracts $'000	Total $'000
Cost			
At 1 January 2024	416,092	850	416,942
Additions	55,816	–	55,816
Write-offs	(14,145)	–	(14,145)
At 31 December 2024	457,763	850	458,613
Accumulated amortisation			
At 1 January 2024	227,198	850	228,048
Charge for the year	44,838	–	44,838
Write-offs	(7,701)	–	(7,701)
At 31 December 2024	264,335	850	265,185
Carrying amount at 31 December 2024	193,428	–	193,428

7. INTANGIBLE ASSETS (CONTINUED)

	Company		
2025	Computer software $'000	Customer contracts $'000	Total $'000
Cost			
At 1 January 2025	**455,949**	**–**	**455,949**
Additions	**38,840**	**–**	**38,840**
Write-offs	**(8,869)**	**–**	**(8,869)**
At 31 December 2025	**485,920**	**–**	**485,920**
Accumulated amortisation			
At 1 January 2025	**263,050**	**–**	**263,050**
Charge for the year	**46,428**	**–**	**46,428**
Write-offs	**(3,535)**	**–**	**(3,535)**
At 31 December 2025	**305,943**	**–**	**305,943**
Carrying amount at 31 December 2025	**179,977**	**–**	**179,977**

	Company		
2024	Computer software $'000	Customer contracts $'000	Total $'000
Cost			
At 1 January 2024	414,370	–	414,370
Additions	55,724	–	55,724
Write-offs	(14,145)	–	(14,145)
At 31 December 2024	455,949	–	455,949
Accumulated amortisation			
At 1 January 2024	226,282	–	226,282
Charge for the year	44,469	–	44,469
Write-offs	(7,701)	–	(7,701)
At 31 December 2024	263,050	–	263,050
Carrying amount at 31 December 2024	192,899	–	192,899

Amortisation expense is included in "Other operating expenses" in the statement of comprehensive income.

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For the financial year ended 31 December 2025

8. INVESTMENT PROPERTIES

	Note	Group and Company 2025 $'000	2024 $'000
At 1 January		**1,071,738**	1,185,770
Additions		**2,825**	3,096
Change in net fair value recognised in profit or loss		**3,900**	70,712
Disposal		**–**	(142,000)
Reclassification to assets held for sale	32	**–**	(45,840)
At 31 December		**1,078,463**	1,071,738

Investment properties comprise a number of commercial properties that are leased to third parties. The lease contracts are non-cancellable.

Investment properties are carried at fair value at the reporting date as determined by independent professional valuers.

All properties are held as investment properties for investment purposes (rental yields and/or capital appreciation).

The following amounts are recognised in profit or loss.

	Note	Group and Company 2025 $'000	2024 $'000
Rental income		**62,634**	60,913
Direct operating expenses arising from investment properties that generated rental income		**(21,575)**	(19,996)

9. INVESTMENT IN SUBSIDIARIES

The subsidiaries of the Company are all incorporated and have their place of business in Singapore. Their principal activities are as follows:

Name	Principal activities	Ownership interest 2025 %	2024 %
NTUC Co-operatives Suzhou Investments Pte Ltd	Investment holding	**73**	73
Income Enterprises Pte Ltd [(a)]	Dormant	**–**	100
NTUC Income Holdings Pte. Ltd.	Investment holding	**100**	100
Infinitum Financial Advisory Pte. Ltd.	Financial advisory	**100**	100
Income Advisory Group Holdings Pte Ltd	Financial holding	**100**	100

(a) Dissolved on 14 August 2025

10. INVESTMENT IN JOINT VENTURES

Set out below are the joint ventures of the Group as at 31 December 2025 and 2024. The joint ventures have share capital consisting solely of ordinary shares, which are held directly by the Group; the country of incorporation is also its principal place of business.

The Group has no commitment relating to its joint ventures. There are also no contingent liabilities relating to the Group's interest in the joint ventures.

Name of company	Country of incorporation	Principal activities	Ownership interest held by the Group 2025 %	2024 %
Street Square Pte. Ltd. ("Street Square") [(a)]	Singapore	Property investment holding	**50**	50
Parkway Parade Partnership Pte. Ltd. ("Parkway Parade") [(a)]	Singapore	Property investment holding	**50**	50
Davita Singapore Pte. Ltd. ("Davita") [(a)]	Singapore	Dialysis services, clinics and other general medical services	**49**	49

(a) Financial year ends on 31 December

Notes to the Financial Statements

For the financial year ended 31 December 2025

10. INVESTMENT IN JOINT VENTURES (CONTINUED)

Summarised financial information for joint venture company

Set out below is the summarised financial information of each of the Group's joint venture company based on the management accounts as of 30 November 2025 and 2024 which is used for equity accounting, as this is the latest financial information available.

Summarised financial position

As at 30 November 2025	Street Square $'000	Parkway Parade $'000	Davita $'000	Total $'000
Non-current assets	**1,200,613**	**1,413,018**	**5,374**	**2,619,005**
Current assets	**12,329**	**27,390**	**8,525**	**48,244**
Non-current liabilities	**(614,988)**	**(541,100)**	**(2,835)**	**(1,158,923)**
Current liabilities	**(224,379)**	**(37,800)**	**(1,953)**	**(264,132)**
Net assets	**373,575**	**861,508**	**9,111**	**1,244,194**

Summarised statement of comprehensive income

For the year from 1 December 2024 to 30 November 2025	Street Square $'000	Parkway Parade $'000	Davita $'000	Total $'000
Revenue	**44,303**	**83,480**	**10,172**	**137,955**
Profit/(loss) from continuing operations [(b)]	**(35,673)**	**34,972**	**1,354**	**653**
Other comprehensive income	**–**	**–**	**–**	**–**
Total comprehensive income/(loss)	**(35,673)**	**34,972**	**1,354**	**653**
Share of results of joint ventures (net of tax)	**(17,837)**	**17,483**	**663**	**309**
Dividends received by the Group	**–**	**15,318**	**–**	**15,318**

(b) Includes:
- Fair value gain/(loss) on investment property:
  Street Square: $(20,003,000)
  Parkway Parade: $9,191,000
- Interest expenses of $33,130,000 (Street Square)
- Income tax expenses of $2,007,000 (Street Square)

10. INVESTMENT IN JOINT VENTURES (CONTINUED)

Summarised financial position

As at 30 November 2024	Street Square $'000	Parkway Parade $'000	Davita $'000	Total $'000
Non-current assets	1,223,310	1,395,477	7,017	2,625,804
Current assets	14,919	36,000	7,256	58,175
Non-current liabilities	(610,356)	(530,900)	(3,852)	(1,145,108)
Current liabilities	(218,625)	(43,400)	(2,664)	(264,689)
Net assets	409,248	857,177	7,757	1,274,182

Summarised statement of comprehensive income

For the year from 1 December 2023 to 30 November 2024	Street Square $'000	Parkway Parade $'000	Davita $'000	Total $'000
Revenue	53,877	80,560	9,267	143,704
Profit/(loss) from continuing operations [(b)]	(4,936)	36,684	(514)	31,234
Other comprehensive income	–	–	–	–
Total comprehensive income/(loss)	(4,936)	36,684	(514)	31,234
Share of results of joint ventures (net of tax)	(2,468)	18,338*	(252)	15,618
Dividends received by the Group	–	15,516	–	15,516

(b) Includes:
- Fair value gain on investment property:
  Street Square: $656,000
  Parkway Parade: $13,559,000
- Interest expenses of $40,763,000 (Street Square)
- Income tax expenses of $1,658,000 (Street Square)

* Presentation changes were made to the 31 December 2024 comparative figures for dividend income which amounted to $15,516,000. Dividends received by the Group from its joint venture has been reclassified from dividend income to share of results of joint venture to better reflect the nature of the amount (see Note 25).

Notes to the Financial Statements

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10. INVESTMENT IN JOINT VENTURES (CONTINUED)

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented to the carrying amount of the Group's interest in the joint venture company, are as follows:

	Street Square $'000	Parkway Parade $'000	Davita $'000	Total $'000
Net assets				
At 1 December 2024	**409,248**	**857,177**	**7,757**	**1,274,182**
Profit/(loss) for the period	**(35,673)**	**34,972**	**1,354**	**653**
Other comprehensive income	**–**	**–**	**–**	**–**
Dividends paid	**–**	**(30,641)**	**–**	**(30,641)**
At 30 November 2025	**373,575**	**861,508**	**9,111**	**1,244,194**
Interest in joint ventures	**186,787**	**430,669**	**4,464**	**621,920**
Carrying amount of the Group's interest in joint ventures	**186,787**	**430,669**	**4,464**	**621,920**

	Street Square $'000	Parkway Parade $'000	Davita $'000	Total $'000
Net assets				
At 1 December 2023	414,184	851,532	8,271	1,273,987
Profit/(loss) for the period	(4,936)	36,684	(514)	31,234
Other comprehensive income	–	–	–	–
Dividends paid	–	(31,039)	–	(31,039)
At 30 November 2024	409,248	857,177	7,757	1,274,182
Interest in joint ventures	204,624	428,503	3,801	636,928
Carrying amount of the Group's interest in joint ventures	204,624	428,503	3,801	636,928

11. INVESTMENT IN ASSOCIATED COMPANIES

Set out below is the associated company of the Group as at 31 December 2025. The associated company has share capital consisting solely of ordinary shares, which are held directly by the Group and the Company; the country of incorporation is also its principal place of business.

The Group and the Company have no commitment relating to its associated company. There are also no contingent liabilities relating to the Group's interest in the associated company.

Name of company	Country of incorporation	Principal activities	Ownership interest held by the Group 2025 %	2024 %
Indirect associate, held through fully-owned subsidiary:				
FFMC Holdings Pte. Ltd. ("FFMC")	Singapore	Asset management	**49**	49

Summarised financial information for associated company

Set out below is the summarised financial information of the Group's associated company based on the management accounts as of 30 November 2025, which is used for equity accounting, as this is the latest financial information available.

Summarised financial position

As at 30 November 2025	FFMC $'000
Non-current assets	**40,803**
Current assets	**145,682**
Non-current liabilities	**(8,762)**
Current liabilities	**(38,278)**
Net assets	**139,445**

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For the financial year ended 31 December 2025

11. INVESTMENT IN ASSOCIATED COMPANIES (CONTINUED)

Summarised statement of comprehensive income

For the year from 1 December 2024 to 30 November 2025	FFMC $'000
Revenue	111,685
Loss from continuing operations	(3,316)
Other comprehensive loss	(243)
Total comprehensive loss	(3,559)
Dividends paid	–
Share of results of associated company (net of tax)	(1,744)

Summarised financial position

As at 30 November 2024	SG Domain $'000	FFMC $'000	Total $'000
Non-current assets	–	49,250	49,250
Current assets	–	135,160	135,160
Non-current liabilities	–	(15,278)	(15,278)
Current liabilities	–	(26,128)	(26,128)
Net assets	–	143,004	143,004

Summarised statement of comprehensive income

For the year from 1 December 2023 to 30 November 2024	SG Domain $'000	FFMC $'000	Total $'000
Revenue	–	102,710	102,710
Loss from continuing operations	–	(10,762)	(10,762)
Other comprehensive loss	–	(568)	(568)
Total comprehensive loss	–	(11,330)	(11,330)
Dividends paid	–	(2,180)	(2,180)
Share of results of associated company (net of tax)	–	(6,620)	(6,620)

11. INVESTMENT IN ASSOCIATED COMPANIES (CONTINUED)

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented to the carrying amount of the Group's interest in the associated company, are as follows:

	FFMC $'000
Net assets	
At 1 December 2024	143,004
Loss for the year	(3,316)
Other comprehensive loss	(243)
Dividends paid	–
Disposal during the year	–
At 30 November 2025	139,445
Interest in associated company	68,328
Intangible assets [a] [b]	–
Carrying amount of the Group's interest in associated company	68,328

	SG Domain $'000	FFMC $'000	Total $'000
Net assets			
At 1 December 2023	153,558	156,514	310,072
Loss for the year	–	(10,762)	(10,762)
Other comprehensive loss	–	(568)	(568)
Dividends paid	–	(2,180)	(2,180)
Disposal during the year	(153,558)	–	(153,558)
At 30 November 2024	–	143,004	143,004
Interest in associated companies	–	70,072	70,072
Intangible assets [a] [b]	–	15,174	15,174
Carrying amount of the Group's interest in associated companies	–	85,246	85,246

[a] During the financial year, the Group recognised an impairment charge of $13,500,000 (2024: $24,000,000) in relation to FFMC due to the challenging market and cost conditions faced.

The carrying amount of the intangible assets held by the Group with respect to FFMC was assessed for impairment during the financial year.

The recoverable value of intangible assets in FFMC is determined based on value-in-use calculation.

The value-in-use calculation applies a discounted cash flow model using cash flow projections based on management forecasts over a period of five years. Cash flows beyond the terminal year and extrapolated using estimated terminal growth rates. Key assumptions used in the calculation of value-in-use are Asset Under Management (AUM) growth rate, management fee yield, and operating expenses ratio.

The management's approach in determining the value assigned to each of the key assumptions includes comparing the key assumptions used to past actual performances (i.e. retrospective reviews) and forward-looking projections by FFMC and the management.

As the process of evaluating impairment involves management judgment and prudent estimates of various factors including future cash flows, the results can be highly sensitive to the assumptions used.

Management believes that any reasonable possible change in the key assumptions might result in further impairment recognised as the recoverable amount was equal to the carrying amount following the impairment loss recognised during the financial year.

[b] Amortisation of intangible assets in relation to customer contracts amounting to $1,686,000 (2024: $4,353,000) is included in "other operating expenses" in the statement of comprehensive income.

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12. OTHER FINANCIAL ASSETS

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Financial assets measured at FVTPL				
Mandatorily measured at FVTPL				
Equities				
– Quoted equities	**5,349,730**	4,895,029	**5,349,730**	4,895,029
– Unquoted equities	**18,249**	22,637	**18,249**	22,637
Funds				
– Quoted funds	**4,247,258**	3,304,649	**4,247,258**	3,304,649
– Unquoted funds	**6,493,146**	6,121,943	**6,493,146**	6,121,943
Debt Securities				
– Quoted debt securities	**1,471,289**	1,396,809	**1,471,289**	1,396,809
Total financial assets mandatorily measured at FVTPL	**17,579,672**	15,741,067	**17,579,672**	**15,741,067**
Designated at FVTPL				
Debt Securities				
– Quoted debt securities	**23,212,350**	23,250,700	**23,212,350**	23,250,700
Total financial assets designated at FVTPL	**23,212,350**	23,250,700	**23,212,350**	23,250,700

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Total Investments measured at FVTPL	**40,792,022**	38,991,767	**40,792,022**	38,991,767
Financial assets measured at FVOCI				
Equities				
– Unquoted equities	**25,041**	21,402	**–**	–
Total financial assets measured at FVOCI	**25,041**	21,402	**–**	–
Total financial assets	**40,817,063**	39,013,169	**40,792,022**	38,991,767

Of the total debt securities, 85% (2024: 86%) represents investments in fixed rate instruments.

13. INVESTMENT IN FUNDS

The funds invested 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.

The Group's holding in a unitised fund, as a percentage of the fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the fund level.

The Group's maximum exposure to loss from its interests in funds is equal to the total fair value of its investments and capital commitments contracted to the funds. Once the Group has disposed of its shares/units in a portfolio fund or withdrawn from its partnership contracts, the Group ceases to be exposed to any risk from that fund.

The Group's outstanding investment capital commitments are disclosed in Note 30.

The table below summarises the fair value of the Group and Company's holdings in funds by risk of concentration with respect to geographic region and industry focus of the funds.

	Group and Company			
	% of the Investment in funds 2025	Fair value $'000 2025	% of the Investment in funds 2024	Fair value $'000 2024
Industry focus				
Diversified financials	**71%**	**7,619,706**	69%	6,516,221
Real estate	**23%**	**2,464,556**	24%	2,274,926
Information technology	**5%**	**541,334**	5%	467,541
Consumer discretionary	**1%**	**66,401**	1%	75,698
Others	*****	**48,407**	1%	92,206
	100%	**10,740,404**	100%	9,426,592
Geographic region				
Asia Pacific	**30%**	**3,167,092**	27%	2,565,933
North America	**57%**	**6,141,064**	60%	5,614,518
Europe	**13%**	**1,417,065**	13%	1,223,650
Australia	*****	**3,719**	*	8,065
Rest of world	*****	**11,464**	*	14,426
	100%	**10,740,404**	100%	9,426,592

* less than 1%

Notes to the Financial Statements

For the financial year ended 31 December 2025

14. LOANS

	Group and Company	
	2025 $'000	2024 $'000
Term loan to joint venture		
– unsecured	**81,251**	81,251
Consumer loans	**2,366**	2,620
Impairment loss	**–**	–
	83,617	83,871
To be settled within 12 months	**83,038**	81,891
To be settled after 12 months	**579**	1,980
	83,617	83,871

At the reporting date, the carrying amounts of loans approximate their fair values, except for consumer loans (refer to Note 5(f)).

Interest bearing loan to a joint venture company

The balance of interest-bearing loan to a joint venture company as at the reporting date and the interest earned recognised in the statement of comprehensive income is as follows:

2025				
Loan Balance $'000	Interest Rate (%)	Interest Earned $'000	Scheduled Repayment Date	Type
81,251	**7.00**	**5,641**	**On demand**	**Unsecured**

2024				
Loan Balance $'000	Interest Rate (%)	Interest Earned $'000	Scheduled Repayment Date	Type
81,251	7.00	5,719	On demand	Unsecured

Movements in allowance for impairment loss during the financial year are as follows:

		Group and Company	
	Note	2025 $'000	2024 $'000
At 1 January		**–**	8
Allowance written back		**–**	(8)
At 31 December		**–**	–

15. DERIVATIVE FINANCIAL INSTRUMENTS

	Group and Company		
	Contract or Underlying Principal $'000	Derivative Financial Assets $'000	Derivative Financial Liabilities $'000
31 December 2025			
Foreign exchange forwards	**29,842,527**	**130,955**	**(40,155)**
Bond forward	**799,350**	**27,262**	**(25,447)**
Interest rate swaps	**175,199**	**4,911**	**(622)**
Futures	**78,993**	**4,221**	**(3,384)**
Cross currency swaps	**75,964**	**6,334**	**–**
Options	**72,569**	**1,014**	**–**
Credit default swaps	**16,731**	**383**	**–**
Total	**31,061,333**	**175,080**	**(69,608)**
31 December 2024			
Foreign exchange forwards	25,445,527	87,872	(493,206)
Futures	4,849,228	9,681	(15,582)
Cross currency swaps	348,191	5,590	(2,041)
Interest rate swaps	181,435	1,017	(75)
Options	34,207	802	-
Total	30,858,588	104,962	(510,904)

At the reporting date, all derivative financial instruments balances are current, as they are classified as 'held for trading' in accordance with SFRS(I) 9.

Notes to the Financial Statements

For the financial year ended 31 December 2025

16. TAX

Deferred tax assets and liabilities

Deferred taxes are attributable to the following:

	Group and Company		
	Assets $'000	Liabilities $'000	Net $'000
31 December 2025			
Unutilised tax losses carried forward	–	–	–
Capital allowances for property, equipment and intangible assets	–	**23,073**	**23,073**
Differences in taxation basis for insurance/ reinsurance contracts due to SFRS(I) 17	–	**16,031**	**16,031**
Deferred tax liabilities	–	**39,104**	**39,104**
31 December 2024			
Unutilised tax losses carried forward	(19,463)	–	(19,463)
Capital allowances for property, equipment and intangible assets	–	24,803	24,803
Differences in taxation basis for insurance/ reinsurance contracts due to SFRS(I) 17	–	40,446	40,446
Deferred tax (assets) / liabilities	(19,463)	65,249	45,786

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

Deferred tax assets and liabilities are non-current.

At 31 December 2025, the Group has unutilised tax losses and capital allowances ("tax loss items") of approximately $14,006,000 (2024: $13,868,000) that are available for offset against the future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

The use of these tax loss items is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation.

Tax expense

	Group	
	2025 $'000	2024 $'000
Current tax expense		
Current year	**19,868**	–
Deferred tax expense		
Origination and reversal of temporary differences	**(6,682)**	(10,906)
Total tax expense/(credit)	**13,186**	(10,906)

16. TAX (CONTINUED)

The Group has estimated its tax charge and tax provision based on the current tax legislation. These estimates may be different from the ultimate actual tax liability or refund, although the Group believes that the provision is appropriate.

Reconciliation of effective tax rate

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year are as follow:

	Group	
	2025 $'000	2024 $'000
Profit before tax	**132,100**	33,917
Tax expense on profit before tax at 17% (2024: 17%)	**22,457**	5,766
Adjustments:		
Non-deductible expenses	**14,598**	7,626
Effect of differences in taxation basis	**(5,532)**	(4,361)
Income not subject to taxation	**(14,420)**	(13,412)
Effect of applying concessionary rate	**(3,417)**	(2,816)
Tax relief	**(495)**	(1,156)
Adjustment for prior period	**(269)**	(2,761)
Effects of results of joint ventures and associate companies presented net of tax	**244**	1,108
Deferred tax asset arising from tax losses not recognised	**23**	319
Others	**(3)**	(1,219)
Tax expense/(credit)	**13,186**	(10,906)

Notes to the Financial Statements

For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD

The table below shows the asset and liability balances relating to insurance contracts and reinsurance contracts held by each segment (refer to Note 3(a)).

2025	Group and Company							
	Life Insurance			General Insurance		Total		
$'000	PAA	Non-PAA	Total	PAA	Total	PAA	Non-PAA	Total
Insurance contracts								
Insurance contract liabilities								
– Insurance contract balances	**(588,060)**	**(37,751,020)**	**(38,339,080)**	**(782,146)**	**(782,146)**	**(1,370,206)**	**(37,751,020)**	**(39,121,226)**
– Insurance acquisition cash flow asset	**2**	**–**	**2**	**43,152**	**43,152**	**43,154**	**–**	**43,154**
	(588,058)	**(37,751,020)**	**(38,339,078)**	**(738,994)**	**(738,994)**	**(1,327,052)**	**(37,751,020)**	**(39,078,072)**
Insurance contract assets								
– Insurance contract balances	**–**	**17,400**	**17,400**	**–**	**–**	**–**	**17,400**	**17,400**
– Insurance acquisition cash flow asset	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	–	**17,400**	**17,400**	**–**	**–**	**–**	**17,400**	**17,400**
Reinsurance contracts								
Reinsurance contract assets	**5,455**	**–**	**5,455**	**123,502**	**123,502**	**128,957**	**–**	**128,957**
Reinsurance contract liabilities	**–**	**(13,348)**	**(13,348)**	**–**	**–**	**–**	**(13,348)**	**(13,348)**

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

2024	Group and Company							
	Life Insurance			General Insurance		Total		
$'000	PAA	Non-PAA	Total	PAA	Total	PAA	Non-PAA	Total
Insurance contracts								
Insurance contract liabilities								
– Insurance contract balances	(529,169)	(36,481,900)	(37,011,069)	(749,859)	(749,859)	(1,279,028)	(36,481,900)	(37,760,928)
– Insurance acquisition cash flow asset	48	–	48	46,311	46,311	46,359	–	46,359
	(529,121)	(36,481,900)	(37,011,021)	(703,548)	(703,548)	(1,232,669)	(36,481,900)	(37,714,569)
Insurance contract assets								
– Insurance contract balances	–	6,700	6,700	–	–	–	6,700	6,700
– Insurance acquisition cash flow asset	–	–	–	–	–	–	–	–
	–	6,700	6,700	–	–	–	6,700	6,700
Reinsurance contracts								
Reinsurance contract assets	4,294	–	4,294	97,999	97,999	102,293	–	102,293
Reinsurance contract liabilities	–	(26,187)	(26,187)	–	–	–	(26,187)	(26,187)

Notes to the Financial Statements

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17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

The following table sets out the carrying amounts of insurance and reinsurance claims, which relates to Life and GI contracts measured under PAA, expected to be (recovered) settled more than 12 months after the reporting date.

	Group and Company	
	2025 $'000	2024 $'000
Insurance contract assets	**–**	–
Insurance contract liabilities	**(267,929)**	(257,401)
Reinsurance contract assets	**42,350**	35,869
Reinsurance contract liabilities	**–**	–

At 31 December 2025, the maximum exposure to credit risk from insurance contracts is $141,518,000 (2024: $137,972,000), which primarily relates to premium receivable for services that the Group has already provided, and the maximum exposure to credit risk from reinsurance contracts is $128,957,000 (2024: $102,293,000).

(a) Movements in insurance and reinsurance contract balances

The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and OCI.

For each segment, the Group presents a table that separately analyses movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the statement of profit or loss and OCI.

A second reconciliation is presented for contracts not measured under the PAA, which separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the CSM.

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Insurance contracts – Analysis by measurement component (Contracts not measured under PAA) – Life Insurance

	Group					
			Contractual service margin			
2025 $'000	Estimates of the present value of future cash flows	Risk adjustment	Contracts under fair value approach	Other contracts	Subtotal	Total
Opening insurance contract assets	**52,285**	**(4,627)**	**(7,260)**	**(33,698)**	**(40,958)**	**6,700**
Opening insurance contract liabilities	**(35,868,220)**	**(49,693)**	**(311,654)**	**(252,333)**	**(563,987)**	**(36,481,900)**
Net opening insurance contract balance	**(35,815,935)**	**(54,320)**	**(318,914)**	**(286,031)**	**(604,945)**	**(36,475,200)**
Changes that relate to current services						
CSM recognised for services provided	**–**	**–**	**21,231**	**15,894**	**37,125**	**37,125**
Risk adjustment recognised for the risk expired	**–**	**(1,144)**	**–**	**–**	**–**	**(1,144)**
Experience adjustments	**60,288**	**–**	**–**	**–**	**–**	**60,288**
Changes that relate to future services						
Contracts initially recognised in the year	**159,896**	**(6,414)**	**–**	**(153,954)**	**(153,954)**	**(472)**
Changes in estimates that adjust the CSM	**242,568**	**1,687**	**(200,433)**	**(43,822)**	**(244,255)**	**–**
Changes in estimates that result in losses and reversals of losses on onerous contracts	**(147,830)**	**64**	**–**	**–**	**–**	**(147,766)**
Experience adjustments	**(107,209)**	**–**	**165,192**	**87,048**	**252,240**	**145,031**
Changes that relate to past services						
Adjustments to liabilities for incurred claims	**(36,261)**	**–**	**–**	**–**	**–**	**(36,261)**
Insurance service result	**171,452**	**(5,807)**	**(14,010)**	**(94,834)**	**(108,844)**	**56,801**
Net finance expenses from insurance contracts	**(2,903,518)**	**–**	**(12,961)**	**(6,308)**	**(19,269)**	**(2,922,787)**
Effect of movements in exchange rates	**12,141**	**–**	**(12)**	**(593)**	**(605)**	**11,536**
Total changes in the statement of profit or loss and OCI	**(2,719,925)**	**(5,807)**	**(26,983)**	**(101,735)**	**(128,718)**	**(2,854,450)**
Cash flows						
Premiums received	**(2,054,607)**	**–**	**–**	**–**	**–**	**(2,054,607)**
Claims and other insurance service expenses paid, including investment components	**3,356,677**	**–**	**–**	**–**	**–**	**3,356,677**
Total cash flows	**1,302,070**	**–**	**–**	**–**	**–**	**1,302,070**
Transfer to other items in the statement of financial position	**293,960**	**–**	**–**	**–**	**–**	**293,960**
Net closing insurance contract balance	**(36,939,830)**	**(60,127)**	**(345,897)**	**(387,766)**	**(733,663)**	**(37,733,620)**
Closing insurance contract assets	**65,059**	**(5,334)**	**(7,054)**	**(35,271)**	**(42,325)**	**17,400**
Closing insurance contract liabilities	**(37,004,889)**	**(54,793)**	**(338,843)**	**(352,495)**	**(691,338)**	**(37,751,020)**
Net closing insurance contract balance	**(36,939,830)**	**(60,127)**	**(345,897)**	**(387,766)**	**(733,663)**	**(37,733,620)**

Notes to the Financial Statements

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17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Insurance contracts – Analysis by measurement component (Contracts not measured under PAA) – Life Insurance (continued)

2025	Company					
		Contractual service margin				
$'000	Estimates of the present value of future cash flows	Risk adjustment	Contracts under fair value approach	Other contracts	Subtotal	Total
Opening insurance contract assets	52,285	(4,627)	(7,260)	(33,698)	(40,958)	6,700
Opening insurance contract liabilities	(35,868,220)	(49,693)	(311,654)	(252,333)	(563,987)	(36,481,900)
Net opening insurance contract balance	(35,815,935)	(54,320)	(318,914)	(286,031)	(604,945)	(36,475,200)
Changes that relate to current services						
CSM recognised for services provided	–	–	21,231	15,894	37,125	37,125
Risk adjustment recognised for the risk expired	–	(1,144)	–	–	–	(1,144)
Experience adjustments	60,288	–	–	–	–	60,288
Changes that relate to future services						
Contracts initially recognised in the year	159,896	(6,414)	–	(153,954)	(153,954)	(472)
Changes in estimates that adjust the CSM	242,568	1,687	(200,433)	(43,822)	(244,255)	–
Changes in estimates that result in losses and reversals of losses on onerous contracts	(147,830)	64	–	–	–	(147,766)
Experience adjustments	(107,209)	–	165,192	87,048	252,240	145,031
Changes that relate to past services						
Adjustments to liabilities for incurred claims	(36,261)	–	–	–	–	(36,261)
Insurance service result	171,452	(5,807)	(14,010)	(94,834)	(108,844)	56,801
Net finance expenses from insurance contracts	(2,906,190)	–	(12,961)	(6,308)	(19,269)	(2,925,459)
Effect of movements in exchange rates	12,141	–	(12)	(593)	(605)	11,536
Total changes in the statement of profit or loss and OCI	(2,722,597)	(5,807)	(26,983)	(101,735)	(128,718)	(2,857,122)
Cash flows						
Premiums received	(2,054,607)	–	–	–	–	(2,054,607)
Claims and other insurance service expenses paid, including investment components	3,356,677	–	–	–	–	3,356,677
Total cash flows	1,302,070	–	–	–	–	1,302,070
Transfer to other items in the statement of financial position	296,632	–	–	–	–	296,632
Net closing insurance contract balance	(36,939,830)	(60,127)	(345,897)	(387,766)	(733,663)	(37,733,620)
Closing insurance contract assets	65,059	(5,334)	(7,054)	(35,271)	(42,325)	17,400
Closing insurance contract liabilities	(37,004,889)	(54,793)	(338,843)	(352,495)	(691,338)	(37,751,020)
Net closing insurance contract balance	(36,939,830)	(60,127)	(345,897)	(387,766)	(733,663)	(37,733,620)

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Insurance contracts – Analysis by measurement component (Contracts not measured under PAA) – Life Insurance (continued)

2024	Group					
		Contractual service margin				
$'000	Estimates of the present value of future cash flows	Risk adjustment	Contracts under fair value approach	Other contracts	Subtotal	Total
Opening insurance contract assets	–	–	–	–	–	–
Opening insurance contract liabilities	(35,370,752)	(53,734)	(285,334)	(134,106)	(419,440)	(35,843,926)
Net opening insurance contract balance	(35,370,752)	(53,734)	(285,334)	(134,106)	(419,440)	(35,843,926)
Changes that relate to current services						
CSM recognised for services provided	–	–	22,092	13,291	35,383	35,383
Risk adjustment recognised for the risk expired	–	121	–	–	–	121
Experience adjustments	55,932	–	–	–	–	55,932
Changes that relate to future services						
Contracts initially recognised in the year	94,954	(4,122)	–	(96,872)	(96,872)	(6,040)
Changes in estimates that adjust the CSM	227,855	3,541	(79,419)	(151,977)	(231,396)	–
Changes in estimates that result in losses and reversals of losses on onerous contracts	(21,356)	(126)	–	–	–	(21,482)
Experience adjustments	(93,023)	–	26,530	86,490	113,020	19,997
Changes that relate to past services						
Adjustments to liabilities for incurred claims	(38,286)	–	–	–	–	(38,286)
Insurance service result	226,076	(586)	(30,797)	(149,068)	(179,865)	45,625
Net finance expenses from insurance contracts	(1,966,114)	–	(2,789)	(3,122)	(5,911)	(1,972.025)
Effect of movements in exchange rates	(7,387)	–	6	265	271	(7,116)
Total changes in the statement of profit or loss and OCI	(1,747,425)	(586)	(33,580)	(151,925)	(185,505)	(1,933,516)
Cash flows						
Premiums received	(2,097,828)	–	–	–	–	(2,097,828)
Claims and other insurance service expenses paid, including investment components	3,163,904	–	–	–	–	3,163,904
Total cash flows	1,066,076	–	–	–	–	1,066,076
Transfer to other items in the statement of financial position	236,166	–	–	–	–	236,166
Net closing insurance contract balance	(35,815,935)	(54,320)	(318,914)	(286,031)	(604,945)	(36,475,200)
Closing insurance contract assets	52,285	(4,627)	(7,260)	(33,698)	(40,958)	6,700
Closing insurance contract liabilities	(35,868,220)	(49,693)	(311,654)	(252,333)	(563,987)	(36,481,900)
Net closing insurance contract balance	(35,815,935)	(54,320)	(318,914)	(286,031)	(604,945)	(36,475,200)

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17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(i) Insurance contracts – Analysis by measurement component (Contracts not measured under PAA) – Life Insurance (continued)

2024	Company					
			Contractual service margin			
$'000	Estimates of the present value of future cash flows	Risk adjustment	Contracts under fair value approach	Other contracts	Subtotal	Total
Opening insurance contract assets	–	–	–	–	–	–
Opening insurance contract liabilities	(35,370,752)	(53,734)	(285,334)	(134,106)	(419,440)	(35,843,926)
Net opening insurance contract balance	(35,370,752)	(53,734)	(285,334)	(134,106)	(419,440)	(35,843,926)
Changes that relate to current services						
CSM recognised for services provided	–	–	22,092	13,291	35,383	35,383
Risk adjustment recognised for the risk expired	–	121	–	–	–	121
Experience adjustments	55,932	-	–	–	–	55,932
Changes that relate to future services						
Contracts initially recognised in the year	94,954	(4,122)	–	(96,872)	(96,872)	(6,040)
Changes in estimates that adjust the CSM	227,855	3,541	(79,419)	(151,977)	(231,396)	–
Changes in estimates that result in losses and reversals of losses on onerous contracts	(21,356)	(126)	–	–	–	(21,482)
Experience adjustments	(93,023)	–	26,530	86,490	113,020	19,997
Changes that relate to past services						
Adjustments to liabilities for incurred claims	(38,286)	–	–	–	–	(38,286)
Insurance service result	226,076	(586)	(30,797)	(149,068)	(179,865)	45,625
Net finance expenses from insurance contracts	(1,966,039)	–	(2,789)	(3,122)	(5,911)	(1,971,950)
Effect of movements in exchange rates	(7,387)	–	6	265	271	(7,116)
Total changes in the statement of profit or loss and OCI	(1,747,350)	(586)	(33,580)	(151,925)	(185,505)	(1,933,441)
Cash flows						
Premiums received	(2,097,828)	–	–	–	–	(2,097,828)
Claims and other insurance service expenses paid, including investment components	3,163,904	–	–	–	–	3,163,904
Total cash flows	1,066,076	–	–	–	–	1,066,076
Transfer to other items in the statement of financial position	236,091	–	–	–	–	236,091
Net closing insurance contract balance	(35,815,935)	(54,320)	(318,914)	(286,031)	(604,945)	(36,475,200)
Closing insurance contract assets	52,285	(4,627)	(7,260)	(33,698)	(40,958)	6,700
Closing insurance contract liabilities	(35,868,220)	(49,693)	(311,654)	(252,333)	(563,987)	(36,481,900)
Net closing insurance contract balance	(35,815,935)	(54,320)	(318,914)	(286,031)	(604,945)	(36,475,200)

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(ii) Reinsurance contracts held – Analysis by measurement component (Contracts not measured under PAA) – Life Insurance

2025	Group and Company					
			Contractual service margin			
$'000	Estimates of the present value of future cash flows	Risk adjustment	Contracts under fair value approach	Other contracts	Subtotal	Total
Opening insurance contract assets	**–**	**–**	**–**	**–**	**–**	**–**
Opening insurance contract liabilities	**(128,545)**	**25,276**	**76,610**	**472**	**77,082**	**(26,187)**
Net opening insurance contract balance	**(128,545)**	**25,276**	**76,610**	**472**	**77,082**	**(26,187)**
Changes that relate to current services						
CSM recognised for services provided	**–**	**–**	**(7,272)**	**(474)**	**(7,746)**	**(7,746)**
Change in risk adjustment for non-financial risk for risk expired	**–**	**608**	**–**	**–**	**–**	**608**
Experience adjustments	**(9,261)**	**–**	**–**	**–**	**–**	**(9,261)**
Changes that relate to future services						
Contracts initially recognised in the year	**499**	**537**	**–**	**(837)**	**(837)**	**199**
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	**–**	**–**	**–**	**164**	**164**	**164**
Changes in estimates that adjust the CSM	**(30,836)**	**82**	**25,897**	**4,857**	**30,754**	**–**
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	**–**	**–**	**–**	**(72)**	**(72)**	**(72)**
Experience adjustments	**(3,763)**	**–**	**3,183**	**560**	**3,743**	**(20)**
Changes that relate to past services						
Adjustments to assets for incurred claims	**2,592**	**–**	**–**	**–**	**–**	**2,592**
Effect of changes in non-performance risk of reinsurers	**–**	**–**	**–**	**–**	**–**	**–**
Net expenses from reinsurance contracts	**(40,769)**	**1,227**	**21,808**	**4,198**	**26,006**	**(13,536)**
Net finance expenses from insurance contracts	**4,087**	**–**	**(3,275)**	**(75)**	**(3,350)**	**737**
Total changes in the statement of profit or loss and OCI	**(36,682)**	**1,227**	**18,533**	**4,123**	**22,656**	**(12,799)**
Cash flows						
Premiums paid	**54,320**	**–**	**–**	**–**	**–**	**54,320**
Claims recovered	**(28,682)**	**–**	**–**	**–**	**–**	**(28,682)**
Total cash flows	**25,638**	**–**	**–**	**–**	**–**	**25,638**
Net closing insurance contract balance	**(139,589)**	**26,503**	**95,143**	**4,595**	**99,738**	**(13,348)**
Closing insurance contract assets	**–**	**–**	**–**	**–**	**–**	**–**
Closing insurance contract liabilities	**(139,589)**	**26,503**	**95,143**	**4,595**	**99,738**	**(13,348)**
Net closing insurance contract balance	**(139,589)**	**26,503**	**95,143**	**4,595**	**99,738**	**(13,348)**

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For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(ii) Reinsurance contracts held – Analysis by measurement component (Contracts not measured under PAA) – Life Insurance (continued)

2024	Group and Company					
			Contractual service margin			
$'000	Estimates of the present value of future cash flows	Risk adjustment	Contracts under fair value approach	Other contracts	Subtotal	Total
Opening insurance contract assets	–	–	–	–	–	–
Opening insurance contract liabilities	(124,207)	28,527	54,974	591	55,565	(40,115)
Net opening insurance contract balance	(124,207)	28,527	54,974	591	55,565	(40,115)
Changes that relate to current services						
CSM recognised for services provided	–	–	(5,651)	(130)	(5,781)	(5,781)
Change in risk adjustment for non-financial risk for risk expired	–	663	–	–	–	663
Experience adjustments	984	–	–	–	–	984
Changes that relate to future services						
Contracts initially recognised in the year	1,509	696	-	(2,167)	(2,167)	38
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	–	38	38	38
Changes in estimates that adjust the CSM	(23,654)	(4,610)	27,429	836	28,265	1
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	–	–	–	49	49	49
Experience adjustments	(4,227)	–	2,921	1,276	4,197	(30)
Changes that relate to past services						
Adjustments to assets for incurred claims	4,136	–	–	–	–	4,136
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–	–
Net expenses from reinsurance contracts	(21,252)	(3,251)	24,699	(98)	24,601	98
Net finance expenses from insurance contracts	5,843	–	(3,063)	(21)	(3,084)	2,759
Total changes in the statement of profit or loss and OCI	(15,409)	(3,251)	21,636	(119)	21,517	2,857
Cash flows						
Premiums paid	132,062	–	–	–	–	132,062
Claims recovered	(120,991)	–	–	–	–	(120,991)
Total cash flows	11,071	–	–	–	–	11,071
Net closing insurance contract balance	(128,545)	25,276	76,610	472	77,082	(26,187)
Closing insurance contract assets	–	–	–	–	–	–
Closing insurance contract liabilities	(128,545)	25,276	76,610	472	77,082	(26,187)
Net closing insurance contract balance	(128,545)	25,276	76,610	472	77,082	(26,187)

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(iii) Insurance contracts – Analysis by remaining coverage and incurred claims – Life Insurance

2025	Group				
	Liabilities for remaining coverage		Liabilities for incurred claims		
$'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract assets	**16,387**	**(356)**	**(9,331)**	**–**	**6,700**
Opening insurance contract liabilities	**(36,715,977)**	**(32,337)**	**(251,796)**	**(10,958)**	**(37,011,068)**
Net opening insurance contract balance	**(36,699,590)**	**(32,693)**	**(261,127)**	**(10,958)**	**(37,004,368)**
New contracts and contracts measured under the FRA at transition	**966,945**	**–**	**–**	**–**	**966,945**
Contracts measured under the FVA at transition	**299,061**	**–**	**–**	**–**	**299,061**
Insurance revenue	**1,266,006**	**–**	**–**	**–**	**1,266,006**
Insurance service expenses					
Incurred claims and other insurance service expenses	**–**	**11,829**	**(1,077,864)**	**(8,695)**	**(1,074,730)**
Amortisation of insurance acquisition cash flows	**(101,085)**	**–**	**–**	**–**	**(101,085)**
Losses and reversals of losses on onerous contracts	**–**	**(16,825)**	**–**	**–**	**(16,825)**
Adjustments to liabilities for incurred claims	**–**	**–**	**(22,426)**	**8,337**	**(14,089)**
	(101,085)	**(4,996)**	**(1,100,290)**	**(358)**	**(1,206,729)**
Investment components	**3,138,062**	**–**	**(3,138,062)**	**–**	**–**
Insurance service result	**4,302,983**	**(4,996)**	**(4,238,352)**	**(358)**	**59,277**
Net finance expenses from insurance contracts	**(2,922,387)**	**(400)**	**(4,110)**	**–**	**(2,926,897)**
Effects of movements in exchange rates	**11,531**	**–**	**5**	**–**	**11,536**
Total changes in the statement of profit or loss and OCI	**1,392,127**	**(5,396)**	**(4,242,457)**	**(358)**	**(2,856,084)**
Cash flows					
Premiums received	**(2,956,636)**	**–**	**–**	**–**	**(2,956,636)**
Claims and other insurance service expenses paid, including investment components	**–**	**–**	**4,060,437**	**–**	**4,060,437**
Total cash flows	**(2,956,636)**	**–**	**4,060,437**	**–**	**1,103,801**
Transfer to other items in the statement of financial position	**251,675**	**–**	**183,296**	**–**	**434,971**
Net closing insurance contract balance	**(38,012,424)**	**(38,089)**	**(259,851)**	**(11,316)**	**(38,321,680)**
Closing insurance contract assets	**30,025**	**(881)**	**(11,744)**	**–**	**17,400**
Closing insurance contract liabilities	**(38,042,449)**	**(37,208)**	**(248,107)**	**(11,316)**	**(38,339,080)**
Net closing insurance contract balance	**(38,012,424)**	**(38,089)**	**(259,851)**	**(11,316)**	**(38,321,680)**

Notes to the Financial Statements

For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(iii) Insurance contracts – Analysis by remaining coverage and incurred claims – Life Insurance (continued)

2025	Company				
	Liabilities for remaining coverage		Liabilities for incurred claims		
$'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract assets	**16,387**	**(356)**	**(9,331)**	**–**	**6,700**
Opening insurance contract liabilities	**(36,715,977)**	**(32,337)**	**(251,796)**	**(10,958)**	**(37,011,068)**
Net opening insurance contract balance	**(36,699,590)**	**(32,693)**	**(261,127)**	**(10,958)**	**(37,004,368)**
New contracts and contracts measured under the FRA at transition	**966,945**	**–**	**–**	**–**	**966,945**
Contracts measured under the FVA at transition	**299,061**	**–**	**–**	**–**	**299,061**
Insurance revenue	**1,266,006**	**–**	**–**	**–**	**1,266,006**
Insurance service expenses					
Incurred claims and other insurance service expenses	**–**	**11,829**	**(1,077,864)**	**(8,695)**	**(1,074,730)**
Amortisation of insurance acquisition cash flows	**(101,085)**	**–**	**–**	**–**	**(101,085)**
Losses and reversals of losses on onerous contracts	**–**	**(16,825)**	**–**	**–**	**(16,825)**
Adjustments to liabilities for incurred claims	**–**	**–**	**(22,426)**	**8,337**	**(14,089)**
	(101,085)	**(4,996)**	**(1,100,290)**	**(358)**	**(1,206,729)**
Investment components	**3,138,062**	**–**	**(3,138,062)**	**–**	**–**
Insurance service result	**4,302,983**	**(4,996)**	**(4,238,352)**	**(358)**	**59,277**
Net finance expenses from insurance contracts	**(2,925,059)**	**(400)**	**(4,110)**	**–**	**(2,929,569)**
Effects of movements in exchange rates	**11,531**	**–**	**5**	**–**	**11,536**
Total changes in the statement of profit or loss and OCI	**1,389,455**	**(5,396)**	**(4,242,457)**	**(358)**	**(2,858,756)**
Cash flows					
Premiums received	**(2,956,636)**	**–**	**–**	**–**	**(2,956,636)**
Claims and other insurance service expenses paid, including investment components	**–**	**–**	**4,060,437**	**–**	**4,060,437**
Total cash flows	**(2,956,636)**	**–**	**4,060,437**	**–**	**1,103,801**
Transfer to other items in the statement of financial position	**254,347**	**–**	**183,296**	**–**	**437,643**
Net closing insurance contract balance	**(38,012,424)**	**(38,089)**	**(259,851)**	**(11,316)**	**(38,321,680)**
Closing insurance contract assets	**30,025**	**(881)**	**(11,744)**	**–**	**17,400**
Closing insurance contract liabilities	**(38,042,449)**	**(37,208)**	**(248,107)**	**(11,316)**	**(38,339,080)**
Net closing insurance contract balance	**(38,012,424)**	**(38,089)**	**(259,851)**	**(11,316)**	**(38,321,680)**

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(iii) Insurance contracts – Analysis by remaining coverage and incurred claims – Life Insurance (continued)

2024	Group				
	Liabilities for remaining coverage		Liabilities for incurred claims		
$'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract assets	–	–	–	–	–
Opening insurance contract liabilities	(36,011,162)	(29,271)	(254,328)	(6,586)	(36,301,347)
Net opening insurance contract balance	(36,011,162)	(29,271)	(254,328)	(6,586)	(36,301,347)
New contracts and contracts measured under the FRA at transition	816,405	–	–	–	816,405
Contracts measured under the FVA at transition	307,674	–	–	–	307,674
Insurance revenue	1,124,079	–	–	–	1,124,079
Insurance service expenses					
Incurred claims and other insurance service expenses	–	9,851	(1,002,553)	(7,952)	(1,000,654)
Amortisation of insurance acquisition cash flows	(80,350)	–	–	–	(80,350)
Losses and reversals of losses on onerous contracts	–	(12,615)	–	–	(12,615)
Adjustments to liabilities for incurred claims	–	–	(39,712)	3,580	(36,132)
	(80,350)	(2,764)	(1,042,265)	(4,372)	(1,129,751)
Investment components	2,948,631	–	(2,948,631)	–	–
Insurance service result	3,992,360	(2,764)	(3,990,896)	(4,372)	(5,672)
Net finance expenses from insurance contracts	(1,971,369)	(658)	(2,643)	–	(1,974,670)
Effects of movements in exchange rates	(6,911)	–	(205)	–	(7,116)
Total changes in the statement of profit or loss and OCI	2,014,080	(3,422)	(3,993,744)	(4,372)	(1,987,458)
Cash flows					
Premiums received	(2,885,232)	–	–	–	(2,885,232)
Claims and other insurance service expenses paid, including investment components	–	–	3,812,292	–	3,812,292
Total cash flows	(2,885,232)	–	3,812,292	–	927,060
Transfer to other items in the statement of financial position	182,724	–	174,653	–	357,377
Net closing insurance contract balance	(36,699,590)	(32,693)	(261,127)	(10,958)	(37,004,368)
Closing insurance contract assets	16,387	(356)	(9,331)	–	6,700
Closing insurance contract liabilities	(36,715,977)	(32,337)	(251,796)	(10,958)	(37,011,068)
Net closing insurance contract balance	(36,699,590)	(32,693)	(261,127)	(10,958)	(37,004,368)

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17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(iii) Insurance contracts – Analysis by remaining coverage and incurred claims – Life Insurance (continued)

2024	Company				
	Liabilities for remaining coverage		Liabilities for incurred claims		
$'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract assets	–	–	–	–	–
Opening insurance contract liabilities	(36,011,162)	(29,271)	(254,328)	(6,586)	(36,301,347)
Net opening insurance contract balance	(36,011,162)	(29,271)	(254,328)	(6,586)	(36,301,347)
New contracts and contracts measured under the FRA at transition	816,405	–	–	–	816,405
Contracts measured under the FVA at transition	307,674	–	–	–	307,674
Insurance revenue	1,124,079	–	–	–	1,124,079
Insurance service expenses					
Incurred claims and other insurance service expenses	–	9,851	(1,002,553)	(7,952)	(1,000,654)
Amortisation of insurance acquisition cash flows	(80,350)	–	–	–	(80,350)
Losses and reversals of losses on onerous contracts	–	(12,615)	–	–	(12,615)
Adjustments to liabilities for incurred claims	–	–	(39,712)	3,580	(36,132)
	(80,350)	(2,764)	(1,042,265)	(4,372)	(1,129,751)
Investment components	2,948,631	–	(2,948,631)	–	–
Insurance service result	3,992,360	(2,764)	(3,990,896)	(4,372)	(5,672)
Net finance expenses from insurance contracts	(1,971,293)	(658)	(2,643)	–	(1,974,594)
Effects of movements in exchange rates	(6,911)	–	(205)	–	(7,116)
Total changes in the statement of profit or loss and OCI	2,014,156	(3,422)	(3,993,744)	(4,372)	(1,987,382)
Cash flows					
Premiums received	(2,885,232)	–	–	–	(2,885,232)
Claims and other insurance service expenses paid, including investment components	–	–	3,812,292	–	3,812,292
Total cash flows	(2,885,232)	–	3,812,292	–	927,060
Transfer to other items in the statement of financial position	182,648	–	174,653	–	357,301
Net closing insurance contract balance	(36,699,590)	(32,693)	(261,127)	(10,958)	(37,004,368)
Closing insurance contract assets	16,387	(356)	(9,331)	–	6,700
Closing insurance contract liabilities	(36,715,977)	(32,337)	(251,796)	(10,958)	(37,011,068)
Net closing insurance contract balance	(36,699,590)	(32,693)	(261,127)	(10,958)	(37,004,368)

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(iv) Insurance contracts – Analysis by remaining coverage and incurred claims – General Insurance

2025	Group and Company				
	Liabilities for remaining coverage		Liabilities for incurred claims		
$'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract assets	–	–	–	–	–
Opening insurance contract liabilities	**(235,745)**	**(256)**	**(473,896)**	**(39,962)**	**(749,859)**
Net opening insurance contract balance	**(235,745)**	**(256)**	**(473,896)**	**(39,962)**	**(749,859)**
Insurance revenue	**524,588**	**–**	**–**	**–**	**524,588**
Insurance service expenses					
Incurred claims and other insurance service expenses	**–**	**–**	**(373,945)**	**(16,719)**	**(390,664)**
Amortisation of insurance acquisition cash flows	**(126,920)**	**–**	**–**	**–**	**(126,920)**
Losses and reversals of losses on onerous contracts	**–**	**(896)**	**–**	**–**	**(896)**
Adjustments to liabilities for incurred claims	**–**	**–**	**6,169**	**14,342**	**20,511**
	(126,920)	**(896)**	**(367,776)**	**(2,377)**	**(497,969)**
Investment components	**432**	**–**	**(432)**	**–**	**–**
Insurance service result	**398,100**	**(896)**	**(368,208)**	**(2,377)**	**26,619**
Net finance expenses from insurance contracts	**–**	**–**	**(17,068)**	**–**	**(17,068)**
Total changes in the statement of profit or loss and OCI	**398,100**	**(896)**	**(385,276)**	**(2,377)**	**9,551**
Cash flows					
Premiums received	**(531,592)**	**–**	**–**	**–**	**(531,592)**
Claims and other insurance service expenses paid, including investment components	**–**	**–**	**293,877**	**–**	**293,877**
Total cash flows	**(531,592)**	**–**	**293,877**	**–**	**(237,715)**
Transfer to other items in the statement of financial position	**129,680**	**–**	**66,195**	**–**	**195,875**
Net closing insurance contract balance	**(239,557)**	**(1,152)**	**(499,098)**	**(42,339)**	**(782,146)**
Closing insurance contract assets	**–**	**–**	**–**	**–**	**–**
Closing insurance contract liabilities	**(239,557)**	**(1,152)**	**(499,098)**	**(42,339)**	**(782,146)**
Net closing insurance contract balance	**(239,557)**	**(1,152)**	**(499,098)**	**(42,339)**	**(782,146)**

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For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(iv) Insurance contracts – Analysis by remaining coverage and incurred claims – General Insurance (continued)

2024	Group and Company				
	Liabilities for remaining coverage		Liabilities for incurred claims		
$'000	Excluding loss component	Loss component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract assets	–	–	–	–	–
Opening insurance contract liabilities	(229,044)	(254)	(504,003)	(44,026)	(777,327)
Net opening insurance contract balance	(229,044)	(254)	(504,003)	(44,026)	(777,327)
Insurance revenue	505,381	–	–	–	505,381
Insurance service expenses					
Incurred claims and other insurance service expenses	–	–	(353,616)	(15,292)	(368,908)
Amortisation of insurance acquisition cash flows	(110,862)	–	–	–	(110,862)
Losses and reversals of losses on onerous contracts	–	(2)	–	–	(2)
Adjustments to liabilities for incurred claims	–	–	47,315	19,356	66,671
	(110,862)	(2)	(306,301)	4,064	(413,101)
Investment components	384	–	(384)	–	–
Insurance service result	394,903	(2)	(306,685)	4,064	92,280
Net finance expenses from insurance contracts	–	–	(14,156)	–	(14,156)
Total changes in the statement of profit or loss and OCI	394,903	(2)	(320,841)	4,064	78,124
Cash flows					
Premiums received	(515,719)	–	–	–	(515,719)
Claims and other insurance service expenses paid, including investment components	–	–	284,132	–	284,132
Total cash flows	(515,719)	–	284,132	–	(231,587)
Transfer to other items in the statement of financial position	114,115	–	66,816	–	180,931
Net closing insurance contract balance	(235,745)	(256)	(473,896)	(39,962)	(749,859)
Closing insurance contract assets	–	–	–	–	–
Closing insurance contract liabilities	(235,745)	(256)	(473,896)	(39,962)	(749,859)
Net closing insurance contract balance	(235,745)	(256)	(473,896)	(39,962)	(749,859)

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(v) Reinsurance contracts held – Analysis by remaining coverage and incurred claims – Life Insurance

2025	Group and Company				
	Assets for remaining coverage		Assets for incurred claims		
$'000	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	**543**	**1**	**3,649**	**101**	**4,294**
Opening reinsurance contract liabilities	**(123,715)**	**151**	**97,377**	**–**	**(26,187)**
Net opening reinsurance contract balance	**(123,172)**	**152**	**101,026**	**101**	**(21,893)**
Allocation of reinsurance premiums paid	**(184,851)**	**–**	**–**	**–**	**(184,851)**
Amounts recoverable from reinsurers					
Recoveries of incurred claims and other insurance service expenses	**–**	**(16)**	**165,610**	**88**	**165,682**
Adjustments to assets for incurred claims	**–**	**–**	**4,689**	**(95)**	**4,594**
Recoveries and reversals of recoveries of losses on onerous underlying contracts	**–**	**286**	**–**	**–**	**286**
	–	**270**	**170,299**	**(7)**	**170,562**
Investment components	**–**	**–**	**–**	**–**	**–**
Net expenses from reinsurance contracts held	**(184,851)**	**270**	**170,299**	**(7)**	**(14,289)**
Net finance income from reinsurance contracts	**730**	**6**	**33**	**–**	**769**
Total changes in the statement of profit or loss and OCI	**(184,121)**	**276**	**170,332**	**(7)**	**(13,520)**
Cash flows					
Premiums paid	**59,478**	**–**	**–**	**–**	**59,478**
Claims recovered	**–**	**–**	**(31,958)**	**–**	**(31,958)**
Total cash flows	**59,478**	**–**	**(31,958)**	**–**	**27,520**
Net closing reinsurance contract balance	**(247,815)**	**428**	**239,400**	**94**	**(7,893)**
Closing reinsurance contract assets	**2,423**	**15**	**2,923**	**94**	**5,455**
Closing reinsurance contract liabilities	**(250,238)**	**413**	**236,477**	**–**	**(13,348)**
Net closing reinsurance contract balance	**(247,815)**	**428**	**239,400**	**94**	**(7,893)**

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17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(v) Reinsurance contracts held – Analysis by remaining coverage and incurred claims – Life Insurance (continued)

2024	Group and Company				
	Assets for remaining coverage		Assets for incurred claims		
$'000	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	(851)	1	4,767	130	4,047
Opening reinsurance contract liabilities	(79,900)	60	39,725	–	(40,115)
Net opening reinsurance contract balance	(80,751)	61	44,492	130	(36,068)
Allocation of reinsurance premiums paid	(176,133)	–	–	–	(176,133)
Amounts recoverable from reinsurers					
Recoveries of incurred claims and other insurance service expenses	–	(5)	171,665	82	171,742
Adjustments to assets for incurred claims	–	–	3,320	(111)	3,209
Recoveries and reversals of recoveries of losses on onerous underlying contracts	–	94	–	–	94
	–	89	174,985	(29)	175,045
Investment components	(5,927)	–	5,927	–	–
Net expenses from reinsurance contracts held	(182,060)	89	180,912	(29)	(1,088)
Net finance income from reinsurance contracts	2,757	2	31	–	2,790
Total changes in the statement of profit or loss and OCI	(179,303)	91	180,943	(29)	1,702
Cash flows					
Premiums paid	136,882	–	–	–	136,882
Claims recovered	–	–	(124,409)	–	(124,409)
Total cash flows	136,882	–	(124,409)	–	12,473
Net closing reinsurance contract balance	(123,172)	152	101,026	101	(21,893)
Closing reinsurance contract assets	543	1	3,649	101	4,294
Closing reinsurance contract liabilities	(123,715)	151	97,377	–	(26,187)
Net closing reinsurance contract balance	(123,172)	152	101,026	101	(21,893)

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(vi) Reinsurance contracts held – Analysis by remaining coverage and incurred claims – General Insurance

2025	Group and Company				
	Assets for remaining coverage		Assets for incurred claims		
$'000	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	**(11,728)**	**31**	**102,048**	**7,648**	**97,999**
Opening reinsurance contract liabilities	**–**	**–**	**–**	**–**	**–**
Net opening reinsurance contract balance	**(11,728)**	**31**	**102,048**	**7,648**	**97,999**
Allocation of reinsurance premiums paid	**(16,580)**	**–**	**–**	**–**	**(16,580)**
Amounts recoverable from reinsurers					
Recoveries of incurred claims and other insurance service expenses	**–**	**–**	**26,512**	**2,940**	**29,452**
Adjustments to assets for incurred claims	**–**	**–**	**(2,912)**	**(853)**	**(3,765)**
Recoveries and reversals of recoveries of losses on onerous underlying contracts	**–**	**252**	**–**	**–**	**252**
	–	**252**	**23,600**	**2,087**	**25,939**
Investment components	**(17,504)**	**–**	**17,504**	**–**	**–**
Effect of changes in non-performance risk of reinsurers	**–**	**–**	**18**	**–**	**18**
Net expenses from reinsurance contracts held	**(34,084)**	**252**	**41,122**	**2,087**	**9,377**
Net finance income from insurance contracts	**–**	**–**	**1,411**	**–**	**1,411**
Total changes in the statement of profit or loss and OCI	**(34,084)**	**252**	**42,533**	**2,087**	**10,788**
Cash flows					
Premiums paid	**21,781**	**–**	**–**	**–**	**21,781**
Claims recovered	**–**	**–**	**(7,066)**	**–**	**(7,066)**
Total cash flows	**21,781**	**–**	**(7,066)**	**–**	**14,715**
Net closing reinsurance contract balance	**(24,031)**	**283**	**137,515**	**9,735**	**123,502**
Closing reinsurance contract assets	**(24,031)**	**283**	**137,515**	**9,735**	**123,502**
Closing reinsurance contract liabilities	**–**	**–**	**–**	**–**	**–**
Net closing reinsurance contract balance	**(24,031)**	**283**	**137,515**	**9,735**	**123,502**

Notes to the Financial Statements

For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(a) Movements in insurance and reinsurance contract balances (continued)

(vi) Reinsurance contracts held – Analysis by remaining coverage and incurred claims – General Insurance (continued)

2024	Group and Company				
	Assets for remaining coverage		Assets for incurred claims		
$'000	Excluding loss recovery component	Loss recovery component	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	(14,225)	67	94,633	7,729	88,204
Opening reinsurance contract liabilities	–	–	–	–	–
Net opening reinsurance contract balance	(14,225)	67	94,633	7,729	88,204
Allocation of reinsurance premiums paid	(33,982)	–	–	–	(33,982)
Amounts recoverable from reinsurers					
Recoveries of incurred claims and other insurance service expenses	–	–	15,449	1,766	17,215
Adjustments to assets for incurred claims	–	–	5,969	(1,847)	4,122
Recoveries and reversals of recoveries of losses on onerous underlying contracts	–	(36)	–	–	(36)
	–	(36)	21,418	(81)	21,301
Investment components	–	–	–	–	–
Effect of changes in non-performance risk of reinsurers	–	–	(2)	–	(2)
Net expenses from reinsurance contracts held	(33,982)	(36)	21,416	(81)	(12,683)
Net finance income from reinsurance contracts	–	–	1,375	–	1,375
Total changes in the statement of profit or loss and OCI	(33,982)	(36)	22,791	(81)	(11,308)
Cash flows					
Premiums paid	36,479	–	–	–	36,479
Claims recovered	–	–	(15,376)	–	(15,376)
Total cash flows	36,479	–	(15,376)	–	21,103
Net closing reinsurance contract balance	(11,728)	31	102,048	7,648	97,999
Closing reinsurance contract assets	(11,728)	31	102,048	7,648	97,999
Closing reinsurance contract liabilities	–	–	–	–	–
Net closing reinsurance contract balance	(11,728)	31	102,048	7,648	97,999

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(b) Effect of contracts initially recognised in the year

The following tables summarise the effect on the measurement components arising from the initial recognition of insurance and reinsurance contracts not measured under the PAA in the year.

(i) Insurance contracts – Life Insurance

2025	Group and Company		
	Profitable $'000	Onerous $'000	Total $'000
Estimates of present value of cash outflows			
Claims and other insurance service expenses payable	**(1,343,615)**	**(22,938)**	**(1,366,553)**
Insurance acquisition cash flows	**(168,494)**	**(2,150)**	**(170,644)**
	(1,512,109)	**(25,088)**	**(1,537,197)**
Estimates of present value of cash inflows	**1,672,271**	**24,822**	**1,697,093**
Risk adjustment for non-financial risk	**(6,208)**	**(206)**	**(6,414)**
CSM	**(153,954)**	**–**	**(153,954)**
Losses recognised on initial recognition	**–**	**(472)**	**(472)**

2024	Group and Company		
	Profitable $'000	Onerous $'000	Total $'000
Estimates of present value of cash outflows			
Claims and other insurance service expenses payable	(1,085,549)	(318,212)	(1,403,761)
Insurance acquisition cash flows	(113,447)	(3,521)	(116,968)
	(1,198,996)	(321,733)	(1,520,729)
Estimates of present value of cash inflows	1,299,879	315,804	1,615,683
Risk adjustment for non-financial risk	(4,011)	(111)	(4,122)
CSM	(96,872)	–	(96,872)
Losses recognised on initial recognition	–	(6,040)	(6,040)

Notes to the Financial Statements

For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(b) Effect of contracts initially recognised in the year (continued)

(ii) Reinsurance contracts held – Life Insurance

2025	Group and Company Contracts initiated without loss-recovery components $'000	Contracts initiated with loss-recovery components $'000	Total $'000
Estimates of present value of cash outflows	(51,704)	(22,186)	(73,890)
Estimates of present value of cash inflows	51,554	22,835	74,389
Risk adjustment for non-financial risk	355	181	536
Income recognised on initial recognition	–	(199)	(199)
CSM	205	631	836

2024	Group and Company Contracts initiated without loss-recovery components $'000	Contracts initiated with loss-recovery components $'000	Total $'000
Estimates of present value of cash outflows	(3,565)	(48,646)	(52,211)
Estimates of present value of cash inflows	3,585	50,135	53,720
Risk adjustment for non-financial risk	50	646	696
Income recognised on initial recognition	–	(38)	(38)
CSM	70	2,097	2,167

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(c) Expected recognition of the remaining contractual service margin

The following table illustrates when the Group expects to recognise the remaining CSM in profit or loss after the reporting date for contracts not measured under the PAA.

$'000	Group and Company 1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
2025								
Insurance contracts issued								
Life insurance	38,715	40,193	40,084	39,925	38,873	166,648	369,226	733,664
Reinsurance contracts held								
Life insurance	(7,629)	(6,979)	(6,474)	(5,968)	(5,514)	(21,565)	(45,608)	(99,737)

$'000	Group and Company 1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
2024								
Insurance contracts issued								
Life insurance	35,383	21,351	21,727	21,927	22,042	103,646	414,252	640,328
Reinsurance contracts held								
Life insurance	(5,781)	(4,527)	(4,176)	(3,859)	(3,612)	(15,252)	(45,656)	(82,863)

Notes to the Financial Statements

For the financial year ended 31 December 2025

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(d) Assets for insurance acquisition cash flows

	Note	Group and Company Life Insurance $'000	General Insurance $'000	Total $'000
Balance at 1 January 2024		267	42,548	42,815
Amounts incurred during the year		878	91,831	92,709
Amounts derecognised and included in the measurement of insurance contracts		(1,095)	(89,292)	(90,387)
Impairment losses and reversals	26	(2)	1,224	1,222
Balance at 31 December 2024		48	46,311	46,359
Balance at 1 January 2025		**48**	**46,311**	**46,359**
Amounts incurred during the year		**18**	**90,908**	**90,926**
Amounts derecognised and included in the measurement of insurance contracts		**(66)**	**(93,942)**	**(94,008)**
Impairment losses and reversals	26	**2**	**(125)**	**(123)**
Balance at 31 December 2025		**2**	**43,152**	**43,154**

Assets for insurance acquisition cash flows are presented in the carrying amount of the related portfolio of insurance contracts as follows:

	Note	Group and Company Life Insurance $'000	General Insurance $'000	Total $'000
Balance at 31 December 2025				
Presented in insurance contract assets		**–**	**–**	**–**
Presented in insurance contract liabilities		**2**	**43,152**	**43,154**
		2	**43,152**	**43,154**
Balance at 31 December 2024				
Presented in insurance contract assets		–	–	–
Presented in insurance contract liabilities		48	46,311	46,359
		48	46,311	46,359

17. INSURANCE CONTRACTS AND REINSURANCE CONTRACTS HELD (CONTINUED)

(d) Assets for insurance acquisition cash flows (continued)

The following table sets out when the Group expects to derecognise assets for insurance acquisition cash flows after the reporting date.

$'000	Group and Company 1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
2025 **Insurance contracts issued**								
Life insurance	**2**	**–**	**–**	**–**	**–**	**–**	**–**	**2**
General Insurance	**39,961**	**2,496**	**537**	**94**	**36**	**28**	**–**	**43,152**
	39,963	**2,496**	**537**	**94**	**36**	**28**	**–**	**43,154**

$'000	Group and Company 1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	More than 10 years	Total
2024 **Insurance contracts issued**								
Life insurance	48	–	–	–	–	–	–	48
General Insurance	43,197	2,444	512	84	50	24	–	46,311
	43,245	2,444	512	84	50	24	–	46,359

Notes to the Financial Statements

For the financial year ended 31 December 2025

18. OTHER RECEIVABLES

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Accrued interest receivable	**–**	113	**–**	113
Accrued interest receivable – related party	**8,524**	3,600	**8,524**	3,600
Investment receivables	**428,358**	247,182	**428,358**	247,182
Investment receivables – related party	**9,857**	150,000	**9,857**	150,000
Other receivables	**88,602**	73,229	**87,632**	66,435
Other receivables – related parties	**62**	1	**2,452**	656
	535,403	474,125	**536,823**	467,986
Less: Allowance for impairment losses	**(138)**	(98)	**(50)**	(54)
	535,265	474,027	**536,773**	467,932

At the reporting date, all other receivables are current, and the carrying amounts approximate their fair values.

Movements in allowance for impairment losses for the financial year are as follows:

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
At 1 January	**(98)**	(643)	**(54)**	(628)
Adjustment on initial application of SFRS(I) 9	**–**	503	**–**	503
Movement during the year	**(40)**	42	**4**	71
At 31 December	**(138)**	(98)	**(50)**	(54)

19. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Fixed deposits with banks	**1,666**	388,466	**–**	385,000
Cash and bank balances	**928,527**	1,162,247	**923,457**	1,161,102
	930,193	1,550,713	**923,457**	1,546,102

20. BORROWINGS

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Lease liabilities	**42,936**	42,609	**42,244**	41,619
Subordinated notes	**798,206**	798,110	**798,206**	798,110
	841,142	840,719	**840,450**	839,729

	Issue Date	Maturity Date	Group		Company	
			2025 $'000	2024 $'000	2025 $'000	2024 $'000
$800 million 3.10% subordinated notes	20 July 2020	20 July 2050	**798,206**	798,110	**798,206**	798,110

$800 million subordinated notes, net of transaction costs ("Note") due 2050, callable from 2040, was transferred to the Company on 1 September 2022. The Note initially bear interest at the rate of 3.10% per annum, payable semi-annually on 20 January and 20 July of each calendar year up to 20 July 2040. If the Note is not redeemed or purchased and cancelled on 20 July 2040, the interest rate from that date will be reset at a fixed rate determined by an independent advisor, payable semi-annually in arrears.

The Note qualifies as Tier 2 capital for capital adequacy purposes.

At the reporting date, the fair value of the Note is $808,624,000 (2024: $746,672,000).

	Group and Company	
	2025 $'000	2024 $'000
Subordinated notes	**798,206**	798,110
Accrued bond interest	**11,143**	11,143
Liabilities related to subordinated notes	**809,349**	809,253

Reconciliation of movements of liabilities to cash flows arising from financing activities.

2025	Lease liabilities $'000	Subordinated notes $'000	Total $'000
At 1 January 2025	**42,609**	**809,253**	**851,862**
Changes from financing cash flows			
Payment of lease liabilities	**(5,265)**	**–**	**(5,265)**
Interest paid	**(2,065)**	**(24,800)**	**(26,865)**
Total changes from financing cash flows	**(7,330)**	**(24,800)**	**(32,130)**
Other changes			
New leases	**3,254**	**–**	**3,254**
Re-measurement	**2,425**	**–**	**2,425**
Derecognition	**(87)**	**–**	**(87)**
Interest expenses	**2,065**	**24,896**	**26,961**
Total other changes	**7,657**	**24,896**	**32,553**
Balance at 31 December 2025	**42,936**	**809,349**	**852,285**

Notes to the Financial Statements

For the financial year ended 31 December 2025

20. BORROWINGS (CONTINUED)

2024	Lease liabilities $'000	Subordinated notes $'000	Total $'000
At 1 January 2024	27,908	809,160	837,068
Changes from financing cash flows			
Payment of lease liabilities	(4,714)	–	(4,714)
Interest paid	(1,722)	(24,867)	(26,589)
Total changes from financing cash flows	(6,436)	(24,867)	(31,303)
Other changes			
New leases	559	–	559
Re-measurement	19,145	–	19,145
Derecognition	(289)	–	(289)
Interest expenses	1,722	24,960	26,682
Total other changes	21,137	24,960	46,097
Balance at 31 December 2024	42,609	809,253	851,862

21. OTHER PAYABLES

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Investment creditors	**306,961**	391,987	**306,961**	396,547
Investment creditors – related parties	**9,935**	25,132	**9,935**	25,132
Collateral payables	**360,691**	33,417	**360,691**	33,417
Accruals and other liabilities	**431,162**	389,601	**429,167**	377,755
Accruals and other liabilities – related parties	**914**	512	**11,957**	12,358
	1,109,663	840,649	**1,118,711**	845,209
To be settled within 12 months	**1,062,689**	820,467	**1,071,737**	825,027
To be settled after 12 months	**46,974**	20,182	**46,974**	20,182
	1,109,663	840,649	**1,118,711**	845,209

At the reporting date, the carrying amounts of other payables approximate their fair value, except for some investment creditors and accruals and other payables (refer to Note 5(f)).

Accruals and other liabilities included $7,500,000 (2024: $4,600,000) that relates to cash-settled share-based payment liability. The Group has a share-based payment arrangement wherein eligible key management personnels are granted virtual shares which entitle them to a cash payment after a vesting period of 3 years and subject to the Group's and the key management personnel's performance. The amount of cash payment is determined by reference to the Group's net asset value per share at the end of the vesting period.

22. SHARE CAPITAL

	Group and Company			
	2025 No. of shares '000	2024 No. of shares '000	2025 $'000	2024 $'000
Issued and fully paid ordinary shares:				
At 1 January	**107,192**	107,192	**3,203,821**	3,203,821
Issued	**–**	–	**–**	–
At 31 December	**107,192**	107,192	**3,203,821**	3,203,821

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and rank equally with regard to the Company's residual assets.

23. RETAINED EARNINGS

Dividends

	Group and Company	
	2025 $'000	2024 $'000
Dividends paid in respect of the previous financial year:		
Ordinary dividends of 20.8 cents (2024: 33.4 cents) per ordinary shares	**22,296**	35,802
Special dividends of 20.8 cents (2024: 31.3 cents) per ordinary shares	**22,296**	33,551
Total final one-tier exempt dividend paid in respect of the previous financial year	**44,592**	**69,353**

The Directors have proposed a one-tier exempt dividend of 60.0 cents (2024: 20.8 cents) per ordinary share, amounting to $64,315,000 (2024: $22,296,000) to be paid in respect of the financial period ended 31 December 2025.

Additionally, the Directors have proposed a one-tier exempt special dividend of 46.3 cents (2024: 20.8 cents) per ordinary share, amounting to $49,630,000 (2024: $22,296,000) to be paid in respect of the financial period ended 31 December 2025.

The consolidated financial statements will reflect this dividend payable as distributions to shareholders in the financial year ending 31 December 2026 after approval is obtained during the Annual General Meeting.

Notes to the Financial Statements

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24. INSURANCE REVENUE

The table below presents an analysis of the total insurance revenue recognised in the year:

	Note	Group and Company Life Insurance $'000	General Insurance $'000	Total $'000
Year ended 31 December 2025				
Contracts not measured under the PAA				
Amounts relating to changes in liabilities for remaining coverage:				
– CSM recognised for services provided		**37,125**	**–**	**37,125**
– Change in risk adjustment for non-financial risk for risk expired		**(1,332)**	**–**	**(1,332)**
– Expected incurred claims and other insurance service expenses		**345,307**	**–**	**345,307**
– Other		**11**	**–**	**11**
Recovery of insurance acquisition cash flows		**27,098**	**–**	**27,098**
		408,209	**–**	**408,209**
Contracts measured under the PAA		**857,797**	**524,588**	**1,382,385**
Total insurance revenue	17(a)	**1,266,006**	**524,588**	**1,790,594**

	Note	Group and Company Life Insurance $'000	General Insurance $'000	Total $'000
Year ended 31 December 2024				
Contracts not measured under the PAA				
Amounts relating to changes in liabilities for remaining coverage:				
– CSM recognised for services provided		35,383	–	35,383
– Change in risk adjustment for non-financial risk for risk expired		(31)	–	(31)
– Expected incurred claims and other insurance service expenses		334,071	–	334,071
– Other		5,473	–	5,473
Recovery of insurance acquisition cash flows		20,696	–	20,696
		395,592	–	395,592
Contracts measured under the PAA		728,487	505,381	1,233,868
Total insurance revenue	17(a)	1,124,079	505,381	1,629,460

25. NET FINANCIAL RESULT

The following table analyses the Group's net financial result in profit or loss.

	Group 2025 $'000	2024 $'000
Investment return		
Interest income		
– cash and cash equivalents	**4,749**	23,898
– loans	**5,757**	5,848
– debt securities	**901,730**	830,524
	912,236	860,270
Dividend income	**429,536**	408,325*
Net rental income:		
– rental income	**62,634**	63,690
Less:		
– investment properties maintenance	**(21,575)**	(21,009)
	41,059	42,681
Realised gain on sale of investment properties	**1,934**	37,287
Net gain/(loss) and changes in fair value of:		
– investments designated as fair value through profit or loss	**1,410,187**	1,870,403
– derivatives	**471,227**	(973,470)
– investment properties	**3,900**	32,265
	1,885,314	929,198
Investment expenses	**(154,059)**	(174,628)
Others	**309**	200
Total other investment revenue	**3,116,329**	2,103,333
Impairment written back/ (made) on:		
– loans	**–**	8
– investment in subsidiaries/joint ventures/associates	**(13,488)**	(24,000)
Net impairment loss on financial assets	**(13,488)**	(23,992)
Total investment return	**3,102,841**	2,079,341

* Presentation changes were made to the 31 December 2024 comparative figures for dividend income which amounted to $15,516,000. Dividends received by the Group from its joint venture has been reclassified from dividend income to share of results of joint venture to better reflect the nature of the amount (see Note 10).

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25. NET FINANCIAL RESULT (CONTINUED)

	Group 2025 $'000	2024 $'000
Net finance expenses from insurance contracts		
Interest accreted	**(74,688)**	(94,548)
Effect of changes in interest rates and other financial assumptions	**(48,157)**	(13,842)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	**5,316**	163
Changes in FV of underlying items of direct participating contracts	**(2,826,436)**	(1,880,599)
Foreign exchange differences	**11,536**	(7,116)
Total net finance expenses from insurance contracts	**(2,932,429)**	(1,995,942)
Net finance income from reinsurance contracts held		
Interest accreted	**2,632**	3,850
Effect of changes in interest rates and other financial assumptions	**(914)**	(802)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	**(42)**	636
Changes in FV of underlying items of direct participating contracts	**504**	481
Changes in non-performance risk of reinsurers	**18**	–
Total net finance income from reinsurance contracts held	**2,198**	4,165
Total net finance expense from insurance contracts and reinsurance contracts held	**(2,930,231)**	(1,991,777)

26. EXPENSES

	Note	Group 2025 $'000	2024 $'000
Claims and benefits		**1,209,479**	1,097,553
Fees and commissions		**365,509**	311,724
Losses on onerous insurance contracts	17(a)	**17,721**	12,617
Staff costs			
– Salaries, bonuses and staff benefits		**170,919**	156,171
– Employer's contribution to defined contribution plan		**16,799**	15,521
Depreciation and amortisation		**48,873**	49,997
Rental expenses		**6,061**	5,298
Other		**135,767**	124,780
		1,971,128	1,773,661
Amounts attributed to insurance acquisition cash flows incurred during the year		**(380,551)**	(295,202)
Amortisation of insurance acquisition cash flows	17(a)	**228,005**	191,212
Net impairment reversal/(loss) on assets for insurance acquisition cash flows	17(d)	**123**	(1,222)
		1,818,705	1,668,449
Represented by:			
Insurance service expenses		**1,704,821**	1,541,628
Other operating expenses		**113,884**	126,821
		1,818,705	1,668,449

Staff costs – salaries, bonuses and staff benefits include $2,803,000 (2024: $3,300,000) relating to cash-settled share-based payments.

27. IMMEDIATE AND ULTIMATE HOLDING ENTITY

The Company's immediate and ultimate holding entity is NTUC Enterprise Co-operative Limited.

28. RELATED PARTY TRANSACTIONS

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

In addition to the related party information shown elsewhere in the consolidated financial statements, the following significant related party transactions took place between the Group and Company and related parties during the financial period on terms agreed by the parties concerned:

(a) Sales and purchases of goods

	Group 2025 $'000	2024 $'000
Insurance related transactions with:		
– Immediate and ultimate holding entity	**75**	33
– Subsidiaries	**(24,640)**	(13,126)
– Joint ventures	**10**	53
– Associated companies	**254**	(177)
– Other related parties	**606**	3,277
	(23,695)	(9,940)
Investment related transactions with:		
– Subsidiaries	**–**	(2,000)
– Joint ventures	**21,320**	21,469
– Associated companies	**(375,951)**	169,981
– Other related parties	**6,310**	6,452
	(348,321)	195,902
Purchases of goods/rental/management services with:		
– Subsidiaries	**138**	75
– Associated companies	**(31,605)**	(30,363)
– Other related parties	**(3,205)**	(3,143)
	(34,672)	(33,431)
Dividend to:		
– Immediate and ultimate holding entity	**(32,443)**	(50,458)
– Other related parties	**(7)**	(11)
	(32,450)	(50,469)

Other related parties comprise mainly entities which are members of the NTUC Enterprise Co-operative Limited group.

Notes to the Financial Statements

For the financial year ended 31 December 2025

28. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel compensation

	Group	
	2025 $'000	2024 $'000
Salaries and other benefits	**14,182**	14,135
Employer's contribution to defined contribution plan	**247**	242
Directors' fees	**1,421**	1,361
	15,850	15,738

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

29. LEASES

Leases as lessee (SFRS(I) 16)

The Group leases retail, office and industrial spaces. The leases typically run for a period of 1 to 10 years, with an option to renew the lease after that date. Lease payments are renegotiated upon renewal to reflect market rentals.

Right-of-use assets Lease under SFRS(I) 16

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (Note 6).

	Properties $'000	Office equipment $'000	Total $'000
Group			
At 1 January 2025	**40,046**	**7**	**40,053**
Depreciation charge for the year	**(6,019)**	**(11)**	**(6,030)**
Additions to right-of-use assets	**3,322**	**39**	**3,361**
Re-measurement to right-of-use assets	**2,682**	**–**	**2,682**
Derecognition to right-of-use assets	**(84)**	**–**	**(84)**
Balance at 31 December 2025	**39,947**	**35**	**39,982**
At 1 January 2024	25,901	12	25,913
Depreciation charge for the year	(5,669)	(5)	(5,674)
Additions to right-of-use assets	581	–	581
Re-measurement to right-of-use assets	19,505	–	19,505
Derecognition to right-of-use assets	(272)	–	(272)
Balance at 31 December 2024	40,046	7	40,053

29. LEASES (CONTINUED)

	Properties $'000	Office equipment $'000	Total $'000
Company			
At 1 January 2025	**39,141**	**–**	**39,141**
Depreciation charge for the year	**(5,700)**	**–**	**(5,700)**
Additions to right-of-use assets	**3,322**	**–**	**3,322**
Re-measurement to right-of-use assets	**2,682**	**–**	**2,682**
Derecognition to right-of-use assets	**(84)**	**–**	**(84)**
Balance at 31 December 2025	**39,361**	**–**	**39,361**
At 1 January 2024	24,650	–	24,650
Depreciation charge for the year	(5,323)	–	(5,323)
Additions to right-of-use assets	581	–	581
Re-measurement to right-of-use assets	19,505	–	19,505
Derecognition to right-of-use assets	(272)	–	(272)
Balance at 31 December 2024	39,141	–	39,141

Amounts recognised in profit or loss

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Interest on lease liabilities	**2,066**	1,722	**2,025**	1,663
Expenses relating to short-term leases	**6**	14	**6**	14
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**38**	6	**38**	6

Amount recognised in statement of cash flows

	Group		Company	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Total cash outflow for leases	**7,331**	6,438	**6,955**	6,046

Extension options

Some property leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant events or significant changes in circumstances within its control.

The Group has estimated that there are no potential future lease payments in 2025 and 2024, should it exercise the extension option, that would result in an increase in undiscounted lease liability.

Notes to the Financial Statements

For the financial year ended 31 December 2025

29. LEASES (CONTINUED)

Leases as lessor

The Group leases out retail and commercial space from their investment properties under non-cancellable operating leases (see Note 8). The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Operating leases under SFRS(I) 16

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group and Company	
	2025 $'000	2024 $'000
Less than one year	**48,905**	45,826
One to two years	**34,750**	34,923
Two to three years	**13,902**	20,964
Three to four years	**1,994**	6,344
Four to five years	**443**	1,169
More than five years	**–**	189
Total	**99,994**	109,415

30. COMMITMENTS

Outstanding investment commitments (Note 13) are as follow:

	Group and Company	
	2025 $'000	2024 $'000
Outstanding investment commitments	**2,725,188**	2,758,196

31. SEGMENTAL INFORMATION

For management purposes, the Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products for the different markets. The Group's principal operations are organised into Life Insurance, General Insurance and Corporate segments. The results of these segments are reported separately in internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

a. Life Insurance Segment

The Life Insurance segment includes different types of life insurance contracts, comprising life participating fund, life and health non-participating fund and investment linked fund contracts as those described in the summary of material accounting policies in Note 3.

b. General Insurance Segment

The General Insurance segment includes all general insurance contracts that cater to the protection needs of individuals and business

c. Corporate Segment

The Corporate segment comprises activities not related to the core business segments and includes general corporate income and expense items.

Segment Accounting Policies and Allocation Basis

The accounting policies of the segments are the same as those described in the summary of material accounting policies in Note 3(t).

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Notes to the Financial Statements

For the financial year ended 31 December 2025

31. SEGMENTAL INFORMATION (CONTINUED)

2025	Group			
	Life Insurance $'000	General Insurance $'000	Corporate $'000	Consolidated $'000
Insurance revenue	**1,266,006**	**524,588**	**–**	**1,790,594**
Insurance service expenses	**(1,206,729)**	**(498,092)**	**–**	**(1,704,821)**
Net expenses from reinsurance contracts	**(14,289)**	**9,359**	**–**	**(4,930)**
Insurance service result	**44,988**	**35,855**	**–**	**80,843**
Other investment revenue	**2,982,229**	**34,686**	**99,414**	**3,116,329**
Net impairment (loss)/ gain on financial assets	**–**	**–**	**(13,488)**	**(13,488)**
Investment return	**2,982,229**	**34,686**	**85,926**	**3,102,841**
Net finance expenses from insurance contracts	**(2,915,361)**	**(17,068)**	**–**	**(2,932,429)**
Net finance income from reinsurance contracts	**769**	**1,429**	**–**	**2,198**
Net financial result	**67,637**	**19,047**	**85,926**	**172,610**
Other income	**5,526**	**72**	**15,329**	**20,927**
Other operating expenses	**(45)**	**(123)**	**(113,716)**	**(113,884)**
Interest expenses	**(13,833)**	**(444)**	**(12,684)**	**(26,961)**
Share of results of joint ventures (net of tax)	**(354)**	**–**	**663**	**309**
Share of results of associated companies (net of tax)	**–**	**–**	**(1,744)**	**(1,744)**
Share of results of equity-accounted investees (net of tax)	**(354)**	**–**	**(1,081)**	**(1,435)**
Profit/(loss) before tax	**103,919**	**54,407**	**(26,226)**	**132,100**
Tax credit/(expense)	**3,831**	**(9,580)**	**(7,437)**	**(13,186)**
Profit/(loss) after tax	**107,750**	**44,827**	**(33,663)**	**118,914**
Other material items				
Interest income	**883,650**	**25,521**	**32,188**	**941,359**
Staff costs	**(108,075)**	**(49,707)**	**(29,936)**	**(187,718)**
Non-cash items				
Depreciation and amortisation	**(18,460)**	**(7,281)**	**(23,132)**	**(48,873)**
Changes in fair value of investments through equity	**3,641**	**–**	**–**	**3,641**
Change in insurance contract liabilities arising from FVOCI movement	**(2,672)**	**–**	**–**	**(2,672)**

2025	Group				
	Life Insurance $'000	General Insurance $'000	Corporate $'000	Adjustment and Elimination $'000	Consolidated $'000
Assets and liabilities					
Total segment assets	**41,824,815**	**1,287,955**	**1,567,254**	**699**	**44,680,723**
Total segment liabilities	**39,378,687**	**885,583**	**914,895**	**(8,356)**	**41,170,809**
Other segment information					
Investment in joint ventures	**617,455**	**–**	**4,465**	**–**	**621,920**
Investment in associates	**–**	**–**	**68,328**	**–**	**68,328**
Additions to non-current assets:					
– Property, plant and equipment	**4,220**	**–**	**74**	**–**	**4,294**
– Intangible assets	**30,700**	**4,298**	**3,866**	**–**	**38,864**
– Investment properties	**2,825**	**–**	**–**	**–**	**2,825**

31. SEGMENTAL INFORMATION (CONTINUED)

2024	Group			
	Life Insurance $'000	General Insurance $'000	Corporate $'000	Consolidated $'000
Insurance revenue	1,124,079	505,381	–	1,629,460
Insurance service expenses	(1,129,751)	(411,877)	–	(1,541,628)
Net expenses from reinsurance contracts	(1,087)	(12,683)	–	(13,770)
Insurance service result	(6,759)	80,821	–	74,062
Other investment revenue	2,033,882	9,961	59,490	2,103,333
Net impairment (loss)/ gain on financial assets	8	–	(24,000)	(23,992)
Investment return	2,033,890	9,961	35,490	2,079,341
Net finance expenses from insurance contracts	(1,981,786)	(14,156)	–	(1,995,942)
Net finance income from reinsurance contracts	2,790	1,375	–	4,165
Net financial result	54,894	(2,820)	35,490	87,564
Other income	(6,407)	(313)	23,516	16,796
Other operating expenses	575	(3,279)	(124,117)	(126,821)
Interest expenses	(13,584)	(415)	(12,683)	(26,682)
Share of results of joint ventures (net of tax)	15,870	–	(252)	15,618
Share of results of associated companies (net of tax)	–	–	(6,620)	(6,620)
Share of results of equity-accounted investees (net of tax)	15,870	–	(6,872)	8,998
Profit/(loss) before tax	44,589	73,994	(84,666)	33,917
Tax credit/(expense)	42,471	(10,711)	(20,854)	10,906
Profit/(loss) after tax	87,060	63,283	(105,520)	44,823
Other material items				
Interest income	839,867	25,441	23,818	889,126
Staff costs	(91,204)	(49,243)	(31,245)	(171,692)
Non-cash items				
Depreciation and amortisation	(17,934)	(6,947)	(25,116)	(49,997)
Changes in fair value of investments through equity	(102)	–	–	(102)
Change in insurance contract liabilities arising from FVOCI movement	75	–	–	75

2024	Group				
	Life Insurance $'000	General Insurance $'000	Corporate $'000	Adjustment and Elimination $'000	Consolidated $'000
Assets and liabilities					
Total segment assets	40,605,845	1,191,599	1,612,845	4,422	43,414,711
Total segment liabilities	38,254,079	834,052	895,527	(3,570)	39,980,088
Other segment information					
Investment in joint ventures	633,127	–	3,801	–	636,928
Investment in associates	–	–	85,246	–	85,246
Additions to non-current assets:					
– Property, plant and equipment	1,372	–	395	–	1,767
– Intangible assets	22,235	1,094	32,487	–	55,816
– Investment properties	3,096	–	–	–	3,096

Notes to the Financial Statements

For the financial year ended 31 December 2025

32. ASSETS AND LIABILITIES HELD FOR SALE

	Note	Group and Company 2025 $'000	Group and Company 2024 $'000
Reclassification from investment properties	8	–	45,840
Assets held for sale		–	45,840
Other payables		–	1,274
Liabilities held for sale		–	1,274

In 2024, three Strata units at 510 Thomson Road Singapore 298135 and one shop unit at 215 Bedok North Street 1 with expected completion dates between January and June 2025 were reclassified as assets held for sale as at 31 December 2024. There were no cumulative income or expenses included in other comprehensive income relating to these assets.

The sales of these assets were completed in four separate transactions between January and July 2025 for a total sale consideration of $48,090,000.

The following amounts are recognised in profit or loss.

	Group 2025 $'000	Group 2024 $'000
Rental income	–	2,777
Direct operating expenses arising from investment properties that generated rental income	–	(1,013)
Movement in insurance contract liabilities	–	(1,764)
	–	–

33. SUBSEQUENT EVENT

On 15 January 2026, the Group completed the acquisition of an additional ownership interest in the investment property located at 55 Ubi Avenue 1 from a related party for a purchase consideration of $15,263,000.



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