Annexure 2 of the Minutes of the 52nd Annual General Meeting ("AGM") of Allianz Malaysia Berhad ("AMB" or "Company")

A) RESPONSES TO QUESTIONS RECEIVED FROM SHAREHOLDERS PRIOR TO THE 52ND AGM

NO.	QUESTIONS/SUGGESTIONS RECEIVED FROM SHAREHOLDERS	RESPONSES
1.	Thank you very much for holding this AGM on hybrid mode. Enables outstation shareholders like me to vote favorably and exhibit our support to our Board and staff.	Thank you for your feedback. Although the Board is keen to continue with the hybrid format, the final decision will be made based on the situation and efficiency of the hybrid meeting as well as feedback from the shareholders.
2.	Any token of appreciation for attending the meeting? For example tng or some watson aeon voucher	The Company is not giving any door gift or e-voucher to its shareholders for attending the 52nd AGM. The Board is of the view that the value creation for the shareholders is measured through distribution of dividend.
3.	The board has never considered offering eWallet to shareholders b4. Therefore, I would plead v you to look into this form of gift for us n d coming years. Can cut down on food. Tqvm	
4.	We would appreciate further details on the nature of services provided by Rapidpro Consulting to AMB.	RapidPro Consulting Sdn Bhd ("RapidPro") specialises in the development of sales and service professionals, while also customising programmes to meet the specific needs of its clients. It provides tailored soft skills training designed and developed in collaboration with senior management, marketing managers, business development managers, and branch managers to ensure that the programmes add measurable value across key operational areas, including sales, customer service, leadership, and technical capabilities. In addition, RapidPro delivers customised training programmes for AMB and its insurance subsidiaries (collectively referred to as "Group") business development managers ("BDM") (e.g. BDM Certification Programmes) and agents. These programmes cover effective sales techniques, presentation and communication skills to enhance confidence and professional image, as well as cross-selling and upselling capabilities driven by success stories and experience sharing. The offerings also include product training, onboarding programmes for new agents, and targeted

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		segment-based training to address specific challenges such as stagnant business growth, time management, product knowledge gaps, and mindset transformation. They bring extensive consulting and training expertise, offering significant value to theGroup. With their proven capabilities and experience, RapidPro is well-positioned to deliver the training programs effectively, ensuring alignment with the business growth objectives. (collectively referred to as "Training Services"). The Company had also provided the clarification to the shareholder via email on 25 May 2026.
5.	Is Rapidpro Consulting the exclusive provider of such services, or are there other firms or companies currently providing similar services to AMB.	The Group has engaged RapidPro for the Training Services since 2013. Before the incorporation of RapidPro in 2013, the consultant under RapidPro conducted trainings for general insurance subsidiary under the name of Farooq Consultants Sdn Bhd since 2008. Currently, only RapidPro provides the Training Services to the Group on need-to basis, taking into account business direction for the year, given that the Group also has an in-house training team for intermediaries. The training programmes is evaluated and feedback is obtained from relevant stakeholders. The benefit of engaging RapidPro relative to other providers in the market is their familiarity with the Group's services and products. They offer complementary diversity to the Group's training program and bring specialized in gamifying selected topics, helping to drive higher engagement among intermediaries.

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6.	The Group has recorded strong profitable growth, which is very welcome. But does the growth put a strain on capital requirement? If yes, in which lines of business?	Business growth naturally leads to higher capital requirements, driven by regulatory capital needs under the Risk-Based Capital framework to support additional exposure. While strong growth may initially exert pressure on capital, the subsequent emergence of profits helps to sustain future growth and expansion. The objective is to strike optimal balance between strengthening market position, delivering sustainable long-term returns to shareholders, and ensuring resilience of the business. All lines of business require capital, the consumption and intensity generally depend on the profitability, liability duration and the emergence of both. Both entities within the Group actively monitor capital consumption and manage efficient use of capital through levers such as business mix steering, asset allocation, reinsurance optimisation and claims management. These measures enable continued growth while maintaining capital resilience.
7.	Dividend Policy (a) Is Allianz Malaysia paying annually or biannually, what is the payout ratio? Used to pay regularly during January every year and not it's kind of randomly, as a shareholder, prefer to have stable period like fixed value of first interim and final dividend decided by management. (b) What is the ROE and growth in terms of Revenue and earning, is there any guide for coming years	(a) The Group's dividend policy stipulates a minimum payout ratio of 30%. AMB has consistently aimed to return as much excess capital as feasible to shareholders, with actual payout ratios exceeding 35% over the past five years (2021–2025). AMB's dividend capacity depends on the dividend streams from its insurance subsidiaries, which are subject to regulatory approval. The Group had increased the frequency of dividend payout to twice in 2022. Nevertheless, the timing and quantum of dividends may vary, taking into account capital management considerations, business growth priorities and regulatory requirements. The Management acknowledges shareholder preference for greater predictability in dividend timing and will strive to ensure consistency wherever feasible. (b) The Group 2 years Compounded Annual Growth Rate (CAGR) for insurance revenue is 12.3% and Profit Before Tax is at 10.4%. The Group strives to deliver double-digit return on equity, supported by sustainable growth and resilient earnings across both Life and General segments.

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8.	Motor has made up 70% of AGIC portfolio by 4Q25, up from less than 60% before 2015. (a) Do you have a targeted mix between motor versus non-motor in your portfolio? What is the target? (b) Does motor business require more capital? If yes, how much more capital versus other segments? (c) Can you quantify the edge AGIC has over its peers in motor due to AGIC economy of scale? (d) How much AGIC's position in fire?	(a) On capital consumption in insurance businesses, capital strain is inevitable as the business grows. Allianz General Insurance Company (Malaysia) Berhad ("Allianz General") does not prescribe a fixed target mix between Motor and Non-Motor segments. Nevertheless, the Motor and Non-Motor portfolio mix has shifted over time from 60:40 in 2015 to 70:30 currently. Allianz General will continue to grow both Motor and Non-Motor segments, provided that the respective lines of business remain profitable and deliver sustainable margins. This remains the guiding principle for Allianz General. Motor portfolio of Allianz General accounted for 60% of the total portfolio in the past and has continued to gain market share over the years. The Management viewed that the growth trajectory is encouraging and will continue to underwrite Motor business as long as the margins remain healthy. Nevertheless, Allianz General aims to further expand its Non-Motor segment given its strong growth potential. While Non-Motor continues to record double-digit growth, its pace remains relatively slower compared to Motor. (b) Malaysia's Motor insurance liabilities may extend for up to six years and capital consumption generally increases with the duration of the liability. Motor insurance may have a higher capital requirement than Personal Accident, but lower than Liability. Nevertheless, Allianz General's strategic decisions are not driven solely by capital intensity. As a market leader with a comprehensive insurance offering, Allianz General continues to underwrite all lines of business and the focus remains on balancing profitability as well as maintaining a resilient balance sheet. (c) As a market leader, Allianz General's business scale provides competitive edge. Despite recent regulatory changes allowing insurers to pay up to 3% higher commissions to agents, Allianz General was the only insurer among the industry's

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		top 10 that did not experience an increase in its expense ratio. Allianz General outperformed its peers in maintaining effective cost management while adapting to the changing regulatory environment. In addition to its cost discipline, Allianz General's service excellence remains a key differentiator. Initiatives such as Road Rangers coupled with strong on-the-ground visibility have further strengthened Allianz General's competitive positioning. (d) For 2025, Fire business represents approximately 12% of Allianz General's overall portfolio. Allianz General will continue to grow Fire business over the coming years.
9.	During 2025 AGM Sean described that AGIC has the most detailed geo-coded flood map. This sounds like a competitive advantage. Did AGIC develop the system internally based on historical claim? Could other general insurers replicate this technical excellence by buying data or system from third parties?	Allianz General's flood risk capabilities is a combination of catastrophe risk modelling provided by specialist partners, internal experience, and continually improving flood risk management by leveraging knowledge from the larger Allianz SE Group. Even though Malaysia has approximately 25,000 postcodes, they are still not granular enough for precise flood exposure and accumulation assessment. Instead, Allianz General is using precise latitude and longitude embedded into our systems for precise identification of flood exposure.
10.	In 2025 ALIM achieved a record New Business Value (NBV) of RM395.8m. (a) How much additional capital has been invested to generate the new business? (b) What is the trend of "capital return". i.e. amount of NBV generated for each RM1 capital invested? Does it increase in line	(a) Allianz Life Insurance Malaysia Berhad ("Allianz Life") assesses the capital required to support new business through its internal Return on Risk Capital framework, which forms part of the company's capital management and business steering processes. This enables Allianz Life to monitor capital consumption and efficient deployment of capital in support of profitable growth. (b) Allianz Life aims to optimise its return on equity and dividend capacity. A capital budgeting exercise is conducted annually to ensure capital consumption supports business production and is in line with Allianz Life's commitments in terms of

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	economy of scale, or have we experience diminishing return?	solvency, dividend capacity and return on return on equity. Allianz Life focuses on overall capital consumption and efficiency, leveraging key management levers such as business mix steering, asset allocation, reinsurance optimisation, and claims management. This approach enables continued growth while maintaining prudent capital management and resilience.
11.	Is the HSBC bancassurance amortization expenses tax deductible? If not, how much additional taxes ALIM has to pay?	The amortisation of upfront fees from the exclusive bancassurance partnership with HSBC Bank Malaysia Berhad is not tax deductible under the prevailing tax framework for life insurance businesses. This is in line with the general tax treatment whereby expenses incurred in relation to life insurance operations are not deductible.
12.	What are the number of active agents and MDRT agents for ALIM in 2025? The average productivity? What is the productivity trend?	Allianz Life has over 2,000 active agents and has surpassed 300 agents qualifying for the Million Dollar Round Table (MDRT), an internationally recognised association for excellent financial services professionals. Allianz Life has observed an increasing trend in the Average Productivity, reaching above 22 cases per agent per year. The data collected reported above excludes the financial advisors' distribution channel.
13.	Medical inflation is partly driven by high utilisation. Has utilisation continue to rise after the post Covid rebound? How does current level as compared to pre-Covid levels? What are the cause for higher utilisation?	During the COVID-19 period, healthcare utilisation declined significantly as individuals deferred treatments and avoided hospital visits, resulting in missed routine check-ups and delayed diagnoses. Following the said period, there was a notable rebound as patients returned for care, leading to a surge in healthcare utilisation and the identification of previously undiagnosed health conditions. While this initial increase was expected, healthcare utilisation has continued to rise due to both organic demand growth driven by Malaysia's ageing population and the increasing chronic diseases, as well as artificial demand from higher admissions for minor or avoidable cases. In addition to these underlying drivers, higher hospital admissions for minor cases or potentially avoidable hospitalisation have also contributed to increased healthcare utilisation. Allianz Life is actively addressing this through disciplined claims

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		management, focusing on ensuring that hospitalisations are medically necessary and appropriate. At the same time, Allianz Life has strengthened its claims management capabilities and introduced product-driven enhancements. Allianz Life had also introduced its first product with mandatory co-payment features. These measures encourage greater cost awareness among policyholders, while aligning interests between customers and the insurer. Medical inflation remains a global phenomenon, with Malaysia experiencing relatively high levels. However, increased industry focus and collaborative efforts, including the Medical Health Insurance and Takaful ("MHIT") interim measures, have helped ease pressures in 2025. Ongoing initiatives, such as the progressive implementation of diagnosis-related group initiatives, are expected to enhance cost transparency and standardisation over time, supporting longer-term efforts to contain medical inflation while maintaining access to healthcare services.
14.	In late 2024 BNM introduced interim measures on premium adjustment for 2025-27. Subsequently some policies were changes to co-payment products. We're now at the midpoint of the interim period. Can you give an assessment: (a) What have been the overall impacts of these interim measures? (b) How does it affect capital requirement?	(a) Despite the constraints imposed by the MHIT interim measures, the medical claims ratio of Allianz Life decreased from 87% in 2024 to 84% by the end of 2025. (b) The medical claims ratio improvement was supported by Allianz Life's enhanced claims management capabilities, particularly smart claims processing which have improved operational efficiency and the accuracy of claims assessments. Increased attention to medical inflation also contributed to its containment in 2025. In addition, newly launched medical insurance products have incorporated co-payment features, supporting a more sustainable level of medical inflation going forward. The Management of Allianz Life will continue to monitor developments closely while ensuring policyholders maintain access to essential medical services. With the initiatives put in place thus far, no additional capital

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	(c) With better visibility now, can shareholders expect a more predictable dividend announcement timing, frequency, and possibility of >30% payout?	has been deemed necessary in response to the developments of the medical claims experience. (c) While the Group's dividend policy stipulates a minimum payout ratio of 30%, the Group has consistently aimed to return as much excess capital as feasible to shareholders, with actual payout ratios exceeding 35% over the past five years. In line with this approach, the Management intends to maintain a consistent dividend payout to the shareholders.
15.	In 2025 AGM, management mentioned that "overall loss ratio for the investment-linked medical portfolio remains healthy at 80.1%" Please define how is the loss ratio calculated. What is the current investment-linked medical portfolio loss ratio?	Allianz Life reported an investment-linked medical portfolio loss ratio of 80.1% for the first quarter of 2025. The loss ratio is calculated by taking the total claims incurred over the period including provisions and reserves set aside for unpaid and expected claims, and dividing by the cost of insurance earned for the coverage provided (the amount deducted from investment-linked policies to fund healthcare coverage). Overall, the loss ratio represents the proportion of claims relative to the insurance charges collected. As at March 2026, the loss ratio of investment-linked medical portfolio remains healthy at 81.9%, consistent with the previous year's corresponding period.
16.	Do you foresee that in the coming years, innovations like DITO, robo investing, and increasingly sophisticated AI tools available to everyone affect high margin products like ILP with medical riders? By providing price transparency and unbundling of sophisticated insurance cum investment products, would AI tools effectively commoditise them?	Notwithstanding the evolving trend of innovation, life insurance remains a product that needs to be offered rather than a demand product. Life insurance is not compulsory, unlike motor insurance which the coverage is mandatory for vehicle owners in Malaysia. The public does not typically consider protection needs on a daily basis. Insurance companies play a key role in raising awareness to the public and making protection needs relevant to individuals. Hence, engagement with customers is required to initiate such conversations. Technological advancements have improved information accessibility and transparency for customers and contributing greater awareness of insurance products.

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	How could Allianz respond to this evolving trend?	However, physical channels for engaging with customers continue to play a significant role in identifying and addressing customer needs, as well as supporting customers during claims. Whilst technological advancements improve efficiency of servicing and accuracy of claims processing, a more personalised and humanised customer experience should be provided. Technological advancements primarily serve to free up time and resources, enabling staff to deliver higher-quality and more tailored services to customers.
17.	Will Allianz offer base MHIT plan in 2027? While affordable options are good for the people and nation, what is the expected short term impact, such as to margin?	Allianz Life remains committed to actively participating in the Base MHIT Plan and have been working closely with Bank Negara Malaysia across various initiatives. Allianz Life is also supporting the taskforce established together with the Ministry of Finance and the Ministry of Health and collaborating with hospitals. It was observed that the existing customers continue to be interested in comprehensive insurance coverage, including access to quality healthcare facilities and enhanced hospitalisation benefits. On the other hand, a significant segment of the population continues to rely on out-of-pocket payments to fund healthcare expenses, which represents more than one-third of Malaysia's total healthcare expenditure. The introduction of a Based MHIT Plan presents an opportunity to extend coverage to individuals who have not purchased health insurance by offering more affordable options. Allianz Life is expected to maintain the profitability of its existing portfolio while expanding its customer base through the Base MHIT Plan.

B) RESPONSES TO QUESTIONS POSED BY SHAREHOLDERS AND PROXIES AT THE MAIN VENUE DURING THE 52ND AGM

NO.	QUESTIONS/SUGGESTIONS RECEIVED FROM SHAREHOLDERS	RESPONSES
1.	Can the Company align future dividend announcements with the release of its quarterly results to provide shareholders with greater certainty in the timing of dividend payments? For the past few years, the Company announced dividend entitlements consistently in January. However, in 2023, the dividend announcement was delayed until 30 May 2023, creating uncertainty and a perception that the Company was facing issues. The explanation provided by the Company was that the delay was due to regulatory approval.	The reference to 2023 was incorrect in the context of the question raised which pertains to the 2025 dividend. In 2023, the Company announced dividend entitlements twice in January and May 2023, with payments made in February and June 2023 respectively. For 2025, the dividend entitlement was announced in April 2025 with payment made in July 2025. AMB's dividend capacity depends on dividends received from its insurance subsidiaries. Since 2022, the insurance subsidiaries have declared and paid dividends twice annually, based on the 9-month financial results and the 12-month financial results respectively, subject to regulatory approval. The timing and quantum of dividend declarations may vary from year to year, taking into account regulatory requirements, capital management considerations and business growth priorities. The Company does not face any financial or capital issues and the variation in timing of the dividend payment in 2025 reflects the prevailing regulatory considerations at the time. Efforts were made to rationalise the dividend payout by factoring the 2025 allocation into the dividend payment for 2026, resulting in a higher total dividend amount paid in 2026. The Management acknowledged the shareholders' preference for greater predictability in dividend timing and will strive to ensure consistency wherever feasible.
2.	Will the Irredeemable Convertible Preference Share ("ICPS") automatically convert into ordinary shares upon reaching year 2035, or is any action required by ICPS holders?	The ICPS is perpetual, hence it does not expire in 2035. Conversion into ordinary shares is optional and requires the surrender of the ICPS by the holder Unlike ordinary shares, ICPS are non-voting shares.
3.	Is the dividend payout for ICPS based on profit before tax or profit after tax?	The dividend payout ratio is computed based on profit after tax.

NO.	QUESTIONS/SUGGESTIONS RECEIVED FROM SHAREHOLDERS	RESPONSES
4.	Does the Company have any recommendation on whether shareholders should invest in ICPS or ordinary shares?	The decision to invest in ordinary shares or ICPS is a personal one and depends on each investor's individual investment objectives and preferences. As general guidance, ordinary shares carry voting rights at general meetings of the Company, whereas ICPS generally do not carry voting rights except in the circumstances stipulated under Clause 4.10 of the Company's Constitution. In terms of dividend rate for ICPS holders, it shall be a non-cumulative preferential dividend, in priority over all ordinary shares of the Company, where the dividend rate is equivalent to 1.2 times of the dividend rate of the ordinary declared for the same financial year/period and calculated based on the number of ICPS.
5.	How is the Company addressing rising healthcare costs and medical insurance premium increases? Does the Company provide guidance to policyholders on managing healthcare costs, including the selection of hospitals or medical treatments? The Company's performance is positive so keep up the good work.	The Company appreciates the positive feedback on its performance and remains committed to maintaining good margins. The rising healthcare costs are driven by increasing healthcare utilisation, medical advancements and higher treatment costs across the industry, which have contributed to higher medical insurance premiums. Health insurance is an emotional and personal matter, and affordability is a key concern for policyholders. To address this, Allianz Life continues to engage policyholders by explaining premium adjustments and offering options such as co-payment and deductibles to help improve affordability. Despite the challenges of rising healthcare costs and premium repricing, Allianz Life observed a low lapse rate for its health policies, with only 1% higher lapses than usually observed in a non-repricing year. Allianz Life does not provide medical advice or influence treatment decisions, which remain matters between patients and their healthcare professionals. Policyholders may seek treatment at hospitals of their choice, subject to the terms and conditions of their policies. Where requested, Allianz Life may provide information on available healthcare options based on its experience. However, Allianz Life does not recommend specific medical treatments or tests. Policyholders seeking further assistance are encouraged to contact their agents, who can facilitate the escalation of enquiries to the appropriate Allianz Life representatives.

NO.	QUESTIONS/SUGGESTIONS RECEIVED FROM SHAREHOLDERS	RESPONSES
6.	(a) Can the Company enhance the quality, consistency, and accountability of its customer service channels to ensure that policyholders receive timely and effective support throughout their insurance journey, particularly when seeking assistance on policy-related matters? (b) Can the Company clarify its policy on policyholders' access to their own medical reports? In some cases, hospitals have indicated that the reports belong to the party who paid for them, resulting in policyholders being unable to obtain copies of their own medical reports.	(a) For specific policy-related matters or service concerns, the Management team will engage directly with the customer to better understand the concerns raised and provide the necessary assistance. The Company remains committed to ensuring that customer concerns are addressed in a timely manner. (b) Policyholders are entitled to access their medical reports and may request a copy if it has not been provided.
7.	Based on the Statement of Profit or Loss for the financial year ended 31 December 2025, the profit after tax increased from RM770.7 million to RM958.7 million despite a decline in net investment income on finance expenses from insurance contract issued from RM1.19 billion to RM676 million.	Net investment income should be assessed together with finance expenses from insurance contracts issued, as a significant portion of the investment returns generated by the life insurance business belong to the policyholders rather than shareholders. The corresponding portion attributable to policyholders is deducted through finance expenses from insurance contracts issued. . When considered together, the investment income attributable to shareholders remains relative stable compared to the previous year.

NO.	QUESTIONS/SUGGESTIONS RECEIVED FROM SHAREHOLDERS	RESPONSES
	Whether similar fluctuations in investment-related income would be expected in future years?	
8.	Given the growth potential of the Takaful industry, whether the Company remains interested in entering the Takaful market, particularly through merger and acquisition opportunities, and whether any such plans are currently being considered?	The Takaful segment continues to be monitored as a potential growth opportunity. However, a distinction should be made between market growth driven by new business generation and growth resulting from customers switching between existing providers. A key consideration is ensuring that any Takaful venture complements rather than cannibalises the existing conventional insurance business. Profitability is also an important factor in evaluating any potential entry into the Takaful market. Profit levels and underwriting performance among Takaful operators generally differ from those of conventional insurers, and these factors would influence any acquisition decision. The focus remains on maintaining sustainable underwriting profitability, as the long-term success of an insurance business should be driven primarily by underwriting performance rather than investment returns.
9.	Given the reduction in dividend per share from 100.5 sen in 2023 to 89.5 sen subsequently in 2024, what is the Company's dividend outlook and whether shareholders can expect dividend payments to return to previous levels in the future?	The dividend of 100.5 sen paid in 2023 included an extraordinary contribution of RM30 million from Allianz Life arising from the first-time adoption of IFRS 17. Following the one-off contribution, the dividend level normalised in subsequent years. The Company aims to uphold a minimum payout ratio of 30%, subject to regulatory approval for subsidiaries' dividend. While the Group maintains a strong cash position and remains committed to delivering value to shareholders, the timing and amount of dividend distributions depend on regulatory requirements and the level of dividends that can be upstreamed from its subsidiaries. Accordingly, dividend decisions will continue to balance shareholder returns with regulatory expectations and the Group's long-term growth objectives.

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10.	Given that the Company's earnings per share ("EPS") is approximately RM5.28 and its price-to-earnings ("P/E") ratio remains relatively low at 4 times, whether the Company would consider returning more capital to shareholders through higher dividend payments in the future.	In assessing the Company's valuation, the P/E ratio should also take into account the ICPS, which is not fully reflected in the market capitalisation. After considering the ICPS, the adjusted P/E ratio would be approximately 7.3 times, which remains below the financial services sector average of around 10 to 11 times. Nevertheless, market valuation is influenced by a range of external factors and investor sentiment, and may not always move in direct correlation with the Company's underlying business performance. The dividend outlook will continue to be reviewed in consultation with the relevant stakeholders, taking into account the Group's financial position, regulatory requirements and business needs.

C) RESPONSES TO QUESTIONS SUBMITTED ONLINE BY SHAREHOLDERS AND PROXIES DURING THE 52ND AGM

NO.	QUESTIONS/SUGGESTIONS RECEIVED FROM SHAREHOLDERS	RESPONSES
1.	What is challengers the company foresee in next five years?	Resilience would be a key priority in light of ongoing geopolitical uncertainties and resulting market volatility. The Group remains committed to sustaining its dividend policy and ensuring its ability to continue paying dividends regardless of external market conditions. Resilience will continue to be a key area of focus, and the Management believes the Group is well-positioned to navigate challenges through its technical expertise and strong operational capabilities. On the local front, emerging risks such as medical inflation and its forward-looking impact are becoming increasingly significant. One of the key contributors to medical inflation is the introduction of advanced medical treatments, including robotic surgery and innovative cancer therapies. Allianz Life has also observed a rise in high value claims with some claims reaching approximately RM1 million, as well an increase in severe claims among younger policyholders. As a result, managing medical inflation and ensuring product affordability will remain critical challenges moving forward. To address these challenges, Allianz Life has implemented measures to strengthen cost discipline and operational efficiency through internal initiatives such as 'Rapid Productivity' program. Allianz Life has also introduced product features such as co-payment to support more effective claims management. The Group is actively working to make artificial intelligence ("AI") accessible to all employees and ensure that they are able to use it effectively. The Group has introduced internal programs aimed at driving AI adoption and enhancing overall productivity and efficiency across the Group. The Group is also exploring the deployment of AI in specific areas to enhance customer service and strengthen advisory solutions. The adoption of AI should support greater personalisation and improved customer engagement while preserving the human element of customer relationships. Climate change and the broader environmental, social and governance ("ESG") related developments is another key challenges. The Group seeks to play a proactive role by driving initiatives and promoting best practices in these areas. The Management has implemented a number of initiatives to strengthen technical capabilities and address emerging risks. One of the

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		initiatives is Allianz General's geo-coding, to better assess and manage the increasing flood risks in Malaysia. While the current environment presents various challenges, it also creates opportunities. By maintaining a focused and strategic approach, the Group aims to turn challenges into opportunities and create long-term value. That being said, the Management cautioned against projecting an overly optimistic outlook over such a long timeframe, and it would be imprudent for any company to assume a smooth path ahead given the economic uncertainties. Based on the Group's track record for the past 25 years, it has consistently rebounded from every crisis it faced and emerged stronger, which reflects the resilience of the organisation. The next two to three years will be crucial for the Group, given the industry developments such as the base MHIT plan and phased liberalisation of motor and fire tariffs. The Management is confident in the Group's outlook and resilience amid an evolving external environment, underpinned by the Group's strong technical capabilities, which are among the best in the market, as well as the support and expertise from the Allianz SE Group. The Group also benefits from a unique combination of global insurance expertise and exposure to growth opportunities in the local and Southeast Asian markets, positioning it well for sustainable growth in the future.
2.	The government recently announced that motorists with good records could enjoy additional discounts on top of the current ceiling of 55% NCD. How do you expect the development to affect competition and margin for the company?	The Cermat Madani initiative was announced by the Ministry of Transport recently, where motorist with good risk profiles may be rewarded up to 10% premium rebates on motor insurance if the policy is renewed through MyJPJ or the Cermat Madani platform. While Allianz General is supportive of the government's initiative to promote road safety, it is important to clearly define the criteria for 'good driving behaviour' and how it impacts the rebate under the Cermat Madani program. Hence, there is a need for careful consideration of the eligibility criteria to determine and reward good driving behaviour. While rewarding good driving behaviour is commendable, equal consideration should be given to addressing and penalising poor driving behaviour. The Management observed that the current

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		proposal focused on the granting of discounts, with less emphasis on measures to address poor driving conduct.
3.	Can you elaborate on the distribution of 3% of IRE with intermediaries?	The strategy with regard to the 3% intermediary-related expenses ("IRE") is to utilise the IRE in a fair and equitable manner given that there are six types of distribution channels in Allianz General. The IRE are governed under Bank Negara Malaysia's Operational Cost Control policy document which came into effect on 1 January 2024 ("Policy"). This Policy imposes a ceiling of 3% on all benefits-in-kind or additional cash provided to intermediaries. The 3% IRE is calculated separately for Motor and Non-Motor portfolios based on gross written premium, on top of the statutory commissions paid to intermediaries. While ensuring that the intermediaries are adequately supported, it is equally importance to maintain the overall cost discipline and ensuring that the additional 3% IRE does not adversely affect Allianz General's expense management.