



LifeStar

Company Announcement

The following is a Company Announcement issued by LifeStar Insurance plc (“the Company”) pursuant to the Capital Markets Rules issued by the Malta Financial Services Authority.

Quote

The Company hereby announces that the Board of Directors met today, 29 August 2025, and approved the unaudited Half-Yearly Financial Report of the Company for the six-month period ended 30 June 2025.

A copy of the approved Half-Yearly Financial Report is attached to this announcement and is also available for viewing on the Company’s website at <https://lifestarinsurance.com/investor-relations/>.

Unquote

By Order of the Board.

29 August 2025

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LifeStar Insurance plc is authorised by the Malta Financial Services Authority to carry on long term business of insurance under the Insurance Business Act, Cap 403 of the Laws of Malta. Company Registration No. C 29086.

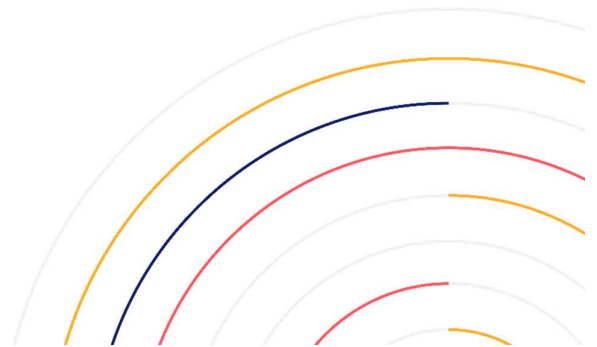




LifeStar Insurance Group

Interim Report and Interim Condensed Consolidated Financial Statements (Unaudited)

30 June 2025



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LifeStar Insurance Group

Half-Yearly Report for the period ended 30 June 2025

Interim Directors' Report

The following statements relate to the consolidated position of LifeStar Insurance plc and its immediate subsidiary LifeStar Health Limited (together, the "Group").

These interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. These financial statements have not been audited and not reviewed by the Group's external auditors (the "Auditors"). Every care has been undertaken by management and its actuaries to ensure the accuracy of these statements.

During the first half of 2025 the LifeStar Group undertook two independent and professional valuations of its investment in Subsidiaries, LifeStar Insurance PLC and LifeStar Health Limited. These valuations, the basis of which is 31 December 2024, has resulted in a:

- change in accounting estimate whereby the investment in LifeStar Insurance PLC will be recognised at the valuation price or fair-value price at LifeStar Holdings PLC Level. This has resulted in the value of the investment increasing from €22.589 million to €48.703 million, an increase of €26.114 million. This has been reflected in the Consolidated financial statements of LifeStar Holdings plc prospectively.
- change in accounting policy whereby the investment will no longer be recognised at cost, but at the valuation price or fair-value price at LifeStar Insurance plc level. This has resulted in the value of the investment increasing from €1.048 million to €6.111 million, an increase of €5.063 million. This has been reflected in the below financial statements as a prior year adjustment and impacting the closing retained earnings of 2024. We have also seen our Solvency Capital Ratio improve from 140% as at 31 December 2024 to 159% as at 30 June 2025.

LifeStar Insurance plc

- Gross written premium has shown a very healthy growth in these first 6 months, increasing by 14% when compared to the same period last year. The largest increases were registered in Protection, mainly due to the Italy passporting initiative. Double digit growth was also registered in our pension related products and real-life products.
- Insurance revenue has increased by 29.5% when comparing to the same period last year.
- Insurance Service expenses increased over the same period last year by 58.6%. This is mainly due to two factors the first being the higher maturities and surrenders that were partly mitigated due to the launch of our new savings product LifeStar Select on the 1st of July 2025 and the second being the increase in attributable expenses.
- Insurance service results from insurance contracts issued showed a reduction over the previous year of 9.3% to close off as €1.06 million
- Net expenses from reinsurance contracts held increased on the prior period due mainly to a smaller amount recovered from reinsurers in relation to death claims.

- As a result of the above, the Insurance Service Results reduced from €0.7 million for period ending 30 June 2024 to €0.2 million for period ending 30 June 2025, a decrease of €0.5 million.
- Net financial results closed off at profit of €1.4 million compared to a loss in the prior period of €0.6 million.
- Other income reduced on the same period last year by €80K to close off at €0.4 million.
- Other Expenses reduced marginally on the same period last year by 2.6% to close off at €2.86 million.
- The Company registered a loss before tax of €0.95 million compared to €2.39 million loss in the same period last year.
- On the balance sheet side investment in group undertaking has increased post the valuation of the LifeStar Health Ltd entity.

LifeStar Health Limited

- Commission received increased by €10K over the same period last year to close off at €636K
- Total commission receivable increased by €46K from €972K to €1.02 million
- Total direct costs reduced by 7.8% over the same period last year to close at €192K
- Gross contribution increased by 8.2% over the same period last year to close off at €826K
- Indirect costs increased by €100K from previous year, driven mainly by higher professional costs and staff-related expenses.
- LifeStar Health Limited registered a profit before tax of €121,472 for period ending 30 June 2025 in comparison to a profit before tax of €257,763 for period ending 30 June 2024.

Consolidated Position

The consolidated loss after tax for the six months ended 30 June 2025 totalled €740,358 when compared to the prior period consolidated loss after taxation of €2,227,173.

Outlook

Malta's economic outlook for the next six months remains broadly positive, with GDP growth expected to moderate to around 4.0% in 2025, supported by resilient domestic demand and a strong labour market. Inflation is projected to remain stable, and fiscal indicators continue to improve, reinforcing investor confidence. The insurance sector in Malta, including long-term life business, is poised to benefit from this stability, with gross written premiums forecast to reach approximately €1.92 billion in 2025. The life segment is experiencing increased demand for savings-linked products, driven by rising disposable incomes and a growing awareness of financial protection needs.

The Directors do not recommend the payment of an interim dividend.

By order of the Board.



Prof Paolo Catalfamo
Chairman



Joseph C Schembri
Director

29 August 2025



Directors' Statement pursuant to the Capital Markets Rule 5.75.3

Directors' Statement pursuant to the Capital Markets Rule 5.75.3 Issued by the Malta Financial Services Authority

We confirm that to the best of our knowledge:

- The condensed interim unaudited financial statements, which have not been reviewed by our Auditors, prepared under IFRS as adopted by the EU give a fair view of the financial position, its financial performance and its cashflows for the period ended 30 June 2025 in accordance with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (IAS 34).
- The Interim Directors' Report includes a fair review of the information required in terms of Capital Markets Rules 5.81 to 5.84.

Condensed Consolidated Statement of Comprehensive income

for the period ended 30 June 2025
(Unaudited)

	Group		Company	
	01 January to 30 June 2025	01 January to 30 June 2024	01 January to 30 June 2025	01 January to 30 June 2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited, restated)
	€	€	€	€
Insurance revenue	3,534,475	2,730,262	3,534,475	2,730,262
Insurance service expenses	(2,473,646)	(1,560,112)	(2,473,646)	(1,560,112)
Insurance service result from insurance contracts issued	1,060,829	1,170,150	1,060,829	1,170,150
Allocation of reinsurance premiums paid	(1,277,568)	(1,160,045)	(1,277,568)	(1,160,045)
Amounts recovered from reinsurers	371,910	651,882	371,910	651,882
Net expense from reinsurance contracts held	(905,658)	(508,163)	(905,658)	(508,163)
Insurance service result	155,171	661,987	155,171	661,987
Net investment income	1,488,834	6,058,422	1,479,563	6,163,967
Insurance finance income/ expense from insurance contracts held	197,062	(6,388,279)	197,062	(6,388,279)
Reinsurance finance income/ expense from reinsurance contracts held	(14,267)	(49,493)	(14,267)	(49,493)
Movement in investments contract liabilities	(261,869)	(203,812)	(261,869)	(203,812)
Net financial result	1,409,760	(583,162)	1,400,489	(477,617)
Commissions and fees receivable	1,152,208	972,012	1,334	-
Other income	396,576	478,589	396,576	478,589
Other expenses	(3,811,558)	(3,666,385)	(2,905,488)	(2,941,675)
Profit/(Loss) before tax	(697,843)	(2,136,959)	(951,918)	(2,278,716)
Tax credit/(expense)	(42,515)	(90,214)	-	-
Profit/(Loss) for the period	(740,358)	(2,227,173)	(951,918)	(2,278,716)

Condensed Consolidated Statement of Comprehensive income

for the period ended 30 June 2025 *(continued)*
(Unaudited)

	Group		Company	
	01 January to 30 June 2025	01 January to 30 June 2024	01 January to 30 June 2025	01 January to 30 June 2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited, restated)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>	-	-	-	-
Total comprehensive (loss) income for the year	(740,358)	(2,227,173)	(951,918)	(2,278,716)
Profit/(loss) per share (cents)	(1c1)	(3c4)	(1c5)	(3c5)

Condensed Consolidated Statement of Financial Position

at 30 June 2025
(Unaudited)

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	(unaudited)		(unaudited)	(restated)
	€	€	€	€
ASSETS				
Intangible assets	4,827,157	4,108,499	4,515,620	3,756,839
Right of use asset	15,839	1,847	15,839	1,847
Property, plant and equipment	5,682,696	5,726,199	5,673,917	5,716,727
Investment property	12,791,546	13,691,547	12,791,546	13,691,547
Investment in group undertakings	-	-	6,110,695	6,110,695
Other investments	108,488,408	108,576,141	108,488,406	108,576,141
Other assets	208,680	198,680	208,680	198,680
Deferred tax asset	1,574,289	1,705,968	1,587,130	1,718,809
Reinsurance contract assets	780,831	3,571,127	780,831	3,571,127
Other Receivables	17,105,058	16,874,187	16,450,449	16,530,201
Cash and cash equivalents	3,733,406	1,619,726	3,210,116	1,013,287
Total assets	155,207,910	156,073,921	159,833,229	160,885,900

Condensed Consolidated Statement of Financial Position

at 30 June 2025 *(continued)*
(Unaudited)

	Group		Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	(unaudited)		(unaudited)	(restated)
	€	€	€	€
EQUITY AND LIABILITIES				
Capital and reserves	23,623,286	24,363,644	28,950,249	29,902,167
4% LifeStar Subordinated Bond	2,241,167	2,221,035	2,241,167	2,221,035
Insurance contract liabilities	115,070,439	115,645,938	114,676,782	115,645,938
Investment contract liabilities	9,421,249	8,619,624	9,421,249	8,619,624
Lease liability	16,031	1,924	16,031	1,924
Deferred tax liability	1,487,190	1,618,869	1,487,190	1,618,869
Trade and other payables	352,340	310,651	212,629	119,683
Accruals and Deferred Income	792,090	937,833	672,612	437,174
Current tax liabilities	2,204,118	2,354,403	2,155,320	2,319,486
Total Liabilities	131,584,624	131,710,277	130,882,980	130,983,733
Total equity and liabilities	155,207,910	156,073,921	159,833,229	160,885,900

These unaudited interim condensed consolidated financial statements have been approved by the Board of Directors on 29 August 2025, and signed on its behalf by:



Prof Paolo Catalfamo
Chairman

29 August 2025



Joseph C Schembri
Director

Condensed Consolidated Statement of Cash Flows

For the period ending 30 June 2025
(Unaudited)

	Group		Company	
	01 January to 30 June 2025	01 January to 30 June 2024	01 January to 30 June 2025	01 January to 30 June 2024
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	€	€	€	€
Net cash flows (used in)/from operating activities	2,202,441	(787,263)	2,326,403	(855,284)
Net cash flows (used in)/from investing activities	(88,761)	(2,714,723)	(129,574)	(2,031,968)
Net cash flows from financing activities	-	-	-	-
Movement in cash and cash equivalents	2,113,680	(3,501,986)	2,196,829	(2,887,252)
Cash and cash equivalents as at the beginning of the period	1,619,726	4,921,302	1,013,287	3,497,079
Movement in cash and cash equivalents	2,113,680	(3,501,986)	2,196,829	(2,887,252)
Cash and cash equivalents as at the end of the period	3,733,406	1,419,316	3,210,116	609,827

LifeStar Insurance plc
Interim Report and Interim Condensed Consolidated Financial Statements - 30 June 2025

Condensed Consolidated Statement of Changes in Equity

For the period ending 30 June 2025
(Unaudited)

	Group				
	Share capital	Other reserves	Capital redemption reserve	Retained earnings	Total
	€	€	€	€	€
Balance as at 1 January 2025	9,169,870	1,572,988	800,000	12,820,786	24,363,644
Profit/(Loss) for the financial period	-	-	-	(740,358)	(740,358)
Other comprehensive income for 2025	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(740,358)	(740,358)
Balance as at 30 June 2025	9,169,870	1,572,988	800,000	12,080,428	23,623,286
Balance as at 31 December 2023	9,169,870	1,572,987	800,000	13,447,150	24,990,008
Profit/(Loss) for the financial period	-	-	-	(2,227,173)	(2,227,173)
Other comprehensive income for 2024	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(2,227,173)	(2,227,173)
Balance as at 30 June 2024	9,169,870	1,572,987	800,000	11,219,977	22,762,835

LifeStar Insurance plc
Interim Report and Interim Condensed Consolidated Financial Statements - 30 June 2025

Condensed Consolidated Statement of Changes in Equity

For the period ending 30 June 2025
(Unaudited)

	Company				
	Share capital	Other reserves	Capital redemption reserve	Retained earnings	Total
	€	€	€	€	€
Balance as at 31 December 2024	9,169,870	1,409,807	800,000	13,460,013	24,839,690
Impact of change in accounting policy	-	-	-	5,062,477	5,062,477
Balance as at 1 January 2025	9,169,870	1,409,807	800,000	18,522,490	29,902,167
Profit/(Loss) for the financial period	-	-	-	(951,918)	(951,918)
Other comprehensive income for 2025	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(951,918)	(951,918)
Balance as at 30 June 2025	9,169,870	1,409,807	800,000	17,570,572	28,950,249
Balance as at 31 December 2023	9,169,870	1,409,807	800,000	13,703,057	25,082,734
Impact of change in accounting policy	-	-	-	4,946,468	4,946,468
Balance as at 1 January 2024	9,169,870	1,409,807	800,000	18,649,525	30,029,202
Profit/(Loss) for the financial period	-	-	-	(2,278,716)	(2,278,716)
Other comprehensive income for 2024	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(2,278,716)	(2,227,173)
Balance as at 30 June 2024	9,169,870	1,409,807	800,000	16,370,809	27,750,486

Notes to the Condensed Consolidated Financial Statements

- a) This half-yearly report is published pursuant to Chapter 5 of the Malta Financial Services Authority Capital Markets Rules and the Prevention of Financial Markets Abuse Act, 2005. The condensed set of consolidated interim unaudited financial statements attached to this report has been extracted from the unaudited management accounts of LifeStar Insurance p.l.c. and LifeStar Health Limited for the six months ended 30 June 2025.
- b) The condensed interim unaudited financial statements for the half year ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting. These interim financial statements have not been audited nor reviewed by the Group’s independent external Auditors. While every care has been undertaken to ensure the accuracy of these statements, these interim unaudited financial statements may be subject to adjustments. Any subsequent reclassification, if any, may have an effect on the financial performance and financial position of the company as at 30 June 2025. The consolidated condensed financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, these interim unaudited financial statements should be read in conjunction with the approved annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.
- c) The interim unaudited financial statements have been prepared under the historical cost convention, except for the revaluation of investment properties, the investment in group undertaking, financial assets which were classified at fair value through profit and loss and investment contracts without discretionary participation features (“DPF”). The accounting policies, presentation and methods of computation used in these interim unaudited financial statements are consistent with those used in the annual audited consolidated financial statements for the year ended 31 December 2024.
- d) The Group's operations consist of the provision of advisory and insurance intermediary services in terms of the Insurance Intermediaries Act, 2006, the carrying on of long-term business of insurance under the Insurance Business Act, 1998. The Group's turnover is primarily generated in and from Malta.
- e) The Group had no commitments for capital related expenditure as at 30 June 2025.
- f) The following information has been considered significant for disclosure purposes in these interim financial statements:

Change in accounting policy

During the interim period under review, the Company elected to measure its Investments in group undertaking in accordance with IFRS 9 at fair value through profit or loss resulting in a change in accounting policy to be reflected in the separate financial statements of the Group. Previously, this investment was accounted for using the cost method.

Reason for the Change

During the period, the investment in LifeStar Health Limited began to be measured at fair value rather than cost. This basis provides a more faithful representation of the investment's economic value, particularly given recent strategic developments and current market conditions. The fair value method, with changes in fair value reflected on the profit and loss, shall therefore provide more relevant and reliable information.

Impact of the Change

This change in accounting policy has been applied retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and IAS 34 'Interim Financial Reporting'.

The comparative figures for the year ended 31 December 2024 have been restated accordingly:

Financial Impact	1 January 2024 (As Previously Reported)	Adjustment	1 January 2024 (Restated)
Investment in group undertaking	€1,048,218	€4,946,468	€5,994,686
Retained Earnings	€13,703,057	€4,946,468	€18,649,525

Financial Impact	30 June 2024 (As Previously Reported)	Adjustment	30 June 2024 (Restated)
Investment in group undertaking	€1,048,218	€5,062,477	€6,110,695
Movement in fair value of investment in group undertaking	-	€116,009	€116,009

Financial Impact	31 Dec 2024 (As Previously Reported)	Adjustment	31 Dec 2024 (Restated)
Investment in group undertaking	€1,048,218	€5,062,477	€6,110,695
Retained Earnings	€13,460,013	€5,062,477	€18,522,490

Disclosure of Fair Value Measurement

The fair value of the investment in LifeStar Health Limited has been determined with reference to a valuation performed by an independent third-party valuer, determined based on the discounted cash flow method, using observable and unobservable inputs as appropriate. This investment is classified as Level 3 in the fair value hierarchy due to management assumptions forming a significant part of the valuation of the investment.

Investments in group undertaking

During the interim period under review, the Company elected to measure its Investment in group undertaking in accordance with IFRS 9 at fair value through profit or loss resulting in a change in accounting policy to be reflected in the separate financial statements of the Group. Previously, this investment was accounted for using the cost method. In estimating the fair value of the properties, the highest and best use of the properties is their current use. The Company adopted the Discounted Cash Flow methodology.

The carrying amount of the Group's investment amounted to €1,048,218 as at 31 December 2024 based on historical cost. Management believes that the fair value method provides more relevant and reliable information to users of the financial statements, particularly in assessing the performance and financial position of the Group's investment in LifeStar Health Limited. The comparative figures for the year ended 31 December 2024 and 1 January 2024 have been restated accordingly.

LifeStar Health was valued using the Discounted Cash Flow (DCF) and Dividend Discount Model. The Company decided to use the DCF method due to the stability and predictability of its cash flows, resulting in a valuation of €5,994,686 as at 31 December 2023 and €6,110,695 as at 31 December 2024. The same methodology will be used to value the Investments in Group Undertakings moving forward.

Details of the group's investment in group undertaking and information about the fair value hierarchy as at the end of the reporting period are as follows:

	Level 1	Level 2	Level 3	Fair value as at 30/06/2025
	€	€	€	€
Investment in Group Undertaking	-	-	6,110,695	6,110,695

	Level 1	Level 2	Level 3	Fair value as at 31/12/2024
	€	€	€	€
Investment in Group Undertaking	-	-	6,110,695	6,110,695

	Level 1	Level 2	Level 3	Fair value as at 31/12/2023
	€	€	€	€
Investment in Group Undertaking	-	-	5,994,686	5,994,686

Financial assets / financial liabilities	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship and sensitivity of unobservable inputs to fair value
Investments in unlisted shares (LifeStar Health Limited)	Income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.	Long-term revenue growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 4 to 10 per cent (2024: 0-10 per cent).	The higher the revenue growth rate, the higher the fair value. If the revenue growth was 1% per cent higher/lower while all other variables were held constant, the carrying amount would increase/decrease by €1.2 million (2024: €1.2 million).
		Weighted average cost of capital, determined using a Capital Asset Pricing Model of 10 per cent (2024: 9.9).	The higher the weighted average cost of capital, the lower the fair value. If the weighted average cost of capital was one per cent higher/lower while all other variables were held constant, the carrying amount would decrease/increase by €0.9 million (2024: €0.9 million).

The following table reconciles the movements for investment in group undertaking with fair value measurements classified as level 3:

Investment in group undertaking	€
Balance at 1 January 2024	5,994,686
Total gains/(losses) in profit or loss	116,009
Balance at 31 December 2024	6,110,695
Total gains/(losses) in profit or loss	-
Balance at 30 June 2025	6,110,695