Tune Protect

Insurance Simplified

Tune Protect Group Berhad

Integrated Annual Report 2023

INSIDE THIS REPORT

COVER RATIONALE

Our Integrated Annual Report cover this year embodies the vibrant spirit of Tune Protect, reflecting our commitment to being the lifestyle insurer that everyone loves. We serve our customers with comprehensive digital services, ensuring swift access to our products and offerings designed to be easy, accessible, fast and efficient, so that our customers can enjoy peace of mind without any hassle.

We encourage you to go paperless – opt for the digital version of this report that is available on our corporate website at **www.tuneprotect.com/corporate/group/investor-relations/reports-presentations** or through scanning the QR code.

Tune Protect Insurance Simplified
Tune Protect Group Berhad

GLOSSARY

Terms	
Bursa Malaysia, Bursa Securities or Bursa	Bursa Malaysia Securities Berhad
Overseas Ventures	Tune Protect Commercial Brokerage LLC and Tune Insurance Public Company Limited
The Board or Board	Board of Directors
The Group	Tune Protect Group Berhad and its subsidiaries
Tune Protect or The Group and its Overseas Ventures	Tune Protect Group Berhad, its subsidiaries and Overseas Ventures
Tune Protect EMEIA or TPEMEIA	Tune Protect Commercial Brokerage LLC
Tune Protect Group, The Company or TPG	Tune Protect Group Berhad
Tune Protect Malaysia or TPM	Tune Insurance Malaysia Berhad
Tune Protect Re or TPR	Tune Protect Re Ltd.
Tune Protect Thailand or TPT	Tune Insurance Public Company Limited
Tune Protect Ventures, TPV or TPL	Tune Protect Ventures Sdn. Bhd.
White Label	White Label Sdn. Bhd.

Acronyms	
AGM	Annual General Meeting
AML	Anti-Money Laundering
ASEAN	Association of Southeast Asian Nations
B2B	Business-to-Business
B2B2C	Business-to-Business-to-Consumer
B2C	Business-to-Consumer
BNM	Bank Negara Malaysia
CG	Corporate Governance
CO_2	Carbon Dioxide
CoC	Code of Conduct
CoG	Corporate Good
CRMSA	Climate Risk Management and Scenario Analysis
EMEIA	Europe, Middle East, India and Africa
ESG	Environmental, Social and Governance
FY	Financial Year
GRI	Global Reporting Initiative
HQ	Headquarters
HR	Human Resources
IAR	Integrated Annual Report
LAT	Loss After Tax
LLC	Limited Liability Company
LTIP	Long Term Incentive Plan
MFRS	Malaysian Financial Reporting Standards
MSWG	Minority Shareholders Watch Group
MWh	Megawatt hours
NPS	Net Promoter Score
PA	Personal Accident
PAT	Profit After Tax
PDPA	Personal Data Protection Act 2010
RM	Ringgit Malaysia
RRPT	Recurrent Related Party Transactions
SME	Small and Medium Enterprise
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes Carbon Dioxide equivalent, metric measure of emissions from all greenhouse gases based on their global-warming potential
THB	Thai Baht
UAE	United Arab Emirates
UN	United Nations
UNSDG	United Nations Sustainable Development Goal
YoY	Year-on-year

REPORTING FRAMEWORK

Welcome to Tune Protect Group's IAR2023

REPORTING APPROACH

This is Tune Protect Group's IAR2023, prepared in accordance with the International <IR> Framework by the International Integrated Reporting Council ("IIRC"), consolidated into the International Financial Reporting Standards Foundation. Our approach to disclosure has been aligned to the integrated thinking framework since 2021, providing concise, interlinked and clear reporting of our objectives, strategies and performance across the board.

This IAR2023 outlines our unique business model, strategic focus and material matters. We report on our non-financial performance in the Sustainability Statement, covering our Governance and management of the Economic, Environmental, and Social aspects of our business. We strive towards fully integrated reporting, which is a dynamic and continuous process.

REPORTING PERIOD

This IAR2023 covers the period from 1 January 2023 to 31 December 2023 (FY2023) unless otherwise stated.

REPORTING SCOPE AND BOUNDARY

Integrated Annual Report

This IAR2023 covers the financial and non-financial performance of our operations in Malaysia, comprising Tune Protect Group, Tune Protect Malaysia, Tune Protect Re, Tune Protect Ventures and White Label; our associate company, Tune Protect Thailand; and our joint venture company, Tune Protect EMEIA.

Sustainability Statement

The Sustainability Statement section in this IAR2023 covers our operations in Malaysia, comprising Tune Protect Group, Tune Protect Malaysia, Tune Protect Re, Tune Protect Ventures and White Label. Our associate and joint venture entities outside of Malaysia are excluded in this reporting scope.

REFERENCES AND GUIDELINES

This IAR2023 was prepared and guided by referencing to the following frameworks and disclosure requirements:

Corporate Sections

- IIRC's International <IR> Framework
- Bursa Malaysia's Main Market Listing Requirements ("MMLR")
- Bursa Malaysia's Management Discussion & Analysis Disclosure Guide

Sustainability Statement

- IIRC's International <IR> Framework
- Bursa Malaysia's Sustainability Reporting Guide (3rd Edition)
- Global Sustainability Standards Board's GRI Standards
- The Financial Stability Board's Task Force on Climate-Related Financial Disclosures ("TCFD")*
- Intergovernmental Panel on Climate Change's ("IPCC") Guidelines for National Greenhouse Gas Inventories
- Greenhouse Gas Protocol ("GHG Protocol")
- Bursa Malaysia ESG Reporting Platform for Mandatory ESG Reporting

Corporate Governance

- IIRC's International <IR> Framework
- Securities Commission Malaysia's Malaysian Code on Corporate Governance ("MCCG") 2021 and Corporate Governance Strategic Priorities 2021-2023
- Companies Commission of Malaysia's Companies Act 2016
- Bursa Malaysia's Statement on Risk Management & Internal Control Guidelines for Directors of Listed Issuers

Financial Statement

- Malaysian Accounting Standards Board's Malaysian Financial Reporting Standards ("MFRS")
- International Accounting Standards Board's International Financial Reporting Standards ("IFRS")

* *The Financial Stability Board was disbanded in October 2023 with the IFRS Foundation taking over the monitoring of the progress of companies' climate-related disclosures.*

REPORTING FRAMEWORK

NAVIGATION ICONS

This report employs the use of icons to link our strategy and material matters to our activities and outcomes.

THE CAPITALS

F Financial Capital	S Social & Relationship Capital	I Intellectual Capital
H Human Capital	N Natural Capital	M Manufactured Capital

BUSINESS PILLARS

Health
Offering affordable, personalised and bite-sized health solutions tailored to the Millennial and Zillennial segment.

Lifestyle
Providing varied protections catered to an individual's lifestyle. From travel to motor or gadget protection, we have got it all covered.

SME
Safeguarding SME business owners from unforeseen risks to their business and protecting their employees' health and well-being.

SUSTAINABILITY DISCLOSURES

Tune Protect Group has reported the information cited in the GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

Refer GRI content index on pages 304 to 308 of this IAR2023.

ASSURANCE

For balanced, meaningful and accurate disclosures, information in the Sustainability Statement of this IAR2023 is subject to an internal review by the Internal Auditor.

MEMBERSHIPS AND ASSOCIATIONS

The Group is a member of the following associations:

- ✔ General Insurance Association of Malaysia ("PIAM")
- ✔ Labuan International Insurance Association ("LIIA")

OTHERS

Find more information inside this report

Link to our offical website at **tuneprotect.com**

We welcome your feedback on our report. All feedback and enquiries can be directed to:

Address	:	Level 9, Wisma Capital A, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia
Tel	:	+603 2056 6200
Email	:	**ir@tuneprotect.com**
Sustainability-related	:	**sustainability@tuneprotect.com**

Annual Report

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Tune Protect Group Berhad has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong ESG practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE4Good

FACTS AT A GLANCE

OUR VALUE CREATION IN PRACTICE

This year marks our third year of publishing an Integrated Report, utilising integrated thinking and reporting methods to offer a comprehensive perspective on our operations. To that end, we endeavour to provide an overview of our Capitals, which represent the valuable resources we utilise in our business model. These Capitals are interconnected and undergo transformation through our actions and operations to produce beneficial results for our stakeholders. By managing and allocating resources across all Capitals holistically, we hope to ensure that our business model is sustainable and supports responsible corporate behaviours.

FINANCIAL CAPITAL

Our Financial Capital encompasses the funds accessible to our organisation for delivering our services and products. These funds are sourced from operations or investments.

HOW WE CREATE VALUE

Focusing on our three business pillars, we utilise our capabilities as a digital-first organisation to develop cross-cutting, long-term collaborations and partnerships, prioritising long-term business sustainability.

F

TOTAL ASSETS

RM1.29 billion

FINANCIAL LEVERAGE

Zero Gearing

HUMAN CAPITAL

Human Capital encompasses our resources, capabilities, competencies and experiences of our employees. Our culture of innovation drives ongoing enhancement efforts within our employees and aligns our outcomes with the core strategies of the Group.

HOW WE CREATE VALUE

By fostering a dynamic and innovative workforce, we offer growth opportunities to all our employees through training, development and performance assessments. Our flexible work arrangements promote independence and convenience for employees from diverse backgrounds.

H

EMPOWERED WORKFORCE

478 employees across the Group

EMPLOYER OF CHOICE

Graduates' Choice of

Employer to Work For

in 2024

SOCIAL & RELATIONSHIP CAPITAL

Our ties to communities, stakeholders, industry networks and global markets are encompassed in our Social & Relationship Capital. Through active engagement and relationship cultivation, we strive to enhance the lives of those we interact with.

HOW WE CREATE VALUE

Through community investments, Corporate Good engagements and relationship building, we contribute to the welfare and collective well-being of those around us.

S

COMMUNITY INVESTMENT

5,690 volunteer hours contributed via various Corporate Good initiatives since 2022

CONTRIBUTING TOWARDS HEALTHCARE

Channelled RM32,000*
to Yayasan Chow Kit's Madhya Fund
to aid unserved, underserved and underprivileged children in Kuala Lumpur

* *We also contributed RM2,000 to Nourish Malaysia and KENRAAK each respectively in 2023 as part of our B2C initiative arising from customers purchasing motor, travel and bike policies via our website.*

FACTS AT A GLANCE

INTELLECTUAL CAPITAL

Our Intellectual Capital encompasses our intangible assets rooted in knowledge, including organisational structures, frameworks, policies and procedures, and intellectual properties.

HOW WE CREATE VALUE

Utilising our proprietary platforms and distinctive reinsurance business model, we deliver solutions tailored for both B2B and retail customers across the globe.

CLAIMS INNOVATION

Received two innovation awards for our

Parametric Claim Solution,

facilitating instant claims payouts for our travel insurance

DIGITALISATION

First Malaysian Insurer

to host our core system on to Cloud

NATURAL CAPITAL

Our Natural Capital comprises our environmental resources and interactions with the world around us, encompassing both renewable and non-renewable elements.

HOW WE CREATE VALUE

Thanks to our digital transformation, we have adopted paperless practices in our in-control processes and are dedicated to gradually withdrawing from carbon-intensive industries.

SUPPORTING LOW-CARBON TRANSITION

Zero Coal in our underwriting portfolio since

August 2023

MANAGING OUR RESOURCES

Reduced our energy consumption by

36.4 MWh

year-on-year

MANUFACTURED CAPITAL

Manufactured Capital encompasses the physical objects, buildings, goods or services, equipment and infrastructure that are manufactured and at our disposal for delivering our services.

HOW WE CREATE VALUE

While we are a digital-first organisation, we operate 16 Tune Protect branches throughout Malaysia (including our flagship lifestyle branch) and our HQ. Additionally, we maintain a Tune Protect Re office in Labuan, while our associate and joint venture have two local offices in Dubai and Bangkok respectively.

FLAGSHIP LIFESTYLE BRANCH

Bukit Jalil, Kuala Lumpur

featuring an integrated cafe and open-concept layout

WHO WE ARE

Tune Protect Group is a financial holding company that provides underwriting and reinsurance services for non-life insurance products through its subsidiaries and Overseas Ventures.

Incorporated in 2011, the Company has been listed on the Main Market of Bursa Malaysia since 2013. With its tagline 'Insurance Simplified', Tune Protect offers an array of affordable protection plans to suit individuals and SMEs' needs via its insurance, reinsurance and marketing arms in Malaysia, Thailand and the UAE.

OUR VISION

To be the lifestyle insurer that everyone LOVES

OUR MISSION

To simplify the consumer experience with best-in-class products and technology that complement the consumers' lifestyle needs

Make It Simple

We make things easy and uncomplicated.

Be Customer Obsessed

We listen to customers' needs and find a solution.

Better Together

We work to win as one cohesive team.

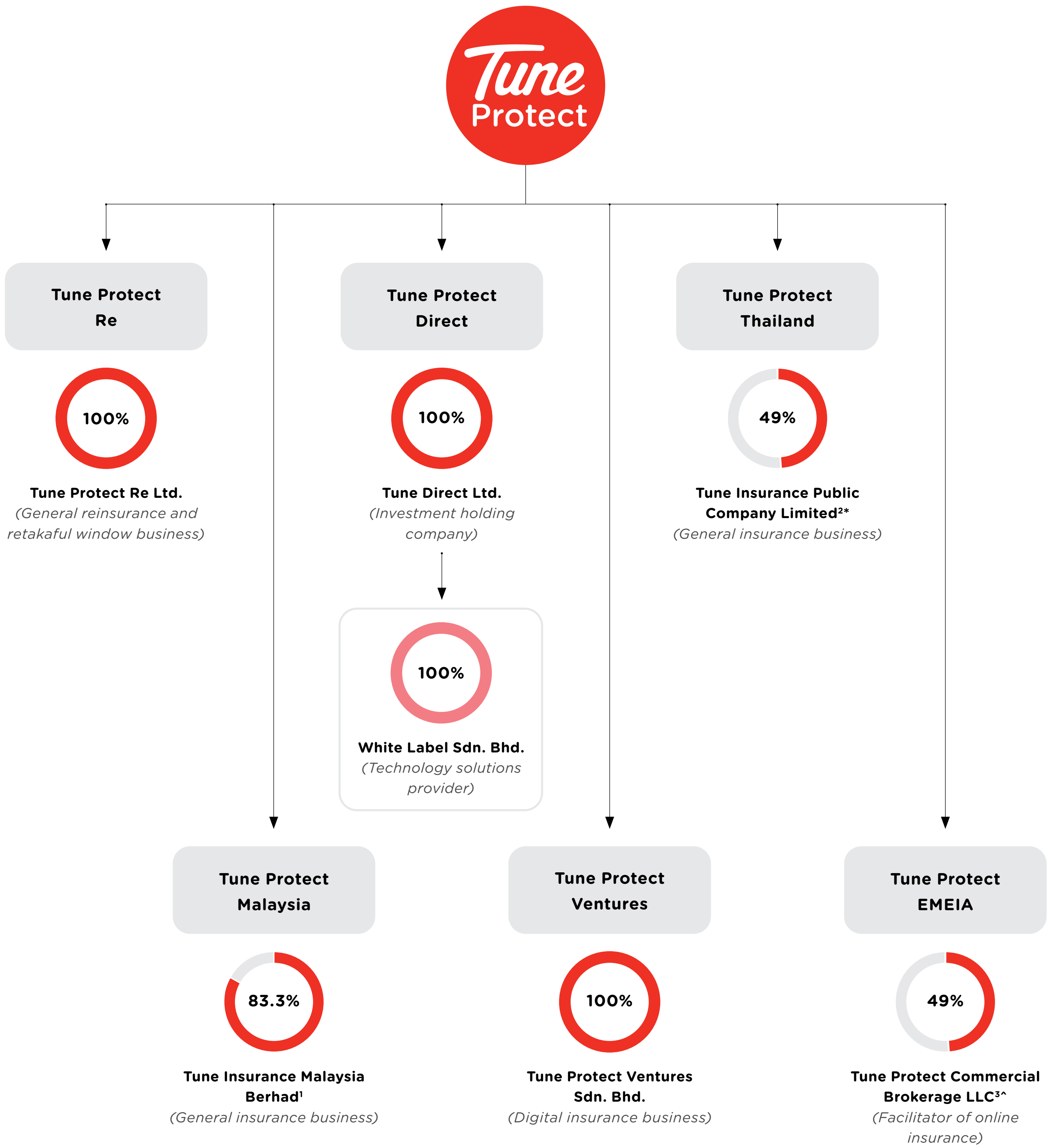
Be Curious & Bold

We continuously learn, test and explore. We know when to take risks and be empowered.

Please scan this QR code to find out more about the events and activities the Group and its Overseas Ventures organised and participated in during the year under review.

CORPORATE STRUCTURE

(as at 29 March 2024)



Notes:

[1] *The remaining 16.7% is owned by minority and unrelated shareholders.*

[2] *The remaining 51% is owned by various Thai shareholders.*

[3] *The remaining 51% is owned by a local company in the UAE.*

* *associate company*

^ *joint venture company*

CORPORATE INFORMATION

THE BOARD

Dato' Mohamed Khadar bin Merican
(Chairman, Independent Non-Executive Director)

Kelvin Desmond Malayapillay
(Independent Non-Executive Director)

Mohamed Rashdi bin Mohamed Ghazalli
(Senior Independent Non-Executive Director)

Dr Grace Lee Hwee Ling
(Independent Non-Executive Director)

Aireen Omar
(Non-Independent Non-Executive Director)

AUDIT COMMITTEE

Dr Grace Lee Hwee Ling (*Chairperson*)
Mohamed Rashdi bin Mohamed Ghazalli
Kelvin Desmond Malayapillay

RISK MANAGEMENT COMMITTEE

Kelvin Desmond Malayapillay (*Chairman*)
Mohamed Rashdi bin Mohamed Ghazalli
Dr Grace Lee Hwee Ling
Dato' Mohamed Khadar bin Merican

NOMINATION COMMITTEE

Mohamed Rashdi bin Mohamed Ghazalli (*Chairman*)
Kelvin Desmond Malayapillay
Dr Grace Lee Hwee Ling

REMUNERATION COMMITTEE

Mohamed Rashdi bin Mohamed Ghazalli (*Chairman*)
Kelvin Desmond Malayapillay
Dr Grace Lee Hwee Ling

INVESTMENT COMMITTEE

Aireen Omar (*Chairperson*)
Mohamed Rashdi bin Mohamed Ghazalli
Dato' Mohamed Khadar bin Merican

LTIP COMMITTEE

Aireen Omar (*Chairperson*)
Rohit Chandrasekharan Nambiar
Yap Hsu Yi
Mohamed Rashdi bin Mohamed Ghazalli

SENIOR INDEPENDENT DIRECTOR

Mohamed Rashdi bin Mohamed Ghazalli

COMPANY SECRETARY

Norhana binti Othman
(MACS 01597)
(SSM Practising Certificate 202008001519)

AUDITORS

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants
Level 23A, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel : +603 7495 8000
Fax : +603 2095 5332

REGISTERED OFFICE

Level 9, Wisma Capital A,
No. 19, Lorong Dungun,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel : +603 2056 6200
Email : **hello.my@tuneprotect.com**
Website : **www.tuneprotect.com**

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
[Registration No. 199601006647 (378993-D)]
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia
Tel : +603 7890 4700
Fax : +603 7890 4670

PRINCIPAL BANKER

HSBC Bank Malaysia Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Stock Code : 5230
Stock Name : TUNEPRO

(Listed since 20 February 2013)

INVESTOR RELATIONS

2023 was a watershed moment for Tune Protect. On 22 February 2023, Tune Protect's 4Q2022 quarterly analyst briefing was live streamed via YouTube for the very first time. This marked a departure from the norm as our prior analyst briefings were primarily reserved for analysts and institutional investors. Given that Tune Protect has a decent retail shareholder base, it made a lot of sense to democratise the access to analyst briefings across all classes of investors. This new practice aligns with proper corporate governance principles whereby information presented by Tune Protect is publicly accessible.

In 2023, one of the investor relations team's key challenges revolved around the financial reporting transition from the legacy Malaysian Financial Reporting Standards ("MFRS") 4 to the new MFRS 17: Insurance Contracts. The changes wrought by this transition had a significant impact on how the financial statements were presented, particularly the statement of comprehensive income. Much thought was given on how the information within the analyst presentation deck was portrayed to better educate our investors and to simplify their understanding process. Aside from a revamp of our analyst presentation deck, the investor relations team also organised a lunch and learn session for analysts to better appreciate the key facets of the new accounting standard. Based on the feedback gathered, analysts were very appreciative of this gesture as it made their jobs easier in terms of updating their financial projection models.

Investor Relations Calendar

Date	Details	Venue	Type
9 February 2023	RHB Small Cap Corporate Access	Kuala Lumpur	Teleconference
22 February 2023	4Q2022 Analyst Briefing	Kuala Lumpur	Teleconference & Live streaming
13 April 2023	Stockbit webinar: Insurance Simplified	Kuala Lumpur	Live streaming
20 May 2023	RHB Small Cap Top 20 Jewels 2023	Kuala Lumpur	Teleconference
25 May 2023	1Q2023 Analyst Briefing	Kuala Lumpur	Teleconference & Live streaming
22 June 2023	Fully virtual 12th Annual General Meeting	Kuala Lumpur	Live streaming
24 August 2023	2Q2023 Analyst Briefing	Kuala Lumpur	Teleconference & Live streaming
13 September 2023	Kenanga Healthcare Talk	Kuala Lumpur	Physical
1 November 2023	Analyst Briefing: Unpacking MFRS 17 Insurance Contracts	Kuala Lumpur	Physical
23 November 2023	3Q2023 Analyst Briefing	Kuala Lumpur	Teleconference & Live streaming
5 December 2023	IR Magazine Forum & Awards - South East Asia	Singapore	Physical

INVESTOR RELATIONS

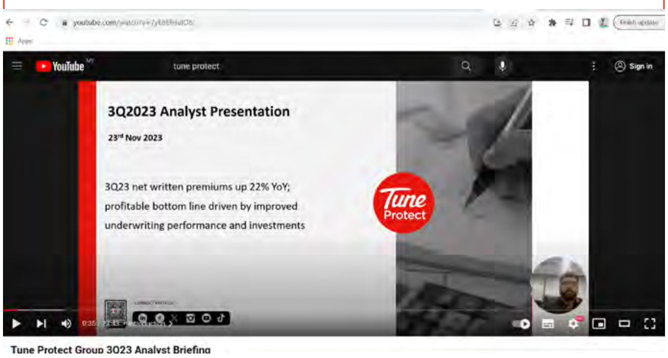
Annual General Meeting

For the fourth consecutive year, Tune Protect held its fully virtual AGM, utilising a Remote Participation and Voting system. Post pandemic, Tune Protect continues to favour virtual AGMs due to the benefits it accords our shareholders. Virtual AGMs provide convenience to our shareholders who are not required to commute to a physical AGM venue and in doing so saves time and cost. Dato' Mohamed Khadar bin Merican, Chairman of the Group, chaired the AGM. Rohit Chandrasekharan Nambiar, the Group Chief Executive Officer ("CEO") presented the second year progress of our three-year strategic plan as well as the 2022 financial performance. This was followed by a question-and-answer session. The Board, Group CEO and Group Chief Financial Officer ("CFO") conscientiously attended to all the shareholders' questions. All resolutions tabled at the AGM were duly passed with the results announced to Bursa Malaysia and updated onto our Investor Relations webpage on the same day. The AGM minutes and the questions and answers were published on our Investor Relations webpage in a timely manner.

Analyst Briefings

In 2023, we altered the modus operandi for organising quarterly analyst briefings. While our analysts continued to dial in via teleconferencing as is the usual practice, we also simultaneously live streamed the proceedings on Tune Protect's official YouTube channel. In doing so, anyone in the world with an internet connection would be able to tune in live, while those that missed the briefing could watch the YouTube replay. Our analyst briefings are conducted immediately after the release of our quarterly financial results to Bursa Malaysia, which happens on the same day the Board convenes to approve the financial statements. A typical analyst briefing involves our Group CEO presenting our quarterly performance and strategic updates which then concludes by fielding questions from the analysts. Briefing materials consists of the interim financial statements, analyst presentation deck, and press releases which are circulated to the analysts prior to the briefing. Currently, the briefing materials are also uploaded onto our Investor Relations webpage.

Live stream of our Group CEO's presentation during the 3Q23 Analyst Briefing on our official YouTube channel



INVESTOR RELATIONS

Investors and Analysts Meetings, Conferences and Events

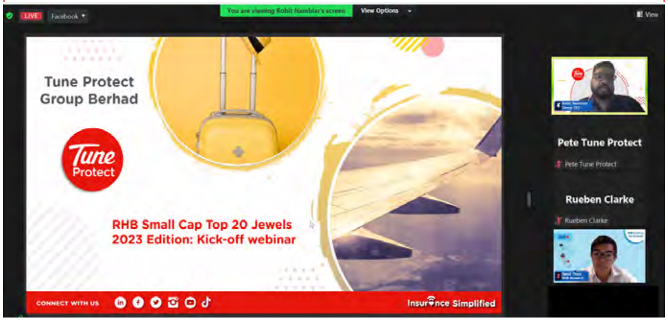
Post pandemic, we have observed that virtual meetings remain popular with both analysts and investors alike. In 2023 we had one corporate access and two investor webinars that were held virtually. The benefits of virtual meetings are obvious as all three events collectively registered the participation and views of over 1,500 individuals. This provided Tune Protect the platform to effectively reach out to more investors within a confined time span. We also made sure that all questions received online were answered, even if it meant exceeding the allocated time. The feedback received from the audience was positive.

It was only towards the end of 2023 that we observed the return to physical events such as the Kenanga health talk and the IR Magazine Forum & Awards - South East Asia. The investor relations team at Tune Protect particularly favours physical meetings in instances where our office meeting space can accommodate the number of meeting attendees. Thus, all our group meetings organised by Public Invest, RHB, Maybank and KAF with their respective clients during the year was held physically at our office. Nevertheless, we remain flexible in our approach whereby we cater to the preferred mode of meeting that our analysts or investors prefer.

Shortlisted as one of the top 4 nominees for both Best Investor Event and Best Use of Multimedia for IR at the IR Magazine Forum & Awards - South East Asia 2023

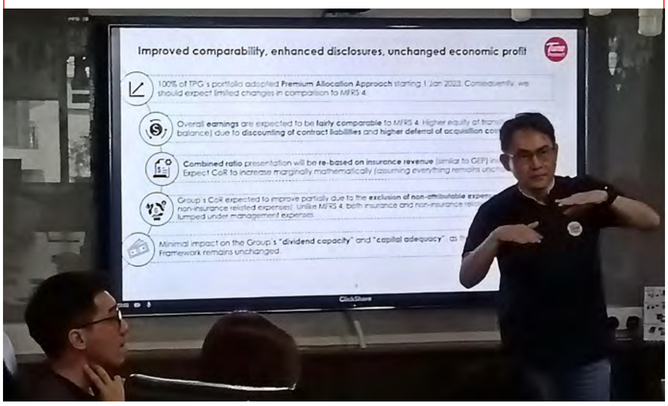
We are particularly proud that Tune Protect made it into the RHB Small Cap Top 20 Jewels for the second year running. Tune Protect was selected on the basis that it is was one of the small cap companies identified to have strong fundaments with the potential to deliver above-industry growth, as well as a turnaround candidate. We were also the only financial institution on the list. Not only was Tune Protect featured in their research report but our Group CEO was invited as one of only two presenters to share their views during the RHB Small Cap Top 20 Jewels 2023 Edition: Kick-off webinar.

RHB Small Cap Top 20 Jewels 2023 Edition: Kick-off webinar



A special lunch and learn analyst briefing was held on 1 November 2023 titled "Unpacking MFRS 17 Insurance Contracts". This briefing was specially curated for our analysts to get a basic understanding of the new accounting applicable to all insurers for annual periods beginning on or after 1 January 2023.

Presentation from How Kim Lian, Group CFO during "Unpacking MFRS 17 Insurance Contracts" briefing



	Number	Total attendees	Accumulated online views
One-on-one/group meetings	37	90	-
Analyst briefings	5	96	773
Webinars/Talks/ Forums	4	670	1,254
Corporate Access	1	18	-

* *As at 23 January 2024*

INVESTOR RELATIONS

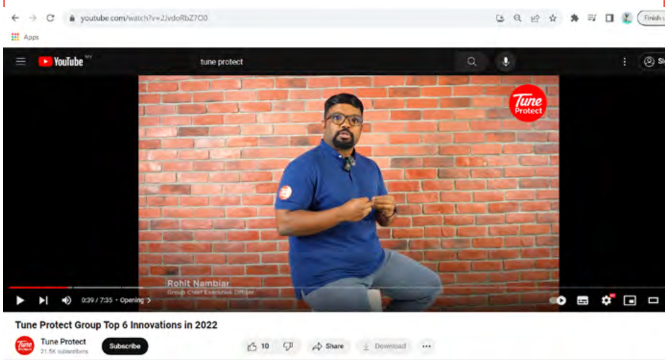
Investor Relations Webpage

Tune Protect's investor relations webpage is an up-to-date repository of our annual reports, financial statements, analyst presentation decks as well as investor information, interactive stock charts and details of upcoming Investor Relations events. Shareholders can subscribe to our mailing list via our Investor Relations webpage whereby they will receive our latest corporate announcements. In 2023 we enhanced our webpage to include ESG Insights, an advanced tool to easily extract specific ESG data pertaining to Tune Protect. Our Investor Relations webpage is kept up-to-date and any feedback and queries on investor-related matters can be directed to **ir@tuneprotect.com.**

Other Channels

Tune Protect's official YouTube account is a key medium for disseminating information and connecting with our investor audience. Aside from recordings of our webinars, we also upload videos of our Group CEO, Rohit Chandrasekharan Nambiar, addressing shareholders on our official YouTube channel. Periodically, we share with investors our Group CEO's musings via an email communique titled "From Rohit's Desk".

Rohit Chandrasekharan Nambiar, Group CEO's address to shareholders uploaded onto Tune Protect's official YouTube channel



Stockbit Webinar: Insurance Simplified

Research Coverage

The following research houses cover us:

Research Houses	Analysts
KAF Equities*	Nurzulaikha Azali
TA Securities	Kelvin Tan Kong Jin

* *Acquired by CIMB Investment Bank Bhd on 8 February 2024 and rebranded as CIMB Securities Sdn Bhd*

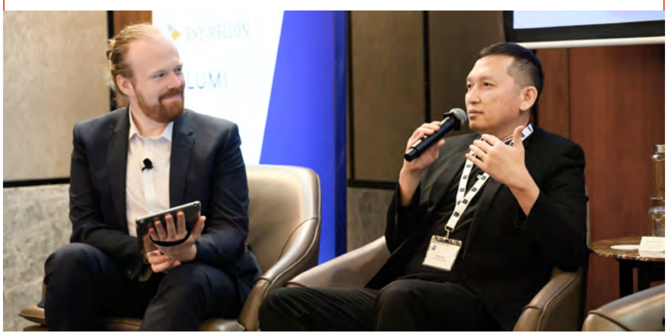
Credit Ratings

RAM Ratings reaffirmed Tune Protect Group's rating while AM Best revised Tune Protect Re's outlook from "Stable" to "Positive".

Rating Agency	RAM RATINGS
Rated Entity	Tune Protect Group
Rating Classifications:	
Long-term Corporate Credit Rating	A_2
Short-term Corporate Credit Rating	P1
Outlook	Stable
Date	24 May 2023

Rating Agency	AM BEST
Rated Entity	Tune Protect Re
Rating Classifications:	
Best's Financial Strength Rating	B++
Best's Issuer Credit Rating	Bbb
Outlook	Positive
Date	7 December 2023

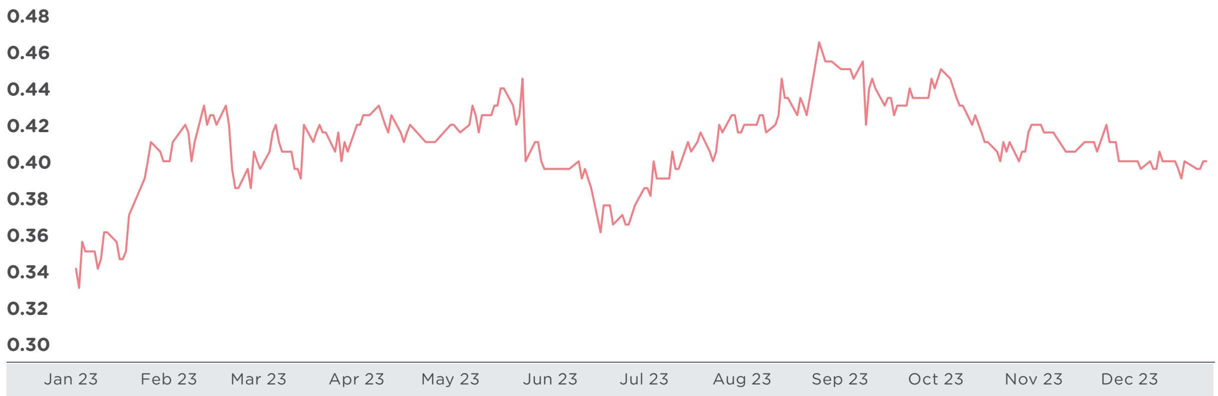
Affryll Teo, Head of Investor Relations was a panel speaker at the IR Magazine Forum & Awards - South East Asia 2023



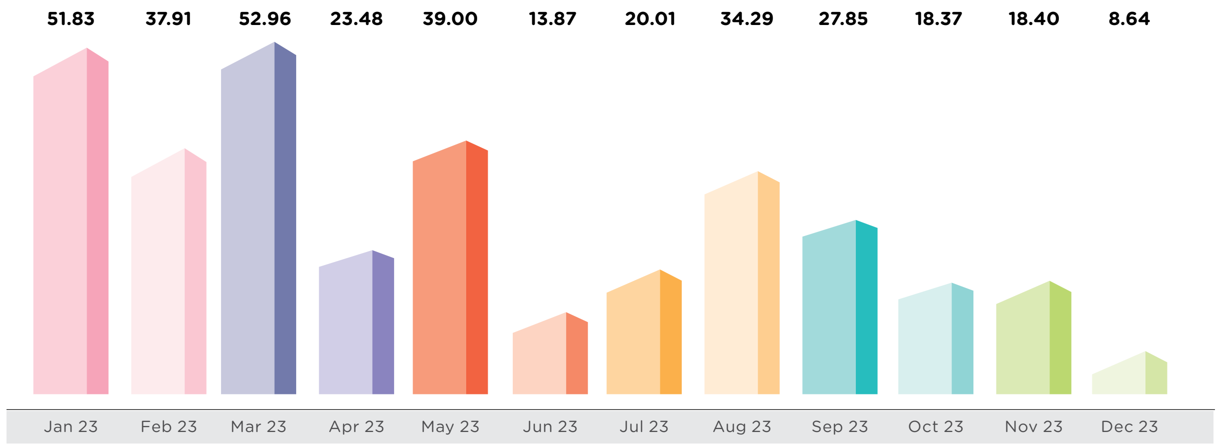
INVESTOR RELATIONS

SHARE PRICE AND VOLUME TRADED

Share Price (RM)

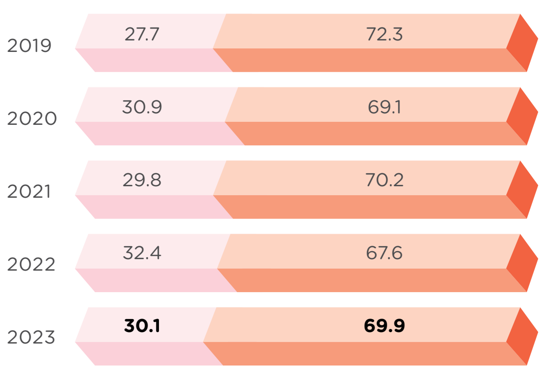


Volume Traded (mil)

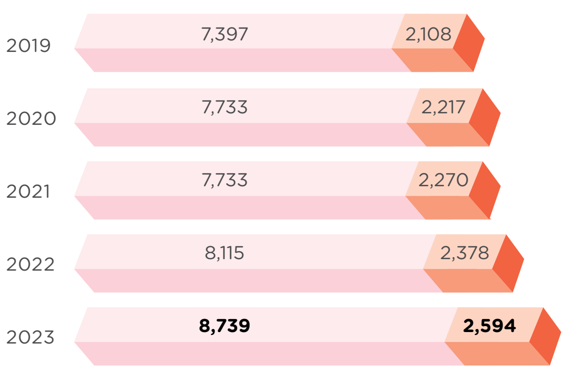


SHAREHOLDERS BASE

Shareholding Percentage (%)



Number of Shareholders



Retail Institutional and others

FINANCIAL HIGHLIGHTS

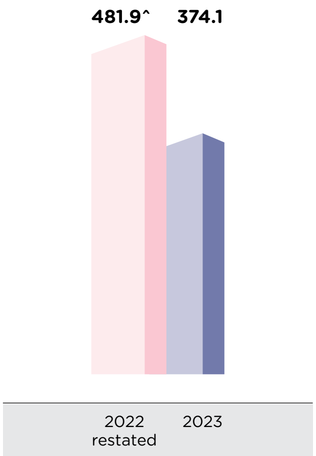
TUNE PROTECT

TUNE PROTECT GROUP

INSURANCE REVENUE
(RM mil)

2023: 374.1

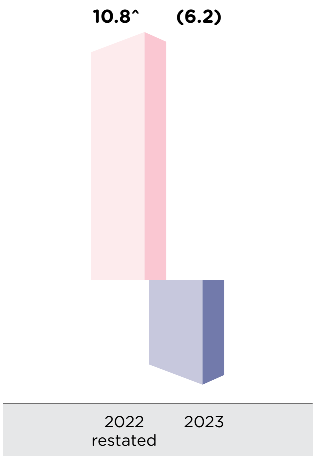
2022 (restated): 481.9^



INSURANCE SERVICE RESULT
(RM mil)

2023: (6.2)

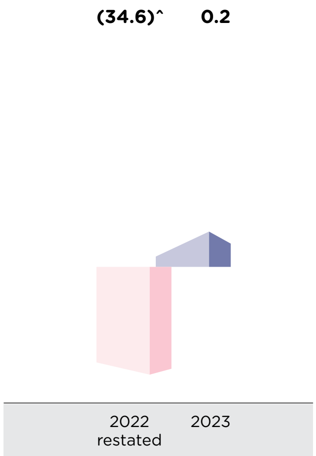
2022 (restated): 10.8^



PROFIT/(LOSS) AFTER TAX
(RM mil)

2023: 0.2

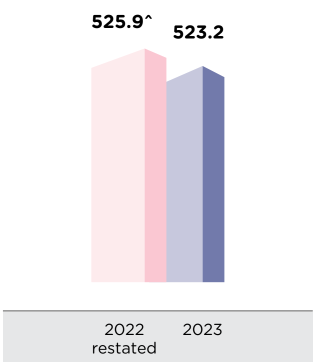
2022 (restated): (34.6)^



SHAREHOLDERS' EQUITY*
(RM mil)

2023: 523.2

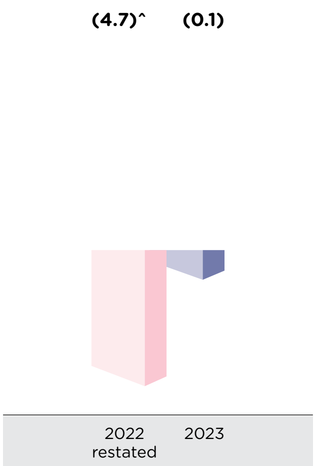
2022 (restated): 525.9^



(LOSS) PER SHARE(1)
(RM mil)

2023: (0.1)

2022 (restated): (4.7)^



RETURN ON EQUITY
(%)

2023: 0.04

2022 (restated): N/A

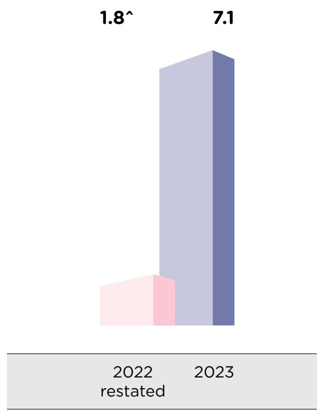
FINANCIAL HIGHLIGHTS

TUNE PROTECT MALAYSIA

PROFIT AFTER TAX
(RM mil)

2023: 7.1

2022 (restated): 1.8^

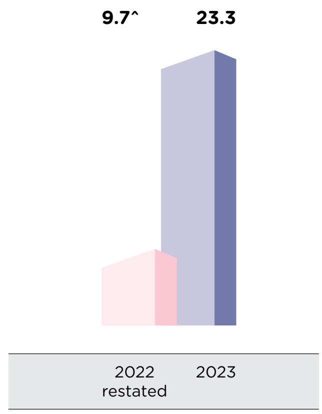


TUNE PROTECT RE

PROFIT AFTER TAX
(RM mil)

2023: 23.3

2022 (restated): 9.7^

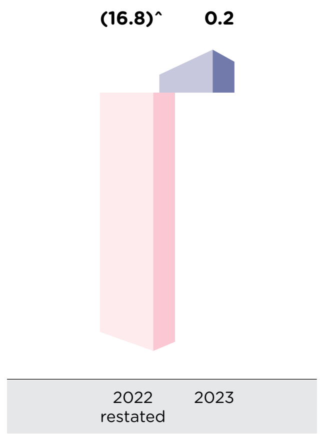


TUNE PROTECT THAILAND

SHARE OF RESULTS
(RM mil)

2023: 0.2

2022 (restated): (16.8)^

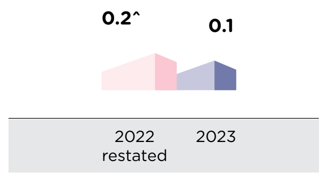


TUNE PROTECT EMEIA

SHARE OF RESULTS
(RM mil)

2023: 0.1

2022: 0.2^



* *Excludes non-controlling interest. Figure only represents equity attributable to owners of the parent.*

^ *The Group has applied Malaysian Financial Reporting Standards (MFRS) 17, including any consequential amendments to the other standards, from 1 January 2023. This standard has brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated applicable comparative amounts for 2022.*

(1) *Computed by dividing the loss attributable to ordinary equity holders by the number of ordinary shares issued.*

January

Back-2-School with Yayasan Chow Kit
Tune Protect initiated our first Corporate Good ("CoG") programme of the year, a Back-to-School charity shopping event with the children of Yayasan Chow Kit ("YCK"). Following the shopping event, we had our lunch at the Atmosphere360 Restaurant, KL Tower, where Rohit Chandrasekharan Nambiar, our Group CEO, and How Kim Lian, our Sustainability Committee Chairman presented a mock cheque for our contribution to the Madhya Fund in FY2022 to Dato' Dr. Hartini, Founder of YCK, and Ananti Rajasingam, CEO of YCK.

March

International Women's Day
Tune Protect invited women in leadership, including our very own Principal Officer of Tune Protect Ventures, Koot Chiew Ling, to discuss the topic "Engaging Women Effectively in the Realm of Innovation & Digitalisation".

Port Dickson Triathlon
Tune Protect was the official insurance partner of the Port Dickson Triathlon. The Triathlon Series is one of the most prominent triathlon events in Malaysia and is aligned with our aspirations of promoting a healthy lifestyle via PUMP, a free health-monitoring and membership programme on the Tune Protect App.

May

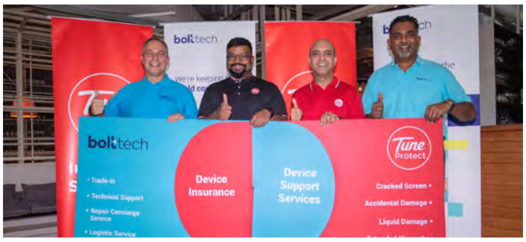
SME Media Launch
We successfully launched new and innovative online solutions for Small and Medium Enterprises ("SMEs") during a media launch at iMazium, Petaling Jaya. Business Shield and SME EZY represent our commitment to safeguarding businesses and their employees.

CORPORATE

February

Media Appreciation Luncheon
Tune Protect gathered our media partners and friends for a luncheon at the Sheraton Petaling Jaya Hotel to catch up and network.

Yolorun KL
Tune Protect was the title sponsor of Yolorun KL. Yolorun is a regionally renowned fitness and lifestyle brand that caters to Millennials and Zillennials.



April

Tune Protect Partners with bolttech
Tune Protect established a strategic partnership with bolttech, an international insurtech, to launch a new generation of device protection solutions and support services in Malaysia. Through the partnership, bolttech and Tune Protect aim to offer customers a convenient and seamless end-to-end customer experience for device protection solutions.

Bubur Lambuk Titipan Kasih
Tune Protect collaborated with Harian Metro to distribute bubur lambuk to the B40 residents of Bandar Sri Permaisuri. Our dedicated staff actively engaged in preparing, cooking and distributing the bubur lambuk as part of our CoG initiative.

Gerila Mamak Cyber – Bazaar Roving
The two-day event commenced with a flag-off at our HQ, Wisma Capital A, and continued with Bazaar roving at Bazar Ramadan Shah Alam. The following day, we visited Bazar Ramadan TTDI for the second leg of our bazaar roving.

June

Tune Protect Wins the Best Insurance Tech Award
Tune Protect has been honoured with the Best Insurance Tech Award for PC.com Awards 2023. This incredible recognition is a testament to our continuous commitment to redefine insurance for the digital age and provide user-friendly insurance experiences.

July

Tune Protect Clinches Two Wins at the Insurance Asia Awards
Tune Protect won Claims Initiative of the Year and Marketing Initiative of the Year at the Insurance Asia Awards 2023. Mohd Alifnor Zainol, Chief - Growth, attended the awards ceremony held in Singapore.

September

Tune Protect Collaborates with CGC
Tune Protect Group and Credit Guarantee Corporation Malaysia ("CGC") have joined forces in a strategic collaboration to offer innovative digital insurance solutions for Micro, Small and Medium Scale Enterprises ("MSMEs"). This partnership aims to empower the local MSMEs community by enhancing the accessibility of insurance solutions, safeguarding their businesses and employees, towards nurturing a more resilient economic landscape.

Corporate Good Month: Nationwide School Library Refurbishment
We embarked on an incredible journey, criss-crossing the nation to touch the lives of students in the East Coast, North, South, East Malaysia, and back to the Central Region. We had the privilege of gracing nine schools nationwide, breathing new life into their libraries. We wrapped up with 1,145 CoG hours nationwide, worked on amazing projects such as library refurbishments, hydroponics and many more.

November

2023 Singapore Fintech Festival
Tune Protect took part in the 2023 Singapore Fintech Festival at the Singapore Expo to exhibit and forge meaningful connections as well as fostering collaborations within the industry.

CALENDAR

August

Green & Groom Project at Zoo Negara
90 Tune Protectors actively participated in a grooming and greening activity at Zoo Negara, demonstrating our commitment to environmental and biodiversity stewardship and community engagement. This initiative forms a pivotal component of our CoG programmes, highlighting our dedication to making a positive impact beyond our business endeavours.

October

KREASI by T.P. x Zeppo
Tune Protect organised our first dance showcase with Zeppo, an internationally acclaimed Malaysian dance crew.

No Tricks, Just Treats Halloween Party & Travel Insurance Comprehensive PLUS Launch
We launched an enhanced Cashless Hospital Admission benefit for AirAsia Travel Insurance Comprehensive Plus and celebrated Halloween with AirAsia Allstars in a two-day event at RedQ, AirAsia's headquarters.

No Tricks, Just Treats Halloween Roadshow & Office Drop
Our Halloween celebration with AirAsia Allstars continued at RedStation, AirAsia MOVE's office, as our Tune Protect team, joined by the enthusiastic AirAsia fun team, descended upon the RedStation office for the second stop of the No Tricks, Just Treats roadshow.

Melaka TriDuathlon
Tune Protect was the title sponsor. The Triathlon Series is one of the most prominent triathlon events in Malaysia and is aligned with our aspirations of promoting a healthy lifestyle via PUMP.

December

School Clean Up & Community Outreach in Tanjong Karang
60 Tune Protectors embarked on a meaningful community outreach initiative, journeying to SK Tanjong Karang, Selangor, to aid in refurbishing and transforming one of the school's rooms into a vibrant classroom for the students. Additionally, they dedicated efforts to painting the floor of the school walkway and revitalising the school garden and pond, enhancing the learning environment for all.

OUR BUSINESS MODEL

Customers
- Individuals
- SMEs

Purchase of policy

Distribution Channel
- Business-to-Consumer
- HQ & branches
- Insurance Agents
- Business-to-Business Agents[1]
- Brokers
- Affinity partners[1]

IT Shared Services

Provides in-house dedicated digital technology support
- Open Application Programming Interface (API) for partnership activation
- Business-to-Consumer web and mobile application
- Integration with partner application/platform

Underwriters

Tune Protect Malaysia

Tune Protect Thailand

45 local underwriters across 30 markets[2]

Lifestyle premiums (primarily travel) are reinsured to Tune Protect Re[3]

Tune Protect Re (Labuan Offshore)

Unique reinsurance business model:
- Brings to bear product innovation capabilities
- Gives access to underwriting partners

White Label

Insurtech

Monetising existing platforms:

i. Distribution marketplace for insurance products
  - RESTful API for business enablement
  - Digital accelerator platform with AI-enabled dynamic pricing

ii. White Label mobile app

iii. Insurance platform for travel, airline and other lifestyle business

Customers
- Travel Business-to-Business
- Airlines
- ecommerce players
- Insurance Partners[4]

***Footnotes**:*

1 Including those facilitated by Tune Protect EMEIA

2 Including inbound markets

3 Lifestyle premiums (primarily travel) are reinsured to Tune Protect Re, while other premiums are reinsured to various third-party reinsurers

4 With the exception of Malaysia and Thailand where TPG has an underwriting license

MATERIAL MATTERS

The issues of material importance to Tune Protect Group Berhad and its subsidiaries (referred to together as "the Group") significantly influence our performance and our capacity to generate sustained value for our stakeholders. We prioritise our materiality assessment process to guarantee that the Group remains informed and responsive to the most impactful issues. This process provides essential insights that assist the Group in crafting suitable strategies to address the sustainability risks and opportunities that are most critical to our stakeholders.

Our Materiality Assessment Process

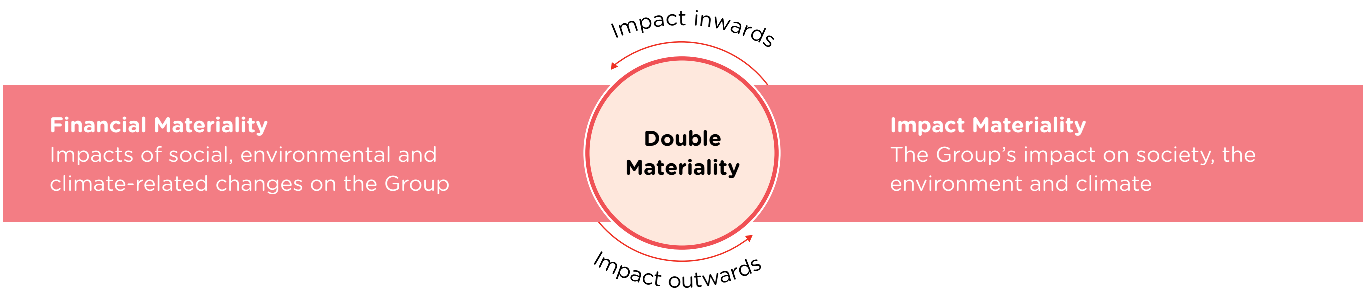
Identification of Material Topics	►	Collecting Stakeholder Input	►	Prioritisation	►	Validation
We identify and assess the materiality and impact boundaries of sustainability related topics on our business, considering industry benchmarks and other inputs such as stakeholder feedback.		Through a biennial survey, we gather inputs from our internal and external stakeholders.		We assess our findings as follows: • Stakeholder weightage is assessed and the Stakeholder Prioritisation Matrix is generated. • Taking into account stakeholder weightage, the results of the biennial surveys are tabulated into a Materiality Matrix.		The outcomes of the Materiality Assessment (the Materiality Matrix and Stakeholder Prioritisation Matrix) are validated by the Sustainability Committee and presented to the Board of Directors for endorsement.

We conduct a biennial Materiality Assessment while annually reviewing the relevance of the material topics identified. In 2023, we conducted a full Materiality Assessment, involving 15 stakeholder groups and the executive management level Sustainability Committee ("SuCom").

For the 2023 Materiality Assessment, we refreshed the descriptions of our material topics and regrouped them into the four pillars of Governance, Economic, Environmental and Social topics. SuCom affirmed the updated topics and descriptions through a market-based review of ESG disclosures across the industry. The topics were ranked by our external stakeholders via the 2023 Sustainability Stakeholder Survey.

Double Materiality

Double Materiality assesses both the Group's impact on the environment and society, and the financial materiality of the impacts of ESG topics on our operations. To begin adopting the concept of Double Materiality, these topics were also internally assessed for their current and potential financial impacts on the Group by SuCom and ranked accordingly. The internal and external ratings were then mapped within the Materiality Matrix.



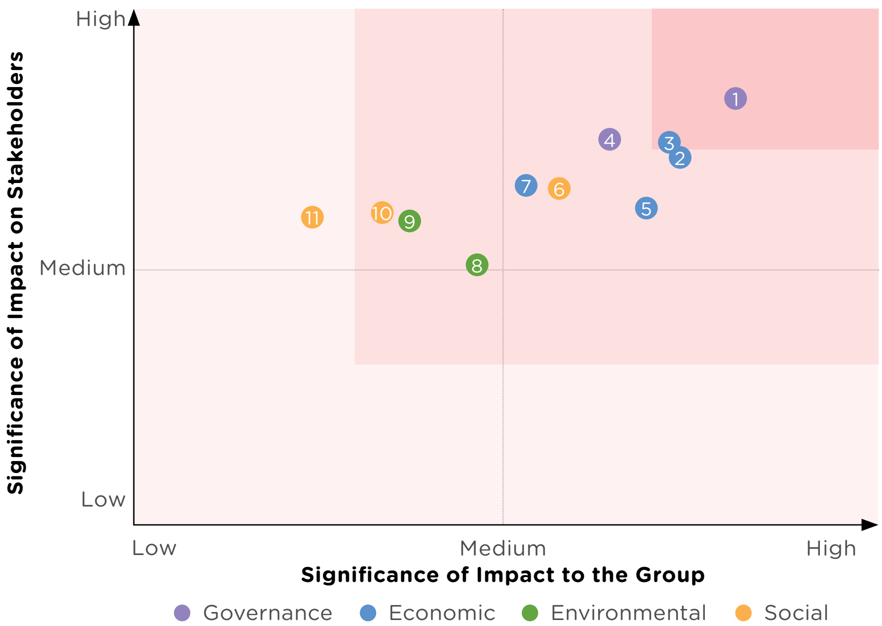
Our Material Topics

Pillar	Topic	Descriptions
Governance	Corporate Governance, Ethics and Risk Management	Upholding the highest standards of transparency, integrity, accountability and ethical business practices through good corporate governance, risk management, frameworks, policies and practices to safeguard stakeholders' trust in the Group
	Data Governance, Privacy and Cybersecurity	Safeguarding the personal and sensitive data of employees, customers and business partners through responsive and proactive management of data

MATERIAL MATTERS

Pillar	Topic	Descriptions
Economic	Customer Centricity	Embedding customer satisfaction into our operations through efficient, consistent and mutually respectful customer engagements
	Digital Innovations	Leveraging technology and digital enhancements to provide convenient and sustainable solutions for our internal and external stakeholders
	Products and Offerings	Creating innovative offerings and solutions focused on quality, inclusion and accessibility in line with customers' evolving needs, capitalising on Tune Protect's strategic partnerships and collaborations
	Responsible Business Practices	Maintaining a healthy financial and capital position to foster a sustainable business while delivering shared value for our shareholders and business partners through our procurement and investment practices
Environmental	Resource Management	Managing the Group's consumption of natural resources through mitigations and reductions, recycling and paperless operations for in-control processes
	Climate Change	Mitigating the risks of climate change on our business while managing our direct and indirect carbon emissions through underwriting, investments, regulatory compliance and operational efficiency
Social	Diversity, Inclusion and Equal Opportunities	Building a sustainable, inclusive and diverse workforce which practices equal treatment without any form of discrimination or prejudice through our commitment to global frameworks
	Employee Wellness and Development	Engaging our employees across the organisation, ensuring a productive workforce and working environment that is physically and socially safe for all
	Corporate Good and Community Investments	Engaging and investing in local communities through our products and Corporate Good (CoG) programmes and initiatives

MATERIALITY MATRIX 2023



Topics	2023 Ranking
Data Governance, Privacy and Cybersecurity	1
Customer Centricity	2
Responsible Business Practices	3
Corporate Governance, Ethics and Risk Management	4
Digital Innovations	5
Employee Wellness and Development	6
Products and Offerings	7
Climate Change	8
Resource Management	9
Corporate Good and Community Investments	10
Diversity, Inclusion and Equal Opportunities	11

This assessment confirmed the relevance of the identified material topics to our stakeholders, while updating the prioritisation of these topics, as illustrated by the Materiality Matrix. Additionally, in 2023 we also assessed our stakeholders' prioritisation of material topics by age group.

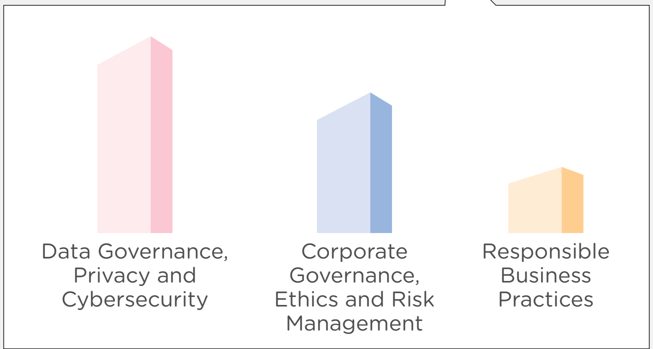
Through the assessment, we identified the following:

- Data Governance, Privacy and Cybersecurity ranked as the most material topic across the majority of stakeholders and across age groups, including Millennials and Zillennials.

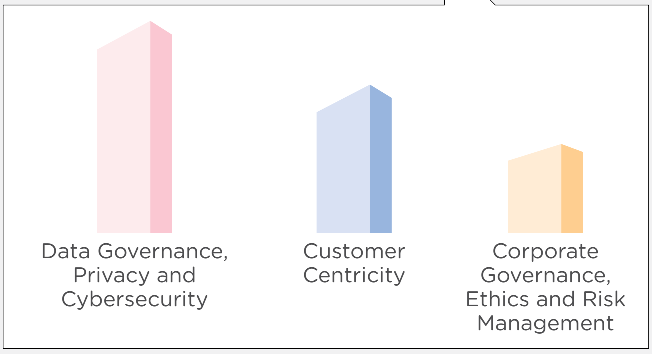
MATERIAL MATTERS

- Customer Centricity ranked the second most important topic among Millennials and older, potentially reflecting the differences in expectations of customer experience between Zillennials versus the older generations.
- Responsible Business Practices – Increased in importance to the majority of stakeholders, reflecting the increased focus on our procurement, investment and underwriting portfolio management.
- Corporate Governance, Ethics and Risk Management – Ranked highly across all stakeholders, indicating that our systems and control mechanisms are of high importance.
- Digital Innovations – As a mobile-first insurtech player, our stakeholders rate this topic as medium to high importance, behind the top four material topics.
- Climate Change – Increased in significance of its impact to the Group while maintaining its status quo to our stakeholders.

Top 3 Material Topics (Zillennials*)



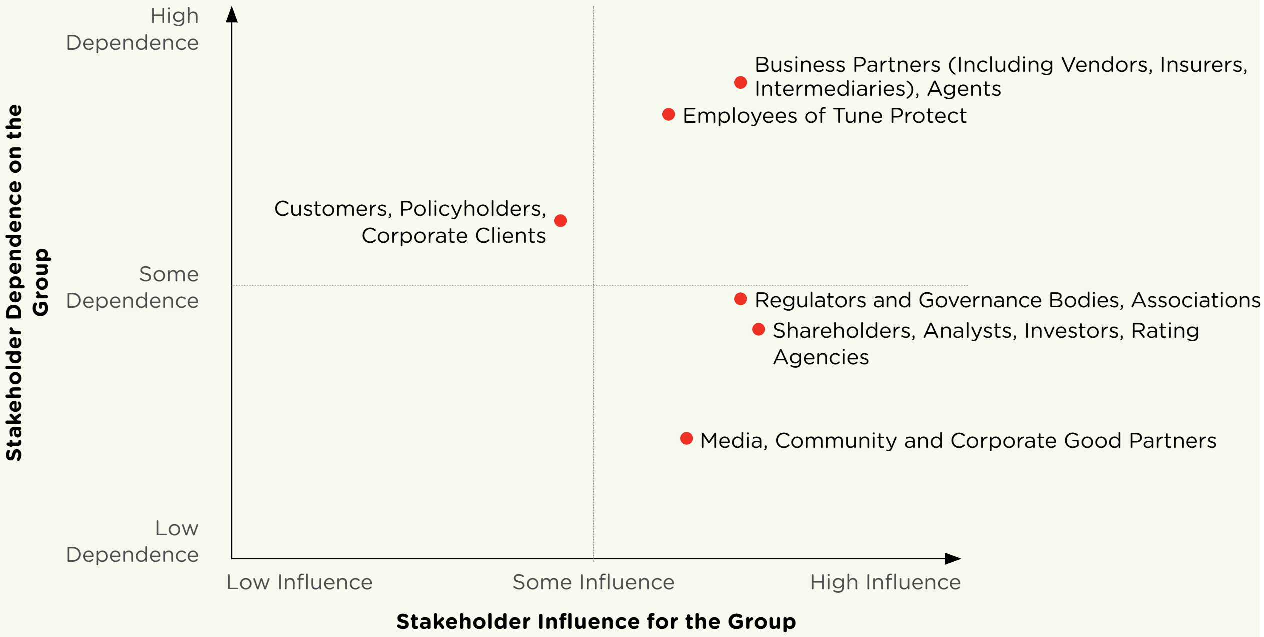
Top 3 Material Topics (Millennials*)



* *Zillennials represent respondents aged 18-26, while Millennials represent respondents aged 27-42 (as at the time of survey).*

Subsequently, the prioritisation of the material topics was deliberated by SuCom and presented to the Board of Directors in November 2023 which was duly endorsed.

Stakeholder Prioritisation for the Group



All 15 sustainability stakeholders were grouped based on their relationship with Tune Protect Group and its subsidiaries and were assessed for influence and dependence on the Group. This allowed greater granularity of findings from the Stakeholder Survey and the accuracy of the Materiality Matrix.

STAKEHOLDER ENGAGEMENT

Customers, Policyholders, Corporate Clients

Regulators and Governance Bodies, Associations

Shareholders, Analysts, Investors, Ratings Agencies

Employees of Tune Protect

EXPECTATIONS & CONCERNS	OUR RESPONSE
• Data Governance, Privacy and Cybersecurity • Products and Offerings • Customer Centricity • Digital Innovations • Corporate Good and Community Investments	• Ensuring compliance to prevailing regulatory requirements and best practices for data governance and customer privacy. • Measuring customers satisfaction through NPS surveys and Transactional NPS for touchpoints such as Claims, Sales and Contact Centre, along with feedback on Customer Engagements. • Consolidating information gathered from touchpoints and utilising a one-stop contact centre to ensure smooth customer handling and engagements. • Offering a variety of products and services to suit customers' needs, and conducting customer focus groups to gain insights on customers' preference.
• Corporate Governance, Ethics and Risk Management • Data Governance, Privacy and Cybersecurity • Customer Centricity • Climate Change • Diversity, Inclusion and Equal Opportunity • Corporate Good and Community Investments	• Continuously strengthening our governance policies, procedures and mechanisms to instil ethical conduct within our business culture. • Regularly assessing our operations to ensure adherence to the current regulatory standards and requirements.
• Strategic Direction • Financial Performance and Shareholders' Returns • Digital Innovations • Corporate Governance, Ethics and Risk Management • Data Governance, Privacy and Cybersecurity • ESG Performance	• Actively engaging with shareholders, investors and analysts. • Ensuring timely and comprehensive updates on financial results, new initiatives and any material events. • Focused on providing updates on the progress of our strategic plans. • Integrating ESG considerations into business decisions.

STAKEHOLDER ENGAGEMENT

Agents	Community and Corporate Good Partners	Media	Business Partners (Including Vendors, Insurers, Intermediaries)

METHOD & FREQUENCY OF ENGAGEMENT	IMPACT ON TUNE PROTECT
• **Customer Service Centres** – Location and operating hours available on the corporate website • **Customer Satisfaction Surveys (NPS, Touchpoint NPS, Contact Centre Feedback)** – Biannual, As and when • **Digital Platforms and Social Media Platforms** – 24/7 • **Email** – As and when • **Online survey (sustainability survey)** – Biennial	Customers are pivotal to our business success. By prioritising customer-centric approaches, we aim to comprehend and fulfil our customers' expectations regarding products and services, fostering brand loyalty and delivering exceptional service in alignment with our aspirational commitment outlined in our 3-3-3 pledge. For more information on our 3-3-3 commitment, please refer to our disclosures on Customer Centricity in the Sustainability Statement on pages 50 to 54.
• **Regulatory reporting** – Monthly, Quarterly, Biannual, Annually • **Correspondence and monitoring via letters, emails and calls** – As required • **Face-to-face meetings and review** – Scheduled/Ad hoc basis • **Online survey (sustainability survey)** – Biennial	Establishing robust relationships with governance and regulatory bodies facilitates access to timely updates on emerging regulations, thereby ensuring our operations remain compliant with regulatory requirements.
• **AGM (Annual Reports, Shareholders' Circulars and CG Report)** – Annually • **Analyst briefings (analyst presentation decks, interim financial statements and press releases)** – Quarterly • **Regular dialogues (one-on-one and group meetings, webinars, conferences, roadshows and Corporate Days)** – Ad hoc basis • **Investor Relations webpage** – 24/7 • **Online survey (sustainability survey/analysts, institutional and retail investors' feedback)** – Ad hoc basis, Biennial	The investment community contributes towards the market valuation of our share price.

STAKEHOLDER ENGAGEMENT

EXPECTATIONS & CONCERNS	OUR RESPONSE
• Financial Performance • Corporate Governance, Ethics and Risk Management • Data Governance, Privacy and Cybersecurity • Digital Innovations • Resource Management • Diversity, Inclusion and Equal Opportunity • Employee Wellness and Development • Corporate Good and Community Investments	• Guaranteeing that all employees are cared for, respected and appreciated by offering equitable compensation and benefits, and fostering an inclusive work environment. • Facilitating the growth and empowerment of our workforce through opportunities for training and personal development. • Cultivating employee involvement through meaningful engagement initiatives and volunteer opportunities.
• Data Governance, Privacy and Cybersecurity • Customer Centricity • Digital Innovations • Products and Offerings • Training and Education	• Providing training to Agents on products, the PDPA and AML, ensuring Agents meet the required Continuing Professional Development (CPD) hours. • Communicating with sales force to get feedback in order to understand the needs from the sales teams and Agents.
• Corporate Good and Community Investments • Responsible Business Practices • Resource Management • Climate Change • Diversity, Inclusion and Equal Opportunity	• Collaborating with community partners to expand their outreach and facilitate our efforts to connect with unserved, underserved, and underprivileged groups through sponsorships and employee volunteering.
• Corporate Governance, Ethics and Risk Management • Data Governance, Privacy and Cybersecurity • Customer Centricity • Digital Innovations • Products and Offerings • Responsible Business Practices • Climate Change • Corporate Good and Community Investments	• Utilising diverse media channels to keep the media informed about our accomplishments and advancements, disseminating essential corporate and consumer information to the public.
• Corporate Governance, Ethics and Risk Management • Data Governance, Privacy and Cybersecurity • Customer Centricity • Digital Innovations • Products and Offerings • Diversity, Inclusion and Equal Opportunity	• Aligning business partners with our organisation's CoC by ensuring disciplined business and well-managed customer privacy. • Responding to evolving customer needs by collaborating with partners and leveraging digital technologies to deliver convenient and sustainable solutions to our business partners.

STAKEHOLDER ENGAGEMENT

METHOD & FREQUENCY OF ENGAGEMENT	IMPACT ON TUNE PROTECT
• **CoC Month activities** – Annually • **Internal engagement activities (including onboarding workshops, in-house webinars, town halls, team building, social media platform on Viva Engage)** – Monthly, Quarterly, Ad hoc basis • **Performance reviews** – Ongoing • **Policies and procedures** – via Corporate intranet • **Employee Engagement Survey (Employee NPS Survey)** – Biannual • **Online survey (sustainability survey)** – Biennial	Employees are the backbone of our operations. A skilled, high-performing and motivated workforce is instrumental in creating value and effectively executing our business strategy.
• **Training and awareness** – Annually • **Online survey (sustainability survey)** – Biennial	Agents and intermediaries are responsible for liaising sales and managing submission of claims.
• **Community activities** – Scheduled/Ad hoc basis • **Community partnerships** – Scheduled/Ad hoc basis • **Online survey (sustainability survey)** – Biennial	It is our responsibility to engage with the concerns of local communities in order to nurture long-term and mutually trusting relationships.
• **Media engagements** – As required • **Media interviews and press releases** – Twice per quarter • **Company/Corporate events** – Quarterly • **Online survey (sustainability survey)** – Biennial	Strong media connections facilitate the effective dissemination of information regarding our distinctive value proposition, ensuring brand recognition.
• **Meetings (face-to-face/virtual, and group meetings)** – Scheduled/Ad hoc basis • **Due Dilligence** – Onboarding and upon renewal • **Partner Satisfaction Survey (Partner NPS Survey)** – Biannual • **Online survey (sustainability survey)** – Biennial	Long-term strategic partnerships to leverage each other's unique strengths for sustainable growth and continuous value creation.

TOP RISKS & HOW WE MANAGE THEM

TYPE OF RISK	CAUSE AND CONSEQUENCES OF THE RISK
Technology Risk • Cybersecurity/Cyber threats • Information System	We encounter challenges in early detection of cyber threats within our IT environment which requires a prompt response. It is crucial to have visibility of these threats to implement immediate remedial measures and minimise potential impacts on business operations. Unauthorised access and data losses from our Business Applications pose significant risks to our operations, particularly concerning confidential data of our customers, employees and business partners. The threat of unplanned downtime in Tune Protect's systems is a concern, potentially leading to business disruption and hindering our ability to operate optimally.
Compliance	The Group's failure to comply with industry laws and regulations, internal policies or prescribed best practices will result in legal penalties, financial forfeiture and material losses.
Financial	We are exposed to financial risks such as concentration risk and credit risk.
Transformation Projects	We have experienced delays in some of our key transformation projects, mainly due to prioritisation challenges and limited resources.
Core System Replacement Project	This is a major project for the Group's largest subsidiary, Tune Protect Malaysia, involving the replacement of the existing core system that is hosted on to Cloud.
Climate Change	Our home markets are experiencing increased frequency of flooding due to the effects of climate change.
New and Emerging Risk – Inflation from Removal of Subsidies	Anticipated changes to targeted fuel subsidies in Malaysia are expected to have a limited impact on overall inflation, provided a well-developed mechanism is in place. The removal of subsidies from certain groups, coupled with rising inflationary pressures, services costs and import prices, could contribute to a 0.9% annual increase in the consumer price index.

TOP RISKS & HOW WE MANAGE THEM

CONTROL/MITIGATION PLAN

To address and mitigate technology risks, we implement various control measures.

Our Security Operation Centre provides 24/7 security monitoring for servers and network devices, ensuring early detection of potential threats. We maintain and regularly review our User Access Matrix for our systems, and our incident response and management protocols are in place and regularly tested to contain potential damage, prevent and remove unauthorised access, and restore network and system integrity.

To mitigate the risk of unplanned downtime or cyber incidents, we maintain continuous business operations via our annually tested Disaster Recovery Plans. Annual penetration tests and vulnerability assessments are performed on existing and newly implemented digital initiatives to identify and remediate any weaknesses before launch.

In addition, cybersecurity experts will be engaged to strengthen Tune Protect's capacity to monitor, detect and mitigate security incidents. Awareness campaigns will continue to be launched to enhance cybersecurity awareness among employees, encouraging them to adopt security best practices and remain vigilant against social engineering attacks.

Continuous improvement initiatives will be implemented through regular review and updates of security policies, procedures and technologies to align with evolving threats and industry best practices.

As part of our compliance risk management and mitigation measures, we conduct ongoing compliance awareness training sessions for all employees, monitor adherence to regulatory requirements regularly, perform routine gap analyses on relevant regulatory requirements and develop action plans to mitigate identified gaps.

We manage our financial risks by diversifying our business portfolio to reduce reliance on a limited number of business partners. Additionally, we maintain capital above regulatory requirements by setting internal target levels, serving as early warning indicators to ensure financial stability.

Management closely monitors the project plans implemented, with appointed project managers ensuring timely completion. Key projects with material impact to Tune Protect are identified and prioritised.

This poses a key risk for us due to the significant investment of resources involved in the project. Phase 1 of the project went live in the fourth quarter of 2022, differing from the initial plan of launching in the third quarter of 2022. This shift has impacted other initiatives focused on simplification and efficiency and has further strained resources. Management closely monitors the project plan and has integrated it into the Key Performance Indicators ("KPIs") for key management of the Group's largest subsidiary, Tune Protect Malaysia.

Climate change is one of the enterprise-level risks managed by the Management. The Sustainability Committee keeps Management and the Board of Directors informed about the physical and transition risks posed by climate change. We have integrated scenario analysis for flood risks into our underwriting and reinsurance operations, as well as assessing the capital adequacy of the Group.

A Working Group has been established to address specific requirements of BNM's Policy Document on Climate Risk Management and Scenario Analysis and Climate Risk Stress Testing Exercise.

Management closely monitors developments on this topic.

OUR VALUE CREATION MODEL

OUR INPUTS TO THE CAPITALS

FINANCIAL CAPITAL

- Market capitalisation as at 31 December 2023: **RM300.9 million**
- Total assets of RM1.29 billion
- Zero gearing
- Credit rating:
  - Tune Protect Group (RAM Ratings): A_2 P1
  - Tune Protect Re (A.M. Best): bbb
- Capital adequacy ratio and solvency of the Company and its subsidiaries ranges between 2x-6x above regulatory minimum

HUMAN CAPITAL

- **478** diverse employees operating across the Group
- Investment in training and development for the Board and employees
- Positive relationship with trade unions
- Utilised the UN Global Compact Academy to foster education on sustainability and the SDGs for all employees
- Go1 – e-learning platform with over 100,000 resources, covering technical skills, soft skills and life lessons for employees

SOCIAL & RELATIONSHIP CAPITAL

- B2B Travel - Offering more than 10 travel and lifestyle insurance propositions
- Access to over 150 million customers (own and via partners)
- Global footprint in 30 countries* and a network of 45 local underwriting partners
- Diversified list of 79 digital partners including six exclusive airline partners
- 1,207 insurance agents in Malaysia
- Circa 2,000 B2B agents in the Middle East, Bangladesh and India
- Annual Corporate Good contribution of up to RM350,000 or 0.5% of Group PAT, whichever is lower

INTELLECTUAL CAPITAL

- Revamped tuneprotect.com and mobile app
- Built-in AI model which analyses data and offers personalised insurance plans
- Digital accelerator platform, which enables us to churn out policies and products at a much faster pace
- Home-grown, scalable Travel, Health and Lifestyle protection platforms
- PUMP, our digital healthtech platform to track health and reward customers via the Tune Protect Mobile Application
- Unique reinsurance business model
- First Malaysian insurance company to host the SAP insurance core on to Cloud
- Strong CG framework with robust policies and procedures
- Cloud-based contact centre platform powered by Amazon Web Services

NATURAL CAPITAL

- Committed to being Zero Coal in our underwriting and investment portfolios by 2030
- Excluded tobacco and arms manufacturing from our underwriting portfolio
- Paperless in our in-control processes
- Developing required climate action and environmental protection initiatives to conserve energy, paper and water

MANUFACTURED CAPITAL

- Tune Protect Malaysia's 16 branches (including our flagship lifestyle branch in Bukit Jalil, Kuala Lumpur) and our HQ.
- Tune Protect Re Labuan's registered office
- Two local offices in Dubai and Bangkok

* *Including inbound markets*

BUSINESS MODEL AND OUTPUTS

Strategic Direction:

- **Build an insurance company that everyone LOVES**
- **Leverage AirAsia ecosystem to increase revenue**
- **Build an ASEAN-based insurer**

Business Pillars

- **Health**
- **SME**
- **Lifestyle**

The Key Differentiators

- The Company and its subsidiaries' solvencies are well above the minimum local regulatory requirements
- Broad and diversified geographical reach, distribution partners and product offerings
- "Better together" culture; skilled, diverse and agile workforce
- Balanced workforce gender composition
- Digitalised and simplified insurance processes and customer experience
- Products and services created with mobile-first value
- Increased customer acquisition from preferred segments
- Inducted into the FTSE4Good Bursa Malaysia Index in December 2021, the only insurer on the Index in the year under review

OUR VALUE CREATION MODEL

VISION

MISSION

CORE VALUES

Risks & Opportunities

- Technology
- Compliance
- Financial
- Transformation Projects
- Core System Replacement Project
- Climate Change
- Inflation

Underpinned by Governance

Outputs of 2023

- Retention ratio of **79%**
- Insurance Revenue of **RM374.1 million**
- Net Written Premiums of **RM339.4 million**
- Recorded **5,603.3 hours** of online learning and self-learning
- Integrated **17** robotic process automations into **68** progressive internal processes
- **6.3% ESG investments** funds mix

For more information, refer to:
1. *Internal Policies, pages 132 - 134*
2. *Sustainability Statement, pages 40 - 93.*
3. *Top Risks and How We Manage Them, pages 26 - 27*

OUR 2023 KEY OUTCOMES

S1 EMPLOYEES

- Talentbank's Graduate Choice Awards for the Insurance sector
- Employer of choice with NPS of +19
- Achieved an average of 66.6 training hours per employee
- 13% of our new hires came from our internship pool, with 36% of all new hires being Zillennials

S2 CUSTOMERS

- Best Insurance Technology at the PC.com Awards
- CXP Best Customer Experience Awards 2023 - Excellence in Customer Experience, 2nd consecutive year
- Top 5 General Insurer for Customer Satisfaction in a Service Index (CSI) Study by the Nielsen Company Malaysia, commissioned by PIAM
- Two awards for our claims initiative from the Insurance Asia News Awards 2023 and the Insurance Asia Awards 2023, respectively
- Customer NPS of +45 (+61 growth since baseline, established in April 2021)

S3 SHAREHOLDERS & INVESTORS

- RHB Small Cap Top 20 Jewels for the 2nd year running
- Achieved our Zero Coal commitment in our underwriting portfolio seven years ahead of our target

S4 REGULATORS AND GOVERNANCE BODIES

- Top 17 public listed company for CG Disclosure by MSWG for 2021
- Highest ranked insurance company on the Top 100 Companies for CG Disclosure by MSWG for 2021
- Recognised with the Industry Excellence Award for CG Disclosure by MSWG for three consecutive years (2020-2022).*

S5 BUSINESS PARTNERS

- Our Group-wide partner NPS was +60
- Entered the African market for B2B Travel through a strategic partnership with a leading insurance company in Nigeria

S6 COMMUNITIES

- Invested 4,173 employee volunteerism hours in community investment projects
- RM279,115 was contributed towards Corporate Good initiatives

* *In 2023, MSWG ratings practice changed to a biennial basis instead of an annual basis*

CHAIRMAN'S REVIEW

DEAR VALUED SHAREHOLDERS,

2023 was a year of economic moderation and regulatory changes. We planned our strategic growth around market opportunities with product enhancements especially in the recovering travel sector and in new regional markets. Despite the difficult operating environment, we demonstrated our commitment to stakeholder value while positioning ourselves for continued success in a dynamic environment.

Dato' Mohamed Khadar bin Merican
Chairman, Independent
Non-Executive Director

OVERVIEW OF THE OPERATING ENVIRONMENT

The macroeconomic landscape in 2023 presented both challenges and opportunities for Tune Protect Group. The year saw a normalisation of growth within the Malaysian economy, moderating to 3.7% from the robust 8.7% achieved in 2022, influenced by a confluence of factors including a global trade slowdown, disruptions in the supply chain, a downturn in the technology industry, geopolitical tensions, and uncertain monetary policies.

CHAIRMAN'S REVIEW

KEY HIGHLIGHTS

The Group reported a Profit After Tax (PAT) of **RM0.2 million**

Three-year Compounded Annual Growth Rate (CAGR) of Net Written Premiums (NWP) = **26%**

EIGHT COMMITMENTS

- Retention upwards towards **79%** in all Lines of Business
- **More efficient organisation** on a ratio basis
- **Mobile-first** company
- To grow our **ASEAN** presence
- To be among **NPS leaders** in our preferred market
- To be an **EMPLOYER OF CHOICE** among insurers for millennial talents
- To be inducted as a **FTSE4Good** constituent
- Continue to evolve our **technology arm** into a profit centre

The Malaysian General Insurance Industry witnessed a growth in gross direct premiums of 7.5% to RM20.9 billion, with significant contributions from motor insurance, contractor's all risks and engineering insurance, as well as fire insurance classes. Areas that the Group are traditionally strong in saw solid growth in 2023, with the motor segment seeing an all-time high total industry volume, spurred by tax-free incentives and new Electric Vehicle launches. The travel segment also saw a recovery, with the UN World Tourism Organisation's (UNWTO) World Tourism Barometer estimating that international tourism had rebounded to 88% of pre-pandemic levels.

2023 also marked the industry's adoption of Malaysian Financial Reporting Standard (MFRS) 17, enhancing financial statement transparency and comparability within the insurance sector. In addition, phase 2B of the tariff rates liberalisation for Motor and Fire lines, effective from July 2023, provided further pricing flexibility and encouraged efficiency improvements in motor claims processing.

DELIVERING VALUE

2023 marked the end of our 2021-2023 strategic plan. At the beginning, we targeted improvements in eight areas, comprising improving premium retention, creating a more efficient organisation, evolving our technology arm into a profit centre, growing our ASEAN presence, being a mobile first company, being a Net Promotor Score ("NPS") leader in our preferred markets, being an employer of choice amongst insurers for Millennials and to be inducted into the FTSE4Good index. We achieved all our strategic objectives except one, which involves continued efforts to evolve our technology arm into a profit centre.

A significant achievement from the 2021-2023 strategic plan includes the achievement of a three-year compounded annual growth rate of 26% in Net Written Premiums, compared to the industry of 5%.

Other notable achievements this year include the growth in our travel portfolio, particularly as the travel industry began to recover progressively, despite the slower than anticipated pick up of the Chinese travel business. Growth was mainly due to significant contributions from our strategic partnerships with key airlines, including AirAsia and VietJet Air. On the investments front, our asset allocation strategies to focus on money market funds has stabilised returns.

CHAIRMAN'S REVIEW

FINANCIAL PERFORMANCE

The Group reported a Profit After Tax of RM0.2 million. This was achieved despite an impairment charge of RM43.6 million, brought about by the non-collectability of certain premiums due to technical reasons. We are confident that, anchored by a largely successful 2021-23 and progressive 2024-2026 strategic plans, the Group has the foundations to achieve better performance in the forthcoming years.

UPHOLDING SUSTAINABILITY

The Group continues to uphold our deep-seated commitment to Environmental, Social, and Governance ("ESG") practices as we strive to foster a sustainable and equitable future. This year, we finally exited from any further coal exposure when we ended coverage of three coal related businesses.

In recognition that there remains much more to do in terms of climate action, we consistently align our operations and strategies with the broader global agenda. This includes improving our reporting standards as we adopted requirements of the Task Force on Climate-Related Financial Disclosures (TCFD) guidelines since 2021, ahead of regulatory requirements. We are also working towards complying with Bank Negara Malaysia's ("BNM") Climate Risk Management and Scenario Analysis and Climate Risk Stress Test Methodology, which details a phased approach to ensure the financial industry remains resilient against climate related risks.

Our contributions toward social responsibility include our participation in the Government's Perlindungan Tenang Voucher programme and the launch of the FLEXIOne product, a customisable and affordable medical and critical illness coverage solution, designed to cater to the needs of first-time insurance buyers and those on tight budgets, bringing insurance to the underserved and unserved communities in times of need.

As a Group, we have also pledged to dedicate 6,000 hours towards ESG-related activities by our employees, spanning from 2022 to 2024. As at the end of 2023, we have already achieved 93% of this goal. This commitment not only fosters a culture of social responsibility amongst employees but also contributes to a greater collective impact on environmental and social welfare initiatives.

The Group has also pledged to dedicate

6,000 hours

towards CoG and community investment activities by its employees spanning from 2022 to 2024

A notable endeavour was the launch of

FLEXIOne,

a customisable and affordable medical and critical illness coverage

CHAIRMAN'S REVIEW

Outlook

The Malaysian economy is anticipated to expand by 4% to 5%, propelled by robust domestic expenditure and a rebound in external demand. Tourism-related activities are expected to contribute significantly to this growth. As always, the Group is excited with the growth in travel as we are a significant player in this sector. We are cautious of increased domestic inflationary pressures as the Government seeks to reduce subsidies in several areas as well as increase consumption tax rates, while widening the tax net.

The Group's strategic plan 2021-2023 has been successful in placing the Group on a stronger footing. We expect the 2024-2026 strategic plan to strengthen the Group further to achieve our targets. Together with a strong capital base, we expect the Group to deliver better performance in the years to come.

ACKNOWLEDGEMENTS

I wish to express my gratitude for the support we have received from all our stakeholders, which has been pivotal to the Group's sustained progress over the years. To our valued shareholders, your enduring trust in Tune Protect Group has been the cornerstone of our ability to pursue our vision and accomplish our objectives.

This year, two of our directors will leave our Board. Ms Tan Ming-Li leaves after serving our Board for 10 years which included one year as a Non-Independent Director. Dr Grace Lee, who will be retired by rotation at the upcoming Thirteenth AGM, has expressed her intention not to seek for re-election and will remain in office until the conclusion of the said AGM. We appreciate their immense contributions to the Board and wish them well in their future undertakings.

Our Group CEO, Mr Rohit Chandrasekharan Nambiar ("Rohit") has also resigned from the Group for personal reasons. Rohit has been invaluable in leading the management for the past three and a half years. We thank him for his services and wish him well for the future.

My sincere thanks also goes to our current Board Members, whose strategic insights and leadership have been invaluable, and to our dedicated management team, trusted business partners, and committed employees, whose tireless efforts and dedication have been instrumental in our collective success.

A special note of appreciation is due to our regulators for their ongoing support and counsel, which have guided our growth and strategic direction. The backing of all our stakeholders is crucial as we strive to create a lasting and positive change in the communities we touch. Thank you for your continued faith in us and for playing a vital role in the journey and achievements of the Group.

MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

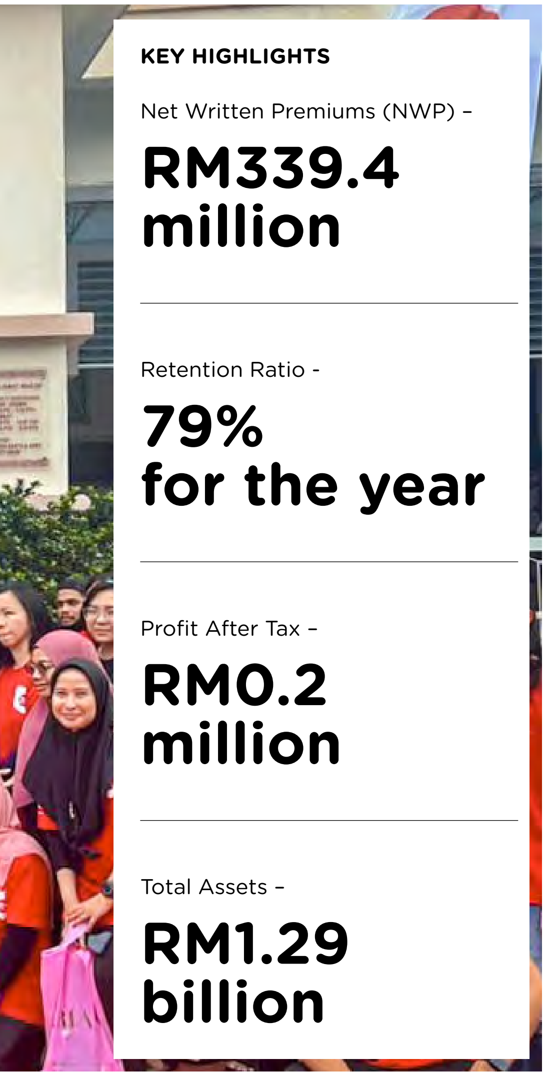
Despite the initial optimism for global economic recovery, 2023 proved to be a challenging year for businesses due to China's sluggish economy, tight monetary policy around the world, and geopolitical tensions. These uncertainties made business challenging, especially in predicting consumer sentiment and potential drivers of growth. Domestically, Malaysia's economy remained relatively resilient, with strong domestic demand being offset by weaker export performance while the general insurance industry experienced a 7.5% year-on-year ("YoY") growth on Gross Direct Premium. Notwithstanding these obstacles, Tune Protect ended the year on a high note by returning to black after two loss-making years, demonstrating our resolve to turning around the business.

PERFORMANCE REVIEW

In 2023, Tune Protect concluded our three-year strategic plan and achieved commendable results by meeting seven out of our eight commitments outlined at the plan's inception. Our accomplishments accelerated our progress in our key segments, led by the Lifestyle pillar which is envisioned to be the space we will focus on significantly going forward. Additionally, we have also expanded our presence in the ASEAN region by securing an additional airline partner in Vietnam.

Advancing beyond ASEAN, Tune Protect materialised our breakthrough in Africa with our first B2B Travel Insurance partner. The partnership will

MANAGEMENT DISCUSSION & ANALYSIS



KEY HIGHLIGHTS

Net Written Premiums (NWP) –

RM339.4 million

Retention Ratio -

79% for the year

Profit After Tax –

RM0.2 million

Total Assets –

RM1.29 billion

be focusing on B2B Travel, offering more than 10 travel and lifestyle insurance propositions.

While there was an increase in travel, we had to cautiously navigate challenges that the travel industry faced as a result of China's slow economic recovery pace, considering that the country makes up a significant amount of inbound travel to many destinations. In addition, there were delays in realising greater monetisation of our White Label brand while complications arising from our claims under the Perlindungan Tenang Voucher ("PTV") programme had put a dent in our overall profit.

FINANCIAL PERFORMANCE

The Group recorded a more than 100% increase YoY in PAT at RM0.2 million as we returned to black from the loss of RM34.6* million reported in FY2022. YoY, our retention ratio increased by 17% to 79%, maintaining the same percentage of 98% and 88% for Health and Lifestyle pillar respectively but recorded a decline in SME by 4%. The decline in SME business is caused by the low sum-insured Liability and Engineering accounts.

Our NWP fell by 2% YoY to RM339.4 million , mainly due to the absence of PTV sales, which amounted to RM62.7 million in FY2022. Normalising that would have seen NWP grow by 19% YoY. Health grew substantially by 11% led by the foreign worker segment while Motor NWP was up by 72% YoY, attributed to intermediaries and partnerships channel growth. Our Travel NWP also grew by 9% YoY due to our business expansion with AirAsia and VietJet Air.

The Group's insurance revenue declined by 22% to RM374.1 million from FY2022's RM481.9 million*, impacted by the PTV programme. The programme which has been discontinued by regulators this year, affected our FY2023 performance as some policies underwritten by the Group's subsidiary Tune Protect Malaysia under PTV were considered to be ineligible for redemption. The PTV impairment is a one-off event with an impact of RM22.4 million to the profit after tax.

Tune Protect's investment income rose exponentially to RM32.2 million in FY2023, from RM0.9 million* in the previous year. The Group's investment performance for total investment income exceeded 100% YoY, attributed to the realisation of the Group's investment strategy producing stable investment returns.

FINANCIAL POSITION AND LIQUIDITY

Total assets for the Group were RM1.29 billion, whereas total liabilities stood at RM0.72 billion as at 31 December 2023. Net assets per ordinary share attributable to owners of the parent as at 31 December 2023 equalised 31 December 2022, at RM0.70. The Group maintained zero gearing in 2023 and will continue to exercise prudent fund management in order to maintain a sound financial position in relation to the needs of our ongoing strategic initiatives.

CAPITAL AND RESOURCES MANAGEMENT

The Group maintains a solid capital base through our effective and prudent capital management in order to achieve business sustainability. In complying with the capital adequacy and solvency requirements, both of our insurance and reinsurance subsidiaries have healthy levels of capital solvency, coupled with an adequate set of monitoring mechanisms and controls in place. There were no requirements for additional capital resources and our capital structure remained the same in FY2023.

DIVIDEND

Our operations are supported and financed by dividends upstreamed from our respective subsidiaries and the amount of dividend is highly dependent on the performance of the subsidiaries. We remained conservative, despite the country's economic recovery, due to uncertainties caused by global events and channelled our resources into expanding our business through diversification in our preferred segments; Lifestyle, Health and SME. There was no dividend distributed in 2023 as the Company's priority was to direct our funds toward investments for growth. In doing so, we were able to further enhance our product offerings, expand our presence in new markets and weather uncertainties to overcome challenges.

* *The Group has applied Malaysian Financial Reporting Standards (MFRS) 17, including any consequential amendments to the other standards, from 1 January 2023. This standard has brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated applicable comparative amounts for 2022.*

MANAGEMENT DISCUSSION & ANALYSIS

OUR KEY PILLARS OF GROWTH

LIFESTYLE

Our three-year business strategy has enabled us to further understand and fortify our strength in the Lifestyle segment. This year, we continued to launch innovative products, enhancing our portfolio for wider customer reach and commitment to our tagline of 'Insurance Simplified'.

In supporting the digital-centric lifestyle of our customers, we launched our first personal cyber-crime insurance for individuals. The Tune CyberSecure policy aims to safeguard electronic devices connected to the internet at our customers' registered address due to the growing trend of cyber threats. With premiums starting as low as RM145 per year, customers can secure coverage of up to RM10,000 against cybercrimes such as electronic fund transfer fraud and identity theft. In another initiative to support digital lifestyles, we partnered with bolttech, an international Insurtech firm, launched a new generation of device protection solutions and support services. As the exclusive underwriter for the device insurance coverage, the policy provides protection for cracked screens, accidental and liquid damage, as well as extended warranty for insured devices, including smartphones and home appliances.

With the rebound of the travel industry, we expanded our products and collaborations to better serve travellers. The Group partnered with AirAsia to launch AirAsia Comprehensive Travel PLUS, an enhanced travel insurance product featuring Cashless Hospital Admission services for policies issued by Tune Protect Malaysia and Tune Protect Thailand. This innovative feature provides travellers with seamless access to medical assistance abroad via AirAsia's online and offline booking platforms. Additionally, we collaborated with True 5G to offer the True Tourist SIM, a holistic solution that combines high-speed mobile data service with complimentary travel insurance coverage for tourists visiting Thailand. We also expanded our partnership with BigPay, offering the TravelEasy policy on the BigPay app for domestic and worldwide coverage with two plans including the Basic Plan and COVID Lite Plan.

Other expanded partnerships under our Lifestyle segment include the collaboration with Qoala, Fatberry,com and MediSavers. Qoala, which is the biggest omnichannel Insurtech company in Southeast Asia, is the aggregator for all types of conventional insurance while Fatberry.com is a digital insurance marketplace that allows users to compare and customise their insurance policies and is an aggregator for car insurance. With Qoala and Fatberry.com, our collaboration includes the distribution of the Bike Easy and Critical Safe+ (CI) policies.

MediSavers is a membership programme that aims to provide affordable healthcare solutions to Malaysians. Our collaboration with MediSavers encompasses the distribution of the Bike Easy and Critical Safe+ (CI) and Motor Easy.

HEALTH

Under our Health segment, we introduced the FLEXIOne insurance solution targeting Millennials and Zillennials, allowing customers to customise Medical, and/or Critical Illness coverages according to their preferences and budget. The policy is best suited for young, first-time buyers and those on a financial budget as we offer premiums as low as RM5 per month. For easy access, the policy is available for purchase on our online platform where customers can select the pre-packaged budget plan or build their own, guided every step of the way by 'Tracy', the new resident virtual assistant. Tracy explains in simple language, eases customers' understanding and paves the way for a pleasant 3-minutes-to-buy discovery and purchase experience.

We also embedded another innovative feature in FLEXIOne, the AI-powered Plan Recommender which personalises and recommends the best-suited insurance package based on a few simple questions posed to the customer. The plan recommender is helpful to customers who are new to insurance and prefer to have recommendations that fits their budget.

Additionally, Tune Protect has expanded our partnerships with MyDocLab to distribute various insurance products, including PRO-Health Medical, Dental Easy, and Critical Safe+, among others including Travel Easy and PA Easy. MyDocLab is a digital healthcare platform that provides quality health screening services and products by digitalising the process flow of diagnostic testing to self-manage personal healthcare and status needs.

SME

We are first in the market to launch an innovative employee insurance product, allowing business owners to purchase Medical/Health insurance directly for their employees on a B2C channel. This offering provides a unique three-year fixed premium guarantee, enabling budget planning and includes a health/wellness-based rewards programme called Activ8 to enhance employees' well-being and productivity. Business owners are also able to purchase the SME EZY product and plan of their choice directly, up to 10% rebate.

We also went live with a user-friendly SME Microsite, offering customised insurance solutions and profession-based insurance bundles with exclusive premium rebates of 15%. The included policy, Business Shield, serves as a one-stop platform for MSMEs to access information and connect with partners' offerings. The microsite empowers business owners and small businesses with easy access to information so that they can make informed decisions of their coverage needs.

PRIORITISING CUSTOMER EXPERIENCE

In ensuring a seamless customer experience, the Group has undertaken several customer-centric initiatives in line with our ongoing 3-3-3 customer promise:

- On-the-spot claims assessment scheme for Fire products with claims below RM5,000 of which payment will be raised within three working days through a fully digitalised process. The process improved our turnaround time by 95% from 21 days to just one day
- New contact centre platform which is a cloud-based solution powered by Amazon Web Services for a more efficient call management and improved customer experience
- Enhanced Tune Express applicable for Comprehensive Motor product where claims will be approved within two hours in addition to increasing the claims amount from below RM3,000 to below RM5,000
- Consolidated customer centre for resolution of customer queries including all channels, such as calls, emails, social media for a faster turnaround time as part of our three hours commitment
- E-wallet payment option for website purchase in addition to online banking and credit/debit card
- Cashless payment as we officially transitioned into cashless payment for all walk-in customers across branches nationwide, reducing manual cash handling
- Transactional NPS Survey executed to track customer satisfaction during the purchase and claims journey
- A goodwill payout was activated for MYAirline travellers who purchased Tune Protect travel plans due to the suspension of MYAirline operations, despite not being part of the policy's coverage. We extended our support by offering a goodwill payout of up to RM200 per person to affected passengers who have purchased Tune Protect Travel Insurance for their cancelled flights with MYAirline. The goodwill payout is calculated based on 50% of the flight ticket price, subject to a maximum of RM200 per passenger.
- Digital Roadside Assistance which features towing geolocation and preferred panel workshop selection

These efforts have led to significant improvements, with our Customer NPS increasing to +45 (above global industry standard of +42) as at December 2023 versus -16 when we started in April 2021. In 2023, we expanded our NPS tracking by introducing the Transactional NPS for both claims and purchase journeys of our customers. Having the Transactional NPS for claims and purchase will be a good yardstick for us to continue living up to our 3-3-3 customer commitments.

CREATING VALUE THROUGH PARTNERSHIPS

We continued to form strategic partnerships in FY2023 which contributed to the business expansion of both organisations. Currently, we have 79 partners on board with us and six airline partners. Our NWP via the digital partnership and ecommerce channel surged by 37.9%, excluding the PTV programme and we have increased our digital partners and ecommerce mix by 12% over a three-year period.

MANAGEMENT DISCUSSION & ANALYSIS

Over the last three years, our key partners secured include Vietjet Air, which is our latest airline partner, entailing the sale of travel insurance through the airline's travel portal. Vietjet Air joins our list of airline partners including AirAsia, AirAsia X, SalamAir, AirArabia and FlyArna, fortifying our presence in Southeast Asia and the Middle East. The Group has made tremendous strides in Vietnam with our GWP growing by 74 times within the last three years partly contributed by our two other partners including BaoViet Insurance and MoMo (e-wallet).

Apart from our bolttech partnership that enhanced our Lifestyle pillar, other key partners include PolicyStreet, our distribution partner for Foodpanda and Shopee gig workers protection plan and the Credit Guarantee Corporation Malaysia ("CGC") whereby the collaboration sees the offering of the SME Business Shield, SME EZY, and PA Easy via CGC's affiliate link.

In addition to our recent partnership with Leadway Assurance in Nigeria, we have also renewed our distribution agreement for a multi-year period to facilitate travel assurance products with SalamAir. We are also providing value added services by forming strategic partnerships with Akbar Travels, the largest travel agency in India, to embed Blue Ribbon Bags (BRB) in the booking journey of the travel agency's digital platform. BRB's offerings, including luggage tracking and expedited return, are now available on AkbarTravels.com, facilitated by White Label.

With AirLegit, we introduced cutting-edge travel technology solutions across the Middle East region. These solutions include Flight Watcher for flight monitoring, Automated Check-in for streamlined check-in processes, and Automated Rebooking for swift alternative flight arrangements, all aimed at enhancing the travel experience. Powered by state-of-the-art technology, these offerings provide convenience and peace of mind to travellers.

We have
79 partners
and six airline partners

Our NWP surged by
37.9% **via the digital partnership and ecommerce channel**

Over the last three years, our key partners secured include
Vietjet Air

TECHNOLOGY AS THE BACKBONE OF OUR BUSINESS

Tune Protect's technological capabilities forms the foundation of our partnership activations, product innovation and accelerates our market entry, driving our initiatives across various sectors. With technology, we are able to activate our B2B Travel Market across multiple regions, including the Middle East, Asia, and Europe, facilitated by our robust technological infrastructure. Additionally, our robust in-house tech has enabled us to fulfil many of our digitalisation efforts including our 3-3-3 commitment, PUMP feature and mobile app. Advancing forward, it is worth noting that our core system runs on Cloud, enabling us to be updated with the latest systems and moving away from conventional paperwork.

As technology remains at the forefront of our organisational framework, we continue to prioritise cybersecurity, employing multiple layers of protection across our infrastructure, both on to Cloud and on-premises, to safeguard against potential threats. Our integration with partners from diverse industries, such as ride-hailing and ecommerce, through our API, enhances our service offerings and extends our reach. Furthermore, our collaboration with AirAsia BIG system allows customers to earn loyalty points when purchasing insurance from us, further enriching their experience and fostering brand loyalty.

Prominently, the Group's investment strategy in technology is reflected in our Insurtech arm, White Label. During the year under review, White Label issued 8.8 million policies organisation-wide although it has the ability to generate more, where it issued more than 11 million policies in the year before.

Over the last three years, White Label has empowered the business by achieving:

- Market entry into three new markets, which were activated by our corporate clients using and paying for our tech abilities
- The launch of our digital accelerator platform, which enables us to churn out policies and products at a much faster pace
- The position of the first insurer to move its core system on to Cloud after obtaining BNM's approval. We are currently partnering with SAP, Serole and Huawei and have completed the phase one of the core system replacement and we are moving into the second phase which focuses more on B2C products
- The establishment of our in-house travel tech platform where we have onboarded Salam Air, FlyArna and recently VietJet Air
- Our built-in AI model which analyses data and offer personalised insurance plans

MANAGEMENT DISCUSSION & ANALYSIS

The success of White Label has led to a total revenue and other income of RM11.9 million in FY2023, marking an increase of 2.83 times from its initial total revenue and other income of RM4.2 million in FY2020.

Outlook and Prospects

Our three-year strategy (2021-2023) has presented valuable insights and key learnings to the business and given us the clarity to leverage on our core competencies which differentiates us from other insurers. Travel is a long-established strength of ours and will continue to be given our exclusive partnership with AirAsia as well as our travel reinsurance expertise complemented by our extensive underwriting and B2B partnerships spanning across the globe. With the anticipated increase in global travel in 2024 expected to surpass pre-COVID levels coupled with our partners' fleet expansion, increased flight capacity and opening of new routes, Tune Protect is well positioned to benefit. On Tune Protect's part, our focus is on better understanding travellers' needs when it comes to travel. Via customer behavioural analysis, data analytics and AI, we want to customise our value proposition according to their specific needs whilst addressing any pain points they may have. This in turn would create cross selling opportunities and command better brand loyalty in the long run. The measure of our performance is clear, we want to increase the take up rate of customers that fly with AirAsia. We also want to entrench ourselves in the other non-aviation businesses of Capital A in which insurance serves as a complementary offering.

The emphasis on travel does not mean that we will deprioritise other lines of business. Our commitment to grow other lifestyle lines of business such as motor, health and SME remains, however, the key consideration will be on profitability. Any underwriting decisions would consider factors such as the ideal business mix, profit margins, risk profile and capital charge among other considerations. The bulk of our resources will be channelled towards initiatives, campaigns and investments that delivers sustainable and steady returns.

From an expense standpoint, the Group is identifying non-value-added areas to streamline cost and also to ideate initiatives that would see the Group operate as a more efficient organisation. Marketing spend will focus on benefit realisation and it will be more coordinated and targeted in line with the Group-wide objectives. From a technology investment perspective, there will be a comprehensive review of all projects with major decisions to be made on deprioritising certain ones to focus on those which generate faster returns or benefits realisation.

We are staying cautiously optimistic for 2024, as global economic growth is expected to slow down given that inflation remains a key concern for countries. There are, however, several areas that we are very positive about, with the rebound of the travel industry being one of them. We see huge opportunities in the ASEAN and B2B travel landscape and that presents a platform for us to further expand our travel and ecommerce businesses.

In withstanding forthcoming challenges and capitalising on opportunities, the Group will stay focused on materialising the next phase of our strategy as it was developed to increase business resilience. We are confident of our technological capability, that pushes us to further strengthen our competency in being a lifestyle digital insurer. Innovation and new product developments continue to be at the forefront of our business, making us relevant among today's digitally savvy consumer. It is also important to emphasise that we are speaking to a whole new generation of young people, and customer-centricity will be the driving force that determines our success in achieving our goals.

In the context of this whole new generation of stakeholders, we will continue to build on our sustainability goals, simply because it is the right thing to do, not only from a business and investor perspective, but also because it is a default setting for consumers of tomorrow. We aspire to be a sustainability-conscious organisation by leveraging on our strengths, particularly in digital innovation.

SUSTAINABILITY STATEMENT

Primary Alignment

Aligning with the United Nations Sustainable Development Goals

Since 2023, the performance of our material ESG matters and indicators have been consolidated in our ESG Insights page. Scan the QR code to access the mini-site.

SUSTAINABILITY FRAMEWORK

Since 2017, we have been cognisant of the significant impact our decisions and actions have on those we serve and the communities around us. Therefore, we aim to look beyond mere financial success and are committed to the Triple Bottom Line as responsible corporate citizens, aligning our sustainability efforts across three core dimensions: People, Planet, and Profits. We have begun incorporating Double Materiality into our assessments of sustainability and into our Sustainability Framework.

The Tune Protect Group Sustainability Framework rests on four foundational pillars: Our Governance, Our Business, Our Environment, and Our People & Community. This reflects the alignment of our Environmental, Social and Governance ("ESG") objectives with our business strategy, fostering long-term growth. With our sustainability tagline, 'In Tune for a Better Tomorrow,' we are steering our sustainability journey to a brighter future.

SUSTAINABILITY STATEMENT

Secondary Alignment

OUR GOVERNANCE

- Corporate Governance, Ethics and Risk Management
- Data Governance, Privacy and Cybersecurity

✔ Introduced Quarterly **IT Security Awareness** Training

✔ Incorporated a new **"Whistleblow Bribery & Corruption"** link on the landing page of the Tune Protect Group official website

OUR BUSINESS

- Customer Centricity
- Digital Innovations
- Responsible Business Practices
- Product and Offerings

✔ First Malaysian insurer to host **core system on to Cloud**

✔ **Launched an award-winning Parametric Claim Solution** for travel insurance policies for instant payouts to e-wallets*

** Claims are paid out in instances of confirmed flight delays without requiring any input from the policy holder*

OUR ENVIRONMENT

- Climate Change
- Resource Management

✔ **Zero Coal** in our underwriting portfolio since August 2023

✔ **Enhanced climate-related** risk identification, assessment, management and monitoring practices

OUR PEOPLE & COMMUNITY

- Diversity, Inclusion and Equal Opportunity
- Corporate Good and Community Investments
- Employee Wellness and Development

✔ Women occupy **50%** of our Board seats as of 31 December 2023.

✔ Employees volunteered **4,173 hours** for community investment in 2023

Through the four pillars, we aim to address key issues identified through stakeholder feedback and prevailing environmental concerns, while staying true to our own values and aspirations. To facilitate ongoing improvements in our sustainability performance, our Sustainability Committee ("SuCom") and the Board review material topics annually. This review ensures their continued relevance and considers the inclusion as well as exclusion of new topics, as needed.

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

Sustainability Committee Governance Structure

Notes:

** Reports to the Board Risk Management Committee on climate change-related matters, which are subsequently presented to the Board of Directors*

As Tune Protect's highest governance body the Board provides strategic guidance and supervision to management, including overseeing the Group's fiduciary responsibilities to shareholders. Furthermore, the Board monitors the Group's sustainability strategy, priorities, and targets by scrutinising sustainability-related matters and major disclosures. Aligning with the business strategy and sustainability objectives, the Board ensures internal and external stakeholders are well-informed about the Company's sustainability strategy, priorities, targets, and key performance indicators. The Board is thusly tasked with ensuring the integration of sustainability considerations into the Group's strategy and operations.

Overall accountability for sustainability resides with the Board, while our management-level sustainability committee, SuCom, spearheads the strategic management of significant sustainability matters to support the Board.

Established in 2017 to lead and oversee sustainability-related matters across the Group, SuCom comprises selected senior management team members and is led by a management-elected chairman holding office for no more than five years per term.

To uphold our commitment to sustainability, the Group actively anticipates and addresses key ESG risks and opportunities, striving to implement best practices throughout its business models.

Additionally, a comprehensive materiality assessment is conducted biennially to facilitate the agile management of sustainability issues aligned with identified material topics. SuCom meets every two months and provides quarterly reports to the Board. SuCom also provides ad-hoc updates as needed on climate change to the Risk Management Committee ("RMC"), which are subsequently disclosed to the Board.

The Sustainability function, acting as SuCom's Secretariat serves as an intermediary between SuCom, the Sustainability Working Group ("SWG"), and business units. The Secretariat's responsibilities include:

- Managing all aspects of sustainability, monitoring deliverables and reporting, while also acting as a project management office, collaborating with various internal stakeholders to drive and fulfill commitments
- Serving as the primary point of contact for external stakeholders such as analysts, investors, and the media seeking insight into the Group's long-term strategic direction and commitments
- Furnishing SuCom with timely updates on the Group's developments and presenting relevant proposals for consideration

The Group's SWG is a cross-functional working group tasked with assisting the Sustainability function in steering and overseeing the performance of sustainability initiatives across the Group. Comprising representatives from various business and functional units, the SWG oversees the data disclosed in the Sustainability Statement and the execution of related initiatives.

OUR GOVERNANCE

GOVERNANCE

Aligning with the UN SDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Mapping to Our Capitals

F H S I

Sustainability Material Matters

- Corporate Governance, Ethics and Risk Management
- Data Governance, Privacy and Cybersecurity

Why It Matters

- To ensure we continue to be licensed to provide insurance and reinsurance coverage as well as related services in the markets we operate in, by adhering to the Financial Services Act 2013, Companies Act 2016 and all relevant laws and regulations, including BNM policy documents and Bursa Malaysia's Main Market Listing Requirements ("MMLR")
- To maintain our stakeholders' trust by aligning with the best practices outlined in the Securities Commission Malaysia's Malaysian Code on Corporate Governance ("MCCG 2021") and the Corporate Governance Strategic Priorities 2021-2023
- To foster ethical business practices across the Group's business relationships, maintaining transparency and integrity as a steward of shareholders' capital

CORPORATE GOVERNANCE, ETHICS AND RISK MANAGEMENT

We are steadfast in upholding the highest standards of business ethics, transparency, integrity and accountability. We understand that any deviation from these principles poses significant financial and reputational risks. Therefore, we place paramount importance on integrity and honesty across all aspects of our operations. Our stance on this is uncompromising and we expect nothing short of exemplary conduct from both our current workforce and any partners, as well as current and potential partners. Our unwavering dedication to ethical conduct serves as the cornerstone of trust and confidence from our stakeholders.

OUR APPROACH

Upholding Ethical Business Practices

Tune Protect upholds ethical business practices through its comprehensive framework, which serves as a guiding compass for all our operations, ensuring alignment with our core values and commitment to integrity:

- Code of Business Conduct for Third Parties ("CoBC")
- Code of Conduct ("CoC")
- Group Anti-Bribery and Corruption Policy ("ABC Policy")
- Group Whistleblowing Policy
- Corporate Governance Policy

Anti-Bribery and Corruption System:
ZERO TOLERANCE Against Bribery & Corruption

Tune Protect maintains a zero-tolerance stance against any form of bribery, corruption, fraud, money laundering and abuse of power, adhering to Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act), all other applicable laws and also the provisions of the UN Convention Against Corruption. The CoC, available in English, Bahasa Malaysia, and Thai, is our foundational document outlining misconduct and aligns with our anti-bribery and corruption efforts.

Our ABC Policy and ABC System emphasise prevention, detection, monitoring, and response, addressing gifts, hospitality, donations and political contributions. The "No Gift Policy" clauses in our ABC Policy restrict acceptance and provision of gifts and prizes above RM300, requiring declaration forms for exceptional circumstances (such as official lucky draw events, branding related door gifts and goodie bags, and vice versa). Gifts are only allowed in celebration of births, in instances of hospitalisation, and to mark bereavements. We also implement the Annual Conflict of Interest Declarations and Integrity Pledge and have made it compulsory for all, in line with the T.R.U.S.T. Principles Adequate Procedures guidelines, Section 17A of the MACC (Amendment) Act 2018 ("MACC Act") and other applicable laws. Moreover, our ABC System is built on the foundation of prevention, detection, monitoring and response, and it adheres to the T.R.U.S.T. principles.

OUR GOVERNANCE

Top Level Commitment	Risk Assessment	Undertake Control Measures	Systematic Review Monitoring & Enforcement	Training & Communication
T	R	U	S	T

As a safeguard, we also report directly to BNM on our Risk Management and Regulatory Compliance, covering all operations. Internal Standard Operating Procedures ("SOPs") also include self-reporting on the Risk Register and a Regulatory Compliance declaration form by all business and support units every quarter.

In 2022 we formalised the Integrity function, which spearheads initiatives in a targeted effort to promote **ZERO TOLERANCE AGAINST BRIBERY & CORRUPTION**. The Integrity function provides support for queries and clarification requests from personnel and business units regarding the Group Anti-Bribery and Corruption Policy, Group Whistleblowing Policy, Conflict of Interest, the CoC, CoBC, enhanced due dilligence, fraud, money laundering, abuse of power and misconduct.

Enhanced Policies and Procedures

We updated the Group Anti-Bribery and Corruption Policy and Group Whistleblowing Policy to include a wider scope of coverage and collaborated with the IT function to develop the following digital forms with QR codes, which have been published on the Tune Protect official website:

- Gift/Prize Declaration Form
- Gift Application Form
- Whistleblowing Complaint Form

Whistleblowing and Grievance Mechanisms

Whistleblowing Investigations are governed by the Whistleblowing Investigation Team ("WBIT"), comprising the Chief Risk & Compliance Officer, Head of Regulatory Compliance, and the Integrity Lead, tasked with verifying the accuracy of information disclosed by whistleblowers and promptly addressing any issues raised. The WBIT reports directly to the RMC Chair, which is presided by an appointed member of the Board. All Whistleblowing Reports received via the official Whistleblowing Channel are channelled directly to the RMC Chair, who then directs the WBIT to conduct an investigation. This is an effective measure to ensure that any potential conflict of interest is addressed when the report is received and to preserve confidentiality. Other relevant personnel are optionally invited to stand in as WBIT members when a genuine conflict of interest is identified. Our Group Whistleblowing Policy, outlining channels for reporting bribery, corruption, money laundering, fraud, abuse of power and misconduct - is readily accessible on our Corporate Governance webpage for individuals to utilise and ensures protection for whistleblowers reporting in good faith. The Group's Whistleblowing Policy & procedures include escalation procedures for whistleblowing reports.

Enhancing Whistleblowing Awareness and Streamlining Reporting Channels

- Incorporated a new “Whistleblow Bribery & Corruption” link on the landing page of the Tune Protect Group official website for easy access and reporting
- Streamlined the Whistleblowing Reporting Channel with a consolidated whistleblowing email address to replace two email addresses used prior
- Developed and published a Whistleblower Screen Saver for company laptops, aiming to familiarise all personnel with the new QR Code, link and single whistleblowing email address, including a general guide on what may be reported via this channel

OUR GOVERNANCE

OUR INITIATIVES

Engaging Employees to Embed Ethics and Integrity

ABC Training & Awareness

Ensuring employees are aware of their responsibility in preventing unethical business conduct is a key priority. As such, we organise face-to-face as well as virtual Induction Sessions for newly joined employees, consultants, contractors, vendors and interns. Within these sessions, we cover a variety of topics aimed at facilitating the onboarding process. This includes governance-related matters such as anti-bribery and corruption, fraud, money laundering, conflict of interest, abuse of power, misconduct and IT security, and operational risk.

In 2023, 147 new joiners received ABC training across seven induction sessions.

Apart from our ongoing to create creating awareness regarding our zero-tolerance stance via notices located at the entrances of all our offices as well as on every employee's computer screen saver, we communicate our anti-bribery and corruption policies and stance via the following:

Third Parties
- Code of Conduct for Third Parties
- Corporate Website
- Purchase Order Agreements

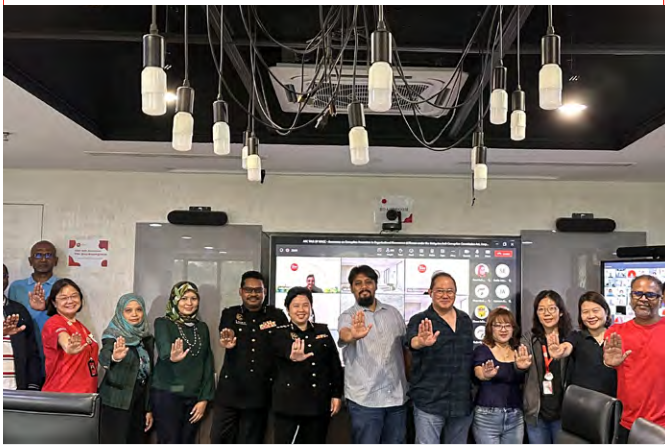
Employees
- CoC Awareness Month
- Governance Month
- Compulsory Integrity Training for new hires
- Anti-Bribery & Corruption Forums and Talks

Board of Directors
- Ad-hoc training and refresher workshops

Our Internal Audit conducts an annual audit of the ABC System, covering the seven essential functions, namely Integrity, Corporate Secretary, Compliance, Risk Management, IT, Finance, and People & Culture, across all Malaysian entities as identified through alignment to the MACC 2009 T.R.U.S.T. Principles. In 2023, the audit assessed data from 100% of the operations, representing all 16 branches, HQ, and Tune Protect Re's Labuan office. The audit revealed zero substantial risks, and there were zero reported incidents of corruption throughout the year under review.

For more information on our Corporate Governance, please refer to the Policy Disclosures on our website.

"Top-Level Commitment" ZERO TOLERANCE AGAINST BRIBERY & CORRUPTION Training



Additional workshops and training sessions on ethical business practices throughout FY2023 were conducted, including the following:

January

"Top - Level Commitment" ZERO TOLERANCE AGAINST BRIBERY & CORRUPTION Training and Refreshers

We conducted two "Top - Level Commitment" training sessions in 2023. The first, conducted by the Legal Advisor to the MACC, Dr. Baljit Singh, who provided a refresher for Tune Protect's Directors, senior management, governance team, and other personnel on Section 17A of the MACC Act and the statutory powers held by MACC.

The second session was conducted by the Integrity function of Tune Protect Group's Chairman of the Board of Directors to truly set the "Tone from the Top".

April - September

We issued reminders of the "No Gift Policy" close to festive seasons, encouraging personnel to communicate with third parties not to send foodstuff and festive gifts to our personnel. Similarly all personnel were also reminded not to give festive gifts. These reminders were disseminated twice in 2023 ahead of Chinese New Year, Hari Raya, Moon Cake Festival, Deepavali and Christmas.

OUR GOVERNANCE

May - June

We revised and released an animated Anti-Bribery & Corruption Training Video and Quiz, translated into Malay, Tamil, Chinese and Thai. This was launched during the Annual Code of Conduct Month Campaign 2023 to all personnel in Malaysia, Bangkok and Dubai. The Training Video and Quiz in four languages were also distributed to the Agency Transformation and Development Team in June. The training was subsequently cascaded to over 1,000 Tune Protect agents.

Additionally, we updated the Conflict of Interest Declaration & Integrity Pledge (COII). We distributed it to all personnel in Malaysia, Bangkok and Dubai as part of the campaign.

June

Conducted the Inaugural Integrity Training for the CEO and Senior Management Team of TPT. The training covered topics including anti-bribery and corruption, fraud, money laundering, conflict of interest, abuse of power, misconduct and IT security.

September

Our Integrity Lead participated in the UN Global Compact Network Malaysia and Brunei ("UNGCMYB") Roundtable discussion on "Business Integrity Regarding Human Rights Protection and Corruption Prevention in the Supply Chain".

October - November

The Integrity function conducted Team Corruption Risk Assessment Briefing for all Executive Committee members, Heads of Departments, Senior Managers, Regional Managers and Branch Managers as part of the Organisational Anti-Corruption Plan initiative.

June / November - December

In June, November and December, we conducted several mandatory refresher sessions for employees on the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001. These sessions were conducted both physically and virtually to ensure that all employees could access them regardless of location.

December

In conjunction with the International Anti-Corruption Day 2023, we organised an ABC Talk by MACC on "Awareness on Corruption Prevention in Organisational Governance & Offences Under the MACC (Amendment) Act 2018". Assistant Commissioner Kris Tan and Superintendent Thilak Munusamy from MACC addressed over 400 Tune Protect Directors and personnel who attended the talk in-person and virtually.

Percentage of Employees Receiving Training on Anti-Corruption

Employee Category (%)	2022*	2023
Heads & Above	100.0	98.1
Managers	96.8	87.2
Executives	100.0	84.3
Non-Executives	100.0	87.5

* *Data for 2022 has been restated due to changes in accounting practices. All data excludes interns and some employee categories such as consultants.*

CoC Online Training Modules

As part of our dedication to ensuring that all employees adhere to our principles, participation in our CoC Online Training Modules is mandatory. We offer two specialised modules tailored to different stakeholders:

Onboarding CoC Training Module

Mandatory to complete for new hires, usually within one month after joining

Annual CoC Training Module

Mandatory refresher and learning module for all employees (including new hires), contractors and vendors, within the Annual CoC Month Campaign

This module covers essential topics such as our CoC, Anti-Bribery and Corruption Policy, Group Whistleblowing Policy, Conflict of Interest guidelines, Information and Communications Technology protocols and more. Starting from October 2022, we have extended this training to include new joiners, contractors and vendors, making it accessible through our user-friendly e-learning platform. This initiative underscores our commitment to fostering a culture of integrity and responsibility across all levels of our workforce and extended network.

Upon completion of the training, participants will undergo an interactive assessment featuring multiple-choice questions and are required to achieve a minimum passing mark of 80% to successfully obtain the e-Certificate of Completion. This ensures that everyone who completes the training has a strong understanding of our ethical standards and policies, contributing to a cohesive and compliant organisational environment.

In 2023, 100% of our employees completed the Annual CoC Training Module during the Annual CoC Month Campaign held in June. 170 new joiners completed the Onboarding CoC Training Module.

Topics Covered for all Integrity and CoC Training Modules

Respect in Our Workplace	Respect for Our Business Partners	Respect for Our Shareholders	Administration and Reporting
a. Diversity & Inclusion b. Anti-Harassment (incl. Sexual Harassment) c. Anti-Discrimination d. Anti-Violence e. Safety & Health	a. Conflict of Interest b. Anti-Bribery & Corruption c. Anti-Money Laundering d. Business Gifts & Entertainment	a. Maintaining Accurate Business Records b. Fraud c. Confidential Information d. Anti-Hedging e. Human Rights and Ethical Conduct f. Insider Trading g. External Communication h. Intellectual Property i. Internet, Email & Information Systems	a. Investigation b. Disciplinary Action c. Annual Review of the Effectiveness of the CoC

List of Misconduct which outlines the do's and don'ts

Upholding Human Rights and Ethical Conduct

At Tune Protect, we are deeply committed to maintaining the highest standards of human rights across all our operations and subsidiaries. With our CoC, we align our policies and practices closely with globally recognised human rights frameworks such as the Universal Declaration of Human Rights ("UDHR"), the UN Guiding Principles on Business and Human Rights ("UNGPs") and International Labour Organisation ("ILO") standards.

As underlined in our CoC, we stand firm in our dedication to these principles, maintaining a zero-tolerance policy towards practices like child labour, forced labour and modern slavery. Furthermore, we rigorously ensure strict adherence to all relevant domestic legislation governing both workers' rights and human rights.

Throughout the year 2023, our records show no instances of non-compliance with labour standards.

GOING FORWARD

We will continue to uphold our high standards of Corporate Governance, Risk Management and Ethics. We aim to formalise our Corruption Risk Assessments by 2024, to ensure greater compliance and efficiency in our corporate governance and risk management functions.

For more information on our Corporate Governance, please see the disclosures of the Corporate Governance Overview Statement on pages 106 to 118.

For more information on our Risk Management, please see the disclosures on the Statement On Risk Management and Internal Control on pages 123 to 127.

Participants during an in-person Induction session for newly joined personnel.

OUR GOVERNANCE

Tune Protect's Governance Awareness Month

Throughout October 2023, we organised Governance Awareness Month, our flagship initiative aimed at strengthening the understanding of governance, compliance and risk management for all employees. The month-long event, running from 17 October to 9 November, consisted of three distinct events:

- Governance Day Kick-off Event (17 October 2023)
- Awareness Talk Day 1 (24 October 2023)
- Carnival Day (9 November 2023)

Our approach to Governance Awareness Month was rooted in accessibility and inclusivity, ensuring that every member of our diverse team could actively participate and benefit from the wealth of knowledge shared. Through a multifaceted strategy encompassing informative posters, captivating videos and engaging digital content, we endeavoured to make the essence of governance resonate with individuals across all levels of the organisation. One of the hallmarks of the Awareness Month was the establishment of ongoing educational initiatives, providing valuable resources to all of our people in Tune Protect. By disseminating informative content on critical topics such as compliance and country-specific risk management, we empowered our team members to make informed decisions and uphold the highest standards of governance excellence.

Central to this event was integrating interactive elements designed to spark curiosity and deepen understanding. Our digital "treasure hunt" and quiz, featuring thought-provoking questions on governance, risk management and compliance, served as dynamic tools for engagement and collaboration. With participation spanning across our HQ, branches, and global subsidiaries, these initiatives transformed Governance Awareness Month into vibrant hubs of interaction and knowledge exchange.

Reflecting on Governance Awareness Month's success, we are inspired by its profound impact on our organisational culture and collective understanding of governance principles. Moving forward, we remain steadfast in our commitment to nurturing a culture of governance excellence, where every team member is empowered to contribute to our shared success, ensuring our organisation's long-term prosperity and sustainability.

AWARDS & RECOGNITION

In 2023, we maintained our position as the solely listed conventional insurer on the FTSE4Good Bursa Malaysia index, scoring 3.6. We noted an improvement in our LSEG Data & Analytics score, rising from 55/100 in September 2023 to 56/100 by December 2023. A score of 56 falls within the third quartile, indicating good relative ESG performance and above-average transparency in reporting material ESG data publicly. CSRHub, a global consensus ESG ratings company, also showed improvement, with our score increasing from 82% in September 2023 to 88% by December 2023.

Moreover, we were shortlisted for the following awards during the year under review:

- IR Magazine Forum & Awards South East Asia 2023 – shortlisted for Best ESG reporting award.
- UNGCMYB Forward Faster Sustainability Awards 2023 – Shortlisted for Gender Equality award.

Some of the awards we have proudly received in the past include:

- Constituent of FTSE4Good Bursa Malaysia Index since December 2021, the solely listed conventional insurer.
- Improved FTSE4Good ESG score from 3.3 to 3.6 in 2022.
- Recognised with Industry Excellence Award for CG Disclosure by MSWG for three consecutive years (2020-2022), MSWG ratings practice has changed in 2023 to be biennial rather than annual.
- Ranked 17th on the List of Top 100 Companies for CG Disclosure in 2021, the highest-ranking insurer.
- Awarded with The Excellence Awards for CG Disclosure and Industry Excellence Awards in Financial Services (2020 and 2019).
- Awarded the Most Improved Performance Over 3 Years (Gold) - Market Cap Less than RM300 Million in The Edge ESG Awards 2022.
- Received Best Annual Report (small cap) Award from Investor Relations Magazine (2022).

DATA GOVERNANCE, PRIVACY AND CYBERSECURITY

At Tune Protect, we recognise the critical importance of safeguarding our customers' and stakeholders' privacy and information to mitigate data security risks such as identity theft, phishing and misuse of personal data, and also to safeguard their rights under the law. Our commitment to fostering trust and loyalty among our clientele and stakeholders lies in prioritising the security and confidentiality of their data. Through stringent measures and adherence to privacy policies which are aligned with relevant regulations like the PDPA, we ensure that our customers' rights to privacy are upheld. This approach benefits our customers and stakeholders by keeping their information secure and their rights protected under the law. It contributes to our operational efficiency and financial performance, as we avoid the imposition of fines and optimise our operations while managing and mitigating risks effectively.

OUR APPROACH

Our actions are guided by core policies and guidelines focused on data governance, privacy and cybersecurity. Adherence to these policies ensures responsible data management, privacy protection and cybersecurity measures:

- Group Privacy and Data Risk Management Policy (in compliance with BNM's Policy Document in Management of Customer Information and Permitted Disclosures)
- BNM's Policy Document on Risk Management in Technology ("RMiT")
- Personal Data Protection Act 2010 ("PDPA")

In 2020, we formalised our management of Technological risk, establishing the Tech Risk function in line with the RMiT requirements, and in 2022, we formalised the Data Governance and Policy function to better align ourselves to data management best practices.

Additionally, our Head of Data Analytics and AI is responsible in supervising the data team and managing the company's data and information assets effectively. This role is crucial as it ensures that our data practices are upheld with robust security measures and adherence to data governance standards.

OUR INITIATIVES

Strengthening Data Governance

- Organised PDPA training for 16 branches and HQ customer experience staff, achieving 100% attendance and completion
- As part of our regular review of our policies and practices relating to privacy, we implemented policy updates to better align with the PDPA requirements and to ensure that our policies are up-to-date and in line with best practices to better protect the rights of our data owners
- Improved our document control measures across our suite of productivity and operational software via the adoption of data classification solutions and enhanced guidelines for sharing documents and data with external parties
- Enhancement to our Data Loss Prevention ("DLP") solution as of 1Q2024 has been underway to put in place more effective controls in the detection and prevention of accidental leakage of confidential information. This will allow us to better respond and manage any detected data leakage incidents, accidental or deliberate

Heightening Cybersecurity Awareness

- Continuous IT Security awareness sessions were conducted for all new joiners during Induction Sessions
- Introduced Quarterly IT Security Awareness Training starting 4Q2023, utilising the Go1 platform
- Disseminated ad-hoc awareness updates on detected threats via Email, WhatsApp and Viva Engage
- Implemented Multifactor Authentication (MFA) for remote and email access

In 2023, a cybersecurity breach was detected on certain servers belonging to the Group. We promptly notified the relevant authorities upon discovering the incident. In addition, we swiftly implemented additional security measures to mitigate the risk of similar incidents occurring post-incident and in the future.

There are no ongoing legal proceedings or claims against the Group arising from the cybersecurity breach or any cybersecurity issues during the reported period.

GOING FORWARD

At Tune Protect, data governance and cybersecurity will remain at the forefront of our operations. We will continue to monitor, manage, and enhance our capacities to safeguard data and privacy.

OUR BUSINESS

ECONOMIC

Aligning with the UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
17 PARTNERSHIPS FOR THE GOALS
10 REDUCED INEQUALITIES

Mapping to Our Capitals

F S I

Sustainability Material Matters

- Customer Centricity
- Products and Offerings
- Digital Innovations
- Responsible Business Practices

Why It Matters

- To establish a stable business environment by maintaining healthy working capital, assets, liabilities and cash flow in order to strengthen our financial positioning and create long-term value for our shareholders
- To be a lifestyle insurer that everyone loves
- To be an NPS leader in our market of choice
- To be the top employer for Millennial talents in the insurance industry

CUSTOMER CENTRICITY

OUR APPROACH

Customer centricity is imperative to the organisation as it places our customers at the forefront of our business strategies. By prioritising the needs, preferences, and satisfaction of customers, we can improve their satisfaction and retention, establish a robust financial performance and create long-term value for our stakeholders. Moreover, this approach enables us to better understand market trends, anticipate customer demands, innovate and stay competitive in the industry we are in.

Customer satisfaction is embedded in our operations through efficient, consistent and, mutually respectful engagements. At Tune Protect, customers are defined as consumers of our products and services, and other stakeholders who serve our consumers, such as employees and partners. To better serve this group of stakeholders, we map our customer journey by taking an outside-in customer-centric approach to customer experience management.

Our commitment to providing reliable services, striving to achieve strong financial results and equitable customer treatment is guided by four key service pillars in our Customer Service Charter and four principles of our Treat Customer Fairly Charter:

Customer Service Charter

- Insurance made accessible
- Knowing our customers
- Delivering timely, transparent and efficient service
- Ensuring fair, timely and transparent claims settlement process

Treat Customer Fairly Charter

- Embed fair dealing in our institution's corporate culture and core values
- Ensure that customers are provided with fair terms
- Ensure that customers are provided with clear, relevant and timely information on financial services and products
- Ensure that our staff, representatives and agents exercise due care, skill and diligence when dealing with customers

OUR BUSINESS

Additionally, we implement robust customer service procedures and charters that empower us to serve our valued customers as an integrated service hub while consistently delivering exceptional customer experiences.

Standard Operating Procedures for Contact Centre

Provide guidelines for our dedicated team to serve our customers and assist them with any requests or inquiries

Complaints Handling Procedures

Outline procedures on how to handle customer complaints and help build insights into areas for improvement

Internal Service Level Agreement

Ensures proper elements and commitments are in place to provide customers with consistent and up-to-date information

Customer Service Charter

Outlines our level of commitment to providing quality service and gives our customers references by which our performance can be evaluated

Treat Customer Fairly Charter

Specifies our commitment to providing the highest standards of fairness in our dealings with customers

OUR INITIATIVES

Customer Experience

In 2020, we initiated an organisation-wide commitment to improve customer satisfaction and understand our target market segment better. By 2021, this evolved into a 3-3-3 brand promise, aiming to provide quick online purchases within three minutes, prompt response times to customer queries within three hours and timely payouts of approved claims within three working days. We regularly survey stakeholders, including customers and employees using Net Promoter Score* ("NPS")-based engagement surveys, aiming to lead within our market and become the employer of choice for millennial talents. Additionally, we have implemented Transactional NPS ("TNPS") in 2022 to measure specific touchpoints, including our customer service, purchase journey and claims, in line with our 3-3-3 commitment for Buy, Response and Claim.

* *About NPS:*

NPS are calculated based on aggregate scores from various customer touchpoints, which ranges from -100 to +100. It is computed by subtracting the percentage of detractors from the percentage of promoters. Based on global standards, a score of more than 0 is considered 'good', a score of more than 50 is considered 'excellent' and a score of 70 or higher is considered 'world-class'.

Enhancing Our Customer Journey with 3-3-3

In line with our 3-3-3 brand promises, we continue to dedicate our resources to amplify customer experience and cater for the needs of our digitally savvy customers.

Three Minutes to Buy

Customers can conveniently obtain quotations and complete purchases within three minutes. This service is seamlessly and promptly available for all our online products.

In 2023, we enhanced our purchasing journey by including an e-wallet payment option, while for premiums above RM500, we introduced a 0% interest, six to 12 months, credit card easy payment plan (applicable for Ambank, Maybank, CIMB and HSBC card owners), allowing customers to have more flexible payment options.

OUR BUSINESS

Three Hours Response Time

We uphold customer service excellence through our dedicated customer service procedures and charters, established in line with stipulated regulatory requirements such as BNM Policy Document on Fair Treatment of Financial Consumers.

During the year under review, we have implemented the following initiatives to enhance our response time:

Contact Centre Platform Powered by Amazon Web Services (AWS)

In March 2023, we invested in a comprehensive call system to automate and upgrade our first call customer service resolution, driving a better 3-3-3 commitment with higher customer satisfaction.

A collaborative initiative between the Customer Excellence and Innovation Team, the AWS-based system helps to shorten calling time by directing calls to the accurate teams, which enhances the various categories of calls such as enquiries or complaints. With the enhancements, we have refined our SOPs and implement our Fast and Lean Operations ("FLO") initiative for complaints and escalations.

Live Chat Function, Integrating with Social Media Platforms

Recognising that today's digitally savvy customers thrive on convenience and simplicity, we deployed a live chat function that integrates our social media platforms into our B2C website. This function is in addition to the standalone Tune Protect Travel-related live chat for AirAsia products, which we have maintained since 2019 to ensure efficiency in our customer management.

Customers who engage us via live chat will interact with representatives from our contact centre from the Customer Excellence team. This year, the consolidated social media database under the Customer Excellence team has enhanced cross referencing convenience for historical enquiries, enabling prompts and providing more streamlined responses across platforms. We are working towards having a singular point of response in FY2024.

Other initiatives that continue to strengthen our response time include training sessions held by our Customer Excellence team:

- Formalised the Quality Assurance/Quality Control metric for calls, emails and social media
- Quality Coaching via the Contact Centre Platform, which enables in-system quality evaluations of calls
- Six employees underwent three training sessions in collaboration with AirAsia's Learning and Development team, with the first instalment this year and the remaining two in 2024

As a result of our diligence in ensuring speedy responses, we have achieved online reviews of 4.2/5 stars on the web or Google review and a 4.1/5 rating from Facebook.

Google review:

Facebook rating:

* *Ratings as of February 2024*

In 2023, we received over 22,403 enquiries via SENTRY, our enquiry management system for AirAsia-related enquiries. This represents a marked increase from 17,002 enquiries received in 2022, reflecting the re-opening of major travel destinations, as the number of enquiries received in the year under review is comparable to the number of enquiries we received pre-COVID-19 restrictions.

Three Working Days to Claim

Our parametric claim payout solution is an immediate compensation mechanism launched in 2023 for Travel policies, guided by specific events or condition. This efficient and prompt technology underscores our 3-3-3 promise as passengers who experience travel delays can receive automatic compensation as opposed to undergoing lengthy claim procedures. The automatic compensation allows easy configuration of delay parameters and real-time compensation thresholds through our Application Programming Interface (API). This innovation streamlines traditional claim processes, reducing administrative burdens for airlines and travel insurance providers. Successfully implemented with partners like AirAsia and BigPay in Malaysia, and Momo in Vietnam, this parametric claim payout system marks a significant advancement in travel insurance, offering passengers a seamless and instant claim journey.

We have also set up the Tune Protect Malaysia 24/7 dedicated claims hotline and email to enable customers to conveniently reach us. Guidance on claims was also published on Tune Protect's social media channels and communicated via SMS and emails.

In 2022, we launched the "Tune Express" initiative for motor claims, guaranteeing approval within two hours for Motor Comprehensive Private Car Own Damage policyholders. This year, we have increased the claims value to RM5,000 and below as compared to the previous RM2,000. We also streamlined self-accident cases, eliminating the need for a police report or adjuster if no third party is involved. Additionally, we introduced the On-The-Spot Claims Assessment Scheme for Fire products, enabling paperless submissions for claims below RM5,000 and payment approvals within three working days, reducing claims assessment turnaround time by 95%.

BigPay e-Wallet Claims for Flight Delay

Together with our partner, BigPay, we have launched a new travel insurance on the e-Wallet app known as BigPay TravelEasy. Applicable for individual travellers, the policy is underwritten by Tune Protect for coverage of up to RM300,000 for medical expenses, Covid-19 coverage of up to RM250,000, as well as compensation for various other travel inconveniences.

The payout under this initiative will be credited automatically via the e-Wallet. Users can apply for the policy via the BigPay app, with application processing time within minutes.

Handling of Complaints

We aim to resolve all issues within 14 days of receiving all relevant supporting documents with sufficient information. Apart from running investigations, we also ensure that we identify the root causes of complex cases to improve our processes. Our approach to complex complaints is tailored to the nature of the incident, and remediation or documentation process requirements. This may result in some complaints requiring longer processing times, but this constitutes a minority of cases.

In 2023, we received one complaint relating to an AirAsia-related claim and 52 complaints about General Insurance, with 94.3% of complaints addressed within 14 days. Our General Insurance-related complaints processing time was an averaged 7.2 days across the year. This was mainly attributed to several process changes in 2023, where we consolidated incoming inquiries from all channels and established the Contact Call Centre Platform, reducing the number of complaints received. Implementation of these process changes increased processing times while handlers underwent up-skilling and acclimatised to the new system. As we continuously enhance our quality of service and response to complaints, our processing time may continue to evolve. However, we aim to reduce this to an average of seven days moving forward.

Average Monthly Complaints Processing Time for General Insurance (days)	
2021	5.7
2022	6.4
2023	**7.2**

Elevating Customer Satisfaction (NPS)

In 2021, we conducted a baseline study comprising a maturity assessment and an action planning workshop to identify our strengths and areas requiring improvement to enhance the experience of our employees, customers and partners. As part of the NPS focus, a special working group known as the X-Factor group was formed to centralise promotion, tracking and implementation of policies and culture relating to customer experience. This working group has been discontinued since 2022, with our dedicated Customer Experience team overseeing our NPS activities.

NPS Performance	2021	2022	2023
Customer Experience (CNPS)	+14	+39	**+45**
Employee Experience (ENPS)	+5	+26	**+19**
Partner Experience (PNPS)	+78	+63	**+60**

Our customer experience has shown significant progress, as gauged by the NPS measurements. Since we started this initiative in 2021, our CNPS score has improved from +14 to +45, performing above the industry benchmark of +42. Our Partner NPS has a score of +60, above the industry average of +34.

* *CNPS Industry benchmark score sourced from ClearlyRated*
** *PNPS Industry benchmark score sourced from Statista*

OUR BUSINESS

The survey findings showed that our products are best valued for:

- Affordability
- Flexibility
- Diverse benefits
- Comprehensive insurance policy, aligning with our tagline of Insurance Simplified

The Group strives to ensure timely claim payments as this practice is paramount in the insurance industry. Our claims experience in 2023, as measured by the Transactional Net Promoter Score ("TNPS") yielded a highly positive result of +49, with 68% of respondents being promoters.

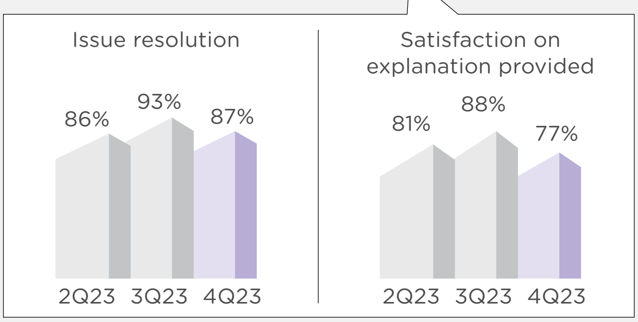
Apart from claims and customer excellence, our TNPS touchpoint to collect feedback on our enquiries process for our AirAsia travel insurance products was fully launched in 2023. This enquiry management system allows customers to share their views on the customer experience journey. Tracking feedback via the TNPS touchpoint is in process, and we are continuously assessing methods to improve the system.

In our commitment to continuous improvement, we are in the process of reviewing and developing enhancement plans based on our stakeholders' input collected in the TNPS surveys.

Touchpoint	TNPS
Claims	+49
Purchase Journey	+16

With the launch of the Contact Centre Platform hosted on AWS in March this year, we initiated tracking of our Customer Satisfaction based on post-call evaluation surveys, which showed overall positive experiences from our customers throughout the year.

Customer Satisfaction (CSAT*)



* *CSAT is a measure of satisfaction on products of services expressed as a percentage of satisfied customers over all responses on the survey. For Tune Protect, customers assign a score of 1 to 5 to indicate their satisfaction on interactions with our Customer Excellence team.*

The sustained growth in unique customer count, customer vintage and positive TNPS results reinforced our long-term impacts towards customer centricity. As such, continuous improvement is crucial. Gaining more insights from our customers can improve brand interaction and processes and, in return, higher customer retention and more efficient response to customer requests.

Customer Metrics as at Dec 2023

Unique active customer count (mil)	Average active policy per customer (no.)	Average product per customer (no.)	Customer vintage (year)
1.28	1.43	1.19	6.36

Awards and Recognition

As a testament to our exceptional efforts that go beyond delivering quality services to establish meaningful connections with our customers, we were one of 12 outstanding brands recognised by the CXP Best Customer Experience Awards 2023. With our persistent efforts to elevate customer satisfaction, we have been recognised by CXP since year 2022. This demonstrated our unwavering dedication to creating experiences that resonate with the customers on a deeper level.

Other awards and recognition gained during the year include:

Awards

- **Customer Service Index (CSI) Study by the Nielsen Company Malaysia, commissioned by PIAM** – Top 5 General Insurer for Customer Satisfaction

For the introduction of the Parmetric Claim Payout solution:

- **Insurance Asia Awards 2023** – Claims Initiative of the Year
- **Insurance Asia News Awards 2023** - Claims Initiative of the Year

GOING FORWARD

We continue to listen closely to our customers' internal and external needs. We aim to innovate on and develop our Customer-Centricity-themed journey through planned enhancements of our systems.

DIGITAL INNOVATIONS

OUR APPROACH

Strategically embracing technology and digitalisation is crucial for maintaining competitiveness, fostering innovation and improving efficiency. As part of our growth strategy and ensuring continued customer service excellence, digitalisation assists us in expanding our reach and creating long-term value for customers. We also recognise the potential to create new ecosystems through partnerships, develop next-generation products, and enhance employee productivity for long-term success. In ensuring customer service excellence, we leverage technology and digital enhancements to provide convenient and sustainable solutions for our internal and external stakeholders.

BNM's Risk Management in Technology (RMiT) governs our digital operations and IT risk management.

OUR INITIATIVES

Digitalisation – Core Replacement, Going Cloud-Based

- We are Malaysia's first insurance company to launch and leverage the SAP insurance core and core on to Cloud, as part of our efforts to enhance the overall experience for our customers
- The initiative is in partnership with SAP Malaysia, Serole Technologies and Huawei Malaysia
- The new core system utilises cloud technology for efficient and quicker turnaround time for services

Mobile-First Approach

- Our two Tune Protect on-the-go mobile apps for Malaysia and Thailand allow customers to buy, manage their policies, submit and view their claims with just a few clicks at any one time
- All online products are made available on the apps and with the PUMP feature, we can drive even higher engagement with customers
- PUMP, a free membership, offers a unique and fun way for customers to monitor their health and physical activity, and is loaded with great content and challenges that earn points and free rewards
- The apps are available for download from the Google Play Store and the Apple App Store
- In 2023, we have:
    - Upgraded the platform by simplifying the registration and login with new UI/UX
    - Enhanced our Digital Roadside Assistance feature with tow truck tracking and preferred panel workshop selection
    - Improved security standards to create a better experience for our customers
    - Registered 43,296 installations for both the Malaysia and Thailand apps in 2023. Since launched, we have recorded a total of 53,507 installations.

App Performance 2023

Tune Protect App	Installations (no.)
Malaysia	36,362
Thailand	6,934

We are working with ChatGPT to make the claims process seamless by using Intelligent Conversational Assistants (ICA) to engage with customers. Utilising Artificial Intelligence ("AI"), we are currently working on a proof of concept for travel claims to be paid on the same day via AI.

Robotic Process Automations (RPA) and Digital Operations

As the nation's first insurer to receive BNM's approval to host our insurance core system on to Cloud, we have significantly invested in our mobile-first approach by embracing Robotic Process Automations ("RPA"), digitalising our operations. These systems have allowed us to prioritise convenience and simplicity, catering to stakeholders by focusing on accessibility, responsiveness and expediting the user journey.

To digitise our business processes, we have integrated 17 robotics process automation technologies into 68 progressive internal processes within Operations such as Claims, Finance, Agency, Policy Processing, Underwriting, Branches and Partnership.

OUR BUSINESS

RPA Highlights 2023

Total transactions (no.)	Total hours saved (no.)
3,465,022	105,211.5

Utilising RPA has allowed us to redirect our precious resources into other innovations, and also allows us to minimise human errors while increasing efficiency and productivity to serve our customers better.

We acknowledge that streamlined processes and automation drives operational efficiency within our workforce, which can significantly impact the way customers perceive and interact with our brand. Therefore, the key to delivering exceptional customer experience lies in simplification and process automation.

The Digital Transformation Journey, launched in 2022, includes staff upskilling and/or reskilling as a critical initiative. Staff participated in multiple soft-skill programmes, technical and change management training and a five-day resilience boot camp. The training sessions closed with a graduation stage in January 2024.

Through this exercise, 18 operational staff were upskilled and reskilled.

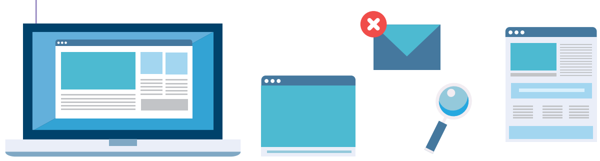
For more information on employee upskilling and training, see our Social disclosures on pages 81 to 83.

Launch of FLO

This year, we launched FLO, a digital workflow platform designed to enhance our administrative payment processes and streamline operations. Currently, FLO is applicable for Policy Issuance, Admins Payment, Claims Payment and Claims Notification. Additionally, the platform was enabled for ePayment Profile Creation and Customer Excellence in December 2023.

The benefits of implementing FLO in our administration payment processes include the following:

- **Increased efficiency** – we have managed to streamline 11 admin payment processes
- **Time and effort saving** – FLO enabled us to eliminate manual requests for signatures
- **Improved functionality** – we can view our Turnaround Time ("TAT") and status transparency via the FLO Dashboard
- **Enhanced communication** – our staff receive claims notification via Teams for prompt request handling, which also helps in reducing email clutter
- **Seamless processing** – the FLO Form has replaced the OPEX Excel form, which is integrated with automated workflow



As a result, we have approved 198 cases in July and August 2023 with an average TAT of one day.

In the following year, we will further improve our systems through FLO to be applicable for areas such as endorsement issuance, finance processes and policy processing enhancements.

The adoption of the remote working practice has spurred organisations to embrace technology-driven operations, and we have met this challenge by integrating digital tools and platforms to support the remote work practice. Concurrently, we have remained steadfast in upholding our sustainability commitments by promoting paperless practices through a range of digital tools and document editing modules. FLO supports our commitment to be a zero-paper organisation for our in-control processes.

Adobe Sign – an electronic signature feature that is safe, auditable and verifiable, which also allows sending and tracking of documents

E-claims – online driven and managed, all submissions of claims are conducted online and without manual processing

E-procurement – empowers us to raise purchase requisitions and purchase orders without requiring paperwork submissions

E-learning tools – enable our employees to upskill and reskill themselves via a wide range of courses

In 2023, we achieved a 23% year-on-year reduction of paper used for copy and printing, which is 481,617 sheets in FY2022 to this year's 372,906 sheets

Spearheading Digital Partnerships & Fintech Solutions

In meeting our travel market demands, we believe that we can deliver affordable and comprehensive coverage to our customers through strategic alliances. Our partners, which are airline companies across ASEAN and the Middle East, leverage our strength in travel technology.

Case Study

Our reinsurance relationship with Baoviet Insurance has opened up opportune partnerships, for example, our work with Vietjet Air, which enables travellers to access a range of benefits, such as medical coverage and travel conveniences, facilitating the sale of travel insurance on the airline's travel portal. The partnership with Vietjet has strengthened our relationship with Baoviet Insurance and solidified our footprint in Vietnam.

Powered by White Label, which is Tune Protect's Insurtech arm, our technology integrates seamlessly with Vietjet's platform, while Baoviet underwrites all travel policies sold by the airline. A portion of the premiums is allocated to Tune Protect Re, creating a truly win-win situation for all parties, especially the customers we serve.

In another strategic partnership with Leadway Assurance Company Limited and Tune Protect Re, Tune Protect EMEIA now offers travel and lifestyle assurance products through the digital B2B channel in Nigeria. This partnership signifies Tune Protect's entry into the Nigerian market and our inaugural B2B collaboration in Africa, offering more than 10 travel and lifestyle insurance options customised for travellers in the region.

The collaboration utilises Tune Protect EMEIA's travel technology solutions from White Label, Tune Protect Group's insurtech arm headquartered in Malaysia, to provide extensive insurance solutions to Leadway Assurance. Introducing 12 insurance solutions, including Tune Protect Travel Assurance and Tune Protect Travel Lite Assurance, the partnership seeks to address the changing requirements of travellers in Nigeria and across Africa, by seamlessly integrating insurance products into the digital sphere.

Awards and Recognition

Awards

- **PC.com Awards –** Best Insurance Tech voted solely via consumer polling

GOING FORWARD

Being mobile-first is a commitment that we will hold fast to as we continue to shift our operations to the new core.

OUR BUSINESS

PRODUCTS AND OFFERINGS

OUR APPROACH

The Group is focused on developing innovative products and services as it enables us to reach a broader customer base, meeting the evolving and diverse customer needs in today's digital age. Leveraging technology and digitalisation also makes our products and services more accessible to a larger demographic, such as the underserved and unserved markets. Product accessibility also enhances customer satisfaction and contributes to sustainability efforts, as it aligns with the values of socially conscious consumers, strengthening the Group's reputation and market position. Our strategic partnerships and collaborations further enhance our product offerings, ensuring they are relevant and competitive.

We are guided by our Product Development Policy, which ensures that sustainability is integrated into our new product developments from the ideation phase to the final product launch, aligning with our commitment to environmental responsibility and social well-being.

OUR INITIATIVES

Product Accessibility

This year, we have launched the following to enhance product accessibility through innovation, supported by digitalisation:

- **Digital**

  PRO-Health Medical and Dental Easy

  Both policies are fully digital end-to-end, eliminating the need for physical cards and documentation, easing the overall claims experience of our customers during emergencies or unfortunate incidents. This innovation is significant in the insurance industry as it not only enhances operational efficiency but also contributes to sustainability goals of accessibility.

- **Innovative and Responsible Products**

  AirAsia Comprehensive Travel PLUS

  Jointly introduced by Tune Protect and AirAsia Aviation Group Limited (AirAsia), the product includes a Cashless Hospital Admission service, simplifying medical care acquisition abroad for travellers from Malaysia and Thailand. Launched in October 2023, the product offering aims to provide a seamless experience during medical emergencies overseas, from as low as RM74 for a return trip plan, available across all AirAsia booking platforms. This improvement highlights our dedication to providing extensive insurance coverage while relieving the financial strain of overseas hospital admissions.

Device Protection Solutions

We have partnered with bolttech, an insurtech firm, to launch the device protection solutions and support services in Malaysia. Tune Protect is responsible for underwriting the device insurance coverage, providing protection for cracked screens, accidental and liquid damage, as well as extended warranty for insured devices, including smartphones and home appliances. Bolttech's role in this partnership includes device support services such as device trade-in, 24/7 technical support, repair concierge service, and logistics service for pick-up and delivery.

The solutions can be purchased together as a bundled package or separately, Customers can learn more about the product at the nearest Samsung, Ascend SP, Ultimate Devices or Unifi stores.

Tune CyberSecure

We launched our inaugural personal cybercrime insurance, Tune CyberSecure, catering to individuals with premiums starting from RM145 per year. The policy shields customers against cyber risks such as electronic fund transfer fraud, online retail fraud and identity theft, with coverage extending up to RM10,000. Providing coverage for the entire family and connected electronic devices, customers can secure the policy online within seven minutes and access 24/7 technical support via a toll-free incident response call centre. This innovative offering, distributed through the insurtech platform Senang, underscores Tune Protect's commitment to democratising cybersecurity in response to the escalating prevalence of cybercrimes against individuals.

Products for Underserved and Unserved Markets

SME EZY

Following the approval from BNM to join the Financial Technology Regulatory Sandbox last year, the Group's subsidiary, Tune Protect Ventures (TPV), introduced the SME EZY product. This affordable, comprehensive medical insurance plan is designed for employees of Small and Medium Enterprises ("SMEs") with a workforce ranging from five to 250 individuals, and it can also be extended to include dependents. The product also comes with an employee health and life insurance package, Activ8, with a distinctive three-year fixed premium guarantee and health/ wellness rewards.

At the same time, Tune Protect Malaysia (TPM), another subsidiary of the Group, introduced a user-friendly SME Microsite, which offers customisable insurance solutions and serves as a marketplace for Micro, Small and Medium Enterprises ("MSMEs") to access profession-based insurance packages with exclusive premium rebates of up to 15%. These efforts aim to bridge the insurance gap among SMEs and MSMEs, making insurance more accessible, affordable and convenient while fostering the growth and resilience of the MSME community in Malaysia.

Strategic Partnership with Credit Guarantee Corporation Malaysia

In further offering innovative digital insurance solutions for MSMEs, the Group has signed a Memorandum of Understanding with Credit Guarantee Corporation Malaysia ("CGC") to enhance the accessibility of insurance solutions. Leveraging the expertise and resources of both parties, Tune Protect and CGC will offer simplified and seamless insurance options tailored to the evolving needs of MSMEs. In the initial stage, we will provide two digital propositions which are the SME Business Shield and SME EZY, to help manage business risks and protect employee well-being. Furthermore, the partnership will extend beyond insurance offerings to include knowledge-sharing and capacity-building initiatives to empower MSMEs with the necessary information to make informed decisions about their insurance coverage. Through collaborative events and workshops that span across sectors, the partnership aims to bolster MSMEs' awareness and business protection, ultimately fostering economic growth in Malaysia.

FLEXIOne

We introduced FLEXIOne, a customisable insurance solution catering to first-time buyers and those on a budget, starting from RM5 per month. With FLEXIOne, customers can mix and match coverages, including Flexi Medic and Flexi Critical Illness and adjust the sum assured based on their preferences and financial circumstances. To help customers select the most suitable package, Tune Protect offers an AI virtual assistant named "Tracy" on its website, promising quick quotes, a response within three hours, and claims payouts within three days. To mark the launch, Tune Protect offered two months of free insurance and a Refer and Earn campaign, enhancing affordability and accessibility for customers.

Partnerships and Collaborations for Good

Donation to Madhya's Gift Fund

We engage our communities by creating positive and sustainable impacts. In line with the Group's business pillar of Health, we continued to work with Yayasan Chow Kit ("YCK") and contribute to Madhya's Gift, their children's health fund, which provides health care to children from underprivileged families. The funds are channelled to those who require urgent medical attention and treatment.

The donations for Madhya's Gift are derived from our B2C products* with charity elements incorporated. In 2023, we contributed RM6 to Madhya's Gift with every policy sold up to September 2023. Additionally, we donated a further RM2,000 stemming from a RM0.50 contribution for every motor, bike, and travel policy sold on our website from October to December 2023 based on our customers' selection of CoG Partners*.

For FY2023, we contributed RM32,000 to the health fund*.

* *This initiative from October to December 2023 also channelled RM2,000 to other charity organisations,* ***KENRAAK*** *and* ***Nourish.***

Awards and Recognition

Awards

- **Insurance Asia Awards 2023 –** Marketing Initiative of the Year for the launch of PUMP

GOING FORWARD

Our products and offerings are part of the service we provide for all. We aim to continuously innovate and seek strategic partnerships to deliver the best quality we can for our customers.

OUR BUSINESS

RESPONSIBLE BUSINESS PRACTICES

OUR APPROACH

The Group views responsible business practices as a critical focus area for maintaining a healthy financial and capital position, ensuring the sustainability of the business. By delivering shared value through ethical procurement and investment practices, we can foster long-term relationships and contribute positively to our communities and stakeholders. Conducting business responsibly also impacts our stakeholders as it supports the local economy, mitigates ESG risks in our portfolio and ensures fair treatment of our accountability is practised and upheld.

We adhere to the Group Procurement Policy, Group Investment Policy and CoBC in all our business operations to ensure that ethical standards, transparency, and accountability are practised and upheld.

OUR INITIATIVES

Local Procurement

We support our local suppliers and vendors as part of our contribution to the country's economy unless otherwise necessary. Our Procurement team manages our procurement processes and ensures smooth business transactions with our wide range of suppliers, many of which are SMEs. The team's tasks include centralising, streamlining and managing the procurement processes while safeguarding the financial interests of the Group.

We support local businesses where possible. In FY2023, we engaged 757 local vendors or 94.4% out of 802 vendors , and 91.5% of our procurement spending was to local suppliers and vendors.

Responsible Investing and Underwriting

We have established a Board-level Investment Committee responsible for overseeing our investments and supporting the Board in fulfilling its duties and responsibilities regarding investment management. The Group is mandated as per our Group Investment Policy to integrate ESG considerations into our investment portfolio. Additionally, our external fund managers are required to ensure that ESG considerations are taken into account during the decision-making process of our investment funds. One of our funds is a qualified sustainable and responsible investment fund under the guidelines on Sustainable and Responsible Investment issued by Securities Commission Malaysia, while the fund manager is a signatory to the UN Environment Programme Finance Initiative (UNEP-FI)'s Principles of Responsible Investment.

Tune Protect allocates investments of up to 10% into ESG-related funds. For FY2023, 6.3% of our total investments were invested in ESG-focused fixed-income assets.

Zero Coal by 2030 Commitment

We have achieved our commitment to Zero Coal in our underwriting portfolios, seven years ahead of our target of 2030. Other industries excluded from our portfolio include tobacco and arms manufacturing, demonstrating our ethical commitment and integrity as a health insurer.

This commitment is also reflected in our investment practices across the Group as a step towards mitigating the environmental impact of our portfolios. While existing mandates with coal exposure are being monitored, we will ensure that all new discretionary mandates will be zero coal, as mentioned in our investment policy.

For more information on how we are adapting our portfolios to the low-carbon economy, see our TCFD-aligned reporting on pages 62 to 70.

OUR BUSINESS

Supporting the Industry

Building a resilient financial and travel industry is underpinned by robust governance practices and an unwavering commitment to customer care. By implementing robust risk management policies and adhering to regulatory standards, we can safeguard our financial stability and support the health and well-being of the nation through the continuity of services for our customers.

Case Study

In demonstrating our commitment to supporting the travel industry, we announced our initiative to assist passengers affected by the recent suspension of MYAirlines operations. Tune Protect offered a goodwill payout of up to RM200 per person, despite the incident falling outside the coverage of the Tune Protect Travel Insurance.

Our decision for the payout was prompted by our understanding and acknowledgement of the inconvenience faced by affected passengers, thus providing a form of relief during this challenging time. This act reflects Tune Protect's commitment to supporting customers beyond the conventional scope of insurance protection.

GOING FORWARD

Responsible business practices are a core tenet of our motto. We will keep monitoring our portfolios to find opportunities for good in all our efforts.

OUR ENVIRONMENT

ENVIRONMENT

Aligning with the UN SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Mapping to Our Capitals

N

Sustainability Material Matters

Climate Change

Resource Management

Why It Matters

- To heighten awareness of the importance of conducting business in an environmentally sustainable manner and promote societal transformation
- To manage our consumption of natural resources by integrating mitigation, reduction, recycling and paperless measures into our processes
- To facilitate the transition towards a low-carbon economy
- To manage and mitigate our indirect carbon emissions through underwriting, investments and regulatory compliance

CLIMATE CHANGE

Climate change is a global challenge driven by human activities that emit substantial greenhouse gases ("GHG"), which cause global temperature rise. Activities such as fossil fuel combustion, deforestation and industrial processes are among the major contributors to global warming, which accelerates climate change. The adverse effects of climate change, including rising sea levels, heavy rainfall and floods, have impacted the economy, supply chains, livelihoods and the environment. To protect our planet for future generations, it is imperative to take collective action to mitigate GHG emissions, transition to renewable energy sources and adapt to the impacts of climate change.

At Tune Protect, we are committed to a just transition of our industry and business through capability building and aligning our efforts with regulatory requirements. By embarking on our Zero Coal by 2030 initiative, we aim to effectively manage our climate risk exposure sustainably.

OUR APPROACH

Task Force On Climate-Related Financial Disclosures

We recognise the importance of climate-related disclosures for our business, investors and stakeholders. To ensure transparency in our efforts to address climate change and incorporate them into our business strategy, we have adopted the recommendations of the Task Force On Climate-Related Financial Disclosures ("TCFD"), established by the Financial Stability Board. Tune Protect Group has pledged its support to the TCFD since August 2022, demonstrating our commitment to building a more resilient financial system.

Climate-related financial disclosures enable the Group, our investors and stakeholders to make informed decisions, ensuring our compliance with the highest standards in climate change risk management. We remain guided by our Sustainability Policy, Underwriting Guidelines and Investment Policy. Additionally, we aim to align our approach to identifying, assessing and managing climate-related risks with the TCFD recommendations, which encompass four pillars: Governance, Strategy, Risk Management and Metrics & Targets.

As part of our climate change strategy, we are committed to aligning our efforts with BNM's Climate Risk Management and Scenario Analysis ("CRMSA") policy document, published in November 2022.

GOVERNANCE

Ensuring Effective Governance

The Board is the highest governing body responsible for overseeing all sustainability-related matters including issues and risks associated with climate change. In the year under review, Tune Protect aligned its sustainability governance with the CRMSA principles by ensuring that the Board and senior management have adequate oversight of climate-related risks to develop climate resilience. The Board oversees Tune Protect's sustainability efforts, ensuring accountability for the sustainability strategy and performance. The Board is responsible for assessing climate-related risks and opportunities before considering them in Tune Protect's decision-making process.

The Risk Management Committee ("RMC") supports the Board. The RMC reviews and recommends matters related to climate change to the Board, including climate-related risks and opportunities. The RMC also ensures clear roles and responsibilities for supporting the Company's climate resilience and management, which aligns with CRMSA's principle. The RMC evaluates the quarterly risk dashboard and summarises the Group's Risk Register to the Board, incorporating key risk indicators. This process enables them to identify significant and emerging risks and develop appropriate mitigation strategies for our climate strategy.

OUR ENVIRONMENT

The Sustainability Committee (SuCom), consisting of management and executive-level members, supports the Board. Chaired by a Management-elected member*, the SuCom monitors strategic sustainability concerns and supervises the implementation of sustainability strategies and operations. SuCom receives support from the Sustainability Team and the Sustainability Working Committee. To ensure effective oversight of sustainability, SuCom provides the Board with a quarterly update on sustainability matters.

* *The SuCom chair is elected by the Management, with a maximum term of five years.*

Cross-Cutting Climate Engagements

GRI 2-12

SRG 1.1b

Board of Directors (Board)
- Accountable for Tune Protect's sustainability strategy and performance
- Review and approve Tune Protect's disclosures and strategic direction in relation to sustainability matters
- Evaluate the risks and opportunities arising from climate change and consider these in assessing and approving Tune Protect's strategies and business plan

TCFD1a

SRG 1.1a

SRG 1.1b

MCCG 4.2

Quarterly

Annually

Risk Management Commitment (RMC)
- Review strategies and activities of principle risks including sustainability and climate-related risks and mitigating the risks of greenwashing
- Discuss and recommend regular and timely updates on the material information regarding climate-related risks and opportunities to the Board for approval
- Review the effectiveness of the organisational structure and appropriately defining the roles and responsibilities of key business and risk functions in supporting the strategies to build climate resilience and manage climate-related risks

Nomination Committee
- Performance review of the Board (which also includes how the Board addresses Tune Protect's material sustainability risks and opportunities)

MCCG 4.4

TCFD1a

SRG 1.1a

SRG 1.1b

Quarterly (all sustainability matters)

As and when (climate related only)

Sustainability Committee (SuCom)
- Review and recommend to the Board for approval of Tune Protect's strategic direction relating to sustainability matters
- Update the Board on the status and performance of sustainability-related initiatives on a quarterly basis
- Provide regular updates to RMC before recommending to the respective Boards for approval, with material information on climate-related risks and opportunities
- Review climate-related disclosures in a timely manner
- Provide support and carry out action plans related to climate resilience and manage climate-related risks as delegated by RMC

TCFD1b

SRG 1.2a

SRG 1.2b

Bi-Monthly (every other month)

Sustainability Function
- Manage the overall sustainability performance, drive initiatives and monitor targets
- Central point of contact for all sustainability-related matters and provide updates to SuCom
- Monitor and compile material information on climate-related risks and opportunities*
- Initiate climate-related disclosures information gathering and table it to SuCom for review and disclose the climate-related information publicly after approval is obtained from the Board
- Secretariat duties to SuCom

As and when

Sustainability Working Committee
- Support the Sustainability function in driving and managing the performance of sustainability initiatives

Business Units
- Implement sustainability initiatives and data collection
- Day-to-day management of climate-related risks and opportunities
- Implement policies and procedures to build and support climate resilience

SRG 1.3a

Notes:

* *Responsibilities in managing climate-related risks are allocated across the three lines of defence:*
- *1st line of defence – Business units identify and manage risks (including climate-related risks) associated with their day-to-day operations.*
- *2nd line of defence – Risk management function undertakes climate-related risk assessments and monitoring. Compliance unit ensures adherence to applicable laws, regulations & internal policies.*
- *3rd line of defence – Internal audit provides independent review and objective assurance.*

** *TCFD – Task Force on Climate-Related Disclosures; GRI – Global Reporting Standards; SRG – Bursa Malaysias Sustainability Reporting Guide (3rd Edition)*

OUR ENVIRONMENT

In the year under review, the Board took the following actions on climate change:

Actions	Outcomes
Reviewed the effectiveness of climate governance based on CRMSA principles and recommendations	Throughout the year, the Board approved enhancements to the TPG, TPM, and TPR Board Charters, as well as the TPG and TPM's RMC Terms of Reference. Enhancements to the Group Sustainability Policy were also assessed and approved. CRMSA
Enhanced policies and terms of reference documents to include Climate Risk Management responsibilities for prioritising risk management and controls, as well as responsibilities and expectations on climate change related disclosures • Sustainability Committee Terms of Reference • Corporate Disclosure Policy (Embedded within the Group Communications Policy)	These updates ensure the Board's role in safeguarding the organisation from adverse climate change impacts and facilitating a just transition to a low-carbon economy. The Board will regularly assess climate-related risks and opportunities and approve strategy and business plans. The Board approved revisions to our Corporate Disclosure Policy to improve management of our climate-related disclosures, ensuring credibility and mitigating greenwashing risks. We have also implemented internal controls and governance mechanisms to oversee the disclosure process effectively. CRMSA
Bolstered climate-related education and knowledge across the organisation • Provided sustainability and climate-related training and education to our leadership, management, and working teams via external training and the UN Global Compact ("UNGC") Academy • All employees given access to on-demand virtual learning covering various sustainability topics via the UNGC Academy	In 2023, all members of the Board, the Sustainability Committee and the CRMSA Project Team completed training modules on climate change via the UNGC Academy. The Sustainability Team completed the UNGC Climate-Ambition Accelerator 2023 to enhance understanding of climate-related performance and the Group's overall knowledge on climate change. This heightened awareness and knowledge ensure robust oversight, challenge and support at the highest level of our governance framework. CRMSA
Approved the Group's climate strategy	Affirmed the Group's approach to achieving Zero Coal in our investment portfolio and our approach to monitoring and maintaining the current coal exposure of our underwriting portfolio (Zero Coal since August 2023). CRMSA
Embedded Climate-related risks into our Risk Management considerations, management, and monitoring	Across the Group, updated and enhanced various Risk Management related policies, including the Risk Appetite Statements, Risk Registers, Model Risk Management Policies, Due Diligence procedures, and management for specific risk types. CRMSA
Reviewed and discussed the outcomes of the 2023 Materiality Assessment	Ensuring the Board is kept abreast of Stakeholders' opinions and input on Sustainability and climate change.

OUR ENVIRONMENT

At the Management level, we took the following climate change actions:

Actions taken by SuCom and Executive Committee	Outcomes
Revised the Due Diligence Questionnaire for the onboarding of business partners	Incorporated business partners' climate-risk management and approach. CRMSA
Deliberated on and recommended by SuCom: • All enhancements to the areas of Risk Management for RMC and Board approval • Enhancements to Group Sustainability Policy, SuCom Terms of Reference and Group Communications Policy	Addressed the identified climate risk management gaps and ensured compliance with CRMSA. CRMSA
Establishment of Climate Risk Assessment Methodology, including guidance to ensure appropriate scope and granularity	Improved internal capabilities in identifying, assessing and managing climate-related risk, ensuring compliance with CRMSA. This includes climate-related risks by portfolios, economic sectors, geographical locations and material customers and counterparties. CRMSA
Conducted materiality assessment and incorporated financial materiality into the process	Endorsed the materiality assessment outcomes for 2023.

CRMSA - *Actions aligned with the CRMSA Principles*

Going forward, we will continue to bolster our capability building in climate risk management and strategy execution to build climate resilience. This will be achieved through the implementation of capacity-building initiatives and training programmes for the Board, senior management and the relevant employees.

Remuneration and Compensation

To optimise our sustainability performance and achieve our goals, sustainability targets that involve metrics for monitoring environmental performance are integrated into performance metrics for executives. Key Performance Indicators ("KPIs") are established using a cascading approach, where the Board sets KPIs for the Group CEO, who then disseminates goals to the senior management team. Employee performance is evaluated annually using a qualitative scorecard that encompasses sustainability metrics and influences bonus allocations. Our Total Compensation package features a blend of benefits and fixed or variable cash compensation, which aligns with the organisation's long-term performance objectives and goals.

For more information, please refer to the Remuneration report on pages 112 to 115.

OUR ENVIRONMENT

STRATEGY

Decarbonising Towards A Greener Portfolio

Given the impacts of climate-related risks, our business strategy emphasises moving away from commercial lines linked to hydrocarbons such as oil and gas. Instead, we focus our products in three key segments: Health, Lifestyle and SMEs.

We remain committed to eliminating coal by 2030, to reduce underwriting risks associated with coal-fired power plants, thermal coal mining and coal-dependent utilities. Additionally, in line with our commitment to social responsibility and the UN SDGs, particularly Goal 3: Good health and Well-being and Goal 16: Peace and Justice Strong Institutions, we avoid engaging with industries involved in tobacco and weapons production. This underscores our efforts to align our business practices with our values.

To support the nations' shift to a low-carbon economy and cultivate a sustainable future, we strive to gradually reduce our exposure to coal-related risks and avoid industries that contradict our values. Additionally, our investment policy allows for allocations of up to 10% of our total investments to ESG-approved funds. We have excluded investments in coal mining and coal power production companies for future private mandates.

Driving Engagement On Climate Change

By collaborating with different corporate sectors and chapters dedicated to climate change, Tune Protect Group keeps up with changes in policies, regulations and laws. These engagements also allow us to share our insights in discussions on national climate strategies.

Climate Governance Malaysia

Tune Protect Group is fully committed to implementing an effective climate transition strategy, prioritising financial stability, resilience and sustainability. In line with this commitment, Tune Protect joined Climate Governance Malaysia, the Malaysian Chapter of the World Economic Forum's Climate Governance Initiative.

Tune Protect Group is a member of PIAM's Climate Change Action Committee ("CCA Committee") established in September 2022. The CCA Committee serves as an advisory body, identifying and providing recommendations on issues, challenges and priorities impacting the general insurance sector in transitioning towards a net-zero carbon emission economy. It also serves as a platform for sharing knowledge, expertise and best practices for mitigating climate-related risks.

WE SUPPORT UN GLOBAL COMPACT

In 2023, Tune Protect Group pledged its commitment to the UNGC corporate responsibility initiative, adhering to its principles in the areas of human rights, labour, environment and anti-corruption. By becoming a signatory to the UNGC via the Malaysia and Brunei network, we leveraged shared resources to engage our employees and enhance their knowledge capabilities on climate change and environmental stewardship, while also deepening our commitment to the principles of good business as defined by the UN.


CERTIFICATE OF APPRECIATION

TUNE PROTECT GROUP BERHAD

Furthermore, Tune Protect Group is committed to the Malaysia Digital Climate Action Pledge, aimed at increasing sustainability and promoting climate action adoption among businesses in the digital economy. This commitment aligns with the government's goal of becoming a carbon-neutral nation by 2050 and is a collaborative effort between the Malaysia Digital Economy Corporation ("MDEC") and UNGCMYB.

During its 11th meeting on 20 September 2023, BNM's Joint Committee on Climate Change ("JC3") reviewed its progress and action plans. Under the auspices of JC3, Working Groups on Physical Risk and Transition Risk have been established in 2023 to aid financial institutions' adherence to BNM's CRMSA policy document.

As a member of the Physical Risk working group, Tune Protect Group supports the industry-level initiatives for climate action and capacity development towards shaping Malaysia's low-carbon future.

Promoting Sustainable Practices

As part of our efforts to lower our carbon emissions, we encourage customers to reduce their carbon footprints, particularly those indirectly generated by our products. We understand that our vulnerability to climate risk is mainly in our Lifestyle policies, especially the coverage for cars and motorbikes.

- **Pay-As-You-Drive ("PAYD")** – In our ongoing efforts to combat CO_2 emissions and protect the environment, we introduced PAYD in 2019. This innovative personal car insurance product allows drivers to reduce their carbon footprint while saving money. With PAYD, customers pay less when they drive less and vice versa. This approach offers financial benefits and serves as a strategy for customers to decrease their carbon emissions by driving less frequently. PAYD is optional, ensuring that customers do not incur additional costs. Additionally, customers with minimal mileage are rewarded with a yearly reimbursement of up to 20% of their basic premium.

- **EV Rider Coverage** – To further promote the transition to a low-carbon economy and encourage the adoption of Electric Vehicles ("EVs"), we offered free Personal Accident ("PA") coverage for drivers and riders of EVs throughout 2023. Customers purchasing motor insurance for EVs received rider PA coverage and unlimited towing services at no additional cost. Through this initiative, we aim to provide additional incentives for customers to switch to EVs and contribute to carbon emission reduction.

Products Promoting Adaptation

In recent years, the increased frequency and severity of flooding events, attributed to climate change, have emphasised the need for comprehensive flood coverage to meet the challenges posed by such disasters. To this end, Tune Protect has diversified its coverage options by introducing flood coverage add-ons for both motor and home insurance policies. These additional features offer policyholders with extra protection against the financial consequences of flood damage to vehicles and homes. Incorporating flood coverage into insurance plans, we aim to assist our policyholders in protecting their assets and livelihoods, offering greater peace of mind amidst unpredictable weather patterns and escalating climate-related risks.

Climate-Related Scenario Analysis

We have a method for analysing flood risks and concentrations, using historical data and future projections with our reinsurance broker's Catastrophe Model. This analysis focuses on our short-term business and risk exposure, evaluating frequency and severity.

We integrate flood loss assessments from our reinsurance broker into critical processes such as the Financial Condition Report ("FCR"), Internal Capital Adequacy Assessment Process ("ICAAP") and Individual Target Capital Level ("ITCL") exercises. This ensures the adequacy of our ITCL and internal trigger levels. Additionally, we are currently in the process of integrating Climate Risk into the ICAAP Framework, with a target completion by 2024.

Tune Protect remains committed to improving the quality of data related to climate risks to refine our risk assessment and pricing of insurance products. Our goal is to provide optimal climate risk coverage to clients while managing risks from claims effectively.

We will explore the feasibility of implementing more detailed climate scenario analyses in line with CRMSA and the upcoming Climate Risk Stress Testing Exercise. We will also review existing climate scenarios to align with our risk appetite and propose risk limits and thresholds for climate-related risks when necessary.

RISK MANAGEMENT

Understanding the Impacts on Our Business

To maintain the relevance of our business strategies, we invest in low-carbon growth. As we are insurers, climate change significantly impacts our business, exposing us to diverse climate-related risks. These risks encompass the direct impacts of our insurance products and changes in the sectors and business models we underwrite. As institutional investors, the global shift towards a low-carbon economy also reshapes the industries in which we hold stakes. To this end, we actively evaluate, quantify and address climate-related risks to identify opportunities to reduce our environmental impacts while also prioritising our investments. Furthermore, we are enhancing our assessment process to identify potential longer-term risks and opportunities that may affect our business.

Climate change impacts lead to various financial and non-financial risks. The transition to a low-carbon economy comes with risks such as changes in different sectors, shifts in policies, advancements in technology and fluctuations in market sentiments. As a result, financial assets may lose value in the market, leading to increased transactional losses, higher capital requirements and increased operational expenses. By proactively managing climate risks and prioritising socially responsible investments, we aim to align our business practices with our commitment to advancing sustainability and reducing our carbon footprint.

In 2023, our climate risk exposure was primarily associated with flood risk in our underwriting of lifestyle policies (providing insurance coverage for homes, cars and motorcycles), with no exposure to the Tobacco, Coal and Weapons sectors. We intend to maintain our current Risk Appetite Statement ("RAS") and transition strategy until the following annual review at the end of 2024. Regarding market risk, we do not have direct coal investments, and less than 10% of our funds are exposed to the coal sector.

OUR ENVIRONMENT

Managing Our Risks

We prioritise risk management and CoG initiatives in reducing and mitigating our exposure to climate-related risk. Given the escalating impacts of climate change, such as increased frequency and severity of events like floods, droughts and forest fires, we are steadfast in effectively managing these risks to protect our business.

To address this challenge, we have created innovative protocols and techniques for managing climate-related risks. We continuously enhance our approach to adapt to changing conditions. While we have already excluded carbon-intensive industries such as coal, tobacco and weapons manufacturing from our underwriting portfolio, we are actively exploring ways to improve our ability to identify climate risks. This involves developing more detailed criteria to fine-tune our risk tolerance.

Incorporating Climate Risks

We are committed to integrating climate-related risks and opportunities throughout the Group to mitigate our exposure effectively. Looking ahead, we plan to enhance our risk mapping process by incorporating a more detailed assessment of climate risks across our entire value chain.

We have integrated anticipated impacts of climate change on weather conditions into our Enterprise Risk Register, highlighting the increased frequency, severity and cost of extreme weather events due to global warming. Within the Enterprise Risk Register, we assign risk owners for each impact category and assess these risks across our business units. Additionally, climate risks have been considered in setting our ITCL.

Our focus remains on advancing our data capabilities, tools and methodologies to enable the Group to effectively aggregate and report significant climate-related risks. In 2023, we made progress in adopting and aligning our operations with the requirements and recommendations of the CRMSA.

Enhancements in 2023

Area	Enhancement	Outcome
Risk Appetite	Established quarterly Risk Appetite Statements, Limits & Metrics for TPG, TPM & TPR: • Incorporated Early Warning signs and thresholds for climate-related risks • Reflected risks of economic dislocation and associated Reputational Risk	Established regular reporting on RAS as part of the review of the Risk Register
Risk Assessment Processes	Completed risk assessment processes as part of risk identification and measurement (CRMSA Principle 8) through conducting desktop research on our material counterparties to understand their basic exposure to climate-related risks and track record, as well as their transition strategies and commitment to managing these risks	Based on our assessment, the majority of these counterparties incorporate strategies and plans to manage climate-related risks. We will also explore engagement with these counterparties to develop a better understanding of their exposures to climate related risk and facilitate the collection of information.
	• Established Climate Risk Assessment Methodology (Including for Business Impact Analysis and Outsourcing Assessments)	Provided guidance to ensure appropriate dimension and granularity of climate-related risks, including concentration by portfolios, economic sectors, geographical locations and material customers and counterparties.
	• Improved assessment of climate-risk on Insurance Underwriting and Reserving Risks • Enhanced assessment of data quality and completeness, integrating forward-looking assumptions to account for climate-related risks in insurance premiums and reserve calculations	Built and enhanced our internal capabilities and resources on climate-related matters.
	• Enhanced Credit Risk Policy	Enhanced to include effects of counterparties' ability to honour credit obligations due to climate-related risks.
	• Enhanced TPM Liquidity Contingency Funding Policy	Adopted ratings methodology for events of climate-related stress and incorporated climate-related risks.

Area	Enhancement	Outcome
Risk Register	• Considered climate-related risks under different time horizons as part of the emerging risks in Risk Register	Enhanced our ability to assess climate-related risks and opportunities in the near and distant future.
Due Diligence	• Enhanced to include climate-risks as part of onboarding new business partners	Allowed a greater overview of third party climate-related risks.
Data Collection for Climate-related Risk	• Established Procedure on Data Collection for Climate-related Risks	Established SOP for climate-related financial risk data to ensure uniformity and completeness of assessments.
Risk Management Policy and Procedures	• Enhanced Risk Management Policy and Risk Management Procedures (Physical risks) • Included Model Risk in the revised Risk Management Policy considerations	Mapped transmission channels and impact of physical climate-related risks to the existing risk types
	• Incorporated Climate-related risk into existing risk management cycle	Ensured regular assessment of climate-related risks into the management cycle.

Ongoing/Going Forward

Risk Area	Enhancements Made in Mapping the Transmission of Climate-related Risks (particularly transition risks)
Risk Monitoring, Management and Control	• Strategy for customers and counterparties • Enhancement of counterparties' exposure engagement • Enhance capacity and capabilities on quantitative and qualitative assessments of climate-related risk metrics • Include forward-looking metrics to pre-emptively detect and respond to current and potential climate-related risks
Risk Appetite	Incorporate climate-risk into the ICAAP Framework, guided by the RAS for each entity, to assess the Group's internal capital adequacy

METRICS AND TARGETS

Our Products And Services

Zero Coal in our Portfolios

By 2030, we aspire to achieve Zero Coal in both our underwriting and investment portfolios. We are committed to improving our climate risk management practices to establish relevant metrics and targets for climate action by 2024, in compliance with the CRMSA.

As of August 2023, we have successfully attained Zero Coal status in our Underwriting Portfolio. Our investment portfolio includes one mandated fund certified as a sustainable and responsible investment fund under the guidelines on Sustainable and Responsible Investment issued by Securities Commission Malaysia.

Climate Adaptation

In accordance with BNM's Climate Change Policy and Toolkit ("CCPT"), we categorised the climate-related exposure in our portfolio to facilitate risk assessments and monitor climate-related risks and opportunities. In 2023, our products designed to mitigate climate-related risks accounted for 12.48% of our Gross Earned Premium.

Product Type	Percentage of Gross Earned Premiums (%)
Flood under Motor class	**0.19**
Flood under Fire class	**0.43**
Flood under Other class	**11.67**
Electric/Hybrid cars	**0.18**
Solar and Hydro-energy production	**0.01**

OUR ENVIRONMENT

Our Carbon Footprint

Since 2020, we have started tracking and measuring Scopes 1 and 2 of our greenhouse gas (GHG) emissions using the internationally recognised GHG Protocol Framework where Scope 1 GHG emissions represent direct GHG emissions from Company-owned vehicles, while Scope 2 GHG emissions refer to indirect emissions from purchased electricity.

As part of our climate change mitigation efforts, we are taking proactive measures to quantify Scope 3 GHG emissions, which include indirect GHG emissions from our supply chain. In 2023, we initiated our pilot assessments of Scope 3 GHG emissions from business travel and employee commuting. The assessment identified the areas of emissions and enhanced our data collection and consolidation practices. We aim to provide a full disclosure of our emissions, including business travel emissions in the next reporting cycle.

Including the indirect emissions from our pilot assessment of employee commuting, our footprint for the year was 770.1 tCO_2e. Our total Scope 1 and 2 GHG emissions for the year in review was 352.0 tCO_2e. We have reduced our Scope 1 and 2 emissions by 17.3 tonnes in the year under review.

Emissions (tCO_2e)	2021	2022	2023
Scope 1 - Company Owned Vehicles	14.5	7.4	**17.5**
Scope 2 - Purchased Electricity	331.2*	361.9*	**334.5**
Scope 3 - Employee Commuting	-	-	**418.1**
Total	345.7	369.3	**770.1**

Notes:
The details of our carbon footprint calculations are as follows, and cover operations in Malaysia only:

Scope 1 (Direct Emissions)
- Petrol and diesel consumption from three vehicles owned by the respective entities; one owned by Tune Protect Group and two owned by Tune Protect Malaysia. One fully fuel-based car was replaced with a hybrid vehicle in June 2022.

Scope 2 (Indirect Emissions)
- Imported energy from grid electricity consumption.
- We use a location-based approach to compute our Scope 2 emissions.
- Our Malaysian companies' electricity consumption was solely supplied from Tenaga Nasional Berhad in Peninsular Malaysia, while branches in East Malaysia were supplied by Sarawak Energy Berhad in Sarawak, and Sabah Electricity Sendirian Berhad in Sabah.

* *The Purchased Electricity Emissions for 2021 and 2022 have been restated, utilising the updated Grid Emission Factors for 2021 as updated by the Energy Commission in 2023 (see Sources for Emission Factors below).*

Scope 3 (Indirect Emissions)
- Our indirect emissions from Employee Commuting has been extrapolated from a survey of all employees in Malaysia, receiving a response rate of 89.12%. The survey gauged commuting methods, distance travelled and total days worked from office in the reporting year.

Sources for Emission Factors:
- Emissions Factors for motor gasoline consumption - *Used to compute emissions from Company Owned Vehicles, Employee Commuting and Business Travel (via private car, motorbike, taxi or ridesharing)*
  1. For 2023 - The UK Department for Environment, Food and Rural Affairs (DEFRA),
  2. For 2021 and 2022 - IPCC Guidelines for National Greenhouse Gas Inventories (2006) and the MYCarbon GHG Reporting Guidelines (version 1.6), by the National Corporate GHG Reporting Programme for Malaysia (2014).
- Emission Factor for electricity Consumption - *Used to compute emissions from Electricity Consumption*
  The Energy Commission (Suruhanjaya Tenaga)'s Malaysian Energy Information Hub, Grid Emission Factor (GEF) in Malaysia, 2017-2021. Available at **https://meih.st.gov.my/**.
- Emission Factors for public transportation - *Used to compute emissions from Employee Commuting and Business Travel (via train and bus)*
  The UK Department for Environment, Food and Rural Affairs (DEFRA) and IPCC Guidelines for National Greenhouse Gas Inventories (2006).

GOING FORWARD

We are committed to acting proactively to address the challenges posed by climate change. We will continue to enhance our sustainability efforts, improve our efforts in TCFD, strengthen risk management measures, mitigate our environmental impact and build resilience to climate-related risks. By integrating climate considerations into our strategies and operations, we aim to contribute to a more sustainable future for generations to come.

RESOURCE MANAGEMENT

We are deeply committed to responsibly managing our natural resources to achieve our sustainable development goals. This involves efforts to mitigate, reduce and recycle energy, water and waste, ensuring our natural resources are utilised responsibly. These measures further reduce our operational costs and enhance employee awareness on environmental sustainability practices.

OUR APPROACH

Our efforts to manage our resources sustainably and responsibly is guided by our Sustainability Policy. The policy aligns with local laws and environmental requirements, ensuring that we manage and mitigate our consumption of energy, water, waste as well as reduce paper consumption, in our aim to go paperless. We strive to inculcate environmental sustainability practices in our processes and operations.

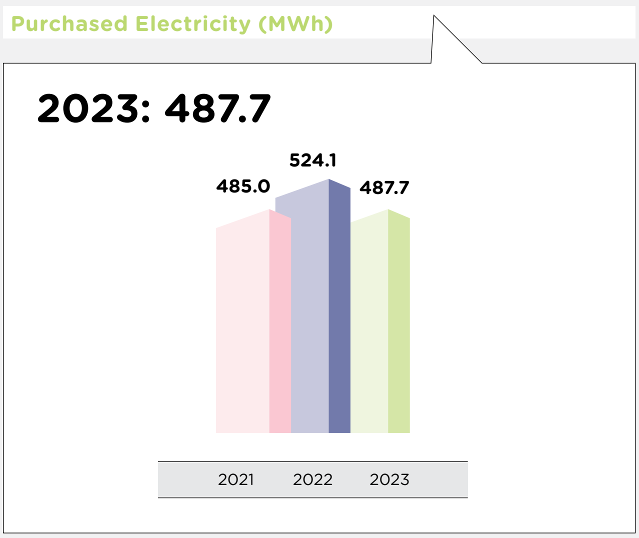
OUR INITIATIVES

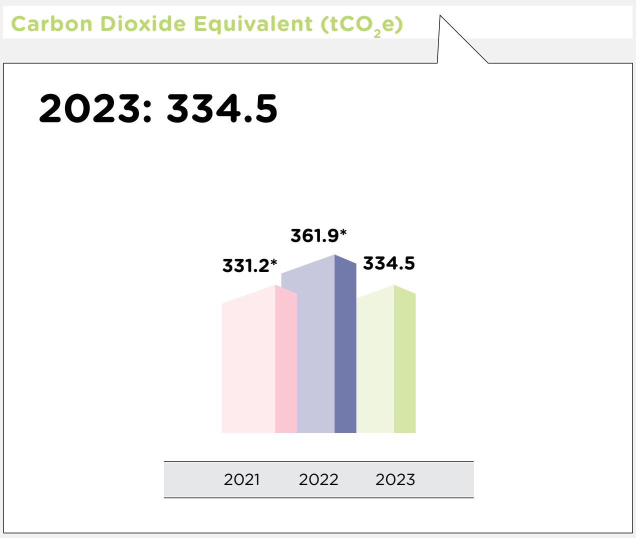
Energy Consumption

During the year, we implemented several measures to reduce consumption, such as implementing Earth Hour Fridays, where non-essential lighting and electrical appliances were turned off for one hour from 12pm to 1pm to mitigate climate change impacts. We also distributed a weekly internal newsletter called 'The Workplace Green Screen', showcasing eco-friendly practices conducted by employees.

Additionally, we replaced the lighting in the Boardroom of our HQ with LED lights, programmed water boiler timers to cut electricity consumption and turned off non-essential lights at Level 9 of Wisma Capital A to save electricity. We also consistently reminded employees on adopting energy saving measures through reminders, wraps and signage across our premises.

The following charts our purchased electricity usage at our HQ and branch locations over a three-year period, which constitutes 100% of our Energy Consumption and our most material Scope 2 emissions source:





Notes on operational changes:

- *Data from 2021 is from 17 branches and HQ, while data from 2022 onwards represents 16 branches and HQ.*

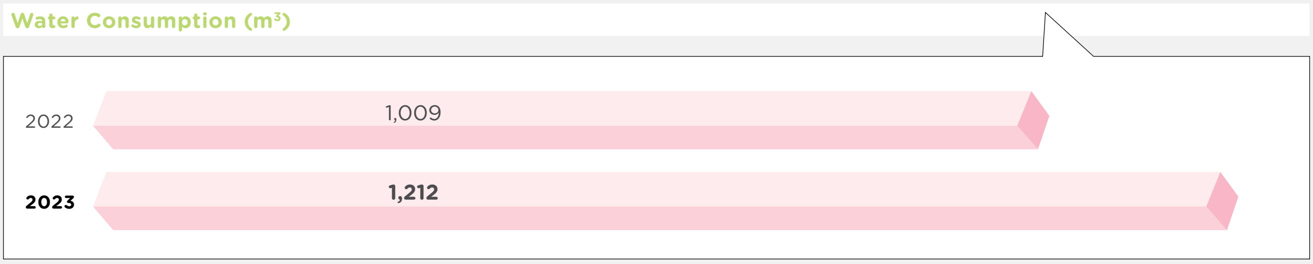
* *Cabon Dioxide Equivalent 2021 and 2022 have been restated, utilising updated Grid Emission Factors for 2021*

OUR ENVIRONMENT

Water Consumption

It is vital to adopt sustainable practices to manage water consumption, as it helps to conserve water resources and reduces our carbon footprint. Our commitment to water management aims to protect the environment and its limited resources, especially during water shortages and droughts. We strive to promote awareness on the importance of reducing water usage through initiatives such as placing signs in high-traffic areas at our HQ and branch offices to encourage employees to monitor their water consumption.

We began tracking the water consumption of our 16 branches and HQ in 2022 to allow a deeper understanding of our collective consumption habits.



Paper Consumption

To reduce our environmental impact, we have transitioned to paperless operations and digital delivery methods. This involves creating, developing and delivering our products electronically. In addition to emailing policy documents to customers, we also provide fully editable online forms. As we embrace the digital era, we have implemented e-billing and paperless transactions through our e-card feature. We have also introduced paperless collaterals and business cards to reduce environmental pollution from excessive paper consumption, specifically for our PRO-Health Medical and Dental Easy products.

As part of our digitalisation and paperless initiatives, we launched Project KonMari in 2021. This involved phasing out outdated dot matrix printers, major sources of our paper consumption. We have further reduced our printing by setting office printers to duplex and grayscale printing by default, with new printer installations only performed upon request. Additionally, we provided employees the option to print on recycled paper for internal use when necessary.

These environmental protection initiatives and paperless processes have significantly reduced our paper usage, with a notable 23% decrease year-on-year, totalling 372,906 sheets consumed.

OUR ENVIRONMENT

Waste Management

Tune Protect Group considers the 5R approach as a highly effective methods for reducing our environmental impact and protecting the environment. This approach involves conserving resources, optimising material usage, reducing waste, mitigating environmental impacts, implementing better protection measures and promoting recycling practices. Through these efforts, we aim to drive sustainable development by protecting vital resources for both present and future needs.

Refuse – to minimise our environmental impacts, we encourage employees to prevent indiscriminate disposal of recyclable materials, thus reducing their carbon footprints. We promote the use of waste bins and collection containers to facilitate waste reduction at its source.

Reduce & Repurpose – we emphasise the importance of reducing unnecessary purchases to indirectly lower carbon emissions and promote sustainability. Through our Green Screen group on the Workplace social media platform, we educate readers about the carbon emissions associated with unnecessary purchases and discourage them whenever possible.

Reuse – to reduce the use of single-use plastics especially during office meals, employees are encouraged to utilise reusable food containers, bottles and bags. Additionally, through Project KonMari conducted in 2021, we have supported our communities by donating lightly used furniture to charitable organisations.

Recycle – we prioritise recycling fluorescent tubes and e-waste materials to prevent glass, metal and mercury content from polluting landfills and water resources. These materials are sent to collection facilities where employees ensure that they are disposed of and recycled in compliance with regulatory requirements.

In 2023, we introduced initiatives to prevent waste generation across our operations. This involved reducing waste bins on Levels 8 and 9 of our HQ, initiating the 'TakNak Plastic' campaign and updating our Sustainability Policy to prohibit the usage of single-use plastic bottles in meetings.

Additionally, we introduced a practice to eliminate the use of plastic bottles in all internal meetings to reduce plastic waste. This was reinforced in an enhancement to our Group Sustainability Policy, which emphasises the promotion of recycling and the reduction of single-use plastics within Tune Protect Group and its subsidiaries. We also incorporated sustainability themes and sourced biodegradable items from suppliers for employee engagement events. In November 2023, we launched a "No Plastic Week" initiative at our HQ, encouraging employees to bring their own utensils. Videos were also published on TikTok and YouTube to advocate reducing the use of plastic.

GOING FORWARD

In 2024, our primary focus is on deepening our commitment to the circular economy by addressing our internal waste generation and management processes. By prioritising recycling and reducing food and plastic waste, we aim to integrate sustainable practices into our workplace culture.

OUR PEOPLE & COMMUNITY

SOCIAL

Aligning with the UN SDGs

1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Mapping to Our Capitals

H S

Sustainability Material Matters

- Diversity & Equal Opportunities
- Employee Wellness & Developments
- Corporate Good & Community Investments

Why It Matters

- To build a sustainable, inclusive and diverse workforce which ensures equal treatment without any form of discrimination or prejudice through our commitment to global frameworks
- To engage with employees across the organisation, ensuring a productive workforce and working environment that is physically, psychologically and socially safe for all
- To engage and invest in local communities, through our products and Corporate Good programmes and initiatives

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

The Group believes in creating a workplace where people from all backgrounds feel valued, respected and included. Diversity enriches our team by bringing together different perspectives, experiences and ideas which foster innovation and creativity. To this end, we are committed to providing equal opportunities for all individuals to ensure the inclusiveness of our practices. By promoting diversity and inclusion, we can cultivate a culture where everyone can thrive and contribute to our collective success.

OUR APPROACH

In our commitment to diversity and inclusion, we continue to be guided by our Group Recruitment and Selection Policy, which streamlines our hiring procedures to ensure the selection of the most qualified candidates through fair and transparent processes. Moreover, we uphold global human rights standards and align our operations with the Principles on Human Rights and Labour of the UNGC, underscoring our commitment to ethical and equitable practices. As part of our commitment to transparency, we have aligned our disclosures as best we can to the KPIs of the Bloomberg Gender Equality Index (GEI).

OUR INITIATIVES

Diverse Recruitment

Diverse recruitment is essential as it brings together talents from different backgrounds, experiences and viewpoints, granting us access to a broader range of skills, ideas and approaches. This enhances our problem-solving and decision-making capabilities. At Tune Protect, candidates are meticulously selected based on merit, ensuring alignment with relevant employment laws to ensure anti-discrimination. Moreover, we integrate robust risk management strategies while promoting the principles outlined in our CoC. To broaden its talent pool, Tune Protect aims to become the preferred employer for millennials and the next generation. In pursuit of this goal, we continued our internship programme for the third consecutive year, aiming to foster innovation and establish our brand as the employer of the future, while providing our current employees opportunities for upskilling. In 2023, 13% of our interns transitioned into permanent roles within our organisation.

We participated in several career fairs to foster a strong connection with incoming fresh talent, and also engaged with university events as an industry partner:

We are an Industry Partner of **INTI International University**

Collaborated with **Monash Engineering Club** to hold a 48-hour design competition utilising bamboo, called "Wood It Work?"

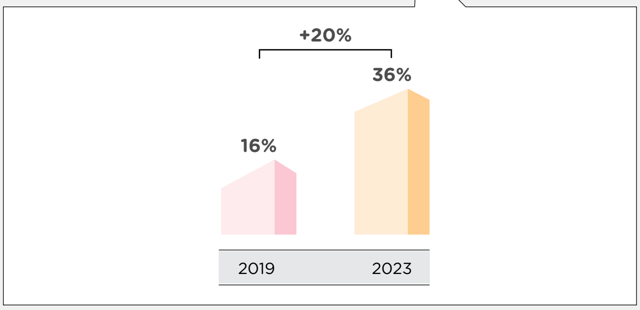
Conducted an engagement event with students from **INTI International University's Nilai Campus,** engaging with students on our branding as an employer.

Participated as an exhibitor at the **National Human Capital Conference & Exhibition 2023**, **Asia Pacific University ("APU")** and the **USCI Career Fair**

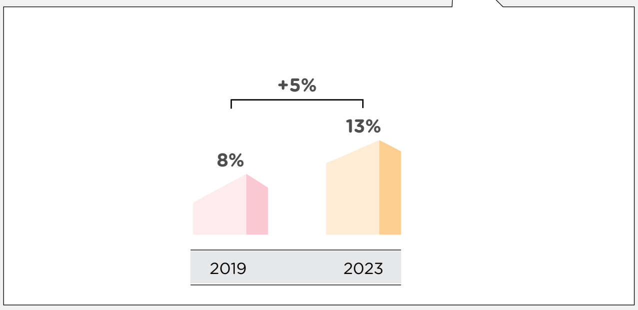
OUR PEOPLE & COMMUNITY

We also held a Hackathon to encourage young talents to innovate on customer loyalty and engagement. We aimed to provide opportunities for students to showcase their skills and vision in the technology industry. The Tune Protect Hackathon 2023 spanned three days and was held in collaboration with APU and Google Cloud.

Zillennial hire over total new hire



Intern conversion over total new hire



Employer of Choice Among Graduates

Tune Protect bagged TalentBank's prestigious 'Graduate's Choice of Employer to Work For in 2024' award , which puts us on the coveted Graduates' Choice Award ("GCA") List. This recognition reflects our commitment to excellence and innovation in attracting and retaining top graduate talent. Determined through a survey conducted among university students, the GCA list encompasses various industries including accounting, ecommerce, retail and telco, underscoring Tune Protect's appeal as an employer. It will further strengthen our ability to attract skilled talent and ensure a continuous talent pipeline for driving the success and growth of our organisation.

Graduate Apprenticeship Programme

In 2022, we launched our Graduate Apprenticeship Programme ("GAP") to select and identify young graduates displaying high potential for development. We received 200 applicants from which a stringent selection process was conducted until we finally chose four promising graduates. Via GAP the graduates were equipped with foundational knowledge and skills via experiential learning and a 360° development programme to cultivate the right attitude and philosophy as well as to nurture future leaders. The programme concluded in December 2023, with all four graduates onboarded as full-time employees in Tune Protect.

Tune Protect's 12 months GAP Journey

Learning approach: ✓ On-the-job training ✓ Classroom training ✓ Mentoring

9 Jan 2023

Pulse Check 1/4

Recruitment ▶ **Joined** ▶ **Onboarding** ▶ **Resilience Bootcamp** ▶ **Rotation 1**

Pulse Check 4/4 | Pulse Check 3/4 | Pulse Check 2/4

Rotation 4 ◀ **Leadership programme** ◀ **Rotation 3** ◀ **Rotation 2**

Career Talk

Corporate Social Responsibility Project ▶ **Assessment & Graduation** ▶

- Absorption into Permanent Employment at Respective Department /Entity
- GAP Graduation Ceremony

- Six Months Probation (Month 13-18)
- Confirmation of Employment
- Continuous Learning

OUR PEOPLE & COMMUNITY

Gender Equality

We are deeply committed to promoting gender equality and ensuring the equitable representation of women within our senior management teams. This commitment is demonstrated through our active support and participation of the 30% Club Malaysia, which is part of a global initiative dedicated to advancing gender parity within executive leadership and boardrooms. In 2023, 50%^ of our Board comprised women directors, surpassing the Malaysian average of 25.4%*. We also attained a commendable 43.4% representation of women in leadership positions.

Our commitment is further entrenched as signatories of the Women's Empowerment Principles ("WEPs"), established by the UNGC and UN Women. As signatories of the WEPs, we are part of a collective group of organisations committed to driving positive change for gender equality and the empowerment of women across the workplace, marketplace and community.

* *Source: 30% Club Malaysia – 2023 Report Card on findings by The Securities Commission Malaysia*

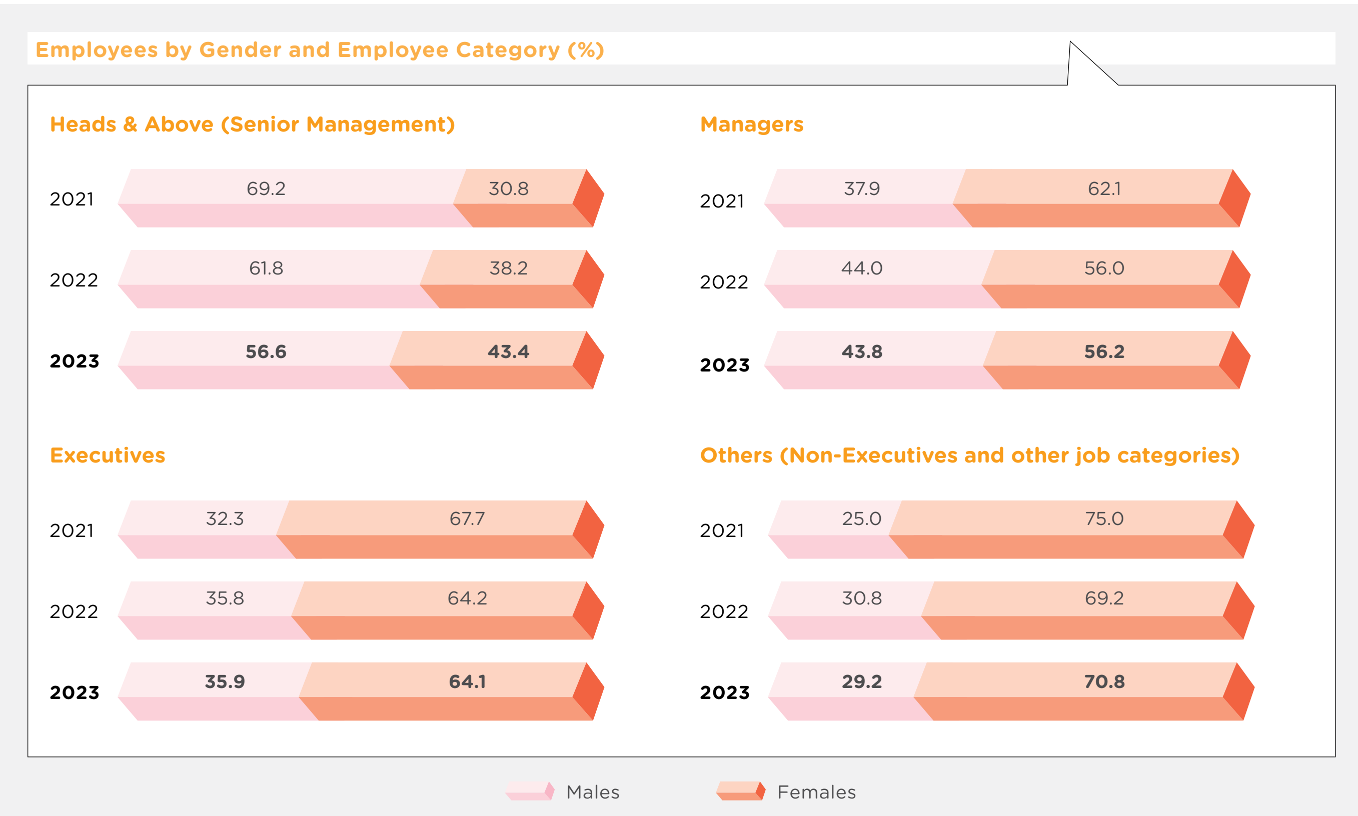
Women in Management (%)	2020	2021	2022	2023
TPG's Board of Directors	40.0	33.3	50.0	**50.0^**
Senior Management	36.4	30.8	38.2	**43.4**

^ *As at 31st December 2023. As of 1 April 2024, Ms Tan Ming-Li has retired from the Board.*

GOING FORWARD

We will continue to prioritise diversity, inclusion and equal opportunities in our recruitment, policies and practices to build a more equitable and inclusive organisation.

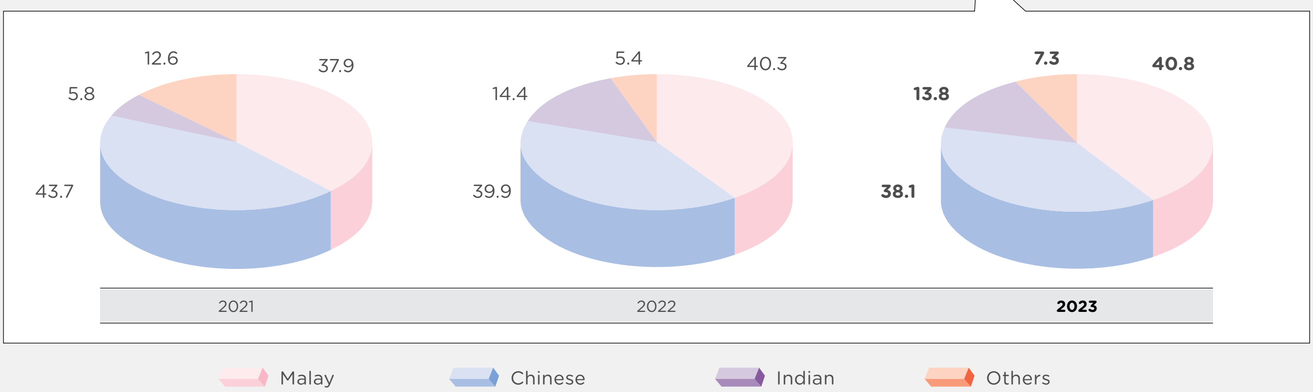
Employee Performance Data



OUR PEOPLE & COMMUNITY

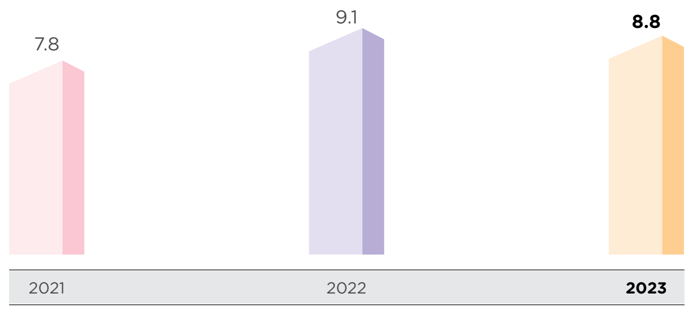
Employees by Age Group and Employee Category (%)

Employees by Ethnicity (%)



OUR PEOPLE & COMMUNITY

Temporary & Contract Staff (%)



Employee New Hires

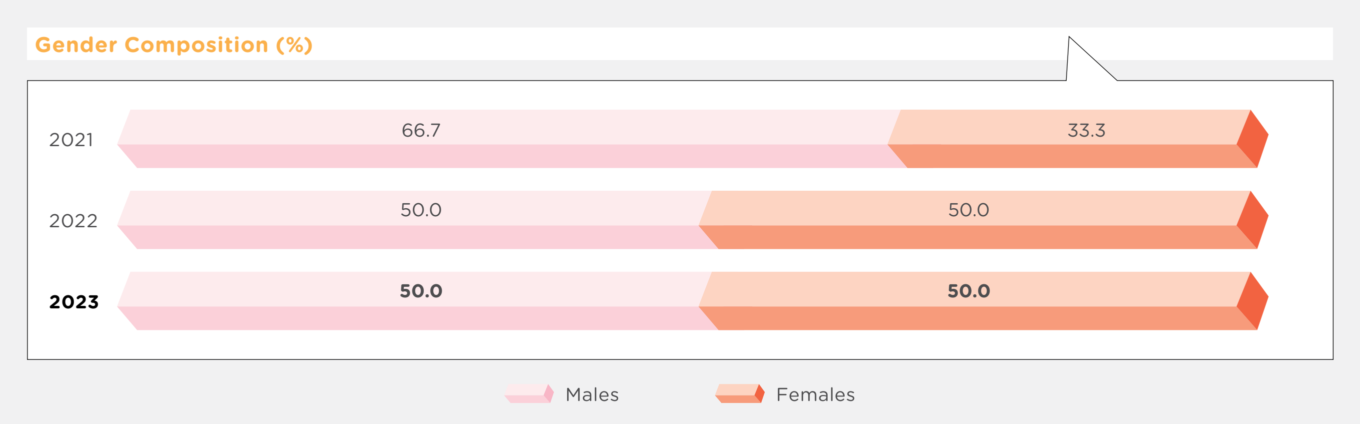
2022	Gender		Age group			
	Male	Female	<30	30-<40	40-<50	50 & above
Total (no.)	74	72	53	56	27	10
Percentage (%)	50.7	49.3	36.3	38.3	18.5	6.9

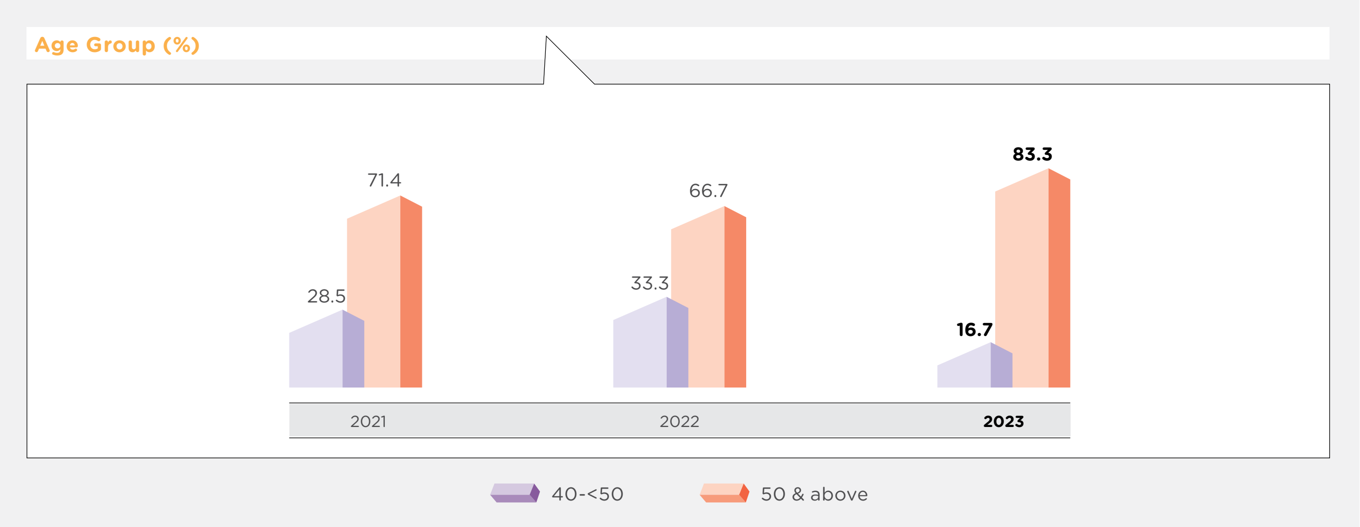
2023	Gender		Age group			
	Male	Female	<30	30-<40	40-<50	50 & above
Total (no.)	**48**	**51**	**45**	**38**	**11**	**5**
Percentage (%)	**48.5**	**51.5**	**45.5**	**38.4**	**11.1**	**5.0**

Employee Turnover

Employee Category (no.)	2021	2022	2023
Heads & Above (Senior Management)	7	11	**8**
Managers	34	44	**55**
Executives	24	30	**37**
Others (Non-Executives and other job categories)	2	2	**4**

Tune Protect Group's Board of Directors Composition





EMPLOYEE WELLNESS & DEVELOPMENT

As our employees are the backbone of our business, we prioritise the creation of a supportive and healthy work environment to ensure their well-being and satisfaction. This commitment is demonstrated throughout our investment in various initiatives to support the needs of our employees, including flexible work arrangements, competitive benefits packages and stringent measures to protect employee health and safety. Moreover, we prioritise continuous learning and personal development, providing opportunities for skill enhancement and professional growth to fill skill gaps and meet evolving challenges.

OUR APPROACH

Employee wellness and development are integral components of our company's ethos. We have in place our CoC, Group Employee Handbook and Group Sexual Harassment Policy which provides guidance and ensures measures to protect employee health, safety and well-being.

OUR PEOPLE & COMMUNITY

OUR INITIATIVES

Inclusive Work Arrangements and Benefits

Our employees play a pivotal role in steering us towards our goals and attaining long-term success. We value the contributions of each employee in driving our business forward. To this end, we are dedicated to equitable hiring practices, providing job opportunities for all, including individuals with disabilities. Our remuneration is aligned with the Minimum Wages order, ensuring that employees are fairly compensated for their time, hard work and commitment. We offer a range of attractive benefits such as:

- Leave (including Annual, Medical, Birthday, Marriage, Replacement, Hospitalisation, Maternity, Prolonged Illness, Paternity, Exam, Compassionate, Emergency, Calamity)
- Optical Care Benefit and Claim
- Outpatient Medical Coverage
- Medical Check-up/Health Screening
- Mobile Phone Reimbursement
- Dental Coverage
- Hospitalisation and Surgical Coverage
- Term Life Coverage
- Professional Subscription Fees
- Actuarial Benefit Scheme
- Personal Accident Coverage

FLEX WORKING ARRANGEMENT

Flex-Dress	Flex-Time	Flex-Space
Dress comfortably	Adjust your working hours to suit your and your team's needs, ensuring coordination and collaboration with team members	Work from home or at any other ideal location. Manage your own time and schedule.

Parental Leave

To support employees with children, we provide parental leave, offering 98 consecutive days of maternity leave and 14 days of paternity leave, which is more than the seven days paternity leave required by the Employment (Amendment) Act 2022. In 2023, 20 employees took parental leave. At the end of 2023, 16 employees returned to work with four due to return to work in 2024.

Return to Work Rate in 2023	2023		
	Men	Women	Total
Employees entitled to parental leave (no.)	11	9	20
Employees who took parental leave (no.)	11	9	20
Employees who returned to work after parental leave ended (no.)	11	5	16
Return to work rate[1] (%)	100.0	55.6	80.0

Retention Rate in 2023	2023		
	Men	Women	total
Employees who returned to work after parental leave ended and were still employees 12 months after their return to work (no.)	2	11	13
Employees returning from parental leave in 2022 (no.)	4	11	15
Retention rate[2] (%)	50.0	100.0	86. 7

Note:

Our calculations are based on the following:

[1] Return to work rate = $\dfrac{\text{Total number of employees that did return to work after parental leave}}{\text{Total number of employees due to return to work after taking parental leave}} \times 100$

[2] Retention rate = $\dfrac{\text{Total number of employees retained 12 months after returning to work following a period of parental leave}}{\text{Total number of employees returning from parental leave in the prior reporting period (s)}} \times 100$

Training and Development

Employee training and development is crucial as its enhances our company culture, boosting job satisfaction, employee engagement and retention. As per our Group Learning and Development Policy, we strive to provide employees with access to learning, development and training resources and opportunities, offering a diverse range of learning activities that are tailored to individual roles, including mentoring, coaching and structured training programmes. Employees who are constantly on the go or working from home also have access to e-learning platforms to enhance their capabilities and knowledge.

e-Learning Platforms

In 2023, we joined the UNGC, giving our people access to the UNGC Academy. This allows everyone in our organisation to learn about topics related to the UN Sustainable Development Goals and UNGC Principles such as climate change, gender equality and anti-corruption. Additionally, employees are given access to Go1, a platform with over 100,000 resources, covering technical skills, soft skills and life lessons. We have carefully selected essential learning tracks, including various management and leadership, to meet our employees' self-learning needs.

We recorded 5,603.3 hours of online learning and self-learning, and 128.4 hours of learning on climate and sustainability on the UNGC Academy by all Tune Protectors, including Board of Directors in 2023.

Leadership Pipeline Development

Succession planning is essential for our long-term growth and sustainability. It ensures that leadership transitions occur smoothly, minimising disruptions to our operations. By identifying and developing potential successors for key roles, we mitigate the risks associated with unexpected departures or vacancies in critical positions. Moreover, succession planning provides our employees with clear pathways for career advancement, which helps to maintain their engagement and motivation. We are committed to nurturing a steady pipeline of leaders to safeguard the ongoing success of our organisation. In 2023, we continued our Future Leaders and Managers Enrichment Programme to support the growth and development of our employees and reinforce our succession pipeline.

F.L.A.M.E
Future Leaders & Managers Enrichment Programme
A Career Programme To Support Growth And Development

TUNE PROTECT CAREER PROGRAMME	DEVELOPMENT NEEDS	AREAS OF DEVELOPMENT		TARGET GROUP
Advanced Leaders Programme ("ALP")	Leading The Organisation	• Coaching & Mentoring • Authentic Leadership	• Driving Change • Leaderpreneur	• Chiefs • General Managers
Experienced Leaders Programme ("ELP")	Leading The Teams	• Coaching • Feedback & Managing Performance	• Decision-Making & Accountability • Stakeholder Management	• General Managers • Heads • Managers
Individual Leaders Programme ("ILP")	Leading Self	• Communication Skills • Resilient Mindset • Data Analytics	• Thinking Out Of The Box • Customer Mindset	• Assistant Managers • Executives

In addition, we also implemented other succession planning programmes such as:

- Executive Coaching Programme
- Mentoring Programme
- Talent Mobility Programme

OUR PEOPLE & COMMUNITY

Developing Employee Skills

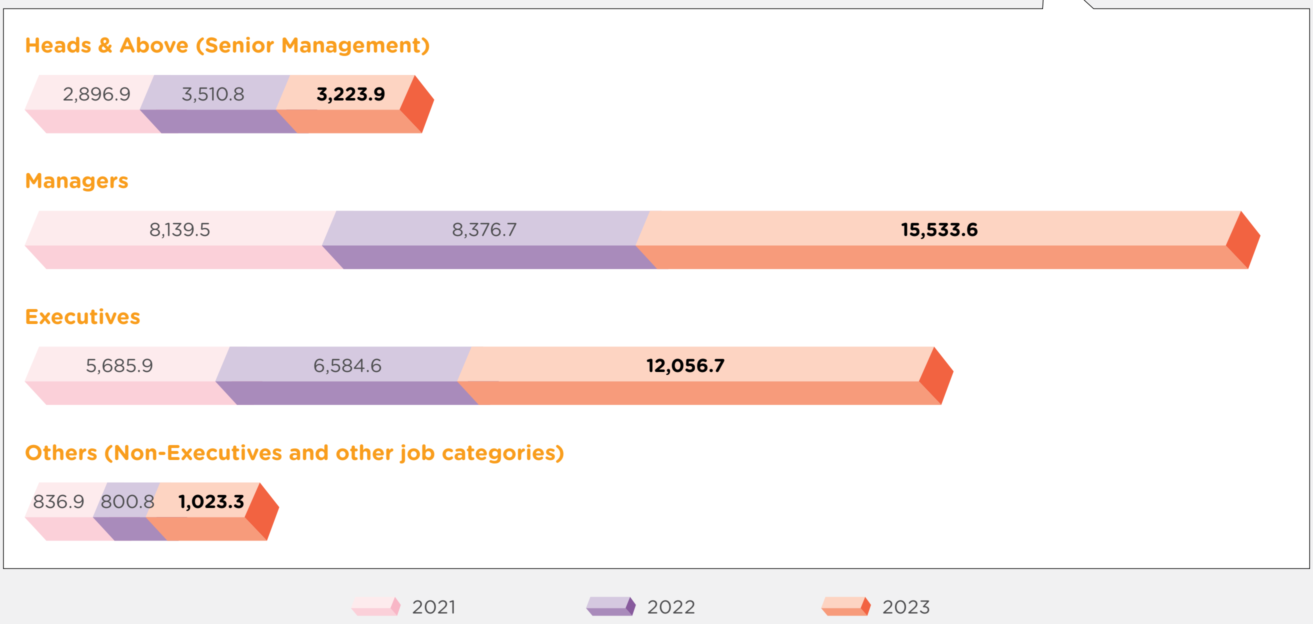
During the year, we implemented the programmes below to upgrade employees' skills along with transition assistance programmes:

Programme	Objective	No. of Participants
Champs Capstone Project *(Digital Transformation Journey)*	Aimed at enhancing employees' communication skills to effectively convey complex concepts. Employees were also trained on presentation techniques, critical thinking and problem-solving skills.	62
Effective Presentation Skills *(Digital Transformation Journey)*	Employees were trained to develop effective public speaking and presentation skills including learning various presentations styles, managing nervousness and understanding presentation etiquette to deliver impactful presentations.	30
Discipline of Execution *(ALP)*	The programme was conducted to address barriers to execution and implementing effective mitigation strategies. Senior leaders were also trained on prioritising goals by measuring critical success factors for impactful outcomes.	13
Synergy In Teams *(ELP 1)*	To equip participants with the ability to effectively communicate, manage challenging situations and conversations, foster cohesion among managers and establish goals.	9
Building a Championship *(ELP 2)*	The programme aims to emphasise the importance of curiosity and courage in the face of challenges, foster a positive mindset, ensure accountability, promote teamwork and cultivate growth, adaptability and continuous learning.	15
Leaders as Workplace Mentor *(ILP)*	To enable participants to identify their leadership styles, cultivate active listening abilities, utilise constructive feedback techniques and implement mentoring conversation frameworks in the workplace.	15
Personal Mastery & Resilient Mastery *(ILP)*	Empowers employees with effective communication skills, managing difficult situations and conversations, fostering teamwork and establish personal and organisational goals.	23
T.E.A.M Together Everyone Achieve More *(ELP)*	Objectives include fostering a culture of adaptability and resilience to address challenges, promoting creativity and establishing an open platform for discussion. The programme also strived to align efforts towards common goals, enhancing trust and communication to cultivate a positive and conducive work environment.	82

Employee Training, Upskilling and Reskilling

Training Hours (no.)	2021	2022	2023
Total Training Hours	17,559.2	19,272.9	**31,837.5**
Average Training Hours Per Employee	42.6	39.8	**66.6**

Total Training Hours by Employee Category (no.)



By Gender

Training Hours by Gender (no.)	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Average Training Hours Per Employee	43.7	41.9	36.7	42.1	**53.2**	**76.0**

Notes:
Training hours for 2021 and 2022 have been restated due to changes in data consolidation and accounting practices. All data excludes interns and some job categories such as consultants.

Employee Engagement

A thriving workplace culture is essential for the advancement of our organisation. Thus, we implement efforts to enhance employee satisfaction, increase retention rates and boost productivity. We believe that cultivating a positive work culture fosters a sense of belonging and motivation among our workforce. Moreover, a robust workplace cultures positions us to attract top talent in the industry, strengthening our reputation, driving us towards our goals and objectives. We remain committed to keeping our employees fully engaged, both digitally and physically, internally and externally, utilising platforms such as Workplace by Facebook, WhatsApp and Microsoft Teams. These efforts aim to promote well-being and instil a sense of ownership across the organisation.

OUR PEOPLE & COMMUNITY

In 2023, we implemented the following initiatives to connect and engage with our employees:

Sports and Health Events

We continued SPARK, the Sports and Recreation Club, where employees were placed in groups based on our Core Values. Led by the Culture Committee, SPARK organised various sports and physical activities to foster teamwork, enhance engagement and encourage employees to develop healthy and active lifestyles. Our activities in 2023 included table tennis with Tune Talk, Foosball with Tune Talk, hiking activities, badminton tournament, Office Sports Day, bowling tournament, futsal and badminton matches.

Engaging with peers and team members through futsal.

Engaging with employees of Tune Talk through table tennis.

Strengthening camaraderie amidst nature at a hike in Bukit Kiara.

Breast Cancer Awareness – PINKTOBER 2023

We held a Breast Cancer Awareness event titled PINKTOBER to encourage all our employees to be more informed on the risks of Breast Cancer.

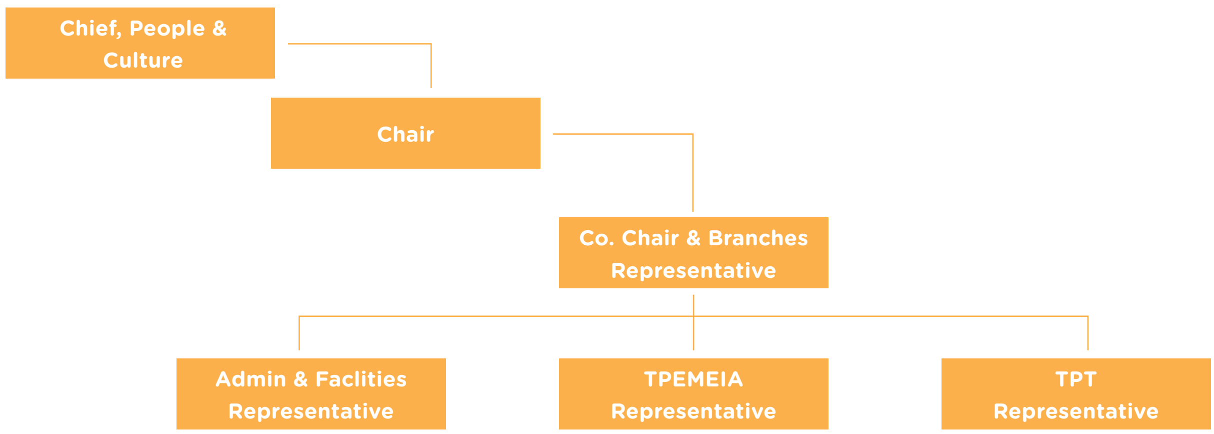
OUR PEOPLE & COMMUNITY

Occupational Health and Safety

As people are our greatest assets, we continually strive to create a safe and conducive work environment. We are committed to ensuring a safe and healthy work environment, ensuring robust measures to shield employees from harm, injury and illness. Since the onset of the pandemic, we have implemented measures to curb the spread of COVID-19, aligning with health and safety guidelines outlined in the Occupational Safety and Health Act (OSHA) 1994 and the Fire Services Act 1988.

We have in place a Group Occupational Safety and Health Committee ("GOSHComm") and Group Occupational Safety and Health Team ("GOSH Team") who are tasked with ensuring safety protocols across the Group, including branches and entities covered by collective bargaining agreements, as well as visitors. These committees comprise representatives from each entity and branch, including our associate and joint venture companies. The following structure comprises the GOSHComm members for Malaysia, Bangkok and Dubai:

Group Occupational Safety & Health Committee (GOSHCom)



Apart from that, Tune Protect has several Emergency Response Teams (ERT) and Fire Marshals. Led by the chairperson, members consist of employees such as branch managers and receptionists who have volunteered to provide support during emergency situations.

Additionally, the GOSHComm is responsible for the overall safety, health and security of our operations, ensuring the following:

The GOSHComm is accountable for leading and championing initiatives for:

Safety
- Fire safety & prevention
- Personal safety, accident prevention, training, talks and events

Health
- COVID-19 communication, prevention and case management
- Training, talks and events

Security
- General security practices

In the year under review, both GOSHComm and the GOSH Team have implemented various initiatives aligned with UNSDG's Goal 3: Promoting Good Health and Well-Being. The initiatives involved aspects such as fire safety, personal safety and security, safety and health.

OUR PEOPLE & COMMUNITY

Initiative	Description
Fire Safety	• **Fire Safety Walkabout for New Hires** *(Jan to Dec 2023)* We organised fire safety walkabouts for new hires to familiarise them with the locations of fire extinguishers and fire escape routes, accompanied by a briefing on the correct usage of fire extinguishers. • **New Fire Safety Signages** *(Jul to Dec 2023)* In our efforts to improve fire safety measures across all departments, we created highly visible fire safety signages and fire extinguisher user guide signages. These were strategically placed at our HQ and all branch locations. • **Fire Evacuation Assembly Point Notification** *(Aug 2023)* We disseminated a notice on Viva Engage to help personnel to identify the HQ Fire Assembly point location established by the Fire & Rescue Department of Malaysia.
Personal Safety & Security	• **Flood Advisory** *(Nov 2023)* The Tune Protect Flood Advisory was published and disseminated via Viva Engage to promote readiness for monsoon season floods. • **General Security** *(Jan to Dec 2023)* New hires were given general security guidelines during Integrity Training sessions. • **Safety Motion & Light Sensor Lights** *(Jul 2023)* For safety enhancement and improved visibility, these lighting fixtures were installed at various locations at our HQ. • **Life-Saving Video on Choking** *(Dec 2023)* We published a YouTube video on Viva Engage to raise awareness on emergency first aid techniques for dealing with choking incidents.
Health	• **In-house Medical Advisors** *(Sept 2023)* A team of in-house medical advisors was established to provide guidance on health issues. They also provided health advice specifically tailored for employees participating in the blood donation drive. • **7th Blood Donation Drive** *(September 2023)* GOSH Team partnered with the National Blood Bank of Malaysia for Tune Protect's 7th Blood Donation Drive, held in conjunction with World Heart Day. TPT and TPEMEIA also participated in this collaborative effort, resulting in a total of 65 bags of blood donated across Malaysia, Bangkok and Dubai, which have the potential to save up to 195 lives. • **Haze Advisory** *(Oct 2023)* We circulated an internal Haze Advisory containing practical tips for managing haze-related challenges. • **COVID-19 Case Management Advisory** *(Dec 2023)* An updated COVID-19 Case Management Guide was issued in response to the Ministry of Health's warning against complacency during the surge in infections over the year-end holidays and travel period.
Safety & Health	• **Viper King of the Mountain 2023** *(Feb 2023)* We conducted a preparatory workout and safety briefing led by an experienced Spartan competitor for rookie Tune Protect participants.

Our Safety Performance

In the year under review, we maintained our record of zero fatalities and injuries. While most of our work is based in the office and involves light travel tasks such as document delivery, we remain committed to workplace safety.

Safety Performance Data

Employees				
	2022		2023	
Year	Number	Rate	Number	Rate
Fatalities (no.)	0	0	**0**	**0**
Recordable work-related injuries (no.)	0	0	**0**	**0**
High-consequence work-related injuries (no.)	0	0	**0**	**0**

Non-employees				
	2022		2023	
Year	Number	Rate	Number	Rate
Fatalities (no.)	0	0	**0**	**0**
Recordable work-related injuries (no.)	0	0	**0**	**0**
High-consequence work-related injuries (no.)	0	0	**0**	**0**

**Rate is calculated based on 200,000 hours worked*

Year	2022	2023
Lost Time Incident Rate (LTIR)	0	**0**

GOING FORWARD

As we look ahead, we will continue to focus on enhancing our commitment to employee wellness, safety and diversity, equality and inclusion. We will continue investing in initiatives that support the physical, mental and emotional well-being of our employees, embedding the highest safety standards across our organisation and providing ongoing training and development. Ultimately, our goal is to foster an environment where every individual feels valued, respected, protected and empowered.

CORPORATE GOOD AND COMMUNITY INVESTMENTS

WHY IT MATTERS

- By considering the environmental and social impacts of our operations, Tune Protect can ensure long-term sustainability, which is beneficial for both the company and communities we operate in.
- Corporate Social Responsibility (CSR), or Corporate Good ("CoG") is a core element of our organisation. Our initiatives are guided by our CoG framework - focusing on supporting unserved, underserved, and underprivileged groups, in turn contributing to the socio-economic development of these groups.
- Engaging and investing in our local communities is a vital part of our core values. We involve ourselves in these communities through impactful products and CoG programmes and initiatives.

OUR PEOPLE & COMMUNITY

OUR APPROACH

Tune Protect's CoG framework is aligned with several UN SDGs, focusing on inclusivity, equality, tackling climate change, and more. We engage in collaborative efforts with diverse partners for initiatives involving both external and internal stakeholders, while also ensuring we do our part in protecting the environment.

In 2022, we launched our CoG commitment, with the aim of reaching a cumulative 6,000 hours of community investment activities by the end of 2024.

In 2023, we contributed a total of **RM269,115*** towards our various CoG events.

Our employees volunteered **4,173 hours** for our CoG events in 2023, with an estimated **7,834 beneficiaries** impacted by our programmes.

To date, we have reached a cumulative **5,690 volunteer hours** for our CoG events

* *Excludes the contribution by TPT, Including various administrative and transportation fees.*

OUR INITIATIVES

Uplifting the Underprivileged

a) Tune Protect Back-to-School with Yayasan Chow Kit

Now in its seventh year, we continued our support for Yayasan Chow Kit, marking the initiation of our first CoG programme for the year. Working together with YCK, an NGO devoted to the welfare of underprivileged children, the programme involved a Back-to-School charity shopping event for 50 children from Yayasan Chow Kit, culminating in a lunch hosted at Atmosphere360 Restaurant in KL Tower. During this event, a mock cheque for our contribution to YCK's Madhya Fund in 2022 was presented to Dato' Dr. Hartini, the Co-founder of Yayasan Chow Kit, and Ananti Rajasingam, its CEO. Madhya's Gift Fund facilitates healthcare for children from less privileged backgrounds requiring medical treatment.

In 2023, RM30,000 was channelled to YCK's Madhya Fund from January to September 2023, and a further RM2,000 via customer-directed contributions.*

50 Tune Protectors volunteered 450 hours for this programme. RM32,000 was donated to the Madhya's Gift Fund.

* *We also contributed RM2,000 to Nourish Malaysia and KENRAAK each in 2023 as part of our B2C initiative directed by customers purchasing motor, travel and bike policies via our website.*

OUR PEOPLE & COMMUNITY

b) Nationwide School Library Refurbishment

In collaboration with Nourish Malaysia, a non-profit organisation focused on supporting under-privileged students with food and education supplies - Tune Protect embarked on a nationwide journey revitalising school libraries across various regions. The objective was to refurbish each school's library *(pusat sumber)* based on its specific needs, with volunteers from our branches actively participating in these projects.

This mission saw us traverse the country to make a meaningful impact. We had the privilege of visiting nine schools across the nation. In total, we dedicated 1,030 hours of CoG efforts to various initiatives, including library and hydroponic garden refurbishments, and more.

The journey included visits to:

- SK Jongok Batu, Terengganu's Library
- SK Haji Abdullah Sadun, Kedah's Library
- SK Kampung Tengah, Johor's Library
- SK LaSalle 1, Jinjang Kuala Lumpur's Library
- SK Sakilan Desa, Sandakan's Library
- SK Kelawat Tamparuli, Kota Kinabalu's Hydroponic Garden
- SJK Chung Hua, Paku, Bau's Library
- SK Kuala Apas, Tawau's Library
- SK Tudan Jaya, Miri's Library

157 Tune Protectors volunteered 1,145 hours for this programme, with RM107,936 put towards the refurbishment of these libraries.

c) Executive Committee School Project

The aim of this project was to connect Tune Protect's Executive Committee members with SK Kg Baru Sirusa PD (SKKBSR) in Port Dickson, chosen for its proximity, needs, and readiness for digital transformation. During the visit, the committee made immediate contributions to the school's community pantry called *"gerobok rezeki"* and committed to assist the school in excelling in sports and advancing in digitalisation throughout 2024.

14 Tune Protectors volunteered 84 hours for this programme.

OUR PEOPLE & COMMUNITY

d) School Clean Up & Community Outreach in Tanjong Karang

With Nourish Malaysia, we worked together on a *"gotong-royong"* project aimed at identifying and addressing the immediate needs of a rural school in Selangor. It involved Tune Protect volunteers contributing both materials and physical labour towards the success of this project. The initiative resulted in a thorough clean-up of the school grounds, refurbishing areas like the fish pond, gardens, and pathways, and converting an existing music room into a new classroom. Moreover, the team conducted home visits to five underprivileged students, distributing food aid and providing wheelchairs to two students with physical disabilities.

73 Tune Protectors volunteered 614 hours for this programme, with RM33,000 put towards the refurbishment of the school.

Helping the Unserved and Underserved

a) Bubur Lambuk Titipan Kasih Programme with Harian Metro

To embrace the blessings of the holy month of Ramadhan, Tune Protect joined forces with Harian Metro to host a communal cooking event, part of the Harian Metro Titipan Kasih Programme ("TKHM"). Our employees prepared and distributed porridge, fostering community bonds and sharing blessings with those in need.

The event saw the preparation of 4,000 containers of porridge, cooked in 10 large pots. Taking place at Masjid Al-Najihin in Bandar Sri Permaisuri, Cheras, the programme involved mosque committee members, TKHM volunteers, and employees from Tune Protect. The porridge was then shared with local residents, mosque attendees, and members of the surrounding community as an iftar meal.

107 Tune Protectors volunteered 575 hours for this programme, with RM50,000 put towards the programme.

b) Cheshire Home Spring Cleaning in Penang

At the Penang Cheshire Home, Tune Protectors attending the Experienced Leaders Programme carried out a spring cleaning session to tidy up their premises. Our goal was to positively impact their living environment by maintaining cleanliness and creating a pleasant atmosphere. This effort was aimed at brightening the residents' day, imparting a sense of happiness and well-being among them.

25 Tune Protectors volunteered 50 hours for this programme.

Taking Care of the Environment

a) Groom and Green with Zoo Negara

Tune Protect engaged in a fulfilling experience at Zoo Negara, partaking in a grooming and greening event as part of our CoG programme. In addition to the hands-on volunteer work, we contributed to the zoo's operations by donating 10 wheelbarrows and five baby strollers, aiding both zookeepers and visitors with taking care of young children visiting the zoo.

90 Tune Protectors volunteered 1,000 hours for this programme, with RM13,250 put towards the grooming and greening programme and RM3,092 for donated items.

b) TPT Sang Ban Darn Jai project donated solar LED cells to Chaiyapruk Foundation

Once more, TPT has supported the "Enlightening Lives with Tune" Sang Ban Darn Jai project by donating solar LED cells to the Chaiyapruk Foundation. This contribution is in line with our dedication to positively influencing society and the environment, reflecting our mission in Strategy-Digital Insurance and Innovation.

43 Tune Protectors from TPT volunteered 215 hours for this programme, with 47,465 Thai Baht put towards the donation.

Tune Protect Blood Donation Drive

The 7th Blood Donation Drive was successfully held on September 25, 2023 in conjunction with World Heart Day. This altruistic spirit of Tune Protect's team was on display, as our 'superheroes' generously contributed a total of 65 bags of blood. This initiative not only helps to address the critical need for blood donations but also highlights the importance of such communal efforts in saving lives.

Seven Tune Protectors volunteered, with 40 hours of effort contributed to this donation drive.

GOING FORWARD

As we move into the final year of our commitment to achieve 6,000 CoG hours, we continue to refine our focus and identify areas of need which we can fill. Looking closely at our capabilities as a digital-first organisation, we hope to contribute positively to the unserved, underserved and underprivileged among us.

PERFORMANCE DATA TABLE

As uploaded to the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2022	2023
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Heads & Above (Senior Management)	Percentage	100.0%*	**98.1%**
Managers	Percentage	96.8%*	**87.2%**
Executives	Percentage	100.0%*	**84.3%**
Non-Executives	Percentage	100.0%*	**87.5%**
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	N/A	**100.0%**
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	**0**
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	150,000	**279,115**
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	N/A	**7,834**
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Heads & Above <30	Percentage	0.0%	**0.0%**
Heads & Above 30-39	Percentage	20.0%	**18.9%**
Heads & Above 40-49	Percentage	49.1%	**49.0%**
Heads & Above >50	Percentage	30.9%	**32.1%**
Managers <30	Percentage	3.7%	**3.9%**
Managers 30-39	Percentage	35.2%	**37.0%**
Managers 40-49	Percentage	38.0%	**37.4%**
Managers >50	Percentage	23.1%	**21.7%**
Executives <30	Percentage	42.2%	**48.5%**
Executives 30-39	Percentage	28.3%	**26.8%**
Executives 40-49	Percentage	20.9%	**19.7%**
Executives >50	Percentage	8.6%	**5.0%**
Non-Executives <30	Percentage	0.0%	**0.0%**
Non-Executives 30-39	Percentage	19.2%	**20.8%**
Non-Executives 40-49	Percentage	38.5%	**29.2%**
Non-Executives >50	Percentage	42.3%	**50.0%**
Gender Group by Employee Category			
Heads & Above Male	Percentage	61.8%	**56.6%**
Heads & Above Female	Percentage	38.2%	**43.4%**
Managers Male	Percentage	44.0%	**43.8%**
Managers Female	Percentage	56.0%	**56.2%**
Executives Male	Percentage	35.8%	**35.9%**
Executives Female	Percentage	64.2%	**64.1%**
Non-Executives Male	Percentage	30.8%	**29.2%**
Non-Executices Female	Percentage	69.2%	**70.8%**

PERFORMANCE DATA TABLE

As uploaded to the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2022	2023
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	50.0%	**50.0%**
Female	Percentage	50.0%	**50.0%**
40-49	Percentage	33.3%	**16.7%**
>50	Percentage	66.7%	**83.3%**
Bursa (Energy Management)			
Bursa C4(a) Total energy consumption	Megawatt	524.1	**487.7**
Bursa (Health and Safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	**0**
Bursa C5(b) Lost time incident rate	Number of days	0	**0**
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	**147**
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Heads & Above (Senior Management)	Hours	3,510.8*	**3,223.9**
Managers	Hours	8,376.7*	**15,533.6**
Executives	Hours	6,584.6*	**12,056.7**
Others	Hours	800.8*	**1,023.3**
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	9.1%	**8.8%**
Bursa C6(c) Total number of employee turnover by employee category			
Heads & Above (Senior Management)	Number	11	**8**
Managers	Number	44	**55**
Executives	Number	30	**37**
Others	Number	2	**4**
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	**0**
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	93.7%	**91.5%**
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	**0**
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	1.0	**1.2**
Bursa (Waste Management)			
Bursa C10(a) Total waste generated, and a breakdown of the following:	Metric tonnes	N/A	**N/A**
(i) total waste diverted from disposal	Metric tonnes	N/A	**N/A**
(ii) total waste directed to disposal	Metric tonnes	N/A	**N/A**
Bursa (Emissions Management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	Metric tonnes	7.4	**17.5**
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	Metric tonnes	361.9*	**334.5**
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)			
Employee Commuting	Metric tonnes	N/A	**418.1**

Restatements of data have been indicated in context.

Internal assurance | External assurance | No assurance | (*)Restated

PROFILE OF DIRECTORS

Dato' Mohamed Khadar bin Merican
Chairman, Independent Non-Executive Director

Age: **67** Gender: **Male** Nationality: **Malaysian**

Date Appointed: **5 October 2021**

Length of Tenure: **2 years and 7 months**

Board Meetings Attended: **9/9**

Membership of Board Committee:

RMC IC

QUALIFICATION AND WORKING EXPERIENCE

Dato' Mohamed Khadar bin Merican ("Dato' Mohamed Khadar") joined the Board of Directors ("the Board") of Tune Protect Group Berhad ("the Company") as an Independent Non-Executive Director and as Chairman of the Board on 5 October 2021. On 4 October 2022, he was appointed as a member of the Risk Management Committee and Investment Committee of the Company.

Dato' Mohamed Khadar has more than 40 years' experience in financial and general management. He served as an auditor and a consultant in an international accounting firm before joining a financial services group in 1986. Between 1988 and April 2003, he held various senior management positions in the then Pernas International Holdings Berhad, a company listed on Bursa Malaysia Securities Berhad, including those of President and Chief Operating Officer. He had previously held directorships in various companies within the RHB Banking Group and ASTRO Malaysia Group.

Dato' Mohamed Khadar is a Fellow of the Institute of Chartered Accountants in England and Wales and a Chartered Accountant of the Malaysian Institute of Accountants.

Dato' Mohamed Khadar is also a Director of Capital A Berhad, Iris Corporation Berhad and BNP Paribas Malaysia Berhad.

Board Committee

- AC Audit Committee
- RMC Risk Management Committee
- NC Nomination Committee
- RC Remuneration Committee
- IC Investment Committee
- LTIPC Long Term Incentive Plan Committee

Notes:

Family Relationships
None of the Directors has any family relationship with any other Director and/or major shareholder of Tune Protect Group.

Conflict of Interest
None of the Directors has any conflict of interest with Tune Protect Group.

PROFILE OF DIRECTORS

Mohamed Rashdi bin Mohamed Ghazalli
Senior Independent Non-Executive Director

Age: **67** Gender: **Male** Nationality: **Malaysian**

Date Appointed: **1 June 2017**

Length of Tenure: **6 years and 11 months**

Board Meetings Attended: **9/9**

Membership of Board Committee:

AC RMC NC RC IC LTIPC

QUALIFICATION AND WORKING EXPERIENCE

Mohamed Rashdi bin Mohamed Ghazalli ("Mohamed Rashdi") joined the Board of Tune Protect Group Berhad on 1 June 2017 as an Independent Non-Executive Director. He was re-designated from Independent Non-Executive Director to Senior Independent Non-Executive Director on 18 April 2019. He is a member of several Board Committees within the Company, including the Audit, Risk Management, Nomination, Remuneration, and Investment Committees. On 1 January 2023, he relinquished the position of Chairman of the Audit Committee of the Company and was re-designated as a member of the Audit Committee. In addition, he was re-designated as the Chairman of the Nomination Committee and Remuneration Committee of the Company on 1 April 2023 and was appointed as a member of the Long Term Incentive Plan Committee on 1 March 2023.

Mohamed Rashdi had a thriving career in IT and Management Consulting with Coopers & Lybrand, IBM Consulting and PricewaterhouseCoopers ("PwC") over a span of 20 years. During his career, Mohamed Rashdi worked with Telecoms Australia as well as Coopers & Lybrand in the United Kingdom. He was a Partner of PwC Consulting (East Asia) and IBM Consulting, as well as IT and Consulting Advisor at PwC Malaysia.

As a management and technology consultant, Mohamed Rashdi has personally led assignments in strategy and economics, business process improvement, information systems planning and IT project management. He has provided consultancy expertise across a range of industries such as government, telecommunications, oil & gas, transport and utilities with exposure in manufacturing and financial services.

Mohamed Rashdi graduated in 1979 with a Bachelor of Science (Honours) degree in Computation from the University of Manchester Institute of Science and Technology, United Kingdom.

He joined the Board of Tune Insurance Malaysia Berhad, the general insurance subsidiary of the Company on 19 February 2021 as an Independent Non-Executive Director and was subsequently appointed as the Chairman on 22 May 2021. He sits on the Board of BOS Wealth Management Malaysia Berhad and GHL Systems Berhad. He also sits on the Board of Trustees of Yayasan Siti Sapura Husin.

Conviction for Offences
None of the Directors has been convicted for any offences (excluding traffic offences) in the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2023.

Attendance at Board Meetings
The attendance of the Directors at Board of Directors' meetings for the financial year ended 31 December 2023 is disclosed in the Corporate Governance Overview Statement.

PROFILE OF DIRECTORS

Aireen Omar
Non-Independent Non-Executive Director

Age: **50** Gender: **Female** Nationality: **Malaysian**

Date Appointed: **14 November 2019**

Length of Tenure: **4 years and 5 months**

Board Meetings Attended: **8/9**

Membership of Board Committee:

IC LTIPC

QUALIFICATION AND WORKING EXPERIENCE

Aireen Omar ("Aireen") joined the Board of Tune Protect Group Berhad as Non-Independent Non-Executive Director on 14 November 2019. She became the Chairperson of the Investment Committee on 28 February 2020. On 30 September 2022, she was appointed as the Chairperson of the Long Term Incentive Plan Committee of the Company.

Aireen is currently the President, Investments & Ventures of Capital A Berhad. She is responsible for Capital A's investment and fund raising initiatives for the group, including its venture arm, which is to develop, incubate and accelerate leading innovative products and services for Capital A's ecosystem.

Prior to this, she was President of AirAsia Digital (now known as Move Digital), AirAsia Deputy Group Chief Executive Officer (Digital & Technology), Executive Director and Chief Executive Officer of AirAsia Berhad, Director of Corporate Finance & Treasury. Taking on these roles, she was instrumental in shaping the development of AirAsia into one of the fastest growing and most highly-acclaimed airlines globally and helped transform the company into a global cloud and data-driven platform, growing the group's digital and fintech businesses.

Started her career in 1997 at Deutsche Bank Securities Inc., New York City, she subsequently moved on to CIMB Bank Berhad, Maybank Group and Bumiwerks Capital Management Sdn. Bhd. prior to joining AirAsia.

Aireen is an Economics graduate of the London School of Economics and Political Science and also holds a Master's in Economics from New York University.

She currently holds directorships at various subsidiaries of Capital A Berhad.

PROFILE OF DIRECTORS

Kelvin Desmond Malayapillay
Independent Non-Executive Director

Age: **53** Gender: **Male** Nationality: **Malaysian**

Date Appointed: **28 February 2020**

Length of Tenure: **4 years and 2 months**

Board Meetings Attended: **9/9**

Membership of Board Committee:

AC RMC NC RC

QUALIFICATION AND WORKING EXPERIENCE

Kelvin Desmond Malayapillay ("Kelvin") joined the Board of Tune Protect Group Berhad on 28 February 2020 as an Independent Non-Executive Director. He became a member of the Audit Committee and Risk Management Committee of the Company on 28 February 2020. Subsequently on 1 June 2020, he was appointed as Chairman of the Risk Management Committee of the Company. On 4 October 2022, he was appointed as a member of the Nomination Committee and Remuneration Committee of the Company. He also serves as a Non-Executive Director of Tune Protect Commercial Brokerage LLC.

As part of his portfolio career, Kelvin has been supporting various corporate clients in consumer financial services and insurance as an independent strategy advisor while also advising and investing in a selection of fintech startups.

Kelvin has more than 20 years of experience across financial services and consulting. His extensive career commenced at Shell Malaysia before moving on to Boston Consulting Group in London and subsequently to Capital One Bank where he held roles in credit risk management and in managing the personal loan portfolio; Booz & Co. where he served clients in the United Kingdom and the Middle East; and Liverpool Victoria (LV=), a composite insurance firm where he held key management roles including Director of the Direct Life business, and Group Strategy Director. Following that, in 2016, he joined Lloyds Banking Group as the Strategy Director for the retail bank.

Kelvin is currently also a Non-Executive Director with the Teachers Building Society in the United Kingdom where he is also a member of the Audit and Risk Committees and is the nominated Board Consumer Duty Champion. He was appointed as a Non-Executive Director of Exeter Friendly Society on 26 July 2023.

Kelvin holds an MBA from the London Business School, a Master's in Science in Engineering and Physical Science in Medicine and a Bachelor's degree in Engineering (Hons.) majoring in Electrical & Electronic Engineering, both from Imperial College, London. He is also a certified Executive Coach having completed the Professional Certificate in Coaching (PCiC) from Henley Business School.

Kelvin does not hold directorships in any other public company or public listed company in Malaysia.

PROFILE OF DIRECTORS

Dr Grace Lee Hwee Ling
Independent Non-Executive Director

Age: **48** Gender: **Female** Nationality: **Malaysian**

Date Appointed: **25 March 2022**

Length of Tenure: **2 years and 1 month**

Board Meetings Attended: **9/9**

Membership of Board Committee:

AC RMC NC RC

QUALIFICATION AND WORKING EXPERIENCE

Dr Grace Lee Hwee Ling ("Dr Grace Lee") joined the Board of Tune Protect Group Berhad as an Independent Non-Executive Director on 25 March 2022 and was appointed as a member of the Audit Committee and Risk Management Committee of the Company. Subsequently on 1 January 2023, she was re-designated as Chairperson of the Audit Committee. On 1 April 2024, she was appointed as a member of the Nomination Committee and Remuneration Committee of the Company.

Dr Grace Lee re-joined Astro Malaysia Holdings Berhad ("AMH") Group as Group Chief Operating Officer on 1 August 2023, and subsequently was appointed as Group Chief Financial Officer on 1 January 2024. She was previously the Chief Financial Officer of AEON Co. (M) Bhd from 1 October 2021 to 20 July 2023. Prior to that, she was with AMH Group from 2001 to September 2021 and had helmed various senior leadership roles within AMH Group, including as Group Chief Transformation Officer, Chief Executive Officer of Astro Go Shop, Group Chief Technology Officer, Group Chief Risk Officer, and Senior Vice President, Finance. Dr Grace Lee is currently an Industry Advisory Board member at HELP University and had prior Board of Director roles at Malaysian Global Innovation and Creative Centre (MaGIC) and Astro Go Shop. Dr Grace Lee had started her career as a Consultant at PricewaterhouseCoopers ("PwC") Malaysia. Throughout her careers at PwC and AMH Group, she had gained vast experience in the fields of advisory and consultancy, internal and external audits, as well as risk, technology and finance.

Dr Grace Lee earned her Doctorate in Business Administration from HELP University, ELM-Graduate School and had also won the inaugural Distinguished Alumni Award 2018; conferred for academic excellence. She had received a Master's in Business Administration with Distinction from Charles Sturt University, Australia, and holds a degree in Accounting and Finance from Curtin University, Australia. She is an Australian Fellow of Certified Practising Accountant, an International Certified Professional Accountant, a Certified Information Systems Auditor and is Certified in the Governance of Enterprise IT.

Dr Grace Lee does not hold directorship in any other public company and public listed company currently.

Scan Me

Please scan here for more information.

LIST OF DIRECTORS' TRAININGS FOR 2023

Programmes and seminars attended in 2023

COURSE ATTENDED	NAME OF DIRECTORS: Dato' Mohamed Khadar bin Merican	Mohamed Rashdi bin Mohamed Ghazalli	Aireen Omar	Kelvin Desmond Malayapillay	Dr Grace Lee Hwee Ling	Tan Ming-Li (Retired on 1 April 2024)
	9	10	6	6	8	6
TPG: Actuarial Briefing	✓	✓	✓		✓	
TPG: Top-Level Commitment - ZERO TOLERANCE Against Bribery & Corruption Forum	✓	✓		✓	✓	✓
BNP Paribas: Malaysia Cybersecurity Briefing	✓					
Asia School of Business (ASB): Understanding the Cybersecurity Landscape	✓					
ASB: Board Oversight of Climate Risks and Opportunities	✓					
BNM, Securities Commission Malaysia (SC) and Bursa Malaysia: Joint Committee on Climate Change (JC3) Conference	✓					
BNP Paribas: Islamic Finance Training	✓					
TPG and Malaysian Anti-Corruption Commission (MACC): Awareness on Corruption Prevention in Organizational Governance	✓		✓		✓	
BNP Paribas: Sustainability Training	✓					
FIDE FORUM: 1st Distinguished Board Leadership Series for 2023: Can America stop China's rise? Will ASEAN be damaged?		✓				✓
FIDE FORUM: Special Interest Group Discussion in preparation for the Roundtable with BNM on Licensing and Regulatory Framework for Digital Insurers and Takaful Operators (DITOs) Exposure Draft		✓				
BNM-FIDE FORUM Roundtable on Licensing and Regulatory Framework for DITO Exposure Draft		✓				
Ernst & Young Consulting Sdn Bhd (EY): Management of Cyber Risk		✓				✓
FIDE FORUM: 1st Engagement Lunch with Board Chairs: Driving Board Excellence from the Chair'		✓				
United Nations Global Compact (UNGC) Academy: Developing an Integrated Health, Environment and Climate Strategy for Your Company		✓				

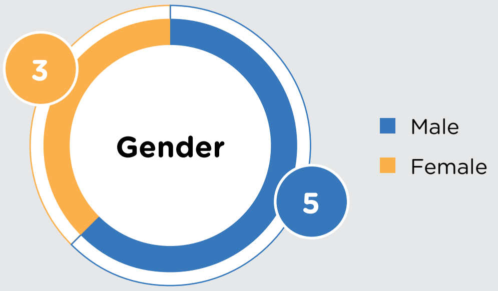
LIST OF DIRECTORS' TRAININGS FOR 2023

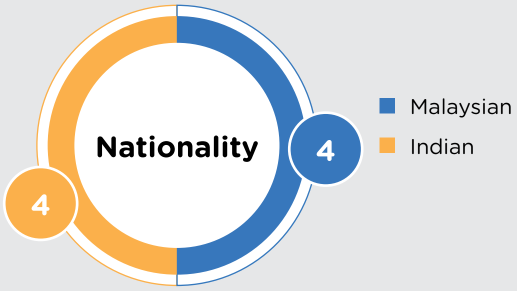
Programmes and seminars attended in 2023 (cont'd.)

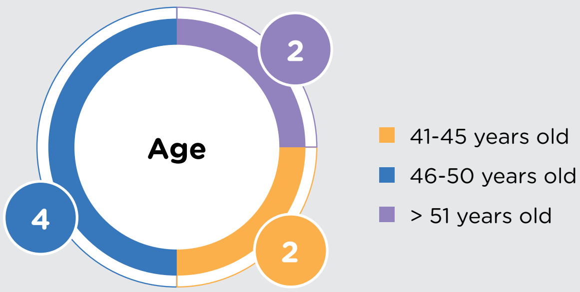
COURSE ATTENDED	NAME OF DIRECTORS					
	Dato' Mohamed Khadar bin Merican	Mohamed Rashdi bin Mohamed Ghazalli	Aireen Omar	Kelvin Desmond Malayapillay	Dr Grace Lee Hwee Ling	Tan Ming-Li (Retired on 1 April 2024)
FIDE FORUM: Distinguished Board Leadership Series 2023 - Empowering Change through Diversity, Equity and Inclusion (DEI)		✓				
FIDE FORUM: Nomination Remuneration Committee Lunch Engagement						✓
Institute of Corporate Directors Malaysia (ICDM): Mandatory Accreditation Programme Part II: Leading for Impact (LIP)		✓	✓		✓	✓
TPG and MACC: Awareness on Corruption Prevention in Organizational Governance						
UNGC Academy: Net Zero Standard			✓	✓		✓
UNGC Academy: Developing Integrated Health, Environment and Climate Strategy			✓			
UNGC Academy: Climate Strategy			✓			
FIDE FORUM: Understanding the Impact of Digital Transformation in the Financial Industry: What Board Members Need to Know				✓	✓	
BNM-FIDE FORUM Virtual Dialogue Session				✓	✓	
BDO: NED Event Run on "The Art of Communication"				✓		
The Financial Conduct Authority: Consumer Duty				✓		
UNGC Academy: How Business Can Deliver Health Resilient Climate Action					✓	
SC and UNGC Network Malaysia & Brunei: UNGC Network Malaysia and Brunei CFO Roundtable Sessions					✓	

PROFILES OF THE EXECUTIVE COMMITTEE

DIVERSITY







Notes:

Other Directorship

None of the Senior Management has any other directorships in public companies and listed issuers.

Family Relationships

None of the Senior Management has any family relationship with any other Director and/or major shareholder of Tune Protect Group.

Conflict of Interest

None of the Senior Management has any conflict of interest with Tune Protect Group.

Conviction for Offences

None of the Senior Management has been convicted for any public sanction during the financial year ended 31 December 2023 or penalty imposed by the relevant regulatory bodies and offences within the past 5 years other than traffic offences, if any.

Rohit Chandrasekharan Nambiar
Group Chief Executive Officer

Age: **43** Gender: **Male** Nationality: **Indian**

Rohit Chandrasekharan Nambiar ("Rohit") joined the Company on 14 October 2020. In his role as the Group Chief Executive Officer, Rohit is responsible for steering Tune Protect on its journey of digital transformation aimed at positioning the Group as the lifestyle insurer that everyone loves within ASEAN and the Middle East. Rohit is also a Director of Tune Protect Malaysia, Tune Protect Thailand, Tune Protect EMEIA and a member of the LTIP Committee.

His focus is to strengthen the company's reach in the retail consumer space - driving innovation in product ideas and digital solutions, enhancing customer experience by focusing on ease and convenience, and growing the affinity, B2C and B2B2C distribution platforms leveraging big data and technology. All with the aim of making insurance easy and appealing for our preferred customer segments.

Rohit began his career as an Analyst with AXA in India. He has experience working across various departments and has held senior positions in both local and regional capacities within Malaysia, Singapore, Hong Kong, and India. With his track record of success spanning 21 years in the Insurance Industry, Rohit is passionate about fintech, innovation and making insurance simple. He has won numerous awards and accolades in his illustrious career including that of Young Leader of the Year 2019 in the 23rd Asia Insurance Industry Awards 2019. In his free time, Rohit enjoys blogging about everything insurance and a spectrum of other insightful topics such as economics, politics, social issues, and sports.

He is a graduate from the Bharathiar University, India with a Bachelor of Commerce, and a Fellow Member of the Malaysian Insurance Institute (FMII).

Rohit will conclude his tenure as Group Chief Executive Officer on 10 May 2024.

PROFILES OF THE EXECUTIVE COMMITTEE

How Kim Lian
Group Chief Financial Officer

Age: **50** Gender: **Male** Nationality: **Malaysian**

How Kim Lian ("How") joined the Company on 4 May 2020 as the Group Chief Financial Officer with an expanded role to oversee Procurement, Legal and Corporate Secretarial portfolios. As the Group Chief Financial Officer, he is responsible to review and establish key financial strategies in aligning to the Company's Corporate Strategy by evaluating financial operational trends, measurements, and productivity levels, aside to looking at acquisition and expansion prospects, identifying areas for improvement and accumulating capital to fund expansion. How is also a Director of Tune Direct Ltd., White Label Sdn. Bhd., Tune Protect Ventures and Tune Protect Re, as well as the Chairman of the Investment Committee for Tune Protect Thailand.

He has over 21 years of senior management experience, including a decade of strategic development and execution planning in Finance Transformation, Programme Management, Enterprise Performance Management, and Investor Relations. Started his career in Arthur Andersen, he transitioned to PricewaterhouseCoopers ("PwC") and most recently as the Group Deputy Chief Financial Officer of AirAsia prior to joining the Company.

How is a Member of the Australian Society of CPAs (ASCPA), Malaysian Institute of Accountants (MIA), the Institute of Internal Auditors (IIA) and a Certified Internal Auditor (CIA).

Prasanta Roy
Group Chief Technology Officer

Age: **48** Gender: **Male** Nationality: **Indian**

Prasanta Roy ("Prasanta") joined the Company on 29 April 2020 and he is currently the Group Chief Technology Officer. He is responsible to conceptualise and implement the digital vision and strategy with the aim of realising a winning business model and creating exceptional customers' experience, while driving organisational growth, performance, and profitability for all lines of businesses across the Group.

He has over 23 years of experience in leveraging technology to drive organisational growth and expanding business impact in the era of digitisation, holding various leadership roles in Information Technology ("IT") Strategy & Architecture and IT Transformation spanning across companies in Malaysia, Africa, India, North and Latin America. Prior to joining the Company, Prasanta was attached to Axiata as the Vice President & Group Head IT Strategy and Architecture. His expansive experience included stints in Ericsson, Vodafone, Idea Cellular and Ushacommunications Technologies.

Prasanta is a graduate of the Manipal University, India with a Master's in Business Administration in Information Technology.

PROFILES OF THE EXECUTIVE COMMITTEE

Yap Hsu Yi
Chief - People and Culture

Age: **49** Gender: **Female** Nationality: **Malaysian**

Yap Hsu Yi ("Hsu Yi") joined the Company on 4 May 2016 and she is currently Chief – People and Culture where she is responsible for defining and leading the people strategy to create a distinctive culture that separates the Group from industry peers, while delivering high impact solutions for people and organisation. She is also a member of the LTIP Committee.

An experienced Human Resource ("HR") professional, Hsu Yi has over 21 years of experience collectively in consulting and operations, both in a local and regional capacity. Having started out specialising in corporate and personal tax, she advanced to various HR engagements in the areas of talent acquisition, compensation & benefits, performance management, change management, employee engagement, culture, and talent management. For her, HR is about People behind the Business and she is passionate about helping people thrive.

Prior to joining the Company, she has worked in various industries, including companies such as Arthur Andersen, PwC, Mercer Consulting, Telenor and PepsiCo.

Graduated from the Monash University, Australia with a bachelor's degree in Commerce majoring in Accounting and Finance, she has won awards for outstanding achievements in HR.

Jubin Mehta
Chief Executive Officer, Tune Protect Malaysia

Age: **45** Gender: **Male** Nationality: **Indian**

Jubin Mehta ("Jubin") joined the Group on 5 May 2022 as the Chief Executive Officer of Tune Protect Malaysia, the general insurance arm of the Group. In this role, Jubin brings with him a broad and extensive technical and leadership experience in the Financial Services and Technology space to transform Tune Protect Malaysia into a progressive organisation moving forward.

Jubin has more than 20 years of experience under his belt, most of which was in the banking industry particularly in India, Vietnam, and Malaysia. His experience prior to joining the Group has been in the Financial Technology field notably bootstrapping an innovative data analytics company and Consulting with Axiata Digital and Courts Mammoth for projects in the digital lending space for about five years.

Jubin has worked with Standard Chartered Bank and HDFC Bank in the past. He has extensive banking experience in Ecosystem banking, Supply Chain Financing, Cross-border Trade, SME banking and Digital Lending.

Jubin holds a Bachelor of Commerce from Delhi University and a Master's in Business Administration (Marketing major) from Management Development Institute of India.

PROFILES OF THE EXECUTIVE COMMITTEE

Janet Chin
Chief Executive Officer, Tune Protect Re

Age: **51** Gender: **Female** Nationality: **Malaysian**

Janet Chin ("Janet") joined the Company on 1 March 2021. In her role as the Chief Executive Officer of Tune Protect Re. Janet is responsible for the overall business and operations of the general reinsurance arm of the Group, involving the development of strategies and plans, product development, and working alongside key stakeholders including insurance partners globally, and distribution partners outside Malaysia, to drive sales and revenue across different lines of business.

She has over 27 years of experience in various local and multinational financial services institutions that include Standard Chartered Bank, Kenanga Unit Trust Berhad, Great Eastern Life, and AXA AFFIN Life. Janet's portfolio spans across key roles in branch banking, wealth management, group insurance, bancassurance, partnerships, telemarketing, and digital business. Prior to joining the Company, Janet held the role as the Chief Partnership Officer of AXA AFFIN Life.

Janet is a graduate of Bachelor of Business from the University of Southern Queensland and a Master's in Business Administration from the Charles Sturt University, Australia. She also holds various professional certifications in insurance, capital markets, credit, and unit trusts from local and international institutions.

Arijit Munshi
Chief Executive Officer, Tune Protect EMEIA

Age: **51** Gender: **Male** Nationality: **Indian**

Arijit Munshi ("Ori") joined Tune Protect Commercial Brokerage LLC ("TPEMEIA"), Dubai, the UAE on 1 May 2014. In his role as the Chief Executive Officer, Ori is responsible in identifying new areas of growth, revenue opportunities and customer acquisition within Europe, the Middle East, India and Africa region focusing on providing digital Travel solutions to the Travel and Aviation industry.

Ori and his team manage relationships in providing digital solution with regards to ancillary products across the EMEIA region. With his vast experience within travel, digital and hospitality sector, Ori is also responsible for leading the Travel segment as well as ancillary services related to travel across the Group.

He has 28 years' experience within the various pillars of the travel and aviation industry which include Air Travel, Travel Management, Travel Technology and Hospitality.

He holds a Bachelor's degree in Commerce from the University of Mumbai and has an MBA specialising in ecommerce.

PROFILES OF THE EXECUTIVE COMMITTEE

Koot Chiew Ling
Principal Officer, Tune Protect Ventures

Age: **50** Gender: **Female** Nationality: **Malaysian**

Koot Chiew Ling ("Chiew Ling") joined the Company on 10 February 2014, and she is currently the Principal Officer of Tune Protect Ventures, a wholly-owned subsidiary of the Company and an approved participant of the BNM Financial Technology Regulatory sandbox. In this start-up, she leads a young team in addressing the life and medical insurance gaps and needs of the unserved and underserved community starting with SMEs, through innovative and tech-enabled products and services. Chiew Ling is also responsible in promoting the Tune Protect Ventures brand and its growth story. She is also a Director of Tune Protect Ventures.

With more than 21 years of experience in business development, product development, project management, corporate planning, investor relations, and communications, she had served in local and regional capacities in major financial services institutions such as CIMB, Etiqa and AIG.

Chiew Ling is a graduate of Curtin University of Technology, Australia with a bachelor's degree in Commerce, is a certified ScrumMaster and certified Integrated Reporting Practitioner by the International Integrated Reporting Council.

Scan Me

Please scan here for more information.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board of Directors ("the Board") of Tune Protect Group Berhad ("Tune Protect Group" or "the Company") is committed to continuous improvement in the implementation of the principles and best practices of Corporate Governance ("CG"), as provided in the Malaysian Code on Corporate Governance ("MCCG 2021"), the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") as well as the Corporate Governance policy document ("CG Policy") and other relevant policy documents of Bank Negara Malaysia ("BNM").

The Company and its subsidiaries (collectively referred to as "the Group") apply high standards of ethics, integrity and corporate governance in all its dealings. The Board had considered all the principles and best practices as set out in the MCCG 2021, Bursa Securities' Corporate Governance Guide and BNM's CG Policy throughout the financial year ended 31 December 2023.

The Board presents this statement to provide an overview of the CG practices of the Company under the leadership of the Board during the financial year ended 31 December 2023. This statement is prepared in compliance with the MMLR of Bursa Securities and takes guidance from the key CG principles as set out in the MCCG 2021. It is to be read together with the CG Report 2023 ("CG Report") of the Company, which is available on the Company's corporate website at **tuneprotect.com**.

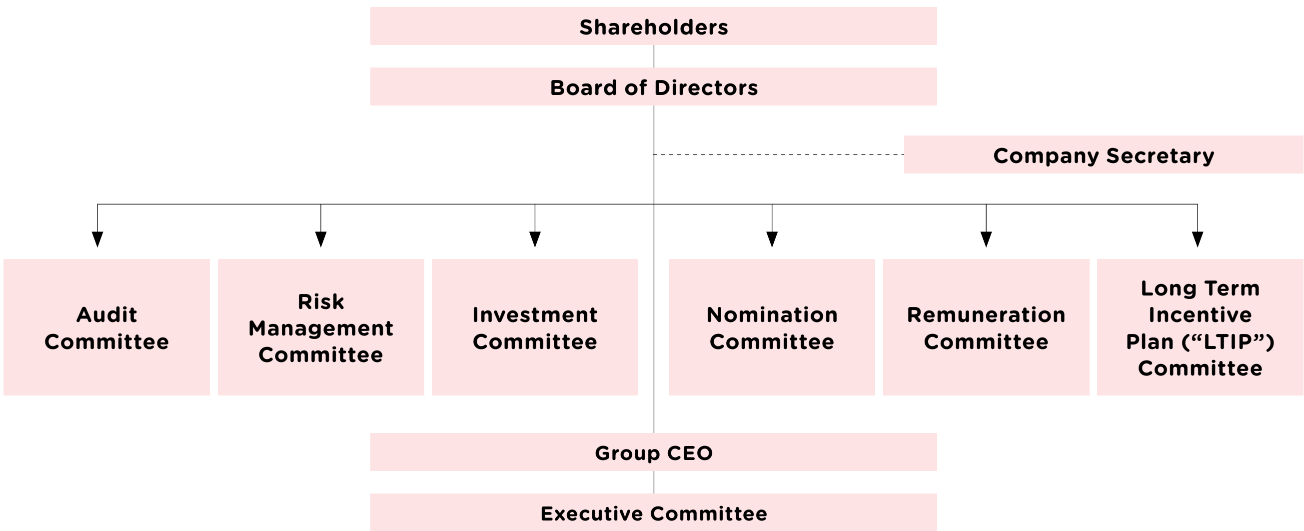
Section A of the CG Report provides the details on how the Company has applied each practice during the financial year ended 31 December 2023 as set out in the MCCG 2021 and Section B provides details on the adoption of CG practices as guided by BNM's CG Policy.

A PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board has in place a Corporate Governance Framework as depicted below where certain authorities are delegated to the relevant Board Committees and the Group Chief Executive Officer ("Group CEO") to ensure that there is an orderly and effective discharge of the Board's functions and responsibilities in day-to-day management and operations.

Corporate Governance Framework



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Roles and Responsibilities

The Board is accountable to the shareholders for achieving the Company's strategic objectives, delivering strong and sustainable performance, and ensuring that the business operates within its risk limits. The Board retains full and effective control over the Company's affairs and is the principal decision-making forum in providing stewardship and entrepreneurial leadership through its Board Committees.

The Board has set the authority limit granted to the Group CEO and management team for the day-to-day management and operations of the business.

The Board has reserved matters which relate to:

- The Company's strategy, corporate objectives and plans;
- The Company's capital structure;
- Operating and capital budgets;
- Significant changes to accounting policies and practices;
- Financial results and reporting;
- Dividend policy and proposals for dividend payments;
- New ventures;
- Major acquisitions, disposals of undertaking and properties and other transactions outside delegated limits;
- The Group' s overall risk appetite;
- Review of the Group's overall corporate governance arrangements;
- Maintenance and review of the systems of risk management and internal control;
- Changes to the structure, size and composition of the Board, including new appointments;
- Succession plans for the Board and senior management;
- Changes to the Management and control structure within the Company and its subsidiaries, including key policies, delegated authority limits; and
- Annual review of its own performance and that of its Board Committees.

The Chairman and Group CEO positions are held by different individuals. Further details of the roles and responsibilities of the Chairman and Board are set out in the Board Charter.

Board Charter

The Board Charter was last reviewed, revised and approved on 24 August 2023 and is available on the corporate website at **tuneprotect.com**.

Company Secretary

Ms Khoo Ming Siang and Ms Loh Saw Kim were the Joint Secretaries of the Company from 1 January 2023 to 31 March 2023. They resigned on 1 April 2023 and were replaced by Pn Norhana binti Othman, who was appointed as Company Secretary of the Company on 1 April 2023. Pn Norhana binti Othman is qualified to act as Company Secretary under Section 235 of the Companies Act 2016. The Company Secretary provides advice and guidance to the Board on issues relating to compliances with listing requirements, relevant rules, regulations and laws, policies and procedures in relation to corporate secretarial, as well as applications of good CG and best practices. All Directors have unrestricted access to the advice and services of the Company Secretary. During the year, all meetings of the Board and Board Committees were properly convened, and proper records of proceedings and resolutions passed were taken and maintained in the records of the Company.

II. BOARD COMPOSITION

Board Balance and Independence

The Company's diverse Board composition leverages on the differences in skills, industry experience, background, gender and other attributes in its stewardship. The Board members have a wide range of experiences relevant to the Company, namely, in insurance, banking, accounting, law, economics, investment, technology and international business operations, to bear on the governance, strategies, resources and performance of the Company.

At the commencement of the financial year from 1 January 2023 until 31 March 2023, the Board comprised six (6) Directors, five (5) of whom were Independent Non-Executive Directors. Since 1 April 2023, when the nine (9)-year term of office of an Independent Director expired, she was re-designated as Non-Independent Director. Since then, the Board comprised four (4) Independent Non-Executive Directors and two (2) Non-Independent Non-Executive Directors. The Board composition complies with Paragraph 15.02(1) of the MMLR which requires at least two (2) or one third (1/3) of the Board of the Company, whichever is the higher, to be Independent Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The members of the Board and their attendance at Board meetings in respect of the financial year ended 31 December 2023 were as follows:

Name	Designation	Directorship	Attendance[2]
Dato' Mohamed Khadar bin Merican	Chairman	Independent Non-Executive Director	9/9
Tan Ming-Li[1]	Member	Non-Independent Non-Executive Director	9/9
Mohamed Rashdi bin Mohamed Ghazalli	Member	Senior Independent Non-Executive Director	9/9
Aireen Omar	Member	Non-Independent Non-Executive Director	8/9
Kelvin Desmond Malayapillay	Member	Independent Non-Executive Director	9/9
Dr Grace Lee Hwee Ling	Member	Independent Non-Executive Director	9/9

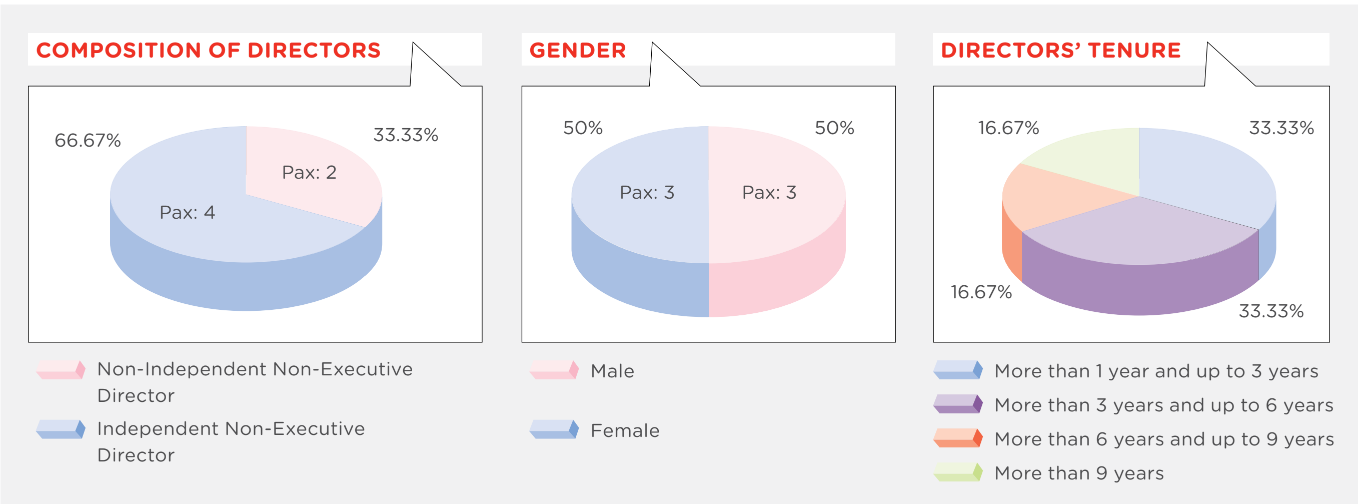
Notes:

[1] *Re-designated as Non-Independent Non-Executive Director on 1 April 2023 upon the expiry of her nine (9)-year term of office and will retire on 1 April 2024.*

[2] *Number of meetings attended/Number of meetings held during his/her tenure for the financial year ended 31 December 2023.*

Board Diversity

Board diversity at the end of the financial year under review were as follows:



During the financial year ended 31 December 2023, none of the Independent Directors had served on the Board for more than nine (9) years, save for Ms Tan Ming-Li who had been re-designated as Non-Independent Non-Executive Director with effect from 1 April 2023. The profiles of the Directors are set out on pages 94 to 98 of this Integrated Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Meetings of the Board and Board Committees

The Directors' attendance at Board and Board Committee meetings are set out in the respective sections of the Board and Board Committees on pages 108, 109, 111, 116 and 119 of this Integrated Annual Report.

Meeting notices, agendas and papers are circulated to the Board with sufficient time for members to prepare for Board and Board Committee meetings. All Board and Board Committee meetings held during the year were conducted in an open atmosphere which allowed constructive challenge and debate, and all Directors were able to exert their independent judgement to bear on issues discussed. The Directors and Management continue to be in frequent contact between meetings.

The Board has unrestricted access to independent and expert advice at the Company's expense in performing its duties.

The Board may invite the Group CEO, the Group Chief Financial Officer ("Group CFO"), any other personnel of the Company and any other external professionals to attend Board meetings.

Professional Development

The Company recognises that continuous education is essential for the Directors to discharge their duties and responsibilities. There is a provision for training allowance provided to the Board to encourage their participation in training programmes.

The programmes and seminars attended by the Directors during the year are set out on pages 99 to 100 of this Integrated Annual Report and Section B of the CG Report.

Conflict of Interest

Board members have declared their directorships in companies other than in the Company and such directorships are within the limit of five (5) directorships in public listed companies. Directors have also declared their respective shareholdings in the Group and their interests in any contract with the Group. Directors abstain from any discussions and decision-making in transactions or arrangements in which the Directors have an interest in.

Board Committees

The Board has delegated its authority to the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee, Investment Committee and LTIP Committee. Save for the Investment and LTIP Committees, the Board Committees are chaired by Independent Directors and comprised Independent Directors and Non-Independent Directors.

(a) Nomination Committee

The Board through its Nomination Committee conducts an annual review of its size and composition, to determine if the Board has the right size, sufficient diversity and independence elements that fit the Company's objectives and strategic goals. The Board also had in place a Group Corporate Governance Policy, which sets out the Board's aim to achieve at least 30% of women directors on the Board. The Board comprised 50% women directors for the financial year under review. This policy is available on the Company's corporate website at **tuneprotect.com**.

The Nomination Committee comprised three (3) Independent Non-Executive Directors from 1 January 2023 to 31 March 2023. Since 1 April 2023, the Nomination Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as Ms Tan Ming-Li who had reached the nine (9)-year term in office was re-designated as Non-Independent Non-Executive Director.

The meeting attendance of the Nomination Committee during the financial year under review is as follows:

Name	Designation	Directorship	Attendance[2]
Mohamed Rashdi bin Mohamed Ghazalli	Chairman	Senior Independent Non-Executive Director	4/4
Tan Ming-Li[1]	Member	Non-Independent Non-Executive Director	4/4
Kelvin Desmond Malayapillay	Member	Independent Non-Executive Director	4/4

Notes:

[1] *Re-designated as Non-Independent Non-Executive Director on 1 April 2023 upon the expiry of her nine (9)-year term of office and will retire on 1 April 2024.*

[2] *Number of meetings attended/Number of meetings held during his/her tenure for the financial year ended 31 December 2023.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Key matters deliberated during the four (4) Nomination Committee meetings held in the financial year ended 31 December 2023 were as follows:

- Reviewed and recommended the re-appointment of Directors of the Company.
- Reviewed and considered the proposed merger of Board Committees of the Company and TPM.
- Reviewed and recommended the change of Company Secretaries.
- Reviewed and discussed the succession planning for Key Senior Roles.
- Reviewed and recommended the re-appointment of Group CEO.
- Reviewed and discussed the compositions of the Board and Board Committees for companies within the Group.
- Reviewed and discussed the re-elections of Directors at the then forthcoming Annual General Meeting ("AGM").
- Conducted performance evaluation of the Board and Board Committees, including self-evaluation and review of the independence of Independent Directors.
- Reviewed and recommended the list of Key Responsible Persons for 2023.
- Reviewed and discussed on the potential candidates for appointment as the new Director of the Company.
- Reviewed and discussed the Directors' Training for the financial year ended 31 December 2023.

The Nomination Committee annually assesses the independence of Independent Directors, the effectiveness of the Board as a whole, its various Committees and each Director individually in the discharge of their duties and responsibilities.

The Board Effectiveness Evaluation ("BEE") for the financial year under review was supported by completing the following forms:

- Board Performance Evaluation Form
- Board Committees' Performance Evaluation Form
- Individual Director's Self and Peer Evaluation Form
- Independence Self Declaration Checklist
- Fit and Proper & Other Declarations

In the evaluation of the Audit Committee, the term of office and performance of the Audit Committee and each of its members were reviewed by the Nomination Committee to determine whether the Audit Committee and its members have carried out their duties in accordance with their Terms of Reference and there was no major issue identified.

The Nomination Committee, facilitated by the Company Secretary, performed the BEE exercise. The Nomination Committee analysed the report and submitted its findings to the Board.

The BEE exercise covered the following scope:

Subject Matter	Key Scope
Assessment on Board	• Overall Board Effectiveness • Board Culture • Board Composition • Board Administration and Process
Assessment on Board Chairman	• The effectiveness of Chairman's roles
Assessment on Individual Board member	• Contribution to interaction, quality of input and understanding of roles.

Overall, the result of the BEE was positive, indicating that the Board, Board Committees and individual Directors were effective in discharging their roles.

Terms of Reference

The Terms of Reference of the Nomination Committee was last reviewed, revised and approved on 25 August 2022 and is available on the corporate website at **tuneprotect.com**.

(b) Remuneration Committee

The Remuneration Committee comprised three (3) Independent Non-Executive Directors from 1 January 2023 to 31 March 2023. Since 1 April 2023, the Remuneration Committee consisted of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as Ms Tan Ming-Li who had reached the nine (9)-year term in office was re-designated as Non-Independent Non-Executive Director.

The meeting attendance of the Remuneration Committee during the financial year under review is as follows:

Name	Designation	Directorship	Attendance[2]
Mohamed Rashdi bin Mohamed Ghazalli	Chairman	Senior Independent Non-Executive Director	2/2
Tan Ming-Li[1]	Member	Non-Independent Non-Executive Director	2/2
Kelvin Desmond Malayapillay	Member	Independent Non-Executive Director	2/2

Notes:

[1] *Re-designated as Non-Independent Non-Executive Director on 1 April 2023 upon the expiry of her nine (9)-year term of office and will retire on 1 April 2024.*

[2] *Number of meetings attended/Number of meetings held during his/her tenure for the financial year ended 31 December 2023.*

Key matters deliberated during the two (2) Remuneration Committee meetings held in the financial year ended 31 December 2023 were as below:

- Reviewed the proposed 2022 performance bonus and the proposed 2023 annual increment for employees (including Key Responsible Persons) and Senior Leadership Team.
- Reviewed the Group CEO's performance for 2022.
- Reviewed the Group CEO's Key Performance Indicators ("KPIs") for 2023.
- Reviewed and discussed the Directors' Fees and Benefits from the conclusion of the AGM held on 22 June 2023 until the conclusion of the next AGM of the Company to be held in 2024.
- Reviewed and recommended the 2023 Corporate Scorecard.
- Reviewed and proposed the compensation package for Group CEO.

Terms of Reference

The Terms of Reference of the Remuneration Committee was last reviewed, revised and approved on 20 November 2020 and is available on the corporate website at **tuneprotect.com**.

(c) Investment Committee

The Investment Committee was established to assist the Board in discharging its duties and responsibilities in the management of investments, including drawing up policies and procedures for monitoring, assets allocation, dealing, recording and reporting. The members of the Investment Committee consist of the following:

Name	Designation	Directorship	Attendance[1]
Aireen Omar	Chairperson	Non-Independent Non-Executive Director	5/5
Mohamed Rashdi bin Mohamed Ghazalli	Member	Senior Independent Non-Executive Director	5/5
Dato' Mohamed Khadar bin Merican	Member	Independent Non-Executive Director	5/5

Notes:

[1] *Number of meetings attended/Number of meetings held during his/her tenure for the financial year ended 31 December 2023.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Terms of Reference

The Terms of Reference of the Investment Committee was last reviewed, revised and approved on 25 February 2021 and is available on the corporate website at **tuneprotect.com**.

(d) LTIP Committee

The LTIP Committee was established to administer the LTIP of the Group in accordance with the objectives and regulations thereof, and to determine the participation eligibility, option offers, share allocations and any other related matters. The members of LTIP Committee during the financial year ended 31 December 2023 consist of the following:

Name	Designation	Directorship
Aireen Omar	Chairperson	Non-Independent Non-Executive Director
Rohit Chandrasekharan Nambiar	Member	Group CEO
Yap Hsu Yi	Member	Chief – People and Culture
Mohamed Rashdi bin Mohamed Ghazalli[1]	Member	Senior Independent Non-Executive Director

Note:

[1] *Appointed on 1 March 2023.*

Further details of the LTIP can be found on page 128 under Additional Compliance Information.

III. REMUNERATION

Employee Remuneration Practices

At Tune Protect Group, our remuneration policy is structured to create a competitive framework that will enable us to attract, reward, motivate and retain talent with the right mix of experience, skills and competencies to deliver our long-term goals.

Key Principles

Our Remuneration Policy is set by the following principles:

- Simple and transparent: our remuneration practices are simple and straightforward, with the intention to drive understanding and ownership among our talent.
- Market competitiveness: when setting remuneration practices, the Company considers external factors (such as market dynamics, regulatory environment, competition) and internal factors (such as organisational design and cost structure).
- Performance and growth: the Company's emphasis on a high-performance culture is executed via a strong link between performance and rewards. This is implemented in a manner to balance top line growth with quality earnings and cash flow management in order for us to deliver sustainable results for our stakeholders.

Our remuneration policy/principles are applied across all levels of the organisation, and covers all functions including internal control functions.

Components of Remuneration

Component	Purpose and application
Fixed Pay	
Base Salary	• Our base salary is set to attract and retain key talent by providing competitive pay that is externally benchmarked against relevant peers and with internal equity maintained. • In setting base salary, differences in individual performance and achievements, skillsets, job scope as well as competency level are considered. • Salaries are reviewed and adjusted once a year and adjustments are made taking into consideration performance (merit increment), market/internal equity (equity increment) and upgrade into a bigger role (promotion increment).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Component	Purpose and application
Fixed Pay (cont'd.)	
Base Salary	• The Company sets the company-wide salary increment pool taking into consideration market movement and projected performance for the upcoming financial year. • Increments implemented in the year 2023 were based on individual performance. Non-performing employees received minimal or no increment. • There is no guaranteed or contractual increase in base salary except for the increments mandated by the following Collective Agreements ("CAs") for the Clerical and Executive population in our subsidiary, Tune Insurance Malaysia Berhad: - Association of Insurance Employers and National Union of Commercial Workers. - Tune Insurance Malaysia Berhad and Persatuan Pegawai-Pegawai Pentadbiran Industri Insuran Semenanjung Malaysia.
Fixed Bonus	• Other than employees falling under the scope of the CAs, no other employees received fixed or guaranteed bonuses.
Fixed Allowances	• Role-based fixed cash allowances which are paid monthly to certain segments of our employee pool, dependant on employees' role. • Quantum of the allowances are reviewed and set in accordance with external market benchmarking and Company's priorities.
Variable Pay	
Performance Bonus	• Performance bonus is a discretionary payment to employees to reward and recognise them for achievement of the Company's and individual goals. • Performance bonus is paid once a year, subsequent to the annual performance review. • The performance bonus pool is determined by the Board based on various factors including the Company's financial performance and market pull factors. • Performance bonus quantums are determined based on the Company's financial performance and individual employee's performance. Employees are measured on both their personal goals as well as corporate goals on financial and non-financial targets. • KPIs are set based on a cascading method. The Board sets KPIs for the Group CEO, who cascades the goals to the senior management team. The management team would set departmental-wide goals to support the overall goals of the Company. Each goal carries a weight that is commensurate with the key focus area of that department or particular role. • Personal individual goals comprise i) Business goals (sales, profitability, efficiency, productivity) and ii) Behaviour goals (self and/or team development). Scoring of goals are weighted depending on the goal. Weighted scores fall into a structured performance matrix ranging from Outstanding Performance to Unsatisfactory Performance. • In addition to personal goals, performance bonus payout is subject to corporate-wide targets such as: - financial targets on revenue and profitability. - customer & partnership net promoter score. - sustainability targets focusing on employees (gender diversity, leadership pipeline), community (corporate social responsibility initiatives), environment, etc. • The Company exercises discretion to not award non-performers any performance bonuses. Also, in the case of breaches or non-compliance of internal and external regulation/rules, the Company also has the discretion to remove or reduce the bonus entitlement for employees. Performance and remuneration of control functions are measured and assessed independently from the business units they support to avoid any conflict of interest. • All individual performance scores are calibrated organisation-wide. This is to allow for a consistent and objective evaluation of performance across the various departments functions as well as to ensure that the appropriate payouts are awarded in a fair manner. Final performance scores are signed off by employees and Line Managers. Performance summary of the organisation will be presented to the Board to support them in their discussion, deliberation and approval of the performance bonus pool.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Alignment between Risk and Rewards

Our Total Compensation, a mixture of fixed/variable cash compensation and benefits is designed to align with the long-term performance goals and objectives of the organisation. The compensation framework provides a balanced approach between fixed and variable components that change according to individual performance, business/corporate function performance, group performance outcome as well as individual's level and accountability.

The Company practises strong governance on performance and remuneration of control functions which are measured and assessed independently from the business units, with no commercial targets.

The Company participates and performs in annual market compensation reviews to benchmark against the market rate and internally to ensure we set our compensation levels appropriately.

Performance Management principles ensure goals continue to focus on outcomes delivered that are aligned to our business plans. Being a responsible organisation, we continue to review and adjust our goal setting to shape the organisational culture and actively drive risk and compliance agendas effectively, with inputs from control functions and Board Committees.

The Company has a Clawback Clause where compensation (including bonuses) can be adjusted, reduced, withdrawn or clawed-back in the case of serious misconduct including serious legal, regulatory or internal policy breaches.

Internal audits are carried out regularly on all departments on a rotating basis, to assess instances of non-compliance with risk and compliance procedures as well as expected behaviours. Non-compliance cases are reported and investigated, where required. Depending on the severity, the audit findings would impact the employee's performance ratings which would have a direct impact on their remuneration.

The Company reviews the remuneration policy, principles and overall framework once every two (2) years. As a responsible organisation, it is essential that local legislation and practices are observed. Should any clause of any policy conflict with the legislation, the latter will take precedence.

Performance and remuneration for Senior Key Officers and Other Material Risk Takers are reviewed on an annual basis and submitted to the Remuneration Committee for recommendation to the Board for approval.

Directors' Remuneration

In remunerating its Directors, the Company is guided by the following principles:

- Salaries payable to Executive Directors shall not include a commission on or percentage of turnover.
- Fees payable to Non-Executive Directors shall be by a fixed sum, not by commission on or percentage of profits or turnover.
- Bonuses to Executive Directors shall not be guaranteed, except in the context of sign-on bonuses.
- Share options, if granted to Directors, shall not vest immediately. The vesting period of share options shall reflect the time horizon of risks and take account of the potential for financial risks to crystallise over a longer period of time.
- The maxim "pay for performance" is adopted in remunerating Executive Directors to promote the long-term success of the Company. Performance is measured based on a holistic balanced scorecard approach comprising both financial and non-financial KPIs.
- The Directors may be paid all travelling, hotel and other expenses, properly incurred by them in attending and returning from meetings of the Directors or any Committee of Directors or general or other meetings of the Company or in connection with the business of the Company.
- The Directors may grant special remuneration to any Director who (on request by the Directors) is willing to:
  - render any special or extra services to the Company; or
  - go or reside outside his country of domicile or residence in connection with the conduct of any of the Company's affairs.

  Such special remuneration may be paid to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be paid in a lump sum or by way of salary, or by a percentage of profits, or by all or any of such methods but shall not include (where such special remuneration is paid by way of salary) a commission on or a percentage of turnover.

For the purposes of this section, the term "Executive Directors" refers to directors who work on the day-to-day operations of the Company.

The Board's remuneration package currently comprises fees, meeting allowances and hospitalisation benefits. Annual fixed fees are paid either quarterly or monthly and meeting allowances are paid in the subsequent month when each meeting is held for the Board and Board Committees. The level of remuneration reflects the experience and level of responsibilities undertaken by the Directors concerned. The Board's remuneration aligns with market practice.

Total Directors' Remuneration for 2023

The total Directors' remuneration received from the Company and the Group during the financial year ended 31 December 2023 are as follows:

	Remuneration received from the Company			Remuneration received from the Group		
	Directors' Fee RM'000	Meeting Allowance RM'000	Total RM'000	Directors' Fee RM'000	Meeting Allowance RM'000	Total RM'000
Executive Director						
NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non-Executive Directors						
Dato' Mohamed Khadar bin Merican	192	50	242	275	58	333
Tan Ming-Li	148	65	213	256	105	361
Mohamed Rashdi bin Mohamed Ghazalli	174	78	252	343	126	469
Aireen Omar	106	37	143	106	37	143
Kelvin Desmond Malayapillay	188	65	253	188	65	253
Dr Grace Lee Hwee Ling	82	50	132	82	50	132
Total	**890**	**345**	**1,235**	**1,250**	**441**	**1,691**

The total remuneration of the Group CEO for the financial year ended 31 December 2023 is disclosed in Note 24(b) to the Audited Financial Statements and Section B of the CG Report.

The total remuneration of Senior Management for the financial year ended 31 December 2023 is disclosed in Section B of the CG Report.

B PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

The Audit Committee assists the Board in overseeing the audit and corporate governance functions of the Group while the Risk Management Committee assists the Board in overseeing the risk management and compliance functions of the Group, independent from the Management.

I. AUDIT COMMITTEE

The Audit Committee comprised four (4) Independent Non-Executive Directors from 1 January 2023 to 31 March 2023. Since 1 April 2023, the Audit Committee consisted of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as Ms Tan Ming-Li who had reach the nine (9)-year term in office was re-designated as Non-Independent Non-Executive Director. The Board through its Audit Committee evaluates and continuously improves the effectiveness of the internal audit function, financial and operational control, and governance processes of the Group.

The Terms of Reference of the Audit Committee sets out the roles and responsibilities of the Audit Committee, which included, inter-alia, the review of the external and internal audit reports and audit plans, the effectiveness of the control measures of the Company, the review of related party transactions of the Group, as well as the adequacy of resources of the internal audit function. In addition, the Audit Committee is also tasked to assess the suitability and independence of the external auditors. During the Audit Committee meeting held on 25 March 2024, the Audit Committee had referred to the Annual Transparency Report 2021 issued by the external audit firm to assess the performance and suitability of the external auditors. The Audit Committee was

CORPORATE GOVERNANCE OVERVIEW STATEMENT

satisfied with the performance and independence of the external auditors and recommended their re-appointment to the Board for shareholders' approval at the forthcoming AGM.

The composition of the Audit Committee, their meeting attendance records and the summary of work performed by the Audit Committee during the financial year ended 31 December 2023 are available in the Audit Committee Report on pages 119 to 122.

II. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprised five (5) Independent Non-Executive Directors from 1 January 2023 to 31 March 2023. Since 1 April 2023, the Risk Management Committee consisted of four (4) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as Ms Tan Ming-Li who had reach the nine (9)-year term in office was re-designated as Non-Independent Non-Executive Director.

The meeting attendance of the Risk Management Committee during the financial year under review is as follows:

Name	Designation	Directorship	Attendance[2]
Kelvin Desmond Malayapillay	Chairman	Independent Non-Executive Director	4/4
Tan Ming-Li[1]	Member	Non-Independent Non-Executive Director	4/4
Mohamed Rashdi bin Mohamed Ghazalli	Member	Senior Independent Non-Executive Director	4/4
Dr Grace Lee Hwee Ling	Member	Independent Non-Executive Director	4/4
Dato' Mohamed Khadar bin Merican	Member	Independent Non-Executive Director	4/4

Notes:

[1] *Re-designated as Non-Independent Non-Executive Director on 1 April 2023 upon the expiry of her nine (9)-year term of office and will retire on 1 April 2024.*

[2] *Number of meetings attended/Number of meetings held during his/her tenure for the financial year ended 31 December 2023.*

The Risk Management Committee's meeting calendar and agendas are linked to events in Tune Protect Group's financial calendar. The Group CEO and Chief Risk & Compliance Officer are invited to attend the Risk Management Committee meetings held every quarter.

A summary of work performed during the financial year ended 31 December 2023 in the discharge of the Risk Management Committee's functions was as follows:

1. Annual Report

Reviewed the Statement on Risk Management & Internal Control for recommendation to the Board for approval and inclusion in the 2022 Annual Report.

2. Risk and Compliance

(a) Reviewed the Quarterly Risk Dashboard and the Summary of Risk Register of the Company and its subsidiaries with key risk indicators to identify the top key risks and deliberated on the same and the mitigating action plans.

(b) Reviewed and deliberated on the Risk Appetite Statements and Risk Tolerance Limits of the Company.

(c) Reviewed the revised Individual Target Capital Level ("ITCL") and Capital Management Plan of TPL.

(d) Reviewed the Group ITCL and Internal Capital Adequacy Assessment Process.

(e) Reviewed the Compliance Gap Analysis and Implementation Plan for the Climate Risk Management and Scenario Analysis Policy Document issued by BNM.

(f) Reviewed the following Compliance Gap Analysis on BNM issuance:
- (i) Shareholder Suitability Policy Document.
- (ii) Schedules 8 and 10 of the Financial Services Act 2013 Policy Document.
- (iii) Guidelines on Investor Protection.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(iv) Guidelines on General Reinsurance Arrangements.
(v) Guidelines on Internal Audit Function of Licensed Institutions.
(vi) Guidelines on the Role of Insurers & Brokers in Reinsurance.
(vii) Informal Enforcement Action Framework (IEAF).
(viii) Revised Guidelines on Derivatives for Insurers.
(ix) Bancassurance/Bancatakaful Policy Document.
(x) Financial Reporting (Revised) Policy Document.
(xi) Granting Credit Facilities (Revised) Policy Document.
(xii) Specifications relating to Medical and Health Insurance/Takaful Re-pricing and Risk-pooling Policy Document.
(xiii) Code of Conduct for Malaysia Wholesale Financial Markets Policy Document.
(xiv) Liquidity Facility to Licensed Insurers and Takaful Policy Documents.
(xv) Operating Cost Controls for General Insurance and Takaful Business Policy Document.

(g) Reviewed the following internal Company Policies:
(i) Group Property and Equipment/Fixed Assets & Intangible Assets Policy.
(ii) Revised Group Investment Policy.
(iii) Anti-Money Laundering Policy of TPL.
(iv) Revised Group Information Technology Security Policy.
(v) Revised Group Whistleblowing Policy.
(vi) Revised Group Anti-Bribery and Corruption Policy.
(vii) Revised Group Privacy and Data Risk Management Policy.
(viii) Revised TPR Underwriting Policy.
(ix) Revised Group Communication Policy.
(x) Revised Group Sustainability Policy.
(xi) Revised Group Travel & Entertainment Policy.
(xii) Revised Group Risk Management Policy.
(xiii) Revised Group Counterparty Management Policy.
(xiv) Revised Group Compliance Policy.
(xv) Revised Group Policies and Procedures Governance Policy.
(xvi) Group Infrastructure Policy.

(h) Reviewed the proposed revisions to the Terms of Reference of the Risk Management Committee.

Further information on the roles and responsibilities of the Risk Management Committee can be found in its Terms of Reference, which is available on the corporate website at **tuneprotect.com**.

III. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board fulfils its responsibility in the risk governance and oversight functions through its Risk Management Committee, which reviews the effectiveness of the Group's systems of risk management and internal control in managing risks identified, and provides reasonable assurance that risks linked to business goals, strategies and objectives are managed within the risk appetite and risk limits approved by the Board.

Further information about the Risk Management and Internal Control Framework of the Company can be found in the Statement on Risk Management and Internal Control on pages 123 to 127.

C PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

Communication with stakeholders is important and the Company has in place a Group Investor Relations Policy, which is available on the corporate website at **tuneprotect.com**. The Group CEO and Investor Relations team have the shared responsibility of communicating with the Company's key stakeholders on the Company's strategy and plans in achieving its objectives. Regular dialogues ensure that the Company's strategy is understood, updates on the status of the Company in meeting its objectives is provided, and any issues arising are addressed in a constructive manner.

Reports issued by the analysts about the Group and its Overseas Ventures are circulated to the Directors and the Executive Committee. Shareholders can directly question on their shareholdings to the Share Registrar or the Company Secretary.

Details on Investor Relations activities throughout the year can be found on pages 9 to 13 of this Integrated Annual Report.

Annual Report

The Company's Annual Report communicates the Group and its Overseas Ventures' activities, operations and both the financial as well as non-financial performance to shareholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Tune Protect Corporate Website

The Company's corporate website (**tuneprotect.com**) publishes information about the Company, including all the announcements made to Bursa Securities, relevant press releases and official releases of important information to the market within a reasonable timeframe.

The approach to stakeholders' engagement can be found on pages 22 to 25 of this Annual Report.

II. CONDUCT OF GENERAL MEETINGS

The AGM and other general meetings of the Company are the primary forum for dialogue with its shareholders. All notices of general meetings and accompanying explanatory materials are published on the corporate website (**tuneprotect.com**), advertised in a nationwide daily newspaper and announced to Bursa Securities. Shareholders may deposit their proxy forms for AGMs and other general meetings of the Company at the registered office of the Company.

The Management of the Company makes themselves available for meetings with key stakeholders at least once per quarter, in person, virtually or via teleconference. Further information can be found in the Investor Relations section of this Annual Report on pages 9 to 13.

The Company's Twelfth AGM was held virtually in 2023. Voting at the AGM was conducted using Remote Participation and Voting (RPV) system. The Company continues to leverage technology to enhance shareholders' engagement and participation in the AGMs and general meetings of the Company.

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities in Financial Reporting

The Board is responsible for ensuring the proper maintenance of accounting records and that the financial statements of the Company and the Group are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 so as to give a true and fair view of the financial position of the Company and the Group as at 31 December 2023 and of their financial performance and cash flows for the financial year then ended. The Board is satisfied that in preparing the Company's financial statements for the financial year ended 31 December 2023, the Company has used appropriate accounting policies and applied them consistently and prudently, as well as made judgements and estimations, which are prudent and reasonable. The Board is of the opinion that the financial statements have been prepared in accordance with all relevant approved accounting standards.

Relationship with the External Auditors

The Board, through the Audit Committee, has maintained an appropriate, formal and transparent relationship with the external auditors. As indicated in the Independent Auditors' Report, Ernst & Young PLT confirmed that they are, and have been, independent throughout the conduct of the audit engagement in accordance with relevant professional and regulatory requirements and in accordance with their internal policy. Ernst & Young PLT has also confirmed that they have reviewed the non-audit services provided to the Group during the year. The Audit Committee has conducted the independent assessment of the external auditors and has recommended to the Board the re-appointment of Ernst & Young PLT. The Board has in turn, recommended the same to the shareholders of the Company.

The Audit Committee meets with Ernst & Young PLT without the presence of the Management, as and when necessary, and at least once a year. Notwithstanding this, the Audit Committee met with Ernst & Young PLT without the presence of the Management once for the financial year under review. Meetings are held to discuss the Group's audit plans, audit findings, financial statements as well as to seek their professional advice on related matters. From time to time, the external auditors inform and update the Audit Committee on matters that may require their attention.

The Company has engaged and re-appointed Messrs Ernst & Young annually since 2011 (now converted to Ernst & Young PLT). In line with the requirement of the External Auditor policy document issued by BNM and Ernst & Young PLT's internal policy, a different engagement partner will be assigned to the Company every five (5) years. Following the expiry of the five (5)-year term of office of the previous engagement partner, a new engagement partner has been assigned for the financial year ended 31 December 2021 and onwards.

Going Concern

The Board has reviewed the Group's financial projections for the next twelve months, including regulatory capital surpluses. Based on this review, the Directors are satisfied that the preparation of the financial statements on a going-concern basis is appropriate.

This CG Overview Statement was approved by the Board on 29 March 2024.

AUDIT COMMITTEE REPORT

MEMBERSHIP AND AUTHORITY

The Audit Committee assists the Board of Directors ("the Board") in overseeing the audit and corporate governance functions of the Group, independent of the Management.

The Audit Committee comprised four (4) Independent Non-Executive Directors from 1 January 2023 to 31 March 2023. Since 1 April 2023, the Audit Committee consisted of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as Ms Tan Ming-Li who had reached the nine (9)-year term in office was re-designated as Non-Independent Non-Executive Director.

The attendance of the members of the Audit Committee in respect of the financial year ended 31 December 2023 is as follows:

Name	Designation	Directorship	Attendance[2]
Dr Grace Lee Hwee Ling	Chairperson	Independent Non-Executive Director	5/5
Mohamed Rashdi bin Mohamed Ghazalli	Member	Senior Independent Non-Executive Director	5/5
Tan Ming-Li[1]	Member	Non-Independent Non-Executive Director	5/5
Kelvin Desmond Malayapillay	Member	Independent Non-Executive Director	5/5

Notes:

[1] *Re-designated as Non-Independent Non-Executive Director on 1 April 2023 upon the expiry of her nine (9)-year term of office and will retire on 1 April 2024.*

[2] *Number of meetings attended/number of meetings held during his/her tenure for the financial year ended 31 December 2023.*

The composition of the Audit Committee fulfils the criteria for membership as prescribed by the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and Bank Negara Malaysia ("BNM") where:

(a) the Audit Committee must be composed of at least three (3) directors;

(b) all the Audit Committee members are non-executive directors with a majority of independent directors, no alternate director is appointed as a member of the Audit Committee; and

(c) at least one (1) of the Audit Committee members is a member of the Malaysian Institute of Accountants.

The Company's Audit Committee also meets the requirement where the Chairman must be an independent director. The Chairperson of the Audit Committee is not the Chairman of the Board. The Audit Committee consists of members with a broad spectrum of skills, professional knowledge and experience with high integrity.

In addition to financial matters, the Audit Committee also provides active oversight on the Internal Audit and Corporate Governance functions and activities, appropriate independence, scope of work and resource requirements. The Internal Audit function collaborates with the Management to support Tune Protect Group towards achieving its objectives by embedding a systematic, disciplined approach to evaluating and continuously improving the effectiveness of the internal audit, financial and operational controls, and governance processes. In this regard, the Internal Audit function reports directly to the Audit Committee to facilitate its oversight responsibilities for the Group and to ensure independence of the internal auditors.

The Audit Committee's meeting calendar and agendas are linked to events in Tune Protect Group's financial calendar. The Group Chief Executive Officer, Group Chief Financial Officer, Group Head of Internal Audit, Chief Risk & Compliance Officer, other Management and external auditors may be invited to attend the Audit Committee meetings whenever required. During the year under review, the total number of meetings held included the meeting between the members of the Audit Committee and representatives of the External Auditors without the presence of the Management.

AUDIT COMMITTEE REPORT

TERMS OF REFERENCE

The Terms of Reference of the Audit Committee was last reviewed, revised and approved on 25 May 2023 and is available on the corporate website at **tuneprotect.com**.

SUMMARY OF WORK PERFORMED BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

During the year under review, the Audit Committee carried out the following works in the discharge of its functions and duties:

1. FINANCIAL REPORTING

(a) Reviewed the financial statements and reports pertaining thereto and made recommendations to the Board for approval of the same as follows:

Date of AC Meeting	Review of Financial Statements
20 February 2023	Fourth quarter and year-to-date financial results for the financial year ended 31 December 2022.
22 March 2023	Audited Financial Statements and reports thereon for the financial year ended 31 December 2022.
19 May 2023	First quarter and year-to-date financial results for the financial period ended 31 March 2023.
21 August 2023	Second quarter and year-to-date financial results for the financial period ended 30 June 2023.
20 November 2023	Third quarter and year-to-date financial results for the financial period ended 30 September 2023.

The above reviews were focused particularly on changes in or implementation of major accounting policies and practices, significant adjustment arising from the external audit, if any, significant matters highlighted including financial reporting issues, significant judgements made by the Management, significant and unusual events, the going concern assumption, compliance with the relevant accounting standards and other legal requirements, to ensure that the financial statements present a true and fair view of the Company's financial performance.

(b) Reviewed and discussed with the Management on the Group financial performance and Malaysian Financial Reporting Standards (MFRS) 17 implementation status, which included subsidiaries, joint-venture and associate companies.

(c) Reviewed and deliberated with the external auditors, Ernst & Young PLT, the audited financial statements for the financial year prior to submission to the Board for their consideration and approval, with particular attention to any changes in accounting policies, key audit matters, significant and unusual events and compliance with applicable accounting standards approved by the Malaysian Accounting Standards Board ("MASB") and other regulatory requirements.

2. ANNUAL REPORT

Reviewed and recommended to the Board for approval of the Statement on Risk Management & Internal Control, Corporate Governance Overview Statement, Audit Committee Report and Additional Compliance Information for inclusion in the Annual Report, and Corporate Governance Report 2022.

3. EXTERNAL AUDITORS

(a) Reviewed and deliberated reports issued by the external auditors, Ernst & Young PLT, on the significant findings and remedial actions to be taken by the Management; and assessed their independence. The external auditors are required to report to the Audit Committee as necessary on all matters that might affect their independence.

(b) Reviewed the suitability, expertise and performance of the external auditors and made recommendation to the Board on their reappointment and remuneration.

(c) Discussed with the external auditors on the approach, process and scope of the audit before commencement of the audit.

(d) Reviewed the appointment of the external auditors for any non-audit services to assess their independence.

(e) Conducted private session with the external auditors without the presence of the Management to discuss and address any issues of concern.

4. INTERNAL AUDIT

(a) Reviewed the Internal Audit activities in addition to the review of internal audit reports covering the following areas:
   (i) Sustainability Reporting;
   (ii) Recurrent Related Party Transactions ("RRPT");
   (iii) Counter Financing of Terrorism;
   (iv) Claims and Customer Experience;
   (v) Underwriting and Portfolio Management;
   (vi) Group Procurement;
   (vii) Business Continuity Management and Disaster Recovery Plan;
   (viii) Anti-Bribery and Corruption System ("ABCS");
   (ix) Various audit reviews on the major subsidiary of the Company, namely Tune Insurance Malaysia Berhad, including Business Units Central Regions 1 and 2, Motor Claims, Management of Customer Information and Permitted Disclosures, Outsourcing, Non-Motor Claims, POS Distribution Channel, Perbadanan Insurans Deposit Malaysia (PIDM) Validation, Product Transparency & Disclosure, Business Continuity Management and Disaster Recovery Plan, ABCS and a branch review; and
   (x) IT Audit Review undertaken for the Group by external vendor (outsourced) covering IT General Controls and Cybersecurity Review.

   The above audits covered reviews that focused on management, compliance, internal controls of head office and branch operations.

(b) Reviewed implementation of audit recommendations to ensure that key risks and controls have been timely and completely addressed.

(c) Reviewed the scope and competency of the Internal Audit function, including the quality of the internal audit findings and recommendations to improve internal controls and operational efficiencies.

AUDIT COMMITTEE REPORT

5. RELATED PARTY TRANSACTIONS

(a) Reviewed Related Party Transactions and RRPT of the Company and its subsidiaries for the financial year to ensure that the transactions are in the best interest of the Company; fair, reasonable and on normal commercial terms; and not detrimental to the interest of the minority shareholders;

(b) Reviewed and recommended to the Board for approval, the Circular to Shareholders in relation to the proposed renewal of shareholders' mandate for RRPT of a revenue or trading nature; and

(c) Reviewed the adequacy of controls and procedures to ensure compliance with the approved shareholders' mandate in respect of the RRPT of a revenue or trading nature as tabled at the last Annual General Meeting of the Company.

6. OTHER ACTIVITIES

(a) Noted the relevant technical pronouncements and accounting standards issued by the MASB, the MMLR of Bursa Securities, and other regulations governing the Company and its subsidiaries.

(b) Reviewed the introduction or changes to the systems, policies and guidelines in the Company's operations.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Internal Audit function reports directly to the Audit Committee of Tune Protect Group as well as to the Audit Committee of Tune Insurance Malaysia Berhad, the major subsidiary of Tune Protect Group which is under the supervision of BNM. The Internal Audit function proactively assists the Audit Committee in discharging its duties and responsibilities. Tune Protect Group's Internal Audit function ensures continued independence of the audit function and provides assurance on the adequacy and effectiveness of the risk management, internal controls and governance processes, in addition to providing value added audit services within the Group.

The Group Internal Audit's scope of work includes the review and evaluation of the adequacy and effectiveness of the internal control system to anticipate any potential risks, performance of root-cause analyses on audit findings and recommendations for improvements, where required. The Group Internal Audit function also assesses:

- Ethical and regulatory compliance;
- Accounting and finance;
- Information, communications and technology asset management;
- Business continuity;
- Special projects; and
- Internal controls, risk management and compliance of the Group.

During the business audit planning cycle, high impact risk areas were assessed and incorporated into the Internal Audit Annual Plan. Risk profiling was carried out to examine the Group's risks and key governance issues facing Tune Protect Group's business activities. These assessments form the basis for Tune Protect Group's risk-based audit plan and strategy. Internal audit covers amongst others, the review of the adequacy of risk management, operations and financial controls, compliance with established procedures, guidelines, statutory requirements and business processes improvement.

The internal audit reports were discussed with the Management and relevant action plans were agreed and implemented. All internal audit findings were presented to the Audit Committee for review and deliberation.

In addition, the internal auditors also provide necessary assistance and manpower for any special assignments or investigations which the Management may request from time to time, with the approval of the Audit Committee.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") and the Management of Tune Protect Group Berhad ("the Company") place great importance on high standards of corporate conduct and are committed to uphold the values of integrity, honesty and proper corporate governance in the business operations and dealings of the Company and its subsidiaries ("the Group"). The Board believes that maintaining high standards of corporate governance is key to the continuous delivery of stakeholders' value.

This Statement on Risk Management and Internal Control was prepared in accordance with the "Statement on Risk Management & Internal Control – Guidelines for Directors of Public Listed Issuers" issued by Bursa Malaysia Securities Berhad. It outlines the processes that have been implemented to ensure adequacy and integrity of the system of risk management and internal control of the Group during the financial year ended 31 December 2023.

RESPONSIBILITIES

The Board

The Board acknowledges its overall responsibility in establishing a sound risk management and internal control system as well as reviewing its adequacy and effectiveness. Due to the inherent limitations arising from internal or external events, the Board recognises that the intention of such systems is not to eliminate all risks but to ensure the balance between growth, returns and risks.

In view of the above, the Board, through its Audit and Risk Management Committees, continues to review the established governance structure for ensuring adequate and effective oversight of risk and controls within the Group during a formal and regular schedule of meetings prefixed on an annual basis. The Board receives reports on regulatory developments, risk management, compliance and internal audit activities, and monitors Management's effort to correct deficiencies identified.

Management

The Management is responsible for recommending and implementing Board-approved internal controls established in written policies and procedures. New initiatives, strategies, financial performance, goal achievements, risks and other operational issues are discussed at the various Management-level Committees, including the Group Executive Committee and Management Governance Committee meetings. Where deficiencies are identified, Management directs effort into identifying root causes and correcting situations that give rise to such deficiencies. Material issues would also be escalated to the Board for their notation and deliberation at the Risk Management Committee meetings.

The Management has provided assurance that the Group's risk management and internal control system are operating adequately and effectively and that necessary processes have been implemented.

Day-to-day risk management functions and responsibilities reside in the business and functional support units as the first line of defence. The Risk Management and Compliance functions serve as the second line of defence, which is a central support infrastructure that deals with more pervasive, entity-wide risks, whilst the Internal Audit function, the third line of defence, provides independent assurance on the effectiveness of the internal control systems. This structure aims to place accountability and ownership as close as possible to where the risks arise while facilitating an appropriate level of independence and segregation of duties between the business, Risk Management, Compliance and Internal Audit functions. The Risk Management and Compliance functions report directly to the Risk Management Committee whilst the Internal Audit function reports directly to the Audit Committee.

RISK MANAGEMENT

The Group's risk management framework is designed to ensure that risks which could undermine the Group's strategies, business goals, objectives, reputation and long-term viability are identified in a timely manner, assessed and monitored within the risk appetite and risk tolerance limits approved by the Board. This is supported by a Group-wide risk management organisation structure that delineates the function of risk taking, risk oversight and policy making. The risk reporting lines, authorities, roles and responsibilities are clearly specified in the Risk Management Framework.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management Framework

Risk management is an important driver for strategic decisions in support of business objectives while balancing the appropriate level of risk taken to the desired level of rewards. The Group Risk Management Framework which is documented in the Group Risk Management Policy details the policies and processes for managing uncertainties in terms of risks and opportunities and building value for the Group's stakeholders. The framework is developed in line with the Bank Negara Malaysia ("BNM") Policy Document on Risk Governance on what should be the building blocks of a Risk Management Framework. This Policy Document can be found at **www.bnm.gov.my**

The Policy Document on Risk Governance sets out a framework of principles to guide the Board and Management in performing their risk oversight function. Risks are identified using business mapping, the likelihood rating table in the Risk Management Policy and the impact of those risks based on the likelihood rating table. Controls are then put in place and their effectiveness is measured using the Control Effectiveness Rating table. Any residual risks are managed with the implementation of risk mitigation strategies.

The Group has in place on-going processes for the identification, measurement, control, mitigation, monitoring and reporting of major strategic, business and operational risks within the Group, as described below:

1 **Risk Identification:**
The risk process begins with the business strategies and objectives. Risks arising from these business strategies and objectives are perused and identified. The risks identified are the internal and external risks that pose a threat to the Group.

2 **Measurement:**
The measurement process involves determining the impact and likelihood of each of the identified risk and the quantification of the risk exposure. It also involves the continual reassessment and identification of emerging risks.

3 **Control & Mitigation:**
Quantitative and qualitative controls are developed to oversee risk exposure and deploy risk mitigation strategies. The controls and mitigation strategies are reviewed regularly to ascertain their effectiveness against the risk appetite statements and thresholds.

4 **Monitoring:**
Accurate and timely monitoring mechanisms on the identified risks are established during the monitoring process. This process also involves prompt decision making and mitigation strategies.

5 **Reporting:**
The risk profiles of the Group are tabled to the Risk Management Committee, which is focused on risk mitigation strategies based on risk ratings and are reviewed on a quarterly basis.

The Group Risk Management Policy was last reviewed and approved in the November 2023 Board of Directors meeting. We have also made significant updates to our internal processes and assessments on risks relating to climate change, in line with the expectation of the BNM Policy Document on Climate Risk Management and Scenario Analysis.

Risk Appetite Statement

The establishment of the Group's risk appetite is a critical component of a robust risk management framework. Risk appetite determines the amount and type of risk that the Group is willing to take in order to meet the strategic objectives. The risk appetite which is reflective of the strategy and business objectives of the Group, would be driven through a mix of top-down engagement of the Board as well as bottom-up involvement of all levels of management.

The risk appetite provides the basis for establishing risk tolerance thresholds around specific risks, through qualitative and quantitative metrics. Through effective communication, the risks in the Group are appropriately managed and monitored by all business units.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

In the Group, the process involved in developing the risk appetite statements is as follows:

- **a** A review of the risks in the Risk Register involving the various business units.
- **b** Involvement of key stakeholders, including their expectations in the analysis of top key risks in relation to the strategy and business objectives of the Group.
- **c** Establish the desired level of risk exposure that forms the basis of the risk appetite statements (with qualitative and quantitative limits).
- **d** Define the range of acceptable volatility for each type of risks, including the acceptable risk tolerance levels.
- **e** Reconcile the risk appetite and risk tolerance levels with the current level of risk exposure, and formulate action plan to bring the current risk exposures to be in line with the Group risk appetite if required.
- **f** The formalised and documented risk appetite statement is communicated to all business units for implementation accordingly.

Risk Governance and Oversight

The governance model adopted by the Group provides a formalised, transparent, and effective governance structure that promotes the active involvement of the Board and Senior Management in the risk management process to ensure a uniform view of risks across the Group.

All departments and business units are responsible to identify, measure and mitigate risks arising from their day-to-day operations. Key risk items are then escalated for deliberation by the Senior Management, with further mitigation actions to be taken where necessary. The Board of Directors via the Risk Management Committee also provides oversight on the Risk status of the Group during quarterly meetings of the Risk Management Committee. Additionally, the Board of Directors would also be apprised of significant developments on key risk areas outside the meeting.

These responsibilities are facilitated by the Risk Management function, which is responsible to establish risk frameworks and policies in defining the tools and systematic approaches for business to identify, assess, report, monitor and mitigate all risk types.

Risk Management and Compliance Functions

The Group has separate teams responsible for Risk Management and Compliance, with both functions reporting to the Chief Risk and Compliance Officer. The Risk Management function is responsible to ensure effective risk oversight across the Group, and establish the necessary policies, procedures and tools to achieve this. Currently the function consists of teams specialised in individual risk areas including Operational Risk, Technology and Data Risk, as well as Financial Risk.

Compliance function is in place to ensure all compliance matters are attended effectively and expeditiously. It helps the Group to manage compliance risk and uphold the good reputation of the Group. In 2023, the Compliance function has been split into Regulatory Compliance and Operational Compliance; both reporting to the Chief Risk and Compliance Officer. This split is to ensure better focus and responsibility mapping, with Regulatory Compliance focusing on keeping abreast with regulatory developments and compliance risk status, whilst Operational Compliance working more closely with business units to close internal policies and processes gaps.

Risk and Compliance Culture

The risk and compliance culture is driven by a strong tone from the top. It serves as the foundation in which robust enterprise-wide risk management structures and governance are built. This is to ingrain the expected values and principles of conduct that shape the behaviour and attitude of employees at all levels of business and activity across the Group.

Risk and compliance culture programmes are emplaced and driven by the Board and Senior Management encompassing, among others, core values, induction programmes, engagement sessions and e-learning. In 2023 the Group also organised its inaugural Governance Awareness Month in October, to educate all employees on the importance of risk identification and escalation, as well as refreshing their knowledge of the Risk Management and Compliance policies.

Compliance Policy

This Board-approved policy outlines the structure and key processes, for identifying and ensuring compliance with applicable laws and regulations, and internal policies and procedures. It serves to promote the importance of regulatory and operational compliance, and the connection to corporate values, as well as to ensure compliance obligations are met by establishing monitoring and reporting mechanisms for instances of non-compliance and tracking remedial actions. Compliance obligations registers are consolidated for review and monitoring by the Board, through the Risk Management Committee.

The Group Compliance Policy was last reviewed and approved in November 2023 Board of Directors meeting with the addition of definition on Chief Risk and Compliance Officer and Compliance Risk, and responsibilities of Risk Management Committee.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT

The Group Internal Audit function is governed by the International Professional Practices Framework ("IPPF") that organises authoritative guidance promulgated by The Institute of Internal Auditors ("IIA"), a global, guidance setting body. The IIA provides internal audit professionals worldwide with authoritative guidance organised in the IPPF.

The Group Internal Audit function provides independent assurance on the adequacy and effectiveness of the systems of internal controls. High impact risk areas identified are periodically assessed and forms the basis of the risk-based internal audit plan and strategy. Internal Audit activities are approved by and are monitored quarterly by the Board, through the Audit Committee. Remedial actions by Management arising from internal audit findings are tracked by the Audit Committee until resolution. A summary of key activities performed by the Internal Audit function as well as Audit Committee oversight is available in the Audit Committee Report on pages 119 to 122.

The Group has an in-house Internal Audit Department which is based in its subsidiary, Tune Insurance Malaysia Berhad. The Group Head of Internal Audit, Mr Suresh Maria Alexander, is a Certified Internal Auditor and a Chartered Fellow Member of IIA Malaysia. There were five (5) full time employees in the Internal Audit function as of 31 December 2023, including the Group Head of Internal Audit.

In 2023 the Audit Committee and Management have established another unit of Internal Audit to provide oversight for Tune Insurance Public Company Ltd. (Tune Protect Thailand) Internal Audit team, and provide audit services for subsidiaries and joint venture companies; Tune Protect Re Ltd., Tune Protect Ventures Sdn. Bhd., White Label Sdn. Bhd., and Tune Protect Commercial Brokerage LLC (Tune Protect EMEIA). This unit is manned by Mr. Anbu Kandasamy, who is a Chartered Member of the Institute of Internal Auditors and is a Certified Fraud Examiner.

During the year, the Group also engaged the services of Deloitte Business Advisory Sdn Bhd (Deloitte) for IT Audit Services. The audit scope for Deloitte has been agreed and approved by the Audit Committee, and includes IT General Controls Review and Cybersecurity Review. The remedial actions arising from these reviews are tracked as part of Internal Audit findings, and are reported to the Audit Committee on quarterly basis until resolution.

The Board confirmed that the internal audit personnel are free from any relationships or conflicts of interest which could impair their objectivity and independence, and the Internal Audit activities performed are in accordance with a recognised framework. The total costs incurred by the Group Internal Audit function performed in-house and outsourced to Deloitte for the year ended 31 December 2023 was RM905,231.

INTERNAL CONTROL

An effective internal control system provides reasonable assurance that the Group continues to pursue its goals in a manner that is effective and efficient, produces accurate and reliable reporting, and is always in compliance with applicable laws and regulations. All policies are reviewed and approved by the Board. Elements of the Group's internal control system include but not limited to the following:

Organisation Structure

The Board has established clear reporting lines, authorities, roles and responsibilities to support the internal control system. The Management assists the Board in their oversight on the day-to-day operations of the business.

Annual Business Plan and Budget

The annual business plan and budget are tabled to the Board for approval and the Group's performance against the budget is monitored by the Board quarterly.

Code of Conduct

The Code of Conduct ("CoC") governs how we interact with our stakeholders – with integrity and respect for our business partners, shareholders, and employees. The CoC can be found in the corporate website at **tuneprotect.com**.

Code of Business Conduct for Third Parties

The Code of Business Conduct for Third Parties ("CoBC") mirrors the CoC for Tune Protect personnel. It serves to provide our agents, business partners, suppliers, contractors, vendors and all other external collaborators, with a concise understanding into our "Dos and Don'ts", the policies and laws that apply and the approved way to conduct business as law abiding corporate citizens.

Both the CoC and CoBC provide Tune Protect personnel and external third parties with the assurance that Tune Protect believes in conducting business with the highest standards of integrity, in accordance with all applicable laws and with ZERO TOLERANCE against bribery and corruption. The CoBC can be found in the corporate website at **tuneprotect.com**.

Employee Handbook

This handbook is a compilation of the policies, procedures, working conditions and behavioural expectations that guide our employees' actions in the workplace. Established disciplinary procedures and steps for raising grievances are described within.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Anti-Bribery and Corruption Policy

The policy reinforces the Group's zero tolerance and commitment against fraud, bribery and corruption by promoting a culture of integrity within the Group. It sets out the responsibilities for development and operations of internal control and provides assurance that all irregularities or suspected irregularities involving employees, shareholders, consultants, vendors, external agencies and any other parties in a business relationship with the Group will be fully investigated.

Whistleblowing Policy and Procedures

The Whistleblowing Policy and Procedures is applicable to all parties (Directors, employees and third parties). All reports under this policy and procedures are securely logged and confidentially channelled to the Chairman of the Risk Management Committee. This channel of reporting provides assurance that all disclosures will be appropriately investigated objectively and confidentially. The policy and procedures can be found in the corporate website at **tuneprotect.com**.

Sustainability Policy

The Group has a Sustainability Policy that sets out some guidelines and its commitment to Economic, Environmental and Social (EES) aspects of the business. This Policy applies to directors and employees of the Group. This policy can be found in the corporate website at **tuneprotect.com**.

Refer to Sustainability Statement on pages 40 to 93 in this Integrated Annual Report, for further details.

Underwriting and Claims

Underwriting Guidelines and Policy are established to manage and adequately assess risks being underwritten. Claims Policy and Procedures detail the written operational controls surrounding claims handling and settlement processes.

Information Technology ("IT")

The Group has diligently established robust information security systems and standards to safeguard the confidentiality, security, and integrity of data, ensuring strict adherence to regulatory requirements, including the BNM Policy Document on Risk Management in Technology for Tune Insurance Malaysia Berhad. Within this framework, every subsidiary bears the responsibility of implementing IT strategies that seamlessly align with the overarching business objectives, all while operating under the vigilant supervision of the Group Executive Committee.

This multilayered responsibility encompasses the formulation of comprehensive IT plans, accurately tailored to meet organisational needs, and diligent oversight of the execution of endorsed IT projects and initiatives. Such measures are integral to ensuring the Group's resilience in the face of evolving technological and regulatory landscapes, thereby fortifying our operational efficiency, and safeguarding our assets.

Operating Policies and Procedures

The Group has implemented a Policy and Procedures Governance Policy to oversee the management of policies and procedures across the Group. The policy applies to employees tasked with developing and managing policy and procedure documents. The policy was last reviewed and approved in November 2023 Board of Directors meeting, with no material changes made.

Departmental manuals and written operational controls such as financial authority limits, communication policy, claims and payment procedures, among others, are established and continuously updated to guide employees in their day-to-day execution of tasks.

OTHER MATTER

The disclosures in this Statement on Risk Management and Internal Control do not include the risk management and internal control practices of the associate and joint venture companies, where the Company does not have majority controlling interest.

ASSURANCE FROM MANAGEMENT

The Board has received written assurance from the Group Chief Executive Officer and Group Chief Financial Officer that to the best of their knowledge, information and belief, the Group's systems of risk management and internal control are operating adequately and effectively, and there is no breach of law/ regulation, corruption and fraud, during the year under review. Based on the reports and the risk registers that were presented to the Board in 2023, the Board is satisfied that there is an effective and adequate risk management and internal control system in place, and there were no significant issues reported for the year ended 31 December 2023.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement, intended to be included in the annual report, is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate. The external auditors are not required by AAPG 3 to consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk management and control procedures.

This Statement on Risk Management and Internal Control was approved by the Board on 29 March 2024.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"):

1.0 Long Term Incentive Plan ("LTIP")

The Company had established a LTIP of up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for eligible Directors and employees of the Group (excluding dormant subsidiaries) at any point in time during the 10-year period of LTIP, as approved by the shareholders at the Extraordinary General Meeting held on 27 June 2022. The LTIP which consists of Employees' Share Option Scheme ("ESOS") and Share Grant Plan ("SGP") was implemented on 30 September 2022, replacing the previous ESOS which was terminated on even date.

Disclosures of ESOS and SGP information pursuant to Appendix 9C, Part A, Section 27 of the MMLR of Bursa Securities are as follows:

1.1 ESOS

(a) The total number of options granted, exercised and outstanding under the ESOS as at 31 December 2023 is set out in the table below:

	Number of Options	
Description	All Eligible Employees of the Group (excluding dormant subsidiaries)*	Group Chief Executive Officer of the Company
No. of options granted	17,376,108	5,638,200
No. of options exercised	500,000	500,000
No. of options outstanding	16,876,108	5,138,200

* The Group Chief Executive Officer of the Company is part of all eligible employees of the Group.

(b) Options granted to the Executive Directors and Senior Management of the Company are set out in the table below:

Granted to Executive Directors and Senior Management	During the financial year ended 31 December 2023 (%)	Since commencement of the LTIP on 30 September 2022 up to 31 December 2023 (%)
Aggregate maximum allocation	75.00	75.00
Actual options granted	18.25	18.25

1.2 SGP

Since commencement of the LTIP on 30 September 2022 up to 31 December 2023, the Company did not grant any shares to the Executive Directors and employees of the Group (excluding dormant subsidiaries) under the SGP.

The Non-Executive Directors within the Group are not eligible to participate in the LTIP.

ADDITIONAL COMPLIANCE INFORMATION

2.0 Audit and Non-Audit Fees Paid to External Auditor

The amount of audit and non-audit fees incurred for services rendered to the Company and the Group by Ernst & Young PLT ("EY"), the external auditors of the Company, and/or a firm or corporation affiliated to EY, during the financial year ended 31 December 2023 were as follows:

For the financial year ended 31 December 2023	The Company (RM'000)	The Group (RM'000)
Audit Fees:		
- Statutory audits	118	1,039
- Regulatory related services	62	152
Non-Audit Fees	10	65

The audit and non-audit fees are also disclosed in Note 24 of the Audited Financial Statements.

3.0 Material Contracts Involving the Interests of the Directors and/or Group Chief Executive Officer, Who Is Not a Director and/or Major Shareholder

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the Directors and/or Group Chief Executive Officer, who is not a Director and/or Major Shareholder, either still subsisting at the end of the financial year ended 31 December 2023 or if not then subsisting, entered into since the end of the previous financial year.

4.0 Utilisation of Proceeds

There were no proceeds raised from any corporate proposals during the financial year ended 31 December 2023.

5.0 Recurrent Related Party Transactions of a Revenue or Trading Nature

At the AGM held on 22 June 2023, the Company had obtained a shareholders' mandate to allow the Company and/or its subsidiaries to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature from 22 June 2023 to 19 June 2024.

Pursuant to Paragraph 10.09(2)(b) of the MMLR and Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Securities, the details of the RRPTs entered into by the Group during the financial year ended 31 December 2023 were as follows:

	Transacting Parties	Nature of RRPTs	Class and Relationship of the Related Parties	Actual Value (RM'000)
1	AirAsia Berhad [Registration No. 199301029930 (284669-W)]	Provision of right to access AirAsia Berhad's customer database for the purposes of overall insurance business of AirAsia Berhad and the provision of management services by the Group to AirAsia Berhad's travel insurance business.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	2
		Provision of travel insurance by Tune Insurance Malaysia Berhad to AirAsia Berhad's customers for flights originating from Malaysia, resulting in underwriting commission received by AirAsia Berhad.		7,749

ADDITIONAL COMPLIANCE INFORMATION

Transacting Parties	Nature of RRPTs	Class and Relationship of the Related Parties	Actual Value (RM'000)
2 PT Indonesia AirAsia (Company No. 09.03.1.62.29927)	Provision of right to access PT Indonesia AirAsia's customer database for the purposes of overall insurance business of PT Indonesia AirAsia and the provision of management services by the Group to PT Indonesia AirAsia's travel insurance business.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	1
3 Tune Group.com Limited (Company No. 59919) or its assignee Tune Group Sdn. Bhd. [Registration No. 200701040836 (798868-P)]	Provision of the licence and right to the Group to use the 'Tune Insurance' trademark by Tune Group.com Limited or its assignee Tune Group Sdn. Bhd.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun	6,670
	Rental and utilities charges payable on a monthly basis for three (3) office units across three (3) floors at Wisma Tune (now known as Wisma Capital A).	• Tune Group Sdn. Bhd.	1,538
4 SP&G Gallagher Insurance Brokers Sdn. Bhd. [Registration No. 197401002891 (20041-H)]	Provision of insurance broking and consultancy services by SP&G Gallagher Insurance Brokers Sdn. Bhd. to Tune Insurance Malaysia Berhad pursuant to the broking arrangement between SP&G Gallagher Insurance Brokers Sdn. Bhd. and Tune Insurance Malaysia Berhad.	**Interested Major Shareholders** • Datuk Kamarudin bin Meranun	1,929
	Provision of insurance broking and consultancy services by SP&G Gallagher Insurance Brokers Sdn. Bhd. to Tune Protect Re Ltd. pursuant to the Personal Accident and Sickness Travel Facultative Reinsurance arrangement between SP&G Gallagher Insurance Brokers Sdn. Bhd. and Tune Protect Re Ltd.		0
5 Thai AirAsia Co. Ltd. (Company No. 0105546113684)	Provision of right to access Thai AirAsia Co. Ltd.'s customer database for the purposes of overall insurance business of Thai AirAsia Co. Ltd. and the provision of management services by the Group to Thai AirAsia Co. Ltd.'s travel insurance business.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	5
6 BIGLIFE Sdn. Bhd. [Registration No. 201001040731 (924656-U)]	Purchase and redemption of loyalty points, i.e. BIG Points under the Big Rewards Programme operated and managed by BIGLIFE Sdn. Bhd. for Tune Insurance Malaysia Berhad's customers who are BIG members pursuant to the Issuance and Redemption Agreement entered into between Tune Insurance Malaysia Berhad and BIGLIFE Sdn. Bhd.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	38

ADDITIONAL COMPLIANCE INFORMATION

Transacting Parties	Nature of RRPTs	Class and Relationship of the Related Parties	Actual Value (RM'000)
7 AirAsia Com Travel Sdn. Bhd. (AirAsia MOVE) [Registration No. 201301020508 (1050338-A)]	Provision of multiple insurance products by Tune Insurance Malaysia Berhad to AirAsia Com Travel Sdn. Bhd.'s customers for the Malaysian market, resulting in underwriting commission or any fee income received by AirAsia Com Travel Sdn. Bhd.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	96
8 AirAsia SEA Sdn. Bhd. [Registration No. 201301015339 (1045172-A)]	Provision of service to refund insurance premium for AirAsia's customers who bought insurance together with flight tickets, pursuant to the Services Agreement entered into between Tune Protect Re Ltd. and AirAsia SEA Sdn. Bhd.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	0
9 Tune Talk Sdn. Bhd. [Registration No. 200601001210 (720957-V)]	Provision of insurance products by Tune Insurance Malaysia Berhad to Tune Talk Sdn. Bhd.'s subscriber base through affinity partnership, resulting in marketing fee received by Tune Talk Sdn. Bhd., and any such fees and/or commission received/paid arising therefrom.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun	0
10 AirAsia X Berhad [Registration No. 200601014410 (734161-K)]	Provision of travel insurance by Tune Insurance Malaysia Berhad to AirAsia X Berhad's customers for flights originating from Malaysia, resulting in underwriting commission received by AirAsia X Berhad.	**Interested Major Shareholders** • Tan Sri Anthony Francis Fernandes • Datuk Kamarudin bin Meranun • Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	1,607

INTERNAL POLICIES

Polices are established to administer standard day-to-day operations and to manage the expected risks of Tune Protect. The Group's policies are formulated to incorporate current regulatory requirements as well as industry best practices.

The established policies have been endorsed by the Risk Management Committee and approved by our Board for implementation across the Group, where relevant. Approved policies are cascaded to the relevant stakeholders in a timely manner.

Our policies are reviewed periodically to keep abreast with the perpetual development of the industry profile on regulatory requirements, risks and internal control measures for mitigation and on new products and services. Some of the key policies of the Group are listed below:

TITLE	DESCRIPTION
Group Communication Policy	This policy establishes guidelines for communications by the Company. It covers the release of information about the Company to the public, media, customers, authorities, investors, financial community and other stakeholders. The policy also clarifies the obligations employees have regarding their personal use of Digital Media where this is related to their work for Tune Protect. The policy has further integrated the Corporate Disclosure Policy which also covers climate related-disclosures.
Group Investor Relations Policy	This policy sets out the manner which the Investor Relations programme will be executed, and the internal procedures related to its activities. The programme sets out to fairly and accurately represent the Company's operations, strategy and financial performance to enable its shareholders and the investment community to make informed investment decisions.
Group Sustainability Policy	The Group Sustainability Policy sets out some guidelines and its commitments to Economic, Environmental & Social (EES) aspects of the business, which are aligned with Bursa Malaysia's Sustainability Reporting Guide.
Group Credit Control Policy	This document provides a clear guidance on the guided principles of effective receivables management.
Group Dividend Policy	This document provides clear guidelines on proposing, determining, application, approval and payment of dividend to shareholders, to ensure consistency and transparency of the entire dividend declaration and payment process.
Group Limit of Authority	This document provides clear guidelines for the approval and authorisation of financial transactions during the ordinary course of business of the Company.
Group Investment Policy	This document sets out to provide a framework for the management of the Company's investment assets and also set the objectives, goals and guidelines to guide the investment of the Company's assets to ensure funds are available to meet the liabilities of the businesses as they become due and payable by establishing acceptable levels of return, risks and liquidity.
Group Corporate Governance Policy	This policy aims to ensure that the Company is managed in a sound and prudent manner and effectively in accordance with the direction of the Board.
Group Fit & Proper Policy	The policy aims to ensure that the members of the Board and Senior Management possess the necessary qualities, competencies and experience to perform their duties and responsibilities in the most effective manner.

INTERNAL POLICIES

TITLE	DESCRIPTION
Group Related Party Transactions Policy	The policy aims to provide the framework for evaluating potential conflicts of interest, independence factors and disclosure obligations arising out of transactions, arrangements and relationships between the Company and its related persons.
Code of Conduct	This document sets out to provide guidance to the Company on the three values that are upheld by the Company and its employees. This document encompasses diversity and inclusion, antiharassment, anti-bribery, anti-violence, health & safety and so on.
Group Anti-Bribery and Corruption Policy	This policy outlines the Company's commitment and framework against fraud, bribery and corruption. It also sets out to promote a culture of integrity within the company by providing clear guidelines to Employees and Business partners, forbidding them from getting involved in any fraudulent activity as well as actions that they need to take if they become aware such activity.
Group Whistleblowing Policy	This policy helps to encourage employees and third parties to report perceived unethical or illegal conduct of employees, management and other stakeholders across the Company in a confidential manner without any fear of harassment, intimidation or reprisal from anyone for raising concern(s) under this policy. It also helps promote and develop a culture of openness, accountability and integrity.
Internal Audit Charter Policy	This policy outlines the role of the Group Internal Audit's function in the governance and control aspects of the company. This includes the role, professionalism, authority, organisational independence, objectivity and responsibility of the audit function, and requirements related to annual audit plans, reporting, monitoring and quality assurance.
Group Business Continuity Management ("BCM") Policy	The purpose of this BCM Policy is to ensure that services that are critical to the Company's objectives continue despite the occurrence of a potentially disruptive event. It sets out to guide the Company to stabilise the effects of such events and return to normal operations with full recovery as soon as possible, and within acceptable timelines.
Group Risk Management Policy	The policy sets out to provide a systematic approach to the early identification and management of risks. It also provides consistent risk assessment criteria and makes available accurate and concise risk information that informs decision making which may include business direction. This policy also helps in the adoption of risk treatment strategies that are cost effective and efficient in reducing risk to an acceptable level.
Operations & Reinsurance Policy (Tune Protect Re)	This document provides guidance on managing new or existing business partners, user acceptance testing, premium and claims reporting, billing & payments and customer experience.
Group Employee Handbook	This document is a compilation of the policies, procedures, working conditions, and behavioural expectations that will guide our employees' actions in our workplace.
Group Sexual Harassment Policy	The purpose of this policy is to provide a safe environment for all its employees free from discrimination on any ground and from harassment at work including sexual harassment.
Group Internal Control Policy	This document details the minimum standards of Internal controls expected to be in operation at group level. It is the responsibility of the management teams to ensure that these standards are in place. Sound internal control is best achieved by a process that is firmly embedded within a business's day-to-day operations and forms part of its culture.
Group Compliance Policy	This policy set out the governance structure and responsibilities to promote the safety and soundness of the Company as a financial institution by minimising financial, reputational and operational risks arising from legal and regulatory non-compliance. This policy also formalises the establishment of Compliance as an independent function and defines the fundamental principles, scope, roles, responsibilities, authority and ethical standards of the Compliance Department.

INTERNAL POLICIES

TITLE	DESCRIPTION
Group Policy and Data Risk Management Policy	This policy aims to protect the Personal Data and Confidential Information that may be collected during Tune Protect Malaysia's operations and business activities; and to facilitate effective management of information assets and its associated risk across the organisation guided by the information handling rules in accordance to the information lifecycle.
Claims Policy	This policy sets out the minimum standards for claims handling practices.
Underwriting Policy	The documents provide guideline to the classes of Motor and Non-Motor insurance businesses that the Company underwrites.
Product Development Policy	This policy specifies the policies and procedures for the product development processes. It also outlines the roles and responsibilities of the Product Steering Committee (PSC) who oversees and sets the product strategy to ensure it aligns with overall business goals and strategic directions.
Pricing Policy for Motor and Fire Products	This policy set out the policies and procedures for pricing and re-pricing exercises of the General Insurance businesses' Motor and Fire products.
Re-pricing Policy on Medical and Health Insurance Product	This policy sets out the general business rules and practice on rates review, including management responsibilities and other considerations when determining the appropriate premium rates for medical and health insurance products.
Group IT Security Policy	This policy establishes standard of practice that complies with internal, statutory and regulatory requirements in managing technology operation and cyber risks.
Technology Risk Management Policy	This policy sets out the guidance for carrying out each of the steps in the technology risk assessment process and the key areas of technology risk. This is to ensure an effective assessment and analysis for enterprise-wide risk are achieved.
Cyber Resilience Policy	This policy outlines the principles for Cyber Resilience and to manage potential cybersecurity incidents that includes several key components such as Identify, Protect, Detect, Respond and Recover which emphasises on identifying and describing the current security posture, developing improvement action plans for the gaps identified and ensuring business continuity.
Group Senior Management Remuneration Policy	This document sets out the remuneration principles and guidelines for Senior Management and other employees of Tune Protect Group Berhad and subsidiaries.
Reinsurance Policy	This Policy outlines the policy and procedures that enable the Company to manage and administer its reinsurance arrangement.
Group Infrastructure Policy - Endpoint & Office Productivity	This policy provides a comprehensive overview of procuring, installing, and maintaining hardware and software resources within the Company. It encompasses IT Asset Management, Password Policies, Endpoint Detection and Response (EDR), User Training and awareness, and New Joiner Account Management.
Group Infrastructure Policy - Network & Server	This policy outlines a thorough framework for restoring IT services after a disaster, covering critical areas such as data backup and recovery planning. The goal is to minimize downtime, ensure operational continuity, and safeguard critical business information. Following these guidelines allows the organization to respond effectively to unforeseen events, recover quickly, and resume normal operations with minimal disruption.

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

Principal activities

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries. The principal activities and other information of the subsidiaries are set out in Note 5 to the financial statements.

Results

	Group 2023 RM'000	Company 2023 RM'000
Net profit/(loss) for the year	245	(9,605)
Profit/(Loss) attributable to:		
Equity holders of the Company	(947)	(9,605)
Non-controlling interests	1,192	-
	245	(9,605)

There were no material transfers to or from reserves, allowances or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, other than those arising from the adoption of MFRS 17 *Insurance Contracts*, as disclosed in Note 2.4.

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend any dividend payment in respect of the current financial year.

DIRECTORS' REPORT

Directors

The names of the directors of the Company and its subsidiaries in office since the beginning of the financial year to the date of this report are:

	Directors of the entities					
	Holding Company	Subsidiaries				
Name of Director	TPG*	TIMB*	TPR*	TDL*	WL*	TPV*
Dato' Mohamed Khadar Bin Merican (Chairman of TPG)	✓	-	✓	-	-	-
Tan Ming-Li	✓	✓	-	-	-	-
Mohamed Rashdi Bin Mohamed Ghazalli	✓	✓	-	-	-	-
Aireen Omar	✓	-	-	-	-	-
Kelvin Desmond Malayapillay	✓	-	-	-	-	-
Dr Grace Lee Hwee Ling	✓	-	-	-	-	-
Jayakumar A/L Somasundram	-	✓	-	-	-	-
Lim Chong Beng	-	✓	-	-	-	-
Rohit Chandrasekharan Nambiar	-	✓	-	-	-	-
Mohd Yusof Hafiz Bin Mohamad	-	-	-	✓	-	-
Dixon Wong Kit Seng	-	-	-	-	✓	-
How Kim Lian	-	-	✓	✓	✓	✓
Koot Chiew Ling	-	-	-	-	-	✓

* *TPG - Tune Protect Group Berhad*
TIMB - Tune Insurance Malaysia Berhad
TPR - Tune Protect Re Ltd.
TDL - Tune Direct Ltd.
WL - White Label Sdn. Bhd.
TPV - Tune Protect Ventures Sdn. Bhd.

Directors' benefits

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company or its subsidiaries were a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors from the Company and related corporations, or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest.

	Group RM'000	Company RM'000
Fees	1,250	890
Allowances and other emoluments	441	345
Insurance effected to indemnify directors *	100	100
	1,791	1,335

During the financial year, the Company purchased a Directors' and Officers' Liability insurance cover to provide indemnity to all directors of the TPG Group for a limit of RM30,000,000 at a premium of RM100,000.

The Company has agreed to indemnify its directors as part of the terms of their appointment against claims by third parties. No payment has been made to indemnify directors for the financial year ended 31 December 2023.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company or its related corporations during the financial year were as follows:

	Number of ordinary shares			
	As at 1.1.2023 '000	Acquired '000	Disposed '000	As at 31.12.2023 '000
Direct interests:				
Director of the Company:				
Aireen Omar	500	100	-	600
Director of the subsidiaries:				
Rohit Chandrasekharan Nambiar	1,001	642	-	1,643

DIRECTORS' REPORT

Directors' interests (cont'd)

	Number of options over ordinary shares			
	As at 1.1.2023 '000	Granted '000	Exercised '000	As at 31.12.2023 '000
Director of the subsidiaries:				
Rohit Chandrasekharan Nambiar	-	5,638	(500)	5,138
How Kim Lian	-	1,395	-	1,395
Mohd Yusof Hafiz Bin Mohamad	-	768	-	768
Dixon Wong Kit Seng	-	578	-	578
Koot Chiew Ling	-	576	-	576

Other than as disclosed above, none of the directors in office at the end of the financial year had any interest in shares of the Company or its related corporations during the financial year.

Long Term Incentive Plan ("LTIP")

On 30 September 2022, the Company launched a Long Term Incentive Plan ("LTIP") where the Company is allowed to grant up to 10% of the issued share capital of the Company (excluding treasury shares, if any) at any point in time. The LTIP replaces the previous Employee Share Option Scheme which was terminated on the same day.

The LTIP comprises a Share Grant Scheme ("LTIP - SGS") and a Employee Share Option Scheme ("LTIP - ESOS"). To date, the Company has granted LTIP - ESOS to the senior management members using an allocation matrix of performance and potential (leadership, role criticality and targetted progression). The LTIP is valid for a period of 10 years from 30 September 2022.

The members of the committee administering the LTIP were as follows:

Aireen Omar
Mohamed Rashdi Bin Mohamed Ghazalli
Rohit Chandrasekharan Nambiar
Yap Hsu Yi

The salient features and other terms of the LTIP - ESOS are disclosed in Note 25 to the financial statements.

Other statutory information

(a) Before the statements of financial position and statements of comprehensive income of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowances for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowances had been made for doubtful debts; and
(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the allowances for doubtful debts of the Group and of the Company inadequate to any substantial extent; and
(ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

Other statutory information (cont'd.)

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
(ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year other than those arising in the normal course of business of the Group and the Company.

(f) In the opinion of the directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and
(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

For the purpose of paragraphs (e)(ii) and (f)(i) above, contingent or other liabilities do not include liabilities arising from insurance and reinsurance contracts underwritten in the ordinary course of business of the Group.

Significant and subsequent events

The significant and subsequent events during the financial year end are disclosed in Note 39 to the financial statements.

Auditors and auditors' remuneration

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	1,256	190
Other auditors	13	-
	1,269	190

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 March 2024.

Dato' Mohamed Khadar Bin Merican

Dr Grace Lee Hwee Ling

Kuala Lumpur, Malaysia

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act, 2016

We, Dato' Mohamed Khadar Bin Merican and Dr Grace Lee Hwee Ling, being two of the directors of Tune Protect Group Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 146 to 298 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 29 March 2024.

Dato' Mohamed Khadar Bin Merican

Dr Grace Lee Hwee Ling

Kuala Lumpur, Malaysia

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, How Kim Lian (MIA Membership No. CA 16335), being the officer primarily responsible for the financial management of Tune Protect Group Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 146 to 298 are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed How Kim Lian at)
Kuala Lumpur in the Federal Territory)
on 29 March 2024.)

How Kim Lian

Before me,

PESURUHJAYA SUMPAH
NO. PJS: W706
TIONG SUOK HOON
No. Sijil Amalan Peguam: BC/T/1102
Tempoh Lantikan: 01-01-2022 - 31-12-2024
MALAYSIA
No. 109A, Batu 3 ¾
Jalan Kelang Lama
58000 Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

to the members of Tune Protect Group Berhad
(Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tune Protect Group Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 146 to 298.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Valuation of Insurance Contract Liabilities

The Group's insurance contract liabilities as of 31 December 2023 amounted to RM650 million, which is approximately 91% of its total liabilities. These liabilities include the liabilities for incurred claims and liabilities for remaining coverage of the insurance and reinsurance subsidiaries, Tune Insurance Malaysia Berhad and Tune Protect Re Ltd.

These liabilities have been estimated based on standard actuarial valuation methodologies and other estimation models as allowed under the Malaysian Financial Reporting Standards and International Financial Reporting Standards, as well as the accounting policies described in Notes 2.3(l) for liabilities for incurred claims and liabilities for remaining coverage, respectively.

The complexity of the actuarial valuation methodologies and other estimation models applied to derive the liabilities for incurred claims and liabilities for remaining coverage may give rise to estimation errors due to inadequate or incomplete data, the design and application of relevant valuation models by the management's experts (i.e., the Appointed Actuaries), and the use of inappropriate or outdated assumptions. Significant professional judgement is applied by the Group in deriving these assumptions (as described in Note 2.6 to the financial statements), and any significant changes may have a material effect on the insurance contract liabilities.

INDEPENDENT AUDITORS' REPORT

to the members of Tune Protect Group Berhad
(Incorporated in Malaysia)

Key audit matters (cont'd.)

Valuation of Insurance Contract Liabilities (cont'd.)

Estimates of liabilities for incurred claims have to be made for both the expected ultimate costs of claims already reported at the reporting date and for the expected ultimate costs of claims incurred but not yet reported ("IBNR") as of the financial year-end. The estimates of liabilities for remaining coverage are based on the higher of the liabilities for remaining coverage excluding loss component, as estimated by management, and the fulfilment cash flows, as estimated by the Appointed Actuaries. The estimation of insurance contract liabilities is sensitive to various factors and uncertainties as discussed in Note 33(a). Significant management judgement is applied in setting these assumptions.

Our audit procedures focused on the following key areas:

- Understanding and documenting the qualifications, objectivity, and independence of the management's experts tasked with estimating the insurance contract liabilities of the Group.

- Reviewing the reports prepared by the management's experts in respect of the insurance contract liabilities of the Group.

- Assessing the design and testing the operating effectiveness of internal controls over the actuarial valuation process with respect to financial reporting.

- Testing the completeness and sufficiency of data used in the valuation of insurance contract liabilities. These tests also included control tests performed on a selected sample of claims reserves, claims paid, and insurance policies issued by the Group to ascertain the effectiveness of operating controls over the quality and accuracy of the underlying data.

- Assessing the experience analyses of the insurance and reinsurance subsidiaries used during the setting of the key assumptions to derive the insurance contract liabilities and challenging the rationale applied by the management's experts and management in deriving those assumptions. In addition, and where appropriate, comparisons have also been made against other industry constituents and the experience of the respective subsidiaries.

- Performing independent analyses and re-computation of the insurance contract liabilities for selected classes of business, focusing on the most significant business portfolio and those which may potentially result in significant deviations in estimates. We have also considered the impacts of the COVID-19 pandemic on the assumptions and methodologies applied by the Group in deriving the valuation of the insurance contract liabilities. We compared our independent analyses and re-computations to those performed by management to ascertain if the reserves were sufficient and within the range of our independent analyses.

- Performing tests on the liabilities for remaining coverage excluding loss component calculations produced by management and thereafter, comparing the liabilities for remaining coverage excluding loss component against the fulfilment cash flows valuations performed by the management's experts to ascertain if adequate reserves have been established.

- Reviewing management's estimation of the calculated net reinsurance contract assets and their assessment of the credit quality and security of the underlying reinsurance counterparties; and

- Assessing the adequacy of disclosures made in respect of the insurance contract liabilities of the Group as disclosed in Note 10.

We have also engaged our Actuarial Services professionals in accordance with the requirements of International Standard on Auditing 620: Reliance on the Work of an Auditors' Expert to assist us in performing our audit procedures on the insurance contract liabilities of the Group.

Cybersecurity

On 15 December 2023, an asset of the Group was compromised, and subsequently, on 19 December 2023, the Group detected a cybersecurity breach. During this incident, certain critical servers were compromised and encrypted by ransomware on 18 December 2023.

INDEPENDENT AUDITORS' REPORT

to the members of Tune Protect Group Berhad
(Incorporated in Malaysia)

Key audit matters (cont'd.)

Cybersecurity

As the Group relies on its integrated information technology system to process data from its operations, there may be a risk that the cybersecurity breach incident could have affected the data used in the preparation of the financial statements.

Accordingly, we have identified this as an area of audit focus.

Our audit procedures focused on the following key areas:

- Understanding and documenting the qualifications, objectivity, and independence of the management's experts tasked with estimating the insurance contract liabilities of the Group.
- Evaluating the competence, capabilities, and objectivity of the third-party consultants. We also assessed the procedures and findings by the third-party consultants and engaged our internal specialist team in this assessment.
- Assessing procedures performed by management in their evaluation of the impact of the cybersecurity breach on those systems whose data were used in the preparation of the Group's financial statements.
- Performing additional audit procedures to assess the completeness and accuracy of data on suspected compromised systems. These procedures include, among others, the following:
    - Performing data analytics on revenue, receivables, and cash to identify any unusual transactions.
    - Testing additional samples related to insurance revenue, insurance services expenses, expenses from reinsurance contracts held, the investment income, and other income and expenses.
    - Performing additional reconciliations between system data and the management and regulatory reports.
- Assessing procedures performed by management in their evaluation of the impact of the cybersecurity breach on those systems whose data were used in the preparation of the Group's financial statements.
- Assessing the adequacy of disclosures made regarding the cybersecurity incident, as disclosed in Note 39(e).

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Annual Report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

INDEPENDENT AUDITORS' REPORT

to the members of Tune Protect Group Berhad
(Incorporated in Malaysia)

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT

to the members of Tune Protect Group Berhad
(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 5 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kannan A/L Rajagopal
No. 03490/03/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
29 March 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	Group			Company	
		31 December		1 January	31 December	
		2023 RM'000	2022 RM'000 Restated	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Assets						
Property and equipment	3	**3,353**	3,928	3,977	**693**	970
Intangible assets	4	**38,368**	29,047	19,639	**358**	392
Right-of-use assets	15	**6,913**	3,273	3,972	**4,887**	716
Investments in subsidiaries	5	**-**	-	-	**199,129**	199,129
Investment in an associate	6	**33,689**	35,942	51,771	**40,955**	40,955
Investment in a joint venture company	7	**1,281**	2,045	5,878	**433**	433
Goodwill	8	**24,165**	24,165	24,165	**-**	-
Investments	9	**724,372**	682,614	757,975	**40,858**	47,647
Deferred tax assets	13	**468**	1,091	1,278	**-**	-
Insurance contract assets	10	**16,656**	14,522	32,483	**-**	-
Reinsurance contract assets	10	**340,440**	445,838	578,586	**-**	-
Other receivables	11	**43,479**	44,734	6,206	**12,553**	13,098
Tax recoverable		**14,964**	28,150	28,342	**112**	-
Cash and bank balances		**45,736**	41,371	12,400	**2,357**	3,002
Total assets		**1,293,884**	1,356,720	1,526,672	**302,335**	306,342
Equity						
Share capital	12	**248,756**	248,519	248,519	**248,756**	248,519
LTIP - ESOS reserve		**1,342**	-	2,887	**1,342**	-
Foreign currency translation reserve		**6,717**	9,645	10,097	**-**	-
Other comprehensive income ("OCI") reserve		**(363)**	199	(47)	**-**	-
Other reserve		**499**	343	220	**-**	-
Retained earnings		**266,217**	267,164	302,251	**43,382**	52,987
Equity attributable to owners of the parent		**523,168**	525,870	563,927	**293,480**	301,506
Non-controlling interests		**53,002**	51,810	106,337	**-**	-
Total equity		**576,170**	577,680	670,264	**293,480**	301,506
Liabilities						
Insurance contract liabilities	10	**649,555**	709,671	794,667	**-**	-
Reinsurance contract liabilities	10	**665**	752	3,728	**-**	-
Lease liabilities	15	**7,219**	3,420	4,195	**4,980**	740
Other payables	14	**60,275**	65,197	53,818	**3,875**	4,096
Total liabilities		**717,714**	779,040	856,408	**8,855**	4,836
Total equity and liabilities		**1,293,884**	1,356,720	1,526,672	**302,335**	306,342

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Insurance revenue	16	**374,139**	481,901	**-**	-
Insurance service expenses	17 , 24	**(256,278)**	(242,847)	**-**	-
Insurance service result before reinsurance contracts held		**117,861**	239,054	**-**	
Allocation of reinsurance premiums		**(93,124)**	(184,945)		
Amounts recoverable from reinsurers for incurred claims	18	**(30,934)**	(43,302)	**-**	-
Net expense from reinsurance contracts held		**(124,058)**	(228,247)	**-**	-
Insurance service result		**(6,197)**	10,807	**-**	-
Investment income	19	**12,108**	19,472	**10,584**	28,179
Realised gains and losses	20	**2,844**	(20,648)	**200**	(545)
Fair value gains or losses		**17,253**	2,028	**842**	123
Total investment income		**32,205**	852	**11,626**	27,757
Insurance finance expenses for insurance contracts issued	21	**(15,799)**	(10,037)	**-**	-
Reinsurance finance income for reinsurance contracts held	22	**13,026**	10,849	**-**	-
Net insurance financial result		**(2,773)**	812	**-**	-
Other operating income	23	**8,159**	3,882	**12,979**	13,595
Other operating expenses	24	**(28,323)**	(33,403)	**(33,801)**	(34,001)
Other finance costs		**(216)**	(82)	**(211)**	(80)
Total other income and expenses		**(20,380)**	(29,603)	**(21,033)**	(20,486)
Share of results of an associate	6	**167**	(16,763)	**-**	-
Share of results of a joint venture company	7	**149**	153	**-**	-
Profit/(loss) before taxation		**3,171**	(33,742)	**(9,407)**	7,271
Taxation	26	**(2,926)**	(873)	**(198)**	(284)
Net profit/(loss) for the year		**245**	(34,615)	**(9,605)**	6,987

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Net profit/(loss) for the year		**245**	(34,615)	**(9,605)**	6,987
Other comprehensive (loss)/income:					
Items that will not be subsequently reclassified to profit or loss:					
Share of other comprehensive (loss)/income of an associate	6	**(406)**	369	**-**	-
Effect of post-acquisition foreign exchange translation reserve on investment in associate and joint venture company		**(2,928)**	(452)	**-**	-
Other comprehensive loss for the year		**(3,334)**	(83)	**-**	-
Total comprehensive (loss)/income for the year		**(3,089)**	(34,698)	**(9,605)**	6,987
Profit/(Loss) attributable to:					
Owners of the parent		**(947)**	(35,087)	**(9,605)**	6,987
Non-controlling interests		**1,192**	472	**-**	-
		245	(34,615)	**(9,605)**	6,987
Other comprehensive loss attributable to:					
Owners of the parent		**(3,334)**	(83)	**-**	-
Non-controlling interests		**-**	-	**-**	-
		(3,334)	(83)	**-**	-
Total comprehensive (loss)/income attributable to:					
Owners of the parent		**(4,281)**	(35,170)	**(9,605)**	6,987
Non-controlling interests		**1,192**	472	**-**	-
		(3,089)	(34,698)	**(9,605)**	6,987
Loss per share attributable to owners of the parent (sen per share)					
Basic and diluted	27	**(0.13)**	(4.67)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

Group	Share capital RM'000 (Note 12)	OCI reserve RM'000	Other reserve RM'000	LTIP - ESOS reserve RM'000	Foreign currency translation reserves RM'000	Dis-tributable Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Attributable to the owners of the parent								
		Non distributable							
At 1 January 2022, as previously reported	248,519	(47)	220	2,887	10,097	298,639	560,315	106,046	666,361
Impact on initial application of MFRS 17	-	-	-	-	-	3,612	3,612	291	3,903
At 1 January 2022, restated	248,519	(47)	220	2,887	10,097	302,251	563,927	106,337	670,264
Net (loss)/profit for the year	-	-	-	-	-	(35,087)	(35,087)	472	(34,615)
Other comprehensive income/(loss) for the year	-	246	123	-	(452)	-	(83)	-	(83)
Total comprehensive income/(loss) for the year	-	246	123	-	(452)	(35,087)	(35,170)	472	(34,698)
Termination of equity-settled share options to employees (Note 25)	-	-	-	(2,887)	-	-	(2,887)	-	(2,887)
Decrease in non-controlling interest arising from reduction in interest in a subsidiary	-	-	-	-	-	-	-	(54,999)	(54,999)
At 31 December 2022, restated	248,519	199	343	-	9,645	267,164	525,870	51,810	577,680
At 1 January 2023, as previously reported	**248,519**	**199**	**343**	**-**	**9,603**	**264,246**	**522,910**	**51,279**	**574,189**
Impact on initial application of MFRS 17	**-**	**-**	**-**	**-**	**42**	**2,918**	**2,960**	**531**	**3,491**
At 1 January 2023, restated	**248,519**	**199**	**343**	**-**	**9,645**	**267,164**	**525,870**	**51,810**	**577,680**
Net (loss)/profit for the year	**-**	**-**	**-**	**-**	**-**	**(947)**	**(947)**	**1,192**	**245**
Other comprehensive (loss)/income for the year	**-**	**(562)**	**156**	**-**	**(2,928)**	**-**	**(3,334)**	**-**	**(3,334)**
Total comprehensive (loss)/income for the year	**-**	**(562)**	**156**	**-**	**(2,928)**	**(947)**	**(4,281)**	**1,192**	**(3,089)**
Grant of equity-settled share options to employees (Note 25)	**-**	**-**	**-**	**1,394**	**-**	**-**	**1,394**	**-**	**1,394**
Issuance of shares pursuant to LTIP - ESOS	**237**	**-**	**-**	**(52)**	**-**	**-**	**185**	**-**	**185**
At 31 December 2023	**248,756**	**(363)**	**499**	**1,342**	**6,717**	**266,217**	**523,168**	**53,002**	**576,170**

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

Company	Share capital RM'000 (Note 12)	Non-distributable LTIP - ESOS reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
At 1 January 2022	248,519	2,887	46,000	297,406
Total comprehensive income for the year	-	-	6,987	6,987
Termination of equity-settled share options to employees (Note 25)	-	(2,887)	-	(2,887)
At 31 December 2022	248,519	-	52,987	301,506
At 1 January 2023, restated	**248,519**	**-**	**52,987**	**301,506**
Total comprehensive loss for the year	**-**	**-**	**(9,605)**	**(9,605)**
Grant of equity-settled share options to employees (Note 25)	**-**	**1,394**	**-**	**1,394**
Issuance of shares pursuant to LTIP - ESOS	**237**	**(52)**	**-**	**185**
At 31 December 2023	**248,756**	**1,342**	**43,382**	**293,480**

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2023

		Group		Company	
	Note	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000 Restated
Operating activities					
Profit/(Loss) before taxation		**3,171**	(33,742)	**(9,407)**	7,271
Adjustments for:					
Investment income	19	**(12,108)**	(19,472)	**(10,584)**	(28,179)
Net unrealised (gains)/losses on foreign exchange		**(3,358)**	561	**(42)**	(100)
Realised (gains)/losses on disposal of fair value through profit or loss ("FVTPL") investments	20	**(2,850)**	20,843	**(200)**	720
Fair value gains of investments		**(17,253)**	(2,028)	**(842)**	(123)
Losses/(Gains) on disposal of property and equipment	20	**6**	(195)	**-**	(175)
Depreciation of property and equipment	24	**1,704**	1,691	**370**	348
Depreciation of right-of-use assets	24	**2,526**	2,373	**1,634**	1,646
Amortisation of intangible assets	24	**5,757**	4,839	**151**	168
Allowance for/(Write-back of) equity-settled share options to employees	25	**1,394**	(2,887)	**861**	(445)
Income from subleasing right-of-use assets	23	**-**	-	**(1,323)**	(1,340)
Finance cost	15	**327**	205	**211**	80
Share of results of an associate	6	**(167)**	16,763	**-**	-
Share of results of a joint venture company	7	**(149)**	(153)	**-**	-

STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	Group 2023 RM'000	Group 2022 RM'000 Restated	Company 2023 RM'000	Company 2022 RM'000 Restated
Operating activities (cont'd.)					
Operating loss before working capital changes		**(21,000)**	(11,202)	**(19,171)**	(20,129)
Reinsurance contract assets		**99,111**	129,772	**-**	-
Insurance contract liabilities		**(53,653)**	(68,791)	**-**	-
Other receivables		**15,670**	(38,483)	**79**	1,955
Other payables		**(2,846)**	11,231	**(131)**	935
Cash generated from/(used in) operating activities		**37,282**	22,527	**(19,223)**	(17,239)
Net interest received		**586**	6,587	**29**	24
Net dividend received		**6,570**	17,394	**10,556**	28,155
Net income from subleasing right-of-use assets	23	**-**	-	**1,323**	1,340
Income tax paid		**(727)**	(495)	**(399)**	(98)
Net cash generated from/(used in) operating activities		**43,711**	46,013	**(7,714)**	12,182
Investing activities					
Purchases of FVTPL financial assets		**(549,555)**	(460,006)	**(9,140)**	(51,196)
Proceeds from disposal of FVTPL financial assets		**854,280**	470,139	**16,970**	66,563
Movement in amortised cost financial assets		**(305,207)**	178	**-**	-
Proceeds from disposal of property and equipment		**2**	270	**-**	232
Purchase of property and equipment	3	**(1,137)**	(1,717)	**(93)**	(575)
Purchase of intangible assets	4	**(15,166)**	(14,247)	**(117)**	(1,768)
Net cash (used in)/generated from investing activities		**(16,783)**	(5,383)	**7,620**	13,256

STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Financing activities					
Payment of principal portion of lease liabilities	18	**(2,694)**	(2,645)	**(1,776)**	(1,796)
Cash paid to non-controlling interest of units cancelled in a subsidiary		**-**	(54,999)	**-**	-
Proceeds from issuance of shares pursuant to LTIP - ESOS		**185**	-	**185**	-
Advances to subsidiaries		**-**	-	**994**	(20,972)
Net cash used in financing activities		**(2,509)**	(57,644)	**(597)**	(22,768)
Net increase/(decrease) in cash and cash equivalents		**24,419**	(17,014)	**(691)**	2,670
Effect of exchange rate changes on cash and cash equivalents		**(483)**	545	**46**	100
Cash and cash equivalents at beginning of year		**48,532**	65,001	**3,002**	232
Cash and cash equivalents at end of year		**72,468**	48,532	**2,357**	3,002
Cash and cash equivalents comprise:					
Fixed and call deposits (with original maturities of less than three months) with licensed financial institutions	9(a)	**26,732**	7,161	**-**	-
Cash and bank balances		**45,736**	41,371	**2,357**	3,002
		72,468	48,532	**2,357**	3,002

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

1. Corporate information

Tune Protect Group Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 5.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiaries during the financial year other than as disclosed in Note 5.

The address of the principal place of business and registered office of the Company is as follows:

Level 9, Wisma Tune
No. 19, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 March 2024.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the requirements of the Companies Act, 2016 in Malaysia.

At the beginning of the current financial year, the Group and the Company had fully adopted the new and amended MFRSs as described fully in Note 2.4.

The financial statements of the Group and the Company have been prepared under the historical cost convention, unless otherwise stated in the accounting policies.

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position, only when there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expense will not be offset in the statements of comprehensive income unless required or permitted by any accounting standard or interpretation, as specifically disclosed in the accounting policies of the Group and of the Company.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Basis of consolidation

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

2. Material accounting policies (cont'd.)

2.2 Basis of consolidation (cont'd.)

(a) Basis of consolidation (cont'd.)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statements of comprehensive income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at fair value at the acquisition date ("acquisition date fair value"), and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in management expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives from host contracts by the acquiree. No reclassification of insurance contracts is required as part of the accounting for the business combination.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.2 Basis of consolidation (cont'd.)

(b) Business combinations and goodwill (cont'd.)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument, and within the scope of MFRS 9 *Financial Instruments* ("MFRS 9"), is measured at fair value with changes in fair value recognised either in profit or loss or OCI. If the contingent consideration is not within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

2.3 Summary of material accounting policies

(a) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(a) Investments in associates and joint ventures (cont'd.)

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(b) Property and equipment

Property and equipment includes renovation, furniture, fittings, office equipment, computers and motor vehicles. Property and equipment are stated at cost less accumulated depreciation and any impairment losses. Residual values, useful lives and depreciation method are reviewed and adjusted prospectively, if appropriate, at each reporting date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property and equipment. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3(f).

The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is charged to profit or loss in the period in which it is incurred. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation of property and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Renovation	10%
Motor vehicles	20%
Furniture, fittings and office equipment	12% - 17%
Computers	25%

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Upon the disposal of an item of property and equipment, the difference between the net disposal proceeds and the net carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(c) Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group and the Company as lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets which is between 2 to 5 years for office premises.

If ownership of the leased asset transfers to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment, as disclosed in Note 2.3(f).

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group and the Company use the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(c) Leases (cont'd.)

The Group and the Company as lessee (cont'd.)

(iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of computer and office equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Company also apply the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group as lessor

Leases in which the Group and the Company do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statements of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

(d) Intangible assets

Intangible assets of the Group and the Company consist of computer software, agency relationship, customer relationship, digital direct marketing platform, license acquisition costs and other intangible assets development-in-progress. These intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The costs of generating other internally generated intangible assets are classified into whether they arise in a research phase or development phase. Research expenditure is charged to profit or loss in which the expense is incurred whilst development expenditure that meets specified criteria is capitalised at cost.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least once annually at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight line method over their estimated useful lives.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(d) Intangible assets (cont'd.)

Costs that are directly associated with the software or assets development in progress are recognised as intangible assets if it meets the specified criteria. The software which is being developed is expected to generate economic benefits beyond one year. Direct attributable costs include the employee costs involved in the development of the software and in acquisition of licences and an appropriate portion of relevant overheads to prepare the asset for its intended use.

These assets development-in-progress are not amortised until such time that they are ready for their intended use. Upon completion of the software developed, the software will be amortised using the straight-line method over the estimated useful lives of 10 years.

The acquired intangible assets are amortised using the straight-line method over the following estimated useful lives:

Computer software	4 to 10 years
Agency relationship	8 years
Customer relationship	5 years
Digital direct marketing platform	4 years
License acquisition costs	4 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss.

(e) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is included in profit or loss.

(f) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of loss.

For goodwill, the recoverable amount is estimated at each reporting date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs that is expected to benefit from the synergies of the combination.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(f) Impairment of non-financial assets (cont'd)

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss is recognised in profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(g) Investments and financial assets

Initial recognition and measurement

Financial instruments are classified, at initial recognition, as financial assets at fair value through profit or loss ("FVTPL") and at amortised cost. Financial instruments are initially recognised at their fair value. Except for financial assets recorded at FVTPL, transaction costs are added to this amount.

The classification depends on the instrument's contractual cash flow terms and the entity's business model for managing the instruments.

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group commits to purchase or sell the asset.

Debt instruments measured at amortised cost

Debt instruments are held at amortised cost if both of the following conditions are met:

(i) The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows; and

(ii) The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(g) Investments and financial assets (cont'd.)

Initial recognition and measurement (cont'd.)

Debt instruments measured at amortised cost (cont'd.)

(i) Business model assessment

The Group and the Company determine its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group and the Company hold financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Group and the Company consider the timing, amount and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximise return for shareholders and future business development.

The Group and the Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

(a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group and the Company's key management personnel;

(b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and

(c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The expected frequency, value and timing of asset sales are also important aspects of the Group's and the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's and the Company's original expectations, the Group and the Company do not change the classification of the remaining financial assets held in that business model, but incorporate such information when assessing newly originated or newly purchased financial assets going forward.

(ii) SPPI test

As a second step of its classification process, the Group and the Company assess the contractual terms to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a debt arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group and the Company apply judgement and consider relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(g) Investments and financial assets (cont'd.)

Initial recognition and measurement (cont'd.)

Financial assets measured at FVTPL

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition, or are mandatorily required to be measured at fair value under MFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

Subsequent measurement

Debt instruments measured at amortised cost

After initial measurement, debt instruments are measured at amortised cost, using the effective interest rate ("EIR") method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Expected Credit Losses ("ECLs") are recognised in profit or loss when the investments are impaired.

Financial assets measured at FVTPL

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit or loss. Interest earned on assets measured at FVTPL is recorded using contractual interest rate. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

(i) The rights to receive cash flows from the asset have expired; or

(ii) The Group and the Company have transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Group and the Company have transferred substantially all the risks and rewards of the asset; or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group and the Company consider control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group and the Company have neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group and the Company's continuing involvement, in which case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(h) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive.

At each financial year end, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

In determining whether credit risk on a financial asset has increased significantly since initial recognition, the Group and the Company use external credit ratings and other supporting information to assess deterioration in credit quality of a financial asset. The Group and the Company assess whether the credit risk on a financial asset has increased significantly on an individual or collective basis. For impairment assessment, financial assets are grouped on the basis of similar risk characteristics.

These are the main components to measure ECL which are Probability of Default ("PD"), Exposure at Default ("EAD") and the Loss Given Default ("LGD").

(i) PD

The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.

(ii) EAD

The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date.

(iii) LGD

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

The Group and the Company consider past loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions, including any forecasts of future economic conditions, are reviewed regularly.

For insurance (which is included within the insurance contract liabilities and reinsurance contract assets) and other receivables, the Group and the Company apply the simplified approach in accordance with MFRS 9 Financial Instruments. MFRS 9 includes the requirement or policy choice to apply the simplified approach that does not require the Group and the Company to track changes in credit risk and a practical expedient to calculate ECLs using a provision matrix with the usage of forward looking information.

The carrying amount of a financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(h) Impairment of financial assets (cont'd.)

Write-off

The gross carrying amount of a financial asset is written off when the Group and Company have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group and the Company make an assessment with respect to the timing and amount of write off based on whether there is a reasonable expectation of recovery. The Group and the Company expect no significant recovery from the amount written off.

(i) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

All financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

All financial liabilities of the Company, except for those covered under MFRS 17 are classified as other financial liabilities.

Subsequent measurement

Other payables are subsequently measured at amortised cost using the effective interest rate method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(j) Equity instruments

Ordinary share capital

The Company has issued ordinary shares that are classified as equity. Incremental external costs that are directly attributable to the issuance of these shares are recognised in equity, net of tax.

Dividends on ordinary share capital

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders.

Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(k) Fair value measurement

The Group and the Company measure certain financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interests.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 Valuation techniques for which all inputs that are significant to the fair value measurement are directly or indirectly observable

- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy 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.

For investments in unit trust funds and collective investment schemes, fair value is determined by reference to published net asset values.

The fair values of floating rate over-night deposits with financial institutions is their carrying value. The carrying value is the cost of the deposit/placements.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(k) Fair value measurement (cont'd.)

The fair values of Malaysian Government Securities, Cagamas Papers and unquoted corporate bonds are determined by reference to Bond Pricing Agency Malaysia.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions	Note 36
- Quantitative disclosures of fair value measurement hierarchy	Note 36
- Financial instruments (including those carried at amortised cost)	Notes 9 & 36

(l) Insurance and reinsurance contracts

(i) Insurance and reinsurance contracts classification

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues non-life insurance to individuals and businesses. Non-life insurance products offered include motor, fire and travel personal accident. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of a policyholder's accident.

The Group also issues reinsurance contracts in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities.

The Company does not issue any contracts with direct participating features.

Investment contracts are those contracts that do not transfer significant insurance risk.

(ii) Insurance and reinsurance contracts accounting treatment

(a) Separating components from insurance and reinsurance contracts

The Group assesses its non-life insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another MFRS instead of under MFRS 17. After separating any distinct components, the Group applies MFRS 17 to all remaining components of the (host) insurance contract. Currently, the Group's products do not include any distinct components that require separation.

Some reinsurance contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contacts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(b) Level of aggregation

MFRS 17 requires the Group to determine the level of aggregation for applying its requirements. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Group identifies a contract as the smallest 'unit', i.e., the lowest common denominator.

However, the Group makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). MFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Group applied a modified retrospective approach for transition to MFRS 17. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any);
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any); and
- A group of the remaining contracts in the portfolio (if any).

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Group assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Group assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Group considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Pricing information;
- Results of similar contracts it has recognised; and
- Environmental factors, e.g., a change in market experience or regulations.

The Group divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(c) Recognition

The Group recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts;

- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date; and

- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held;

And

- The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The reinsurance contracts held by the Group provide proportionate cover. Therefore the Group does not recognise a proportional reinsurance contract held until at least one underlying direct insurance contract has been recognised.

The Group adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

(d) Contract boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks;

Or

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(d) Contract boundary (cont'd.)

- Both of the following criteria are satisfied:

  - The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and

  - The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

(e) Measurement - General Model

Insurance contracts - Initial measurement

The general model measures a group of insurance contracts as the total of:

- Fulfilment cash flows; and

- A CSM representing the unearned profit the Group will recognise as it provides insurance contract services under the insurance contracts in the group.

Fulfilment cash flows comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk. The Group's objective in estimating future cash flows is to determine the expected value, or the probability-weighted mean, of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort. The Group estimates future cash flows considering a range of scenarios which have commercial substance and give a good representation of possible outcomes. The cash flows from each scenario are probability-weighted and discounted using current assumptions.

When estimating future cash flows, the Group includes all cash flows that are within the contract boundary including:

- Premiums and related cash flows;

- Claims and benefits, including reported claims not yet paid, incurred claims not yet reported and expected future claims:

  - Payments to policyholders resulting from embedded surrender value options; and

  - An allocation of insurance acquisition cash flows attributable to the portfolio to which the contract belongs.

- Claims handling costs;

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(e) Measurement - General Model (cont'd.)

Insurance contracts - Initial measurement (cont'd.)

- Policy administration and maintenance costs, including recurring commissions that are expected to be paid to intermediaries;

- An allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts; and

- Transaction-based taxes.

The Group does not provide investment-return services in respect of contracts that it issues, nor does it perform investment activities for the benefit of policyholders.

The Group incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows. The Group estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders;

- Other information about the known or estimated characteristics of the insurance contracts;

- Historical data about the Group's own experience, supplemented when necessary with data from other sources. Historical data is adjusted to reflect current conditions; and

- Current pricing information, when available.

The measurement of fulfilment cash flows includes insurance acquisition cash flows which are allocated as a portion of premium to profit or loss (through insurance revenue) over the period of the contract in a systematic and rational way on the basis of the passage of time. The Group does not elect to accrete interest on insurance acquisition cash flows to be allocated to profit or loss.

Insurance contracts - Subsequent measurement

The CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognised in profit or loss, because it relates to future service to be provided.

For a group of insurance contracts the carrying amount of the CSM of the group at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

- The effect of any new contracts added to the group;

- Interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(e) Measurement - General Model (cont'd.)

Insurance contracts - Subsequent measurement (cont'd.)

- The changes in fulfilment cash flows relating to future service, except to the extent that:

  - Such increases in the fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss;

  Or

  - Such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage.

- The effect of any currency exchange differences on the CSM; and

- The amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period.

The locked-in discount rate is the weighted average of the rates applicable at the date of initial recognition of contracts that joined a group over a 12-month period. The discount rate used for accretion of interest on the CSM is determined using the bottom-up approach at inception.

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences related to premiums received (or due) related to current or past services are recognised immediately in profit or loss while differences related to premiums received (or due) for future services are adjusted against the CSM;

- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk (recognised in the statement of comprehensive income rather than adjusting the CSM);

- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period. Those differences are determined by comparing (i) the actual investment component that becomes payable in the period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable. The same applies to a policyholder loan that becomes repayable; and

- Changes in the risk adjustment for non-financial risk that relate to future service.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(e) Measurement - General Model (cont'd.)

Insurance contracts - Subsequent measurement (cont'd.)

Except for changes in the risk adjustment, adjustments to the CSM noted above are measured at discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

Where, during the coverage period, a group of insurance contracts becomes onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

The Group measures the carrying amount of a group of insurance contracts at the end of each reporting period as the sum of: (i) the liability for remaining coverage comprising fulfilment cash flows related to future service allocated to the group at that date and the CSM of the group at that date; and (ii) the liability for incurred claims for the Group comprising the fulfilment cash flows related to past service allocated to the group at that date.

Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the CSM of the related group of insurance contracts. The Group expects to derecognise all assets for insurance acquisition cash flows within one year.

Insurance contracts - modification and derecognition

The Group derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired);

Or

- The contract is modified such that the modification results in a change in the measurement model, or the applicable standard for measuring a component of the contract. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(f) Measurement - Premium Allocation Approach

Adopted approach by the Group:

- Premium Allocation Approach ("PAA") eligibility: The coverage period is assumed to be one year or less, and therefore qualifies automatically for PAA. Some insurance contracts include coverage periods greater than one year. However, there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model; therefore, these also qualify for PAA;

- Insurance acquisition cash flows for insurance contracts issued: Insurance acquisition cash flows are allocated to related groups of insurance contracts and amortised over the coverage period of the related group;

- Liability for Remaining Coverage ("LFRC") adjusted for financial risk and time value of money: An allowance is made for the accretion of interest on the LFRC;

- Liability for Incurred Claims ("LFIC") adjusted for time value of money: The LFIC is adjusted for the time value of money; and

- Insurance finance income and expense: The change in LFRC and LFIC as a result of changes in discount rates will be captured within profit or loss.

Insurance contracts - Initial measurement

The Group applies the PAA to insurance contracts that it issues and reinsurance contracts that it holds, as:

- The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary;

Or

- For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

The Group does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

- The extent of future cash flows related to any derivatives embedded in the contracts; and

- The length of the coverage period of the group of contracts.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(f) Measurement - Premium Allocation Approach (cont'd.)

Insurance contracts - Initial measurement (cont'd.)

For a group of contracts that is not onerous at initial recognition, the Group measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition;
- Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed;
- Plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows; and
- Any other asset or liability previously recognised for cash flows related to the group of contracts that the Group pays or receives before the group of insurance contracts is recognised.

There is no allowance for time value of money for the liability for remaining coverage as the premiums are received within one year of the coverage period.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Group performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

Reinsurance contracts held – initial measurement

The Group measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. The Group uses a systematic and rational method to determine the portion of losses recognised on the group to insurance contracts covered by the group of reinsurance contracts held where some contracts in the underlying group are not covered by the group of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(f) Measurement - Premium Allocation Approach (cont'd.)

Insurance contracts - subsequent measurement

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period;

- Minus insurance acquisition cash flows, with the exception of property insurance product line for which the Group chooses to expense insurance acquisition cash flows as they occur;

- Plus any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for the group;

- Plus any adjustment to the financing component, where applicable;

- Minus the amount recognised as insurance revenue for the services provided in the period;

- Minus any investment component paid or transferred to the liability for incurred claims.

The Group estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group, and include an explicit adjustment for non-financial risk (the risk adjustment). The Group does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

Insurance acquisition cash flows are allocated on a straight-line basis as a portion of premium to profit or loss (through insurance revenue).

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(f) Measurement - Premium Allocation Approach (cont'd.)

Reinsurance contracts held – subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held.

Where the Group has established a loss-recovery component, the Group subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

With the exception of the property insurance product line, for which the Group chooses to expense insurance acquisition cash flows as they occur, the Group uses a systematic and rational method to allocate:

(a) Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:

   (i) to that group; and

   (ii) to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group.

(b) Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Group revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(f) Measurement - Premium Allocation Approach (cont'd.)

Insurance acquisition cash flows (cont'd)

After any re-allocation, the Group assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Group applies:

(a) An impairment test at the level of an existing or future group of insurance contracts; and

(b) An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognised, the carrying amount of the asset is adjusted and an impairment loss is recognised in profit or loss.

The Group recognises in profit or loss a reversal of some or all of an impairment loss previously recognised and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

Insurance contracts – modification and derecognition

The Group derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired);

Or

- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(g) Presentation

The Group has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Group disaggregates the total amount recognised in the statement of comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

Insurance revenue - General Model

The Group's insurance revenue depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Group adjusted for financing effect (the time value of money) and excluding any investment components). The total consideration for a group of contracts covers amounts related to the provision of services and is comprised of:

- Insurance service expenses, excluding any amounts relating to the risk adjustment for non-financial risk and any amounts allocated to the loss component of the liability for remaining coverage;
- Amounts related to income tax that are specifically chargeable to the policyholder;
- The risk adjustment for non-financial risk, excluding any amounts allocated to the loss component of the liability for remaining coverage;
- The CSM release; and
- Amounts related to insurance acquisition cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(g) Presentation (cont'd.)

Insurance revenue - Premium Allocation Approach

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses.

The Group changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

Loss components - General Model

The Group has grouped contracts that are onerous at initial recognition separately from contracts in the same portfolio that are not onerous at initial recognition. Groups that were not onerous at initial recognition can also subsequently become onerous if assumptions and experience changes. The Group has established a loss component of the liability for remaining coverage for any onerous group depicting the future losses recognised.

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes relating to future service in the fulfilment cash flows to: (i) the loss component; and (ii) the liability for remaining coverage excluding the loss component. The loss component is also updated for subsequent changes relating to future service in estimates of the fulfilment cash flows and the risk adjustment for non-financial risk. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been materialised in the form of incurred claims). The Group uses the proportion on initial recognition to determine the systematic allocation of subsequent changes in future cash flows between the loss component and the liability for remaining coverage excluding the loss component.

Loss components - Premium Allocation Approach

The Group assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances mentioned in Level of Aggregation, indicate that a group of insurance contracts is onerous, the Group establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group as determined. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(g) Presentation (cont'd.)

Loss-recovery components - General Model

When the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognised from related reinsurance contracts held is disclosed as a loss-recovery component.

Where a loss-recovery component has been set up at initial recognition or subsequently, the Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

The carrying amount of the loss-recovery component must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held. On this basis, the loss-recovery component recognised at initial recognition is reduced to zero in line with reductions in the onerous group of underlying insurance contracts and is nil when loss component of the onerous group of underlying insurance contracts is nil.

Loss-recovery components - Premium Allocation Approach

The Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money;

- The effect of financial risk and changes in financial risk.

The Group disaggregates insurance finance income or expenses on insurance contracts issued for its personal accident product line between profit or loss and OCI. The impact of changes in market interest rates on the value of the insurance assets and liabilities are reflected in OCI in order to minimise accounting mismatches between the accounting for financial assets and insurance assets and liabilities. The Group does not disaggregate finance income and expenses because the related financial assets are managed on a fair value basis and measured at FVPL.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(l) Insurance and reinsurance contracts (cont'd.)

(ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

(g) Presentation (cont'd.)

Net income or expense from reinsurance contracts held

The Group presents separately on the face of the statements of comprehensive income the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Group treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statements of comprehensive income. Amounts relating to the recovery of losses relating to reinsurance of onerous direct contracts are included as amounts recoverable from the reinsurer.

(m) Other revenue recognition

Other revenue is recognised when control of the goods or the services or performance obligations are transferred to the customer at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Rental income

Rental income is recognised on a straight line basis over the lease term in accordance with the substance of the relevant agreements.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

Dividend income

Dividend income is recognised on a declared basis when the shareholders' right to receive payment is established.

Realised gains and losses on investments

Realised gains and losses recorded in profit or loss include gains and losses on financial assets. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original, revalued or amortised cost and are recorded on occurrence of the sale transaction.

Fees and commission income

Fees and commission income derived from reinsurers in the course of cession of premiums to reinsurers are charged to profit or loss in the period in which they are earned.

Management fees income

Management fees income from subsidiaries are recognised when services are rendered, based on retainer fees and time cost on an accrual basis.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(m) Other revenue recognition (cont'd.)

Revenue from contracts with customers

Revenue from contracts with customers consists of contracted software maintenance services and other non-insurance contracts. Revenue is recognised over time in the period in which the services are rendered. Revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. Unearned income is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Unearned income is recognised as revenue when the Group delivers the services obligations.

Revenue from software customisation and professional services

Revenue from software customisation and professional services are recognised at point in time upon completion of services rendered and upon its acceptance.

(n) Income tax

Income tax expense for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised as income or an expense and included in profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity.

Labuan income tax represents the amount payable in respect of the chargeable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

(o) Provisions

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made of the obligation. When the Group and the Company expect some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in profit or loss net of any reimbursement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(o) Provisions (cont'd.)

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Employee benefits

Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in profit or loss as incurred. As required by law, the Group and the Company make such contributions to the Employees Provident Fund ("EPF").

Staff retirement benefits

Provision for retirement benefits is made for all eligible staff in the Group from the date of employment under an unfunded defined contribution plan. For eligible executive staff, gratuity is calculated based on the last drawn monthly salary of an employee multiplied by years of service up to a maximum of 15 years. For eligible clerical staff, an additional 3% over and above the Group's and the Company's monthly statutory EPF contribution is provided. The staff will be entitled to this gratuity upon completion of 5 years of service in the Group.

Other staff are entitled to additional EPF contribution between 1% to 5% over the Group's and the Company's monthly statutory EPF contribution rate after completion of 1 year of service. This benefit is charged to profit or loss as incurred.

Share-based compensation

Long Term Incentive Plan - Employee Share Option Scheme ("LTIP - ESOS")

The LTIP - ESOS is an equity-settled share-based compensation plan that allows the Group's employees to acquire shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost or amounts due from subsidiaries, with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest.

The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

2. Material accounting policies (cont'd.)

2.3 Summary of material accounting policies (cont'd.)

(p) Employee benefits (cont'd.)

Share-based compensation (cont'd.)

Long Term Incentive Plan - Employee Share Option Scheme ("LTIP - ESOS") (cont'd.)

At each reporting date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in profit or loss and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. The share option reserve is transferred to retained earnings upon expiry of the share options.

(q) Foreign currencies

(i) Functional and presentation currency

The financial statements of the Group and the Company are recorded using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the Group and the Company, transactions in currencies other than the Group's and the Company's functional currencies are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(r) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and deposits held at call with financial institutions with original maturities of three months or less.

(s) Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position, separately from equity attributable to owners of the Company.

Changes in the ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.4 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except with respect to the following Standard and Amendments to Standards which are mandatory for annual financial periods beginning on or after 1 January 2023 and which were adopted by the Group and the Company on 1 January 2023.

MFRS 17 *Insurance Contracts*
Amendments to MFRS 17 *Insurance Contracts*
Amendments to MFRS 17 *Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 - Comparative Information)*
Amendments to MFRS 101, MFRS Practice Statement 2 and MFRS 108 *Disclosure of Accounting Policies*
Amendments to MFRS 108 *Definition of Accounting Estimates*
Amendments to MFRS 112 Income Taxes - *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group or the Company, except as discussed below.

MFRS 17 *Insurance Contracts* and Amendments to MFRS 17

The Group has applied MFRS 17, including any consequential amendments to the other standards, from 1 January 2023. This standard has brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated certain comparative amounts and presented a third statement of financial position as at 1 January 2022.

The nature and effects of the key changes in the Group's accounting policies resulting from its adoption of MFRS 17 are summarised below:

Changes to recognition, classification and measurement

The adoption of MFRS 17 did not change the classification of the Group's insurance contract.

MFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Group. The key principles of MFRS 17 are that the Group:

- identifies insurance contracts as those under which the Group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder;

- Separates specified embedded derivatives, distinct investment components and distinct goods or services other than insurance contract services from insurance contracts and accounts for them in accordance with other standards;

- Divides the insurance and reinsurance contracts into groups it will recognise and measure;

- Recognises and measures groups of insurance contracts at:

    - A risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all available information about the fulfilment cash flows in a way that is consistent with observable market information;

    Plus

    - An amount representing the unearned profit in the group of contracts (the contractual service margin or CSM);

2. Material accounting policies (cont'd.)

2.4 Changes in accounting policies (cont'd)

MFRS 17 *Insurance Contracts* and Amendments to MFRS 17 (cont'd.)

Changes to recognition, classification and measurement (cont'd.)

- Recognises profit from a group of insurance contracts over each period the Group provides insurance contract services, as the Group is released from risk. If a group of contracts is expected to be onerous (i.e., loss-making) over the remaining coverage period, the Group recognises the loss immediately;

- Recognises an asset for insurance acquisition cash flows in respect of acquisition cash flows paid, or incurred, before the related group of insurance contracts is recognised. Such an asset is derecognised when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts.

MFRS 17 introduces different measurement models in calculating re(insurance) contract liabilities where the core is General Measurement Model ("GMM") based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin ("CSM"), supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach) which is not applicable to the Group's insurance contracts; and

- A simplified approach, Premium Allocation Approach ("PAA") mainly for re(insurance) contracts with a coverage period of 12 months or less, or for which such simplification would produce a measurement of the LRC that would not differ materially from the one that would be produced applying the GMM. However, the liability for incurred claims ("LIC") will need to be measured based on GMM.

The Group applies PAA for insurance contract liabilities and for some reinsurance contracts assets, of which such simplification would produce a measurement of the LRC and LIC that would not differ materially from the one that would be produced applying the GMM.

The measurement principles of the PAA differ from the 'earned premium approach' used by the Group under MFRS 4 in the following key areas:

- The liability for remaining coverage reflects premiums received less deferred insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided;

- Measurement of the liability for remaining coverage includes an adjustment for the time value of money and the effect of financial risk where the premium due date and the related period of services are more than 12 months apart;

- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not reported ("IBNR") claims) is determined on a discounted probability-weighted expected value basis, and includes an explicit risk adjustment for non-financial risk. The liability includes the Group's obligation to pay other incurred insurance expenses; and

- Measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance held) is adjusted to include a loss-recovery component to reflect the expected recovery of onerous contract losses where such contracts reinsure onerous direct contracts.

2. Material accounting policies (cont'd.)

2.4 Changes in accounting policies (cont'd)

MFRS 17 *Insurance Contracts* and Amendments to MFRS 17 (cont'd.)

Changes to recognition, classification and measurement (cont'd.)

For insurance acquisition cash flows, the Group allocates the acquisition cash flows to groups of insurance contracts issued or expected to be issued using a systematic and rational basis. Insurance acquisition cash flows include those that are directly attributable to a group and to future groups that are expected to arise from renewals of contracts in that group. Where such insurance acquisition cash flows are paid (or where a liability has been recognised applying another MFRS standard) before the related group of insurance contracts is recognised, an asset for insurance acquisition cash flows is recognised. When insurance contracts are recognised, the related portion of the asset for insurance acquisition cash flows is derecognised and subsumed into the measurement at initial recognition of the insurance liability for remaining coverage of the related group.

The Group's and the Company's classification and measurement of insurance and reinsurance contracts are disclosed in Note 10.

Changes to presentation and disclosures

For presentation in the statement of financial position, the Group aggregates insurance and reinsurance contracts issued and reinsurance contracts held, respectively and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets;
- Portfolios of insurance and reinsurance contracts issued that are liabilities
- Portfolios of reinsurance contracts held that are assets;
- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the MFRS 17 requirements.

Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line item descriptions in the statements of comprehensive income have been changed significantly compared with last year. Previously, the Group reported the following line items:

- Gross written premiums;
- Net written premiums;
- Changes in premium reserves;
- Gross insurance claims; and
- Net insurance claims.

2. Material accounting policies (cont'd.)

2.4 Changes in accounting policies (cont'd)

MFRS 17 *Insurance Contracts* and Amendments to MFRS 17 (cont'd.)

Changes to presentation and disclosures (cont'd.)

Instead, MFRS 17 requires separate presentation of:

- Insurance revenue;
- Insurance service expenses;
- Insurance finance income or expenses; and
- Income or expenses from reinsurance contracts held.

The Group provides disaggregated qualitative and quantitative information in the notes to the financial statements about:

- Amounts recognised in its financial statements from insurance contracts; and
- Significant judgements, and changes in those judgements, when applying the standard.

Transition

On transition to MFRS 17, the Group has applied the full retrospective approach unless impracticable. The Group has applied the full retrospective approach on transition to all contracts issued on or after 1 January 2018.

On transition date, 1 January 2022, the Group:

- Has identified, recognised and measured each group of insurance contracts as if MFRS 17 had always applied;
- Has identified, recognised and measured assets for insurance acquisition cash flows as if MFRS 17 has always applied. However no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed and no impairment loss was identified;
- Derecognised any existing balances that would not exist had MFRS 17 always applied;
- Recognised any resulting net difference in equity.

The Group has applied the transition provisions in MFRS 17 and has not disclosed the impact of adopting MFRS 17 for the current period or for each prior period presented. This includes the disclosure of the adjustment amount for each affected financial statement line item. The effects of adopting MFRS 17 on the financial statements as at 1 January 2022 and 1 January 2023 are presented in the statements of changes in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

2. Material accounting policies (cont'd.)

2.5 Standards issued but not yet effective

The following are Amendments to Standards issued by the Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of the Group's and the Company's financial statements. The Group and the Company intend to adopt these Amendments to Standards, if applicable, when they become effective:

Description	**Effective for annual periods beginning on or after**
Amendments to MFRS 16 *Lease Liability* in a *Sale and Leaseback*	1 January 2024
Amendments to MFRS 101 *Non-current Liabilities with Covenants*	1 January 2024
Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures*	1 January 2024
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025
Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates* and *Joint Ventures*	To be announced by MASB

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements of the Group and the Company in the period of initial application.

2.6 Significant accounting judgements, estimates and assumptions

(a) Critical judgements made in applying accounting policies

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. These are areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Group has applied the following significant judgement in preparing the financial statements:

Deferred tax assets

Deferred tax assets are recognized for unutilised tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has unutilised tax losses of RM19,229,000 (2022: RM6,466,000) and unabsorbed capital allowances of RM15,041,000 (2022: RM3,129,000) carried forward for which no deferred tax assets are recognized due to the uncertainty of their recoverability.

2. Material accounting policies (cont'd.)

2.6 Significant accounting judgements, estimates and assumptions (cont'd.)

(b) Key sources of estimation uncertainty and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Insurance and reinsurance contracts (Note 10)

For general insurance and general reinsurance business, the Group applies PAA when measuring liabilities for remaining coverage for insurance contracts issued and applies both GMM and PAA for reinsurance contracts held. However, when measuring liabilities for incurred claims, the Group discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

Liability for remaining coverage

(i) Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognised on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

(ii) Time value of money

The Group adjusts the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

Liability for incurred claims

For general insurance contracts, estimates have to be made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported at the end of the reporting period.

It can take a significant period of time before the ultimate claims costs can be established with certainty and for some type of policies, IBNR claims form the majority of the liability at the reporting date. The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as the expected loss ratio ("ELR"), Link Ratios and Bornhuetter-Ferguson ("BF") methods.

The main assumption underlying these techniques is that the Group's past claims development experience can be used to project future claims development and hence, ultimate claims costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, as well as by significant business lines and claims type.

2. Material accounting policies (cont'd.)

2.6 Significant accounting judgements, estimates and assumptions (cont'd.)

(b) Key sources of estimation uncertainty and assumptions (cont'd.)

Insurance and reinsurance contracts (Note 10) (cont'd.)

Liability for incurred claims (cont'd.)

Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historic claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in the future, (for example, to reflect once-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, level of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures), in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate. Risk-free rates are determined by reference to the yields of Malaysian Government Securities (MGS).

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Group has estimated the risk adjustment for non-financial risk for both LIC and LRC using a confidence level (probability of sufficiency) approach at 75% at the overall Group level. These are based on an actuarial valuation by a qualified actuary, using a mathematical method of estimation based on, among others, actual claims development patterns.

3. Property and equipment

Group	Renovation RM'000	Motor vehicles RM'000	Furniture, fittings, office equipment and computers RM'000	Total RM'000
Cost				
At 31 December 2021	2,810	609	9,403	12,822
Additions	18	323	1,376	1,717
Disposals	-	(305)	(835)	(1,140)
At 31 December 2022	**2,828**	**627**	**9,944**	**13,399**
Additions	**476**	**-**	**661**	**1,137**
Disposals	**-**	**-**	**(50)**	**(50)**
At 31 December 2023	**3,304**	**627**	**10,555**	**14,486**
Accumulated depreciation				
At 31 December 2021	1,372	424	7,049	8,845
Charge for the year (Note 24)	258	167	1,266	1,691
Disposals	-	(305)	(760)	(1,065)
At 31 December 2022	**1,630**	**286**	**7,555**	**9,471**
Charge for the year (Note 24)	**282**	**178**	**1,244**	**1,704**
Disposals	**-**	**-**	**(42)**	**(42)**
At 31 December 2023	**1,912**	**464**	**8,757**	**11,133**
Net carrying amount				
At 31 December 2022	1,198	341	2,389	3,928
At 31 December 2023	**1,392**	**163**	**1,798**	**3,353**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

3. Property and equipment (cont'd.)

Company	Renovation RM'000	Motor vehicles RM'000	Furniture, fittings, office equipment and computers RM'000	Total RM'000
Cost				
At 31 December 2021	478	305	2,328	3,111
Additions	-	323	252	575
Transfer to a subsidiary	-	-	(69)	(69)
Disposals	-	(305)	(8)	(313)
At 31 December 2022	**478**	**323**	**2,503**	**3,304**
Additions	**-**	**-**	**93**	**93**
At 31 December 2023	**478**	**323**	**2,596**	**3,397**
Accumulated depreciation				
At 31 December 2021	243	263	1,805	2,311
Charge for the year (Note 24)	45	96	207	348
Transfer to a subsidiary	-	-	(20)	(20)
Disposals	-	(305)	-	(305)
At 31 December 2022	**288**	**54**	**1,992**	**2,334**
Charge for the year (Note 24)	**45**	**108**	**217**	**370**
At 31 December 2023	**333**	**162**	**2,209**	**2,704**
Net carrying amount				
At 31 December 2022	190	269	511	970
At 31 December 2023	**145**	**161**	**387**	**693**

4. Intangible assets

Group	Other intangible assets development -in-progress RM'000	Computer software RM'000	Agency relationship RM'000	Customer relationship RM'000	Digital direct marketing platform RM'000	License acquisition costs RM'000	Total RM'000
Cost							
At 31 December 2021	12,378	17,316	3,100	2,500	564	-	35,858
Reclassification	(17,465)	15,040	-	-	-	2,425	-
Additions	10,735	3,512	-	-	-	-	14,247
At 31 December 2022	**5,648**	**35,868**	**3,100**	**2,500**	**564**	**2,425**	**50,105**
Reclassification	**-**	**(203)**	**-**	**-**	**-**	**-**	**(203)**
Additions	**9,600**	**5,566**	**-**	**-**	**-**	**-**	**15,166**
At 31 December 2023	**15,248**	**41,231**	**3,100**	**2,500**	**564**	**2,425**	**65,068**
Accumulated amortisation							
At 31 December 2021	-	10,055	3,100	2,500	564	-	16,219
Amortisation for the year (Note 24)	-	4,839	-	-	-	-	4,839
At 31 December 2022	**-**	**14,894**	**3,100**	**2,500**	**564**	**-**	**21,058**
Reclassification	**-**	**(115)**	**-**	**-**	**-**	**-**	**(115)**
Amortisation for the year (Note 24)	**-**	**5,757**	**-**	**-**	**-**	**-**	**5,757**
At 31 December 2023	**-**	**20,536**	**3,100**	**2,500**	**564**	**-**	**26,700**
Net carrying amount							
At 31 December 2022	5,648	20,974	-	-	-	2,425	29,047
At 31 December 2023	**15,248**	**20,695**	**-**	**-**	**-**	**2,425**	**38,368**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

4. Intangible assets (cont'd.)

Company	Other intangible assets development--in-progress RM'000	Computer software RM'000	Digital direct marketing platform RM'000	Total RM'000
Cost				
At 31 December 2021	1,904	1,341	564	3,809
Additions	1,731	37	-	1,768
Transfer to a subsidiary:				
- Disposal	(59)	-	-	(59)
- Subscription of shares	(3,576)	-	-	(3,576)
At 31 December 2022	**-**	**1,378**	**564**	**1,942**
Additions	**-**	**117**	**-**	**117**
At 31 December 2023	**-**	**1,495**	**564**	**2,059**
Accumulated amortisation				
At 31 December 2021	-	818	564	1,382
Amortisation for the year (Note 24)	-	168	-	168
At 31 December 2022	**-**	**986**	**564**	**1,550**
Amortisation for the year (Note 24)	**-**	**151**	**-**	**151**
At 31 December 2023	**-**	**1,137**	**564**	**1,701**
Net carrying amount				
At 31 December 2022	-	392	-	392
At 31 December 2023	**-**	**358**	**-**	**358**

5. Investments in subsidiaries

	Company 2023 RM'000	Company 2022 RM'000
Unquoted shares, at cost:		
At 1 January	**199,129**	179,129
Subscription of shares in Tune Protect Ventures Sdn Bhd * (Note 30(a))	**-**	20,000
At 31 December	**199,129**	199,129

* The subscription of additional shares in 2022 was satisfied by cash outflow of RM16,424,000 and transfer of other intangible assets development-in-progress of RM3,576,000.

All subsidiaries are incorporated/established in Malaysia or Federal Territory of Labuan. Details of the subsidiaries are as follows:

Name of Company/ Fund	Principal activities	% of ownership held by the Group 2023 %	% of ownership held by the Group 2022 %	% of ownership interest held by non-controlling interest 2023 %	% of ownership interest held by non-controlling interest 2022 %
Held by the Company:					
Tune Protect Re Ltd ("TPR")	Underwriting of general reinsurance and retakaful window	**100.00**	100.00	**-**	-
Tune Insurance Malaysia Berhad ("TIMB")	Underwriting of general insurance business	**83.26**	83.26	**16.74**	16.74
Tune Direct Ltd ("TDL")	Consultant, facilitator and provider of digital and technology services and investment holding company	**100.00**	100.00	**-**	-
Tune Protect Ventures Sdn Bhd ("TPV")	Provision of affordable pure life and health protection for the unserved and underserved market **	**100.00**	100.00	**-**	-

** On 10 January 2023, Bank Negara Malaysia granted its approval to TPV to commence testing of SME EZY, which is an employee benefits life insurance comprising Group Term Life, Group Hospitalisation and Surgical and Group Outpatient Clinical Benefit for Small Medium Enterprise, in the BNM financial technology regulatory sandbox.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

5. Investments in subsidiaries (cont'd.)

All subsidiaries are incorporated/established in Malaysia or Federal Territory of Labuan. Details of the subsidiaries are as follows:

Name of Company/ Fund	Principal activities	% of ownership held by the Group 2023 %	% of ownership held by the Group 2022 %	% of ownership interest held by non-controlling interest 2023 %	% of ownership interest held by non-controlling interest 2022 %
Held through subsidiaries:					
TDL:					
White Label Sdn Bhd ("WL")	Business of trading and providing services including, but not limited to, providing digital and technology solutions, consultancy and/or facilitation services	**100.00**	100.00	**-**	-
TIMB:					
Affin Hwang Income Fund 1 ("Affin") ***	Investment in fixed income securities and money market placements	**53.57**	53.54	**46.43**	46.46

*** Audited by a firm of Chartered Accountants other than Ernst & Young PLT.

Material partly-owned subsidiaries

Financial information of the subsidiaries that have material non-controlling interests are provided below:

Name of subsidiaries	Country of incorporation and operation	Proportion of equity interest held by non-controlling interests 2023 %	Proportion of equity interest held by non-controlling interests 2022 %
Tune Insurance Malaysia Berhad	Malaysia	**16.74**	16.74
Affin Hwang Income Fund 1	Malaysia	**46.43**	46.46

5. Investments in subsidiaries (cont'd.)

Material partly-owned subsidiaries (cont'd.)

	2023 RM'000	2022 RM'000 Restated
Accumulated balances of material non-controlling interests:		
Tune Insurance Malaysia Berhad	**52,366**	50,652
Affin Hwang Income Fund 1	**636**	627
Profit/(loss) allocated to material non-controlling interests:		
Tune Insurance Malaysia Berhad	**1,183**	257
Affin Hwang Income Fund 1	**9**	215

In prior year, TIMB has fully redeemed its holdings in the Affin Hwang Income Fund 1 with the remaining exposure being limited to cash for liquidity purpose until the fund is terminated. The redemption has not significantly affected the percentage of ownership held by TIMB.

The summarised financial information of the subsidiaries that have material non-controlling interests are provided below. These information are based on amounts before any eliminations between entities.

	Affin Hwang Income Fund 1		Tune Insurance Malaysia Berhad	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000 Restated
Summarised statements of comprehensive income:				
Insurance revenue	**-**	-	**310,227**	413,048
Insurance service expenses	**-**	-	**(194,873)**	(180,068)
Insurance service result before reinsurance contracts held	**-**	-	**115,354**	232,980
Allocation of reinsurance premiums	**-**	-	**(97,693)**	(187,945)
Amounts recoverable from reinsurers for incurred claims	**-**	-	**(28,095)**	(41,908)
Net expense from reinsurance contracts held	**-**	-	**(125,788)**	(229,853)
Insurance service result	**-**	-	**(10,434)**	3,127

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

5. Investments in subsidiaries (cont'd.)

Material partly-owned subsidiaries (cont'd.)

The summarised financial information of the subsidiaries that have material non-controlling interests are provided below. These information are based on amounts before any eliminations between entities. (cont'd.)

	Affin Hwang Income Fund 1		Tune Insurance Malaysia Berhad	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000 Restated
Summarised statements of comprehensive income: (cont'd.)				
Investment income	**40**	3,992	**7,661**	12,019
Realised gains and losses	**-**	(3,136)	**(527)**	(15,182)
Fair value gains or losses	**-**	-	**14,844**	2,883
Total investment income	**40**	856	**21,978**	(280)
Insurance finance expenses for insurance contracts issued	**-**	-	**(18,075)**	(11,924)
Reinsurance finance income for reinsurance contracts held	**-**	-	**13,106**	10,921
Net insurance financial result	**-**	-	**(4,969)**	(1,003)
Other operating income	**-**	-	**7,111**	3,356
Other operating expenses	**(23)**	(262)	**(4,587)**	(3,395)
Total other income and expenses	**(23)**	(262)	**2,524**	(39)
Profit before taxation	**17**	594	**9,099**	1,805
Taxation	**-**	-	**(2,032)**	(268)
Net profit for the year	**17**	594	**7,067**	1,537
Total comprehensive income	**17**	594	**7,067**	1,537
Attributable to non-controlling interests	**9**	215	**1,183**	257

5. Investments in subsidiaries (cont'd.)

Material partly-owned subsidiaries (cont'd.)

The summarised financial information of the subsidiaries that have material non-controlling interests are provided below. These information are based on amounts before any eliminations between entities. (cont'd.)

	Affin Hwang Income Fund 1		Tune Insurance Malaysia Berhad	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000 Restated
Summarised statements of financial position as at 31 December:				
Property and equipment	**-**	-	**2,346**	2,535
Intangible assets	**-**	-	**31,725**	20,299
Rights-of-use assets	**-**	-	**2,795**	2,711
Investments	**1,382**	790	**545,202**	496,396
Reinsurance contract assets	**-**	-	**340,109**	443,977
Other receivables	**-**	-	**55,278**	70,835
Cash and bank balances	**4**	582	**28,602**	17,486
Deferred tax assets	**-**	-	**468**	1,091
Insurance contract liabilities	**-**	-	**(649,412)**	(709,671)
Lease liabilities	**-**	-	**(2,968)**	(2,845)
Other payables	**(21)**	(22)	**(41,294)**	(37,031)
Net assets	**1,365**	1,350	**312,851**	305,783
Attributable to:				
Equity holders of the parent	**729**	723	**260,485**	254,600
Non-controlling interests	**636**	627	**52,366**	51,183
	1,365	1,350	**312,851**	305,783
Summarised cash flow information for the year ended 31 December:				
Operating activities	**14**	104,755	**62,932**	43,036
Investing activities	**-**	-	**(49,686)**	(62,510)
Financing activities	**-**	(114,545)	**(1,796)**	(1,930)
Net increase/(decrease) in cash and cash equivalents	**14**	(9,790)	**11,450**	(21,404)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

6. Investment in an associate

	Group		Company	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Unquoted shares, at cost	**40,955**	40,955	**40,955**	40,955
Share of post-acquisition reserves	**(13,663)**	(13,424)	**-**	-
	27,292	27,531	**40,955**	40,955
Exchange differences	**6,397**	8,411	**-**	-
	33,689	35,942	**40,955**	40,955

The associate is incorporated in Thailand. Other details are as follows:

Name of associate	Principal activities	% of ownership interest held by the Group 2023	2022
Tune Insurance Public Company Limited ("TIPCL")	Underwriting of general insurance	**49.00**	49.00

The financial statements of the associate as at financial year end are coterminous with those of the Group, and were audited by a firm of chartered accountants affiliated to Ernst & Young PLT, Malaysia.

The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	2023 RM'000	2022 RM'000 Restated
Summarised statement of comprehensive income:		
Insurance revenue	**50,086**	74,198
Insurance service expenses	**(26,289)**	(85,517)
Insurance service result before reinsurance contracts held	**23,797**	(11,319)
Allocation of reinsurance premiums	**(18,669)**	(22,998)
Amounts recoverable from reinsurers for incurred claims	**(999)**	8,419
Net expense from reinsurance contracts held	**(19,668)**	(14,579)
Insurance service result	**4,129**	(25,898)

6. Investment in an associate (cont'd.)

The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows: (cont'd.)

	2023 RM'000	2022 RM'000 Restated
Summarised statement of comprehensive income: (cont'd.)		
Investment income	**818**	1,195
Realised gains and losses	**13**	1,889
Fair value gains or losses	**132**	(3,900)
Total investment income	**963**	(816)
Insurance finance expenses for insurance contracts issued	**(51)**	76
Reinsurance finance income for reinsurance contracts held	**45**	(76)
Net insurance financial result	**(6)**	-
Other operating income	**813**	681
Other operating expenses	**(4,464)**	(8,603)
Total other income and expenses	**(3,651)**	(7,922)
Profit/(loss) before taxation	**1,435**	(34,636)
Taxation	**(1,095)**	426
Net profit/(loss) for the year	**340**	(34,210)
Group's share of profit/(loss) for the financial year	**167**	(16,763)
Group's share of other comprehensive income	**156**	123
Group's share of (loss)/gain on fair value changes of FVOCI investments	**(562)**	246
	(406)	369
Group's share of total comprehensive loss for the financial year	**(239)**	(16,394)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

6. Investment in an associate (cont'd.)

The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows: (cont'd.)

	2023 RM'000	2022 RM'000 Restated
Summarised statement of financial position as at 31 December:		
Assets		
Property and equipment	**893**	1,086
Intangible assets	**1,609**	1,023
Right-of-use assets	**686**	1,025
Investments	**37,726**	42,096
Deferred tax assets	**6,163**	5,553
Reinsurance contract assets	**14,824**	19,432
Other receivables	**5,686**	6,279
Cash and bank balances	**5,742**	8,540
	73,329	85,034
Liabilities		
Insurance contract liabilities	**13,718**	16,990
Lease liabilities	**656**	977
Other payables	**19,959**	23,644
Retirement benefits	**1,721**	1,549
	36,054	43,160
Net assets of an associate	**37,275**	41,874
Proportion of the Group's ownership interest in an associate	**49%**	49%
Share of net assets of the associate	**18,265**	20,518
Add: Goodwill	**15,424**	15,424
Carrying amount of interest in an associate as at 31 December	**33,689**	35,942

7. Investment in a joint venture company

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unquoted shares, at cost	**433**	433	**433**	433
Share of post-acquisition reserves	**528**	378	**-**	-
	961	811	**433**	433
Exchange differences	**320**	1,234	**-**	-
	1,281	2,045	**433**	433

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

7. Investment in a joint venture company (cont'd.)

The joint venture company is incorporated in Dubai, United Arab Emirates. Other details are as follows:

Name of joint venture company	Principal activities	% of ownership interest held by the Group	
		2023	**2022**
Tune Protect Commercial Brokerage LLC ("TPCBLLC")	Facilitator of online insurance	**49.00**	49.00

The financial statements of the above joint venture company are coterminous with those of the Group, and were audited by a firm of chartered accountants other than Ernst & Young PLT.

The summarised financial information of the joint venture, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	2023 RM'000	2022 RM'000
Summarised statement of comprehensive income:		
Facilitator fees	**9,877**	15,744
Other income	**305**	312
Management expenses	**(5,665)**	(5,437)
Net profit for the year	**4,517**	10,619
Group's share of profits for the financial year *	**149**	153

* The amounts represent 49% share of other income only. On 22 October 2021, the Group has signed a letter of undertaking to forego its entitlement to dividend declarations and consequently, the share of profits of TPCBLLC for profits generated from business ceded to TPR for the financial year ended 31 December 2021 onwards. With regards to any other revenues generated by TPCBLLC that are not ceded to TPR, the dividend declarations and recognition of share of profits will remain in accordance with the joint venture agreement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

7. Investment in a joint venture company (cont'd.)

The summarised financial information of the joint venture, not adjusted for the proportion of ownership interest held by the Group, is as follows: (cont'd.)

	2023 RM'000	2022 RM'000
Summarised statement of financial position as at 31 December:		
Assets		
Property and equipment	**36**	56
Trade and other receivables	**12,453**	22,208
Cash and bank balances	**2,605**	527
	15,094	22,791
Liabilities		
Trade and other payables	**6,212**	2,308
Net assets of the joint venture	**8,882**	20,483
Proportion of the Group's ownership interest in joint venture	**49%**	49%
Carrying amount of interest in joint venture as at 31 December **	**1,281**	2,045

** Arising from the letter of undertaking to forego its entitlement to dividend declarations and consequently, the share of profits of TPCBLLC for certain profits as discussed previously, the carrying amount of interest in the joint venture represents the Group's share in net assets of the joint venture that are attributable only to the Group's entitlement, which is excluding the portion that has been forgone.

8. Goodwill

	2023 RM'000	2022 RM'000
At 1 January/31 December	**24,165**	24,165

The goodwill arose from the acquisition of TIMB on 23 May 2012.

Goodwill is allocated to the Group's CGU which is expected to benefit from the synergies of the acquisition. The recoverable amount of the CGU is assessed based on its value-in-use and compared to the carrying value of the CGU to determine whether any impairment exists. Impairment is recognised in profit or loss if the carrying amount of the CGU exceeds its recoverable amount.

8. Goodwill (cont'd.)

The value-in-use calculations are derived from discounted cash flow projections prepared and approved by management, covering a five-year period.

The key assumptions for the computation of value-in-use are as follows:

(i) The growth in gross written premium is expected to be at an average of 6% per annum;

(ii) The retention ratio and net claims incurred ratio are estimated to be approximately 68% and 46% per annum, respectively;

(iii) The discount rate applied is the internal weighted average cost of capital of TIMB at the time of the assessment, which is estimated to be 6.98% per annum (pre-tax discount rate of 9.19% per annum); and

(iv) Terminal value cash flow growth rate is 3.9%, which is consistent with the Gross Domestic Product rate.

Management believes that reasonably possible changes in any of the above key assumptions would not cause the carrying value of the CGU to exceed its recoverable amount. Accordingly, there is no evidence of impairment of goodwill as at the financial year end.

9. Investments

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Debt securities	**5,048**	5,016	**-**	-
Unit trust funds	**379,218**	662,270	**40,858**	47,647
Loans receivable	**57**	61	**-**	-
Fixed and call deposits with licensed financial institutions	**340,049**	15,267	**-**	-
	724,372	682,614	**40,858**	47,647

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amortised cost (Note 9(a))	**340,106**	15,328	**-**	-
Financial assets at FVTPL (Note 9(b))	**384,266**	667,286	**40,858**	47,647
	724,372	682,614	**40,858**	47,647

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

9. Investments (cont'd)

(a) Amortised cost

	Group	
	2023 RM'000	2022 RM'000
Fixed and call deposits with licensed financial institutions	**340,049**	15,267
Loans receivable:		
Staff mortgage loans	**56**	59
Other unsecured staff loans	**1**	2
	57	61
	340,106	15,328

Included in fixed and call deposits with licensed financial institutions of the Group are short term deposits with original maturity periods of less than 3 months amounting to RM26,732,000 (2022: RM7,161,000) which have been classified as cash and cash equivalents for the purpose of the statements of cash flows.

Included in deposits and placements of the Group is an amount of RM13,270,000 (2022: RM12,780,000) representing placements of fixed deposits and the deposits received from insureds as collateral for bond guarantees granted by the insurance subsidiary company to third parties.

The fixed and call deposits with licensed financial institutions of the Group amounting to RM5,000,000 (2022: Nil), are pledged with a licensed financial institution for the credit facilities obtained. Therefore, they are not available for use by the Group.

The carrying value of the fixed and call deposits approximates fair value due to the relatively short term maturities.

The carrying value of the staff mortgage loans and other staff loans are reasonable approximations of fair value due to the insignificant impact of discounting.

(b) Financial assets at FVTPL

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At fair value:				
Mandatorily measured				
Unquoted debt securities in Malaysia	**5,048**	5,016	**-**	-
Quoted unit trust funds in Malaysia	**379,218**	662,270	**40,858**	47,647
	384,266	667,286	**40,858**	47,647

9. Investments (cont'd.)

(c) Average effective interest rates

The average effective interest rates for each class of interest-bearing investment and placements with licensed financial institutions, at net carrying amounts are as below:

	Group	
	2023 %	2022 %
Debt securities	**4.30**	4.30
Loans receivable	**5.00**	5.00
Deposits with financial institutions	**4.09**	2.46

10. Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	2023			2022		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
Group						
Insurance contracts issued						
General reinsurance	**16,883**	**(227)**	**16,656**	15,286	(764)	14,522
General insurance	**-**	**(649,412)**	**(649,412)**	-	(709,671)	(709,671)
Life insurance	**-**	**(143)**	**(143)**	-	-	-
	16,883	**(649,782)**	**(632,899)**	15,286	(710,435)	(695,149)
Reinsurance contracts issued						
General reinsurance	**660**	**(1,325)**	**(665)**	438	(1,190)	(752)
General insurance	**340,440**	**-**	**340,440**	445,838	-	445,838
	341,100	**(1,325)**	**339,775**	446,276	(1,190)	445,086

The Group disaggregates information to provide disclosure in respect of general insurance contracts issued and general reinsurance contracts issued separately. This disaggregation has been determined based on how the Group is managed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims

General reinsurance

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for general reinsurance, is disclosed in the table below:

	Liabilities for remaining coverage		Liabilities for incurred claims		
2023	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustments RM'000**	**Total RM'000**
Insurance contract assets as at 1 January	30,522	-	(11,867)	(3,369)	15,286
Insurance contract liabilities as at 1 January	456	-	(952)	(268)	(764)
Net insurance contract assets/(liabilities) as at 1 January	30,978	-	(12,819)	(3,637)	14,522
Insurance revenue	63,725	-	-	-	63,725
Insurance service expenses	(44,009)	-	(7,737)	803	(50,943)
Incurred claims and other expenses	-	-	(9,408)	(2,383)	(11,791)
Amortisation of insurance acquisition cash flows	(44,009)	-	-	-	(44,009)
Changes to liabilities for incurred claims	-	-	1,671	3,186	4,857
Investment components	16,309	-	(16,309)	-	-
Insurance service result	36,025	-	(24,046)	803	12,782
Insurance finance income/(expenses)	2,084	-	(224)	-	1,860
Effect of movements in exchange rates	416	-	-	-	416
Total changes in the statements of comprehensive income	38,525	-	(24,270)	803	15,058
Cash flows					
Premium received	(68,895)	-	-	-	(68,895)
Claims and other expenses paid	-	-	19,810	-	19,810
Insurance acquisition cash flows	36,161	-	-	-	36,161
Total cash flows	(32,734)	-	19,810	-	(12,924)
Net insurance contract assets/(liabilities) as at 31 December	36,769	-	(17,279)	(2,834)	16,656
Insurance contract assets as at 31 December	37,054	-	(17,337)	(2,834)	16,883
Insurance contract liabilities as at 31 December	(285)	-	58	-	(227)
Net insurance contract assets/(liabilities) as at 31 December	36,769	-	(17,279)	(2,834)	16,656

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (cont'd.)

General reinsurance (cont'd.)

	Liabilities for remaining coverage		Liabilities for incurred claims		
2022	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustments RM'000**	**Total RM'000**
Insurance contract assets as at 1 January	39,894	-	(5,800)	(1,616)	32,478
Insurance contract liabilities as at 1 January	363	-	(280)	(78)	5
Net insurance contract assets/(liabilities) as at 1 January	40,257	-	(6,080)	(1,694)	32,483
Insurance revenue	68,853	-	-	-	68,853
Insurance service expenses	(27,542)	-	(29,654)	(1,943)	(59,139)
Incurred claims and other expenses	-	-	(15,472)	(2,564)	(18,036)
Amortisation of insurance acquisition cash flows	(27,542)	-	-	-	(27,542)
Changes to liabilities for incurred claims	-	-	(14,182)	621	(13,561)
Investment components	3,547	-	(3,547)	-	-
Insurance service result	44,858	-	(33,201)	(1,943)	9,714
Insurance finance income/(expenses)	1,870	-	(77)	-	1,793
Effect of movements in exchange rates	94	-	-	-	94
Total changes in the statements of comprehensive income	46,822	-	(33,278)	(1,943)	11,601
Cash flows					
Premium received	(81,875)	-	-	-	(81,875)
Claims and other expenses paid	-	-	26,539	-	26,539
Insurance acquisition cash flows	25,774	-	-	-	25,774
Total cash flows	(56,101)	-	26,539	-	(29,562)
Net insurance contract assets/(liabilities) as at 31 December	30,978	-	(12,819)	(3,637)	14,522
Insurance contract assets as at 31 December	30,522	-	(11,867)	(3,369)	15,286
Insurance contract liabilities as at 31 December	456	-	(952)	(268)	(764)
Net insurance contract assets/(liabilities) as at 31 December	30,978	-	(12,819)	(3,637)	14,522

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (cont'd.)

General insurance

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for general insurance, is disclosed in the table below:

2023	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component RM'000	Loss component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Insurance contract liabilities as at 1 January	(24,570)	(25,079)	(587,356)	(72,666)	(709,671)
Net insurance contract liabilities as at 1 January	(24,570)	(25,079)	(587,356)	(72,666)	(709,671)
Insurance revenue	310,227	-	-	-	310,227
Insurance service expenses	(79,989)	(1,906)	(128,245)	15,267	(194,873)
Incurred claims and other expenses	-	-	(150,812)	(8,611)	(159,423)
Amortisation of insurance acquisition cash flows	(79,989)	-	-	-	(79,989)
Losses on onerous contracts and reversals of those losses	-	(1,906)	-	-	(1,906)
Changes to liabilities for incurred claims	-	-	22,567	23,878	46,445
Insurance service result	230,238	(1,906)	(128,245)	15,267	115,354
Insurance finance expenses	(1,181)	-	(16,894)	-	(18,075)
Total changes in the statements of comprehensive income	229,057	(1,906)	(145,139)	15,267	97,279
Cash flows					
Premium received excluding taxes	(391,900)	-	-	-	(391,900)
Premium tax outflows	24,925	-	-	-	24,925
Claims and other expenses paid	-	-	226,158	-	226,158
Insurance acquisition cash flows	103,797	-	-	-	103,797
Total cash flows	(263,178)	-	226,158	-	(37,020)
Net insurance contract liabilities as at 31 December	(58,691)	(26,985)	(506,337)	(57,399)	(649,412)
Insurance contract liabilities as at 31 December	(58,691)	(26,985)	(506,337)	(57,399)	(649,412)
Net insurance contract liabilities as at 31 December	(58,691)	(26,985)	(506,337)	(57,399)	(649,412)

Included in the liabilities for remaining coverage and liabilities for incurred claims above are the Group's proportionate shares of liabilities for remaining coverage and liabilities for incurred claims in MMIP, amounting to RM729,000 (2022: RM748,000) and RM14,069,000 (2022: RM15,612,000), respectively.

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (cont'd.)

General insurance (cont'd.)

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for general insurance, is disclosed in the table below:

	Liabilities for remaining coverage		Liabilities for incurred claims		
2022	**Excluding loss component RM'000**	**Loss component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustments RM'000**	**Total RM'000**
Insurance contract liabilities as at 1 January	(55,684)	(20,052)	(676,280)	(87,175)	(839,191)
Net insurance contract liabilities as at 1 January	(55,684)	(20,052)	(676,280)	(87,175)	(839,191)
Insurance revenue	413,048	-	-	-	413,048
Insurance service expenses	(85,998)	(5,027)	(103,552)	14,509	(180,068)
Incurred claims and other expenses	-	-	(201,444)	(16,774)	(218,218)
Amortisation of insurance acquisition cash flows	(85,998)	-	-	-	(85,998)
Losses on onerous contracts and reversals of those losses	-	(5,027)	-	-	(5,027)
Changes to liabilities for incurred claims	-	-	97,892	31,283	129,175
Insurance service result	327,050	(5,027)	(103,552)	14,509	232,980
Insurance finance expenses	(1,057)	-	(10,867)	-	(11,924)
Total changes in the statements of comprehensive income	325,993	(5,027)	(114,419)	14,509	221,056
Cash flows					
Premium received excluding taxes	(443,205)	-	-	-	(443,205)
Premium tax outflows	26,661	-	-	-	26,661
Claims and other expenses paid	-	-	203,343	-	203,343
Insurance acquisition cash flows	121,665	-	-	-	121,665
Total cash flows	(294,879)	-	203,343	-	(91,536)
Net insurance contract liabilities as at 31 December	(24,570)	(25,079)	(587,356)	(72,666)	(709,671)
Insurance contract liabilities as at 31 December	(24,570)	(25,079)	(587,356)	(72,666)	(709,671)
Net insurance contract liabilities as at 31 December	(24,570)	(25,079)	(587,356)	(72,666)	(709,671)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims (cont'd.)

Life insurance

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims for general insurance, is disclosed in the table below:

	Liabilities for remaining coverage		Liabilities for incurred claims			
				Contracts under PAA		
2023	Excluding loss component RM'000	Loss component RM'000	Contracts not under PAA RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Net insurance contract assets/ (liabilities) as at 1 January	-	-	-	-	-	-
Insurance revenue	187	-	-	-	-	187
Insurance service expenses	(2,297)	(933)	(2,030)	(1,559)	-	(6,819)
Incurred claims and other expenses	-	-	(2,030)	(1,559)	-	(3,589)
Amortisation of insurance acquisition cash flows	(2,297)	-	-	-	-	(2,297)
Losses on onerous contracts and reversals of those losses	-	(933)	-	-	-	(933)
Insurance service result	(2,110)	(933)	(2,030)	(1,559)	-	(6,632)
Total changes in the statements of comprehensive income	(2,110)	(933)	(2,030)	(1,559)	-	(6,632)
Cash flows						
Premium received	(254)	-	-	-	-	(254)
Claims and other expenses paid	-	-	2,019	1,555	-	3,574
Insurance acquisition cash flows	3,169	-	-	-	-	3,169
Total cash flows	2,915	-	2,019	1,555	-	6,489
Net insurance contract assets/ (liabilities) as at 31 December	805	(933)	(11)	(4)	-	(143)
Insurance contract liabilities as at 31 December	805	(933)	(11)	(4)	-	(143)
Contracts under PAA	825	(887)	-	(4)	-	(66)
Contracts not under PAA	(20)	(46)	(11)	-	-	(77)
Net insurance contract assets/ (liabilities) as at 31 December	805	(933)	(11)	(4)	-	(143)

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustment and CSM

Life insurance

2023	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	CSM RM'000	Total RM'000
Net insurance contract assets/(liabilities) as at 1 January	-	-	-	-
Changes that relate to current services				
Risk adjustment recognised for risk expired	-	6	-	6
Experience adjustments	(3,667)	-	-	(3,667)
Changes that relate to future services				
Contracts initially recognised in the year	43	(46)	-	(3)
contract losses or reversal of such losses	(46)	2	-	(44)
Insurance service results	(3,670)	(38)	-	(3,708)
Total changes in the statements of comprehensive income	(3,670)	(38)	-	(3,708)
Cash flows				
Premium received	(181)	-	-	(181)
Claims and other insurance service expenses paid	2,019	-	-	2,019
Insurance acquisition cash flows	1,793	-	-	1,793
Total cash flows	3,631	-	-	3,631
Net insurance contract liabilities as at 31 December	(39)	(38)	-	(77)
Insurance contract liabilities as at 31 December	(39)	(38)	-	(77)
Net insurance contract liabilities as at 31 December	(39)	(38)	-	(77)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts issued showing the assets for remaining coverage and amounts recoverable on incurred claims

General reinsurance

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising on general reinsurance ceded to reinsurers is disclosed in the table below:

	Assets for remaining coverage		Amounts recoverable on incurred claims		
2023	**Excluding loss component RM'000**	**Loss - recovery component RM'000**	**Estimates of the present value of future cash flows RM'000**	**Risk adjustments RM'000**	**Total RM'000**
Reinsurance contract assets as at 1 January	438	-	-	-	438
Reinsurance contract liabilities as at 1 January	(1,339)	-	111	38	(1,190)
Net reinsurance contract (liabilities)/ assets as at 1 January	(901)	-	111	38	(752)
An allocation of reinsurance premium	(653)	-	-	-	(653)
Amounts recoverable from reinsurers for incurred claims	-	-	(2)	(38)	(40)
Changes to amounts recoverable for incurred claims	-	-	(2)	(38)	(40)
Net expenses from reinsurance contracts held	(653)	-	(2)	(38)	(693)
Reinsurance finance (expenses)/income	(29)	-	2	-	(27)
Effect of movements in exchange rates	(53)	-	-	-	(53)
Total changes in the statements of comprehensive income	(735)	-	-	(38)	(773)
Cash flows					
Premium paid	860	-	-	-	860
Total cash flows	860	-	-	-	860
Net reinsurance contract (liabilities)/ assets as at 31 December	(776)	-	111	-	(665)
Reinsurance contract assets as at 31 December	660	-	-	-	660
Reinsurance contract liabilities as at 31 December	(1,436)	-	111	-	(1,325)
Net reinsurance contract (liabilities)/ assets as at 31 December	(776)	-	111	-	(665)

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts issued showing the assets for remaining coverage and amounts recoverable on incurred claims (cont'd.)

General reinsurance (cont'd.)

2022	Assets for remaining coverage: Excluding loss component RM'000	Assets for remaining coverage: Loss - recovery component RM'000	Amounts recoverable on incurred claims: Estimates of the present value of future cash flows RM'000	Amounts recoverable on incurred claims: Risk adjustments RM'000	Total RM'000
Reinsurance contract assets as at 1 January	109	-	-	-	109
Reinsurance contract liabilities as at 1 January	(3,923)	-	67	20	(3,836)
Net reinsurance contract (liabilities)/ assets as at 1 January	(3,814)	-	67	20	(3,727)
An allocation of reinsurance premium	(1,663)	-	-	-	(1,663)
Amounts recoverable from reinsurers for incurred claims	-	-	64	18	82
Changes to amounts recoverable for incurred claims	-	-	64	18	82
Net (expenses)/income from reinsurance contracts held	(1,663)	-	64	18	(1,581)
Reinsurance finance (expenses)/income	(50)	-	1	-	(49)
Effect of movements in exchange rates	(23)	-	-	-	(23)
Total changes in the statements of comprehensive income	(1,736)	-	65	18	(1,653)
Cash flows					
Premium paid	4,899	-	-	-	4,899
Commission received	(250)	-	-	-	(250)
Amounts received	-	-	(21)	-	(21)
Total cash flows	4,649	-	(21)	-	4,628
Net reinsurance contract (liabilities)/ assets as at 31 December	(901)	-	111	38	(752)
Reinsurance contract assets as at 31 December	438	-	-	-	438
Reinsurance contract liabilities as at 31 December	(1,339)	-	111	38	(1,190)
Net reinsurance contract (liabilities)/ assets as at 31 December	(901)	-	111	38	(752)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts issued showing the assets for remaining coverage and amounts recoverable on incurred claims (cont'd.)

General insurance

The roll-forward of the net asset or liability for reinsurance contracts held showing assets for remaining coverage and amounts recoverable on incurred claims arising on general insurance ceded to reinsurers is disclosed in the table below:

	Assets for remaining coverage		Amounts recoverable on incurred claims			
				Contracts under PAA		
2023	Excluding loss-recovery component RM'000	Loss-recovery component RM'000	Contracts not under PAA RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Reinsurance contract assets as at 1 January	(7,563)	5,521	436,821	10,190	869	445,838
Contracts under PAA	(1,217)	-	-	10,190	869	9,842
Contracts not under PAA	(6,346)	5,521	436,821	-	-	435,996
Net reinsurance contract (liabilities)/assets as at 1 January	(7,563)	5,521	436,821	10,190	869	445,838
Allocation of reinsurance premium	(92,471)	-	-	-	-	(92,471)
Amounts recoverable from reinsurers for incurred claims	(2,161)	(1,123)	(60,724)	30,559	2,555	(30,894)
Amounts recoverable for incurred claims and other expenses	(2,161)	-	-	31,963	2,940	32,742
Reversal of a loss-recovery component, other than changes in fulfilment cash flow	-	(1,123)	-	-	-	(1,123)
Changes to amounts recoverable for incurred claims	-	-	(60,724)	(1,404)	(385)	(62,513)
Net (expense)/income from reinsurance contracts held	(94,632)	(1,123)	(60,724)	30,559	2,555	(123,365)
Reinsurance finance income	1,359	-	11,525	222	-	13,106
Total changes in the statements of comprehensive income	(93,273)	(1,123)	(49,199)	30,781	2,555	(110,259)

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts issued showing the assets for remaining coverage and amounts recoverable on incurred claims (cont'd.)

General insurance (cont'd.)

	Assets for remaining coverage		Amounts recoverable on incurred claims			
				Contracts under PAA		
2023	Excluding loss-recovery component RM'000	Loss-recovery component RM'000	Contracts not under PAA RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Cash flows						
Premium paid	66,080	-	-	-	-	66,080
Amounts received	-	-	(53,209)	(8,010)	-	(61,219)
Total cash flows	66,080	-	(53,209)	(8,010)	-	4,861
Net reinsurance contract (liabilities)/assets as at 31 December	(34,756)	4,398	334,413	32,961	3,424	340,440
Reinsurance contract assets as at 31 December	(34,756)	4,398	334,413	32,961	3,424	340,440
Contracts under PAA	18,808	-	-	32,961	3,424	55,193
Contracts not under PAA	(53,564)	4,398	334,413	-	-	285,247
Net reinsurance contract (liabilities)/assets as at 31 December	(34,756)	4,398	334,413	32,961	3,424	340,440

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts issued showing the assets for remaining coverage and amounts recoverable on incurred claims (cont'd.)

General Insurance (cont'd.)

	Assets for remaining coverage		Amounts recoverable on incurred claims			
				Contracts under PAA		
2022	Excluding loss-recovery component RM'000	Loss-recovery component RM'000	Contracts not under PAA RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Reinsurance contract assets as at 1 January	396	6,891	548,574	20,579	2,146	578,586
Contracts under PAA	(20)	261	-	20,579	2,146	22,966
Contracts not under PAA	416	6,630	548,574	-	-	555,620
Net reinsurance contract assets as at 1 January	396	6,891	548,574	20,579	2,146	578,586
Allocation of reinsurance premium	(183,282)	-	-	-	-	(183,282)
Amounts recoverable from reinsurers for incurred claims	(1,218)	(1,370)	(34,943)	(4,576)	(1,277)	(43,384)
Amounts recoverable for incurred claims and other expenses	(1,218)	-	104,202	(1,710)	-	101,274
Reversal of a loss-recovery component, other than changes in fulfilment cash flow	-	(1,370)	-	-	-	(1,370)
Changes to amounts recoverable for incurred claims	-	-	(139,145)	(2,866)	(1,277)	(143,288)
Net (expense)/income from reinsurance contracts held	(184,500)	(1,370)	(34,943)	(4,576)	(1,277)	(226,666)
Reinsurance finance income	2,938	-	7,669	314	-	10,921
Total changes in the statements of comprehensive income	(181,562)	(1,370)	(27,274)	(4,262)	(1,277)	(215,745)

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts issued showing the assets for remaining coverage and amounts recoverable on incurred claims (cont'd.)

General insurance (cont'd.)

2022	Assets for remaining coverage		Amounts recoverable on incurred claims			
				Contracts under PAA		
	Excluding loss-recovery component RM'000	Loss-recovery component RM'000	Contracts not under PAA RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Cash flows						
Premium paid, net of ceding commissions and other directly attributable expenses	173,603	-	-	-	-	173,603
Amounts received	-	-	(84,479)	(6,127)	-	(90,606)
Total cash flows	173,603	-	(84,479)	(6,127)	-	82,997
Net reinsurance contract (liabilities)/assets as at 31 December	(7,563)	5,521	436,821	10,190	869	445,838
Reinsurance contract assets as at 31 December	(7,563)	5,521	436,821	10,190	869	445,838
Contracts under PAA	(1,217)	-	-	10,190	869	9,842
Contracts not under PAA	(6,346)	5,521	436,821	-	-	435,996
Net reinsurance contract (liabilities)/assets as at 31 December	(7,563)	5,521	436,821	10,190	869	445,838

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts held showing estimates of the present value of future cash flows, risk adjustment and CSM

General insurance

2023	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	CSM RM'000	Loss recovery adjustment RM'000	Total RM'000
Reinsurance contract assets as at 1 January	366,728	59,913	3,834	5,521	435,996
Net reinsurance contract assets as at 1 January	366,728	59,913	3,834	5,521	435,996
Changes that relate to current services					
CSM recognised for services received	-	-	(6,413)	-	(6,413)
Risk adjustment for non-financial risk for the risk expired	-	(5,726)	-	-	(5,726)
Experience adjustments	(32,899)	-	-	-	(32,899)
Changes that relate to future services					
Changes in estimates that adjust CSM	(904)	235	669	-	-
Reversal of a loss-recovery component, other than changes in fulfilment cash flow of reinsurance contracts held	-	-	-	(1,068)	(1,068)
Changes that relate to past services					
Changes in future cash flow relating to incurred claims recovery	(42,023)	(18,700)	-	-	(60,723)
Insurance service results	(75,826)	(24,191)	(5,744)	(1,068)	(106,829)
Reinsurance finance income	12,467	-	221	-	12,688
Total changes in the statements of comprehensive income	(63,359)	(24,191)	(5,523)	(1,068)	(94,141)
Cash flows					
Premium paid, net of ceding commissions and other directly attributable expenses	(4,216)	-	-	-	(4,216)
Amounts received	(52,392)	-	-	-	(52,392)
Total cash flows	(56,608)	-	-	-	(56,608)
Net reinsurance contract assets/ (liabilities) as at 31 December	246,761	35,722	(1,689)	4,453	285,247
Reinsurance contract assets as at 31 December	246,761	35,722	(1,689)	4,453	285,247
Net reinsurance contract assets/ (liabilities) as at 31 December	246,761	35,722	(1,689)	4,453	285,247

10. Insurance and reinsurance contracts (cont'd.)

Roll-forward of net asset or liability for reinsurance contracts held showing estimates of the present value of future cash flows, risk adjustment and CSM (cont'd.)

General insurance (cont'd.)

2022	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	CSM RM'000	Loss recovery adjustment RM'000	Total RM'000
Reinsurance contract assets as at 1 January	471,735	74,889	2,367	6,630	555,621
Net reinsurance contract assets as at 1 January	471,735	74,889	2,367	6,630	555,621
Changes that relate to current services					
CSM recognised for services received	-	-	(30,122)	-	(30,122)
Risk adjustment for non-financial risk for the risk expired	-	(23,304)	-	-	(23,304)
Experience adjustments	(49,928)	-	-	-	(49,928)
Changes that relate to future services					
Contracts initially recognised in the year	(50,846)	23,339	27,507	-	-
Changes in estimates that adjust CSM	(2,853)	(695)	3,548	-	-
Reversal of a loss-recovery component, other than changes in fulfilment cash flow of reinsurance contracts held	-	-	-	(1,109)	(1,109)
Changes that relate to past services					
Changes in future cash flow relating to incurred claims recovery	(23,097)	(14,316)	-	-	(37,413)
Insurance service results	(126,724)	(14,976)	933	(1,109)	(141,876)
Reinsurance finance income	10,044	-	534	-	10,578
Total changes in the statements of comprehensive income	(116,680)	(14,976)	1,467	(1,109)	(131,298)
Cash flows					
Premium paid, net of ceding commissions and other directly attributable expenses	166,279	-	-	-	166,279
Amounts received	(154,606)	-	-	-	(154,606)
Total cash flows	11,673	-	-	-	11,673
Net reinsurance contract assets/ (liabilities) as at 31 December	366,728	59,913	3,834	5,521	435,996
Reinsurance contract assets as at 31 December	366,728	59,913	3,834	5,521	435,996
Net reinsurance contract assets/ (liabilities) as at 31 December	366,728	59,913	3,834	5,521	435,996

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

11. Other receivables

	Group		Company	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Financial assets:				
Amounts due from subsidiaries	**-**	-	**11,614**	12,075
Amount due from a joint venture company	**-**	197	**-**	72
Amount due from an associate company	**1,257**	584	**284**	201
Income due and accrued	**1,116**	229	**-**	-
Deposits paid to cedants and reinsurers	**2,043**	1,312	**-**	-
Other receivables	**1,193**	411	**574**	576
	5,609	2,733	**12,472**	12,924
Non-financial assets:				
Assets held under the Malaysian Motor Insurance Pool ("MMIP" or "the Pool") *	**36,843**	40,213	**-**	-
Prepayments	**1,027**	1,788	**81**	174
	37,870	42,001	**81**	174
Total	**43,479**	44,734	**12,553**	13,098

* As a participating member of MMIP, the Group shares a proportion of the Pool's net assets/liabilities. At each reporting date, the Group accounts for its proportionate share of the assets, liabilities and performance of the Pool. The net assets held under MMIP represents the Group's share of the Pool's net assets, before insurance contract liabilities. The Group's proportionate share of the Pool's insurance contract liabilities arising from its participation in the Pool is disclosed in Note 10.

The carrying amounts of financial assets disclosed above approximate their fair values at the reporting date due to the relatively short-term maturity of these balances.

The amounts due from subsidiaries, a joint venture company and an associate are unsecured, interest free and are repayable in the short-term.

There were no individually or collectively impaired other receivables for the years ended 31 December 2023 and 2022.

12. Share capital

	Group and Company Share capital (Issued and fully paid)	
	Number of ordinary shares '000	Amount RM'000
At 1 January 2022/31 December 2022	**751,760**	**248,519**
Ordinary shares issued pursuant to the LTIP - ESOS	**500**	**237**
At 31 December 2023	**752,260**	**248,756**

* Includes capitalisation of employee share option reserve of RM51,999.

During the year, 500,000 new ordinary shares each fully paid were issued pursuant to the exercise of options granted under the Company's LTIP - ESOS at the exercise price of RM0.37 per share.

The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. The ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

13. Deferred tax (assets)/liabilities

	Group	
	2023 RM'000	2022 RM'000 Restated
At 1 January	**(1,091)**	(1,278)
Recognised in profit or loss (Note 26)	**623**	187
At 31 December	**(468)**	(1,091)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

	Group	
	2023 RM'000	2022 RM'000
Presented as follows:		
Deferred tax liabilities	**1,521**	1,457
Deferred tax assets	**(1,989)**	(2,548)
	(468)	(1,091)

13. Deferred tax (assets)/liabilities (cont'd.)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

	Fair value of financial assets RM'000	Property and equipment RM'000	Total RM'000
Group			
Deferred tax liabilities			
At 1 January 2022, as previously reported / restated	58	103	161
Recognised in profit or loss	(54)	1,350	1,296
At 31 December 2022	**4**	**1,453**	**1,457**
Recognised in profit or loss	**8**	**56**	**64**
At 31 December 2023	**12**	**1,509**	**1,521**

	Premium liabilities RM'000	Provisions and MFRS 17 valuation difference RM'000	Total RM'000
Group			
Deferred tax assets			
At 1 January 2022, as previously reported	(530)	(1,463)	(1,993)
Impact on initial application of MFRS 17	-	554	554
At 1 January 2022, restated	(530)	(909)	(1,439)
Recognised in profit or loss	(125)	(984)	(1,109)
At 31 December 2022	**(655)**	**(1,893)**	**(2,548)**
Recognised in profit or loss	**590**	**(31)**	**559**
At 31 December 2023	**(65)**	**(1,924)**	**(1,989)**

13. Deferred tax (assets)/liabilities (cont'd.)

As at 31 December 2023, net deferred tax assets have not been recognised in respect of the following temporary differences of the Group:

	Group	
	2023 RM'000	**2022 RM'000**
Unutilised tax losses	19,229	6,466
Provisions	1,109	1,178
Unabsorbed capital allowances	15,041	3,129
Other deductible temporary differences	(664)	(837)
	34,715	9,936

The unutilised tax losses of the Group are available for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act 1967 and guidelines issued by the tax authority.

The Malaysia Finance Act gazetted on 27 December 2018 has imposed a time limitation to restrict the carry forward of the unutilised tax losses. The unutilised tax losses accumulated up to the year of assessment 2018 are allowed to be carried forward for 7 consecutive years of assessment (i.e., from year of assessment 2019 to 2025) and any balance of the unutilised losses thereafter shall be disregarded.

Based on the Act, for any unutilised tax losses that originated from the year of assessment 2019 onwards, these were allowed to be carried forward for a maximum period of 7 consecutive years of assessment immediately following that originating year of assessment and any balance of the unutilised tax losses thereafter shall be disregarded.

However, following the Budget 2022 announcement and the gazetting of the Finance Act 2021 on 31 December 2021, any accumulated unutilised tax losses from the year of assessment 2019 onwards can now be carried forward to a maximum of 10 consecutive years of assessment and any balance of the unutilised tax losses thereafter shall be disregarded. This will be effective retrospectively from year of assessment 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

14. Other payables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Financial liabilities:				
Amount due to a joint venture	**8,650**	16,905	**-**	-
Amount due to an associate company	**-**	83	**-**	-
Retirement benefits	**255**	255	**-**	-
Accrued expenses	**8,091**	9,666	**927**	1,192
Other payables	**23,968**	28,298	**2,948**	2,815
	40,964	55,207	**3,875**	4,007
Non-financial liabilities:				
Unearned revenue	**-**	198	**-**	-
Provision for taxation	**696**	400	**-**	89
Others	**18,615**	9,392	**-**	-
	19,311	9,990	**-**	89
Total	**60,275**	65,197	**3,875**	4,096

The carrying amounts of the financial liabilities approximate fair value due to their relatively short-term maturities.

15. Leases

(a) The Group and the Company as lessee

The Group and the Company have entered into lease agreements for rental of office premises. Leases of office premises generally have lease terms between 2 to 5 years and include extension and termination options.

The Group and the Company also have certain leases of office equipment with lease terms of 12 months or less and of low value. The Group and the Company apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

15. Leases (cont'd.)

(a) The Group and the Company as lessee (cont'd.)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Office premises and buildings				
As at 1 January	**3,273**	3,972	**716**	2,044
Additions	**6,166**	1,812	**5,805**	456
Depreciation expense (Note 25)	**(2,526)**	(2,373)	**(1,634)**	(1,646)
Modification to lease term	**-**	(138)	**-**	(138)
As at 31 December	**6,913**	3,273	**4,887**	716

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Office premises and buildings				
As at 1 January	**3,420**	4,195	**740**	2,146
Additions	**6,166**	1,812	**5,805**	456
Accretion of interest	**327**	205	**211**	80
Payments	**(2,694)**	(2,645)	**(1,776)**	(1,796)
Modification to lease term	**-**	(147)	**-**	(146)
As at 31 December	**7,219**	3,420	**4,980**	740

Maturity profile of lease liabilities is disclosed in Note 36(b).

Extension options

The Group and the Company have several lease contracts of buildings which contain extension options exercisable by the Group and the Company. At the commencement of the lease, the Group and the Company assess whether it is reasonably certain to exercise such options. All of the extension options for buildings have been included in the lease liabilities because the Group and the Company are reasonably certain that the lease will be extended based on past practice and the existing economic incentive.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

15. Leases (cont'd.)

(a) The Group and the Company as lessee (cont'd.)

The following are the amounts recognised in profit or loss:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Income/(expense):				
Income from subleasing right-of-use assets (Note 23)	**-**	-	**1,323**	1,340
Depreciation expense of right-of-use assets (Note 24)	**(2,526)**	(2,373)	**(1,634)**	(1,646)
Interest expense on lease liabilities	**(327)**	(205)	**(211)**	(80)
Expenses relating to leases of low-value assets (Note 24)	**(74)**	(105)	**-**	-
Expenses relating to short term leases (Note 24)	**(1,536)**	(1,555)	**(456)**	(342)

The Group and the Company had total cash outflows for payment of lease liabilities of RM4,304,000 (2022: RM4,305,000) and RM2,232,000 (2022: RM2,138,000) respectively. The Group and the Company also had non-cash additions to right-of-use assets of RM6,166,000 (2022: RM1,812,000) and RM5,805,000 (2022: RM456,000) respectively.

(b) The Company as lessor

The Company has entered into a cancellable operating sublease arrangement on its right-of-use asset. The sublease has a remaining cancellable lease term of less than three years.

The future minimum lease payments receivable under a cancellable operating sublease contracted for as at the reporting date but not recognised as receivables, are as follows:

	Company	
	2023 RM'000	2022 RM'000
Receivable within one year	**1,293**	222
Receivable after one year but not more than five years	**162**	-
	1,455	222

16. Insurance revenue

	Group	
	2023 RM'000	**2022 RM'000 Restated**
Amounts relating to changes in liabilities for remaining coverage		
- Risk adjustment recognised for risk expired	**7**	-
- Expected insurance service expenses incurred in the period	**68**	-
- Other amounts including experience adjustments for premium receipts	**83**	-
Recovery of insurance acquisition cash flows	**2**	-
Contracts not measured under the PAA	**160**	-
Contracts measured under the PAA	**373,979**	481,901
	374,139	481,901

17. Insurance service expenses

	Group	
	2023 RM'000	**2022 RM'000 Restated**
Incurred claims and other expenses	**178,446**	239,894
Amortisation of insurance acquisition cash flows	**126,295**	113,540
Losses on onerous contracts	**2,839**	5,027
Changes to liabilities for incurred claims	**(51,302)**	(115,614)
	256,278	242,847

18. Amounts recoverable from reinsurers for incurred claims

	Group	
	2023 RM'000	**2022 RM'000 Restated**
Amounts recoverable for incurred claims and other expenses	**(32,742)**	(101,274)
Reversal of a loss recovery component, other than changes in fulfilment cash flow, for reinsurance contracts held	**1,123**	1,370
Changes to amounts recoverable for incurred claims	**62,553**	143,206
	30,934	43,302

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

19. Investment income

	Group		Company	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Interest income:				
- AC financial assets	**3,097**	962	**-**	-
- FVTPL financial assets	**207**	4,201	**-**	-
- Bank balances	**117**	71	**29**	24
Share of investment loss from MMIP	**2,526**	-	**-**	-
Dividend income:				
- FVTPL financial assets	**6,161**	14,430	**918**	1,185
- Subsidiaries	**-**	-	**9,637**	24,000
- A joint venture company	**-**	-	**-**	2,970
	12,108	19,664	**10,584**	28,179
Net amortisation of premium on investments	**-**	(192)	**-**	-
	12,108	19,472	**10,584**	28,179

20. Realised gains and losses

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Property and equipment:				
Realised (losses)/gains on disposal of property and equipment	**(6)**	195	**-**	175
FVTPL financial assets:				
Realised gains/(losses):				
Quoted unit trust funds in Malaysia	**2,850**	(17,889)	**200**	(720)
Unquoted debt securities in Malaysia	**-**	(3,136)	**-**	-
Quoted debt securities in Malaysia	**-**	182	**-**	-
Net realised gains/(losses) for FVTPL financial assets	**2,850**	(20,843)	**200**	(720)
Total net realised gains/(losses)	**2,844**	(20,648)	**200**	(545)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

21. Insurance finance expenses for insurance contracts issued

	Group	
	2023 RM'000	2022 RM'000 Restated
Interest accreted to insurance contracts using current financial assumptions	**(14,408)**	(10,512)
Due to changes in interest rates and other financial assumptions	**(1,807)**	381
Net foreign exchange income	**416**	94
	(15,799)	(10,037)

22. Reinsurance finance income for reinsurance contracts held

	Group	
	2023 RM'000	2022 RM'000 Restated
Interest accreted to reinsurance contracts using current financial assumptions	**11,558**	10,615
Interest accreted to insurance contracts using locked-in rate	**37**	16
Due to changes in interest rates and other financial assumptions	**1,300**	(277)
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	**184**	518
Net foreign exchange expenses	**(53)**	(23)
	13,026	10,849

23. Other operating income

	Group		Company	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Foreign exchange gains:				
- realised	**14**	1,533	**-**	-
- unrealised	**2,995**	100	**42**	100
Tele-marketing commission income	**10**	15	**9**	14
Management fees income	**311**	-	**11,387**	11,868
Income from subleasing right-of-use assets (Note 18)	**-**	-	**1,323**	1,340
Provision of software maintenance services	**996**	714	**-**	-
Provision of software customisation and professional services	**7**	200	**-**	-
Sundry income	**3,826**	1,320	**218**	273
	8,159	3,882	**12,979**	13,595

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

24. Expenses

	Group		Company	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Claims and benefits	**83,110**	74,889	**-**	-
Fees and commissions	**84,006**	80,782	**-**	-
Losses on onerous insurance contracts	**2,839**	5,027	**-**	-
Employee benefits expense (Note 24(a))	**86,151**	71,746	**18,670**	18,331
Directors' remuneration (Note 24(b))	**2,200**	2,137	**1,235**	1,316
Auditors' remuneration:				
- statutory audits	**1,039**	1,215	**118**	109
- regulatory related services	**152**	121	**62**	54
- other services	**65**	112	**10**	10
Audit fees to other audit firms	**13**	13	**-**	-
Depreciation of property and equipment (Note 3)	**1,704**	1,691	**370**	348
Amortisation of intangible assets (Note 4)	**5,757**	4,839	**151**	168
Depreciation of right-of-use assets (Note 15)	**2,526**	2,373	**1,634**	1,646
Expenses relating to leases of low-value assets (Note 15)	**74**	105	**-**	-
Expenses relating to short-term leases (Note 15)	**1,536**	1,555	**456**	342
Management fees	**434**	903	**2,803**	1,807
Marketing expenses	**1,293**	3,630	**523**	1,263
Facilitator fees (Note 30(a))	**9,877**	15,744	**-**	-
Professional fees	**4,116**	4,934	**1,019**	1,664
Printing charges	**4,201**	2,558	**100**	87
Publicity expenses	**13,612**	10,992	**383**	476
Communication expenses	**479**	485	**50**	46
Computer expenses	**11,952**	7,625	**1,029**	414
Foreign exchange losses:				
- realised	**2,087**	130	**6**	19
- unrealised	**-**	732	**-**	-
Other administration and general expenses	**16,444**	15,715	**5,182**	5,901
	335,667	310,053	**33,801**	34,001
Amounts attributed to insurance acquisition cash flows incurred during the year	**(161,052)**	(143,796)	**-**	-
Amortisation of insurance acquisition cash flows	**126,295**	113,540	**-**	-
	300,910	279,797	**33,801**	34,001
Represented by:				
Insurance service expenses (Note 17)	**256,278**	242,847	**-**	-
Other operating expenses	**28,323**	33,403	**33,801**	34,001
Non-distinct investment component	**16,310**	3,547	**-**	-
	300,911	279,797	**33,801**	34,001

24. Expenses (cont'd.)

(a) Employee benefits expense

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages and salaries	**70,082**	62,157	**14,357**	14,922
Social security contributions	**443**	362	**71**	65
Contributions to defined contribution plan	**7,660**	6,896	**1,694**	1,804
Share-based compensation (Note 25)	**1,394**	(2,887)	**861**	(445)
Other benefits	**6,572**	5,218	**1,687**	1,985
	86,151	71,746	**18,670**	18,331

Included in employee benefits expense of the Group and the Company is CEO's remuneration of RM1,849,000 (2022: RM2,009,000) as further disclosed in Note 24(c).

(b) Directors' remuneration

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Directors of the Company:				
Non-executive:				
Fees	**1,250**	1,334	**890**	986
Allowances and other emoluments	**441**	434	**345**	330
	1,691	1,768	**1,235**	1,316
Directors of the subsidiaries:				
Executive:				
Fees	**106**	113	**-**	-
Allowances and other emoluments	**35**	34	**-**	-
	141	147	**-**	-
Non-executive:				
Fees	**254**	162	**-**	-
Allowances and other emoluments	**114**	60	**-**	-
	368	222	**-**	-
	509	369	**-**	-
Total	**2,200**	2,137	**1,235**	1,316

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

24. Expenses (cont'd.)

(b) Directors' remuneration (cont'd.)

Directors of the Company:

Group	Fees RM'000	Allowances and other emoluments RM'000	Total RM'000
2023			
Non-executive:			
Dato' Mohamed Kadar Bin Merican	**275**	**58**	**333**
Kelvin Desmond Malayapillay	**188**	**65**	**253**
Tan Ming-Li	**256**	**105**	**361**
Mohamed Rashdi Bin Mohamed Ghazalli	**343**	**126**	**469**
Aireen Omar	**106**	**37**	**143**
Dr Grace Lee Hwee Ling	**82**	**50**	**132**
Total	**1,250**	**441**	**1,691**
2022			
Non-executive:			
Dato' Mohamed Kadar Bin Merican	135	30	165
Ng Soon Lai @ Ng Siek Chuan (Retired on 4 October 2022)	181	60	241
Kelvin Desmond Malayapillay	151	50	201
Tan Ming-Li	262	107	369
Mohamed Rashdi Bin Mohamed Ghazalli	348	125	473
Aireen Omar	114	32	146
Dr Grace Lee Hwee Ling (Appointed on 25 March 2022)	143	30	173
Total	1,334	434	1,768

24. Expenses (cont'd.)

(b) Directors' remuneration (cont'd.)

Directors of the Company: (cont'd.)

The number of directors whose total remuneration received and receivable from the Group during the year fell within the following bands is analysed below:

	Number of directors	
	2023	**2022**
Non-executive:		
Less than RM50,000	**-**	-
RM100,001 - RM150,000	**2**	1
RM150,001 - RM200,000	**-**	2
RM200,001 - RM250,000	**-**	2
RM250,001 - RM300,000	**1**	-
RM300,001 - RM350,000	**1**	-
RM350,001 - RM400,000	**1**	1
RM400,001 - RM450,000	**-**	-
RM450,001 - RM500,000	**1**	1

Company	Fees RM'000	Allowances and other emoluments RM'000	Total RM'000
2023			
Non-executive:			
Mohamed Kadar Bin Merican	**192**	**50**	**242**
Kelvin Desmond Malayapillay	**188**	**65**	**253**
Tan Ming-Li	**148**	**65**	**213**
Mohamed Rashdi Bin Mohamed Ghazalli	**174**	**78**	**252**
Aireen Omar	**106**	**37**	**143**
Dr Grace Lee Hwee Ling	**82**	**50**	**132**
Total	**890**	**345**	**1,235**

24. Expenses (cont'd.)

(b) Directors' remuneration (cont'd.)

Directors of the Company: (cont'd.)

Company	Fees RM'000	Allowances and other emoluments RM'000	Total RM'000
2022			
Non-executive:			
Mohamed Kadar Bin Merican	124	27	151
Ng Soon Lai @ Ng Siek Chuan (Retired on 4 October 2022)	126	55	181
Kelvin Desmond Malayapillay	151	50	201
Tan Ming-Li	149	63	212
Mohamed Rashdi Bin Mohamed Ghazalli	179	73	252
Aireen Omar	114	32	146
Dr Grace Lee Hwee Ling (Appointed on 25 March 2022)	143	30	173
Total	986	330	1,316

The number of directors whose total remuneration received and receivable from the Company during the year fell within the following bands is analysed below:

	Number of directors	
	2023	**2022**
Non-executive:		
Less than RM50,000	**-**	-
RM100,001 - RM150,000	**2**	1
RM150,001 - RM200,000	**-**	3
RM200,001 - RM250,000	**2**	2
RM250,001 - RM300,000	**2**	1

24. Expenses (cont'd.)

(b) Directors' remuneration (cont'd.)

Directors of the subsidiaries:

The number of directors whose total remuneration received and receivable from the subsidiaries during the year fell within the following bands is analysed below:

	Number of directors	
	2023	**2022**
Executive director:		
RM0 - RM50,000	**1**	1
RM50,001 - RM100,000	**-**	1
RM100,001 - RM150,000	**1**	-
Non-executive directors:		
RM0 - RM50,000	**1**	2
RM50,001 - RM100,000	**1**	1
RM100,001 - RM150,000	**1**	-
RM150,001 - RM200,000	**2**	1
RM200,001 - RM250,000	**1**	2

(c) CEO's remuneration

The details of remuneration received by the CEO of the Company during the financial year are as follows:

	Group		Company	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Salaries and other emoluments	**1,118**	1,315	**1,118**	1,315
Bonus	**189**	242	**189**	242
Defined contribution plan	**157**	162	**157**	162
Other benefits	**280**	255	**280**	255
Total remuneration excluding benefits-in-kind	**1,744**	1,974	**1,744**	1,974
Estimated money value of benefits-in-kind	**105**	35	**105**	35
Share based compensation	**-**	-	**-**	-
Total remuneration (Note 30(b))	**1,849**	2,009	**1,849**	2,009

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

25. Long Term Incentive Plan - Employee Share Option Scheme ("LTIP - ESOS")

On 30 September 2022, the Company announced to establish and implement a long term incentive plan ("LTIP") of up to 10% of the issued share capital of the Company (excluding treasury shares, if any) at any point in time during the 10 years period, with effect from 30 September 2022. The LTIP will consist of a share grant plan ("LTIP - SGP") and an employees' share option scheme ("LTIP - ESOS") offered to the eligible employees of the Company and its subsidiaries which are not dormant.

On 5 January 2023, the Company offered 13,223,308 LTIP - ESOS shares to eligible employees of the Group. The offer period was from 5 January 2023 to 4 February 2023. The LTIP - ESOS was to be vested over a period of 3 years in 3 tranches from the grant date.

On 12 January 2023, the Company offered 2,273,400 LTIP - ESOS shares to eligible employees of the Group. The offer period was from 12 January 2023 to 11 February 2023. The LTIP - ESOS was to be vested over a period of 3 years in 3 tranches from the grant date.

On 11 May 2023, the Company offered 1,879,400 LTIP - ESOS shares to eligible employees of the Group. The offer period was from 11 May 2023 to 10 June 2023. The LTIP - ESOS was to be vested 2 years after the grant date.

The options granted under LTIP - ESOS is exercisable only by the employees during their employment with the Group and before the expiry date. The exercise price of the options is the grant price which is a discounted price of 10% from the average weighted price for five days preceding the date of grant.

The allowance for and write-back recognised by the Group and the Company in relation to employee services received and forfeiture from employees during the year are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Allowance for/(Write-back of) equity-settled share-based payment transactions (Note 24(a))	**1,394**	(2,887)	**861**	(445)

25. Long Term Incentive Plan - Employee Share Option Scheme ("LTIP - ESOS") (cont'd.)

Movements during the year

The number and weighted average exercise prices ("WAEP") of, and movements in, LTIP - ESOS during the current and previous years are as follows:

Grant date	Outstanding as at 1.1.2023 '000	Granted '000	Exercised '000	Terminated '000	Outstanding as at 31.12.2023 '000	Vested '000	Exercise price of LTIP - ESOS RM	Average remaining contractual life
5 January 2023	**-**	**1,879**	**(500)**	**-**	**1,379**	**1,379**	**0.37**	**7.98 years**
5 January 2023	**-**	**1,879**	**-**	**-**	**1,879**	**-**	**0.38**	**9.73 years**
5 January 2023	**-**	**9,465**	**-**	**-**	**9,465**	**-**	**0.33**	**9.73 years**
12 January 2023	**-**	**2,273**	**-**	**-**	**2,273**	**-**	**0.33**	**9.71 years**
11 May 2023	**-**	**1,879**	**-**	**-**	**1,879**	**-**	**0.38**	**9.39 years**
	-	**17,376**	**(500)**	**-**	**16,876**	**1,379**		
WAEP	**-**	**0.34**	**0.37**	**-**	**0.34**	**0.37**		

Grant date	Outstanding as at 1.1.2022 '000	Granted '000	Exercised '000	Terminated '000	Outstanding as at 31.12.2022 '000	Vested '000	Exercise price of LTIP - ESOS RM	Average remaining contractual life
18 March 2014	3,447	-	-	(3,447)	-	-	1.71	1 year
13 September 2019	500	-	-	(500)	-	-	0.56	1 year
29 December 2020	1,879	-	-	(1,879)	-	-	0.37	-
	5,826	-	-	(5,826)	-	-		
WAEP	1.18	-	-	1.18	-	-		

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

25. Long Term Incentive Plan - Employee Share Option Scheme ("LTIP - ESOS") (cont'd.)

Fair value of share options granted

The fair value of share options was estimated by an external valuer using the Binomial Model, taking into account the terms and conditions upon which the options were granted. The fair value of share options and the assumptions used were as follows:

			Grant dates		
	Grant 1 5 January 2023	Grant 2 5 January 2023	Grant 3 5 January 2023	Grant 4 12 January 2023	Grant 5 11 May 2023
Fair value of share options:					
- Tranche 1 (RM)	0.103998	0.109063	0.121003	0.125165	0.149233
- Tranche 2 (RM)	-	-	0.129211	0.133250	-
- Tranche 3 (RM)	-	-	0.135689	0.139666	-
Dividend yield (per annum)	2.07%	2.07%	2.07%	2.07%	2.07%
Expected volatility (per annum)	37.00%	37.00%	37.00%	37.00%	37.00%
Risk-free interest rate (per annum)	3.90%	3.90%	3.90%	3.90%	3.60%

The expected life of the options was based on historical data and therefore is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility was indicative of future trends, which may also not necessarily be the actual outcome. No other features of the options granted were incorporated into the measurement of fair value.

26. Taxation

	Group		Company	
	2023 RM'000	**2022 RM'000 Restated**	**2023 RM'000**	**2022 RM'000**
Labuan income tax:				
Current income tax	**696**	298	**-**	-
Malaysian income tax:				
Current income tax	**182**	538	**182**	279
Under/(Over) provision in prior years	**1,425**	(150)	**16**	5
	1,607	388	**198**	284
Deferred tax (Note 13):				
Relating to origination and reversal of temporary differences	**623**	(234)	**-**	-
Under provision in prior years	**-**	421	**-**	-
	623	187	**-**	-
	2,926	873	**198**	284

Following the issuance of the Federal Government Gazette P.U.(A) 392, a Labuan entity that meets the substantial activity requirements would be taxed at 3% of the net audited profits while Labuan entities that do not meet the substantial activity requirements would be subjected to a higher tax rate of 24% under LBATA.

The income tax for the Company and Malaysian incorporated subsidiaries are based on the corporate tax rate of 24% (2022: 24%) of the estimated assessable profit for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

26. Taxation (cont'd.)

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expenses at the effective income tax rate is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000 Restated	2023 RM'000	2022 RM'000
Profit/(loss) before taxation	**3,171**	(33,742)	**(9,407)**	7,271
Taxation at Malaysian statutory tax rate of 24%	**761**	(8,098)	**(2,258)**	1,745
Effect of different tax rate in respect of Labuan subsidiary	**(5,047)**	(2,101)	**-**	-
Income not subject to tax	**(6,182)**	(2,053)	**(2,533)**	(6,757)
Expenses not deductible for tax purposes	**6,098**	8,064	**4,973**	5,291
Share of results of an associate	**(40)**	4,023	**-**	-
Share of results of a joint venture company	**(36)**	(37)	**-**	-
Deferred tax asset not recognised on deductible temporary differences, unabsorbed capital allowances and unutilised tax losses	**6,057**	1,088	**-**	-
Utilisation of previously unrecognised unabsorbed capital allowances	**(110)**	(284)	**-**	-
Under/(Over) provision of income tax in prior years	**1,425**	(150)	**16**	5
Under provision of deferred tax in prior years	**-**	421	**-**	-
Tax expense for the year	**2,926**	873	**198**	284

The Group has incorporated full tax provision of the disputed additional tax and penalties levied by the Lembaga Hasil Dalam Negeri ("LHDN") as further described in Note 39(b).

27. Loss per share - Basic and diluted

Basic loss per share is calculated by dividing the loss for the year, net of tax attributable to ordinary equity holders of the Company by the number of ordinary shares in issue.

Diluted loss per share is calculated by dividing the loss for the year attributable to ordinary equity holders of the Company by the number of ordinary shares in issue plus the number of ordinary shares that would be issued under the LTIP - ESOS.

27. Loss per share - Basic and diluted (cont'd.)

The following shows the computation of basic and diluted loss per share for the years ended 31 December 2023 and 2022:

	Group	
	2023	2022 Restated
Loss attributable to ordinary equity holders (RM'000)	**(947)**	(35,087)
Number of ordinary shares in issues ('000)	**752,260**	751,760
Effects of dilution - LTIP - ESOS ('000)	**-**	-
	752,260	751,760
Basic and diluted loss per share (sen)	**(0.13)**	(4.67)

The Group has no dilution in its loss per ordinary share in the current and the preceding financial years as there are no dilutive potential ordinary shares.

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

28. Dividends

No dividend has been declared or paid by the Company in the current and previous financial years.

29. Capital commitments

The commitments of the Group and of the Company as at the financial year end are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Capital expenditure				
Approved but not contracted for:				
Intangible assets	**25,981**	36,178	**753**	3,001
Property and equipment	**1,594**	1,724	**88**	116
	27,575	37,901	**840**	3,117

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

30. Related party disclosures

(a) Significant related party transactions

The Group and the Company had the following significant transactions with related parties during the financial year:

	Group		Company	
Income/(expense):	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Transactions with subsidiaries:				
TPR				
Director fees	**-**	-	**40**	50
Dividend income	**-**	-	**9,637**	24,000
Management fee income	**-**	-	**2,556**	2,500
Reimbursement of expenses incurred	**-**	-	**2,984**	2,300
Rental received	**-**	-	**80**	97
TIMB				
Director fees	**-**	-	**89**	97
Management fee income	**-**	-	**7,739**	8,538
Management fee expense	**-**	-	**(1,710)**	(1,327)
Other employee benefits	**-**	-	**(38)**	(48)
Reimbursement of expenses incurred	**-**	-	**7,453**	3,919
Rental received	**-**	-	**939**	1,106
WL				
Computer expenses	**-**	-	**(238)**	652
Development of other intangible assets	**-**	-	**-**	(56)
Management fee income	**-**	-	**835**	652
Management fee expense	**-**	-	**(928)**	(265)
Reimbursement of expenses incurred	**-**	-	**1,683**	3,452
Rental received	**-**	-	**216**	129
TPV				
Sundry income	**-**	-	**8**	6
Management fee income	**-**	-	**257**	178
Reimbursement of expenses incurred	**-**	-	**334**	350
Rental received	**-**	-	**63**	-

30. Related party disclosures (cont'd.)

(a) Significant related party transactions (cont'd.)

The Group and the Company had the following significant transactions with related parties during the financial year: (cont'd.)

	Group		Company	
Income/(expense):	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Transactions with subsidiaries: (cont'd.)				
TPV (cont'd.)				
Subsription of shares (Note 5)	**-**	-	**-**	(20,000)
- by cash	**-**	-	**-**	(16,424)
- by transfer of other intangible assets development-in-progress	**-**	-	**-**	(3,576)
Transfer of other intangible assets development-in-progress	**-**	-	**-**	59
Transfer of computer hardware	**-**	-	**-**	49
Transactions with associate:				
TIPCL				
Director fees	**55**	53	**55**	53
Gross earned premiums	**921**	6,049	**-**	-
Gross claims paid	**(13)**	(1,855)	**-**	-
Management fee income	**312**	-		
Management fee expense	**(382)**	(646)	**(165)**	(215)
Provision of software maintenance services	**460**	40	**-**	-
Provision of software customisation and professional services (Note 23)	**7**	200	**-**	-
Reimbursement of expenses incurred	**140**	58	**140**	201
Sundry income	**168**	157	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

30. Related party disclosures (cont'd.)

(a) Significant related party transactions (cont'd.)

	Group		Company	
Income/(expense):	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Transactions with joint venture company:				
TPCBLLC				
Dividend income	**-**	2,970	**-**	2,970
Facilitator fees (Note 24)	**(9,877)**	(15,744)	**-**	-
Reimbursement of expenses incurred	**-**	(69)	**-**	-
Sundry income	**72**	56	**-**	-
Transactions with corporate shareholders of the Company:				
Tune Group Sdn Bhd				
Royalty fee	**(6,670)**	(7,441)	**(4,718)**	(5,489)
Rental and utilities charges	**(1,538)**	(1,538)	**(1,582)**	(1,520)
Gross written premium	**1**	1	**-**	-
Transactions with related companies of a corporate shareholder of the Company, AirAsia Digital Sdn Bhd:				
AirAsia Berhad				
Gross written premium	**31,027**	25,985	**-**	-
Fee and commission expense	**(7,749)**	(6,489)	**-**	-
AirAsia X Berhad				
Gross written premium	**6,430**	4	**-**	-
Fee and commission expense	**(1,607)**	-		
PT Indonesia AirAsia				
Gross written premium	**1,171**	1,070	**-**	-
Telemarketing commission expense	**(1)**	(1)	**(1)**	(1)
Philippines AirAsia Inc				
Gross written premium	**45**	68	**-**	-

30. Related party disclosures (cont'd.)

(a) Significant related party transactions (cont'd.)

	Group		Company	
Income/(expense):	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Transactions with related companies of a corporate shareholder of the Company, AirAsia Digital Sdn Bhd: (cont'd.)				
Thai AirAsia Co. Ltd				
Gross written premium	**1,153**	835	**-**	-
Telemarketing commission expense	**(5)**	(7)	**(5)**	(7)
BigPay Malaysia Sdn Bhd				
Gross written premium (net of rebate)	**-**	1	**-**	-
Transactions with related companies of a corporate shareholder of the Company, Tune Group Sdn Bhd:				
BigLife Sdn Bhd				
Management expenses	**(38)**	(16)	**-**	-
Teleport Commerce Malaysia Sdn Bhd				
Gross written premium	**2**	5	**-**	-
AirAsia Com Travel Sdn Bhd				
Gross written premium (net of rebate)	**1,471**	483	**-**	-
Fee and commission expenses	**(96)**	(93)	**-**	-
Tune Talk Sdn Bhd				
Gross written premium	**63**	56	**-**	-
ECM Libra Financial Group Berhad				
Gross written premium	**124**	107	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

30. Related party disclosures (cont'd.)

(a) Significant related party transactions (cont'd.)

Income/(expense):	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Transactions with related companies of a corporate shareholder of the Company, Tune Group Sdn Bhd: (cont'd.)				
SP&G Gallagher Insurance Brokers				
Gross written premium	**13,754**	3,076	**-**	-
Fee and commission expenses	**(1,929)**	(526)		
Brokerage fee	**-**	(4)	**-**	-
Epsom College in Malaysia				
Gross written premium (net of rebate)	**114**	137	**-**	-

Details of balances with related parties at the end of the respective years are disclosed in Notes 11 and 14.

(b) Compensation of key management personnel

The remuneration of key management personnel during the year are as follows:

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Executive directors' remuneration: (Note 24(b))				
- directors of the subsidiaries	**141**	147	**-**	-
Non-executive directors' remuneration: (Note 24(b))				
- directors of the Company	**1,691**	1,768	**1,235**	1,316
- directors of the subsidiaries	**368**	222	**-**	-
	2,059	1,990	**1,235**	1,316
CEO's remuneration (Note 24(c))	**1,849**	2,009	**1,849**	2,009
	4,049	4,146	**3,084**	3,325

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company. The key management personnel of the Group includes the directors and Chief Executive Officer of the Company.

31. Regulatory capital/working fund and solvency requirements of subsidiaries

(i) TPR

The Guidelines on Application for Licence - Insurance and Insurance Related Activities (“the Guidelines”) were introduced as the capital adequacy, working fund and solvency requirements for all insurers licensed under the Labuan Financial Services and Securities Act 2010 (“LFSSA 2010”) effective from 13 December 1997. It was imposed by the Labuan Financial Services Authority (“Labuan FSA”), pursuant to Section 109 of the LFSSA 2010 as a licensing condition for insurance companies.

TPR, as a Labuan reinsurer is required to maintain at all times, a minimum paid-up capital/net working funds of RM10.0 million each.

In addition, TPR is also required to have a minimum solvency margin of:

(1) RM10.0 million; or

(2) 20% of net premium income of the preceding year, whichever is greater for TPR.

As at 31 December 2023, the margin of solvency of TPR was a surplus of RM128,931,000 (2022: RM117,862,000) which complies with requirements of Section 109 of the LFSSA 2010.

(ii) TIMB

The insurance subsidiary, TIMB, is required to comply with the regulatory capital requirement prescribed in the RBC Framework which is imposed by the Ministry of Finance. Under the RBC Framework, insurance companies are required to satisfy a minimum capital adequacy ratio of 130%. As at year end, TIMB has a capital adequacy ratio in excess of the minimum requirement.

The capital structure of TIMB as at 31 December 2023 and the comparative period, as prescribed under the RBC Framework, are provided below:

	2023 RM’000	2022 RM’000
Eligible Tier 1 capital		
Share capital (paid-up)	**103,348**	103,348
Reserves, including retained earnings	**204,309**	199,246
	307,657	302,594
Amount deducted from capital	**(40,550)**	(24,049)
Total capital available	**267,107**	278,545

32. Risk management framework

The Board of Directors of the insurance subsidiary, which has the ultimate responsibility for ensuring an adequate system of risk management, has established a Risk Management Committee (“RMC”) of 4 independent non-executive directors. The Committee is responsible for regularly identifying risks, ensuring that adequate risk management policies and procedures are in place, and monitoring compliance with policies and procedures.

The Committee has worked with the Management to develop these policies and both Management and the Board have agreed to adopt these policies to govern the running of the business.

32. Risk management framework (cont'd.)

Risk appetite

The subsidiaries' risk appetite statements together with the associated metrics, articulate the levels, boundaries and nature of risk that the Board is willing to bear and accept in pursuit of achieving strategic objectives. The statements, which are approved by the Board, comprise the following components:

(a) Capital adequacy risk policy;
(b) Business growth strategies;
(c) Underwriting performance;
(d) Liquidity;
(e) Investment strategy and returns;
(f) Reinsurance and intermediaries counterparty risks;
(g) Compliance with regulatory guidelines;
(h) Reputational risks;
(i) Operational risks; and
(j) Credit settlement period.

Overview of risk management policies

The Group and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group and the Company's business whilst managing the key risks faced by the Group and the Company.

A. Underwriting

i. Risk

Acceptance of poor insurance risks, risks with low profit margins and inadequate reinsurance arrangements contribute to low profitability and inadequate capital growth. Insurance risk is also the risk of outstanding insurance contract liabilities being greater than estimated.

ii. Policy

The following outlines the Group's policies to safeguard against these risks:

(a) Underwrite only classes of risks which have been approved by the Board;

(b) Accept risks within the approved classes only according to comprehensive underwriting guidelines and within limits of delegated authority;

(c) Expand into new lines only where there is adequate experience within the Group and after management has obtained appropriate Board authority;

(d) Price risks with sufficient margin to ensure ongoing viability of the business, and maintaining a professional approach to this function;

(e) Retain risks according to guidelines on maximum risks to be retained;

(f) Mitigate foreign currency risks on reinsurance by all significant reinsurance arrangements being entered into in Malaysian Ringgit;

(g) Ensure compliance with treaty arrangements in accepting risks;

(h) Maintain a balanced portfolio to yield a reasonable level of profits; and

(i) Review on a regular basis the insurance contract liabilities.

32. Risk management framework (cont'd.)

Overview of risk management policies (cont'd.)

B. Reinsurance

i. Risk

Reinsurance arrangement exposes the Group to residual insurance risks, legal risks, counterparty risks, liquidity risks and operational risks.

ii. Policy

The following outlines the Group's policies to safeguard against these risks:

(a) Set retention limits in accordance to the Group's risk appetite and its risk tolerance level;

(b) Use of intermediaries such as reinsurance brokers to obtain an independent advice and to source for best pricing;

(c) Determine the reinsurer selection process including selection criteria to ensure sufficient diversification of reinsurance sources as well as the financial position of the reinsurers; and

(d) Regularly review the financial soundness of the reinsurers.

C. Claims

i. Risk

Exposure to unexpected or excessive losses, fraudulent claims and inadequate provisions for outstanding claims could affect the Group's profitability, financial position and reputation.

ii. Policy

The Group's policies to guard against these risks are:

(a) Identify claims exposures and properly assess them, and routinely review them upon the receipt of further information and at least once a year;

(b) Maintain good claims administration and settlement processes to ensure prudent claims estimation and appropriate loss adjustment;

(c) Make adequate provisions for all claim liabilities, especially for long-tail liabilities and adverse foreign exchange movements on such liabilities;

(d) Assess exposure to fraud periodically and employ measures to minimise potential losses through accepting claims outside contractual obligations for fraudulent reasons and for detecting fraudulent claims; and

(e) Ensure that losses are mitigated and potential recovery action is followed up in a professional and timely fashion.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

32. Risk management framework (cont'd.)

Overview of risk management policies (cont'd.)

D. Investments

i. Risk

Investment risk is the risk of inadequate investment returns from poor investment strategies and adverse movements in the value of investments. Investment risk is derived from market risk, credit risk, investment concentration risk, liquidity risk, and asset/liability mismatch risk.

ii. Policy

Returns from the investment of premium income are an important source of income to the Group and the Company and maintenance of the market value of the investments is essential for the financial stability of the Group and the Company. The absence of prudent investment strategies and investment decision framework could result in poor investment return which would affect the Group's and the Company's profitability and competitiveness and also result in the Group and the Company not being able to meet its obligations as they fall due. It is the Group's and the Company's policy to:

(a) Implement an investment strategy to ensure appropriate asset allocation that commensurates with the Group and Company's respective risk appetite, limit concentration risk in any specific investments and ensure adequate matching of asset and liability portfolios;

(b) Ensure that investments in all assets are within limits specified by the Investment Committee;

(c) Understand and conduct proper analysis before making any investments to minimise market risk and continuously monitor the performance and risk of the investments;

(d) Manage disposal of investments to optimise returns;

(e) Limit exposure to interest rate risk by managing the duration of investments in term deposits, corporate bonds and government securities;

(f) Ensure liquidity by maintaining sufficient cash float at any time and regularly matching the expected duration of liabilities and investments and uncertainties arising from the timing and amount of cash flows;

(g) Minimise credit risk via investments in Fixed Income Instruments that have a minimum rating of "A" and within specific overall limits as specified within the Group's and the Company's Investment Policy; and

(h) Monitor investment portfolio and performance on a regular basis and report investment exposure and performance to the Investment Committee and Board monthly.

E. Credit quality

i. Risk

Credit quality risk is associated with credit exposure that increases the risk profile of the Group and the Company and can adversely affect the Group and the Company's viability. The risk arises mainly from default of reinsurers, due premiums and other large exposures.

32. Risk management framework (cont'd.)

Overview of risk management policies (cont'd.)

E. Credit quality (cont'd.)

ii. Policy

Policies to limit credit risks include the following:

(a) Maintain credit control in accordance with appropriate policies and procedures which govern the extension of credit to the cedants and specifies guidelines for setting limits on credit as per the quota share agreement;

(b) Limit exposure to single parties or groups of related entities to 30% of the Group and the Company's capital base. However, specific Board approval is required to sanction exposures including facultative reinsurance placements which exceed 30% of the Group and the Company's capital base as well as exposure from arrangements made in exception cases;

(c) Monitor compliance with established credit limits; and

(d) Collect amounts due in accordance with agreed credit terms, enforce prompt collection of overdue amounts in the case of due premiums and consider the cancellation of insurance policies at the expiry of credit terms.

F. Operational

i. Risk

Non-financial or operational risks the Group and the Company face include technology risk, risk to reputation, fraud, compliance, legal risk, physical damage to property, poor outsourcing arrangements, threats to business continuity and key personnel risk.

ii. Policy

The policies to monitor and minimise these risks are as follows:

(a) Undertake annual risk audits to identify material operational risks to which the Group are exposed;

(b) Effect appropriate insurance cover for all identified operational risks which can be cost-effectively insured;

(c) Closely monitor the external relationships;

(d) Ensure at all times that compliance with regulatory requirements and fulfilment of material obligations under the legislative framework is maintained;

(e) Maintain an ethics and personal conduct policy to ensure that the affairs of the Group and the Company are conducted in a manner that would avoid any action by the Group and the Company or its officers that would bring disrepute to the Group and the Company;

(f) Implement adequate security procedures to prevent unauthorised access, damage, loss to assets and facilities and harm to employees;

(g) Ensure that division of responsibility is clear and mutually understood where any part of the Group's and the Company's business is outsourced to third parties whilst ultimate control over the outsourced operations is retained by the Group and the Company; and

(h) Identify the possible types of fraud the Group and the Company is exposed to and develop and maintain effective controls to prevent them and to take appropriate and prompt action if fraud occurs.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

32. Risk management framework (cont'd.)

Overview of risk management policies (cont'd.)

G. Regulatory compliance and corporate governance

The Management is responsible to follow a systematic approach to the business and effectively manage the risks. The key risks that have been identified are monitored and their status communicated as appropriate throughout all levels of the organisation and are also incorporated in the Group's and the Company's performance management reporting.

The Group maintains a register of risks and follows a project management approach toward mitigation of risk.

The Internal Audit Department, which reports independently to the Board, undertakes a wide-ranging programme of work designed to keep the Board fully informed on the compliance of the business with agreed risk management policies, controls and procedures.

Regular reports are submitted to the Board with Key Performance Indicators covering the Group's and the Company's performance and the key risks identified.

A Compliance Department is in place to ensure regulatory compliance. The department is under the responsibility of the Head of Compliance who shall monitor compliance to regulatory requirements.

The Head of Compliance shall take responsibility to ensure regulatory compliance is adhered to and any changes to policy and practices are communicated appropriately to all parties concerned.

H. Regulations of risk management

In accordance with these policies a framework for management of identified risks has been developed for the effective management of risk.

Effective and efficient operation of the organisation would be ensured through:

(a) Providing a framework that enables the activities of the Group and the Company to be undertaken in a consistent and controlled manner;

(b) A management structure that clearly identifies the roles and responsibilities of the staff;

(c) Development of procedures to ensure that risk management strategies are implemented;

(d) Retention of a level of well-qualified staff through appropriate recruitment, training and staff development systems and procedures;

(e) Improving motivation of staff through a suitable communication, review, feedback and rewards system; and

(f) Prompt and comprehensive management reporting systems to assess performance and progress of the business and the utilisation of its resources.

33. Insurance risk

The Group has in place comprehensive underwriting guidelines and limits of authority to ensure that risks are accepted in accordance with the authorised limits. The retention of risks is protected by proportional and non-proportional treaties with reputable reinsurers and brokers, and premised on the risk appetite of the Group.

The Group also underwrites treaty business on a proportional basis mainly in travel insurance business. Risks can arise from the adverse development of the loss ratio and catastrophic events. These risks vary significantly in relation to economic conditions and territories from which the risk originated.

(a) Sensitivity analysis

Key assumptions

The principal assumptions underlying the estimation of the insurance contract liabilities is that the Group's future claims development will follow a similar pattern to past claims development experience. This includes key assumptions such as the adopted Ultimate Loss Ratios ("ULR"), risk margin percentages (i.e., PRAD) and expense ratios in respect of claims handling and other overhead expenses.

In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historic claims development data on which the projections are based. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example, isolated occurrence, changes in market factors such as public attitude to claiming, economic conditions, as well as internal factors such as policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

The insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate. Risk-free rates are determined by reference to the yields of Malaysian Government Securities (MGS).

The Group has based its risk margin for adverse deviation for the provisions for unexpired risks and insurance claims at a 75% level of sufficiency, according to the requirements set by Bank Negara Malaysia under the Risk Based Capital ("RBC") Framework and the requirements set by Labuan FSA under the Guidelines on Valuation Basis for Liabilities of Labuan General Insurance Business.

Sensitivities

The general insurance and reinsurance contract liabilities are sensitive to the key assumptions shown below. It has not been possible to quantify the sensitivity of certain assumptions, such as, legislative changes or uncertainty in the estimation process.

The analysis below is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate liabilities, but to demonstrate the impact due to changes in assumptions, assumptions are changed on an individual basis. It should be noted that movements in these assumptions are non-linear. The method used for deriving the sensitivity results had not changed from the previous year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

33. Insurance risk (cont'd.)

(a) Sensitivity analysis (cont'd.)

Sensitivities (cont'd.)

(i) General reinsurance

		Increase/(decrease)			
	Changes in variable	Impact on gross liabilities RM'000	Impact on net liabilities RM'000	Impact on profit before taxation RM'000	* Impact on equity RM'000
2023					
Loss ratio	**+1%**	**110**	**110**	**(110)**	**(107)**
	-1%	**(110)**	**(110)**	**110**	**107**
Discounting	**+1%**	**(133)**	**(133)**	**133**	**129**
	-1%	**133**	**133**	**(133)**	**(129)**
2022 (Restated)					
Loss ratio	+1%	128	128	(128)	(124)
	-1%	(128)	(128)	128	124
Discounting	+1%	(124)	(124)	124	120
	-1%	124	124	(124)	(120)

* Impact is net of tax of 3% (2022: 3%) for the general reinsurance business.

33. Insurance risk (cont'd.)

(a) Sensitivity analysis (cont'd.)

Sensitivities (cont'd.)

(ii) General insurance

	Changes in variable	Increase/(decrease) Impact on gross liabilities RM'000	Impact on net liabilities RM'000	Impact on profit before taxation RM'000	* Impact on equity RM'000
2023					
Loss ratio	**+10%**	**49,525**	**28,720**	**(28,720)**	**(21,827)**
PRAD	**+10%**	**6,173**	**2,138**	**(2,138)**	**(1,625)**
Provision for expenses	**+10%**	**1,481**	**1,481**	**(1,481)**	**(1,125)**
Discounting	**+1%**	**(13,372)**	**(6,486)**	**6,486**	**4,930**
Loss ratio	**-10%**	**(41,152)**	**(21,671)**	**21,671**	**16,470**
PRAD	**-10%**	**(6,173)**	**(2,138)**	**2,138**	**1,625**
Provision for expenses	**-10%**	**(1,481)**	**(1,481)**	**1,481**	**1,125**
Discounting	**-1%**	**13,372**	**6,486**	**(6,486)**	**(4,930)**
2022 (Restated)					
Loss ratio	+10%	62,435	30,664	(30,664)	(23,305)
PRAD	+10%	7,791	2,042	(2,042)	(1,552)
Provision for expenses	+10%	1,527	1,527	(1,527)	(1,160)
Discounting	+1%	(14,760)	(5,840)	5,840	4,438
Loss ratio	-10%	(45,895)	(17,406)	17,406	13,228
PRAD	-10%	(7,791)	(2,042)	2,042	1,552
Provision for expenses	-10%	(1,527)	(1,527)	1,527	1,160
Discounting	-1%	14,760	5,840	(5,840)	(4,438)

* Impact is net of tax of 24% (2022: 24%) for the general insurance business.

(b) Claims development table

In setting provisions for claims, the Group gives consideration to the probability and magnitude of future experience being more adverse than assumed and exercises a degree of caution in setting reserves when there is considerable uncertainty. In general, the uncertainty associated with the ultimate claims experience in an accident year is greatest when the accident year is at an early stage of development and the margin necessary to provide the necessary confidence in the adequacy of the provision is relatively at its highest. As claims develop and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

33. Insurance risk (cont'd.)

(b) Claims development table (cont'd.)

Gross undiscounted liabilities for incurred claims for 2023

(i) General reinsurance

Accident year	2016 & prior RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	Total RM'000
At end of accident year	8,668	7,071	7,030	6,389	6,521	8,407	15,686	19,394	
One year later	3,731	5,522	5,504	5,535	2,913	6,077	6,776		
Two years later	3,577	5,864	5,391	4,815	2,328	5,985			
Three years later	3,814	5,867	5,114	4,783	2,339				
Four years later	3,797	5,762	5,103	4,769					
Five years later	3,794	5,760	5,102						
Six years later	3,794	5,482							
Seven years later	3,794								
Gross estimates of the undiscounted amount of the claims	3,794	5,482	5,102	4,769	2,339	5,985	6,776	19,394	53,641
At end of accident year	(2,673)	(4,166)	(4,245)	(3,264)	(1,109)	(3,807)	(4,441)	(7,477)	
One year later	(3,553)	(5,081)	(4,946)	(4,419)	(2,095)	(5,978)	(6,179)		
Two years later	(3,563)	(5,466)	(5,003)	(4,481)	(2,240)	(5,971)			
Three years later	(3,802)	(5,459)	(5,003)	(4,488)	(2,274)				
Four years later	(3,782)	(5,459)	(5,003)	(4,483)					
Five years later	(3,782)	(5,458)	(5,000)						
Six years later	(3,782)	(5,455)							
Seven years later	(3,782)								
Cumulative payments to-date	(3,782)	(5,455)	(5,000)	(4,483)	(2,274)	(5,971)	(6,179)	(7,477)	(40,621)
Gross undiscounted liabilities for incurred claims	12	27	102	286	65	14	597	11,917	13,020
Claims payable									7,628
Effect of discounting									(343)
Total gross liabilities for incurred claims before elimination									20,305
Elimination/adjustment upon consolidation									(192)
Total gross liabilities for incurred claims per statements of financial position									20,113

	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	17,279	2,834	20,113

33. **Insurance risk (cont'd.)**

(b) **Claims development table (cont'd.)**

Gross undiscounted liabilities for incurred claims for 2023 (cont'd.)

(ii) **General insurance**

Accident year	2016 & prior RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	Total RM'000
At end of accident year	229,818	332,338	419,111	413,643	274,566	220,646	267,023	245,324	
One year later	190,560	321,812	395,085	412,309	271,187	185,130	215,778		
Two years later	177,779	263,327	455,939	379,695	212,062	141,781			
Three years later	171,898	255,215	458,743	345,213	219,543				
Four years later	168,754	252,764	406,809	324,199					
Five years later	169,857	246,235	362,234						
Six years later	171,242	236,780							
Seven years later	164,022								
Gross estimates of the undiscounted amount of the claims	164,022	236,780	362,234	324,199	219,543	141,781	215,778	245,324	1,909,661
At end of accident year	(58,917)	(85,432)	(66,383)	(80,157)	(38,898)	(24,535)	(34,478)	(42,360)	
One year later	(118,303)	(174,301)	(238,424)	(151,759)	(77,811)	(59,060)	(76,665)		
Two years later	(138,351)	(204,177)	(265,905)	(220,056)	(98,641)	(90,574)			
Three years later	(148,596)	(214,375)	(290,770)	(251,055)	(130,450)				
Four years later	(150,154)	(220,832)	(314,335)	(265,355)					
Five years later	(151,334)	(227,845)	(324,532)						
Six years later	(156,991)	(230,088)							
Seven years later	(157,901)								
Cumulative payments to-date	(157,901)	(230,088)	(324,532)	(265,355)	(130,450)	(90,574)	(76,665)	(42,360)	(1,317,925)
Gross undiscounted liabilities for incurred claims	6,121	6,692	37,702	58,844	89,093	51,207	139,113	202,964	591,736
Effect of discounting									(28,000)
Total gross liabilities for incurred claims									563,736

	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	506,337	57,399	563,736

33. Insurance risk (cont'd.)

(b) Claims development table (cont'd.)

Gross undiscounted liabilities for incurred claims for 2022 (Restated)

(i) General reinsurance

Accident year	2015 & prior RM'000	2016 RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	Total RM'000
At end of accident year	3,817	8,668	7,073	7,031	6,389	6,521	8,407	15,686	
One year later	3,388	3,731	5,522	5,506	5,535	2,913	6,077		
Two years later	3,400	3,577	5,864	5,391	4,816	2,329			
Three years later	3,480	3,814	5,867	5,115	4,783				
Four years later	3,725	3,797	5,762	5,104					
Five years later	3,753	3,794	5,760						
Six years later	3,753	3,794							
Seven years later	3,752								
Gross estimates of the undiscounted amount of the claims	3,752	3,794	5,760	5,104	4,783	2,329	6,077	15,686	47,285
At end of accident year	(2,168)	(2,673)	(4,167)	(4,246)	(3,264)	(1,109)	(3,807)	(4,441)	
One year later	(3,253)	(3,553)	(5,081)	(4,947)	(4,419)	(2,095)	(5,978)		
Two years later	(3,360)	(3,563)	(5,466)	(5,004)	(4,481)	(2,240)			
Three years later	(3,478)	(3,802)	(5,459)	(5,004)	(4,490)				
Four years later	(3,724)	(3,782)	(5,459)	(5,004)					
Five years later	(3,752)	(3,782)	(5,458)						
Six years later	(3,752)	(3,782)							
Seven years later	(3,752)								
Cumulative payments to-date	(3,752)	(3,782)	(5,458)	(5,004)	(4,490)	(2,240)	(5,978)	(4,441)	(35,145)
Gross undiscounted liabilities for incurred claims	-	12	302	100	293	89	99	11,245	12,140
Claims payable									3,446
Effect of discounting									974
Total gross liabilities for incurred claims before elimination									16,560
Elimination/adjustment upon consolidation									(104)
Total gross liabilities for incurred claims per statements of financial position									16,456

	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	12,819	3,637	16,456

33. **Insurance risk (cont'd.)**

(b) **Claims development table (cont'd.)**

Gross undiscounted liabilities for incurred claims for 2022 (Restated) (cont'd.)

(ii) **General insurance**

Accident year	2015 & prior RM'000	2016 RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	Total RM'000
At end of accident year	256,297	229,818	332,338	419,111	413,643	274,566	220,647	267,930	
One year later	207,973	190,560	321,812	395,085	412,309	271,187	185,130		
Two years later	189,658	177,779	263,327	455,939	379,695	212,062			
Three years later	185,293	171,898	255,215	458,743	345,213				
Four years later	185,029	168,754	252,764	406,809					
Five years later	183,568	169,857	246,235						
Six years later	195,596	162,048							
Seven years later	185,862								
Gross estimates of the undiscounted amount of the claims	185,862	162,048	246,235	406,809	345,213	212,062	185,130	267,930	2,011,289
At end of accident year									
One year later	(57,884)	(58,917)	(85,432)	(66,383)	(80,157)	(38,898)	(24,535)	(34,478)	
Two years later	(125,894)	(118,303)	(174,301)	(238,424)	(151,759)	(77,811)	(59,060)		
Three years later	(150,069)	(138,351)	(204,177)	(265,905)	(220,056)	(98,641)			
Four years later	(164,360)	(148,596)	(214,375)	(290,770)	(251,055)				
Five years later	(172,133)	(150,154)	(220,832)	(314,335)					
Six years later	(174,019)	(151,334)	(227,845)						
Seven years later	(176,668)	(155,752)							
Cumulative payments to-date	(177,907)								
	(177,907)	(155,752)	(227,845)	(314,335)	(251,055)	(98,641)	(59,060)	(34,478)	(1,319,073)
Gross undiscounted liabilities for incurred claims	7,955	6,296	18,390	92,474	94,158	113,421	126,070	233,452	692,216
Effect of discounting									(32,194)
Total gross liabilities for incurred claims									660,022

	Estimated of the present value of future cash flows RM'000	**Risk adjustments RM'000**	**Total RM'000**
Total gross liabilities for incurred claims (Note 10)	587,356	72,666	660,022

33. **Insurance risk (cont'd.)**

(b) Claims development table (cont'd.)

Net undiscounted liabilities for incurred claims for 2023

(i) General reinsurance

Accident year	2016 & prior RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	Total RM'000
At end of accident year	8,731	7,136	7,030	6,389	6,521	8,325	15,679	19,394	
One year later	3,731	5,587	5,504	5,535	2,911	6,001	6,769		
Two years later	3,577	5,929	5,391	4,816	2,267	5,909			
Three years later	3,815	5,932	5,114	4,783	2,278				
Four years later	3,797	5,827	5,103	4,769					
Five years later	3,794	5,825	5,102						
Six years later	3,794	5,547							
Seven years later	3,794								
Net estimates of the undiscounted amount of the claims	3,794	5,547	5,102	4,769	2,278	5,909	6,769	19,394	53,562
At end of accident year	(2,673)	(4,231)	(4,245)	(3,264)	(1,109)	(3,751)	(4,434)	(7,477)	
One year later	(3,553)	(5,146)	(4,946)	(4,419)	(2,093)	(5,903)	(6,172)		
Two years later	(3,563)	(5,531)	(5,003)	(4,481)	(2,180)	(5,895)			
Three years later	(3,803)	(5,524)	(5,003)	(4,488)	(2,214)				
Four years later	(3,782)	(5,524)	(5,003)	(4,483)					
Five years later	(3,782)	(5,523)	(5,000)						
Six years later	(3,782)	(5,520)							
Seven years later	(3,782)								
Cumulative payments to-date	(3,782)	(5,520)	(5,000)	(4,483)	(2,214)	(5,895)	(6,172)	(7,477)	(40,543)
Net undiscounted liabilities for incurred claims	12	27	102	286	64	14	597	11,917	13,019
Claims payable									7,515
Effect of discounting									(340)
Total net liabilities for incurred claims before elimination									20,194
Elimination/adjustment upon consolidation									(192)
Total net liabilities for incurred claims per statements of financial position									20,002

	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	17,279	2,834	20,113
Amounts recoverable from reinsurers (Note 10)	(111)	(38)	(149)
Total net liabilities for incurred claims	17,168	2,796	19,964

33. Insurance risk (cont'd.)

(b) Claims development table (cont'd.)

Net undiscounted liabilities for incurred claims for 2023 (cont'd.)

(ii) General insurance

Accident year	2016 & prior RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	Total RM'000
At end of accident year	170,009	203,874	149,367	125,932	95,228	83,454	139,060	119,935	
One year later	140,195	174,838	127,793	109,622	75,871	68,342	105,807		
Two years later	131,430	157,504	117,552	96,929	65,875	59,419			
Three years later	125,293	151,629	109,387	88,968	62,386				
Four years later	121,496	147,057	105,013	87,443					
Five years later	120,594	143,641	102,794						
Six years later	118,238	137,441							
Seven years later	114,147								
Net estimates of the undiscounted amount of the claims	114,147	137,441	102,794	87,443	62,386	59,419	105,807	119,935	789,372
At end of accident year	(45,175)	(59,278)	(35,666)	(29,966)	(19,485)	(16,881)	(26,829)	(34,017)	
One year later	(85,912)	(107,969)	(72,361)	(52,725)	(34,967)	(32,824)	(51,506)		
Two years later	(100,544)	(122,450)	(81,718)	(63,020)	(43,430)	(40,284)			
Three years later	(107,374)	(128,356)	(85,447)	(70,135)	(49,741)				
Four years later	(108,601)	(130,471)	(88,706)	(73,432)					
Five years later	(109,588)	(132,702)	(90,490)						
Six years later	(111,138)	(134,106)							
Seven years later	(111,995)								
Cumulative payments to-date	(111,995)	(134,106)	(90,490)	(73,432)	(49,741)	(40,284)	(51,506)	(34,017)	(585,571)
Net undiscounted liabilities for incurred claims	2,152	3,335	12,304	14,011	12,645	19,135	54,301	85,918	203,801
Effect of discounting									(11,055)
Total net liabilities for incurred claims before elimination									192,746
Elimination/adjustment upon consolidation									192
Total net liabilities for incurred claims per statements of financial position									192,938

	Contracts not under PAA RM'000	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	-	506,337	57,399	563,736
Amounts recoverable from reinsurers (Note 10)	(334,413)	(32,961)	(3,424)	(370,798)
Total net liabilities for incurred claims	(334,413)	473,376	53,975	192,938

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2023

33. **Insurance risk (cont'd.)**

(b) **Claims development table (cont'd.)**

Net undiscounted liabilities for incurred claims for 2022 (Restated)

(i) **General reinsurance**

Accident year	2015 & prior RM'000	2016 RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	Total RM'000
At end of accident year	3,891	8,731	7,136	7,031	6,389	6,521	8,325	15,679	
One year later	3,390	3,731	5,586	5,506	5,535	2,911	6,001		
Two years later	3,400	3,577	5,929	5,391	4,816	2,267			
Three years later	3,480	3,815	5,932	5,116	4,784				
Four years later	3,724	3,797	5,827	5,104					
Five years later	3,752	3,794	5,825						
Six years later	3,752	3,794							
Seven years later	3,752								
Net estimates of the undiscounted amount of the claims	3,752	3,794	5,825	5,104	4,784	2,267	6,001	15,679	47,206
At end of accident year	(2,168)	(2,673)	(4,231)	(4,246)	(3,264)	(1,109)	(3,751)	(4,434)	
One year later	(3,253)	(3,553)	(5,145)	(4,947)	(4,419)	(2,093)	(5,903)		
Two years later	(3,360)	(3,563)	(5,531)	(5,004)	(4,481)	(2,181)			
Three years later	(3,478)	(3,803)	(5,524)	(5,005)	(4,488)				
Four years later	(3,723)	(3,782)	(5,524)	(5,004)					
Five years later	(3,751)	(3,782)	(5,523)						
Six years later	(3,751)	(3,782)							
Seven years later	(3,751)								
Cumulative payments to-date	(3,751)	(3,782)	(5,523)	(5,004)	(4,488)	(2,181)	(5,903)	(4,434)	(35,066)
Net undiscounted liabilities for incurred claims	1	12	302	100	296	86	98	11,245	12,140
Claims payable									3,333
Effect of discounting									938
Total net liabilities for incurred claims before elimination									16,411
Elimination/adjustment upon consolidation									(104)
Total net liabilities for incurred claims per statements of financial position									16,307

	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	12,819	3,637	16,456
Amounts recoverable from reinsurers (Note 10)	(111)	(38)	(149)
Total net liabilities for incurred claims	12,708	3,599	16,307

33. Insurance risk (cont'd.)

(b) Claims development table (cont'd.)

Net undiscounted liabilities for incurred claims for 2022 (Restated) (cont'd.)

(ii) General insurance

Accident year	2015 & prior RM'000	2016 RM'000	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	Total RM'000
At end of accident year	158,569	170,009	203,874	149,367	125,932	95,228	83,453	136,119	
One year later	124,410	140,195	174,838	127,793	109,622	75,871	68,342		
Two years later	110,685	131,430	157,504	117,552	96,929	65,875			
Three years later	104,518	125,293	151,629	109,387	88,968				
Four years later	102,064	121,496	147,057	105,013					
Five years later	101,070	120,594	143,641						
Six years later	103,431	114,727							
Seven years later	99,221								
Net estimates of the undiscounted amount of the claims	99,221	114,727	143,641	105,013	88,968	65,875	68,342	136,119	821,906
At end of accident year	(37,371)	(45,175)	(59,278)	(35,666)	(29,966)	(19,485)	(16,881)	(26,829)	
One year later	(72,798)	(85,912)	(107,969)	(72,361)	(52,725)	(34,967)	(32,824)		
Two years later	(84,626)	(100,544)	(122,450)	(81,718)	(63,020)	(43,430)			
Three years later	(91,523)	(107,374)	(128,356)	(85,447)	(70,135)				
Four years later	(93,764)	(108,601)	(130,471)	(88,706)					
Five years later	(94,845)	(109,588)	(132,702)						
Six years later	(95,710)	(110,410)							
Seven years later	(96,437)								
Cumulative payments to-date	(96,437)	(110,410)	(132,702)	(88,706)	(70,135)	(43,430)	(32,824)	(26,829)	(601,473)
Net undiscounted liabilities for incurred claims	2,784	4,317	10,939	16,307	18,833	22,445	35,518	109,290	220,433
Effect of discounting									(8,394)
Total net liabilities for incurred claims before elimination									212,039
Elimination/adjustment upon consolidation									103
Total net liabilities for incurred claims per statements of financial position									212,142

	Contracts not under PAA RM'000	Estimated of the present value of future cash flows RM'000	Risk adjustments RM'000	Total RM'000
Total gross liabilities for incurred claims (Note 10)	-	587,356	72,666	660,022
Amounts recoverable from reinsurers (Note 10)	(436,821)	(10,190)	(869)	(447,880)
Total net liabilities for incurred claims	(436,821)	577,166	71,797	212,142

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

34. Financial instruments and insurance assets and liabilities

The following tables summarise the financial instruments (other than cash and bank balances) and insurance assets and liabilities of the Group and of the Company by categories:

Group	Amortised Cost RM'000	FVTPL RM'000	Assets under MFRS 17 RM'000	Total RM'000
Assets				
2023				
Investments	**340,106**	**384,266**	**-**	**724,372**
Insurance contract assets	**-**	**-**	**16,656**	**16,656**
Reinsurance contract assets	**-**	**-**	**340,440**	**340,440**
Other receivables (net of prepayments and assets held under MMIP)	**5,609**	**-**	**-**	**5,609**
Total assets	**345,715**	**384,266**	**357,096**	**1,087,077**
2022 (Restated)				
Investments	15,328	667,286	-	682,614
Insurance contract assets	-	-	14,522	14,522
Reinsurance contract assets	-	-	445,838	445,838
Other receivables (net of prepayments and assets held under MMIP)	2,733	-	-	2,733
Total assets	18,061	667,286	460,360	1,145,707

34. Financial instruments and insurance assets and liabilities (cont'd.)

The following tables summarise the financial instruments (other than cash and bank balances) and insurance assets and liabilities of the Group and of the Company by categories: (cont'd.)

Group	Other financial liabilities RM'000	Liabilities under MFRS 17 RM'000	Total RM'000
Liabilities			
2023			
Insurance contract liabilities	**-**	**649,555**	**649,555**
Reinsurance contract liabilities	**-**	**665**	**665**
Lease liabilities	**7,219**	**-**	**7,219**
Other payables (net of provision for taxation and other provisions)	**40,964**	**-**	**40,964**
Total liabilities	**48,183**	**650,220**	**698,403**
2022 (Restated)			
Insurance contract liabilities	-	709,671	709,671
Reinsurance contract liabilities	-	752	752
Lease liabilities	3,420	-	3,420
Other payables (net of provision for taxation and other provisions)	55,207	-	55,207
Total liabilities	58,627	710,423	769,050

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

34. Financial instruments and insurance assets and liabilities (cont'd.)

The following tables summarise the financial instruments (other than cash and bank balances) and insurance assets and liabilities of the Group and of the Company by categories: (cont'd.)

Company	Amortised cost RM'000	FVTPL RM'000	Total RM'000
Assets			
2023			
Investments	**-**	**40,858**	**40,858**
Other receivables (net of prepayments)	**12,472**	**-**	**12,472**
	12,472	**40,858**	**53,330**
2022			
Investments	-	47,647	47,647
Other receivables (net of prepayments)	12,924	-	12,924
	12,924	47,647	60,571

Company	Other financial liabilities RM'000
Liabilities	
2023	
Lease liabilities	**4,980**
Other payables	**3,875**
	8,855
2022	
Lease liabilities	740
Other payables	4,007
	4,747

35. Financial risks

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk primarily from net insurance receivables, reinsurance assets, investment securities, trade receivables and other receivables which are financial assets, and cash and bank balances with licensed financial institutions.

The Group has established counterparty and credit management policies that govern the credit selection and review process, as well as the insurance and reinsurance receivables collection and impairment assessment processes. These processes are regularly reviewed and monitored by the Risk Management Committee of the insurance subsidiary. For reinsurance transactions, the Group will give due consideration to retrocessionaires with rating of A- and above, by either A.M. Best or Standard & Poor's.

The maximum exposure to credit risk is normally represented by the carrying amount of each financial asset in the statements of financial position, although in the case of reinsurance receivables, it is fairly common practice for accounts to be settled on a net basis. In such cases, the maximum exposure to credit risk is expected to be limited to the extent of the amount of financial assets that has not been fully offset by financial liabilities with the same counterparty. The maximum amount recoverable from each reinsurer/retrocessionaire at any time is also dependent on the claims recoverable from such reinsurers/retrocessionaires at that point in time.

Amounts arising from ECL

For insurance receivables, the Group applies the simplified approach in accordance with MFRS 9 *Financial Instruments* and measures the allowance for impairment loss based on a lifetime ECL from initial recognition.

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques

The key inputs into the measurement of ECL are based on the following variables as described in Note 2.3(h):

- probability of default ('PD');
- loss given default ('LGD'); and
- exposure at default ('EAD').

The ECL is determined by projecting PD, LGD and EAD which are multiplied together and adjusted for forward-looking information.

These parameters are derived from internally developed statistical models as developed by the Group based on historical data. They are adjusted to reflect forward-looking information.

Definition of default

The Group considers a financial asset to be in default by assessing the following criteria:

<u>Quantitative criteria</u>

Insurance receivables are considered to be in default when the counterparty fails to make contractual payments within 12 months when they fall due, which is derived based on the Group's historical information.

<u>Qualitative criteria</u>

Default occurs when the counterparty is in bankruptcy or has indications of potentially significant financial difficulty such as lawsuits or similar actions that threaten the financial viability of the counterparty.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, LGD and EAD throughout the Group's expected loss calculations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(a) Credit risk (cont'd.)

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Group has performed historical analyses and identified key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, LGD and EAD vary by financial instrument. Forecasts of these economic variables (the "base economic scenario") are obtained from publicly available economic databases and provide the best estimate view of the economy over the next three to five years. The impact of these economic variables on the PD, LGD and EAD has been determined by performing statistical regression analysis to understand the impact that changes in these variables have had historically on default rates and the components of LGD and EAD.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and the actual outcomes may be significantly different from those projected. The Group considers these forecasts to represent its best estimates of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The sensitivity of the ECL to the economic variable assumptions affecting the calculation of ECL was not material to the Group for the years ended 31 December 2023 and 2022.

Set out below is the information about the credit risk exposure on the Group's insurance receivables (included within insurance contract assets/liabilities) using a provision matrix:

	Days past due					
	< 30 days RM'000	31 to 60 days RM'000	61 to 90 days RM'000	91 to 180 days RM'000	More than 180 days RM'000	Total RM'000
31 December 2023						
ECL rate	**2%**	**4%**	**4%**	**3%**	**57%**	**35%**
Gross carrying amount - insurance receivables	**24,693**	**9,493**	**8,858**	**36,289**	**116,305**	**195,638**
Allowance for ECL	**371**	**358**	**374**	**1,215**	**66,540**	**68,858**
31 December 2022						
ECL rate	2%	5%	7%	3%	28%	16%
Gross carrying amount - insurance receivables	28,964	14,097	10,065	63,636	118,197	234,959
Allowance for ECL	666	686	669	2,199	33,099	37,319

35. Financial risks (cont'd.)

(a) Credit risk (cont'd.)

Incorporation of forward-looking information (cont'd.)

The following table shows the movement in gross insurance receivables (included within insurance contract assets/liabilities) and the loss allowance recognised for not credit and credit impaired receivables:

	Not credit impaired RM'000	Credit impaired RM'000	Total RM'000
Gross carrying amount			
As at 1 January 2022	113,837	37,919	151,756
Increase/(reduction)	84,154	(951)	83,203
As at 31 December 2022	**197,991**	**36,968**	**234,959**
(Reduction)/increase	**(85,453)**	**46,132**	**(39,321)**
As at 31 December 2023	**112,538**	**83,100**	**195,638**
Allowance for ECL			
As at 1 January 2022	7,208	27,954	35,162
Increase/(reduction)	2,794	(637)	2,157
As at 31 December 2022	**10,002**	**27,317**	**37,319**
(Reduction)/increase	**(4,519)**	**36,057**	**31,539**
As at 31 December 2023	**5,483**	**63,374**	**68,858**

Credit exposure

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the maximum amount of each class of financial and reinsurance assets recognised in the statements of financial position as shown in the table below. The reinsurers' share of unearned premiums have been excluded from the analysis as they are not contractual obligations.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amortised cost:				
Fixed and call deposits with licensed financial institutions	**340,049**	15,267	**-**	-
Loans receivable:				
Staff mortgage loans	**56**	59	**-**	-
Other unsecured staff loans	**1**	2	**-**	-
FVTPL financial assets:				
Debt securities	**5,048**	5,016	**-**	-
Reinsurance contract assets	**340,440**	445,838	**-**	-
Other receivables (net of prepayments)	**5,609**	2,733	**12,472**	12,924
Cash and bank balances	**45,736**	41,371	**2,357**	3,002
	736,939	510,286	**14,829**	15,926

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(a) Credit risk (cont'd.)

Credit exposure by credit rating

The table below provides information regarding the credit risk exposures of the Group and the Company by classifying financial and reinsurance assets subject to credit risk according to the credit ratings of counterparties.

Group	AAA RM'000	AA RM'000	A RM'000	BBB and lower RM'000	Not rated RM'000	Total RM'000
2023						
Amortised cost:						
Fixed and call deposits with licensed financial institutions	181,509	156,789	-	-	1,751	340,049
Loans receivable:						
Staff mortgage loans	-	-	-	-	56	56
Other unsecured staff loans	-	-	-	-	1	1
FVTPL financial assets:						
Debt securities	5,048	-	-	-	-	5,048
Reinsurance contract assets ^	-	934	109,726	3,500	226,280	340,440
Insurance receivables: ^						
- included within insurance contract assets	1,074	49	6,156	216	32,092	39,587
- included within insurance contract liabilities	-	44	5,898	322	85,457	91,721
Other receivables (net of prepayments and assets held under the MMIP)	1,322	1,276	-	-	3,011	5,609
Cash and bank balances	40,766	4,558	322	-	90	45,736
	229,719	163,650	122,102	4,038	348,738	868,247

35. Financial risks (cont'd.)

(a) Credit risk (cont'd.)

Credit exposure by credit rating (cont'd.)

The table below provides information regarding the credit risk exposures of the Group and the Company by classifying financial and reinsurance assets subject to credit risk according to the credit ratings of counterparties. (cont'd.)

Group	AAA RM'000	AA RM'000	A RM'000	BBB and lower RM'000	Not rated RM'000	Total RM'000
2022 (Restated)						
Amortised cost:						
Fixed and call deposits with licensed financial institutions	6,917	6,653	-	-	1,697	15,267
Loans receivable:						
Staff mortgage loans	-	-	-	-	59	59
Other unsecured staff loans	-	-	-	-	2	2
FVTPL financial assets:						
Debt securities	5,016	-	-	-	-	5,016
Reinsurance contract assets ^	-	1,100	107,531	4,760	332,447	445,838
Insurance receivables: ^						
- included within insurance contract assets	1,822	1,755	12,905	1,890	23,122	41,494
- included within insurance contract liabilities	-	110	6,079	1,002	151,139	158,330
Other receivables (net of prepayments and assets held under the MMIP)	144	83	-	-	2,506	2,733
Cash and bank balances	33,718	2,375	6	-	5,272	41,371
	47,617	12,076	126,521	7,652	516,244	710,110

^ Reinsurance contract assets and insurance receivables from brokers/insurers/reinsurers licensed under the Financial Services Act 2013 and Labuan Financial Services Act 2010 are classified under the "Not rated" category.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(a) Credit risk (cont'd.)

Credit exposure by credit rating (cont'd.)

The table below provides information regarding the credit risk exposures of the Group and the Company by classifying financial and reinsurance assets subject to credit risk according to the Group's credit ratings of counterparties. (cont'd.)

Company	AAA RM'000	Not rated RM'000	Total RM'000
2023			
Other receivables (net of prepayments)	**-**	**12,472**	**12,472**
Cash and bank balances	**2,357**	**-**	**2,357**
	2,357	**12,472**	**14,829**
2022			
Other receivables (net of prepayments)	-	12,924	12,924
Cash and bank balances	3,002	-	3,002
	3,002	12,924	15,926

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company is unable to meet its obligations in a timely manner at a reasonable cost at any time. The Group maintains a large tranche of liquid asset instruments, primarily bank deposits and unit trust funds, to ensure high liquidity.

35. Financial risks (cont'd.)

(b) Liquidity risk (cont'd)

Maturity profiles

The following table summarises the maturity profile of financial and reinsurance contract assets and financial and reinsurance contract liabilities of the Group and the Company based on remaining undiscounted contractual cash flows, including interest receivable:

For insurance contract assets/liabilities and reinsurance contract assets/liabilities, maturity profiles are determined based on the estimated timing of net cash outflows from the recognised insurance liabilities. Unearned premiums and the reinsurers' share of unearned premiums have been excluded from the analysis as they are not contractual obligations.

Group	Carrying value RM'000	Less than 1 year RM'000	Over 1-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
2023						
Amortised cost:						
Fixed and call deposits with licensed financial institutions	**340,049**	**340,049**	**-**	**-**	**-**	**340,049**
Loans receivable:						
Staff mortgage loans	**56**	**-**	**-**	**56**	**-**	**56**
Other unsecured staff loans	**1**	**1**	**-**	**-**	**-**	**1**
FVTPL:						
Unit trust funds	**379,218**	**-**	**-**	**-**	**379,218**	**379,218**
Debt securities	**5,048**	**141**	**5,323**	**-**	**-**	**5,464**
Insurance contract assets	**16,656**	**16,656**	**-**	**-**	**-**	**16,656**
Reinsurance contract assets	**340,440**	**186,253**	**196,994**	**3,274**	**-**	**386,521**
Other receivables (net of prepayments and assets held under the MMIP)	**5,609**	**5,609**	**-**	**-**	**-**	**5,609**
Cash and bank balances	**45,736**	**45,736**	**-**	**-**	**-**	**45,736**
	1,132,813	**594,445**	**202,317**	**3,330**	**379,218**	**1,179,310**
Insurance contract liabilities	**724,048**	**313,523**	**400,562**	**9,963**	**-**	**724,048**
Reinsurance contract liabilities	**665**	**665**	**-**	**-**	**-**	**665**
Lease liabilities	**7,219**	**1,011**	**6,454**	**170**	**-**	**7,635**
Other payables (net of provision for taxation and other provisions)	**40,964**	**40,709**	**-**	**255**	**-**	**40,964**
Total financial liabilities	**772,896**	**355,908**	**407,016**	**10,388**	**-**	**773,312**
Liquidity surplus/(deficit)	**359,917**	**238,537**	**(204,699)**	**(7,058)**	**379,218**	**405,998**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(b) Liquidity risk (cont'd.)

Maturity profiles (cont'd.)

Maturity analysis for financial assets (contractual undiscounted cash flow basis) (cont'd.)

Group	Carrying value RM'000	Less than 1 year RM'000	Over 1-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
2022 (Restated)						
Amortised cost:						
Fixed and call deposits with licensed financial institutions	15,267	15,267	-	-	-	15,267
Loans receivable:						
Staff mortgage loans	59	-	-	59	-	59
Other unsecured staff loans	2	2	-	-	-	2
FVTPL:						
Unit trust funds	662,270	-	-	-	662,270	662,270
Debt securities	5,016	134	5,538	-	-	5,672
Insurance contract assets	14,522	14,522	-	-	-	14,522
Reinsurance contract assets	445,838	246,967	280,538	4,739	-	532,244
Other receivables (net of prepayments and assets held under the MMIP)	2,733	2,733	-	-	-	2,733
Cash and bank balances	41,371	41,371	-	-	-	41,371
	1,187,078	320,996	286,076	4,798	662,270	1,274,140

35. Financial risks (cont'd.)

(b) Liquidity risk (cont'd.)

Maturity profiles (cont'd.)

Maturity analysis for financial assets (contractual undiscounted cash flow basis) (cont'd.)

Company	Carrying value RM'000	Less than 1 year RM'000	Over 1-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
2022 (Restated) (cont'd.)						
Insurance contract liabilities	709,671	372,930	467,850	10,084	-	850,864
Reinsurance contract liabilities	752	752	-	-	-	752
Lease liabilities	3,420	365	2,802	335	-	3,502
Other payables (net of provision for taxation and other provisions)	55,207	69,005	-	255	-	69,260
Total financial liabilities	769,050	443,052	470,652	10,674	-	924,378
Liquidity surplus	418,028	(122,057)	(184,577)	(5,877)	662,270	349,761
2023						
FVTPL:						
Unit trust funds	**40,858**	**-**	**-**	**-**	**40,858**	**40,858**
Other receivables (net of prepayments)	**12,472**	**12,472**	**-**	**-**	**-**	**12,472**
Cash and bank balances	**2,357**	**2,357**	**-**	**-**	**-**	**2,357**
	55,687	**14,829**	**-**	**-**	**40,858**	**55,687**
Lease liabilities	**4,980**	**298**	**473**	**-**	**-**	**771**
Other payables (net of provision for taxation)	**3,875**	**3,875**	**-**	**-**	**-**	**3,875**
Total financial liabilities	**8,855**	**4,173**	**473**	**-**	**-**	**4,646**
Liquidity surplus/(deficit)	**46,832**	**10,656**	**(473)**	**-**	**40,858**	**51,041**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(b) Liquidity risk (cont'd.)

Maturity profiles (cont'd.)

Maturity analysis for financial assets (contractual undiscounted cash flow basis) (cont'd.)

Company	Carrying value RM'000	Less than 1 year RM'000	Over 1-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
2022						
FVTPL:						
Unit trust funds	47,647	-	-	-	47,647	47,647
Other receivables (net of prepayments)	12,924	12,924	-	-	-	12,924
Cash and bank balances	3,002	3,002	-	-	-	3,002
	63,573	15,926	-	-	47,647	63,573
Lease liabilities	740	298	473	-	-	771
Other payables (net of provision for taxation)	4,007	4,007	-	-	-	4,007
Total financial liabilities	4,747	4,305	473	-	-	4,778
Liquidity surplus/(deficit)	58,826	11,621	(473)	-	47,647	58,795

(c) Market risk

Market risk arises with changes in prices of unit trust funds and bond prices. This risk is mitigated through regular review on the performance of unit trust funds, proper initial and continuous credit evaluation of bonds, purchase of high grade shares and bonds, and constant watch on the investment portfolio for adverse changes and opportunities.

Fund managers' performance are monitored constantly and parameters are prescribed to fund managers according to the Group's risk appetite on investments in unit trust funds, collective investment schemes and bonds, by placing limits on categories of purchase.

35. Financial risks (cont'd.)

(c) Market risk (cont'd.)

Price risk

Management's best estimate of the effect on the net profit for the year and equity due to a reasonably possible change in the Net Asset Value ("NAV") with all other variables held constant is indicated in the table below:

		Group Increase/(decrease)		Company Increase/(decrease)	
	Change in NAV %	* Effect on net profit for the year RM'000	* Effect on equity RM'000	* Effect on net profit for the year RM'000	* Effect on equity RM'000
2023					
Market indices:					
NAV	**+10**	**31,251**	**31,251**	**3,105**	**3,105**
NAV	**-10**	**(31,251)**	**(31,251)**	**(3,105)**	**(3,105)**
2022					
Market indices:					
NAV	+10	52,999	52,999	3,621	3,621
NAV	-10	(52,999)	(52,999)	(3,621)	(3,621)

* Impact is net of tax rates enacted at reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(c) Market risk (cont'd.)

Interest rate risk

The Group's exposure to interest rate risk arises primarily from investments in interest-bearing investments classified as FVTPL. The interest and capital value may be affected by changes in the interest yield curve. The Group has an investment policy that investments are made at competitive interest rates.

The analysis below is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit or loss and impact on equity. The correlation of variables will have a significant effect in determining the ultimate impact on interest rate yield risk but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. During the current financial year, the method used for deriving sensitivity information did not change from the previous period.

Sensitivity analysis:

		Group (Decrease)/Increase	
	Changes in basis points	* Effect on net profit for the year RM'000	* Effect on equity RM'000
2023			
Interest-bearing investments:			
FVTPL	**+ 200 bps**	**(6)**	**(6)**
FVTPL	**- 200 bps**	**6**	**6**
2022			
Interest-bearing investments:			
FVTPL	+ 200 bps	(9)	(9)
FVTPL	- 200 bps	9	9

* Impact is net of tax of 24% (2022: 24%)

35. Financial risks (cont'd.)

(c) Market risk (cont'd.)

Foreign currency risk

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Group's and the Company's exposure to foreign currencies are as follows:

	Group	
	2023 RM'000	2022 RM'000
Insurance contract assets:		
Thai Baht	**2,725**	7,001
United States Dollar	**12,620**	16,990
Philippines Peso	**6,838**	5,335
Indonesian Rupiah	**1,380**	1,011
Singapore Dollar	**1,964**	2,225
China Yuen Renminbi	**641**	597
Indian Rupee	**613**	691
Australia Dollar	**111**	480
Japanese Yen	**191**	155
Hong Kong Dollar	**(11)**	(213)
Vietnam Dong	**11,177**	5,092
Other currencies	**167**	114
	38,416	39,478
Cash and bank balances:		
United States Dollar	**13,229**	13,104
Thai Baht	**20**	19
Indonesian Rupiah	**48**	65
	13,297	13,188
Investments:		
United States Dollar	**27,144**	13,017
Other payables:		
United States Dollar	**(8,650)**	(10,026)
Vietnam Dong	**(1,767)**	(1,381)
	(10,417)	(11,407)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

35. Financial risks (cont'd.)

(c) Market risk (cont'd.)

Foreign currency risk (cont'd.)

The Group's and the Company's exposure to foreign currencies are as follows: (cont'd.)

	Company	
	2023 RM'000	**2022 RM'000**
Cash and bank balances:		
United States Dollar	**852**	965
Indonesian Rupiah	**25**	24
	877	989

Sensitivity analysis:

A 5% strengthening/weakening of the Ringgit Malaysia against the foreign currencies as at the end of 31 December 2023 would have decreased/increased net profit of the Group and the Company by approximately RM3,319,000 and RM44,000 respectively (2022: RM2,631,000 and RM49,000 respectively). This assumes that all other variables remain constant.

(d) Operational risk

A good internal control framework, compliance to regulatory guidelines and observance of best practices enable the Group and the Company to mitigate operational risks. Internal audit plan and risk-based audits coupled with periodic reviews on compliance to policies and procedures provide assurance that the Group and the Company have the best processes in a controlled environment.

36. Fair value measurement

MFRS 7 *Financial Instruments: Disclosures* ("MFRS 7") requires the classification of financial instruments measured at fair value according to a hierarchy that reflects the significance of inputs used in making the measurements, in particular, whether the inputs used are observable or unobservable. MFRS 13 *Fair Value Measurement* requires similar disclosure requirements as MFRS 7 but extends to include all assets and liabilities measured at fair value and/or for which fair values are disclosed.

36. Fair value measurement (cont'd.)

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy 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.

The following table provides an analysis of assets measured and/or disclosed at fair value on a recurring basis in accordance with the fair value hierarchy:

		Valuation technique using			
	Date of valuation	Quoted market price (Level 1) RM'000	Observable inputs (Level 2) RM'000	Un-observable inputs (Level 3) RM'000	Total RM'000
Group					
Assets measured at fair value:					
2023					
Financial assets at FVTPL:					
Unquoted debt securities in Malaysia	**31 December 2023**	**-**	**5,048**	**-**	**5,048**
Quoted unit trust funds in Malaysia	**31 December 2023**	**379,218**	**-**	**-**	**379,218**
		379,218	**5,048**	**-**	**384,266**
2022					
Financial assets at FVTPL:					
Unquoted debt securities in Malaysia	31 December 2022	-	5,016	-	5,016
Quoted unit trust funds in Malaysia	31 December 2022	662,270	-	-	662,270
		662,270	5,016	-	667,286

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

36. Fair value measurement (cont'd.)

The following table provides an analysis of assets measured and/or disclosed at fair value on a recurring basis in accordance with the fair value hierarchy: (cont'd.)

		Valuation technique using			
	Date of valuation	Quoted market price (Level 1) RM'000	Observable inputs (Level 2) RM'000	Un-observable inputs (Level 3) RM'000	Total RM'000
Company					
Assets measured at fair value:					
2023					
Financial assets at FVTPL:					
Quoted unit trust funds in Malaysia	**31 December 2023**	**40,858**	**-**	**-**	**40,858**
2022					
Financial assets at FVTPL:					
Quoted unit trust funds in Malaysia	31 December 2022	47,647	-	-	47,647

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the current and previous financial years. There were also no transfers in and out of Level 3 of the fair value hierarchy. The only movement involving financial assets classified at Level 3 of the fair value hierarchy relates to the unquoted equity securities in the previous financial year which is disclosed in Note 9(b).

Determination of fair value and fair value hierarchy

The fair values of the Group's and the Company's assets which are carried at fair value or for which fair value is disclosed, are determined as follows:

(i) The fair values of unquoted corporate bonds are determined by reference to Bond Pricing Agency Malaysia.

(ii) The fair value of investment in unit trust funds is determined by reference to published net asset values.

37. Segmental information

The Group is organised into five major business segments, investment holding and others, funds managed through collective investment schemes, general reinsurance, general insurance business and life insurance business. The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business based on negotiated and mutual terms.

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
For the year ended 31 December 2023							
Insurance revenue	-	-	68,947	310,227	187	(5,222)	374,139
Insurance service expenses	-	-	(53,742)	(194,873)	(6,819)	(844)	(256,278)
Insurance service result before reinsurance contracts held	-	-	15,205	115,354	(6,632)	(6,066)	117,861
Allocation of reinsurance premiums	-	-	(653)	(97,693)	-	5,222	(93,124)
Amounts recoverable from reinsurers for incurred claims	-	-	(40)	(28,095)	-	(2,799)	(30,934)
Net expense from reinsurance contracts held	-	-	(693)	(125,788)	-	2,423	(124,058)
Insurance service result	-	-	14,512	(10,434)	(6,632)	(3,643)	(6,197)
Investment income	10,602	40	3,423	7,661	37	(9,655)	12,108
Realised gains and losses	200	-	2,979	(527)	192	-	2,844
Fair value gains or losses	846	-	1,537	14,844	17	9	17,253
Total investment income	11,648	40	7,939	21,978	246	(9,646)	32,205

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

37. **Segmental information (cont'd.)**

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
For the year ended 31 December 2023 (cont'd.)							
Insurance finance income/(expenses) for insurance contracts issued	-	-	2,276	(18,075)	-	-	(15,799)
Reinsurance finance (expenses)/income for reinsurance contracts held	-	-	(80)	13,106	-	-	13,026
Net insurance financial result	-	-	2,196	(4,969)	-	-	(2,773)
Other operating income	24,955	-	3,385	7,111	29	(27,321)	8,159
Other operating expenses	(48,206)	(23)	(3,995)	(4,587)	(2,648)	31,136	(28,323)
Other finance costs	(231)	-	(6)	-	(1)	22	(216)
Total other income and expenses	(23,482)	(23)	(616)	2,524	(2,620)	3,837	(20,380)
Share of results of an associate	-	-	-	-	-	167	167
Share of results of a joint venture company	-	-	-	-	-	149	149
(Loss)/profit before taxation	(11,834)	17	24,031	9,099	(9,006)	(9,136)	3,171
Taxation	(1,534)	-	(696)	(696)	-	-	(2,926)
Net (loss)/profit for the year	(13,368)	17	23,335	8,403	(9,006)	(9,136)	245

37. Segmental information (cont'd.)

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
For the year ended 31 December 2022 (Restated)							
Insurance revenue	-	-	73,516	413,048	-	(4,663)	481,901
Insurance service expenses	-	-	(60,615)	(180,068)	-	(2,164)	(242,847)
Insurance service result before reinsurance contracts held	-	-	12,901	232,980	-	(6,827)	239,054
Allocation of reinsurance premiums	-	-	(1,663)	(187,945)	-	4,663	(184,945)
Amounts recoverable from reinsurers for incurred claims	-	-	82	(41,908)	-	(1,476)	(43,302)
Net expense from reinsurance contracts held	-	-	(1,581)	(229,853)	-	3,187	(228,247)
Insurance service result	-	-	11,320	3,127	-	(3,640)	10,807
Investment income	28,212	3,992	3,768	12,019	-	(28,519)	19,472
Realised gains and losses	(525)	(3,136)	(2,278)	(15,182)	-	473	(20,648)
Fair value gains or losses	205	-	(1,758)	2,883	-	698	2,028
Total investment income	27,892	856	(268)	(280)	-	(27,348)	852

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

37. Segmental information (cont'd.)

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
For the year ended 31 December 2022 (Restated) (cont'd.)							
Insurance finance income/(expenses) for insurance contracts issued	-	-	1,887	(11,924)	-	-	(10,037)
Reinsurance finance (expenses)/income for reinsurance contracts held	-	-	(72)	10,921	-	-	10,849
Net insurance financial result	-	-	1,815	(1,003)	-	-	812
Other operating income	22,066	-	1,758	3,356	-	(23,298)	3,882
Other operating expenses	(54,804)	(262)	(4,615)	(3,395)	-	29,673	(33,403)
Other finance costs	(85)	-	(6)	-	-	9	(82)
Total other income and expenses	(32,823)	(262)	(2,863)	(39)	-	6,384	(29,603)
Share of results of an associate	-	-	-	-	-	(16,763)	(16,763)
Share of results of a joint venture company	-	-	-	-	-	153	153
(Loss)/Profit before taxation	(4,931)	594	10,004	1,805	-	(41,214)	(33,742)
Taxation	(307)	-	(298)	(268)	-	-	(873)
Net (loss)/profit for the year	(5,238)	594	9,706	1,537	-	(41,214)	(34,615)

37. Segmental information (cont'd.)

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
As at 31 December 2023							
Assets							
Property and equipment	909	-	44	2,346	54	-	3,353
Intangible assets	2,414	-	999	31,725	3,458	(228)	38,368
Right-of-use assets	5,326	-	159	2,795	80	(1,447)	6,913
Investments in subsidiaries	199,129	-	-	-	-	(199,129)	-
Investment in an associate	40,955	-	-	-	-	(7,266)	33,689
Investment in a joint venture company	433	-	-	-	-	848	1,281
Goodwill	-	-	-	-	-	24,165	24,165
Investments	41,773	1,382	134,378	545,202	2,369	(732)	724,372
Deferred tax assets	-	-	-	468	-	-	468
Insurance contract assets	-	-	16,987	-	-	(331)	16,656
Reinsurance contract assets	-	-	-	340,109	-	331	340,440
Other receivables	16,712	-	2,539	40,459	158	(16,389)	43,479
Tax recoverable	123	-	-	14,819	22	-	14,964
Cash and bank balances	3,176	4	13,519	28,602	435	-	45,736
Total assets	**310,950**	**1,386**	**168,625**	**1,006,525**	**6,576**	**(200,178)**	**1,293,884**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

37. Segmental information (cont'd.)

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
As at 31 December 2023 (cont'd.)							
Equity							
Share capital	**258,859**	**(377)**	**10,000**	**103,348**	**20,001**	**(143,075)**	**248,756**
Employee share option reserves	**1,342**	**-**	**-**	**-**	**-**	**-**	**1,342**
Foreign currency translation reserve	**-**	**-**	**-**	**-**	**-**	**6,717**	**6,717**
Other comprehensive income reserve	**-**	**-**	**-**	**-**	**-**	**(363)**	**(363)**
Other reserve	**-**	**-**	**-**	**-**	**-**	**499**	**499**
Retained earnings	**29,248**	**1,742**	**139,504**	**209,503**	**(14,811)**	**(98,969)**	**266,217**
Equity attributable to owners of the parent	**289,449**	**1,365**	**149,504**	**312,851**	**5,190**	**(235,191)**	**523,168**
Non-controlling interests	**-**	**-**	**-**	**-**	**-**	**53,002**	**53,002**
Total equity	**289,449**	**1,365**	**149,504**	**312,851**	**5,190**	**(182,189)**	**576,170**
Liabilities							
Insurance contract liabilities	**-**	**-**	**-**	**649,412**	**143**	**-**	**649,555**
Reinsurance contract liabilities	**-**	**-**	**665**	**-**	**-**	**-**	**665**
Lease liabilities	**5,427**	**-**	**163**	**2,968**	**78**	**(1,417)**	**7,219**
Other payables	**16,074**	**21**	**18,293**	**41,294**	**1,165**	**(16,572)**	**60,275**
Total liabilities	**21,501**	**21**	**19,121**	**693,674**	**1,386**	**(17,989)**	**717,714**
Total equity and liabilities	**310,950**	**1,386**	**168,625**	**1,006,525**	**6,576**	**(200,178)**	**1,293,884**

37. Segmental information (cont'd.)

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
As at 31 December 2022 (Restated)							
Assets							
Property and equipment	1,289	-	104	2,535	-	-	3,928
Intangible assets	7,659	-	1,351	20,299	-	(262)	29,047
Right-of-use assets	736	-	31	2,711	-	(205)	3,273
Investments in subsidiaries	199,129	-	-	-	-	(199,129)	-
Investment in an associate	40,955	-	-	-	-	(5,013)	35,942
Investment in a joint venture company	433	-	-	-	-	1,612	2,045
Goodwill	-	-	-	-	-	24,165	24,165
Investments	59,160	790	126,990	496,396	-	(722)	682,614
Deferred tax assets	-	-	-	1,091	-	-	1,091
Insurance contract assets	-	-	16,383	-	-	(1,861)	14,522
Reinsurance contract assets	-	-	-	443,977	-	1,861	445,838
Other receivables	16,487	-	1,724	42,693	-	(16,170)	44,734
Tax recoverable	8	-	-	28,142	-	-	28,150
Cash and bank balances	3,651	582	14,447	17,486	-	5,205	41,371
Total assets	329,507	1,372	161,030	1,055,330	-	(190,519)	1,356,720

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

37. Segmental information (cont'd.)

	Investment holding and others RM'000	Collective investment schemes RM'000	General reinsurance business RM'000	General insurance business RM'000	Life insurance business RM'000	Adjust-ments and eliminations RM'000	Consolidated RM'000
As at 31 December 2022 (Restated) (cont'd.)							
Equity							
Share capital	278,623	4,551	10,000	103,348	-	(148,003)	248,519
Foreign currency translation reserve	-	-	-	-	-	9,645	9,645
Other comprehensive income reserve	-	-	-	-	-	199	199
Other reserve	-	-	-	-	-	343	343
Retained earnings	35,476	(3,201)	125,806	202,435	-	(93,352)	267,164
Equity attributable to owners of the parent	314,099	1,350	135,806	305,783	-	(231,168)	525,870
Non-controlling interests	-	-	-	-	-	51,810	51,810
Total equity	314,099	1,350	135,806	305,783	-	(179,358)	577,680
Liabilities							
Insurance contract liabilities	-	-	-	709,671	-	-	709,671
Reinsurance contract liabilities	-	-	752	-	-	-	752
Lease liabilities	762	-	33	2,845	-	(220)	3,420
Other payables	14,646	22	24,439	37,031	-	(10,941)	65,197
Total liabilities	15,408	22	25,224	749,547	-	(11,161)	779,040
Total equity and liabilities	329,507	1,372	161,030	1,055,330	-	(190,519)	1,356,720

38. Capital management

The Group's capital management objective is to ensure that the Group creates value for its shareholders while minimising the potential adverse effects on the performance of the Group.

The Group manages its capital structure, and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years 31 December 2023 and 2022.

The Company is not subject to any externally imposed capital requirements.

TPR is required to comply with the capital requirements stipulated under the Guidelines on application for Licence - Insurance and Insurance Related Activities ("the Guideline"), as issued by the Labuan Financial Services Authority. Similarly, TIMB is required to meet the minimum capital adequacy requirements as prescribed by the RBC Framework. The status of compliance of these subsidiaries with the Guideline and RBC Framework above are disclosed in Note 31.

39. Significant and subsequent events

(a) Update to the Malaysian Competition Commission ("MyCC")'s Proposed Decision against PIAM and its 22 members

On 22 February 2017, the general insurance subsidiary, TIMB received a notice from the Malaysia Competition Commission ("MyCC") concerning a proposed decision ("proposed decision") which found that TIMB and 21 other general insurance companies in Malaysia who are all members of the General Insurance Association of Malaysia ("PIAM") had infringed one of the prohibitions under the Competitions Act 2010 ("CA") in Malaysia, pursuant to its investigation outcome in respect of the agreement entered into between PIAM and the Federation of Automobile Workshop Owners' Association of Malaysia ("FAWOAM") concerning the cap on the parts trade discount rates and minimum agreed labour rates payable by the insurers to the PIAM Approved Repairer's Scheme workshops. These rates were subsequently approved and adopted by PIAM members, including TIMB.

Subsequent to MyCC's issuance of its proposed decision, PIAM and its 22 members, including TIMB, were given the opportunity to make written representations in their defence and TIMB had on 5 April 2017 filed in its written representations with MyCC. TIMB's oral representations were presented before MyCC on 29 January 2018.

Subsequently, TIMB received a notice from MyCC informing TIMB of its decision dated 14 September 2020, wherein they have found that TIMB and 21 other members of PIAM had infringed Section 4 of the CA ("Decision").

The MyCC in its Decision, had imposed a financial penalty of RM2,571,078 only on the part of TIMB and a consolidated amount of RM130,241,475 on all 22 members of PIAM, net of a 25% reduction granted on the final penalties after taking into consideration the economic impact arising from the Covid-19 pandemic. The MyCC had also granted the parties a moratorium period of six (6) months up to 24 March 2021 to pay the financial penalty imposed. The MyCC had also allowed the parties, including TIMB, to pay the financial penalty imposed by way of up to six (6) equal monthly instalments.

The MyCC had also directed TIMB to cease implementing the agreed parts trade discount and the hourly labour rate previously agreed upon with the workshops with immediate effect ("Cease and Desist Order"). All future parts trade discount rate and future hourly labour rates with the workshops would be negotiated independently.

TIMB, in consultation with their legal counsel, is of the view that TIMB has not infringed Section 4 of the CA and has taken all necessary and appropriate actions to defend its position. Accordingly, TIMB has not made any provision, and has continued to disclose the matter as an on-going litigation until further development.

TIMB had filed its Notice of Appeal with the Competition Appeal Tribunal ("CAT") pursuant to Section 51 of the CA and had filed an application for a stay of the financial penalty with the CAT pursuant to Section 53 of the CA on 13 October 2020 and 14 October 2020 respectively.

39. Significant and subsequent events (cont'd.)

(a) Update to the Malaysian Competition Commission ("MyCC")'s Proposed Decision against PIAM and its 22 members (cont'd.)

On 23 March 2021, the CAT allowed TIMB's application for a stay of the financial penalty. The CAT has also stayed the Cease and Desist Order.

On 2 September 2022, TIMB and the other general insurance companies succeeded in their appeal to the CAT ("Appeal Decision").

MyCC applied for leave to apply for judicial review of the Kuala Lumpur High Court Decision ("Application"). TIMB and the other general insurance companies filed their affidavits on 3 January 2023 to oppose the Application. Hearing of the Application is fixed on 30 November 2023 at the Kuala Lumpur High Court.

On 16 January 2024, High Court dismissed the MyCC's application for leave to commence judicial review against the Competition Appeal Tribunal's decision dated 2 September 2022. The High Court also ordered the MyCC to pay costs of RM10,000 for each putative respondent. The MyCC has 30 days to file an appeal to the Court of Appeal.

On 15 February 2024, MyCC filed their Notice of Appeal against the Leave Decision at the Court of Appeal. The Court of Appeal has fixed a case management for this matter on 15 May 2024.

(b) Tax dispute with the Lembaga Hasil Dalam Negeri ("LHDN")

On 20 December 2018, TIMB received Notice of Additional Assessment (Form JA) from the Lembaga Hasil Dalam Negeri ("LHDN") in respect of Years of Assessment ("YA") 2013 to 2015, wherein a sum of RM11.1 million of additional taxes and penalties was sought by the LHDN.

TIMB is of the view given legal advice received that out of the RM11.1 million of additional taxes and penalties levied by the LHDN, RM10.7 million, being the disputed additional tax and penalties, is open to challenge and has hence, engaged tax solicitors to assist in challenging the said disputed additional tax and penalties imposed by the LHDN.

On 11 January 2019, TIMB filed an Affidavit to the High Court of Malaya ("High Court") to apply for a judicial review against LHDN's assessments. On 23 May 2019, the High Court granted TIMB's application for judicial review with cost of RM5,000. The High Court ordered for the Notice of Assessment from LHDN to be amended to allow the deduction of PRAD expenses and dismissed the penalty imposed in relation to this issue. The High Court also ordered a stay of proceedings against the payment of taxes on the other additional taxes and penalties levied by LHDN until the determination of the appeal before the Special Commissioners of Income Tax ("SCIT").

On 11 June 2019, LHDN file a Notice of Appeal against the decision of the High Court. The appeal was subsequently withdrawn and a consent order was entered at the Court of Appeal on 13 November 2020 stating:

(a) the PRAD expenses are allowed for deduction for income tax purposes;

(b) LHDN will issue the Notices of Reduced Assessment for the Years of Assessment 2013, 2014 and 2015 within 90 days of the date of the order;

(c) the consent order applies only to this case;

(d) the High Court order dated 23 May 2019 is affirmed; and

(e) no order as to cost.

With this, the total amount currently on appeal before the SCIT is RM3.8 million.

39. Significant and subsequent events (cont'd.)

(b) Tax dispute with the Lembaga Hasil Dalam Negeri ("LHDN") (cont'd.)

On 13 February 2024, LHDN issued a settlement proposal letter to TIMB, offering a final settlement amount of RM1.4 million, in alignment with discussions between the parties. TIMB has confirmed its acceptance of the proposed settlement and incorporated full tax provision in financial year 2023. Both parties are now in the process of finalising the settlement agreement to formalise the agreement.

The case is now fixed for mention on 9 May 2024.

(c) Litigation between TIPCL with a foreign reinsurance broker (the "Broker")

On 25 November 2022, TIPCL, a 49% owned associate company of the Company, commenced legal proceedings against the Broker and its director in the courts of Thailand.

On 14 August 2020, the Broker issued a reinsurance slip wherein three foreign insurers ("Three Reinsurers") would provide reinsurance to TIPCL to allow TIPCL to facilitate an insurance policy. Subsequently, TIPCL was informed that the sole reinsurer of this insurance arrangement was in fact another reinsurer which was not aligned with TIPCL's internal guidelines.

On 9 March 2023, the Broker filed its Defence and Counter claim to the court of Thailand. On 11 April 2023, TIPCL filed its Reply to Defence and Defence to the Counterclaim accordingly.

The matter was fixed for Trial from 17 to 20 October 2023. The Thailand Court will deliver its Judgment on this matter on 20 December 2023.

On 20 December 2023, the Thailand Court delivered its decision as follows:

1. The Broker must pay TIPCL THB79.2 million plus 5% interest per year from the date that TIPCL sued the Broker (25 November 2022) until the Broker completely makes full payment to TIPCL;

2. The Managing Director of the Broker (K.Chakrit) which acted on behalf of the Broker, is not personally liable for TIPCL;

3. The court dismissed all counter claims raised by the Broker;

4. The Broker must pay THB100,000 to TIPCL as lawyer fees and THB50,000 for our litigation costs and expenses. In addition, the Broker needs to pay for the court fees which is 2% of the recovery amount.

Parties are due to file their respective appeals against the decision by 20 April 2024.

As at 31 December 2023, net impairment impact to the Group's 49% equity interest in TIPCL was RM8.5 million (as at 31 December 2022: RM7.9 million).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

39. Significant and subsequent events (cont'd.)

(d) Non-redemption of Perlindungan Tenang Vouchers ("PTV")

During the year, TIMB has been notified by the regulator that some of the policies underwritten by TIMB in 2022 under the PTV initiative will not be eligible for redemption as some customer consents secured by TIMB have been assessed as unacceptable by the regulator.

Although TIMB is currently considering an appeal on this matter, the Group has provided for full impairment on the potential financial impact. Under MFRS17, all receivable impairment provision is to be presented as part of the Group's Insurance Revenue. Consequently, the non-redemption of PTV has resulted in the reduction of approximately RM43.6 million in Insurance Revenue and approximately RM29.5 million reductions in Profit Before Tax during the year.

(e) Cybersecurity attack

On 19 December 2023, a cybersecurity incident was discovered on some of the servers of the Group.

The Group promptly notified the supervisory authorities upon becoming aware of the cybersecurity incident and implemented additional measures to prevent similar incidents in the future. To the best of the Group's knowledge and as of the date of these financial statements, there are no pending litigation or claims against the Group relating to the incident.

40. Comparatives

Certain comparative amounts have been reclassified to conform to the current year's presentation. As disclosed in Note 2.4 Changes in accounting policies, comparative amounts have been prepared and presented in accordance with the transition provisions of MFRS 17. Refer to statement of changes in equity for adoption impacts of MFRS 17.

ANALYSIS OF SHAREHOLDINGS

As at 29 March 2024

SHARE CAPITAL

Number of issued shares	:	753,641,000 ordinary shares
Issued share capital	:	RM249,152,611.50
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	Total Holdings	%
Less than 100 shares	131	1.41	1,685	0.00
100 – 1,000 shares	1,021	10.96	672,442	0.09
1,001 – 10,000 shares	4,282	45.94	24,345,556	3.23
10,001 – 100,000 shares	3,245	34.82	116,952,136	15.52
100,001 to less than 5% of issued shares	637	6.83	319,892,124	42.45
5% and above of issued shares	4	0.04	291,777,057	38.71
Total	**9,320**	**100.00**	**753,641,000**	**100.00**

DIRECTORS' AND GROUP CHIEF EXECUTIVE OFFICER'S ("GROUP CEO") INTERESTS

The interests of the Directors of Tune Protect Group Berhad ("the Company") in the ordinary shares and options over ordinary shares of the Company and its related corporation based on the Company's Register of Directors' Shareholdings as well as the interests of the Group CEO in the Company are as follows:

		Direct		Deemed		
No.	Name	No. of Ordinary Shares Held in the Company	%	No. of Ordinary Shares Held in the Company	%	No. of Unexercised LTIP Options of the Company
	Directors					
1.	Dato' Mohamed Khadar bin Merican	-	-	-	-	-
2.	Tan Ming-Li	-	-	-	-	-
3.	Mohamed Rashdi bin Mohamed Ghazalli	-	-	-	-	-
4.	Aireen Omar	600,000	0.08	-	-	-
5.	Kelvin Desmond Malayapillay	-	-	-	-	-
6.	Dr Grace Lee Hwee Ling	-	-	-	-	-
	Group CEO					
1.	Rohit Chandrasekharan Nambiar	1,680,500	0.22	-	-	5,138,200

ANALYSIS OF SHAREHOLDINGS

As at 29 March 2024

SUBSTANTIAL SHAREHOLDERS

		Direct		Deemed		
No.	Name of Shareholders	No. of Ordinary Shares Held	%	No. of Ordinary Shares Held	%	Note
1.	Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	102,609,000	13.62	-	-	-
2.	Tune Group Sdn. Bhd.	118,563,150	15.73	-	-	-
3.	Tan Sri Anthony Francis Fernandes	100,000	0.01	221,172,150	29.35	(i)
4.	Datuk Kamarudin bin Meranun	163,900	0.02	221,172,150	29.35	(i)
5.	CIMB SI II Sdn. Bhd.	70,679,123	9.38	-	-	-
6.	CIMB Group Sdn. Bhd.	-	-	70,679,123	9.38	(ii)
7.	CIMB Group Holdings Berhad	-	-	70,679,123	9.38	(ii)

Notes:

(i) Deemed interested by virtue of his interest in Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.) (102,609,000 shares) and Tune Group Sdn. Bhd. (118,563,150 shares) pursuant to Section 8 of the Companies Act 2016.

(ii) Deemed interested by virtue of the shareholder's interest in CIMB SI II Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

THIRTY LARGEST ORDINARY SHAREHOLDERS OF THE COMPANY

No.	Registered Holders	No. of Ordinary Shares	%
1.	Move Digital Sdn. Bhd. (formerly known as AirAsia Digital Sdn. Bhd.)	102,609,000	13.62
2.	RHB Capital Nominees (Tempatan) Sdn. Bhd. RHB Islamic Bank Berhad Pledged Securities Account for Tune Group Sdn. Bhd.	71,008,934	9.42
3.	CIMB SI II Sdn. Bhd.	70,679,123	9.38
4.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tune Group Sdn. Bhd. (7006233)	47,480,000	6.30
5.	Maybank Nominees (Tempatan) Sdn. Bhd. National Trust Fund (IFM KAF) (446190)	20,076,400	2.66
6.	Universal Trustee (Malaysia) Berhad KAF Core Income Fund	15,080,100	2.00
7.	Cartaban Nominees (Asing) Sdn. Bhd. BNYM SA/NV for ES River and Mercantile Global Recovery Fund	12,509,304	1.66
8.	Universal Trustee (Malaysia) Berhad KAF Tactical Fund	8,779,000	1.16
9.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd. for Manulife Investment Progress Fund (4082)	7,958,600	1.06
10.	Cartaban Nominees (Tempatan) Sdn. Bhd. RHB Trustees Berhad for KAF Vision Fund	5,871,000	0.78
11.	Kenanga Nominees (Tempatan) Sdn. Bhd. Tanjung Panorama Sdn. Bhd.	5,544,100	0.74
12.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt AN for Bank of Singapore Limited (Foreign)	5,000,000	0.66
13.	HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Toh Hooi Hak	4,578,600	0.61

ANALYSIS OF SHAREHOLDINGS

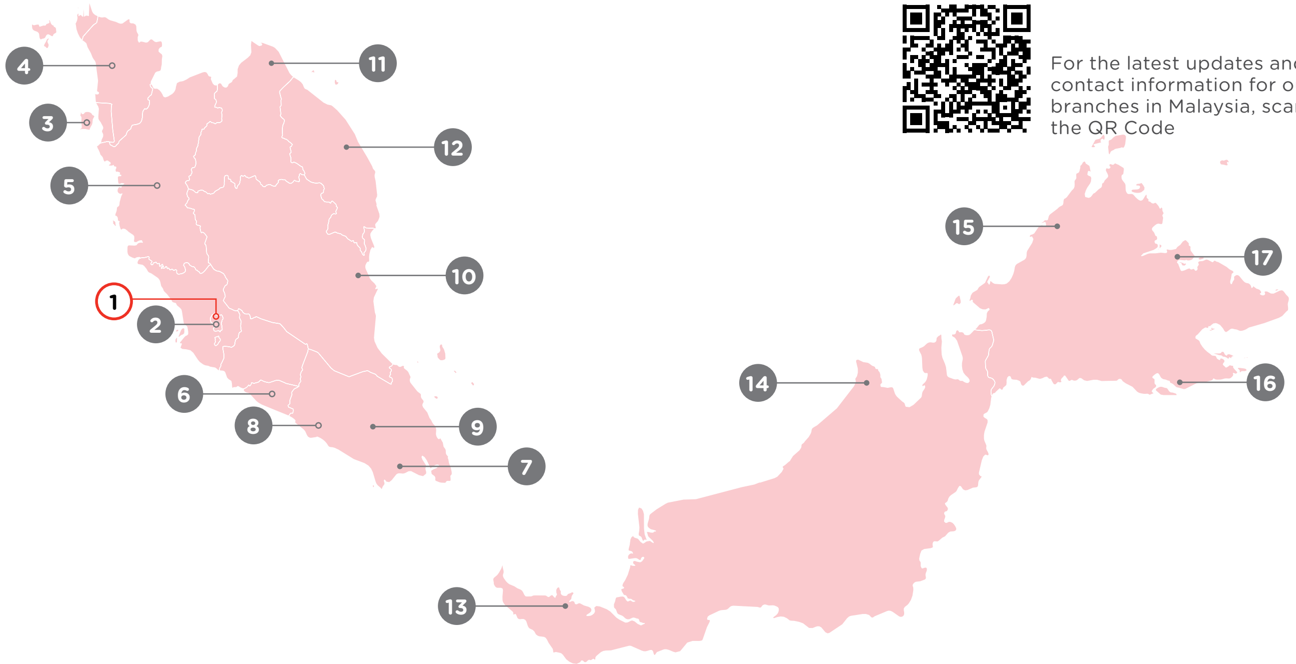
As at 29 March 2024

THIRTY LARGEST ORDINARY SHAREHOLDERS OF THE COMPANY (CONT'D.)

No.	Registered Holders	No. of Ordinary Shares	%
14.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tee Chee Chiang (8073610)	4,000,000	0.53
15.	HSBC Nominees (Asing) Sdn. Bhd. Exempt AN for Bank Julius Baer & Co. Ltd. (Singapore BCH)	3,750,000	0.50
16.	Zakaria bin Meranun	3,473,900	0.46
17.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Su Tiing Uh	3,146,000	0.42
18.	Chai Hooi Teing	3,000,000	0.40
19.	Cartaban Nominees (Asing) Sdn. Bhd. BNYM SA/NV for River and Mercantile Global Recovery Fund	2,940,500	0.39
20.	Lim Kok Seong	2,800,000	0.37
21.	KAF Trustee Berhad KIFB for Lagmuir Holdings Ltd.	2,662,300	0.35
22.	Kenanga Nominees (Tempatan) Sdn. Bhd. Lim Kok Khong (AA0039387)	2,650,000	0.35
23.	HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Loo Kee Seng	2,623,900	0.35
24.	Maybank Nominees (Tempatan) Sdn. Bhd. Exempt AN for Areca Capital Sdn. Bhd. (Clients' Account)	2,441,000	0.32
25.	Tee Kok Chuan	2,428,300	0.32
26.	Gan Tuan Boon	2,100,000	0.28
27.	Libra Capital Sdn. Bhd.	2,000,000	0.27
28.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for Areca Dividend Income Fund (412723)	2,000,000	0.27
29.	Ten Soon Lee	1,956,600	0.26
30.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Mary Tan @ Tan Hui Ngoh (STF)	1,899,700	0.25

LIST OF BRANCHES & OVERSEAS VENTURES

TUNE PROTECT MALAYSIA'S BRANCHES



For the latest updates and contact information for our branches in Malaysia, scan the QR Code

Customer Service Centre

ADDRESS:
Level 8, Wisma Capital A,
No. 19, Lorong Dungun,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

PHONE:
Customer Service Hotline
1 800 88 5753 (Toll-Free for Malaysian Callers)
+603 4065 4244 (For International Callers)

Monday – Thursday
9:00AM – 5:00PM (GMT +8)
Friday
9:00AM – 4:30PM (GMT+8)

24/7 Emergency Assistance
1800 22 8863
(Auto Emergency Assist)

+603 2303 0022
(Travel Emergency Assistance)

EMAIL:
- **hello.my@tuneprotect.com**
- **enquiry@tuneprotect.com**
  (for AirAsia Travel Protection related enquiries only)

For more Help & Support options, scan the QR Code

1. **Kuala Lumpur, Malaysia (Head Office)**
   Level 9, Wisma Capital A,
   No. 19, Lorong Dungun,
   Damansara Heights,
   50490 Kuala Lumpur,
   Wilayah Persekutuan
   Toll-Free No.: 1800 88 5753
   Phone : +603 2087 9000
   Email: **hello.my@tuneprotect.com**
   Website : **www.tuneprotect.com/my**

2. **Bukit Jalil (Flagship Lifestyle Branch)**
   B-07-02, Pusat Perdagangan Bandar Bukit Jalil,
   Persiaran Jalil 7,
   57000 Kuala Lumpur,
   Wilayah Persekutuan
   Phone : +603 8062 0261
   +603 8082 1207

3. **Penang**
   No. 29-G, 29-1 & 29-2,
   Persiaran Bayan Indah,
   Bayan Bay,
   11900 Bayan Lepas,
   Penang
   Phone : +604 643 0288
   +604 641 2388

LIST OF BRANCHES & OVERSEAS VENTURES

4. **Alor Setar**
   No. 216-A, Ground Floor,
   Jalan PSK 6, Off Jalan Simpang Kuala,
   Pekan Simpang Kuala,
   05400 Alor Setar,
   Kedah Darul Aman
   Phone : +604 771 1988
   +604 771 9089

5. **Ipoh**
   Ground & 1st Floor,
   No. 52, Jalan Medan Istana,
   Bandar Ipoh Raya,
   30000 Ipoh,
   Perak Darul Ridzuan
   Phone : +605 254 3305
   +605 254 1239

6. **Melaka**
   No. 529 & 530, Ground Floor,
   Taman Melaka Raya,
   75000 Melaka,
   Melaka
   Phone : +606 284 2828
   +606 283 3109
   +606 281 2753

7. **Johor Bahru**
   Unit 22-02 Level 22,
   Menara Zurich,
   15 Jalan Dato Abdullah Tahir,
   80300, Johor Bahru,
   Johor Darul Takzim
   Phone : +607 333 1518
   +607 330 5603

8. **Batu Pahat**
   No. 55A, 1st Floor,
   Jalan Cengal,
   Taman Batu Pahat,
   83000 Batu Pahat,
   Johor Darul Takzim
   Phone : +607 431 3591
   +607 431 3752

9. **Kluang**
   No. 53, 1st & 2nd Floor,
   Jalan Rambutan,
   86000 Kluang,
   Johor Darul Takzim
   Phone : +607 776 5468

10. **Kuantan**
    A109, Ground Floor,
    Sri Dagangan,
    Jalan Tun Ismail,
    25000 Kuantan,
    Pahang Darul Makmur
    Phone : +609 513 1914
    +609 514 5259

11. **Kota Bahru**
    PT 389, Ground & 1st Floor,
    Rumah Kedai Lembah Sireh,
    15050 Kota Bharu,
    Kelantan Darul Naim
    Phone : +609 748 3986
    +609 748 4895

12. **Kuala Terengganu**
    No. 888C, Lot 3886, Tingkat 1,
    Jalan Sultan Sulaiman,
    20000 Kuala Terengganu,
    Terengganu Darul Iman
    Phone : +609 622 9828
    +609 622 4828

13. **Kuching**
    Lot 579, Ground Floor & 1st Floor,
    Section 10, Kuching Town Land District,
    Jalan Tun Ahmad Zaidi Adruce,
    93400 Kuching,
    Sarawak
    Phone : +6082 241 266
    +6082 417 343
    Fax : +6082 256 045

14. **Miri**
    Lot 788, 1st Floor,
    Jalan Bintang Jaya 4,
    Bintang Jaya Commercial Centre,
    98000 Miri,
    Sarawak
    Phone : +6085 424 243
    +6085 422 344
    Fax : +085 438 904

15. **Kota Kinabalu**
    Lot D-3A-01, Parcel No: D-01,
    Aeropod Commercial Square,
    Jalan Aeropod, Off Jalan Kepayan,
    88200 Kota Kinabalu,
    Sabah
    Phone : +6088 221 116
    +6088 221 117

16. **Tawau**
    1st Floor, Lot A7,
    Pusat Komersil BDC (1Arena),
    Jalan Chong Thien Vun,
    91000 Tawau,
    Sabah
    Phone : +6089 763 177
    +6089 763 178
    Fax : +6089 763 179

17. **Sandakan**
    Ground Floor, Lot 3, Block 7,
    Bandar Indah, Mile 4,
    Jalan Utara,
    90000 Sandakan,
    Sabah
    Phone : +6089 224 770
    +6089 224 780

Overseas Ventures

THAILAND
Tune Protect Thailand
(Tune Insurance Public Company Limited)

Address:
3199 Maleenont Tower,
14th Floor Rama IV Road,
Khlong Tan,
Khlong Toei,
Bangkok 10110

Phone : +66(0)2 078 5656
Call Centre: 1183
Fax : +66(0)2 078 5601 3
Email : **customercare@tuneprotect.com**
Website : **www.tuneinsurance.co.th**
Operating Hours : Monday to Friday
8:00AM - 5:00PM
(GMT +7)

EUROPE, MIDDLE EAST, INDIA & AFRICA
Tune Protect EMEIA
(Tune Protect Commercial Brokerage LLC)

Address:
Level 8 No. 807,
Blue Bay Tower,
P.O Box 124177
Business Bay, Dubai, UAE

Phone : +971 4360 6872
Fax : +971 4420 3920
Email :
- General Enquiries : **enquiry.emeia@tuneprotect.com**
- Claims Related Enquiries : **travelassurance@tuneprotect.com**

Website : **www.tuneprotect.com/emeia**

Tune Protect Re - Principal Place of Business
(Tune Protect Re Ltd.)

Address:
Suite No. 26, Unit Level 9(E),
Main Office Tower,
Financial Park Labuan,
Jalan Merdeka,
87000 Labuan Federal Territory

GRI CONTENT INDEX

Statement of use	Tune Protect Group Berhad has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

DISCLOSURE		LOCATION	PAGE NUMBER
GRI 2: General Disclosures 2021			
2-1	Organizational details	• Who We Are • Corporate Structure • Kuala Lumpur, Malaysia or Corporate Information • List of Branches and Overseas Ventures	6 7 8 302 - 303
2-2	Entities included in the organization's sustainability reporting	• Reporting Framework • Corporate Structure	2 7
2-3	Reporting period, frequency and contact point	• Reporting Framework	2 - 3
2-4	Restatements of information	*Restatements of data have been indicated accordingly in context where necessary*	
2-5	External assurance	• Reporting Framework	3
2-6	Activities, value chain and other business relationships	• Who We Are • Corporate Structure • Our Business Model • Sustainability Statement: Responsible Business Practices	6 7 18 60 - 61
2-7	Employees	• Sustainability Statement: Employee Performance Data	76 - 79
2-8	Workers who are not employees	• Sustainability Statement: Temporary & Contract Staff (%)	78
2-9	Governance structure and composition	• Sustainability Statement: Sustainability Governance • Sustainability Statement: Cross-Cutting Climate Engagements • Profile of Directors • Profiles of the Executive Committee • Corporate Governance Overview Statement: Corporate Governance Framework • Corporate Governance Overview Statement: Board Diversity	42 63 94 - 98 101 - 105 106 108
2-10	Nomination and selection of the highest governance body	• Corporate Governance Overview Statement: Nomination Committee	109 - 110
2-11	Chair of the highest governance body	• Profile of Directors	94
2-12	Role of the highest governance body in overseeing the management of impacts	• Material Matters • Stakeholder Engagement • Sustainability Statement: Sustainability Governance • Sustainability Statement: Cross-Cutting Climate Engagements • Corporate Governance Overview Statement: Remuneration Committee • Corporate Governance Overview Statement: Directors' Remuneration	19 - 21 22 - 25 42 63 111 114 - 115
2-13	Delegation of responsibility for managing impacts	• Sustainability Statement: Sustainability Governance • Sustainability Statement: Cross-Cutting Climate Engagements • Corporate Governance Overview Statement: Corporate Governance Framework	42 63 106

GRI CONTENT INDEX

DISCLOSURE		LOCATION	PAGE NUMBER
GRI 2: General Disclosures 2021 (CONT'D.)			
2-14	Role of the highest governance body in sustainability reporting	• Material Matters • Sustainability Statement: Sustainability Governance • Sustainability Statement: Cross-Cutting Climate Engagements • Corporate Governance Overview Statement: Communication with Stakeholders	19 - 21 42 63 117 - 118
2-15	Conflicts of interest	• Profile of Directors • Profiles of the Executive Committee • Corporate Governance Overview Statement: Conflict of Interest • Additional Compliance Information: Recurrent Related Party Transactions of a Revenue or Trading Nature • Analysis of Shareholdings	94 - 98 101 - 105 109 129 - 131 299 - 301
2-16	Communication of critical concerns	• Investor Relations: Annual General Meeting • Sustainability Statement: Whistleblowing and Grievance Mechanisms • Sustainability Statement: Cross-Cutting Climate Engagements	10 44 63
2-17	Collective knowledge of the highest governance body	• Sustainability Statement: Sustainability Governance • Sustainability Statement: Ensuring Effective Governance • Profile of Directors • List of Directors' Trainings for 2023 • Profiles of the Executive Committee • Corporate Governance Overview Statement: Professional Development	42 62 - 65 94 - 98 99 - 100 101 - 105 109
2-18	Evaluation of the performance of the highest governance body	• Corporate Governance Overview Statement: Nomination Committee	109 - 110
2-19	Remuneration policies	• Corporate Governance Overview Statement: Remuneration	112 - 113
2-20	Process to determine remuneration	• Corporate Governance Overview Statement: Remuneration Committee • Corporate Governance Overview Statement: Remuneration	111 112 - 114
2-22	Statement on sustainable development strategy	• Sustainability Statement: Sustainability Framework • Chairman's Review • Management Discussion and Analysis	42 30 - 33 34 - 39
2-23	Policy commitments	• Sustainability Statement: Our Governance • Corporate Governance Overview Statement • Internal Policies	43 - 44 106 - 118 132 - 134
2-24	Embedding policy commitments	• Stakeholder Engagement • Sustainability Statement: Corporate Governance, Ethics and Risk Management • Corporate Governance Overview Statement	22 - 25 45 - 48 106 - 118
2-25	Processes to remediate negative impacts	• Stakeholder Engagement • Top Risks and How We Manage Them • Statement on Risk Management and Internal Control: Internal Control	22 - 25 26 - 27 126 - 127
2-26	Mechanisms for seeking advice and raising concerns	• Reporting Framework • Investor Relations • Stakeholder Engagement • Sustainability Statement: Whistleblowing and Grievance Mechanisms • Sustainability Statement: Customer Centricity • Statement on Risk Management & Internal Control: Whistleblowing Policy and Procedures	3 9 - 13 22 - 25 44 51 - 54 127
2-27	Compliance with laws and regulations	*There were no significant instances of non-compliance with laws and regulations that apply to the organisation.*	

GRI CONTENT INDEX

DISCLOSURE		LOCATION	PAGE NUMBER
GRI 2: General Disclosures 2021 (CONT'D.)			
2-28	Membership associations	• Reporting Framework • Sustainability Statement: Driving Engagement on Climate Change • Sustainability Statement: Gender Equality	3 66 76
2-29	Approach to stakeholder engagement	• Stakeholder Engagement	22 - 25
2-30	Collective bargaining agreements	• Corporate Governance Overview Statement: Remuneration	112 - 115
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	• Material Matters • Stakeholder Engagement	19 - 21 22 - 25
3-2	List of material topics	• Material Matters	19 - 21
3-3	Management of material topics	• Our Value Creation Model • Sustainability Statement	28 - 29 40 - 93
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	• Financial Highlights • Sustainability Statement: Responsible Business Practices	14 - 15 60 - 61
201-2	Financial implications and other risks and opportunities due to climate change	• Top Risks & How We Manage Them • Sustainability Statement: Climate Change - Strategy • Sustainability Statement: Climate Change - Risk Management	26 - 27 66 - 67 67 - 69
GRI 202: Market Presence 2016			
202-2	Proportion of senior management hired from the local community	• Profiles of the Executive Committee	101 - 105
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	• Management Discussion & Analysis • Sustainability Statement: Responsible Business Practices • Sustainability Statement: Corporate Good and Community Investments	34 - 39 60 - 61 87 - 91
203-2	Significant indirect economic impacts	• Sustainability Statement: Responsible Business Practices • Sustainability Statement: Corporate Good and Community Investments	60 - 61 87 - 91
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	• Sustainability Statement: Local Procurement	60
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	• Sustainability Statement: Corporate Governance, Business Ethics and Risk Management	45
205-2	Communication and training about anti-corruption policies and procedures	• Sustainability Statement: Corporate Governance, Business Ethics and Risk Management	43 - 48

GRI CONTENT INDEX

DISCLOSURE		LOCATION	PAGE NUMBER
GRI 207: General Disclosures 2021 (CONT'D.)			
207-1	Approach to tax	• Notes to the Financial Statements: 2.3(n) Summary of Material Accounting Policies - Income tax • Notes to the Financial Statements: 26 Taxation	183 243 - 244
207-2	Tax governance, control, and risk management	• Notes to the Financial Statements: 2.3(n) Summary of Material Accounting Policies - Income tax • Notes to the Financial Statements: 26 Taxation	183 243 - 244
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	• Sustainability Statement: Resource Management	71 - 73
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	• Sustainability Statement: Energy Consumption	71
302-4	Reduction of energy consumption	• Sustainability Statement: Energy Consumption	71
GRI 303: Water and Effluents 2018			
303-5	Water consumption	• Sustainability Statement: Water Consumption	72
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	• Sustainability Statement: Our Carbon Footprint	70
305-2	Energy indirect (Scope 2) GHG emissions	• Sustainability Statement: Our Carbon Footprint	70
305-3	Other indirect (Scope 3) GHG emissions	• Sustainability Statement: Our Carbon Footprint	70
305-4	GHG emissions intensity	• Sustainability Statement: Our Carbon Footprint	70
305-5	Reduction of GHG emissions	• Sustainability Statement: Our Carbon Footprint	70
GRI 306: Waste 2020			
306-4	Waste diverted from disposal	• Sustainability Statement: Waste Management	73
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	• Sustainability Statement: Employee Performance Data	78
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	• Sustainability Statement: Inclusive Work Arrangements and Benefits	80
401-3	Parental leave	• Sustainability Statement: Inclusive Work Arrangements and Benefits	80
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
403-2	Hazard identification, risk assessment, and incident investigation	• Sustainabilty Statement: Occupational Health and Safety	85 - 87

GRI CONTENT INDEX

DISCLOSURE		LOCATION	PAGE NUMBER
GRI 403: Occupational Health and Safety 2018 (CONT'D.)			
403-3	Occupational health services	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
403-4	Worker participation, consultation, and communication on occupational health and safety	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
403-5	Worker training on occupational health and safety	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
403-6	Promotion of worker health	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
403-8	Workers covered by an occupational health and safety management system	• Sustainabilty Statement: Occupational Health and Safety	85 - 87
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	• Sustainability Statement: Training and Development	83
404-2	Programs for upgrading employee skills and transition assistance programs	• Sustainability Statement: Training and Development	81 - 82
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	• Profile of Directors • Profiles of the Executive Committee • Sustainability Statement: Diversity, Inclusion and Equal Opportunities	94 - 98 101 - 105 74 - 79
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	• Sustainability Statement: Upholding Human Rights and Ethical Conduct *There were no recorded reports of discrimination in the year under review*	47
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	• Sustainability Statement: Corporate Good and Community Investments	87 - 91
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	*There were no susbstantiated complaints concerning breaches of customer privacy and losses of customer data.*	

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting ("**AGM**") of Tune Protect Group Berhad will be held virtually using the Remote Participation and Voting ("**RPV**") facilities of TIIH Online at https://tiih.online, with the broadcast venue at Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 19 June 2024 at 2:00 p.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.
   Please refer to Explanatory Note A.

2. To re-elect En Mohamed Rashdi bin Mohamed Ghazalli who retires by rotation pursuant to Article 122 of the Company's Constitution and who, being eligible, has offered himself for re-election. **Resolution 1**

   Dr Grace Lee Hwee Ling who also retires by rotation pursuant to Article 122 of the Company's Constitution, has expressed her intention not to seek for re-election at this Thirteenth AGM. Hence, she will retain office until the close of the Thirteenth AGM.

3. To approve the payment of Directors' fees of up to RM1,217,000 from the conclusion of the Thirteenth AGM until the conclusion of the next AGM of the Company. **Resolution 2**
   Please refer to Explanatory Note B.

4. To approve the payment of Directors' benefits of up to RM715,000 being meeting attendance allowances and up to RM150,000 for each Director being the overall annual limit for self-insured hospitalisation and surgical, from the conclusion of the Thirteenth AGM until the conclusion of the next AGM of the Company. **Resolution 3**
   Please refer to Explanatory Note C.

5. To re-appoint Ernst & Young PLT as Auditor of the Company for the ensuing financial year ending 31 December 2024 and to authorise the Directors to fix their remuneration. **Resolution 4**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following proposed resolutions:

6. ORDINARY RESOLUTION
PROPOSED AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

"**THAT** subject to the Companies Act 2016 ("**the Act**"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), the Company's Constitution and approval of the relevant governmental regulatory authorities, if required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to allot shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer at any time and from time to time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares allotted pursuant to this resolution during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted on Bursa Securities;

NOTICE OF ANNUAL GENERAL MEETING

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until:

(i) the conclusion of the next AGM of the Company at which time it will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held, unless permitted to be waived by the relevant authorities or prevailing law or regulations; or

(iii) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND FURTHER THAT pursuant to Section 85 of the Act read together with Clause 20 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Act **AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company." **Resolution 5**

Please refer to Explanatory Note D.

7. ORDINARY RESOLUTION
PROPOSED NEW SHAREHOLDERS' MANDATE AND RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"**THAT** approval be and is hereby given for the Company and/or its subsidiary companies to enter into any of the transactions falling within the types of recurrent related party transactions ("**RRPTs**") of a revenue or trading nature as set out in Section 2.4 of the Company's Circular to Shareholders dated 30 April 2024 with parties as set out therein provided that such transactions are undertaken in the ordinary course of business, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, on arm's length basis, on normal commercial terms and on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company at which time it will lapse, unless by an ordinary resolution passed at the next AGM, the authority is renewed;

(ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act [but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the RRPTs contemplated and/or authorised by this ordinary resolution with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed or permitted by the relevant regulatory authorities and/or deemed fit by the Directors in the best interest of the Company." **Resolution 6**

Please refer to Explanatory Note E.

NOTICE OF ANNUAL GENERAL MEETING

8. ORDINARY RESOLUTION
PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

"**THAT** subject to the provisions of the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and all prevailing laws, rules, regulations, orders, guidelines and requirements for the time being in force, approval and authority be and are hereby given to the Directors of the Company, to the extent permitted by law, to purchase such number of ordinary shares of the Company as may be determined by the Directors from time to time through Bursa Securities in the best interest of the Company, provided that:

(i) the aggregate number of shares purchased or held by the Company as treasury shares, shall not exceed 10% of the total number of issued shares of the Company at the time of purchase;

(ii) the maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company; and

(iii) the authority conferred by this resolution shall be effective immediately after the passing of this resolution and shall continue to be in force until:

(a) the conclusion of the next AGM of the Company following this AGM at which this resolution was passed, at which time this authority will lapse unless by an ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(c) the authority is revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever is the earlier;

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased under the Proposed Renewal of Share Buy-Back Authority in their absolute discretion ("**Purchased Shares**") in the following manner:

(i) cancel the Purchased Shares;

(ii) retain the Purchased Shares as treasury shares; or

(iii) retain part of the Purchased Shares as treasury shares and cancel the remainder;

NOTICE OF ANNUAL GENERAL MEETING

THAT where such Purchased Shares are held as treasury shares, the Directors be and are hereby authorised to deal with the treasury shares in their absolute discretion in the following manner:

(i) distribute the Purchased Shares as dividends to shareholders, such dividends to be known as 'share dividends';

(ii) resell the Purchased Shares or any of the Purchased Shares in accordance with the relevant requirements of Bursa Securities;

(iii) transfer the Purchased Shares or any of the Purchased Shares for the purpose of or under an employees' share scheme;

(iv) transfer the Purchased Shares or any of the Purchased Shares as purchase consideration;

(v) cancel the Purchased Shares or any of the Purchased Shares;

(vi) sell, transfer or otherwise use the Purchased Shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or

(vii) in any other manner as may be prescribed by the Act or the rules, regulations and order made pursuant to the Act, the requirements of Bursa Securities and/or any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised and empowered to do all acts and things and to take all such steps as are necessary or expedient to implement and to give effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed or permitted by the relevant regulatory authorities and/or deemed fit by the Directors in the best interest of the Company." **Resolution 7**

Please refer to Explanatory Note F.

9. To consider any other business for which due notice shall have been given.

By Order of the Board

NORHANA BINTI OTHMAN
Company Secretary
MACS 01597
SSM Practising Certificate No. 202008001519

Kuala Lumpur
30 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

RPV

1) The Thirteenth AGM of the Company will be conducted virtually, without a physical meeting venue, using the RPV facilities of TIIH Online at https://tiih.online. Please follow the procedures provided in the **Administrative Guide for Shareholders** in order to register, participate and vote remotely via the RPV facilities.
2) The only venue involved will be the broadcast venue where essential individuals will be physically present to organise and facilitate the conduct of the virtual AGM. The number of essential individuals will be in accordance with any prevailing order and/or guidance applicable then. The broadcast venue also serves the purpose of complying with Section 327(2) of the Act, which requires the Chairman of the meeting to be at the main venue of the AGM. No shareholders/proxies/corporate representatives from the public will be allowed to be physically present at the broadcast venue.
3) Members may submit questions in relation to the agenda items of the Thirteenth AGM prior to the meeting via TIIH Online website at https://tiih.online by selecting 'e-Services' to login the corporate event of the Company from Tuesday, 30 April 2024 at 10:00 a.m. to Monday, 17 June 2024 at 2:00 p.m. Thereafter, any further questions may be posed in real time (in the form of typed text) during the AGM by using the 'Query Box' of the RPV facilities. The Board of Directors or Management of the Company shall respond to the questions to their best endeavour during the Thirteenth AGM.

Appointment of proxy

4) A member of the Company entitled to attend and vote at the AGM is entitled to appoint up to two (2) proxies [or in the case of a corporation, to appoint a representative(s) in accordance with Section 333 of the Act] to attend and vote in his stead. Other than the proxy(ies) must be of full age, there shall be no other restriction as to the qualification of the proxy(ies).
5) The Proxy Form in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or the hand of its attorney.
6) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
7) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
8) The Proxy Form must be deposited at the Registered Office of the Company at Level 9, Wisma Capital A, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Malaysia; or in the case of the appointment of a proxy via electronic means, the instrument of proxy can also be submitted electronically through Tricor's TIIH Online website at https://tiih.online. Please refer to the Administrative Guide for Shareholders for the Thirteenth AGM for further information on proxy form submission. All proxy forms submitted must be received by the Company by Monday, 17 June 2024 at 2:00 p.m., being not less than forty-eight (48) hours before the time set for holding the AGM.

Others

9) In respect of deposited securities, only a depositor whose name appears on the Record of Depositors as at Monday, 10 June 2024 shall be eligible to attend the AGM or appoint proxy(ies) to attend and/or vote in his/her stead. Any changes in the entries on the Record of Depositors after the abovementioned date shall be disregarded in determining the rights of any person to attend and vote at the AGM.
10) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all votings on the resolutions set out in this Notice will be by way of poll.

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

Note A – Agenda 1 on the Laying of Audited Financial Statements and Reports thereon

In accordance with Section 340(1)(a) of the Act, the Company is required to lay the Audited Financial Statements together with the Reports of the Directors and Auditors thereon at the AGM of the Company. Hence, this Agenda 1 is not a business which requires a resolution to be put to vote by the shareholders. This agenda item is for discussion and receipt only.

Note B – Proposed Ordinary Resolution 2 on Directors' Fees

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting. The details of the estimated total fees payable (no change of rate from previous year) from the conclusion of the Thirteenth AGM until the conclusion of the next AGM are as follows:

Yearly Fees (RM unless indicated otherwise)								
Company	Designation	Board	Audit Committee	Risk Management Committee	Nomination Committee	Remuneration Committee	Investment Committee	Annual Nominee Director's fee at our Joint Venture Company
Tune Protect Group Berhad	Chairman	132,000	28,000	28,000	14,000	14,000	28,000	NIL
	Member	78,000	23,000	23,000	11,500	11,500	23,000	36,000
Tune Insurance Malaysia Berhad	Chairman	97,000	24,000	24,000	12,000	12,000	24,000	NIL
	Member	52,800	18,000	18,000	9,000	9,000	18,000	NIL
Tune Protect Re Ltd.	Chairman	72,000	NIL	NIL	NIL	NIL	NIL	NIL
	Member	42,000	NIL	NIL	NIL	NIL	NIL	NIL

Note C – Proposed Ordinary Resolution 3 on Directors' Benefits

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting. The details of the estimated total benefits payable (no change of rate from previous year) from the conclusion of the Thirteenth AGM until the conclusion of the next AGM are as follows:

(a) Meeting Allowance

Meeting Allowance per Meeting (RM unless indicated otherwise)								
Company	Designation	Board	Audit Committee	Risk Management Committee	Nomination Committee	Remuneration Committee	Investment Committee	Strategic Advisory Committee
Tune Protect Group Berhad	Chairman	2,500	2,500	2,500	2,500	2,500	2,500	NIL
	Member	2,500	2,500	2,500	2,500	2,500	2,500	NIL
Tune Insurance Malaysia Berhad	Chairman	2,000	2,000	2,000	2,000	2,000	2,000	NIL
	Member	2,000	2,000	2,000	2,000	2,000	2,000	NIL
Tune Protect Re Ltd.	Chairman	2,500	NIL	NIL	NIL	NIL	NIL	NIL
	Member	2,500	NIL	NIL	NIL	NIL	NIL	NIL
Tune Protect Ventures Sdn. Bhd.	Chairman	NIL	NIL	NIL	NIL	NIL	NIL	2,500
	Member	NIL	NIL	NIL	NIL	NIL	NIL	2,000

(b) Hospitalisation & Surgical ("H&S")

Overall annual limit for self-insured H&S benefit is up to RM150,000 for each Director whether in Malaysia or otherwise.

NOTICE OF ANNUAL GENERAL MEETING

Note D – Proposed Ordinary Resolution 5 on the Authority for Directors to Allot Shares

The proposed Ordinary Resolution 5, if passed, will renew the general mandate given to the Directors to allot shares, grant rights to subscribe for shares, convert any security into shares in the Company or to allot shares under an agreement or option or offer at their discretion from time to time without needing to convene another general meeting first, provided that the aggregate shares to be allotted, to be subscribed under any right granted, to be issued from conversion of any security or to be allotted under an agreement or option or offer pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being. In computing the aforesaid 10% limit, shares issued or agreed to be issued or subscribed pursuant to the approval of shareholders in a general meeting where precise terms and conditions are approved shall not be counted. The general mandate sought at this AGM, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, unless permitted to be waived by the relevant authorities or prevailing law or regulations; or whichever is earlier.

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Act shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85 of the Act and Clause 20 of the Constitution of the Company, the shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Act and Clause 20 of the Constitution of the Company pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Act, which will result in a dilution to their shareholding percentage in the Company.

As at the date of this Notice, no new shares of the Company were issued and allotted pursuant to the general mandate given to the Directors at the last AGM held on 22 June 2023, which will lapse at the conclusion of the Thirteenth AGM. The general mandate sought at the Thirteenth AGM will enable the Directors to respond expediently to business opportunities or other circumstances involving issuance and allotment of new shares, grant of rights to subscribe for shares, conversion of any security into shares, or allotment of shares under an agreement or option or offer, and to avoid delay and cost in convening general meetings to approve the same.

Note E – Proposed Ordinary Resolution 6 on the RRPTs of a Revenue or Trading Nature

The proposed Ordinary Resolution 6, if passed, will empower the Company and/or its subsidiaries to enter into RRPTs of a revenue or trading nature, which are necessary for the Company's and/or its subsidiaries' day-to-day operations in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company. Please refer to the Circular to Shareholders dated 30 April 2024 in relation to the Proposed New Shareholders' Mandate and Renewal of the Existing Shareholders' Mandate for RRPTs of a Revenue or Trading Nature, which is available on our corporate website at **https://www.tuneprotect.com/corporate/group/investor-relations/reports-presentations/** for more information.

Note F – Proposed Ordinary Resolution 7 on the Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 7, if passed, will empower the Company to purchase its own shares of up to 10% of the total number of issued shares of the Company. This authority unless revoked or varied by the Company at a general meeting, will expire at the next AGM. Please refer to the Share Buy-Back Statement dated 30 April 2024, which is despatched together with the Annual Report 2023, for further information.

PERSONAL DATA PRIVACY:

By executing and delivering to the Company the form of proxy to appoint a proxy(ies) and the relevant document(s) in respect of the appointment of a representative(s) for the AGM, a member of the Company:

(i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for purposes incidental to the AGM;

(ii) warrants that relevant prior consent of such proxy(ies) and/or representative(s) has been obtained for the use of his/her/their personal data by the Company (or its agents); and

(iii) agrees that the member will indemnify the Company in respect of any liabilities, demands, losses and damages as a result of the member's breach of warranty.

This page has been intentionally left blank.

Proxy Form

TUNE PROTECT GROUP BERHAD
[Registration No. 201101020320 (948454-K)]
(Incorporated in Malaysia)

I/We:

Full name (in block capitals):	CDS account no.:	No. of shares held:
Address:	NRIC/Passport/Company no.:	Contact no.:

being a member of TUNE PROTECT GROUP BERHAD, do hereby appoint:

Full name (in block capitals):	NRIC/Passport no.:	Proportion of shareholdings	
		No. of shares	%
Address:			

AND/OR (please delete as appropriate)

Full name (in block capitals):	NRIC/Passport no.:	Proportion of shareholdings	
		No. of shares	%
Address:			

and/or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the Thirteenth Annual General Meeting ("**AGM**") of the Company to be held virtually, with the broadcast venue at Tricor Business Centre, Gemilang Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 19 June 2024 at 2:00 p.m. or any adjournment thereof.

NO.	RESOLUTIONS	FOR	AGAINST
-	To receive the Audited Financial Statements for the year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.	Not applicable	
Ordinary Resolution 1	To re-elect En Mohamed Rashdi bin Mohamed Ghazalli as Director.		
Ordinary Resolution 2	To approve the payment of Directors' fees.		
Ordinary Resolution 3	To approve the Directors' benefits payable.		
Ordinary Resolution 4	To approve the re-appointment of Ernst & Young PLT as Auditor and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 5	To authorise the Directors to allot shares of up to 10% of the total number of issued shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 6	To authorise the new shareholders' mandate and renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.		
Ordinary Resolution 7	To renew the authority to purchase the Company's own shares of up to 10% of the total number of issued shares of the Company.		

Please indicate with an "X" in the appropriate column to show how you wish your votes to be cast. In the absence of specific directions, your proxy will vote or abstain from voting at his/her discretion.

Signed this ____________________ day of ________________ 2024

____
Signature/Seal of Shareholder

Notes:

Remote participation and voting ("**RPV**")

1) The Thirteenth AGM of the Company will be conducted virtually, without a physical meeting venue, using the RPV facilities of TIIH Online at https://tiih.online. Please follow the procedures provided in the **Administrative Guide for Shareholders** in order to register, participate and vote remotely via the RPV facilities.
2) The only venue involved will be the broadcast venue where essential individuals will be physically present to organise and facilitate the conduct of the virtual AGM. The number of essential individuals will be in accordance with any prevailing order and/or guidance applicable then. The broadcast venue also serves the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be at the main venue of the AGM. No shareholders/proxies/corporate representatives from the public will be allowed to be physically present at the broadcast venue.
3) Members may submit questions in relation to the agenda items of the Thirteenth AGM prior to the meeting via TIIH Online website at https://tiih.online by selecting "e-Services" to login the corporate event of the Company from Tuesday, 30 April 2024 at 10:00 a.m. to Monday, 17 June 2024 at 2:00 p.m. Thereafter, any further questions may be posed in real time (in the form of typed text) during the AGM by using the "Query Box" of the RPV facilities. The Board of Directors or Management of the Company shall respond to the questions to their best endeavour during the Thirteenth AGM.

Appointment of proxy

4) A member of the Company entitled to attend and vote at the AGM is entitled to appoint up to two (2) proxies [or in the case of a corporation, to appoint a representative(s) in accordance with Section 333 of the Companies Act 2016] to attend and vote in his stead. Other than the proxy(ies) must be of full age, there shall be no other restriction as to the qualification of the proxy(ies).
5) The Proxy Form in the case of an individual shall be signed by the appointor or his attorney, and in the case of a corporation, either under its common seal or the hand of its attorney.
6) Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
7) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
8) The Proxy Form must be deposited at the Registered Office of the Company at Level 9, Wisma Capital A, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Malaysia; or in the case of the appointment of a proxy via electronic means, the instrument of proxy can also be submitted electronically through Tricor's TIIH Online website at https://tiih.online. Please refer to the Administrative Guide for Shareholders for the Thirteenth AGM for further information on proxy form submission. All proxy forms submitted must be received by the Company by Monday, 17 June 2024 at 2:00 p.m., being not less than forty-eight (48) hours before the time set for holding the AGM.

Others

9) In respect of deposited securities, only a depositor whose name appears on the Record of Depositors as at Monday, 10 June 2024 shall be eligible to attend the AGM or appoint proxy(ies) to attend and/or vote in his/her stead. Any changes in the entries on the Record of Depositors after the abovementioned date shall be disregarded in determining the rights of any person to attend and vote at the AGM.
10) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all votings on the resolutions set out in this Notice will be by way of poll.

Please fold here

Stamp

The Company Secretary
TUNE PROTECT GROUP BERHAD
[Registration No. 201101020320 (948454-K)]
Level 9, Wisma Capital A,
No. 19, Lorong Dungun,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

Please fold here

TUNE PROTECT GROUP BERHAD
[Registration No. 201101020320 (948454-K)]

Level 9, Wisma Capital A,
No. 19, Lorong Dungun,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

tuneprotect.com