



ETIQA GENERAL TAKAFUL BERHAD
201701025031 (1239197-A)
(Incorporated in Malaysia)

Unaudited Interim Condensed Financial Statements
for the six months financial period ended 30 June 2024

ETIQA GENERAL TAKAFUL BERHAD
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ETIQA GENERAL TAKAFUL BERHAD
201701025031 (1239197-A)
(Incorporated in Malaysia)

UNAUDITED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

| | Note | 30.6.2024 | | 31.12.2023 | |
|-------------------------------------|------|------------------------|-------------------|------------------------|-------------------|
| | | General | | General | |
| | | Takaful fund RM'000 | Company RM'000 | Takaful fund RM'000 | Company RM'000 |
| ASSETS | | | | | |
| Property, plant and equipment | | - | 51 | - | 62 |
| Intangible assets | | - | 1,976 | - | 1,641 |
| Investments | 12 | 2,939,726 | 5,149,794 | 2,720,536 | 4,803,233 |
| Financing receivables | | - | 948 | - | 648 |
| Retakaful certificate assets | 13 | 537,798 | 537,798 | 334,607 | 334,607 |
| Takaful certificate assets | 14 | 67,956 | 76,490 | 182,318 | 168,415 |
| Other assets | 15 | 33,750 | 59,850 | 36,412 | 60,413 |
| Deferred tax assets | | - | 46,897 | 1,346 | 60,492 |
| Cash and bank balances | | 30,664 | 30,914 | 49,923 | 50,152 |
| Total assets | | 3,609,894 | 5,904,718 | 3,325,142 | 5,479,663 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| Share capital | | - | 970,001 | - | 970,001 |
| Reserves | 16 | - | 1,050,144 | - | 912,586 |
| Total equity | | - | 2,020,145 | - | 1,882,587 |
| Liabilities | | | | | |
| Takaful certificate liabilities | 14 | 3,383,827 | 3,545,486 | 3,153,900 | 3,312,284 |
| Retakaful certificate liabilities | 13 | 57,022 | 57,022 | 44,916 | 44,916 |
| Deferred tax liabilities | | 6,905 | - | - | - |
| Other liabilities | 17 | 162,140 | 255,108 | 126,326 | 224,906 |
| Current tax liabilities | | - | 26,957 | - | 14,970 |
| Total liabilities | | 3,609,894 | 3,884,573 | 3,325,142 | 3,597,076 |
| Total equity and liabilities | | 3,609,894 | 5,904,718 | 3,325,142 | 5,479,663 |

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

UNAUDITED INTERIM CONDENSED INCOME STATEMENT
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

| | Note | 1.1.2024 to 30.6.2024 | | 1.1.2023 to 30.6.2023 (Restated) | |
|--|------|-----------------------------------|-------------------|-----------------------------------|-------------------|
| | | General Takaful fund RM'000 | Company RM'000 | General Takaful fund RM'000 | Company RM'000 |
| Takaful revenue | 18 | 1,126,488 | 1,126,488 | 1,066,289 | 1,066,289 |
| Takaful service expenses | 19 | (1,122,940) | (1,003,017) | (966,005) | (889,219) |
| Net expense from retakaful certificates held | 20 | - | - | (137,334) | (137,334) |
| Takaful service result | | 3,548 | 123,471 | (37,050) | 39,736 |
| Profit income from financial assets not measured at FVTPL | 21 | 57,940 | 100,421 | 56,146 | 94,808 |
| Net fair value gains/(losses) on financial assets measured at FVTPL | 22 | 24,176 | 47,342 | (1,336) | (3,213) |
| Net fair value gains on derecognition of financial assets measured at FVOCI | 23 | 568 | 568 | 1,489 | 1,956 |
| Other investment income | 24 | 383 | 1,590 | 355 | 1,508 |
| Net impairment gains on financial assets | 25 | 370 | 558 | 118 | 157 |
| Net foreign exchange (expenses)/income | | (15) | (24) | 13 | 20 |
| Net investment income | 26a | 83,422 | 150,455 | 56,785 | 95,236 |
| Finance expenses from takaful certificates issued | 26 | (89,004) | (89,316) | (23,934) | (24,222) |
| Finance income from retakaful certificates held | 27 | 5,582 | 5,582 | 4,256 | 4,256 |
| Net takaful financial result | | (83,422) | (83,734) | (19,678) | (19,966) |
| Other income | 28 | 10 | 291 | 173 | 370 |
| Other expenses | 29 | - | (5,475) | - | (1,853) |
| Other income/(expenses) | | 10 | (5,184) | 173 | (1,483) |
| Profit before taxation and zakat attributable to participants | | 3,558 | 185,008 | 230 | 113,523 |
| Tax expenses attributable to participants | 32 | (3,558) | (3,558) | (230) | (230) |
| Profit before taxation and zakat | | - | 181,450 | - | 113,293 |
| Taxation | 33 | - | (42,956) | - | (34,189) |
| Zakat | | - | (10,863) | - | (9,809) |
| Net profit for the financial period | | - | 127,631 | - | 69,295 |
| Basic and diluted earnings per share (sen): | 34 | | 13.70 | | 7.44 |

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

UNAUDITED INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

| Note | 1.1.2024 to 30.6.2024 | | 1.1.2023 to 30.6.2023 (Restated) | |
|---|-----------------------------------|-------------------|-----------------------------------|-------------------|
| | General Takaful fund RM'000 | Company RM'000 | General Takaful fund RM'000 | Company RM'000 |
| Net profit for the financial period | - | 127,631 | - | 69,295 |
| Other comprehensive income/(loss): | | | | |
| Items that may be subsequently reclassified to profit or loss: | | | | |
| Net fair value gains on investments in debt securities measured at FVOCI | 15,597 | 23,359 | 63,483 | 101,902 |
| Net fair value on derecognition of financial assets at FVOCI | (568) | (568) | (1,489) | (1,956) |
| Fair value adjustments on FVOCI financial assets backing the participant's fund | (11,422) | (11,422) | (47,115) | (47,115) |
| Tax effect relating to these items | (3,607) | (5,470) | (14,879) | (23,988) |
| | - | 5,899 | - | 28,843 |
| Items that will not be subsequently reclassified to profit or loss: | | | | |
| Change in fair value of equity securities at FVOCI | 6,481 | 11,781 | (1,238) | (3,180) |
| Fair value adjustments on FVOCI financial assets backing the participant's fund | (5,395) | (5,395) | 941 | 941 |
| Tax effect relating to these items | (1,086) | (2,358) | 297 | 763 |
| | - | 4,028 | - | (1,476) |
| Other comprehensive income for the financial period, net of tax | - | 9,927 | - | 27,367 |
| Total comprehensive income for the financial period | - | 137,558 | - | 96,662 |

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

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

| | Non-Distributable | | Distributable | Total Equity RM'000 | |
|---|----------------------------|----------------------------|---|------------------------|-------------------------------|
| | Share Capital RM'000 | FVOCI Reserve RM'000 | Takaful Finance Reserve RM'000 | | Retained Profits RM'000 |
| At 1 January 2024, | 970,001 | 2,312 | 697 | 909,577 | 1,882,587 |
| Net profit for the financial period | - | - | - | 127,631 | 127,631 |
| Other comprehensive income/(loss) for the financial period | - | 26,744 | (16,817) | - | 9,927 |
| Total comprehensive income/(loss) for the financial period | - | 26,744 | (16,817) | 127,631 | 137,558 |
| At 30 June 2024 | 970,001 | 29,056 | (16,120) | 1,037,208 | 2,020,145 |

| | Non-Distributable | | Distributable | Total Equity RM'000 | |
|---|----------------------------|----------------------------|---|------------------------|-------------------------------|
| | Share Capital RM'000 | FVOCI Reserve RM'000 | Takaful Finance Reserve RM'000 | | Retained Profits RM'000 |
| At 1 January 2023, as previously stated | 970,001 | (30,952) | - | 708,669 | 1,647,718 |
| - Effects of adopting MFRS 17 | - | (62,410) | 62,410 | 4,119 | 4,119 |
| At 1 January 2023, as restated | 970,001 | (93,362) | 62,410 | 712,788 | 1,651,837 |
| Net profit for the financial period | - | - | - | 69,295 | 69,295 |
| Other comprehensive income/(loss) for the financial period | - | 73,540 | (46,174) | - | 27,366 |
| Total comprehensive income/(loss) for the financial period | - | 73,540 | (46,174) | 69,295 | 96,661 |
| At 30 June 2023 | 970,001 | (19,822) | 16,236 | 782,083 | 1,748,498 |

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UNAUDITED INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

| | Note | 1.1.2024 to 30.6.2024 RM'000 | 1.1.2023 to 30.6.2023 RM'000 (Restated) |
|---|-------|---------------------------------------|---|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit before taxation and zakat: | | 181,450 | 113,293 |
| Adjustments for: | | | |
| Amortisation of: | | | |
| - intangible assets | | 128 | 186 |
| Net amortisation of premiums | 24 | 3,543 | 2,986 |
| Depreciation of property, plant and equipment | | 17 | 17 |
| Fair value gains on: | | | |
| - investments | 22 | (39,463) | (8,179) |
| (Gains)/losses on disposal of: | | | |
| - investments | 22,23 | (8,447) | 9,436 |
| Dividend income | | (5,398) | (4,620) |
| Profit income | | (100,618) | (95,212) |
| Reversal of impairment losses on: | | | |
| - investments | 25 | (558) | (157) |
| (Gains)/losses on foreign exchange: | | | |
| - realised | | 25 | (2) |
| - unrealised | | (1) | (18) |
| Tax credit incurred on behalf of participants | 32 | 3,558 | 230 |
| Operating cash flows before working capital changes | | 34,236 | 17,960 |
| Changes in working capital: | | | |
| (Increase)/decrease in: | | | |
| - deposits with financial institutions | | (89,591) | (332,542) |
| - takaful certificate assets | | 91,925 | (46,393) |
| - retakaful certificate assets | | (203,191) | (62,033) |
| - financing receivables | | (300) | 150 |
| - other assets | | (6,689) | 21,151 |
| Increase/(decrease) in: | | | |
| - takaful certificate liabilities | | 220,161 | 152,891 |
| - retakaful certificate liabilities | | 12,106 | 54,695 |
| - other liabilities | | 32,020 | (24,186) |
| Operating cash flows after working capital changes and carried forward | | 90,677 | (218,307) |

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

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UNAUDITED INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024 (CONTD.)

| | Note | 1.1.2024 to 30.6.2024 RM'000 | 1.1.2023 to 30.6.2023 RM'000 (Restated) |
|--|------|---------------------------------------|---|
| CASH FLOW FROM OPERATING ACTIVITIES (CONTD.) | | | |
| Operating cash flows after working capital changes, brought forward | | 90,677 | (218,307) |
| Profit income received | | 106,231 | 83,850 |
| Gross dividend income received | | 5,218 | 4,376 |
| Zakat paid | | (12,434) | (17,879) |
| Taxation paid | | (29,006) | (37,067) |
| Net cash flows generated from/(used in) operating activities | | <u>160,686</u> | <u>(185,027)</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from disposal of investments | | 75,665 | 278,674 |
| Purchase of: | | | |
| - property, plant and equipment | | (7) | (7) |
| - intangible assets | | (464) | - |
| - investment | | (255,118) | (88,528) |
| Net cash flows (used in)/generated from investing activities | | <u>(179,924)</u> | <u>190,139</u> |
| Increase in cash and cash equivalents | | (19,238) | 5,112 |
| Cash and cash equivalents at beginning of financial period | | <u>50,152</u> | <u>8,630</u> |
| Cash and cash equivalents at end of financial period | | <u>30,914</u> | <u>13,742</u> |
| Cash and cash equivalents comprise: | | | |
| Cash and bank balances of: | | | |
| Shareholder's fund | | 250 | 325 |
| General Takaful fund | | 30,664 | 13,417 |
| | | <u>30,914</u> | <u>13,742</u> |

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

ETIQA GENERAL TAKAFUL BERHAD
201701025031 (1239197-A)
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NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 19, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur, Malaysia.

The immediate, penultimate and ultimate holding companies of the Company are Maybank Ageas Holdings Berhad ("MAHB"), Etiqa International Holdings Sdn Bhd ("EIHSB") and Malayan Banking Berhad ("Maybank") respectively, all of which are incorporated in Malaysia. Maybank is a licensed commercial bank listed on the Main Market of Bursa Malaysia Securities Berhad.

The unaudited interim condensed financial statements for the six months ended 30 June 2024 were approved for issue by the Board of Directors on 21 August 2024.

2. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

The unaudited interim condensed financial statements of the Company for the financial period ended 30 June 2024 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting* as issued by the Malaysian Accounting Standards Board ("MASB") and International Accounting Standard ("IAS") 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB") and Guidelines/Circulars issued by Bank Negara Malaysia ("BNM").

The unaudited interim condensed financial statements of the Company have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The unaudited interim condensed financial statements do not include all the information and disclosures required in audited annual financial statements, and should be read in conjunction with the audited annual financial statements of the Company for the financial year ended 31 December 2023.

The explanatory notes attached to the unaudited interim condensed financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 December 2023.

The Company has met the minimum capital requirements as prescribed by the Risk-Based Capital Framework for Takaful Operators ("the RBCT Framework") issued by BNM as at reporting date.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024 (CONTD.)

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (CONTD.)

2.2 Functional and presentation currency

The unaudited interim condensed financial statements are presented in Ringgit Malaysia ("RM") and rounded to the nearest thousand ("RM'000") unless otherwise stated.

2.3 Use of estimates and judgements

The preparation of unaudited interim condensed financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ.

In preparing these unaudited interim condensed financial statements, the significant judgements made by management in applying the Company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 31 December 2023.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies and methods of computation adopted in the unaudited interim condensed financial statements are consistent with those adopted in the audited annual financial statements for the financial year ended 31 December 2023 except for the adoption of the following accounting amendments to Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the Company's financial year beginning 1 January 2024:

MFRS 16 *Leases*

(Amendments to MFRS 16) *Lease Liability in a Sale and Leaseback*

MFRS 101 *Presentation of Financial Statements*

(Amendments to MFRS 101) *Non-current Liabilities with Covenants*

MFRS 7 *Financial Instruments: Disclosures*

(Amendments to MFRS 107 and MFRS 7) *Supplier Finance Arrangements*

MFRS 107 *Statement of Cash Flows*

(Amendments to MFRS 107 and MFRS 7) *Supplier Finance Arrangements*

The adoption of the above pronouncements are not expected to have a significant impact on the Company.

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024 (CONTD.)

4. AUDITOR'S REPORT ON PRECEDING AUDITED ANNUAL FINANCIAL STATEMENTS

The auditor's report on the audited annual financial statements for the financial year ended 31 December 2023 was not qualified.

5. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Company was not materially affected by any seasonal or cyclical fluctuations during the interim financial period ended 30 June 2024.

6. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim financial period ended 30 June 2024.

7. CHANGES IN ESTIMATES

There were no material changes in estimates for the interim financial period ended 30 June 2024.

8. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities for the interim financial period ended 30 June 2024.

9. DIVIDENDS PAID

There were no dividend paid for the interim financial period ended 30 June 2024.

10. MATERIAL EVENTS SUBSEQUENT TO END OF REPORTING PERIOD

There were no material events subsequent to the end of the reporting period that require adjustments or disclosure in the unaudited interim condensed financial statements.

11. CHANGES IN THE COMPOSITION OF THE COMPANY

There were no changes in the composition of the Company during the interim financial period ended 30 June 2024.

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12. INVESTMENTS

| | General Takaful fund RM'000 | Company RM'000 |
|--------------------------------------|--|---------------------------|
| 30.6.2024 | | |
| Malaysian government papers | 92,541 | 185,766 |
| Debt securities | 2,031,591 | 3,345,918 |
| Equity securities | 177,907 | 355,353 |
| Deposits with financial institutions | 637,687 | 1,262,757 |
| | <u>2,939,726</u> | <u>5,149,794</u> |

31.12.2023

| | | |
|--------------------------------------|------------------|------------------|
| Malaysian government papers | 92,638 | 185,451 |
| Debt securities | 1,980,256 | 3,232,337 |
| Equity securities | 101,563 | 212,279 |
| Deposits with financial institutions | 546,079 | 1,173,166 |
| | <u>2,720,536</u> | <u>4,803,233</u> |

The Company's financial investments are summarised by categories as follows:

| | General Takaful fund RM'000 | Company RM'000 |
|---|--|---------------------------|
| 30.6.2024 | | |
| Fair value through profit or loss ("FVTPL")(Note i) | | |
| - Designated upon initial recognition | 13,479 | 13,479 |
| - Held for trading ("HFT") | 137,695 | 267,507 |
| | <u>151,174</u> | <u>280,986</u> |
| Fair value through other comprehensive income ("FVOCI")(Note ii) | 2,150,865 | 3,606,051 |
| Amortised cost ("AC")(Note iii) | 637,687 | 1,262,757 |
| | <u>2,939,726</u> | <u>5,149,794</u> |

31.12.2023

| | | |
|---|------------------|------------------|
| Fair value through profit or loss ("FVTPL")(Note i) | | |
| - Designated upon initial recognition | 13,533 | 13,533 |
| - Held for trading ("HFT") | 65,874 | 134,258 |
| | <u>79,407</u> | <u>147,791</u> |
| Fair value through other comprehensive income ("FVOCI")(Note ii) | 2,095,050 | 3,482,276 |
| Amortised cost ("AC")(Note iii) | 546,079 | 1,173,166 |
| | <u>2,720,536</u> | <u>4,803,233</u> |

12. INVESTMENTS (CONTD.)

The following investments will mature after 12 months:

| | General Takaful fund RM'000 | Company RM'000 |
|---------------------------------------|--|---------------------------|
| 30.6.2024 | | |
| FVTPL | | |
| - Designated upon initial recognition | 13,479 | 13,479 |
| FVOCI | 2,070,557 | 3,407,980 |
| | <u>2,084,036</u> | <u>3,421,459</u> |

31.12.2023

| | | |
|---------------------------------------|------------------|------------------|
| FVTPL | | |
| - Designated upon initial recognition | 13,533 | 13,533 |
| FVOCI | 2,024,238 | 3,287,115 |
| | <u>2,037,771</u> | <u>3,300,648</u> |

(i) FVTPL

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| (a) Designated upon initial recognition | | |
| 30.6.2024 | | |
| <u>At fair value</u> | | |
| Debt securities: | | |
| Unquoted in Malaysia | <u>13,479</u> | <u>13,479</u> |
| Total financial assets designated as FVTPL upon initial recognition | <u>13,479</u> | <u>13,479</u> |
| 31.12.2023 | | |
| <u>At fair value</u> | | |
| Debt securities: | | |
| Unquoted in Malaysia | <u>13,533</u> | <u>13,533</u> |
| Total financial assets designated as FVTPL upon initial recognition | <u>13,533</u> | <u>13,533</u> |

12. INVESTMENTS (CONTD.)

(i) FVTPL (CONTD.)

| | General Takaful fund RM'000 | Company RM'000 |
|-----------------------------------|-----------------------------------|-------------------|
| (b) HFT | | |
| 30.6.2024 | | |
| <u>At fair value</u> | | |
| Equity securities: | | |
| Quoted in Malaysia | 136,070 | 264,878 |
| Quoted outside Malaysia | 1,625 | 2,629 |
| Total HFT financial assets | 137,695 | 267,507 |
| 31.12.2023 | | |
| <u>At fair value</u> | | |
| Equity securities: | | |
| Quoted in Malaysia | 64,648 | 132,324 |
| Quoted outside Malaysia | 1,226 | 1,934 |
| Total HFT financial assets | 65,874 | 134,258 |

(ii) FVOCI

| | General Takaful fund RM'000 | Company RM'000 |
|-------------------------------------|-----------------------------------|-------------------|
| 30.6.2024 | | |
| <u>At fair value</u> | | |
| Malaysian government papers | 92,541 | 185,766 |
| Debt securities: | | |
| Unquoted in Malaysia | 2,018,112 | 3,332,439 |
| Equity securities: | | |
| Quoted in Malaysia | 40,212 | 87,846 |
| Total FVOCI financial assets | 2,150,865 | 3,606,051 |
| 31.12.2023 | | |
| <u>At fair value:</u> | | |
| Malaysian government papers | 92,638 | 185,451 |
| Debt securities: | | |
| Unquoted in Malaysia | 1,966,723 | 3,218,804 |
| Equity securities: | | |
| Quoted in Malaysia | 35,689 | 78,021 |
| Total FVOCI financial assets | 2,095,050 | 3,482,276 |

During the period, the Company has disposed selected equity securities from its portfolio of FVOCI financial assets as the securities no longer aligned with the long term investment strategy of the Company as a high dividend yielding stocks. The realised losses recognised on disposal of these securities amounted to RM1,522,000 (2023 : RM1,522,000)

12. INVESTMENTS (CONTD.)

(iii) AC

| | General Takaful fund RM'000 | Company RM'000 |
|---------------------------------------|-----------------------------------|-------------------|
| 30.6.2024 | | |
| <u>At cost</u> | | |
| Islamic investment accounts with: | | |
| Licensed financial institutions | 402,330 | 827,025 |
| Other licensed financial institutions | 235,357 | 435,732 |
| Total AC financial assets | <u>637,687</u> | <u>1,262,757</u> |
| | | |
| 31.12.2023 | | |
| <u>At cost</u> | | |
| Islamic investment accounts with: | | |
| Licensed financial institutions | 391,018 | 917,892 |
| Other licensed financial institutions | 155,061 | 255,274 |
| Total AC financial assets | <u>546,079</u> | <u>1,173,166</u> |

The carrying amounts of financial assets measured at AC are reasonable approximations of fair values due to the short-term maturity of the financial assets.

12. INVESTMENTS (CONTD.)

The movements in allowance for impairment losses on financial assets at FVOCI are as follows:

| | Stage 1 | Stage 2 | Stage 3 | |
|---|-------------------------|---|---|---------------|
| | 12-month ECL | Lifetime ECL not credit impaired | Lifetime ECL credit impaired | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| General Takaful fund | | | | |
| 30.6.2024 | | | | |
| At 1 January 2024 | 437 | 694 | - | 1,131 |
| Writeback of loss allowance | (233) | (147) | - | (380) |
| New financial assets originated at purchase | 11 | - | - | 11 |
| Financial asset derecognised during the financial period | (1) | - | - | (1) |
| Allowance for impairment gains during the financial period | (223) | (147) | - | (370) |
| At 30 June 2024 | <u>214</u> | <u>547</u> | <u>-</u> | <u>761</u> |
| 31.12.2023 | | | | |
| At 1 January 2023 | 134 | 680 | - | 814 |
| Net adjustment of loss allowance | 296 | 14 | - | 310 |
| New financial assets originated at purchase | 13 | - | - | 13 |
| Financial assets derecognised during the financial year | (6) | - | - | (6) |
| Allowance for impairment losses during the financial year | 303 | 14 | - | 317 |
| At 31 December 2023 | <u>437</u> | <u>694</u> | <u>-</u> | <u>1,131</u> |

12. INVESTMENTS (CONTD.)

The movements in allowance for impairment losses on financial assets at FVOCI are as follows:
 (contd.)

| | Stage 1 | Stage 2 | Stage 3 | |
|---|-------------------------|---|---|---------------|
| | 12-month ECL | Lifetime ECL not credit impaired | Lifetime ECL credit impaired | Total |
| Company | RM'000 | RM'000 | RM'000 | RM'000 |
| 30.6.2024 | | | | |
| At 1 January 2024 | 705 | 959 | - | 1,664 |
| Writeback of loss allowance | (378) | (203) | - | (581) |
| New financial assets originated at purchase | 24 | - | - | 24 |
| Financial asset derecognised during the financial period | (1) | - | - | (1) |
| Allowance for impairment gains during the financial period | (355) | (203) | - | (558) |
| At 30 June 2024 | <u>350</u> | <u>756</u> | <u>-</u> | <u>1,106</u> |
| 31.12.2023 | | | | |
| At 1 January 2023 | 202 | 936 | - | 1,138 |
| Net adjustment of loss allowance | 478 | 23 | - | 501 |
| New financial assets originated at purchase | 31 | - | - | 31 |
| Financial assets derecognised during the financial year | (6) | - | - | (6) |
| Allowance for impairment losses during the financial year | 503 | 23 | - | 526 |
| At 31 December 2023 | <u>705</u> | <u>959</u> | <u>-</u> | <u>1,664</u> |

Fair Value of Investments

An analysis of the different fair value measurement bases used in the determination of the fair values of investments are further disclosed in Note 37.

13. RETAKAFUL CERTIFICATE ASSETS/LIABILITIES

Composition of Statement of Financial Position

The breakdown of groups of retakaful certificates held, that are in asset position and those in a liability positions are set out in the table below:

| | 30.06.2024 | | | 31.12.2023 | | |
|--|------------------|-----------------------|----------------|------------------|-----------------------|----------------|
| | Assets RM'000 | Liabilities RM'000 | Net RM'000 | Assets RM'000 | Liabilities RM'000 | Net RM'000 |
| Retakaful certificates held | | | | | | |
| General Takaful fund/Company | | | | | | |
| Motor | 46,471 | (80) | 46,391 | 39,682 | (61) | 39,621 |
| Fire | 128,593 | (23,289) | 105,304 | 88,894 | (14,887) | 74,007 |
| Marine, Aviation, Cargo and Transit | 12,243 | (21,952) | (9,709) | 3,522 | (19,804) | (16,282) |
| Miscellaneous | 350,491 | (11,701) | 338,790 | 202,509 | (10,164) | 192,345 |
| Total retakaful certificates held | 537,798 | (57,022) | 480,776 | 334,607 | (44,916) | 289,691 |

13. RETAKAFUL CERTIFICATE ASSETS/LIABILITIES (CONTD.)

(a) Analysis by remaining coverage and amounts recoverable on incurred claims measured at Premium Allocation Approach ("PAA")

The Company's roll-forward of retakaful certificate assets and liabilities showing assets for remaining coverage ("ARC") and amounts recoverable on incurred claims ("AIC") arising from business ceded to retakaful operators is disclosed in the table below:

30.06.2024

| Note | ARC | AIC for certificates under PAA | | Total RM'000 | |
|--|---|--|--|-----------------|----------------|
| | Excluding loss recovery component RM'000 | Present value of future cash flows RM'000 | Risk adjustment for non- financial risks RM'000 | | |
| General Takaful fund/Company | | | | | |
| | 85,806 | 239,612 | 9,189 | 334,607 | |
| | (22,001) | (24,355) | 1,440 | (44,916) | |
| | 63,805 | 215,257 | 10,629 | 289,691 | |
| Net (expenses)/income from retakaful certificates held | 20 | (176,816) | 176,442 | 374 | - |
| Finance income from retakaful certificates held | 27 | - | 5,390 | 192 | 5,582 |
| Total amount recognised in profit or loss | | (176,816) | 181,832 | 566 | 5,582 |
| Cash flows | | | | | |
| Contributions paid, net of ceding commission | (i) | 234,250 | - | - | 234,250 |
| Recoveries from retakaful | | - | (39,016) | - | (39,016) |
| Total cash flows | | 234,250 | (39,016) | - | 195,234 |
| Other movements | (ii) | - | (9,731) | - | (9,731) |
| Net balance as at end of the period | | 121,239 | 348,342 | 11,195 | 480,776 |
| Represented by: | | | | | |
| Retakaful certificate assets as at 30 June | | 111,796 | 415,773 | 10,229 | 537,798 |
| Retakaful certificate liabilities as at 30 June | | 9,443 | (67,431) | 966 | (57,022) |
| Net balance as at 30 June | | 121,239 | 348,342 | 11,195 | 480,776 |

13. RETAKAFUL CERTIFICATE ASSETS/LIABILITIES (CONTD.)

(a) Analysis by remaining coverage and amounts recoverable on incurred claims measured at Premium Allocation Approach ("PAA") (contd.)

The roll-forward of retakaful certificate assets and liabilities showing assets for remaining coverage ("ARC") and amounts recoverable on incurred claims ("AIC") arising from business ceded to retakaful operators is disclosed in the table below: (contd.)

31.12.2023

| Note | ARC | AIC for certificates under PAA | | Total RM'000 |
|-------------------------------------|---|--|--|-----------------|
| | Excluding loss recovery component RM'000 | Present value of future cash flows RM'000 | Risk adjustment for non- financial risks RM'000 | |
| General Takaful fund/Company | | | | |
| | 49,216 | 225,593 | 11,238 | 286,047 |
| | (8,398) | 1,226 | 135 | (7,037) |
| | 40,818 | 226,819 | 11,373 | 279,010 |
| | (318,196) | 310,403 | (1,050) | (8,843) |
| | - | 8,537 | 306 | 8,843 |
| | (318,196) | 318,940 | (744) | - |
| Cash flows | | | | |
| | 341,183 | - | - | 341,183 |
| | - | (82,798) | - | (82,798) |
| | 341,183 | (82,798) | - | 258,385 |
| Other movements | | | | |
| | - | (247,704) | - | (247,704) |
| | 63,805 | 215,257 | 10,629 | 289,691 |
| Represented by: | | | | |
| | 85,806 | 239,612 | 9,189 | 334,607 |
| | (22,001) | (24,355) | 1,440 | (44,916) |
| | 63,805 | 215,257 | 10,629 | 289,691 |

Notes:

- (i) Any refunds of retakaful contributions have been included in this line.
- (ii) Other movements include movement of unallocated surplus.

14. TAKAFUL CERTIFICATE ASSETS/LIABILITIES

Composition of Statement of Financial Position

The breakdown of groups of takaful certificates issued, that are in asset and those in a liability positions are set out in the table below:

| | 30.06.2024 | | | 31.12.2023 | | |
|--|------------------|-----------------------|------------------|------------------|-----------------------|------------------|
| | Assets RM'000 | Liabilities RM'000 | Net RM'000 | Assets RM'000 | Liabilities RM'000 | Net RM'000 |
| Takaful certificates issued | | | | | | |
| General Takaful fund | | | | | | |
| Motor | - | 2,718,228 | 2,718,228 | - | 2,483,454 | 2,483,454 |
| Fire | 9,932 | 315,216 | 325,148 | (90,320) | 261,150 | 170,830 |
| Marine, Aviation, Cargo and Transit | (15,451) | 12,110 | (3,341) | (13,975) | 2,673 | (11,302) |
| Miscellaneous | (62,437) | 338,273 | 275,836 | (78,023) | 406,623 | 328,600 |
| Total takaful certificates issued | (67,956) | 3,383,827 | 3,315,871 | (182,318) | 3,153,900 | 2,971,582 |
| Company | | | | | | |
| Motor | - | 2,846,715 | 2,846,715 | - | 2,618,722 | 2,618,722 |
| Fire | 9,815 | 340,328 | 350,143 | (80,092) | 275,478 | 195,386 |
| Marine, Aviation, Cargo and Transit | (18,080) | 12,110 | (5,970) | (15,612) | 2,086 | (13,526) |
| Miscellaneous | (68,225) | 346,333 | 278,108 | (72,711) | 415,997 | 343,286 |
| Total takaful certificates issued | (76,490) | 3,545,486 | 3,468,996 | (168,415) | 3,312,283 | 3,143,868 |

14. TAKAFUL CERTIFICATES ASSETS/LIABILITIES (CONTD.)

(a) Analysis by liability for remaining coverage and the liability for incurred claims measured at Premium Allocation Approach ("PAA") (contd.).

The overview of movements for net asset or liability for takaful certificate issued, showing the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC") is presented in the table below: (contd.)

30.06.2024

| Company | Note | LRC | LIC | | Assets for | Total |
|---|--------|--|---|---|---|------------------|
| | | Excluding loss component RM'000 | Present value of future cash flow RM'000 | Risk adj. for non-financial risks RM'000 | takaful acquisition cashflows RM'000 | |
| Takaful certificate liabilities as at 1 January | | 1,408,674 | 1,776,120 | 127,489 | - | 3,312,283 |
| Takaful certificate assets as at 1 January | | (361,200) | 181,445 | 11,340 | - | (168,415) |
| Net takaful certificate liabilities/(assets) as at 1 January | | 1,047,474 | 1,957,565 | 138,829 | - | 3,143,868 |
| Takaful revenue | 18 | (1,126,488) | - | - | - | (1,126,488) |
| Takaful service expenses | 19 | 143,945 | 859,968 | (896) | - | 1,003,017 |
| Takaful service result | | (982,543) | 859,968 | (896) | - | (123,471) |
| Finance expenses from takaful certificates issued | 26 | - | 86,995 | 2,321 | - | 89,316 |
| Total amount recognised in profit or loss | | (982,543) | 946,963 | 1,425 | - | (34,155) |
| Cash flows | | | | | | |
| Contributions received | (i) | 1,219,612 | - | - | - | 1,219,612 |
| Claims and other takaful service expenses paid | | - | (725,527) | - | - | (725,527) |
| Takaful acquisition cash flows | (ii) | (168,128) | - | - | - | (168,128) |
| Total cash flows | | 1,051,484 | (725,527) | - | - | 325,957 |
| Other movements | (iii) | (6,747) | 53,025 | - | - | 46,278 |
| Transfer to other liabilities | 17(iv) | - | (12,952) | - | - | (12,952) |
| Net balance as at end of the period | | 1,109,668 | 2,219,074 | 140,254 | - | 3,468,996 |
| Represented by: | | | | | | |
| Takaful certificate liabilities as at 30 June | | 1,456,828 | 1,959,990 | 128,668 | - | 3,545,486 |
| Takaful certificate assets as at 30 June | | (347,160) | 259,084 | 11,586 | - | (76,490) |
| Net takaful certificate liabilities as at 30 June | | 1,109,668 | 2,219,074 | 140,254 | - | 3,468,996 |

14. TAKAFUL CERTIFICATES ASSETS/LIABILITIES (CONTD.)

(a) Analysis by liability for remaining coverage and the liability for incurred claims measured at Premium Allocation Approach ("PAA") (contd.)

The overview of movements for net asset or liability for takaful certificate issued, showing the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC") is presented in the table below: (contd.)

31.12.2023

| | Note | LRC | LIC | | Assets for takaful acquisition cashflows RM'000 | Total RM'000 |
|--|--------|---------------------------------|--|--|---|------------------|
| | | Excluding loss component RM'000 | Present value of future cash flow RM'000 | Risk adj. for non-financial risks RM'000 | | |
| General Takaful Fund | | | | | | |
| Takaful certificate liabilities as at 1 January | | 1,216,993 | 1,556,316 | 105,269 | - | 2,878,578 |
| Takaful certificate assets as at 1 January | | (365,325) | 225,809 | 11,144 | - | (128,372) |
| Net takaful certificate liabilities as at 1 January | | 851,668 | 1,782,125 | 116,413 | - | 2,750,206 |
| Takaful revenue | | (2,192,820) | - | - | - | (2,192,820) |
| Takaful service expenses | | 577,621 | 1,549,925 | 16,786 | - | 2,144,332 |
| Takaful service result | | (1,615,199) | 1,549,925 | 16,786 | - | (48,488) |
| Finance expenses from takaful certificates issued | | - | 165,844 | 3,909 | - | 169,753 |
| Total amount recognised in profit or loss | | (1,615,199) | 1,715,769 | 20,695 | - | 121,265 |
| Cash flows | | | | | | |
| Contributions received | (i) | 2,234,094 | - | - | - | 2,234,094 |
| Claims and other takaful service expenses paid | | - | (1,371,301) | - | - | (1,371,301) |
| Takaful acquisition cash flows | (ii) | (576,669) | - | - | - | (576,669) |
| Total cash flows | | 1,657,425 | (1,371,301) | - | - | 286,124 |
| Other movements | (iii) | - | (185,991) | - | - | (185,991) |
| Transfer to other liabilities | 17(iv) | - | (22) | - | - | (22) |
| Net balance as at end of the year | | 893,894 | 1,940,580 | 137,108 | - | 2,971,582 |
| Represented by: | | | | | | |
| Takaful certificate liabilities as at 31 December | | 1,267,969 | 1,760,068 | 125,863 | - | 3,153,900 |
| Takaful certificate assets as at 31 December | | (374,075) | 180,512 | 11,245 | - | (182,318) |
| Net takaful certificate liabilities as at 31 December | | 893,894 | 1,940,580 | 137,108 | - | 2,971,582 |

14. TAKAFUL CERTIFICATES ASSETS/LIABILITIES (CONTD.)

(a) Analysis by liability for remaining coverage and the liability for incurred claims measured at Premium Allocation Approach ("PAA") (contd.).

The overview of movements for net asset or liability for takaful certificate issued, showing the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC") is presented in the table below: (contd.)

31.12.2023

| Company | Note | LRC | LIC | | Assets for takaful acquisition cashflows RM'000 | Total RM'000 |
|--|--------|---------------------------------|--|--|---|------------------|
| | | Excluding loss component RM'000 | Present value of future cash flow RM'000 | Risk adj. for non-financial risks RM'000 | | |
| Takaful certificate liabilities as at 1 January | | 1,324,555 | 1,571,252 | 105,768 | - | 3,001,575 |
| Takaful certificate assets as at 1 January | | (367,787) | 227,537 | 11,193 | (320) | (129,377) |
| Net takaful certificate liabilities as at 1 January | | 956,768 | 1,798,789 | 116,961 | (320) | 2,872,198 |
| Takaful revenue | | (2,192,820) | - | - | - | (2,192,820) |
| Takaful service expenses | | 325,491 | 1,597,546 | 17,909 | - | 1,940,946 |
| Takaful service result | | (1,867,329) | 1,597,546 | 17,909 | - | (251,874) |
| Finance expenses from takaful certificate issued | | - | 166,402 | 3,959 | - | 170,361 |
| Total amount recognised in profit or loss | | (1,867,329) | 1,763,948 | 21,868 | - | (81,513) |
| Cash flows | | | | | | |
| Contributions received | (i) | 2,234,093 | - | - | - | 2,234,093 |
| Claims and other takaful service expenses paid | | - | (1,363,906) | - | - | (1,363,906) |
| Takaful acquisition cash flows | (ii) | (314,021) | - | - | - | (314,021) |
| Total cash flows | | 1,920,072 | (1,363,906) | - | - | 556,166 |
| Allocation from assets for takaful acquisition cash flows to group of takaful certificates | | - | - | - | 320 | 320 |
| Other movements | (iii) | 37,963 | (223,954) | - | - | (185,991) |
| Transfer to other liabilities | 17(iv) | - | (17,312) | - | - | (17,312) |
| Net balance as at end of the year | | 1,047,474 | 1,957,565 | 138,829 | - | 3,143,868 |
| Represented by: | | | | | | |
| Takaful certificate liabilities as at 31 December | | 1,408,674 | 1,776,120 | 127,489 | - | 3,312,283 |
| Takaful certificate assets as at 31 December | | (361,200) | 181,445 | 11,340 | - | (168,415) |
| Net takaful certificate liabilities as at 31 December | | 1,047,474 | 1,957,565 | 138,829 | - | 3,143,868 |

14. TAKAFUL CERTIFICATES ASSETS/LIABILITIES (CONTD.)

Notes:

- (i) Any refunds of contributions have been included in this line.
- (ii) Takaful acquisition cash flows paid after the related groups of certificates is initially recognised are adjusted to the liability for remaining coverage. Takaful acquisition cash flows paid before the related group is recognised are included in assets for acquisition cash flows until the groups of certificates are recognised.
- (iii) Other movements include of movement of unallocated surplus and interfund elimination.
- (iv) Included within the "Transfer to other liabilities" are the amounts that are classified deemed settlement. Deemed settlement includes payables to intermediaries on commision of contribution in the course of collection and withholding tax on amount payables.

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15. OTHER ASSETS

| | General Takaful fund RM'000 | Company RM'000 |
|---|--|---------------------------|
| 30.6.2024 | | |
| Sundry receivables, deposits and prepayments | 172 | 3,229 |
| Allowance for impairment losses | - | (363) |
| | <u>172</u> | <u>2,866</u> |
| Survey fees | 1,509 | 1,509 |
| Income and profit due and accrued | 30,092 | 51,658 |
| Amounts due from stockbrokers | 1,977 | 3,817 |
| | <u>33,750</u> | <u>59,850</u> |
| 31.12.2023 | | |
| Sundry receivables, deposits and prepayments | 263 | 1,088 |
| Allowance for impairment losses | - | (362) |
| | <u>263</u> | <u>726</u> |
| Survey fees | 2,407 | 2,407 |
| Income and profit due and accrued | 33,602 | 57,091 |
| Amounts due from stockbrokers | 140 | 189 |
| | <u>36,412</u> | <u>60,413</u> |

Movements in gross carrying value and allowances for impairment losses recognised for not credit-impaired and credit impaired assets of the General Takaful fund and Company are as follows:

| | Not Credit-Impaired RM'000 | Credit-Impaired RM'000 | Total RM'000 |
|---------------------------------------|---|-----------------------------------|-------------------------|
| General Takaful fund | | | |
| <u>Gross carrying amount</u> | | | |
| At 1 January 2023 | 24,581 | - | 24,581 |
| Decrease | 9,345 | - | 9,345 |
| At 31 December 2023/At 1 January 2024 | <u>33,926</u> | <u>-</u> | <u>33,926</u> |
| Increase | (1,769) | - | (1,769) |
| At 30 June 2024 | <u>32,157</u> | <u>-</u> | <u>32,157</u> |

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15. OTHER ASSETS (CONTD.)

| | Not | | <u>Total</u> RM'000 |
|---------------------------------------|----------------------------------|----------------------------------|------------------------|
| | <u>Credit-Impaired</u> RM'000 | <u>Credit-Impaired</u> RM'000 | |
| Company | | | |
| <u>Gross carrying amount</u> | | | |
| At 1 January 2023 | 59,555 | - | 59,555 |
| Increase | (2,389) | - | (2,389) |
| At 31 December 2023/At 1 January 2024 | 57,166 | - | 57,166 |
| Increase | (1,717) | - | (1,717) |
| At 30 June 2024 | 55,449 | - | 55,449 |
| <u>Lifetime ECL</u> | | | |
| At 1 January 2023 | 363 | - | 363 |
| Decrease | (1) | - | (1) |
| At 31 December 2023/At 1 January 2024 | 362 | - | 362 |
| Decrease | 1 | - | 1 |
| At 30 June 2024 | 363 | - | 363 |

The carrying amounts (other than prepayments and deposits) are reasonable approximations of fair values at the reporting date due to the relatively short-term maturity of these balances.

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16. RESERVES

| | Note | 30.6.2024 RM'000 | 31.12.2023 RM'000 |
|---------------------------|-------------|-----------------------------------|------------------------------------|
| Company | | | |
| Non-distributable: | | | |
| FVOCI reserve | (i) | 12,936 | 2,312 |
| Takaful finance reserve | (ii) | 16,120 | 697 |
| Distributable: | | | |
| Retained profits | (iii) | 1,021,088 | 909,577 |
| | | <u>1,050,144</u> | <u>912,586</u> |

- (i) The FVOCI reserve of the Company arose from changes in the fair values of the financial assets which are measured at fair value through other comprehensive income.
- (ii) Takaful finance reserve presents the impact of changes in market discount rates on the Takaful certificate assets and liabilities.
- (iii) The entire distributable retained profits may be distributed to the shareholder under the single-tier system.

17. OTHER LIABILITIES

| | General Takaful fund RM'000 | Company RM'000 |
|---|--|---------------------------|
| 30.6.2024 | | |
| Amount due to Shareholder's fund* | 31,421 | - |
| Unclaimed monies | 52,179 | 52,179 |
| Service tax payable | 53,769 | 53,769 |
| Stamp duty payable | 2,327 | 2,327 |
| Withholding tax payable | 21,552 | 21,568 |
| Amounts due to related companies (Note 35(b))*: | | |
| - Ultimate holding company | - | 8,697 |
| - Penultimate holding company | - | 363 |
| - Immediate holding company | - | 1,811 |
| - Other related company | - | 27,735 |
| Zakat payable | - | 18,638 |
| Provisions for expenses | - | 17,730 |
| Other components of Takaful certificate liabilities (Note 14(a)) | 37 | 12,952 |
| Sundry payables and accrued liabilities | 855 | 37,339 |
| | <u>162,140</u> | <u>255,108</u> |
| 31.12.2023 | | |
| Amount due to Shareholder's fund* | 9,625 | - |
| Due to stockbroker | 119 | 258 |
| Unclaimed monies | 51,538 | 51,539 |
| Service tax payable | 40,560 | 40,560 |
| Stamp duty payable | 2,699 | 2,699 |
| Withholding tax payable | 21,017 | 21,017 |
| Amounts due to related companies (Note 35(b))*: | | |
| - Ultimate holding company | - | 7,758 |
| - Penultimate holding company | - | 584 |
| - Immediate holding company | - | 2,197 |
| - Other related company | 51 | 3,902 |
| Zakat payable | - | 20,056 |
| Provisions for expenses | - | 20,569 |
| Other components of Takaful certificate liabilities (Note 14(a)) | 22 | 17,312 |
| Sundry payables and accrued liabilities | 695 | 36,455 |
| | <u>126,326</u> | <u>224,906</u> |

* Amounts due to related companies and the Shareholder's fund are non-trade in nature, unsecured, not subject to any profit elements and are repayable in the short-term.

18. TAKAFUL REVENUE

The table below presents an analysis of the total takaful revenue recognised in the financial period.

| | 1.1 2024 to 30.6.2024 | | 1.1.2023 to 30.6.2023 | |
|---|------------------------------------|-----------------------|------------------------------------|-----------------------|
| | General Takaful fund RM'000 | Company RM'000 | General Takaful fund RM'000 | Company RM'000 |
| | | | (Restated) | |
| Takaful revenue from certificates measured under the PAA | | | | |
| Release of contributions for current period | 1,126,488 | 1,126,488 | 1,066,289 | 1,066,289 |
| Total takaful revenue | 1,126,488 | 1,126,488 | 1,066,289 | 1,066,289 |

19. TAKAFUL SERVICE EXPENSES

The table below presents an analysis of the total takaful service expenses recognised in the financial period.

| | Note | 1.1.2024 to 30.6.2024 | | 1.1.2023 to 30.6.2023 | |
|---|-------------|------------------------------------|-----------------------|------------------------------------|-----------------------|
| | | General Takaful fund RM'000 | Company RM'000 | General Takaful fund RM'000 | Company RM'000 |
| | | | | (Restated) | |
| Incurring claims and other directly attributable expenses | | 589,419 | 675,470 | 578,282 | 657,796 |
| Incurring wakalah fees | a | 67,007 | - | 63,441 | - |
| Incurring surplus/(deficit) to Shareholder's fund | b | 7,395 | - | (29,548) | - |
| Incurring surplus/(deficit) to participants | b | 7,395 | 7,395 | (29,548) | (29,548) |
| Unallocated surplus | | (22,207) | (18,188) | (6,566) | (1,085) |
| Changes to liabilities for incurred claims | | 193,507 | 194,395 | 110,404 | 111,424 |
| Takaful acquisition cash flow amortisation | a,c | 280,424 | 143,945 | 279,540 | 150,632 |
| Total takaful service expenses | | 1,122,940 | 1,003,017 | 966,005 | 889,219 |

Notes:

- The wakalah fees paid to the Shareholder's fund during the financial period is RM370,120,000 (2023: RM380,950,000).
- The surplus paid/(deficit) to the Shareholder's fund and certificate holder during the financial period were RM7,395,000 (2023: (RM29,548,000) respectively).
- Takaful acquisition cash flows were allocated on a straight-line basis during the coverage period of the

20. NET EXPENSES FROM RETAKAFUL CERTIFICATES HELD

The Company has disclosed an analysis of the net expenses from retakaful certificates held during the financial period, shown in the table below:

| | Note | 1.1.2024 to 30.6.2024 | | 1.1.2023 to 30.6.2023 (Restated) | |
|--|------|-----------------------------------|-------------------|-------------------------------------|-------------------|
| | | General Takaful fund RM'000 | Company RM'000 | General Takaful fund RM'000 | Company RM'000 |
| Amount relating to the changes in the assets for remaining coverage | | | | | |
| Net cost recognised in profit or loss | (i) | (176,816) | (176,816) | (174,166) | (174,166) |
| Allocation of retakaful contributions | | | | | |
| | | (176,816) | (176,816) | (174,166) | (174,166) |
| Amounts recoverable for incurred claims and other expenses | | | | | |
| Amounts recoverable for incurred claims | | 32,666 | 32,666 | 15,029 | 15,029 |
| Incurred unallocated surplus | | 9,731 | 9,731 | - | - |
| Changes to amounts recoverable from incurred claims | | 134,419 | 134,419 | 21,803 | 21,803 |
| Amounts recoverable from retakaful operators | | | | | |
| | | 176,816 | 176,816 | 36,832 | 36,832 |
| Total net expenses from retakaful certificates held | | | | | |
| | | - | - | (137,334) | (137,334) |

Note:

(i) Net cost is recognised in profit or loss during the coverage period of the corresponding groups of retakaful certificates held based on established coverage units.

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21. PROFIT INCOME FROM FINANCIAL ASSETS NOT MEASURED AT FVTPL

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| 1.1.2024 to 30.6.2024 | | |
| Financial assets at FVOCI: | | |
| - Malaysian government papers | 1,904 | 3,857 |
| - Debt securities | 44,466 | 72,977 |
| Financial assets at AC: | | |
| - Deposits with financial institutions | 11,411 | 23,405 |
| Financing receivables | | |
| - Staff loans | - | 2 |
| Other profit income | 159 | 180 |
| Total profit income from financial assets not measured at FVTPL | 57,940 | 100,421 |
| 1.1.2023 to 30.6.2023 | | |
| Financial assets at FVOCI: | | |
| - Malaysian government papers | 2,201 | 4,226 |
| - Debt securities | 38,572 | 61,518 |
| Financial assets at AC: | | |
| - Deposits with financial institutions | 15,300 | 28,980 |
| Financing receivables | | |
| - Staff loans | - | 2 |
| Other profit income | 73 | 82 |
| Total profit income from financial assets not measured at FVTPL | 56,146 | 94,808 |

22. NET FAIR VALUE GAINS/(LOSSES) ON FINANCIAL ASSETS MEASURED AT FVTPL

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| 1.1.2024 to 30.6.2024 | | |
| Realised gains on financial assets, net | 3,875 | 7,879 |
| Fair value gains on: | | |
| - Equity securities | 20,289 | 39,451 |
| - Debt securities | 12 | 12 |
| Total net fair value gains on financial assets measured at FVTPL | 24,176 | 47,342 |
| 1.1.2023 to 30.6.2023 | | |
| Realised losses on financial assets, net | (5,988) | (11,392) |
| Fair value gains on: | | |
| - Equity securities | 4,432 | 7,959 |
| - Debt securities | 220 | 220 |
| Total net fair value losses on financial assets measured at FVTPL | (1,336) | (3,213) |

23. NET FAIR VALUE GAINS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT FVOCI

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| 1.1.2024 to 30.6.2024 | | |
| Financial Assets at FVOCI | | |
| - Malaysian government papers | 568 | 568 |
| Total net fair value gains on derecognition of financial assets measured at FVOCI | 568 | 568 |

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23. NET FAIR VALUE GAINS ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT FVOCI (CONTD.)

1.1.2023 to 30.6.2023

Financial Assets at FVOCI

| | | |
|-------------------------------|-------|-------|
| - Debts securities | 87 | 87 |
| - Malaysian government papers | 1,402 | 1,869 |

| | | |
|--|--------------|--------------|
| Total net fair value gains on derecognition of financial assets measured at FVOCI | 1,489 | 1,956 |
|--|--------------|--------------|

24. OTHER INVESTMENT INCOME

| | General Takaful fund RM'000 | Company RM'000 |
|--------------------------------------|--|---------------------------|
| 1.1.2024 to 30.6.2024 | | |
| Dividend/distribution income: | | |
| - Equity securities | 2,599 | 5,399 |
| Profit income at FVTPL: | | |
| - Debts securities | 377 | 377 |
| Net amortisation of premiums | (2,342) | (3,543) |
| Investment related expenses, net | (251) | (643) |
| Total other investment income | 383 | 1,590 |
| 1.1.2023 to 30.6.2023 | | |
| Dividend/distribution income: | | |
| - Equity securities | 2,186 | 4,558 |
| - Property trust funds | 40 | 62 |
| Profit income at FVTPL: | | |
| - Debt securities | 486 | 486 |
| Net amortisation of premiums | (2,125) | (2,986) |
| Investment related expenses, net | (232) | (612) |
| Total other investment income | 355 | 1,508 |

25. NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| 1.1.2024 to 30.6.2024 | | |
| Reversal of impairment losses on: | | |
| - investments | 370 | 558 |
| Total reversal on impairment loss on financial assets | <u>370</u> | <u>558</u> |
| 1.1.2023 to 30.6.2023 | | |
| Reversal of impairment losses on: | | |
| - investments | 118 | 157 |
| Total reversal on impairment loss on financial assets | <u>118</u> | <u>157</u> |

26. FINANCE EXPENSES FROM TAKAFUL CERTIFICATES ISSUED

| | | 1.1.2024 to 30.6.2024 | 1.1.2023 to 30.6.2023 (Restated) |
|---|------|-----------------------------|---|
| | Note | RM'000 | RM'000 |
| <u>Takaful certificates</u> | | | |
| General Takaful fund | | | |
| Finance (expenses)/income from takaful certificates issued | | | |
| Profit accreted to takaful certificates using current financial assumptions | | (29,269) | (24,499) |
| Due to changes in profit rates and other financial assumptions | | 170 | 565 |
| Changes in the value of General Takaful fund | | (59,905) | - |
| Net finance expenses from takaful certificates issued | | <u>(89,004)</u> | <u>(23,934)</u> |
| Represented by: | | | |
| Amount recognised in profit or loss | | <u>(89,004)</u> | <u>(23,934)</u> |
| <u>Net investment income and net takaful financial result</u> | | | |
| Represented by: | | | |
| Amount recognised in profit and loss | | | |
| Net investment income | 26a | 83,422 | 56,785 |
| Finance expenses from takaful certificates issued | 26 | (89,004) | (23,934) |
| Finance income from retakaful certificates held | 27 | 5,582 | 4,256 |
| | | <u>-</u> | <u>37,107</u> |

It represents fair value gains or losses on underlying assets and profit income of the the General Takaful fund.

26. FINANCE EXPENSES FROM TAKAFUL CERTIFICATES ISSUED

| | | 1.1.2024 to 30.6.2024 | 1.1.2023 to 30.6.2023 (Restated) |
|---|------|-----------------------------|---|
| | Note | RM'000 | RM'000 |
| <u>Takaful certificates</u> | | | |
| Company | | | |
| Finance (expenses)/income from takaful certificates issued | | | |
| Profit accreted to takaful certificates using current financial assumptions | | (29,583) | (24,793) |
| Due to changes in profit rates and other financial assumptions | | 172 | 571 |
| Changes in the value of General Takaful fund | | (59,905) | - |
| Net finance expenses from takaful certificates issued | | <u>(89,316)</u> | <u>(24,222)</u> |
| Represented by: | | | |
| Amount recognised in profit or loss | | <u>(89,316)</u> | <u>(24,222)</u> |
| <u>Net investment income and net takaful financial result</u> | | | |
| Represented by: | | | |
| Amount recognised in profit and loss | | | |
| Net investment income | 26a | 150,455 | 95,236 |
| Finance expenses from takaful certificates issued | 26 | (89,316) | (24,222) |
| Finance income from retakaful certificates held | 27 | 5,582 | 4,256 |
| | | <u>66,721</u> | <u>75,270</u> |

It represents fair value gains or losses on underlying assets and profit income of the the Company.

27. FINANCE INCOME FROM RETAKAFUL CERTIFICATES HELD

| | 1.1.2024 to 30.6.2024 RM'000 | 1.1.2023 to 30.6.2023 (Restated) RM'000 |
|---|---------------------------------------|---|
| <u>Retakaful certificates</u> | | |
| General Takaful fund/Company | | |
| Finance income/(expenses) from retakaful certificates held | | |
| Profit accreted to retakaful certificates using current financial assumptions | 5,623 | 4,320 |
| Due to changes in profit rates and other financial assumptions | (24) | (89) |
| Changes in non-performance risk of retakaful operators | (17) | 25 |
| Net finance income from retakaful certificates held | 5,582 | 4,256 |
| Represented by: | | |
| Amount recognised in profit or loss | 5,582 | 4,256 |

28. OTHER INCOME

| | General Takaful fund RM'000 | Company RM'000 |
|------------------------------|-----------------------------------|-------------------|
| 1.1.2024 to 30.6.2024 | | |
| Other revenue | | |
| Sundry income | 10 | 291 |
| Total other income | 10 | 291 |
| 1.1.2023 to 30.6.2023 | | |
| Other revenue | | |
| Sundry income | 173 | 370 |
| Total other income | 173 | 370 |

29. OTHER EXPENSES

An analysis of the expenses incurred by the Company in the financial period is included in the table below:

| Note | 1.1.2024 to 30.6.2024 | | | | 1.1.2023 to 30.6.2023 | | | | |
|---|--|---|-----------------------|--------------|--|---|-----------------------|--------------|----------------|
| | <u>Takaful service expenses</u> | | | | <u>Takaful service expenses</u> | | | | |
| | Expenses attributed to takaful acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 | Expenses attributed to takaful acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 | |
| Commission expenses | (A) | 113,143 | 683 | - | 113,826 | 96,252 | - | - | 96,252 |
| <u>Other expenses</u> | | | | | | | | | |
| Employee benefits expense (a) | | 27,430 | 41,834 | 1,661 | 70,925 | 24,450 | 36,715 | 1,464 | 62,629 |
| Directors' remuneration | 30 | - | - | 405 | 405 | - | - | 411 | 411 |
| Shariah Committee's remuneration | 31 | - | - | 97 | 97 | - | - | 132 | 132 |
| Auditors' remuneration: | | | | | | | | | |
| - statutory audits | | 90 | 128 | - | 218 | 64 | 88 | - | 152 |
| - regulatory related services | | 16 | 23 | - | 39 | 12 | 17 | - | 29 |
| - other services | | 13 | 18 | - | 31 | 11 | 15 | - | 26 |
| Amortisation of intangible assets | | 66 | 94 | - | 160 | 92 | 126 | - | 218 |
| Auto assist service | | - | 11,962 | - | 11,962 | - | 12,042 | - | 12,042 |
| Other finance cost | | - | 6,994 | - | 6,994 | 1 | 6,206 | 2 | 6,209 |
| Depreciation of property, plant and equipment | | 516 | 729 | - | 1,245 | 587 | 809 | - | 1,396 |
| Other management fees | | 302 | 217 | - | 519 | 98 | 6 | - | 104 |
| Outside services & others | | 30 | 374 | - | 404 | 26 | 249 | - | 275 |
| Professional fees | | 976 | 1,706 | - | 2,682 | 1,514 | 3,804 | - | 5,318 |
| Short term leases | | 1,439 | 2,277 | - | 3,716 | 1,488 | 2,201 | - | 3,689 |
| Small value assets | | 6 | 249 | - | 255 | 6 | 246 | - | 252 |
| Office facilities expenses | | 159 | 230 | - | 389 | 199 | 274 | - | 473 |
| Electronic data processing expenses | | 2,012 | 2,847 | - | 4,859 | 1,256 | 1,730 | - | 2,986 |
| Information technology outsourcing | | 1,819 | 2,574 | - | 4,393 | 2,633 | 3,631 | - | 6,264 |
| Postage and stamp duties | | 17 | 922 | 10 | 949 | 22 | 1,325 | - | 1,347 |
| Printing and stationery | | 45 | 954 | - | 999 | 31 | 622 | - | 653 |
| Promotional and marketing cost | | 13,484 | 221 | 3,401 | 17,106 | 20,364 | 268 | 61 | 20,693 |
| Training expenses | | 267 | 465 | 13 | 745 | 264 | 305 | - | 569 |
| Utilities, assessment and maintenance | | 317 | 597 | 2 | 916 | 453 | 775 | 1 | 1,229 |
| Entertainment | | - | - | 182 | 182 | - | - | 130 | 130 |
| Travelling expenses | | 228 | 361 | 1 | 590 | 169 | 263 | 2 | 434 |
| Tax services expense | | - | - | - | - | 1 | 2 | - | 3 |
| Legal fees | | 8 | 22 | - | 30 | 18 | 24 | - | 42 |
| Licence, subscription and levies | | 541 | 4,213 | - | 4,754 | 265 | 2,867 | 1 | 3,133 |
| Contract staff services | | 317 | 1,307 | - | 1,624 | 229 | 967 | 1 | 1,197 |
| Policy related expenses | | 4,331 | 2,119 | 18 | 6,468 | 2,668 | 1,925 | 26 | 4,619 |
| Total other expenses | (A) + (B) | 54,429 | 83,437 | 5,790 | 143,656 | 56,921 | 77,502 | 2,231 | 136,654 |

29. OTHER EXPENSES (CONTD.)

An analysis of the expenses incurred by the Company in the financial period is included in the table below: (contd.)

| | 1.1.2024 to 30.6.2024 | | | | 1.1.2023 to 30.6.2023 | | | | |
|---|-----------------------|--|---|-----------------------|-------------------------------------|--|---|-----------------------|-------------------------------------|
| | Note | Expenses attributed to takaful acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 | Expenses attributed to takaful acquisition cash flows RM'000 | Other directly attributable expenses RM'000 | Other expenses RM'000 | Total RM'000 |
| Other operating expenses | | | | | | | | | |
| Sundry expenditure | | 610 | 1,931 | (315) | 2,226 | 645 | 2,013 | (378) | 2,280 |
| Total other operating expenses | (C) | 610 | 1,931 | (315) | 2,226 | 645 | 2,013 | (378) | 2,280 |
| Total other expenses | (A) + (B) + (C) | 168,182 | 86,051 | 5,475 | 259,708 | 153,818 | 79,515 | 1,853 | 235,186 |
| | | | | | 1.1.2024 to 30.6.2024 RM'000 | | | | 1.1.2023 to 30.6.2023 RM'000 |
| Represented by: | | | | | | | | | |
| Takaful service expenses | | | | | 254,233 | | | | 233,333 |
| Other expenses | | | | | 5,475 | | | | 1,853 |
| | | | | | 259,708 | | | | 235,186 |
| | | | | | 1.1.2024 to 30.6.2024 RM'000 | | | | 1.1.2023 to 30.6.2023 RM'000 |
| (a) Employee benefits expenses: | | | | | | | | | |
| Wages, salaries and bonus | | | | | 52,770 | | | | 46,958 |
| Employees' Provident Fund ("EPF") | | | | | 8,183 | | | | 7,550 |
| Social Security Organisation ("SOCSO") | | | | | 424 | | | | 426 |
| Share-based compensation | | | | | 778 | | | | 630 |
| Other benefits | | | | | 8,770 | | | | 7,065 |
| | | | | | 70,925 | | | | 62,629 |
| | | | | | | | | | |
| Included in employee benefits expense above are remuneration of CEOs of the Company amounting to RM1,365,000 (2023: RM1,110,000) further disclosed in Note 29(b) below. | | | | | | | | | |
| (b) The details of CEO's remuneration during the financial period are as follows: | | | | | | | | | |
| | | | | | 1.1.2024 to 30.6.2024 RM'000 | | | | 1.1.2023 to 30.6.2023 RM'000 |
| Salaries | | | | | 474 | | | | 435 |
| Bonus | | | | | 450 | | | | 350 |
| EPF | | | | | 152 | | | | 129 |
| Share-based compensation | | | | | 140 | | | | 87 |
| Other emoluments | | | | | 149 | | | | 109 |
| | | | | | 1,365 | | | | 1,110 |

30. DIRECTORS' FEES AND REMUNERATION

| Company | 1.1.2024 to 30.6.2024 RM'000 | 1.1.2023 to 30.6.2023 RM'000 |
|---|---------------------------------------|---------------------------------------|
| Executive director: | | |
| Fees | 60 | 60 |
| Other emoluments | 8 | 12 |
| | 68 | 72 |
| Non-executive directors: | | |
| Fees | 270 | 270 |
| Other emoluments | 67 | 69 |
| | 337 | 339 |
| Total directors' fees and remuneration | 405 | 411 |

The details of the remuneration of the directors of the Company are as follows:

| | Fees RM'000 | Other Emoluments RM'000 | Total RM'000 |
|--|----------------|-------------------------------|-----------------|
| 1.1.2024 to 30.6.2024 | | | |
| Executive director: | | | |
| Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican | 60 | 8 | 68 |
| Non-executive directors: | | | |
| Dato' Majid bin Mohamad (Chairman) | 90 | 12 | 102 |
| Prof. Datin Dr. Rusni binti Hassan | 60 | 12 | 72 |
| Mr Raymond Wong Shu Yoon | 60 | 31 | 91 |
| Mr Dominik Jacqueline A Smeets | 60 | 12 | 72 |
| Total directors' fees and remuneration | 330 | 75 | 405 |
| 1.1.2023 to 30.6.2023 | | | |
| Executive director: | | | |
| Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican | 60 | 12 | 72 |
| Non-executive directors: | | | |
| Dato' Majid bin Mohamad (Chairman) | 90 | 12 | 102 |
| Mr Philippe Pol Arthur Latour | 60 | 10 | 70 |
| Prof. Datin Dr. Rusni binti Hassan | 60 | 16 | 76 |
| Mr Raymond Wong Shu Yoon | 60 | 31 | 91 |
| Total directors' fees and remuneration | 330 | 81 | 411 |

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31. SHARIAH COMMITTEE'S FEES AND REMUNERATION

| Company | 1.1.2024 to 30.6.2024 RM'000 | 1.1.2023 to 30.6.2023 RM'000 |
|--|---|---|
| Fees | 55 | 68 |
| Other emoluments | 42 | 64 |
| Total Shariah Committee's fees and remuneration | 97 | 132 |

The details of the remuneration of the Shariah Committee of the Company are as follows:

| | Fees RM'000 | Other Emoluments RM'000 | Total RM'000 |
|--|------------------------|--|-------------------------|
| 1.1.2024 to 30.6.2024 | | | |
| Shariah Committee: | | | |
| Prof. Dr. Azman bin Mohd Noor | 13 | 9 | 22 |
| Prof. Dr. Aznan bin Hasan (Retired w.e.f 31 May 2024) | 9 | 7 | 16 |
| Prof. Datin Dr. Rusni binti Hassan (Resigned w.e.f 29 February 2024) | 4 | 4 | 8 |
| Prof. Dr. Abdul Rahim bin Abdul Rahman | 11 | 6 | 17 |
| Prof. Emeritus Dato' Dr. Mohd Azmi bin Omar | 11 | 9 | 20 |
| Sahibus Samahah Dato' Dr. Mohamad Sabri bin Haron (Retired w.e.f 31 December 2023) | - | - | - |
| Dr Muhammad Najib bin Abdullah (Member w.e.f 4 April 2024) | 5 | 5 | 10 |
| Prof. Dr Sharifah Faigah binti Syed Alwi (Member w.e.f 1 June 2024) | 2 | 2 | 4 |
| Total Shariah Committee's fees and remuneration | 55 | 42 | 97 |

1.1.2023 to 30.6.2023

| | | | |
|--|-----------|-----------|------------|
| Shariah Committee: | | | |
| Prof. Dr. Azman bin Mohd Noor (Chairman w.e.f 1 January 2023) | 13 | 11 | 24 |
| Prof. Dr. Aznan bin Hasan | 11 | 11 | 22 |
| Prof. Datin Dr. Rusni binti Hassan | 11 | 11 | 22 |
| Prof. Dato' Dr. Mohd Azmi bin Omar | 11 | 10 | 21 |
| Sahibus Samahah Dato' Dr. Mohamad Sabri bin Haron | 11 | 10 | 21 |
| Total Shariah Committee's fees and remuneration | 68 | 64 | 132 |

32. TAX EXPENSE ATTRIBUTABLE TO PARTICIPANTS

| | 1.1.2024 | 1.1.2023 |
|---|------------------|------------------|
| | to | to |
| | 30.6.2024 | 30.6.2023 |
| | RM'000 | RM'000 |
| General Takaful fund/Company | | |
| <u>Income Statement</u> | | |
| Deferred taxation: | | |
| Relating to origination and reversal of temporary differences | 3,558 | 230 |
| | <u>3,558</u> | <u>230</u> |

The deferred income tax for General Takaful fund is calculated at the Malaysian statutory tax rate of 24% (2023 : 24%) of the estimated assessable profit for the financial period.

33. TAXATION

Tax expense/(credit)

The major components of income tax expense for the financial period ended 30 June 2024 and 30 June 2023 are as follows:

| | 1.1.2024 | 1.1.2023 |
|---|------------------|-------------------|
| | to | to |
| | 30.6.2024 | 30.6.2023 |
| | RM'000 | RM'000 |
| | | (Restated) |
| | | RM'000 |
| Company | | |
| <u>Income Statement</u> | | |
| Income tax: | | |
| Current financial period | 40,746 | 28,119 |
| Deferred taxation: | | |
| Relating to origination and reversal of temporary differences | 2,210 | 6,070 |
| | <u>42,956</u> | <u>34,189</u> |

33. TAXATION (CONTD.)

| | 1.1.2024 | 1.1.2023 |
|--|------------------|------------------|
| | to | to |
| | 30.6.2024 | 30.6.2023 |
| | RM'000 | RM'000 |

General Takaful fund

Statement of Comprehensive Income

Deferred income tax related to other comprehensive income:

| | | |
|--|--------------|---------------|
| - Fair value changes on debt securities at FVOCI | 3,607 | 14,879 |
| - Fair value changes on equity securities at FVOCI | 1,086 | (297) |
| | <u>4,693</u> | <u>14,582</u> |

Company

Statement of Comprehensive Income

Deferred income tax related to other comprehensive income:

| | | |
|--|--------------|---------------|
| - Fair value changes on debt securities at FVOCI | 5,470 | 23,988 |
| - Fair value changes on equity securities at FVOCI | 2,358 | (763) |
| | <u>7,828</u> | <u>23,225</u> |

Reconciliation between tax expense and accounting profit

The reconciliation of income tax expense applicable to profit before taxation and zakat at the statutory income tax rate to income tax expense at the effective income tax rate of the Company are as follows:

| | 1.1.2024 | 1.1.2023 |
|---|------------------|-------------------|
| | to | to |
| | 30.6.2024 | 30.6.2023 |
| | RM'000 | RM'000 |
| | | (Restated) |
| Profit before taxation and zakat | 181,450 | 113,293 |
| Taxation at Malaysian statutory tax rate of 24% | 43,548 | 27,190 |
| Income not subject to tax | (2,571) | (17,097) |
| Expenses not deductible for tax purposes | 1,979 | 24,096 |
| Tax expense for the financial period | <u>42,956</u> | <u>34,189</u> |

The domestic income tax for the General Takaful fund and Company are calculated at the Malaysian statutory tax rate of 24% (2023 : 24%) of the estimated assessable profit for the financial period.

34. EARNINGS PER SHARE

Basic and diluted earnings per share ("EPS") is calculated by dividing the profit for the financial period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the interim financial period.

| | 1.1.2024 to 30.6.2024 | 1.1.2023 to 30.6.2023 (Restated) |
|--|--------------------------------------|---|
| Profit attributable to ordinary equity holders (RM'000) | <u>127,631</u> | <u>69,295</u> |
| Weighted average number of ordinary shares in issue at 30 June (Units '000) | <u>931,350</u> | <u>931,350</u> |
| Basic and diluted earnings per share (sen) | <u>13.70</u> | <u>7.44</u> |

There were no potential dilutive effects on the ordinary shares during and at the end of financial period. There have been no other transactions involving ordinary shares between the reporting date and the authorisation date of the financial statements.

35. SIGNIFICANT RELATED PARTY DISCLOSURES

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel, defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel includes the Directors and Chief Executive Officer of the Company.

The Company has related party relationships with its holding companies, fellow subsidiary companies, key management personnel and the subsidiaries and associates of a company with significant influence over its shareholders.

Related party transactions have been entered into in the normal course of business under normal trade terms.

(a) Significant transactions of the Company with related parties during the financial period were as follow:

| | General Takaful fund RM'000 | Company RM'000 |
|---|--|---------------------------|
| Income/(expenses): | | |
| 1.1.2024 to 30.6.2024 | | |
| Ultimate holding company: | | |
| Gross contribution income | 1,022 | 1,022 |
| Commission and fee expenses | - | (12,964) |
| Claims paid | (300) | (300) |
| Employee's Share Grant Plan ("ESGP") | - | (350) |
| Bank charges | - | (512) |
| | <hr/> | <hr/> |
| Immediate holding company: | | |
| Gross contribution income | 9 | 9 |
| Shared services costs | - | (9,934) |
| | <hr/> | <hr/> |
| Penultimate holding company: | | |
| Gross contribution income | 1 | 1 |
| Other expenses | - | (178) |
| | <hr/> | <hr/> |

35. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTD.)

(a) Significant transactions of the Company with related parties during the financial period were as follow: (contd.)

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| Income/(expenses): (contd.) | | |
| 1.1.2024 to 30.6.2024 (contd.) | | |
| Fellow subsidiaries within the MAHB Group: | | |
| Gross contribution income | 34 | 34 |
| Rental expenses | - | (3,593) |
| Shared services costs | - | (16,504) |
| | <hr/> | <hr/> |
| Fellow subsidiaries within the EIHSB Group: | | |
| Gross contribution income | 13 | 13 |
| Consultation fee | - | (1,526) |
| Shared service costs | - | (360) |
| | <hr/> | <hr/> |
| Other related companies within the Maybank Group: | | |
| Gross contribution income | 1,261 | 1,261 |
| Profit income | 1,628 | 2,696 |
| Information technology outsourcing | - | (4,393) |
| Commission and fee expenses | - | (4,763) |
| Investment expenses | (250) | (433) |
| Claims paid | (1) | (1) |
| | <hr/> | <hr/> |
| Companies with significant influence over the Maybank Group: | | |
| Gross contribution income | 4,712 | 4,712 |
| Claims paid | (905) | (905) |
| | <hr/> | <hr/> |
| Companies with significant influence over the MAHB Group: | | |
| Contribution ceded to retakaful | (261) | (261) |
| Claims paid recovery from retakaful | 2 | 2 |
| | <hr/> | <hr/> |

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

(a) Significant transactions of the Company with related parties during the financial period were as follow: (contd.)

| Income/(expenses) (contd.) | General Takaful fund RM'000 | Company RM'000 |
|---|--|---------------------------|
| 1.1.2023 to 30.6.2023 | | |
| Ultimate holding company: | | |
| Gross contribution income | 85 | 85 |
| Commission and fee expenses | - | (13,983) |
| Bank charges | - | (506) |
| ESGP | - | (473) |
| | <hr/> | <hr/> |
| Immediate holding company: | | |
| Gross contribution income | 340 | 340 |
| Shared services costs | - | (9,262) |
| Other expenses | - | (143) |
| Remuneration of a seconded employee | - | (113) |
| | <hr/> | <hr/> |
| Fellow subsidiaries within the MAHB Group: | | |
| Gross contribution income | 26 | 26 |
| Rental expenses | - | (3,548) |
| Shared services costs | - | (19,411) |
| | <hr/> | <hr/> |
| Fellow subsidiaries within the EIHSB Group: | | |
| Gross contribution income | 18 | 18 |
| Consultation fee | - | (3,729) |
| | <hr/> | <hr/> |
| Other related companies within the Maybank Group: | | |
| Gross contribution income | 3,995 | 3,995 |
| Profit income | 4,152 | 7,797 |
| Information technology outsourcing | - | (3,711) |
| Commission and fee expenses | - | (4,821) |
| Investment expenses | (232) | (402) |
| Claims paid | (18) | (18) |
| | <hr/> | <hr/> |

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

- (a) Significant transactions of the Company with related parties during the financial period were as follow: (contd.)

| | General Takaful Fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| Income/(expenses) (contd.) | | |
| 1.1.2023 to 30.6.2023 (contd.) | | |
| Companies with significant influence over the Maybank Group: | | |
| Gross contribution income | 30,622 | 30,622 |
| Claims paid | <u>(95)</u> | <u>(95)</u> |
| Companies with significant influence over the MAHB Group: | | |
| Contribution ceded to retakaful | <u>(709)</u> | <u>(709)</u> |

- (b) Included in the statement of financial position of the Company are amounts due from/(to) related companies represented by the following:

30.06.2024

| | | |
|---|----------|-----------------|
| Ultimate holding company: | | |
| Bank balances | (10,128) | (9,878) |
| Outstanding contributions | 2,746 | 2,746 |
| Amount due to ultimate holding company (Note 17) | <u>-</u> | <u>(8,697)</u> |
| Immediate holding companies: | | |
| Outstanding contributions | 289 | 289 |
| Amount due to immediate holding company (Note 17) | <u>-</u> | <u>(1,811)</u> |
| Penultimate holding companies: | | |
| Amount due to penultimate holding company (Note 17) | <u>-</u> | <u>(363)</u> |
| Fellow subsidiaries within the MAHB Group: | | |
| Amount due to other related companies (Note 17) | <u>-</u> | <u>(27,457)</u> |

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

(b) Included in the statement of financial position of the Company are amounts due from/(to) related companies represented by the following: (contd.)

| | General Takaful Fund RM'000 | Company RM'000 |
|---|--|---------------------------|
| 30.6.2024 (contd.) | | |
| Fellow subsidiaries within the EIHSB Group: | | |
| Amount due to other related company (Note 17) | - | (278) |
| Other related companies within the Maybank Group: | | |
| Fixed and call deposits | 118,652 | 167,008 |
| Income and profit due and accrued | 223 | 370 |
| Claim liabilities | (31) | (31) |
| Sundry payables and accrued liabilities | - | (5,233) |
| Companies with significant influence over the Maybank Group: | | |
| Claim liabilities | (2,682) | (2,682) |
| Companies with significant influence over the MAHB Group: | | |
| Outstanding contribution to retakaful | (82) | (82) |
| Outstanding claims recovery | 62 | 62 |
| | General Takaful fund RM'000 | Company RM'000 |
| 31.12.2023 | | |
| Ultimate holding company: | | |
| Bank balances | 18,725 | 18,954 |
| Outstanding contributions | 2,746 | 2,746 |
| Amount due to ultimate holding company (Note 17) | - | (7,758) |

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

(b) Included in the statement of financial position of the Company are amounts due from/(to) related companies represented by the following: (contd.)

| | General Takaful fund RM'000 | Company RM'000 |
|--|--|---------------------------|
| 31.12.2023 (contd.) | | |
| Immediate and penultimate holding companies: | | |
| Outstanding contributions | 289 | 289 |
| Amount due to immediate holding company (Note 17) | - | (2,197) |
| Amount due to penultimate holding company (Note 17) | - | (584) |
| | <u>-</u> | <u>(584)</u> |
| Fellow subsidiaries within the MAHB Group: | | |
| Amount due to other related companies (Note 17) | - | (3,313) |
| Outstanding claim recovery from retakaful | 60 | 60 |
| | <u>60</u> | <u>60</u> |
| Fellow subsidiaries within the EIHSB Group: | | |
| Amount due to other related companies (Note 17) | - | (498) |
| | <u>-</u> | <u>(498)</u> |
| Other related companies within the Maybank Group: | | |
| Fixed and call deposits | 150,404 | 249,533 |
| Income and profit due and accrued | 2,052 | 2,971 |
| Claim liabilities | (31) | (31) |
| Amount due to other related companies (Note 17) | (51) | (91) |
| Sundry payables and accrued liabilities | - | (7,512) |
| | <u>-</u> | <u>(7,512)</u> |
| Companies related to a company with significant influence over the Maybank Group: | | |
| Claim liabilities | - | (3,121) |
| | <u>-</u> | <u>(3,121)</u> |

Trade and investments related balances with related companies are subject to normal trade terms. The terms for non-trade balances with related companies are as disclosed in Note 17.

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTD.)

(c) Key management personnel compensation

(i) The remuneration of key management personnel during the financial period were as follows:

| | 1.1.2024 | 1.1.2023 |
|--|------------------|------------------|
| | to | to |
| | 30.6.2024 | 30.6.2023 |
| | RM'000 | RM'000 |
| Short-term employee benefits | | |
| - Fees | 330 | 330 |
| - Salaries, allowances and bonuses | 924 | 785 |
| - Contribution to EPF and pension scheme | 152 | 129 |
| - Share-based compensation | 140 | 87 |
| - Other emoluments | 224 | 190 |
| | <u>1,770</u> | <u>1,521</u> |

The remuneration of other key management personnel, being the executive director and non-executive directors of the Company are as disclosed in Notes 29 and 30 of the unaudited interim condensed financial statements.

(ii) The number of shares awarded for ESGP to key management personnel were as follows:

| | 30.6.2024 | 31.12.2023 |
|-------------------------------------|-------------------|-------------------|
| | Units '000 | Units '000 |
| At 1 January 2024/At 1 January 2023 | 393 | 348 |
| Awarded | 45 | 45 |
| At 30 June 2024/At 31 December 2023 | <u>438</u> | <u>393</u> |

36. REGULATORY CAPITAL REQUIREMENT

The capital structure of the Company as at 30 June 2024 and 31 December 2023, as prescribed under the RBCT Framework, are provided below:

| | 30.6.2024 | 31.12.2023 |
|------------------------------------|-------------------------|-------------------------|
| | RM'000 | RM'000 |
| Company | | |
| Eligible Tier 1 Capital | | |
| Paid up share capital | 970,001 | 970,001 |
| Valuation surplus in takaful funds | 229,879 | 218,647 |
| Retained earnings | 1,023,941 | 907,901 |
| | <u>2,223,821</u> | <u>2,096,549</u> |
| Tier 2 Capital | | |
| FVOCI reserve | 27,099 | 2,311 |
| | <u>27,099</u> | <u>2,311</u> |
| Amount deducted from capital | <u>(48,886)</u> | <u>(54,187)</u> |
| Total Capital Available | <u>2,202,034</u> | <u>2,044,673</u> |

37. FAIR VALUES MEASUREMENTS

(a) Valuation principles

The levels of the fair value hierarchy as defined by MFRS are an indication of the observability of prices or valuation input. It can be classified by the following hierarchies/levels:

- Level 1 : Active Market – Quoted price

Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on an exchange.

- Level 2 : No Active Market – Valuation techniques using significant observable input

Refers to inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Examples of Level 2 financial instruments include corporate and other government bonds, less liquid equities and over the counter ("OTC") derivatives.

- Level 3 : No Active Market – Valuation techniques using unobservable input

Refers to financial instruments where fair values are measured using unobservable market inputs. The valuation technique is consistent with Level 2. The chosen valuation technique incorporates management's assumptions and data.

Examples of Level 3 instruments include corporate bonds in illiquid markets and private equity investments.

37. FAIR VALUES MEASUREMENTS (CONTD.)

(b) Fair value measurements and classification within the fair value hierarchy

General Takaful fund

| | Valuation technique using: | | | Total RM'000 |
|--|---|--|--|------------------|
| | Level 1 Quoted market prices RM'000 | Level 2 Significant Observable inputs RM'000 | Level 3 Significant Unobservable inputs RM'000 | |
| 30.6.2024 | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| (i) Designated upon initial recognition | | | | |
| Debt securities | - | 13,479 | - | 13,479 |
| (ii) Held for trading (HFT) | | | | |
| Equity securities | 137,695 | - | - | 137,695 |
| Financial assets at FVOCI | | | | |
| Malaysian government papers | - | 92,541 | - | 92,541 |
| Debt securities | - | 2,018,112 | - | 2,018,112 |
| Equity securities | 40,212 | - | - | 40,212 |
| Total assets | 177,907 | 2,124,132 | - | 2,302,039 |
| 31.12.2023 | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| (i) Designated upon initial recognition | | | | |
| Debt securities | - | 13,533 | - | 13,533 |
| (ii) Held for trading (HFT) | | | | |
| Equity securities | 65,874 | - | - | 65,874 |
| Financial assets at FVOCI | | | | |
| Malaysian government papers | - | 92,638 | - | 92,638 |
| Debt securities | - | 1,966,723 | - | 1,966,723 |
| Equity securities | 35,689 | - | - | 35,689 |
| Total assets | 101,563 | 2,072,894 | - | 2,174,457 |

37. FAIR VALUES MEASUREMENTS (CONTD.)

(b) Fair value measurements and classification within the fair value hierarchy (contd.)

Company

| | Valuation technique using: | | | Total RM'000 |
|--|---|--|--|------------------|
| | Level 1 Quoted market prices RM'000 | Level 2 Significant Observable inputs RM'000 | Level 3 Significant Unobservable inputs RM'000 | |
| 30.6.2024 | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| (i) Designated upon initial recognition | | | | |
| Debt securities | - | 13,479 | - | 13,479 |
| (ii) Held for trading (HFT) | | | | |
| Equity securities | 267,507 | - | - | 267,507 |
| Financial assets at FVOCI | | | | |
| Malaysian government papers | - | 185,766 | - | 185,766 |
| Debt securities | - | 3,332,439 | - | 3,332,439 |
| Equity securities | 87,846 | - | - | 87,846 |
| Total assets | 355,353 | 3,531,684 | - | 3,887,037 |
| 31.12.2023 | | | | |
| <u>Assets</u> | | | | |
| Financial assets at FVTPL | | | | |
| (i) Designated upon initial recognition | | | | |
| Debt securities | - | 13,533 | - | 13,533 |
| (ii) Held for trading (HFT) | | | | |
| Equity securities | 134,258 | - | - | 134,258 |
| Financial assets at FVOCI | | | | |
| Malaysian government papers | - | 185,451 | - | 185,451 |
| Debt securities | - | 3,218,804 | - | 3,218,804 |
| Equity securities | 78,021 | - | - | 78,021 |
| Total assets | 212,279 | 3,417,788 | - | 3,630,067 |

37. FAIR VALUE MEASUREMENTS (CONTD.)

(c) Transfer between Level 1 and Level 2 in the fair value hierarchy

Assets and liabilities of the Company are recognised in the financial statements on a recurring basis. The Company determine whether transfers have occurred between fair value hierarchy levels by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1 and Level 2 for the Company during the financial period ended 30 June 2024 and financial year ended 31 December 2023.

38. COMPARATIVE INFORMATION

The comparative financial information of the interim period ended 30 June 2023, presented in the condensed consolidated interim financial statements, is based on unaudited figures.

As a result of the implementation of IFRS 17 *Insurance Contracts* for period ended 30 June 2023, which required significant adjustments and reclassifications to align with the new accounting standard, the comparative information was prepared in a provisional basis to comply with the transitional requirements of IFRS 17 including the statement of financial position of the Company as at 30 June 2023, and the statements of income statement, statement of other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the period ended 30 June 2023 and related disclosures.