

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other independent adviser immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused the contents of Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as it is prescribed as an exempt circular pursuant to Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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**ALLIANZ MALAYSIA BERHAD 197201000819 (12428-W)**  
(Incorporated in Malaysia)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE AND PROPOSED NEW  
SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A  
REVENUE OR TRADING NATURE**

The ordinary resolutions in respect of the above proposals will be tabled as Special Business at the 48th Annual General Meeting ("48th AGM") of the Company which will be held virtually from the broadcast venue at Ballroom A, Level 2, Aloft Kuala Lumpur Sentral, 5 Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur ("Broadcast Venue") and via Tricor Investor & Issuing House Services Sdn Bhd ("Tricor")'s TIH Online website at <https://tjih.online> on Wednesday, 22 June 2022 at 11.00 a.m.

This Circular is available at [www.allianz.com.my/investor-updates](http://www.allianz.com.my/investor-updates) together with, amongst others, the Notice of 48th AGM, Form of Proxy and Administrative Details for the 48th AGM. Please follow the procedures in the Administrative Details for the 48th AGM in order to submit the Form of Proxy, and to register and participate in the 48th AGM remotely via the Remote Participation and Voting facilities available on Tricor's TIH Online website at <https://tjih.online>.

Date and time of the 48th AGM : Wednesday, 22 June 2022 at 11.00 a.m.

Last day and time for lodging the Form of Proxy : Tuesday, 21 June 2022 at 11.00 a.m.

This Circular is dated 29 April 2022

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## DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

Act	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
AGIC	:	Allianz General Insurance Company (Malaysia) Berhad, a wholly-owned subsidiary of Allianz Malaysia Berhad
AGM	:	Annual General Meeting
ALIM	:	Allianz Life Insurance Malaysia Berhad, a wholly-owned subsidiary of Allianz Malaysia Berhad
AMB or Company	:	Allianz Malaysia Berhad
AMB Group	:	AMB and its subsidiary companies
Allianz SE	:	A major shareholder and holding company of AMB
Allianz SE Group	:	Allianz SE and its subsidiary and associated companies
Bursa Securities	:	Bursa Malaysia Securities Berhad
Director	:	Shall have the meaning given in Section 2 (1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of AMB, its subsidiary or holding company, or a chief executive officer of AMB, its subsidiary or holding company
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
major shareholder	:	A person who has an interest or interests in one or more voting shares in the Company and the number or aggregate number of those shares, is:- (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.

For the purpose of this definition, "interest in shares" shall have the meaning given in Section 8 of the Act. A major shareholder includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a major shareholder of AMB or any other corporation which is its subsidiary or holding company

- person connected : In relation to a Director or major shareholder, means such person who falls under any one of the following categories:-
- (a) a family member of the Director or major shareholder;
  - (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director or major shareholder or a family member of the Director or major shareholder, is the sole beneficiary;
  - (c) a partner of the Director or major shareholder;
  - (d) a person, or where the person is a body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or major shareholder;
  - (e) a person, or where the person is a body corporate or its directors, in accordance with whose directions, instructions or wishes the Director or major shareholder is accustomed or is under an obligation, whether formal or informal, to act;
  - (f) a body corporate in which the Director or major shareholder or persons connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
  - (g) a body corporate which is a related corporation of the Director or major shareholder.

For the purpose of this definition in relation to a person, "family" means such person who falls within any one of the following categories:-

- (i) spouse;
- (ii) parent;
- (iii) child including an adopted child and step-child;
- (iv) brother or sister; and
- (v) spouse of the person referred to in items (iii) and (iv) above

- Proposed Shareholders' Mandate : Proposed renewal of shareholders' mandate for AMB Group to enter into existing and new Recurrent Related Party Transactions
- Related Party : A "Director", "major shareholder" or "person connected" with such Director or major shareholder
- Related Party Transaction : A transaction entered into by the Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party

Recurrent Related Party Transaction : A Related Party Transaction which is recurrent, of a revenue or trading nature and which is necessary for the AMB Group's day-to-day operations

*Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders.*

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**Allianz Malaysia Berhad** 197201000819 (12428-W)

**Registered Office:-**

Level 29, Menara Allianz Sentral  
203, Jalan Tun Sambanthan  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

29 April 2022

**Board of Directors:-**

Tan Sri Datuk (Dr.) Rafiah Binti Salim (Chairman – Non-Independent Non-Executive Director)  
Tunku Zain Al-'Abidin Ibni Tuanku Muhriz (Independent Non-Executive Director)  
Peter Ho Kok Wai (Independent Non-Executive Director)  
Goh Ching Yin (Independent Non-Executive Director)  
Gerard Lim Kim Meng (Independent Non-Executive Director)  
Zakri Bin Mohd Khir (Non-Independent Non-Executive Director)  
Tan Sri Datuk Zainun Binti Ali (Independent Non-Executive Director)  
Anusha A/P Thavarajah (Non-Independent Non-Executive Director)

To: **The Shareholders of AMB**

Dear Shareholders

**PROPOSED SHAREHOLDERS' MANDATE**

**1. INTRODUCTION**

At the 47th AGM of the Company held on 23 June 2021, the Company obtained a renewal of the mandate from its shareholders for the AMB Group to enter into recurrent related party transactions of a revenue or trading nature which are necessary for its day-to-day operations with the Related Parties.

The said mandate shall lapse at the conclusion of the forthcoming 48th AGM unless authority for its renewal is obtained from the shareholders of the Company.

On 22 February 2022, AMB announced that it proposes to seek shareholders' approval to renew the shareholders' mandate in order for AMB and its subsidiaries to continue enter into the Recurrent Related Party Transactions provided that such transactions are made at arm's length, in the ordinary course of business, on terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The purpose of this Circular is to provide you with information on the Proposed Shareholders' Mandate and to seek your approval on the ordinary resolutions in respect of the Proposed Shareholders' Mandate to be tabled at the forthcoming 48th AGM of the Company.

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Background**

Pursuant to Paragraph 10.09 (2) of the Listing Requirements, the Company may seek mandate from its shareholders for the Recurrent Related Party Transactions subject to, inter alia, the following:-

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:-
  - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
  - (ii) any one of the percentage ratios as prescribed in Paragraph 10.02 (g) of the Listing Requirements of such Recurrent Related Party Transaction is 1% or more,whichever is the higher;
- (c) in a meeting to obtain shareholders' mandate:-
  - (i) a related party with any interest, direct or indirect ("interested related party"), must not vote on the resolution in respect of the Related Party Transaction;
  - (ii) an interested related party, must ensure that persons connected with him/her abstain from voting on the resolution in respect of the Related Party Transaction; and
  - (iii) where the interested related party is a person connected with, a Director or major shareholder, such person, as the case may be, must not vote on the resolution in respect of the Related Party Transaction.
- (d) the Company immediately announces to Bursa Securities when the actual value of a Recurrent Related Party Transaction entered into by the Company, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in this Circular by 10% or more and must include the information as prescribed under Practice Note 12 on Recurrent Related Party Transactions.

The Proposed Shareholders' Mandate once approved by the shareholders at the forthcoming 48th AGM will take effect from the passing of the ordinary resolutions proposed at the 48th AGM and will continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the forthcoming 48th AGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at the said AGM, the authority is renewed; or
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340 (2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340 (4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier.

The Company is principally engaged in investment holding whilst the principal activities of the subsidiaries are underwriting of all classes of general insurance business and underwriting of life insurance and investment-linked business.

It is anticipated that the AMB Group will, in the ordinary course of business, enter into Recurrent Related Party Transactions with classes of Related Parties as set out in section 2.2 of this Circular.

In view of time sensitivity and the frequent nature of such Related Party Transactions, the Directors of the Company are seeking shareholders' approval for the Proposed Shareholders' Mandate which allow the AMB Group, in its ordinary course of business, to enter into categories of Recurrent Related Party Transactions with the Related Parties referred to in section 2.2 of this Circular, provided that such transactions are made on arm's length basis and are on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.

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## 2.2 Nature of the Recurrent Related Party Transactions and Related Parties

The Proposed Shareholders' Mandate will apply to the Recurrent Related Party Transactions by the AMB Group with the following Related Parties:-

### (A) Allianz SE Group

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
Insurance operations and financial services	Allianz SE Group are deemed to be Related Parties via Allianz SE's direct interest as a major shareholder and holding company of AMB	<sup>(a)</sup> Reinsurance arrangement between AGIC and Allianz SE Group for general insurance business, where the risk and premium are shared between the parties in accordance with the reinsurance arrangements entered or to be entered into between the parties	Existing	RM30,000,000	RM12,147,980	RM202,000,000	RM165,786,152	RM30,000,000 <sup>N5</sup>	RM200,000,000 <sup>N5</sup>
		<sup>(a)</sup> Reinsurance arrangement between ALIM and Allianz SE Group for life insurance business, where the risk and premium are shared between the parties in accordance with reinsurance arrangements entered or to be entered into between the parties	Existing	RM10,000,000	RM4,156,003	RM150,000,000	RM61,327,120	RM10,000,000 <sup>N5</sup>	RM150,000,000 <sup>N5</sup>

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(b)</sup> Payment of annual maintenance and support fees by ALIM and AGIC to Allianz Technology SE (“Allianz Technology”) for the software system provided by Allianz Technology	Existing	-	-	RM1,485,000	RM790,771	-	RM1,333,591
		<sup>(c)</sup> Payment of fees by AGIC and ALIM to Allianz Technology for purchasing of various software licenses	Existing	-	-	RM1,276,000	RM94,246	-	RM529,000
		<sup>(d)</sup> Payment of fees by AMB Group to Allianz Technology for the usage of TeamMate Solution	Existing	-	-	RM76,000	RM45,659	-	RM148,000
		<sup>(e)</sup> Engagement of Allianz Technology for the support and maintenance support service on Expert Underwriting System	Existing	-	-	RM354,000	RM268,234	-	RM351,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(f)</sup> Payment of fees by ALIM and AGIC to Allianz Technology for the leasing of license service of Thunderhead solution for the implementation of e-Policy	Existing	-	-	RM237,500	RM115,406	-	RM274,000
		<sup>(g)</sup> Payment of fees by AGIC to Allianz Technology for purchase of Radar Live license and usage of Radar Live Service	Existing	-	-	RM832,500	RM734,514	-	RM1,058,000
		<sup>(h)</sup> Payment of fees to Allianz Technology for the implementation and support service of Data Center Consolidation for AMB Group	Existing	-	-	RM5,584,200	RM3,449,391	-	RM5,522,000
		<sup>(i)</sup> Payment of fees by AMB Group to Allianz Technology for sharing of Group Intranet Access and Group Directory International through Allianz Global Network services	Existing	-	-	RM665,000	RM581,822	-	RM765,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(j)</sup> Payment of fees by AMB Group to Allianz Technology for information technology security services provided by Allianz Technology	Existing	-	-	RM1,491,000	RM1,084,323	-	RM1,752,000
		<sup>(k)</sup> Payment of fees by AMB Group to Allianz Technology for Shared Remote Applications Services infrastructure provided by Allianz Technology	Existing	-	-	RM54,500	RM34,233	-	RM235,000
		<sup>(l)</sup> Payment of fees by AMB Group to Allianz Technology for purchase of Allianz Virtual Client and Windows Distributor File System	Existing	-	-	RM273,000	RM230,960	-	RM578,000
		<sup>(m)</sup> Payment of fees by AGIC and ALIM to Allianz Technology for the implementation of a software intelligence platform namely Dynatrace	Existing	-	-	RM1,665,500	RM350,953	-	RM1,317,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(n)</sup> Payment of fees by AMB Group to Allianz Technology for the implementation of mobile security solution	Existing	-	-	RM6,000	-	-	RM7,000
		<sup>(o)</sup> Payment of fees by AGIC to Allianz Technology for the implementation of Global Sanctions Screening Solutions	Existing	-	-	RM357,100	-	-	RM504,000
		<sup>(p)</sup> Payment of fees by ALIM to IDS GmbH ("IDS") for conducting performance attribution analysis	Existing	-	-	RM14,000	-	-	RM14,000
		<sup>(q)</sup> Investment and redemption of funds (including fund management charges ("FMC") and rebate on FMC) distributed by Allianz Global Investors Singapore Limited ("AGI"), by ALIM	Existing	RM80,000,000	RM1,049,852	RM40,000,000	RM390,259	RM80,000,000	RM40,000,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(f)</sup> Payment of fees by AMB Group to Allianz Investment Management Singapore Pte Ltd (“AIM Singapore”) for investment advisory services provided by AIM Singapore	Existing	-	-	RM5,000,000	RM2,670,731	-	RM5,000,000
		<sup>(g)</sup> Payment of fees by AGIC and ALIM to Allianz Global Investors Asia Pacific Limited (“AGI AP”) for sharing of AGI Global Bloomberg Asset & Investment Manager database, IT support, maintenance and execution of equity transactions provided by AGI AP to AGIC and ALIM	Existing	-	-	RM148,300	RM50,140	-	RM363,000
		<sup>(h)</sup> Payment of fees by AGIC and ALIM to Allianz Investment Management SE (“AIM SE”) and IDS for IT infrastructure and operational investment controlling and support services	Existing	-	-	RM518,000	RM460,377	-	RM448,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(w)</sup> Payment of fees by AGIC and ALIM to AIM SE for supporting advisory services in areas of investment process	Existing	-	-	RM384,000	RM185,536	-	RM429,000
		<sup>(v)</sup> Payment of fees by AGIC and ALIM to Allianz SE Singapore Branch ("AZAP") for the business building advisory services and regional investment provided by AZAP	Existing	-	-	RM23,818,000	RM11,321,973	-	RM25,744,000
		<sup>(w)</sup> Payment of fees by AGIC to AZAP for subscription of the regional application license interface ("API") platform	Existing	-	-	RM414,000	-	-	RM570,000
		<sup>(x)</sup> Payment of fees by AMB Group to Allianz SE for sharing of marketing measures undertaken by Allianz SE	Existing	-	-	RM4,450,000	RM3,762,486	-	RM5,511,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(b)</sup> Payment of fees by AGIC and ALIM to Allianz SE for sharing of Global Procurement (excluding IT) services and support rendered by Allianz SE	Existing	-	-	RM313,700	RM280,710	-	RM 313,000
		<sup>(z)</sup> Payment of fees by ALIM and AGIC to Allianz SE for IT security services	Existing	-	-	RM822,600	RM643,318	-	RM906,000
		<sup>(aa)</sup> Payment of fees by AGIC to Allianz SE to support the development and improvement of technical excellence	Existing	-	-	RM252,000	RM222,484	-	RM275,000
		<sup>(bb)</sup> Payment of fees by AGIC to Allianz SE for the usage of software licenses purchased by Allianz SE from Willis Towers Watson	Existing	-	-	RM832,000	RM392,978	-	RM394,000
		<sup>(cc)</sup> Payment of fees by AMB Group to Allianz SE for the implementation of global cyber insurance solution	Existing	-	-	RM76,800	RM74,043	-	RM82,000



Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(dd)</sup> Payment of fees by AGIC to AWP Services Sdn Bhd ("AWP") for road assistance services provided by AWP to AGIC's policyholders	Existing	-	-	RM4,620,000	RM627,903	-	RM1,783,000
		<sup>(ee)</sup> Operational fees received by AGIC for the services rendered by AGIC to Euler Hermes Singapore Services Pte Ltd	Existing	RM121,500	RM86,159	-	-	RM119,000	-
		<sup>(ff)</sup> Fees received by AMB for providing audit services to AZAP under the Regional Audit Hub	Existing	RM396,000	RM347,222	-	-	RM542,000	-
		<sup>(gg)</sup> Fees received by AMB for providing life actuarial modeling services to Allianz SE Group under the Regional Actuarial Center of Competence	Existing	RM2,480,500	RM1,497,325	-	-	RM1,912,000	-

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		(hh) Payment/Receiving of fees from/by AMB Group to/from Allianz SE Group pertaining to the implementation of International Financial Reporting Standards ("IFRS") 9 and IFRS 17 Project							
		<ul style="list-style-type: none"> <li>▪ Payment of fees by ALIM and AGIC to Allianz SE for the development of One Finance Programme</li> </ul>	Existing	-	-	RM376,700	RM205,946	-	RM104,200
		<ul style="list-style-type: none"> <li>▪ Payment of fees by AMB Group to Allianz Technology for the implementation of Allianz Global Network</li> </ul>	Existing	-	-	RM4,956,000	RM1,660,879	-	RM5,390,000
		<ul style="list-style-type: none"> <li>▪ Payment of annual maintenance fees by AMB Group to Allianz Technology for SAP Central Accounting Platform/Investment Management Accounting</li> </ul>	Existing	-	-	RM2,033,500	RM1,604,225	-	RM2,302,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<ul style="list-style-type: none"> <li>Payment of fees by AMB to Allianz Technology to support the implementation and maintenance of infrastructure for actuarial modelling and recharge of cost incurred to Allianz SE Group</li> </ul>	Existing	RM106,100	-	RM711,200	RM308,903	RM104,600	RM954,100
		<ul style="list-style-type: none"> <li>Payment of fees by ALIM and AGIC to Allianz Technology for the purchase of Actuarial Reporting Group Object for Life/Health and Property and Casualty</li> </ul>	Existing	-	-	RM501,600	RM438,974	-	RM690,000
		<ul style="list-style-type: none"> <li>Engagement of Allianz Technology for extension of team edition licenses for Risk Agility Financial Modelling</li> </ul>	Existing	RM134,400	-	RM124,400	RM44,759	RM132,600	RM122,900

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<ul style="list-style-type: none"> <li>Fees received by AMB for providing Master Data Management support services to Allianz SE Group</li> </ul>	Existing	RM855,900	-	-	-	RM1,089,700	-
		<ul style="list-style-type: none"> <li>Payment of fees by AGIC to Allianz Technology for purchase of Vormetric data encryption license for IFRS 9 and IFRS 17 Project</li> </ul>	Existing	-	-	RM13,900	-	-	RM1,600
		<ul style="list-style-type: none"> <li>Engagement of Allianz Technology for purchase Data Validator license for the implementation of IFRS 9 and IFRS 17 Project</li> </ul>	Existing	RM47,600	-	RM144,300	RM35,040	RM93,800	RM197,900
		<ul style="list-style-type: none"> <li>Payment of fees by AMB to Allianz Technology for the project services of the implementation of Unify integration with Risk Agility Financial Model</li> </ul>	New	-	-	-	-	RM313,700	RM291,600

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<ul style="list-style-type: none"> <li>▪ Payment of fees by AGIC and ALIM to IDS for the implementation of the Solely Payment of Principal and Interest and Impairment engine</li> </ul>	New	-	-	-	-	-	RM7,000
		<sup>(ii)</sup> Engagement of Allianz Cornhill Information Services Private Limited ("ACIS") to support ALIM's business transformation project	Existing	-	-	RM110,000	RM71,992	-	RM112,000
		<sup>(ii)</sup> Payment of annual membership fees by ALIM to Allianz Global Benefits GmbH ("AGB") for participating in the Allianz International Employee Benefits Network	Existing	-	-	RM88,000	-	-	RM97,000
		<sup>(kk)</sup> Payment of fees by AGIC to AWP for replacement vehicles services provided by AWP to AGIC's policyholders under the Mercedes-Benz Services Malaysia Sdn Bhd program	Existing	-	-	RM289,000	-	-	RM1,725,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(ll)</sup> Fees received by AGIC for providing reinsurance and Midcorp services to AZAP	Existing	RM242,000	RM172,786	-	-	RM1,326,000	-
		<sup>(mm)</sup> Payment of fees by AMB Group to Allianz SE Group for implementation of Human Resource Transformation ("HRT") solution	Existing	-	-	RM2,820,000	RM2,172,928	-	RM7,696,000
		<sup>(nn)</sup> Payment of fees by AMB Group to Allianz SE Group for implementation of Azeus Convene Meeting Management Software	Existing	-	-	RM172,000	RM160,071	-	RM140,000
		<sup>(oo)</sup> Payment of fees by ALIM to Allianz Digital Health GmbH to develop a suite of digital health tools	Existing	-	-	RM1,864,000	RM1,279,573	-	RM1,691,000
		<sup>(pp)</sup> Payment of fees by ALIM for the engagement of Vivy GmbH for the implementation of Digital Health Platform	Existing	-	-	RM584,000	-	-	RM575,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(aa)</sup> Appointment of AZP Malaysia Agency Sdn Bhd as agent of AGIC	Existing	RM61,000	-	RM440,000	-	RM259,000	RM2,519,000
		<sup>(rr)</sup> Payment of fees by AGIC and ALIM to IDS for providing master and market data for required investments	New	-	-	-	-	-	RM65,000
		<sup>(ss)</sup> Payment of fees by AGIC to Allianz SE Reinsurance for the usage of Catastrophe Target Architecture	New	-	-	-	-	-	RM310,000
		<sup>(tt)</sup> Payment of fees by AGIC and ALIM to Allianz SE for sharing of Group Data Analytics for Data Analytics/Artificial Intelligence solutions assets and services	New	-	-	-	-	-	RM505,000
		<sup>(uu)</sup> Payment of fees by AGIC and ALIM to Allianz Technology for subscription of licences for Jira, Confluence and Plugin under Jira Master Platform	New	-	-	-	-	-	RM669,000

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(vv)</sup> Payment of fees by AGIC and ALIM to Allianz Technology for the purchase of encryption expansion for Vormetric data encryption license	New	-	-	-	-	-	RM87,000
		<sup>(www)</sup> Payment of fees by AGIC and ALIM to Allianz Technology for procurement of Adobe's software licenses and the usage of the Agile Delivery Platform	New	-	-	-	-	-	RM199,000
		<sup>(xxx)</sup> Payment of fees by AGIC and ALIM to Allianz Technology for the purchase of ServiceNow implementation services	New	-	-	-	-	-	RM209,000
		<sup>(yy)</sup> Payment of fees by ALIM to Allianz Technology for the usage of Agile Delivery Platform and Public Cloud Service for Unifed Sales Application	New	-	-	-	-	-	RM199,000



Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
		<sup>(zz)</sup> Payment of fees by AGIC and ALIM to Allianz SE for the Group Privacy services	New	-	-	-	-	-	RM15,000
		<sup>(aaa)</sup> Payment of fees by ALIM to Allianz Technology for the usage of Smart Cloud Connected services for the implementation of Remote Onboarding Program for ALIM's intermediaries to conduct non face-to-face sales activity	New	-	-	-	-	-	RM855,000

**(B) Rapidpro Consulting Sdn Bhd (“Rapidpro”)**

Principal Activities of Related Party	Relationship	Nature of Recurrent Related Party Transactions	Mandate	Existing Mandate <sup>N1</sup>				Estimated value of income to the AMB Group <sup>N4</sup>	Estimated value of expenses to the AMB Group <sup>N4</sup>
				Income to the AMB Group		Expenses to the AMB Group			
				Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>	Estimated value <sup>N2</sup>	Actual value <sup>N3</sup>		
Consultancy and training services	The sister and brother in-law of Zakri Bin Mohd Khir, Non-Independent Non-Executive Director of AMB, namely Norah Mariam Binti Mohd Khir and Mohammed Farooq are Directors and Major shareholders of Rapidpro	<sup>(bbb)</sup> Payment of fees by ALIM and AGIC to Rapidpro for consulting and training services rendered by Rapidpro	Existing	-	-	RM2,327,000	RM1,209,772	-	RM4,025,000

**Notes:**

- <sup>N1</sup> Refers to existing mandate obtained from the 47th AGM held on 23 June 2021 up to the 48th AGM to be held on 22 June 2022.
- <sup>N2</sup> Estimated value as disclosed in the preceding year's circular to shareholders dated 21 May 2021.
- <sup>N3</sup> Actual value incurred since the 47th AGM held on 23 June 2021 to 31 March 2022, being the latest practicable date prior to printing of this Circular.
- <sup>N4</sup> The estimated value of the transactions set out above are based on values transacted for the period of 12 months from 1 January 2021 to 31 December 2021 or the estimated amount to be transacted for the period from 1 January 2022 to 31 December 2022.
- <sup>N5</sup> As the AMB Group is in the insurance business, the figures (actual or contingent) do not include payment obligations arising from claims duly made pursuant to any insurance policies issued.
- (a) Reinsurance is an arrangement for the transfer or sharing of business risk, to another or between insurance and reinsurance companies. For the purposes of the Proposed Shareholders' Mandate, where AGIC/ALIM enters into reinsurance arrangements with a related party, and vice versa, AGIC/ALIM incurs expenses or earned revenues from premiums or commissions payable or receivable pursuant to reinsurance arrangements entered into between the relevant parties.
- (b) This is pertaining to a software system provided by Allianz Technology, a wholly-owned subsidiary of Allianz SE, to ALIM and AGIC. The said system is used as a core administrative system to support the business processes and critical customer services, which in turn will help in supporting the business growth of both ALIM and AGIC.
- (c) This is in relation to the purchase of software licenses (new licenses and renewal) from Allianz Technology. The objective of Allianz Technology is to deliver IT and Non-IT services to all companies of Allianz SE Group at competitive prices. Under this arrangement, AGIC and ALIM will obtain higher level of discounts from the global software vendors sourced by Allianz Technology.
- (d) This is in relation to engagement of Allianz Technology, to provide infrastructure and support service to the Internal Audit Department such as maintaining/upgrading of server, database solution as well as application maintenance support and other supports service. With this centralised setup installation, Internal Audit Department's working papers and other documents related to audit (for example, audit references and supporting documents) will be stored centrally, thus able to be viewed by all internal auditors. It also serves as a resource information platform where standard audit working programme uploaded by operating entities within the Allianz SE Group in Asia Pacific region can be shared with other operating entities within the same region.

- (e) *This is pertaining to Expert Underwriting System from Allianz Technology to ALIM. The Expert Underwriting System is an automated underwriting system and new business applications that enable more interactive front end health data collection and evaluation for faster and uniform decision through self-maintained rule-set expert underwriting engine.*
- (f) *This is pertaining to the leasing of license service of Thunderhead solution from Allianz Technology to ALIM and AGIC for the implementation of e-Policy. The implementation of e-Policy is aim to introduce a digital platform to deliver policy contracts, statements and letters via email to policyholders in order to reduce the turnaround time in delivery as well as moving into a more environmental friendly way of communication by reducing paper usage. Besides aligning with the Allianz SE Group Digital Transformation road map, the implementation of e-Policy also aims to enhance customer experience by enabling customers to view, download and print the policy contracts, statements and letters in customer portal as and when needed.*
- (g) *This is pertaining to AGIC's payment to Allianz Technology for the licensing fee of Radar Live and usage of Radar Live Service. Radar Live is a pricing engine developed by WTW for efficient and quick time-to-market. Radar Live Service refers to the server hosting and incident management of Radar Live provided by Allianz Technology. There is significant savings in the cost of implementing Radar Live via the global agreement between Allianz Technology and WTW.*
- (h) *This is in relation to AMB Group's sharing of cost to acquire the Data Centre Consolidation ("DCC") service from Allianz Technology. DCC is Allianz SE Group's largest infrastructure transformation program. AMB Group will benefit from increased level of data security and cost efficiency through mutualise investment in cyber defence and IT security across the operating entities within Allianz SE Group.*
- (i) *This is pertaining to AMB Group's sharing of cost for the use of Allianz SE Group Intranet and Group Directory International, a secure group intranet and centralised directory employee information made available by Allianz Technology to all operating entities within the Allianz SE Group. Via these services, the AMB Group will be able to access to the expertise, technical know-how and best practices of the Allianz SE Group.*
- (j) *This is pertaining to AMB Group's sharing of cost for the use of security services, made available by Allianz Technology to all operating entities within the Allianz SE Group. It includes implementation of various security measurement which involved global resources and collaboration. By leveraging on these security measurements, AMB Group will be able to protect its assets in a volatile cyber security world.*
- (k) *This is pertaining to access by employees of AMB Group to Allianz SE Group applications to perform daily tasks via Shared Remote Applications Services infrastructure provided by Allianz Technology.*

- (l) *This is pertaining to services rendered by Allianz Technology for Allianz Virtual Client (“AVC”) and Windows Distributor File System (“DFS”). AVC and DFS are infrastructure service which connects AMB Group’s employees with a fully virtual desktop that securely access to Allianz SE’s Group applications to perform daily operational tasks.*
- (m) *This is in relation to implementation of Dynatrace, a software intelligence platform based on artificial intelligence to monitor and optimise application performance and development, IT infrastructure and user experience for businesses, provided by Allianz Technology. Through Dynatrace, issues could be identified and resolved more efficiently.*
- (n) *This is in relation to implementation of mobile security solution, aim to protect AMB Group’s mobile assets from cyber security threats.*
- (o) *This is in relation to the engagement of Allianz Technology for implementation of Global Sanctions Screening Solutions, a sanction screening tool to screen all AGIC’s customers to ensure AGIC complies and meets the expectation of Bank Negara Malaysia and Allianz SE Group in order to have an effective and efficient customer sanction screening to detect and prevent any direct or indirect financing of terrorist activities.*
- (p) *This is in relation to the engagement of IDS, a wholly-owned subsidiary of Allianz SE, by ALIM to conduct performance attribution analysis on ALIM’s investment-linked funds in order for ALIM to identify and understand the factors contributing to the performance of the said funds.*
- (q) *This is in relation to the investment and redemption of funds (including FMC and rebate on FMC) distributed by AGI, an asset management company, wholly-owned by Allianz SE, by ALIM’s investment-linked funds and life fund.*
- (r) *This is in relation to the engagement of AIM Singapore, a wholly-owned subsidiary of Allianz SE, for a range of investment advisory services including but not limited to enhancing the risk management procedures, improving long term investment returns and strengthening the capital base of the AMB Group.*
- (s) *This is in relation to the implementation of front end system (“FES”) with the use of AGI Global Bloomberg Asset & Investment Manager (“BAIM”) via the sharing of AGI Global BAIM database. As a result of the implementation of FES, ALIM and AGIC will outsource the central dealer role and responsibility in regard to equity trading to RCM Central Trading Desk (“RCM CTD”), an Asset Manager arm of Allianz SE in Hong Kong. RCM CTD offers higher standard of trade execution as its performance is continually assessed using Trade Cost Analysis to ensure trade orders given by fund managers are executed efficiently.*
- (t) *This is in relation to the engagement of AIM SE, a wholly-owned subsidiary of Allianz SE, and IDS to provide investment management services, which are related to the functions, processes and reporting for investment, risk management and Allianz SE Group financial reporting for AGIC and ALIM.*

- (u) *This is in relation to engagement of AIM SE to provide advisory services for ALIM and AGIC in areas of investment processes including but not limited to asset liability management, investment strategy, financial control and investment operations on a global top down approach basis.*
- (v) *This is in relation to the advisory services provided by AZAP, Singapore Branch of Allianz SE to AGIC and ALIM as well as the investment for joint business development activities with the operating entities in Asia Pacific to strengthen the operational platform and to accelerate growth to be fit in the future.*
- (w) *This is pertaining to the subscription of the regional shared API platform, set up by AZAP. AGIC would be able to have access to the regional APIGEE licence capacity pool of 125 million API calls and in addition, be able to ride on the functionalities that are available in the regional shared platform. AGIC also can reuse all the API of the products that have been built on the regional shared API platform with minimal customisation for similar product in the future, thus resulting in cost saving for AGIC. With API being the current business trend in the industry, AGIC would be able to ride on the shared API platform, hence, reducing duplication and cost.*
- (x) *This is pertaining to AMB Group's sharing of cost for global marketing measures of common benefits undertaken by Allianz SE for all operating entities within the Allianz SE Group. The marketing measures undertaken by Allianz SE would further enhance the public awareness of the brand name of Allianz as well as the wide range of financial services and solutions provided by Allianz SE Group. In addition, with the centralisation of the marketing approach at the ultimate holding company level, AMB Group will be benefited from the cost-efficiency arising from the centralised approach with regard to the organisation and the evaluation of the marketing measures and hence, strengthen the AMB Group's customer bases as well as the revenues and profit in the core fields of the business of the AMB Group.*
- (y) *This is pertaining to AGIC and ALIM's sharing of cost for Global Procurement (excluding IT) from Allianz SE for all operating entities within Allianz SE Group. By participating in the Global Procurement (excluding IT), AGIC and ALIM are able to benefit from the services and support rendered by Allianz SE in the areas of negotiation and management of global deals, assist in initiating cross operating entities sourcing events, identify and ensure operating entities best practice sharing within the Allianz SE Group, as well as driving of joint procurement activities in the area of methods, tools and processes which would lead to cost savings and provision of specialised services which are not available locally.*
- (z) *This is pertaining to sharing of cost by AGIC and ALIM to support the operating entities within Allianz SE Group in implementing of IT security services and controls with investment in people, process and technology. This initiative comprises of multiple measures to protect Allianz business, assets and prevent cyber-attacks.*

- (aa) *This is pertaining to AGIC's sharing of cost arising from developing and improving of Property & Casualty ("P&C") technical excellence for all P&C operating entities within Allianz SE Group, through Global P&C. AGIC has been reaping benefits since the set up of Global P&C to be the centre of competence to support in identifying, defining and implementing best practices in technical excellence and to drive outstanding P&C excellence in underwriting. Global P&C, together with operating entities experts, conducts research and development, develops new technical tools and solutions, and provides support to AGIC in implementing and improving technical excellence. Through Global P&C, AGIC has access to a pool of group resources, of which Allianz's global technical insights can be incorporated into local endeavours. AGIC would benefit from this support and therefore ensuring its continuous underwriting profitability and sustainability.*
- (bb) *This is pertaining to AGIC's sharing of cost for the use of software licenses developed by Willis Towers Watson ("WTW") paid by Allianz SE on behalf of all operating entities within Allianz SE Group. Through this arrangement, AGIC will achieve significant discount. The purpose of the software licenses developed by WTW is for the general insurance pricing.*
- (cc) *This is in relation to the engagement of Allianz SE to manage the cyber insurance on behalf of all operating entities within the Allianz SE Group. Allianz SE will act as a single point of contact for brokers coordination on matters relating to cyber breaches, responsible in determining the limit and extend of coverage, selection of the risk carriers, analysing the requirements for the operating entities to provide insurance cover from losses and additional expenses from cyber incidents. Through this arrangement, AMB Group will be able to secure better premium for the global cyber insurance solution as compared to the standalone cyber insurance policy.*
- (dd) *This is in relation to the engagement of AWP, a wholly-owned subsidiary of Allianz SE, by AGIC to provide road assistance services for AGIC's policyholders who have purchased such services from AGIC.*
- (ee) *This is in relation to the cooperation between AGIC and Euler Hermes Deutschland AG, Singapore Branch, a subsidiary of Allianz SE, to develop and distribute trade credit insurance product in Malaysia. Under this cooperation, personnel from Euler Hermes Singapore Services Pte Ltd ("EHS") (part of the Euler Hermes Group), are based at AGIC's premises and AGIC will charge EHS on the office space occupied by the EHS personnel and other services relating to, amongst others, administration, HR, finance provided by AGIC to EHS.*
- (ff) *This is in relation to operational and actuarial audit resources rendered by AMB to AZAP. By setting up the Regional Audit Hub to provide operational and actuarial audit services, AMB Group will benefit in strengthening its in-house technical knowledge, audit capabilities and ensure adequate levels of assurance especially in actuarial related processes and controls.*

- <sup>(gg)</sup> *This is in relation to life actuarial modeling services rendered by AMB to specific Allianz operating entities in the Asia Pacific region. By setting up the Regional Actuarial Center of Competence (“Regional Actuarial CoC”) to develop the actuarial modeling in Malaysia, AMB Group will be benefited from economic of scale for not having to develop such model individually, strengthen in-house technical knowledge on stochastic modeling and IFRS 17 reporting requirement and improve accuracy and efficiency of actuarial modeling as risk agility platform to provide better audit trail as well as enhanced control and governance. In addition, the Regional Actuarial CoC also provides a platform to leverage on actuarial talent and increase retention of actuarial modeling talents in AMB Group.*
- <sup>(hh)</sup> *This is pertaining to the sharing of cost for developing tools, system implementation, system enhancement/upgrading, network infrastructure (including annual licenses and maintenance fees), procurement of relevant licenses via Allianz SE Group and actuarial modelling services for the purpose of fulfilling statutory and new reporting requirements under the IFRS 9 and IFRS 17 for ALIM and AGIC.*
- By leveraging on Allianz SE’s Group resources, AMB Group will benefit from Allianz SE Group’s know how and technical expertise on interpretation and application of accounting standards through the development of standardise platform solutions, system tools that enable faster and quicker turnaround time in reporting and implementation of new accounting standards.*
- As part of the implementation for IFRS 9 and IFRS 17 solutions, a Master Data Management team is being setup in AMB to provide support service centrally to selected operating entities in Asia Pacific. Services include maintenance and governance of SAP system, master data such as vendor, customer, general ledger account, cost center, profit center and internal order. AMB has also set up a Regional Actuarial CoC to provide actuarial modeling services to specific Allianz operating entities in the Asia Pacific region.*
- <sup>(ii)</sup> *This is pertaining to the engagement of ACIS, a subsidiary of Allianz SE, to provide skilled Key Performance Indicators (“KPI”) resource to support the business transformation work streams with accurate and timely KPI reporting to measure the change and transformation.*
- <sup>(jj)</sup> *This is pertaining to the participation by ALIM in the Allianz International Employee Benefits Network offered by AGB, a subsidiary of Allianz SE. AGB’s main core business is providing international employee benefits solutions through international pooling or captive arrangements. By participating in the AGB network, ALIM will have greater opportunity to attract more or retain multinational clients.*
- <sup>(kk)</sup> *This is in relation to the engagement of AWP, by AGIC to provide Car Replacement Services for AGIC’s policyholders who has purchased such services under the Mercedes-Benz Insurance Package Programme.*

*(ll) Reference is made to the preceding year's circular to shareholders dated 21 May 2021, the related party for this transaction had changed from Allianz SE Reinsurance Branch to AZAP, whilst the nature of transaction and services rendered remain unchanged.*

*This is in relation to provision of reinsurance and Midcorp services by AGIC to AZAP. With the setting up of the Reinsurance and Midcorp Hub at AGIC, AGIC will be benefited from better control over-cross border business and has a platform to upskill in the areas of reinsurance and Midcorp. The Hub also provides a platform to develop and leverage on local skills and expertise.*

*(mm) This is pertaining to AMB Group's sharing of cost for the implementation of SAP Success Factors system and its share of Global Centre of Expertise cost under the HRT solution undertaken by Allianz SE Group. HRT aims to provide all operating entities within the Allianz SE Group with standardised processes, access to global expertise, HR governance and policies as well as a central HR system, thus enabling HR to become a more impactful business partner.*

*(nn) This is pertaining to AMB Group's sharing of cost for the licensing fee of Convene Software and setup of a testing environment server. Convene Software is a Board Management Software developed by Azeus that enhances the effectiveness and efficiency of meetings, from organising and distributing meeting materials, to conducting, documenting, and generating actions.*

*(oo) This is pertaining to the engagement of Allianz Digital Health GmbH ("ADH") to develop a suite of digital health tools for ALIM. Through ADH's technical expertise and usage of the health tools, ALIM targets to improve and grow the health segment in a scalable and profitable manner.*

*(pp) This is in relation to the engagement of Vivy GmbH, a subsidiary of Allianz SE, for Customer Engagement Application, namely Vivy which forms part of ADH's suite of health tools. It offers targeted prevention and intervention by disease journeys/ quizzes/ contents. The promotion of health services within Vivy's Application is targeted at early detection and reduce overall medical costs, thus contribute towards long-term and sustainable health business.*

*(qq) This is in relation to appointment of AZP Malaysia Agency Sdn Bhd ("AZP"), a subsidiary of Allianz SE, as an agent of AGIC. As an agent of AGIC, AZP is obligated to sell insurance products and provide service to the customer related to any insurance query or claim. Given that AZP has an extensive list of clients, AGIC stands to benefit from AZP's contacts to further expand on growth.*

*(rr) This is in relation to the engagement of IDS, a wholly-owned subsidiary of Allianz SE, by AMB Group to provide master and market data for required investments. This is to enable AMB Group entities to maintain master data for required investment such as equity information and market price, fixed income securities market data set up investment system. to perform their investment transaction recording and reporting based on the data.*

*(ss) This is in relation to CTA Services provided by Allianz Re to support AGIC with a consistent catastrophe risk management, risk capital calculation, catastrophe reinsurance purchasing and portfolio steering.*



- (tt) *This is pertaining to sharing of cost by AGIC and ALIM to support Group Data Analytics in designing and developing Data Analytics (“DA”)/Artificial Intelligence (“AI”) solutions, advisory services, and upskilling programs for all operating entities within Allianz SE Group. The Group DA is responsible for shaping Allianz’s strategic agenda for DA and AI, and executing DA and AI solutions at scale across the entire Allianz SE Group. The said solutions present an opportunity for AGIC and ALIM to shape their business to become data and technology driven. Furthermore, the advisory services and upskilling program from Group Data Analytics enable AGIC and ALIM to build and upskill local analytical capabilities.*
- (uu) *This is pertaining to the engagement of Allianz Technology to provide service cloud application namely Jira and Confluence as well as providing IT operational support for both ALIM and AGIC. Jira is an issue tracking tool that allows users to track bugs, resolve issues, and manage project functions, where Confluence is a workspace collaboration tool that helps teams work together. Both tools will help to manage an efficient business process and productive IT operations in business as usual tasks and on-time project delivery. Meantime, we are purchasing additional plugins to aid with local project planning and resource allocation across multiple project.*
- (vv) *This is pertaining to the engagement with Allianz Technology for purchasing of additional Vormetric Data Encryption Licenses (“VDEL”) for both AGIC and ALIM. VDEL offers encryption and protect databases that have been identified to contain critical and sensitive information.*
- (ww) *This is in relation to the subscription of regional Agile Delivery Platform and purchase of Vormetric Transparent Encryption software from Allianz Technology for the implementation of ALIM’s Sales and Distribution Centre of Excellence Application. ALIM would be able to leverage on the ready ADP platform and has the flexibility to scale up or down easily based on actual utilisation load, thus save cost as compared to having an on-premise infrastructure with limited scalability. Vormetric Transparent Encryption software is a software that enables encryptions of data at rest and to be installed in Production Database Server.*
- (xx) *This is pertaining to the engagement with Allianz Technology for the purchase of ServiceNow implementation services by AGIC and ALIM. ServiceNow is an IT Service Management tool platform that enable the AMB Group entities to improve operational efficiencies by streamlining and centralising overview of all the information in single platform.*
- (yy) *This is pertaining to the engagement with Allianz Technology for the usage of cloud based hosting platforms, namely Agile Delivery Platform using Amazon Web Public Cloud services. The Unified Sales application will be hosted on this platform, which is an important system for enhanced sales performance of agents.*

*(zz) This is pertaining to the centralised group privacy services provided by Allianz SE that includes, access to a centralised privacy application as well as first-level technical support via dedicated mailbox, and comprehensive training material and guidelines, amongst others to sustain Allianz Group Privacy strategy and framework. The Group Privacy services enables AGIC and ALIM to meet the global minimum requirement to comply with General Data Protection Regulation that applies to all Allianz OEs outside of the countries in European Union and European Economic Area.*

*(aaa) This is pertaining to Smart Connected Cloud services rendered by Allianz Technology, hosted in Amazon Web Services Cloud, for data storage, application and additional security controls under the remote onboarding program to ensure an efficient and resilient way of managing data. ALIM will benefit from the services provided by Allianz Technology in many aspects such as having higher security control in safeguarding the confidentiality and integrity of customers data, being constantly monitored and operated 24 hours per day and enforcement with secure patterns to support production workload.*

*(bbb) This is in relation to the engagement of Rapidpro to provide consulting and training services to the employees and business partners of ALIM and AGIC. Rapidpro provides customised soft skills programmes and training specifically designed and developed together with the senior management team, marketing managers, business development managers and branch managers to ensure that the training programme added value to the operation areas including sales, services, leadership and technical.*

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## 2.3 The Outstanding Amount Owing by Related Parties Pursuant to Recurrent Related Party Transactions

The net principal outstanding balances due from the Related Parties under the Recurrent Related Party Transactions as at 31 December 2021, which exceeded the credit term for the periods as specified under the Practice Note 12, are detailed below:-

Company	Related Parties	less than 1 year	more than 1 year to 3 years	more than 3 years to 5 years	more than 5 years
		RM	RM	RM	RM
AMB	Allianz SE Group	286,556*	-	-	-
AGIC	Allianz SE Group	5,992,134**	1,951,361**	65,055**	-
ALIM	Allianz SE Group	-	783,447***	-	-
Total <sup>^</sup>		6,278,690 <sup>#</sup>	2,734,808	65,055	-

Notes:-

\* The total outstanding amount of RM286,556 were due from the following Related Parties:-

- (i) Allianz Ayudhya Assurance Public Company Limited;
- (ii) Allianz China Life Insurance Co Ltd;
- (iii) Allianz General Insurance Sri Lanka Pte Ltd;
- (iv) Allianz PNB Life Insurance, Inc.;
- (v) PT Asuransi Allianz Utama Indonesia;
- (vi) PT Asuransi Allianz Life Indonesia;
- (vii) Allianz Ayudhya General Insurance Public Limited
- (viii) Allianz Taiwan Life Insurance Co Ltd;
- (ix) Allianz Insurance Singapore Pte. Ltd; and
- (x) AZAP

\*\* The total outstanding amount of RM8,008,550 were due from the following Related Parties:-

- (a) RM7,614,588 were due from the following Related Parties:-
  - (i) Allianz C.P. General Insurance Co. Ltd;
  - (ii) Allianz Canada;
  - (iii) Allianz Fire and Marine Insurance Japan Ltd;
  - (iv) Allianz General Laos;
  - (v) Allianz Global Corporate & Speciality SE Singapore Branch;
  - (vi) Allianz Global Corporate & Speciality SE (Germany);
  - (vii) Allianz Global Corporate & Speciality SE (Italy);
  - (viii) Allianz Global Corporate & Speciality SE (Hong Kong);
  - (ix) Allianz Global Risk Nederland;
  - (x) Allianz Insurance (HK) Ltd;
  - (xi) Allianz Insurance Company of Kenya Ltd;
  - (xii) Allianz Japan;
  - (xiii) Allianz Mexico;
  - (xiv) Allianz USA; and
  - (xv) PT Asuransi Allianz Utama Indonesia.
- (b) RM341,173 were due from EHS for fees on services rendered by AGIC to EHS.

(c) RM52,789 were due from Allianz Re on fees for reinsurance and Midcorp services rendered by AGIC to Allianz Re.

\*\*\* The total outstanding amount of RM783,447 was due from Allianz SE Life Reinsurance pertaining to reinsurance cessation.

# RM663,858 of the total outstanding amount of RM6,278,690 has not exceeded the internal allowable credit period of 120 days.

^ the outstanding amounts are net amount owing from the Related Parties after off setting the amounts owing by AMB/AGIC/ALIM to the Related Parties.

As at 31 March 2022, AMB Group has collected RM3,384,824 out of RM9,078,553 from the Related Parties.

No late payment charges were imposed on the above outstanding balances as there is no late payment clause stipulated in the agreements entered into by the parties concerned.

The Management of AMB Group will continue monitoring the outstanding status and have undertaken collection efforts to recover the outstanding amount due from the Allianz SE Group:-

- (a) engaging with the relevant personnel in the Related Parties to deal with the individual items that made up to the outstanding balances; and
- (b) the senior management of the Related Parties have been notified.

The Board of Directors of AMB is of the opinion that it does not anticipate the overdue balances are irrecoverable in view that Allianz SE Group is the long term business partner of AMB Group and has sound global credit rating and the outstanding amounts are pending the verification of documents and reconciliation with the Related Parties.

#### **2.4 Review Procedures for Related Party Transactions/Recurrent Related Party Transactions**

The AMB Group has established the necessary controls and procedures to ensure that Related Party Transactions/Recurrent Related Party Transactions undertaken are in compliance with the relevant regulatory requirements, among others, the transaction prices and terms are not more favourable to the Related Parties than those generally available to the third parties/public and are not to the detriment of the minority shareholders.

The procedures established by the AMB Group are as follows:-

- (a) A list of Related Parties (based on information furnished to AMB by the Directors, major shareholders and/or persons connected to such Directors or major shareholders) is circulated within the AMB Group and all operating entities within the AMB Group are required to report to the designated department on related party transactions entered into by the AMB Group. At the same time, the Related Parties will be notified that all Related Party Transactions/Recurrent Related Party Transactions are required to be

undertaken on arm's length basis and are on transaction prices and terms not more favourable to the Related Parties than those extended to third parties/public and not to the detriment of the minority shareholders.

- (b) A procedural workflow documented the processes to monitor, track and approve Related Party Transactions/Recurrent Related Party Transactions for the Related Party Transactions/Recurrent Related Party Transactions is in place.
- (c) Save for exempted Related Party Transactions by the authorities, all new Related Party Transactions/Recurrent Related Party Transactions will be reviewed by the Shareholders' Mandate Due Diligence Working Group before they are submitted to the Audit Committee, the Chief Executive Officer and the Board of Directors for approval in accordance with the internal authority limits approved by the Board of Directors.
- (d) All existing Recurrent Related Party Transactions will be reviewed annually by the Shareholders' Mandate Due Diligence Working Group and the Audit Committee and their findings will be submitted to the Board of Directors for deliberation.
- (e) Records will be maintained by the Company to capture Recurrent Related Party Transactions which are entered into pursuant to the Shareholders' Mandate.
- (f) Internal Auditors shall periodically review the procedures in respect of Related Party Transactions/Recurrent Related Party Transactions and report their observations to the Audit Committee.
- (g) The Audit Committee shall have overall responsibility for the determination of the review procedures with authority to sub-delegate to individuals or committees within the Company as they deem appropriate. If a member of the Audit Committee has an interest, as the case may be, he will abstain from any deliberation and decision making by the Audit Committee in respect of the said transaction. Such review methods and procedures may be modified, supplemented or replaced from time to time by the Audit Committee.
- (h) The Audit Committee shall annually review the procedures and processes for the Related Party Transactions/Recurrent Related Party Transactions. If during the reviews, the Audit Committee is of the view that the procedures and/or processes are not adhered to or are not sufficient to ensure that the transaction prices and terms are not more favourable to the Related Parties than those extended to third parties/public and/or the transaction is detrimental to the minority shareholders, the Audit Committee will:-
  - (i) First, discuss the relevant guideline or procedure concerned with the Chief Executive Officer to ascertain whether it is the guideline or procedure which is at fault or whether it is the fault of the person(s) delegated with the task of ensuring compliance or otherwise;
  - (ii) Second, if the fault is of the person rather than the guideline or procedure, the Audit Committee will discuss and recommend

appropriate action to be taken against the person concerned for the Board of Directors' decision. If the defect lies with the guideline or procedure, then the Audit Committee will modify, supplement or replace as may be required the relevant guideline or procedure and report such modification, supplement or replacement to the Board of Directors.

- (i) Factors that should be considered when reviewing the Related Party Transactions/Recurrent Related Party Transactions, include but are not limited to the following:-
  - (i) transaction prices or contract rates;
  - (ii) justification on the charging basis;
  - (iii) comply with the requirements under the applicable tax laws including transfer pricing guidelines issued by the relevant authority;
  - (iv) terms and conditions of the contract;
  - (v) efficiency, quality, level of service and/or expertise and/or technical support provided;
  - (vi) benefits arising from the services/products;
  - (vii) satisfactory past year experience and working relationship; and
  - (viii) in respect of the insurance activities, pursuant to reinsurance, underwriting and treaty arrangements entered into between relevant parties.
  
- (j) Where practicable and/or feasible, at least two other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison for determining price and terms offered by/to the Related Parties are fair and reasonable as compared with those offered by/to unrelated third parties. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained due to no availability of such product/service in the local market, the transaction price will be determined based on those offered by/to other unrelated third parties for the substantially similar type of transaction.

In the event a substantially similar type of transaction is not available, the transaction price shall be determined based on the quality, the level of support, the benefits arising from such product/service and any other factors that may be determined by the AMB Group to ensure that the Related Party Transaction/Recurrent Related Party Transaction is not detrimental to the AMB Group.

## **2.5 Threshold for Recurrent Related Party Transactions**

All Recurrent Related Party Transactions are subject to the approval of the appropriate levels of authority as determined by the Board of Directors of AMB from time to time, subject to the provisions of the Listing Requirements, the Act, and the guidelines issued by Bank Negara Malaysia.

## **2.6 Deviation**

There is no deviation where the actual value transacted of each Recurrent Related Party Transaction, from the date on which the existing mandate was

obtained up to 31 March 2022 being the latest practicable date before the printing of this Circular, exceeds the estimated value of each Recurrent Related Party Transaction as disclosed in the preceding year's circular to shareholders by 10% or more.

## **2.7 Rationale for the Proposed Shareholders' Mandate and Benefit to the AMB Group**

The Proposed Shareholders' Mandate is intended to facilitate transactions in the normal course of business of the AMB Group which are transacted from time to time with the Related Parties, provided that they are carried out at arm's length and on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of the minority shareholders of the Company.

Investment holding and insurance underwriting are the principal businesses of the AMB Group. The Related Parties listed in section 2.2 of this Circular are also involved substantially, if not principally, in the insurance and reinsurance businesses as well as in activities which will complement the business of the AMB Group. It is anticipated that the Recurrent Related Party Transactions will occur on a frequent and recurrent basis in view of the complementary nature of the activities of the AMB Group and the Related Parties.

The Proposed Shareholders' Mandate will eliminate the need to make announcements to Bursa Securities or to convene separate general meetings or from time to time to seek shareholders' approval as and when potential Recurrent Related Party Transactions with the Related Parties arise, thereby reducing substantially the administrative time and expenses in convening general meetings, without compromising the corporate objectives or adversely affecting the business opportunities available to the AMB Group.

Given the complementary nature of the activities of the AMB Group and the activities of the Related Parties in section 2.2 of this Circular, it is in the interest of the AMB Group to transact with such Related Parties (in addition to their transactions with third parties in the ordinary course of business) so that the AMB Group can enjoy synergistic benefits. In addition, the AMB Group will also be able to enjoy the operational and business supports arising from the Recurrent Related Party Transactions.

## **2.8 Audit Committee Statement**

The Audit Committee of the Company has seen and reviewed the procedures mentioned in section 2.4 of this Circular and is of the view that the said procedures are sufficient to ensure that the Recurrent Related Party Transactions are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

The Audit Committee of the Company is also of the view that the AMB Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner.

### 3. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

#### (A) Recurrent Related Party Transactions with Allianz SE Group

Allianz SE ("Interested Major Shareholder") is deemed interested in the Recurrent Related Party Transactions entered between the AMB Group and Allianz SE Group as it is a major shareholder of AMB.

Anusha A/P Thavarajah, the Non-Independent Non-Executive Director of AMB, being the nominee of Allianz SE on the Board of AMB, is deemed interested in the Recurrent Related Party Transactions entered between the AMB Group and Allianz SE Group. She has abstained and will continue to abstain from deliberation and voting (where applicable) on the Recurrent Related Party Transactions relating to Allianz SE Group at the Board meetings of AMB.

Wang Wee Keong, the Non-Independent Executive Director of AGIC and Chief Executive Officer of AMB and AGIC, being a nominee of Allianz SE, is deemed interested in the Recurrent Related Party Transactions entered between the AMB Group and Allianz SE Group. He has abstained and will continue to abstain from deliberation and voting (where applicable) on the Recurrent Related Party Transactions relating to Allianz SE Group at the Board meetings of AGIC.

#### (B) Recurrent Related Party Transaction with Rapidpro

Zakri Bin Mohd Khir, the Non-Independent Non-Executive Director of AMB, is deemed interested in the Recurrent Related Party Transaction entered between AMB Group and Rapidpro, of which his sister and brother in-law are Directors and major shareholders of Rapidpro. He has abstained and will continue to abstain from deliberation and voting (where applicable) on the Recurrent Related Party Transaction relating to Rapidpro at the Board meetings of AMB.

Save as disclosed below, Anusha A/P Thavarajah, Wang Wee Keong and Zakri Bin Mohd Khir (collectively referred to as "Interested Persons") and Interested Major Shareholder and/or persons connected to them have no direct or indirect interest in the shareholding of the Company as at 31 March 2022.

Name	No. of Ordinary Shares Direct	%	No. of Ordinary Shares Indirect	%
<b>Interested Persons</b>				
Wang Wee Keong	100	^	-	-
Zakri Bin Mohd Khir	100	^	-	-
Anusha A/P Thavarajah	-	-	-	-
<b>Interested Major Shareholder</b>				
Allianz SE	115,362,295	64.83	-	-

Note:-

^ Negligible

The Interested Persons and the Interested Major Shareholder will abstain from voting in respect of their direct and/or indirect shareholdings on the relevant resolutions for the Proposed Shareholders' Mandate involving their interests and/or interests of persons connected to them at the forthcoming 48th AGM. The Interested Persons and the Interested Major Shareholder have undertaken that they will ensure that the persons



connected with them will abstain from voting on the relevant resolutions to approve Recurrent Related Party Transactions involving their interests and/or interest of persons connected to them at the forthcoming 48th AGM.

#### **4. CONDITION OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Proposed Shareholders' Mandate is subject to the approval of the shareholders of AMB at the forthcoming 48th AGM.

#### **5. DIRECTORS' RECOMMENDATION**

##### **(A) Recurrent Related Party Transactions with Allianz SE Group**

The Board of Directors (save for Anusha A/P Thavarajah) having considered all aspects of the Proposed Shareholders' Mandate in relation to the Recurrent Related Party Transactions that involve the interest of Allianz SE Group ("Allianz SE Group RRPT"), are of the opinion that the Proposed Shareholders' Mandate in relation to Allianz SE Group RRPT is in the best interest of the AMB Group and recommended that shareholders vote in favour of the ordinary resolution in respect of the Proposed Shareholders' Mandate in relation to Allianz SE Group RRPT to be tabled at the forthcoming 48th AGM.

##### **(B) Recurrent Related Party Transaction with Rapidpro**

The Board of Directors (save for Zakri Bin Mohd Khir) having considered all aspects of the Proposed Shareholders' Mandate in relation to the Recurrent Related Party Transaction that involve the interest of Rapidpro ("Rapidpro RRPT"), are of the opinion that the Proposed Shareholders' Mandate in relation to Rapidpro RRPT is in the best interest of the AMB Group and recommended that shareholders vote in favour of the ordinary resolution in respect of the Proposed Shareholders' Mandate in relation to Rapidpro RRPT to be tabled at the forthcoming 48th AGM.

#### **6. AGM**

The forthcoming 48th AGM of the Company will be held virtually from the Broadcast Venue and via Tricor's TIIH Online website at <https://tiih.online> on Wednesday, 22 June 2022 at 11.00 a.m. or at any adjournment thereof, for the purpose of, inter alia, considering and, if thought fit, passing the ordinary resolutions on the Proposed Shareholders' Mandate to give effect to the Proposed Shareholders' Mandate. The Notice of 48th AGM is available on the Company's website at [www.allianz.com.my/investor-updates](http://www.allianz.com.my/investor-updates) and an extract of Notice of the 48th AGM in relation to the Proposed Shareholders' Mandate is enclosed in this Circular as Appendix II.

If you are unable to participate at the 48th AGM, you may appoint a proxy or proxies to participate on your behalf. Please refer to the Administrative Details for the 48th AGM for information on submission of Form of Proxy.

**7. FURTHER INFORMATION**

Shareholders are requested to refer to the Appendix I contained in this Circular for further information.

Yours faithfully  
For and on behalf of the Board of Directors  
**ALLIANZ MALAYSIA BERHAD**

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

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## FURTHER INFORMATION

### 1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board of Directors of AMB who collectively and individually accept full responsibility for the accuracy of the information given herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

### 2. MATERIAL CONTRACTS

AMB Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) during the two (2) years up till 31 March 2022, being the latest practicable date before the printing of this Circular.

### 3. MATERIAL LITIGATION

Save as disclosed below, as at 31 March 2022, being the latest practicable date before the printing of this Circular, AMB Group is not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, and Directors have no knowledge of any proceedings, pending or threatened against AMB Group or of any facts likely to give rise to any proceeding, which may materially and adversely affect the financial position or business of AMB Group:-

#### **In the Matter between AGIC and Virginia Surety Company Labuan Branch ("VSC")**

VSC had provided reinsurance support to Bright Mission Berhad\* (when it was known as Commerce Assurance Berhad ("CAB")) previously in respect of CAB's Extended Warranty Programme ("EWP").

AGIC took over the general insurance business of CAB on 1 January 2009 and this included the reinsurance business relating to the EWP.

The reinsurance transactions were initially on a facultative basis. However, as the business volume increased, the facultative arrangements became too expensive to administer. AGIC and VSC (collectively the "Parties") therefore negotiated and entered into a treaty reinsurance agreement upon terms, inter alia, that the reinsurance coverage was to be continuous subject to termination as provided for in the reinsurance agreement.

A dispute arose between the Parties on the continuing subsistence of the reinsurance agreement from 1 October 2011 onwards. AGIC's legal position is that the reinsurance continued to remain in force from 1 October 2011 and determined only on 30 September 2013. This is disputed by VSC who claim that the treaty reinsurance lapsed on 30 September 2011.

On 11 December 2013, AGIC commenced arbitration proceedings against VSC seeking, inter alia:-

- (i) A declaration that the reinsurance subsisted until 30 September 2013;

- (ii) A declaration that VSC will pay and/or indemnify AGIC for its claims and losses arising from the reinsurance for the period from 1 October 2011 to 30 September 2013; and
- (iii) Damages to be assessed including for loss of profits and breach of contract.

The Closing Submissions and Reply Submissions were filed on 30 August 2017 and 27 September 2017 respectively and the Oral Submissions took place on 12 October 2017 and 13 October 2017. Both Parties then filed further written submissions bringing the arbitration proceedings to an end.

An Arbitration Award dated 8 February 2018 was received on 20 February 2018. The award, made by 2 arbitrators of the Panel of 3 arbitrators, was in favour of VSC ("Award") whilst the Dissenting Arbitrator found in favour of AGIC.

The Award ordered AGIC to pay the following:-

- (i) RM30,593.64 as reimbursement of payment in respect of the Kuala Lumpur Regional Centre for Arbitration's administrative expenses;
- (ii) RM425,324.32 as reimbursement of payment in respect of fees and expenses of the arbitral tribunal;
- (iii) RM668,160.69 for costs and expenses incurred by VSC; and
- (iv) USD10,969.31 as reimbursement for costs incurred in respect of VSC's ex-employee.

As AGIC's solicitors were of the view that there were reasonable grounds to seek a review of the majority decision, an Originating Summons was filed in the Kuala Lumpur High Court on 29 March 2018 to set aside the Award under section 37(2)(b)(ii) of the Arbitration Act 2005 ("Arbitration Act") and for a Reference of Questions of law under section 42 of the Arbitration Act. The matter was first heard on 18 February 2019 and hearing continued on 13 March 2019 and concluded on 18 April 2019. On 28 June 2019, the Court declined AGIC's application to set aside the Award ("Decision"). Based on AGIC's solicitors' advice, a Notice of Appeal against the Decision was filed on 15 July 2019 at the Court of Appeal ("AGIC's Appeal"). At the first case management on 4 September 2019, the Court of Appeal fixed the next case management for 9 October 2019.

In a separate action, VSC's solicitors filed an Originating Summons dated 11 September 2019 ("VSC's OS") to recognise and enforce the Award against AGIC requiring AGIC to pay VSC all the costs ordered by the Award. AGIC's solicitors then filed a stay application on VSC's OS. On 25 October 2019, as VSC's solicitors had no objections to AGIC's stay application, a further case management date was fixed for 7 November 2019 for the stay order to be formally recorded before a Judge. On 7 November 2019, the Judge allowed AGIC's stay application and ordered VSC's enforcement proceedings be stayed pending the final determination of the appeal at the Court of Appeal. As the Judge was of the view that VSC'S OS should be withdrawn and filed afresh (should VSC succeed in dismissing AGIC's Appeal), a further case management was fixed for 9 December 2019 in order for VSC's solicitors to obtain VSC's instructions.

Meanwhile, AGIC's Appeal came up for case management on 20 November 2019 when a new case management date was set for 13 January 2020.

On VSC's OS, at the final case management on 9 December 2019, as VSC's solicitors confirmed that they had instructions to withdraw the matter, the Judge ordered that VSC's OS be struck out with liberty to file afresh.

At the case management for AGIC's Appeal on 13 January 2020, the Court of Appeal fixed a further case management for 19 February 2020 as AGIC's solicitors had yet to receive the High Court's substantive Grounds of Decision ("Grounds"). On 17 February 2020, the Court of Appeal wrote to the Parties' solicitors to reschedule the earlier fixed case management date to 26 February 2020. On this date, the Court of Appeal was informed that AGIC's solicitors had still not received the Grounds so another case management was fixed for 8 April 2020. Just before the effective date of the Movement Control Order, the High Court notified that the Grounds were ready for collection but since AGIC's solicitors were unable to collect the Grounds, at the e-review of the matter on 8 April 2020, a new date for case management was fixed for 15 May 2020.

On 15 May 2020, AGIC's solicitors informed the Court of Appeal that the Grounds had been collected and the Court directed for the Memorandum of Appeal and Supplementary Record of Appeal to be filed before the next case management fixed for 9 July 2020. On 9 July 2020, the Court of Appeal fixed a further case management date on 19 August 2020 as the Notes of Proceedings were still pending. At the case management on 19 August 2020, the Court of Appeal fixed AGIC's Appeal for Hearing on 2 February 2021 and a further Case Management on 26 January 2021 for the Court to monitor compliance with all appeal directions. On 26 January 2021, the Court of Appeal was updated that all appeal directions had been complied with and the Court then directed that the Hearing on 2 February 2021 be conducted virtually via Zoom. However, on 2 February 2021, the Hearing of AGIC's Appeal was adjourned to a date to be fixed later as several other cases were also fixed for hearing that day. The next case management was then fixed for 19 August 2021 whilst the Hearing was fixed for 3 September 2021. On 19 August 2021, the Court of Appeal confirmed that the Hearing fixed for 3 September 2021 would proceed virtually via Zoom.

On 3 September 2021, the Court of Appeal heard and dismissed AGIC's Appeal. On its solicitors' recommendation, AGIC filed a leave application to appeal to the Federal Court on 1 October 2021 ("Leave Application"). On 20 October 2021, VSC's solicitors filed and served on AGIC's solicitors, an Affidavit in response to the Leave Application. At the case management on 12 November 2021, AGIC's solicitors objected to VSC's Affidavit as VSC had taken the position that it would rely on its earlier Affidavit filed in the High Court. VSC's solicitors then informed the Court that VSC would file an application for extension of time to file a proper Reply Affidavit ("Application for EXOT") and as directed by the Court, the said application was filed on 26 November 2021. During the case management on 30 November 2021, the Court directed the filing of documents and fixed the hearing of the Application for EXOT for 26 January 2022. On 26 January 2022, the Court allowed the Application for EXOT and as for the Leave Application, the final case management was fixed for 21 March 2022 whilst the hearing was fixed for 5 April 2022. During the final case management on 21 March 2022, the Court provided parties with final directions in relation to the hearing of the Leave Application fixed for 5 April 2022.

\* Bright Mission Berhad was voluntarily wound up in 2017.

#### **4. DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at the Registered Office of the Company during normal business hours from the date of this Circular up to and including the date of the 48th AGM:-

- (a) Constitution of the Company;
- (b) Audited financial statements of AMB Group for the financial years ended 31 December 2020 and 31 December 2021 respectively; and
- (c) The relevant documents in respect of the material litigation as referred to in section 3 above.

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**EXTRACT OF NOTICE OF THE 48TH AGM**

**SPECIAL BUSINESS**

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

"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 29 April 2022, 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."

(Ordinary Resolution 8)

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

"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 29 April 2022, 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.”

(Ordinary Resolution 9)