

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

(Company No. 200601015674)

(Incorporated in Malaysia)

**CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED
FOR THE FINANCIAL PERIOD FROM
1 JANUARY 2024 TO 30 JUNE 2024**

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD
(Company No. 200601015674)
(Incorporated in Malaysia)

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ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD
(Company No. 200601015674)
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Condensed statement of financial position as at 30 June 2024 - unaudited

	Note	30.06.2024 RM'000	31.12.2023 RM'000
Assets			
Property, plant and equipment		81,558	84,696
Right-of-use assets		25,900	23,399
Intangible assets		87,656	88,097
Investments		6,271,448	5,966,088
Reinsurance contract assets	8	582,924	542,263
Current tax assets		52,500	36,323
Other assets		80,433	67,984
Cash and cash equivalents		345,498	464,326
Total assets		<u>7,527,917</u>	<u>7,273,176</u>
Equity and liabilities			
Share capital		379,168	379,168
Retained earnings		2,201,110	2,073,689
Reserves		30,421	29,998
Total equity attributable to owner of the Company		<u>2,610,699</u>	<u>2,482,855</u>
Insurance contract liabilities	7	4,572,595	4,272,610
Deferred tax liabilities		33,553	14,260
Lease liabilities		21,124	17,883
Other liabilities		289,946	485,568
Total liabilities		<u>4,917,218</u>	<u>4,790,321</u>
Total equity and liabilities		<u>7,527,917</u>	<u>7,273,176</u>

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD
(Company No. 200601015674)
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**Condensed statement of profit or loss
for the 6 months period ended 30 June 2024 - unaudited**

	6 months period ended 30.06.2024	6 months period ended 30.06.2023
Note	RM'000	RM'000
Insurance revenue	1,534,660	1,327,404
Insurance service expenses	(1,308,718)	(943,848)
Net expenses from reinsurance contracts held	<u>(28,449)</u>	<u>(161,589)</u>
Insurance service result	<u>197,493</u>	<u>221,967</u>
Interest income on investments not measured at fair value through profit or loss ("FVTPL")	100,605	86,847
Net gains on FVTPL investments	1,488	21,984
Dividend income	17,338	12,575
Net credit impairment losses	<u>(63)</u>	<u>(180)</u>
Net investment income	<u>119,368</u>	<u>121,226</u>
Net finance expenses from insurance contracts issued	(52,901)	(44,469)
Net finance income from reinsurance contracts held	<u>9,477</u>	<u>9,861</u>
Net insurance finance expenses	<u>(43,424)</u>	<u>(34,608)</u>
Net insurance and investment results	273,437	308,585
Other income	506	528
Other operating expenses	<u>(24,600)</u>	<u>(31,419)</u>
Profit before tax	<u>249,343</u>	<u>277,694</u>
Tax expense	<u>(61,634)</u>	<u>(67,504)</u>
Profit for the period	<u>187,709</u>	<u>210,190</u>
Profit for the period attributable to:		
Owner of the Company	<u>187,709</u>	<u>210,190</u>
Basic earnings per ordinary share (sen)	9 <u>49.5</u>	<u>55.4</u>

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD
 (Company No. 200601015674)
 (Incorporated in Malaysia)

**Condensed statement of profit or loss and other comprehensive income
 for the 6 months period ended 30 June 2024 - unaudited**

	6 months period ended 30.06.2024 RM'000	6 months period ended 30.06.2023 RM'000
Profit for the period	187,709	210,190
Other comprehensive income, net of tax		
Items that are or may be reclassified subsequently to profit or loss		
Net gains on investments in debt securities measured at FVOCI	6,878	50,703
Tax effects thereon	(1,651)	(12,169)
Changes in expected credit losses	71	184
Tax effects thereon	(17)	(44)
Finance expense from insurance contract issued	(7,312)	(19,315)
Tax effects thereon	1,755	4,636
Finance income from reinsurance contract held	920	4,081
Tax effects thereon	(221)	(980)
Total other comprehensive income for the period, net of tax	<u>423</u>	<u>27,096</u>
Total comprehensive income for the period, net of tax	<u><u>188,132</u></u>	<u><u>237,286</u></u>
Total comprehensive income for the period attributable to:		
Owner of the Company	<u><u>188,132</u></u>	<u><u>237,286</u></u>

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

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**Condensed statement of changes in equity
for the 6 months period ended 30 June 2024 - unaudited**

	←————— Attributable to owner of the Company —————→					—————→	
	←————— Non-distributable —————→			Distributable			
	Share capital RM'000	FVOCI reserves RM'000	Insurance finance reserves RM'000	Other reserves RM'000	Total other reserves RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2023	379,168	(42,082)	19,772	19,643	(2,667)	1,982,836	2,359,337
Unrealised gains on Investments	-	38,534	-	-	38,534	-	38,534
Insurance/Reinsurance reserves	-	-	(11,578)	-	(11,578)	-	(11,578)
Expected credit loss reserves	-	140	-	-	140	-	140
Total other comprehensive income/(losses) for the period	-	38,674	(11,578)	-	27,096	-	27,096
Profit for the period	-	-	-	-	-	210,190	210,190
Total comprehensive income/(losses) for the period	-	38,674	(11,578)	-	27,096	210,190	237,286
<i>Contributions by and distributions to owner of the Company</i>							
- Dividends paid during the period	-	-	-	-	-	(108,063)	(108,063)
Total transactions with owner of the Company	-	-	-	-	-	(108,063)	(108,063)
At 30 June 2023	379,168	(3,408)	8,194	19,643	24,429	2,084,963	2,488,560

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

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**Condensed statement of changes in equity
for the 6 months period ended 30 June 2024 - unaudited (continued)**

	←————— Attributable to owner of the Company —————→					—————→	
	←————— Non-distributable —————→				Distributable		
	Share capital RM'000	FVOCI reserves RM'000	Insurance finance reserves RM'000	Other reserves RM'000	Total other reserves RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2024	379,168	5,833	4,522	19,643	29,998	2,073,689	2,482,855
Unrealised gains on Investments	-	5,227	-	-	5,227	-	5,227
Insurance/Reinsurance reserves	-	-	(4,858)	-	(4,858)	-	(4,858)
Expected credit loss reserves	-	54	-	-	54	-	54
Total other comprehensive income/(losses) for the period	-	5,281	(4,858)	-	423	-	423
Profit for the period	-	-	-	-	-	187,709	187,709
Total comprehensive income/(losses) for the period	-	5,281	(4,858)	-	423	187,709	188,132
<i>Contributions by and distributions to owner of the Company</i>							
- Dividends paid during the period	-	-	-	-	-	(60,288)	(60,288)
Total transactions with owner of the Company	-	-	-	-	-	(60,288)	(60,288)
At 30 June 2024	379,168	11,114	(336)	19,643	30,421	2,201,110	2,610,699

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD
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Condensed statement of cash flows
for the 6 months period ended 30 June 2024 - unaudited

	6 months period ended 30.06.2024 RM'000	6 months period ended 30.06.2023 RM'000
Operating activities		
Profit before tax	249,343	277,694
<i>Adjustments for:</i>		
Investment income	(117,943)	(99,422)
Interest expense	555	313
Interest on lease liabilities	496	200
Other income	(383)	(385)
Realised gains recorded in profit or loss	(1)	-
Net gain on FVTPL investments	(1,488)	(21,984)
Purchases of investments at FVOCI	(467,203)	(468,072)
Placement of fixed deposits	(397,788)	(223,290)
Maturity of investments at FVOCI	200,000	390,000
Maturity of fixed deposits	375,197	26,924
Purchases of investments at FVTPL	(10,773)	(8,274)
Depreciation of property, plant and equipment	4,541	4,526
Depreciation of right-of-use assets	9,099	8,485
Amortisation of intangible assets	8,621	7,444
Net credit impairment loss on investments	70	161
Gain on disposal of property, plant and equipment	-	(2)
Property, plant and equipment written off	516	205
Changes in working capital:		
Change in reinsurance contract assets	(39,742)	(47,586)
Change in other assets	(13,882)	(8,599)
Change in insurance contract liabilities	292,673	128,094
Change in other liabilities	43,837	38,603
Cash generated from operating activities	<u>135,745</u>	<u>5,035</u>

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**Condensed statement of cash flows
for the 6 months period ended 30 June 2024 - unaudited (continued)**

	6 months period ended 30.06.2024 RM'000	6 months period ended 30.06.2023 RM'000
Cash flows from operating activities (continued)		
Income tax paid	(58,652)	(79,650)
Dividend income from unquoted unit trust	17,338	12,575
Interest income received	105,613	91,681
Interest paid on lease liabilities	(496)	(200)
Other income received	383	385
Net cash flows generated from operating activities	<u>199,931</u>	<u>29,826</u>
Investing activities		
Proceeds from disposal of property, plant and equipment	1	4
Purchase of property, plant and equipment	(3,300)	(7,730)
Purchase of intangible assets	(6,799)	(4,496)
Net cash flows used in investing activities	<u>(10,098)</u>	<u>(12,222)</u>
Financing activities		
Dividends paid to owner of the Company	(300,301)	(280,205)
Repayment of lease liabilities	(8,360)	(8,917)
Net cash flows used in financing activities	<u>(308,661)</u>	<u>(289,122)</u>
Net decrease in cash and cash equivalents	(118,828)	(271,518)
Cash and cash equivalents at beginning of year	464,326	527,840
Cash and cash equivalents at end of period	<u>345,498</u>	<u>256,322</u>
Cash and cash equivalents comprise:		
Fixed and call deposits with licensed financial institutions (with maturity of less than three months)	341,580	253,214
Cash and bank balances	3,918	3,108
	<u>345,498</u>	<u>256,322</u>

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

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Notes to the condensed interim financial statements

1. Basis of preparation

The condensed interim financial statements ("the Report") of Allianz General Insurance Company (Malaysia) Berhad ("the Company") as at and for the financial period ended 30 June 2024 have been prepared in accordance with:

(a) The requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and International Accounting Standard ("IAS") 34: Interim Financial Reporting; and

(b) Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Report does not include all information required for disclosure in the annual financial statements, and should be read in conjunction with the audited financial statements of the Company as at and for the financial year ended 31 December 2023.

The preparation of the condensed interim financial statement in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities as at the date of the condensed interim financial statements, and the reported amount of income and expenses during the period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. Statement of compliance

The accounting policies and presentation adopted by the Company for the Report are consistent with those adopted in the Company's audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following:

MFRSs/ Amendments/ Interpretation	Effective date
Amendments to MFRS 101, Presentation of Financial Statements - Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to MFRS 16, Leases - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 107, Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures - Supplier Finance Arrangements	1 January 2024

The adoption of the above did not have any significant effects on the report upon their initial application, and it is not likely to affect future periods.

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

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Notes to the condensed interim financial statements (continued)

3. Items of an unusual nature

The results of the Company for the current interim period were not substantially affected by any item, transaction or event of a material and unusual nature.

4. Changes in estimates

There were no significant changes in basis used for amounts reported in the prior financial year that have a material effect for the financial period under review.

5. Seasonal or cyclical factors

The operations of the Company for the current interim period were not significantly affected by seasonality or cyclical factors.

6. Property, plant and equipment

The Company's property, plant and equipment are stated at cost/valuation less accumulated depreciation and accumulated impairment losses, if any. There were no changes in the valuation of property, plant and equipment that were brought forward from the Company's audited financial statements for the financial year ended 31 December 2023.

7. Insurance contract liabilities**Insurance contracts**

A. Movements in carrying amounts

Analysis by remaining coverage and incurred claims

	Remaining coverage		2024 Incurred claims		Total RM'000
	Excluding loss component	Loss component	Present value of FCF	RA for non- financial risk	
	RM'000	RM'000	RM'000	RM'000	
As at 1 January 2024	1,304,315	23,114	2,739,192	205,989	4,272,610
Insurance revenue	(1,534,660)	-	-	-	(1,534,660)
Insurance service expenses	258,296	3,539	1,026,204	20,679	1,308,718
Incurred claims and other directly attributable expenses	-	-	1,118,433	47,985	1,166,418
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(92,229)	(27,306)	(119,535)
Initial recognition of onerous underlying contracts and reversal of loss component	-	3,539	-	-	3,539
Insurance acquisition cash flows amortisation	258,296	-	-	-	258,296
Insurance service result	(1,276,364)	3,539	1,026,204	20,679	(225,942)
Finance expenses from insurance contracts issued	-	-	56,044	4,169	60,213
Total amounts recognised in comprehensive income	(1,276,364)	3,539	1,082,248	24,848	(165,729)
Cash flows					
Premium received	1,535,280	-	-	-	1,535,280
Claims and other directly attributable expenses paid	-	-	(785,340)	-	(785,340)
Insurance acquisition cash flows	(284,226)	-	-	-	(284,226)
Total cash flows	1,251,054	-	(785,340)	-	465,714
As at 30 June 2024	1,279,005	26,653	3,036,100	230,837	4,572,595

7. Insurance contract liabilities (continued)

Insurance contracts (continued)

A. Movements in carrying amounts (continued)

Analysis by remaining coverage and incurred claims (continued)

	Remaining coverage		2023 Incurred claims		Total RM'000
	Excluding loss component	Loss component	Present value of FCF	RA for non- financial risk	
	RM'000	RM'000	RM'000	RM'000	
As at 1 January 2023	1,170,774	58,173	2,663,566	217,112	4,109,625
Insurance revenue	(2,772,793)	-	-	-	(2,772,793)
Insurance service expenses	456,721	(35,059)	1,625,587	(17,760)	2,029,489
Incurred claims and other directly attributable expenses	-	-	1,988,090	67,299	2,055,389
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(362,503)	(85,059)	(447,562)
Initial recognition of onerous underlying contracts and reversal of loss component	-	(35,059)	-	-	(35,059)
Insurance acquisition cash flows amortisation	456,721	-	-	-	456,721
Insurance service result	(2,316,072)	(35,059)	1,625,587	(17,760)	(743,304)
Finance expenses from insurance contracts issued	-	-	81,452	6,637	88,089
Total amounts recognised in comprehensive income	(2,316,072)	(35,059)	1,707,039	(11,123)	(655,215)
Cash flows					
Premium received	2,943,615	-	-	-	2,943,615
Claims and other directly attributable expenses paid	-	-	(1,631,413)	-	(1,631,413)
Insurance acquisition cash flows	(494,002)	-	-	-	(494,002)
Total cash flows	2,449,613	-	(1,631,413)	-	818,200
As at 31 December 2023	1,304,315	23,114	2,739,192	205,989	4,272,610

8. Reinsurance contract assets**Reinsurance contracts****A. Movements in carrying amounts**Analysis by remaining coverage and incurred claims

	Remaining coverage		2024 Incurred claims		Total RM'000
	Excluding loss recovery component RM'000	Loss recovery component RM'000	Present value of FCF RM'000	RA for non- financial risk RM'000	
As at 1 January 2024	(79,920)	7,600	544,529	70,054	542,263
Reinsurance expenses	(149,606)	-	-	-	(149,606)
Incurred claims recovery	-	-	71,941	8,588	80,529
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	39,545	1,266	40,811
Income on initial recognition of onerous underlying contracts and reversal of loss-recovery component	-	(183)	-	-	(183)
Net (expenses)/income from reinsurance contracts held	(149,606)	(183)	111,486	9,854	(28,449)
Finance income from reinsurance contracts held	-	-	9,103	1,294	10,397
Total amounts recognised in comprehensive income	(149,606)	(183)	120,589	11,148	(18,052)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	203,310	-	-	-	203,310
Recoverable from reinsurance contract held	-	-	(144,597)	-	(144,597)
Total cash flows	203,310	-	(144,597)	-	58,713
As at 30 June 2024	(26,216)	7,417	520,521	81,202	582,924

8. Reinsurance contract assets (continued)**Reinsurance contracts (continued)****A. Movements in carrying amounts (continued)**Analysis by remaining coverage and incurred claims (continued)

	Remaining coverage		2023 Incurred claims		Total RM'000
	Excluding loss recovery component RM'000	Loss recovery component RM'000	Present value of FCF RM'000	RA for non- financial risk RM'000	
As at 1 January 2023	(68,462)	18,992	624,719	88,431	663,680
Reinsurance expenses	(279,417)	-	-	-	(279,417)
Incurred claims recovery	-	-	100,944	11,656	112,600
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	(74,258)	(32,689)	(106,947)
Income on initial recognition of onerous underlying contracts and reversal of loss-recovery component	-	(11,392)	-	-	(11,392)
Net (expenses)/income from reinsurance contracts held	(279,417)	(11,392)	26,686	(21,033)	(285,156)
Finance income from reinsurance contracts held	-	-	15,955	2,656	18,611
Total amounts recognised in comprehensive income	(279,417)	(11,392)	42,641	(18,377)	(266,545)
Cash flows					
Premiums paid net of ceding commissions and other directly attributable expenses paid	267,959	-	-	-	267,959
Recoverable from reinsurance contract held	-	-	(122,831)	-	(122,831)
Total cash flows	267,959	-	(122,831)	-	145,128
As at 31 December 2023	(79,920)	7,600	544,529	70,054	542,263

9. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholder and the weighted average number of ordinary shares outstanding calculated as follows:

	30.06.2024	30.06.2023
Profit attributable to ordinary shareholder (RM'000)	187,709	210,190
Weighted average number of ordinary shares in issue ('000)	379,168	379,168
Basic earnings per ordinary share (sen)	<u>49.5</u>	<u>55.4</u>

There have been no other transactions involving ordinary shares between the reporting date and the date of completion of these condensed interim financial statements.

10. Capital commitments

	30.06.2024 RM'000	30.06.2023 RM'000
Property, plant and equipment: Contracted but not provided for	<u>8</u>	<u>1,923</u>
Software development: Contracted but not provided for	<u>1,756</u>	<u>2,315</u>

11. Related party transactions

Significant related party transactions are as follows:

	Amount transacted for the period ended 30 June	
	2024 RM'000	2023 RM'000
Reinsurance premium and commission	<u>(81,480)</u>	<u>(86,059)</u>

* Related companies are companies within the Allianz SE group.

12. Changes in Company's composition

There were no changes in the composition of the Company during the financial period under review.

13. Debt and equity securities

There were no other issuance of shares, shares buy-back and repayment of debt and equity securities by the Company during the financial period under review.

14. Significant events

There were no significant event subsequent to the end of the financial period under review that have not been reported in this report for the financial period under review.

15. Changes in contingent liabilities

On 10 August 2016, the Malaysia Competition Commission (“MyCC”) commenced an investigation into an alleged infringement by Persatuan Insurans Am Malaysia (“PIAM”) and all 22 general insurers including the Company of Section 4(2)(a) of the Competition Act 2010 (“CA”). The alleged infringement is in relation to the agreement reached between PIAM and the Federation Of Automobile Workshop Owners' Association Of Malaysia (“FAWOAM”) in relation to trade discount rates on the parts for certain vehicle makes and labour hourly rates for PIAM Approved Repairers Scheme workshops. These rates were applied by the Company pursuant to a members’ circular issued by PIAM, which arose from Bank Negara Malaysia (“BNM”)’s directive to PIAM to engage FAWOAM to resolve the issues of parts trade discounts and labour hourly rate.

On 22 February 2017, the Company received MyCC’s notice of proposed decision (“Proposed Decision”) that the Company and all the other 21 general insurers who are PIAM members had infringed one of the prohibitions under Part II of the CA. The Proposed Decision includes a proposed financial penalty of RM213,454,814 on all the 22 general insurers. The Company, as one of the members of PIAM, had a share of RM27,480,883 of the proposed penalty.

Following the parties’ submission of their respective written representations and the Hearing of the oral representations, on 25 September 2020, the Company’s solicitors received MyCC’s Decision that parties had infringed the prohibition under Section 4 of the CA and which imposes on each of the 22 general insurers financial penalties for the said infringement (“MyCC’s Decision”).

In view of the impact of the Covid-19 pandemic, MyCC had granted a reduction of 25% of the financial penalties imposed on the 22 general insurers and a moratorium period of up to 6 months for the payment of the financial penalties to be made by 6 equal monthly instalments. The financial penalty imposed on the Company, taking into account the 25% reduction amounts to RM18,549,595.97.

Appeal filed with the Competition Appeal Tribunal (“CAT”)

On 13 October 2020, the Company filed a Notice of Appeal against the Decision (“Appeal”) with the Competition Appeal Tribunal (“CAT”) and a formal Notice of Application was filed in relation to the stay of the Decision on 12 November 2020 (“Stay Application”).

In response to the Company’s Notice of Appeal, MyCC filed a Statement in Reply (“SIR”) and the Company then filed its Reply to the SIR on 11 December 2020.

Upon conclusion of the hearing of the respective parties’ submissions, on 23 March 2021, CAT allowed the Stay Application, pending the disposal of the Appeal.

As for the appeal proceedings before CAT, MyCC as well as several other insurers presented their oral submissions on hearing dates in March and April 2022. The Company presented its submissions in reply on 21 April 2022 and 22 April 2022 whereupon all parties’ submissions concluded.

On 2 September 2022, the CAT unanimously allowed the Company’s appeal along with the appeals of PIAM and the other 21 general insurers (“CAT’s Decision”) thereby setting aside MyCC’s Decision.

Application for leave for Judicial Review filed at the High Court of Malaya

Separately, on 26 April 2021 the High Court of Malaya granted the Company leave to apply for Judicial Review of MyCC’s Decision and an interim stay of MyCC’s Decision until the hearing of any objection or application by MyCC to set it aside. The Company filed its Notice of Hearing of Application for Judicial Review at the High Court on 9 May 2021 (“AGIC’s JR Proceedings”) and MyCC then filed an application against the orders granting the Company leave to apply for judicial review and interim stay (“MyCC’s Setting Aside Application”).

15. Changes in contingent liabilities (continued)

On conclusion of the parties' submissions, the High Court decided on 20 October 2021 to allow MyCC's Setting Aside Application. On its solicitors' recommendation, the Company filed a Notice of Appeal against the said decision on 18 November 2021 ("AGIC's Appeal"). The matter was then fixed for further case management on 8 September 2022.

In light of the CAT's Decision, the Company through its solicitors have filed the necessary cause papers to withdraw AGIC's Appeal since the same was superseded by the CAT's Decision. The case management earlier fixed for 8 September 2022 was vacated thereby bringing AGIC's JR Proceedings to an end.

MYCC's application for leave for Judicial Review filed at the High Court of Malaya

On 1 December 2022, MyCC filed an application at the High Court of Malaya seeking leave to apply for Judicial Review against CAT's Decision ("MyCC's Leave Application") and the Company's solicitors filed an Affidavit on the Company's behalf to object to the said application.

MyCC in turn filed a further affidavit on 17 April 2023 and in response thereto, on 2 May 2023, its solicitors filed a further affidavit on behalf of the Company.

MyCC's Leave Application initially fixed for Hearing on 8 May 2023 was converted into a case management at which the Court fixed a further case management for 16 May 2023 for parties to fix a new Hearing date for MyCC's Leave Application. At the case management on 16 May 2023, the Court fixed the Hearing for MyCC's Leave Application on 30 November 2023.

At the Hearing on 30 November 2023, the parties' solicitors made their respective oral submissions to the Court which then fixed 16 January 2024 to deliver its decision.

On 16 January 2024, the Court dismissed MyCC's Leave Application with the cost of RM10,000.00 to each insurer (including the Company) and PIAM.

On 15 February 2024, MyCC filed an appeal at the Court of Appeal against the High Court's decision in dismissing MyCC's Leave Application. The Court of Appeal had fixed the case management on 15 May 2024. In the said case management, the Court of Appeal fixed the hearing for MyCC's Leave Appeal on 22 May 2025.

16. Regulatory capital requirement

The total capital available of the Company as prescribed under the Risk-Based Capital Framework is provided below:

	30.06.2024	31.12.2023
	RM'000	RM'000
Tier 1 Capital		
Paid up share capital	379,168	379,168
Retained earnings	2,027,149	1,921,105
	<u>2,406,317</u>	<u>2,300,273</u>
Tier 2 Capital		
Reserves	30,756	25,474
Amount deducted from capital		
Amount deducted from capital	<u>(108,932)</u>	<u>(123,450)</u>
Total capital available	<u><u>2,328,141</u></u>	<u><u>2,202,297</u></u>

17. Events after the interim period

There were no material events after the interim period that have not been reflected in the condensed interim financial statements for the current interim period.

18. Dividend paid

An interim dividend of 63.3 sen per ordinary share under single tier system amounting to RM240,013,466.17 for the financial year ended 31 December 2023 was paid to the entitled shareholder of the Company on 18 January 2024.

A final dividend of 15.9 sen per ordinary share under single tier system amounting to RM60,287,742.69 for the financial year ended 31 December 2023 was paid to the entitled shareholder of the Company on 6 June 2024.

19. Financial Instruments

19.1 Fair value of financial instruments

The Company's basis in estimation of fair values for financial instruments is as follows:

- The unquoted equity securities of corporations in Malaysia are stated at cost. Where in the opinion of the Directors, there is a decline other than temporary in value of unquoted equity securities, the allowance for impairment is recognised as an expense in the financial year in which the decline is identified;
- The fair values of Malaysian government securities, Malaysian government guaranteed bonds, unquoted bonds of corporations in Malaysia are based on the indicative market prices provided by its custodian bank;
- The fair values of unquoted unit trusts in Malaysia are based on the net asset values of the unit trusts as at the date of the statements of assets and liabilities obtained from fund managers;
- The carrying amount of mortgage loans and fixed and call deposits approximate their fair values; and
- The carrying amounts of cash and cash equivalents, other assets and deposits (current), and other liabilities (current) and accruals reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

Estimation of the fair values of Malaysian government securities, Malaysian government guaranteed bonds, unquoted bonds of corporations in Malaysia are based on the indicative market prices provided by its custodian bank which involve projections of the market yields based on past transactions. There are elements of uncertainty in projecting the expected market yields and these uncertainties arise from changes in underlying risk and overall economic conditions. As such, the projected market yields may be different from the actual market yields in future.

It was not practicable to estimate the fair value of the Company's investment in unquoted equity securities of corporations in Malaysia due to lack of comparable quoted market prices and inability to estimate fair value without incurring excessive costs.

19. Financial Instruments (continued)

19.2 Fair value information

The tables below analyse financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
30 June 2024						
Financial assets						
Malaysian government securities	-	2,635,764	-	2,635,764	2,635,764	2,635,764
Malaysian government guaranteed bonds	-	500,890	-	500,890	500,890	500,890
Unquoted bonds of corporations in Malaysia	-	1,672,252	-	1,672,252	1,672,252	1,672,252
Unquoted unit trusts in Malaysia	-	1,072,749	-	1,072,749	1,072,749	1,072,749
Fixed deposits with licensed banks	-	389,793	-	389,793	389,793	389,793
	-	6,271,448	-	6,271,448	6,271,448	6,271,448
Financial liabilities						
Lease liabilities	-	21,124	-	21,124	21,124	21,124
	-	21,124	-	21,124	21,124	21,124

19. Financial Instruments (continued)

19.2 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
31 December 2023						
Financial assets						
Malaysian government securities	-	2,389,577	-	2,389,577	2,389,577	2,389,577
Malaysian government guaranteed bonds	-	550,355	-	550,355	550,355	550,355
Unquoted bonds of corporations in Malaysia	-	1,596,893	-	1,596,893	1,596,893	1,596,893
Unquoted unit trusts in Malaysia	-	1,060,488	-	1,060,488	1,060,488	1,060,488
Fixed deposits with licensed banks	-	368,775	-	368,775	368,775	368,775
	-	5,966,088	-	5,966,088	5,966,088	5,966,088
Financial liabilities						
Lease liabilities	-	17,883	-	17,883	17,883	17,883
	-	17,883	-	17,883	17,883	17,883

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial period (2023: no transfer in either direction).