

ALLIANZ MALAYSIA BERHAD (12428-W) (“AMB” or “Company”)

Minutes of the 46th Annual General Meeting (“Meeting”) of the Company conducted fully virtual from the broadcast venue at Ballroom B, Level 2, Aloft Kuala Lumpur Sentral, 5 Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur (“Broadcast Venue”) on Tuesday, 30 June 2020 at 11.00 a.m. via Remote Participation and Voting facilities (“RPV”) which were available at Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”)’s TIH Online website at <https://tiah.online>:-

PRESENT AT THE BROADCAST VENUE:

Tan Sri Datuk (Dr.) Rafiah Binti Salim	Chairman
Dato’ Dr. Thillainathan A/L Ramasamy	Independent Non-Executive Director (“INED”)
Tunku Zain Al-’Abidin Ibni Tuanku Muhriz	INED
Peter Ho Kok Wai	INED
Zakri Bin Mohd Khir (“Zakri”)	Chief Executive Officer (“CEO”)
Joseph Kumar Gross (“Joe”)	CEO of Allianz Life Insurance Malaysia Berhad
Ong Eng Chow (“Charles”)	Chief Financial Officer (“CFO”)
Ng Siew Gek	Company Secretary

VIA VIDEO CONFERENCING:

Solmaz Altin	Non-Independent Non-Executive Director
Manjit Singh, PricewaterhouseCoopers PLT	External Auditors

VIA RPV:

Shareholders and proxies (as per attendance list)

The Chairman welcomed shareholders, proxies and invitees to the Meeting, which was conducted fully virtual from the Broadcast Venue.

1. QUORUM

There being a quorum, the Meeting was duly convened.

The Chairman informed that based on the Record of Depositors as at 22 June 2020, being the cut-off date for determining who should be entitled to participate in the Meeting, there were 2,927 shareholders holding 176,888,839 ordinary shares in the Company. The Chairman further informed that the Share Registrar, Tricor, confirmed that there were 145 members and proxies, representing 139,920,130 ordinary shares of the Company or approximately 79.1%, had registered themselves to participate in this Meeting.

The Chairman introduced members of the Board and the Management Team comprising the CEOs of the Company and its insurance subsidiaries and the CFO as well as the Company Secretary, who were physically present at Broadcast Venue. The Director as well as the representative from Messrs PricewaterhouseCoopers PLT, namely Manjit Singh, who joined the Meeting virtually via video conferencing were also introduced.

The Chairman informed that the voting of all resolutions at the Meeting would be conducted on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company had appointed Tricor as the poll administrator to conduct the poll by way of online polling and Mega

Corporate Services Sdn Bhd (“Mega”) as the independent scrutineer to verify the poll results.

The Chairman further informed that the shareholders and proxies could proceed to vote on the proposed resolutions as stated in the agenda at any time from the commencement of this Meeting and before the end of voting session, as declared by the Chairman.

The Chairman announced that the video on the procedures of online voting by Tricor would be played.

The Chairman informed that the shareholders and proxies who participated in the Meeting could use the query box to transmit the questions during the Meeting. The Board of Directors and the Management would answer the questions after all items of the agenda have been presented at this Meeting.

2. NOTICE OF MEETING

The notice convening the Meeting dated 1 June 2020 was tabled and taken as read.

3. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019 AND THE DIRECTORS’ AND AUDITORS’ REPORTS

The Chairman tabled the Audited Financial Statements for the financial year ended 31 December 2019 (“FYE 2019”) and the Directors’ and Auditors’ Reports, which were for discussion only as it did not require shareholders’ approval. Hence, this item would not be put for voting.

The Chairman invited the Management to present the financial highlights of AMB and its insurance subsidiaries (“Group”).

The presentation covering the following topics were made by the following members of the Management to the shareholders:-

- (a) 2019 financial highlights of the Group presented by Charles, the CFO of the Company;
- (b) Highlights of the general insurance business presented by Zakri, the CEO of the Company and Allianz General Insurance Company (Malaysia) Berhad (“Allianz General”); and
- (c) Highlights of the life insurance business presented by Joseph, the CEO of Allianz Life Insurance Malaysia Berhad (“Allianz Life”).

The Chairman presented the remaining items of the agenda before the start of questions and answers (“Q & A”) session.

4. PAYMENTS TO NON-EXECUTIVE DIRECTORS OF THE GROUP

The Chairman tabled item 2 of the agenda which was to approve the payment of Directors’ fees and Directors’ benefits to Non-Executive Directors of the Group, excluding Nominee Directors of Allianz SE.

4(a) PAYMENT OF DIRECTORS' FEES FOR THE COMPANY AND ITS INSURANCE SUBSIDIARIES

The Chairman tabled the Ordinary Resolution 1 under item 2(a) of the agenda on payment of Directors' fees to the Non-Executive Directors of the Group, excluding the Nominee Directors of Allianz SE, amounting to RM2,036,194 for FYE 2019, for the shareholders' consideration.

4(b) PAYMENT OF DIRECTORS' BENEFITS TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY AND ITS INSURANCE SUBSIDIARIES

The Chairman tabled the Ordinary Resolution 2 under item 2(b) of the agenda on payment of Directors' benefits to the Non-Executive Directors of the Group, excluding the Nominee Directors of Allianz SE, up to an amount of RM1,140,860 from 1 July 2020 until the next Annual General Meeting of the Company, for the shareholders' consideration.

5. RE-ELECTION OF DIRECTOR WHO RETIRES BY ROTATION IN ACCORDANCE WITH CLAUSE 19.1 OF THE CONSTITUTION OF THE COMPANY

The Chairman tabled the Ordinary Resolution 3 under item 3 of the agenda in respect of the re-election of Tunku Zain Al-'Abidin Ibni Tuanku Muhriz who retired by rotation in accordance with Clause 19.1 of the Constitution of the Company and being eligible, offers himself for re-election, for the shareholders' consideration.

6. RE-ELECTION OF DIRECTORS WHO WERE APPOINTED TO THE BOARD DURING THE YEAR AND RETIRE IN ACCORDANCE WITH CLAUSE 19.7 OF THE CONSTITUTION OF THE COMPANY

The Chairman tabled item 4 of the agenda which was to consider the re-election of the Directors who were appointed to the Board during the year and retire in accordance with Clause 19.7 of the Constitution of the Company.

6(a) Re-election of Claudia Salem

The Chairman tabled Ordinary Resolution 4 under item 4(a) of the agenda in respect of the re-election of Claudia Salem who was appointed to the Board during the year and retires in accordance with Clause 19.7 of the Constitution of the Company and being eligible, offers herself for re-election, for the shareholders' consideration.

6(b) Re-election of Peter Ho Kok Wai

The Chairman tabled the Ordinary Resolution 5 under item 4(b) of the agenda in respect of the re-election of Peter Ho Kok Wai who was appointed to the Board during the year and retires in accordance with Clause 19.7 of the Constitution of the Company and being eligible, offers himself for re-election, for the shareholders' consideration.

7. RE-APPOINTMENT OF AUDITORS

The Chairman tabled the Ordinary Resolution 6 under item 5 of the agenda on the re-appointment of Messrs PricewaterhouseCoopers PLT as the Auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors to fix their remuneration, for the shareholders' consideration.

The Chairman presented items 6 and 7 of the agenda, which were to transact special business.

8. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH ALLIANZ SE GROUP

The Chairman tabled the following Ordinary Resolution 7 under item 6 of the agenda for the shareholders' consideration:-

"THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions with Allianz SE Group as specified in Section 2.2 (A) of the Company's Circular to Shareholders dated 1 June 2020, provided that the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and not to the detriment of the minority shareholders.

AND THAT such authority shall take effect from the passing of this Ordinary Resolution and shall continue in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by ordinary resolution passed at the said Annual General Meeting, the authority is renewed; or
- (b) the expiration of the period within which next Annual General Meeting is required to be held pursuant to Section 340 (2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Companies Act 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing all documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

9. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH RAPIDPRO CONSULTING SDN BHD

The Chairman tabled the following Ordinary Resolution 8 under item 7 of the agenda for the shareholders' consideration:-

“THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions with Rapidpro Consulting Sdn Bhd as specified in Section 2.2 (B) of the Company’s Circular to Shareholders dated 1 June 2020, provided that the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and not to the detriment of the minority shareholders.

AND THAT such authority shall take effect from the passing of this Ordinary Resolution and shall continue in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by ordinary resolution passed at the said Annual General Meeting, the authority is renewed; or
- (b) the expiration of the period within which next Annual General Meeting is required to be held pursuant to Section 340 (2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Companies Act 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing all documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

10. OTHER BUSINESS

The Chairman informed that she has been advised that the Company did not receive any notice of other business to be transacted at the Meeting.

11. Q & A SESSION

The Chairman invited the CEOs, CFO and Company Secretary to answer the questions received from shareholders and proxies.

Question 1

Would the Board reward those who attended the RPV with virtual door gift or e-voucher?

The Company Secretary informed that no door gift or e-voucher will be given for attending this Meeting. However, if shareholders or proxies sign up for Allianz We Care Community on the day of AGM, the Company would be giving away special sign up gift.

Question 2

Did the Directors receive fee for attending this virtual AGM?

The Company Secretary replied that the Company pays meeting allowance to the Independent Non-Executive Directors for attending Board Meetings and AGM.

Question 3

How did the Covid-19 pandemic affect the Company's financial performance?

Zakri informed that despite the despondency coupled with the potential recession, both Allianz General and Allianz Life performed reasonably well, as the Group was not severely impacted by the Covid-19 pandemic. Certain business segments are progressing slowly, for instance, the life insurance agents have difficulties to transact face-to-face with the customers during the Movement Control Order ("MCO") period. However, the Group has adjusted to this situation and the overall financial performance remains favourable.

Question 4

What was the amount of insurance claims recorded by Allianz till date due to the Covid-19 pandemic? How much is the provision for such claims in year 2020 and 2021?

Zakri replied that as the Group is involved in insurance business, it is in its normal course of business to pay claims. He informed that it is not appropriate for the Group to disclose the amount of claims incurred for a particular segment. The Group has exposure in claims related to Covid-19, however, the amount was insignificant and was not unusual. Such claims were already anticipated through the Group's robust risk management regime and hence, would not have significant impact to the Group.

Question 5

Allianz General has the top 1 market share in general insurance industry. How long does Allianz Life plan to take to become top 1 in life insurance industry?

Joe replied that Allianz Life has been growing and outperforming the life insurance industry in the past 5 years, in respect of top line performance, new business value and profitability. He believed that the size and scale should not be the only consideration, it has to be supported by quality of work and more importantly profitability. Hence, to be top 1 in the industry is not the aim, instead, Allianz Life aims to outperform the market, continue to stay the course and deliver better value proposition to customers, partners, agents, banks, etc, where the success shall follow thereafter. Allianz Life will continue growing its top and bottom lines profitability progressively, which eventually will benefit the shareholders.

He was of the view that Allianz Life's strategic focus is serving the stakeholders, e.g. customers, employees, shareholders and society, and consequently to see where it lays itself in the market in the subsequent years. He further commented that it would be good if Allianz Life could deliver similar level of performance in 2019, however the current situation may be slightly different as compared to 2019 due to the Covid-19 pandemic.

Question 6

Allianz Malaysia's current asset allocation was about 76% in fixed income instruments. How will the recent decrease in interest rates declared by Bank Negara Malaysia affect the return of these fixed income investments? Will Allianz re-strategise its asset allocation in view of the low interest rate environment in the near term?

Charles replied that the Group has a solid investment mandate with balance approach and strong investment discipline to invest Group's assets. Generally, the shareholders' fund, for example, general insurance fund, life shareholders' fund are mainly invested in fixed income instruments, in order to support the solvency level. Other policyholders' funds, namely investment link fund, universal life fund, are also governed by strong investment mandates.

The main focus of the Group's investment is on capital requirement and risk management, therefore, for shareholders' fund almost 76% was invested in fixed income instruments.

Generally, the decrease of interest rate will have a positive impact to the Group's financial results. For instance, the 10-year Malaysian Government Securities interest rate dropped about 80 basis points from 2018 to 2019, had contributed to fair value gain, resulting in the increase of the Group's profit before tax by 33.4% in the financial year ended 31 December 2019. Nevertheless, the core profit of the Group excluding fair value gain remained strong at 14.2%.

Charles added that during the first quarter of 2020 ("1Q2020"), the Group's financial result was affected by fair value loss as compared to the corresponding period in 2019. In this regard, the Management will continue optimise the Group's strategic asset allocation and tactically strategise to capitalise market fluctuation. The Management will take advantage in any investment opportunities and look into alternative investment. The Group has also entered into derivatives which mainly used to manage asset duration and also long term interest rate environment, which are positive to the Group.

Question 7

On page 215 of the Annual Report, Allianz Malaysia recorded net realised losses for financial assets in the financial year ended 31 December 2018 and FYE 2019 which were mostly from disposal of quoted equity securities in Malaysia. Can the Management elaborate on the reasons for the poor performance and what will the expected performance in financial year 2020 in view of the volatile equity market?

Charles replied that the Group adopted prudent risk management policy and discipline to manage its investment portfolio. For FYE 2019, the Group recorded realised loss of RM54.3 million as well as realised gain of RM24.6 million which contributed to net realised capital loss of RM29.7 million.

In the long-term investment return of 2019, the Group's Participating Fund recorded an investment gain of 4.9% in equity portfolio, which outperformed the Kuala Lumpur Composite Index of negative 6.02%. With regard to equity portfolio, which the Group managed on behalf of policyholders to meet their long-term expectation of investment return, it has decreased as at first quarter of 2020, with equal share of impairment, as a result of realisation of the said portfolio at the end of last year. Therefore, the Management will continue to look into stock selection and to dispose of underperforming assets in order to fulfill the long-term expectation of the Group's investment return.

Question 8

Does the Management expect continuous operating revenue and gross written premium growth this year?

Charles replied that the Group has strong in-force insurance business, renewal business and persistency which help to cushion the impact of Covid-19 pandemic. The Group is currently in the stage of recovery especially in the new business after the several phases of the MCOs announced by the Government. He was of the view that the Management will be able to manage such recovery, despite challenging time ahead.

Question 9

What was the contribution of Bancassurance of AGIC and ALIM? What were the banks that the Group partners with? When will the arrangement expires? Will the Group expect a lower margin on renewal?

Charles responded that the bancassurance partners of Allianz Life and Allianz General are HSBC Bank Malaysia Berhad ("HSBC") and Standard Chartered Bank Malaysia Berhad ("SCB") respectively. The bancassurance channel of Allianz Life recorded 35.2% growth which outperformed market growth of 21.9%. The remaining expiry terms of bancassurance partnership with HSBC is about 5 to 6 years and the Management shall continue to explore with HSBC on the potential renewal of the bancassurance partnership. He was of the view that it is still pre-mature to discuss the renewal margin at this point of time. Nevertheless, the bancassurance partnership is a good deal for both parties.

For Allianz General, the bancassurance partnership with SCB contributes positively. He further highlighted that the partnership between Allianz General and Pos Malaysia Berhad has contributed significantly to Allianz General's business. The Group has a diversified business portfolio and multi-distribution channels which made the Group's business model more resilient.

The Chairman informed that in the interest of time, the Q & A session for the Meeting be concluded. For those questions which have not been answered, the Management will respond to the questions received within 14 working days.

On behalf of the Board and the Company, the Chairman thanked Dato' Dr. Thillainathan A/L Ramasamy who will retire as Director of the Company at the conclusion of this Meeting. She mentioned that the Board is very appreciative and

grateful for Dato' Dr. Thillainathan A/L Ramasamy's invaluable guidance and contribution to the Company, and wished him well for his future endeavours.

12. POLLING PROCESS

The Chairman announced that the shareholders and proxies who have yet to cast their votes would be given 10 minutes to perform their online voting.

She further reminded the shareholders and proxies to cast their votes by referring to the online voting procedures as displayed on their screen. She further announced that the voting session would end around 12.02 p.m.

The Chairman thanked the shareholders and proxies for casting their votes and declared that the voting session for the Meeting closed at 12.02 p.m.

The Chairman announced that the Meeting be adjourned for 20 minutes for votes counting and verification.

13. ANNOUNCEMENT OF POLL RESULTS

Upon the completion of votes verification, the Chairman called the Meeting to order at 12.22 p.m. for declaration of poll results which have been verified by the independent scrutineer, Mega.

The Chairman declared that all resolutions carried, results as detailed below:-

(a) Ordinary Resolution 1

Payment of Directors' fees of RM2,036,194 for the FYE 2019.

The poll result in respect of Ordinary Resolution 1 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 1	139,831,569	99.986	19,322	0.014

(b) Ordinary Resolution 2

The Directors' benefits of up to an amount of RM1,140,860 from 1 July 2020 until the next Annual General Meeting of the Company.

The poll result in respect of Ordinary Resolution 2 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 2	139,831,569	99.986	19,322	0.014

(c) **Ordinary Resolution 3**

Re-election of Tunku Zain Al-'Abidin Ibni Tuanku Muhriz as Director of the Company in accordance with Clause 19.1 of the Constitution of the Company.

The poll result in respect of Ordinary Resolution 3 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 3	139,827,269	99.983	23,622	0.017

(d) **Ordinary Resolution 4**

Re-election of Claudia Salem as Director of the Company in accordance with Clause 19.7 of the Constitution of the Company.

The poll result in respect of Ordinary Resolution 4 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 4	139,829,768	99.985	21,123	0.015

(e) **Ordinary Resolution 5**

Re-election of Peter Ho Kok Wai as Director of the Company in accordance with Clause 19.7 of the Constitution of the Company.

The poll result in respect of Ordinary Resolution 5 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 5	133,365,468	99.935	86,723	0.065

(f) **Ordinary Resolution 6**

Re-appointment of Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2020 and authority to the Directors to fix their remuneration.

The poll result in respect of Ordinary Resolution 6 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 6	139,634,869	99.994	8,322	0.006

(g) **Ordinary Resolution 7**

Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Allianz SE Group.

The poll result in respect of Ordinary Resolution 7 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 7	24,487,573	99.996	1,023	0.004

(h) **Ordinary Resolution 8**

Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Rapidpro Consulting Sdn Bhd.

The poll result in respect of Ordinary Resolution 8 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 8	133,369,468	99.938	82,423	0.062

14. CLOSE OF MEETING

The Chairman declared the Meeting closed at 12.24 p.m. and she thanked the shareholders and proxies for participating in the Meeting.

SIGNED AS A CORRECT RECORD

[Original Signed]

.....
TAN SRI DATUK (DR.) RAFIAH BINTI SALIM
CHAIRMAN