



Insurance Simplified

Tune Protect Group Berhad

Integrated Annual Report 2024



# GLOSSARY

## Terms

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

## Acronyms

<b>AGM</b>	Annual General Meeting	<b>CRST</b>	Climate Risk Stress Testing
<b>AML</b>	Anti-Money Laundering	<b>CSR</b>	Corporate Social Responsibility
<b>API</b>	Application Programming Interface	<b>CX</b>	Customer Experience
<b>ASEAN</b>	Association of Southeast Asian Nations	<b>DLP</b>	Data Loss Protection
<b>B2B</b>	Business-to-Business	<b>EMEIA</b>	Europe, Middle East, India and Africa
<b>B2B2C</b>	Business-to-Business-to-Consumer	<b>ESG</b>	Environmental, Social and Governance
<b>B2C</b>	Business-to-Consumer	<b>FTSE4Good</b>	A series of benchmark and tradable indices for ESG investors
<b>BNM</b>	Bank Negara Malaysia	<b>FLO</b>	Fast and Lean Operations
<b>CCPT</b>	Climate Change and Principle-based Taxonomy	<b>FSB</b>	Financial Stability Board
<b>CG</b>	Corporate Governance	<b>FTSE</b>	Financial Times Stock Exchange
<b>CGA</b>	Compliance Gap Assessment	<b>FY</b>	Financial Year
<b>CTR</b>	Compliance Thematic Review	<b>FCR</b>	Financial Condition Report
<b>CO<sub>2</sub></b>	Carbon Dioxide	<b>GHG</b>	Greenhouse Gas
<b>CoC</b>	Code of Conduct	<b>GRI</b>	Global Reporting Initiative
<b>CoG</b>	Corporate Good	<b>HHW</b>	Hot House World
<b>CNPS</b>	Customer Net Promoter Score	<b>HQ</b>	Headquarters
<b>CRMSA</b>	Climate Risk Management and Scenario Analysis	<b>HR</b>	Human Resources
		<b>IAR</b>	Integrated Annual Report

<b>ICAAP</b>	Internal Capital Adequacy Assessment Process
<b>IFRS</b>	International Financial Reporting Standards
<b>IIRC</b>	International Integrated Reporting Council
<b>ILO</b>	International Labour Organization
<b>IR</b>	Investor Relations
<b>ISSB</b>	International Sustainability Standards Board
<b>IT</b>	Information Technology
<b>ITCL</b>	Individual Target Capital Level
<b>JC3</b>	Joint Committee on Climate Change
<b>KPI</b>	Key Performance Indicator
<b>LAT</b>	Loss After Tax
<b>LLC</b>	Limited Liability Company
<b>LSEG</b>	London Stock Exchange
<b>LTIP</b>	Long Term Incentive Plan
<b>MACC</b>	Malaysian Anti-Corruption Commission
<b>MATTA</b>	Malaysian Association of Tour and Travel Agents
<b>MCCG</b>	Malaysian Code on Corporate Governance
<b>MMLR</b>	Main Market Listing Requirements
<b>MFRS</b>	Malaysian Financial Reporting Standards
<b>MOHA</b>	Ministry of Home Affairs
<b>MSWG</b>	Minority Shareholders Watch Group
<b>MWh</b>	Megawatt hours
<b>NGFS</b>	Network for Greening the Financial System
<b>NPS</b>	Net Promoter Score
<b>NSRF</b>	National Sustainability Reporting Framework
<b>OTAs</b>	Online Travel Agencies
<b>PA</b>	Personal Accident
<b>PAT</b>	Profit After Tax
<b>PBT</b>	Profit Before Tax
<b>PDPA</b>	Personal Data Protection Act 2010
<b>PIAM</b>	Persatuan Insurans Am Malaysia
<b>PNPS</b>	Partner Net Promoter Score

<b>RAS</b>	Risk Appetite Statement
<b>RM</b>	Ringgit Malaysia
<b>ROI</b>	Return on Investment
<b>RPA</b>	Robotic Process Automation
<b>RPT</b>	Related Party Transaction
<b>RRPT</b>	Recurrent Related Party Transaction
<b>SATTE</b>	South Asia's Travel & Tourism Exchange
<b>SC</b>	Securities Commission
<b>SEA</b>	South East Asia
<b>SME</b>	Small and Medium Enterprise
<b>TAT</b>	Turn Around Time
<b>TCFD</b>	Task Force on Climate-related Financial Disclosures
<b>tCO<sub>2</sub>e</b>	Tonnes Carbon Dioxide equivalent, metric measure of emissions from all greenhouse gases based on their global-warming potential
<b>THB</b>	Thai Baht
<b>TNPS</b>	Transactional Net Promoter Score
<b>TPFT</b>	Third Party, Fire & Theft
<b>TPPD</b>	Third Party Property Damage
<b>UAE</b>	United Arab Emirates
<b>UDHR</b>	Universal Declaration of Human Rights
<b>UI</b>	User Interface
<b>UN</b>	United Nations
<b>UNCAC</b>	United Nations Convention against Corruption
<b>UNGC</b>	United Nations Global Compact
<b>UNGPs</b>	United Nations Guiding Principles on Business and Human Rights
<b>UNPRI</b>	United Nations Principles for Responsible Investment
<b>UNSC</b>	United Nations Security Council
<b>UNSDG</b>	United Nations Sustainable Development Goal
<b>UX</b>	User Experience
<b>YoY</b>	Year-on-year

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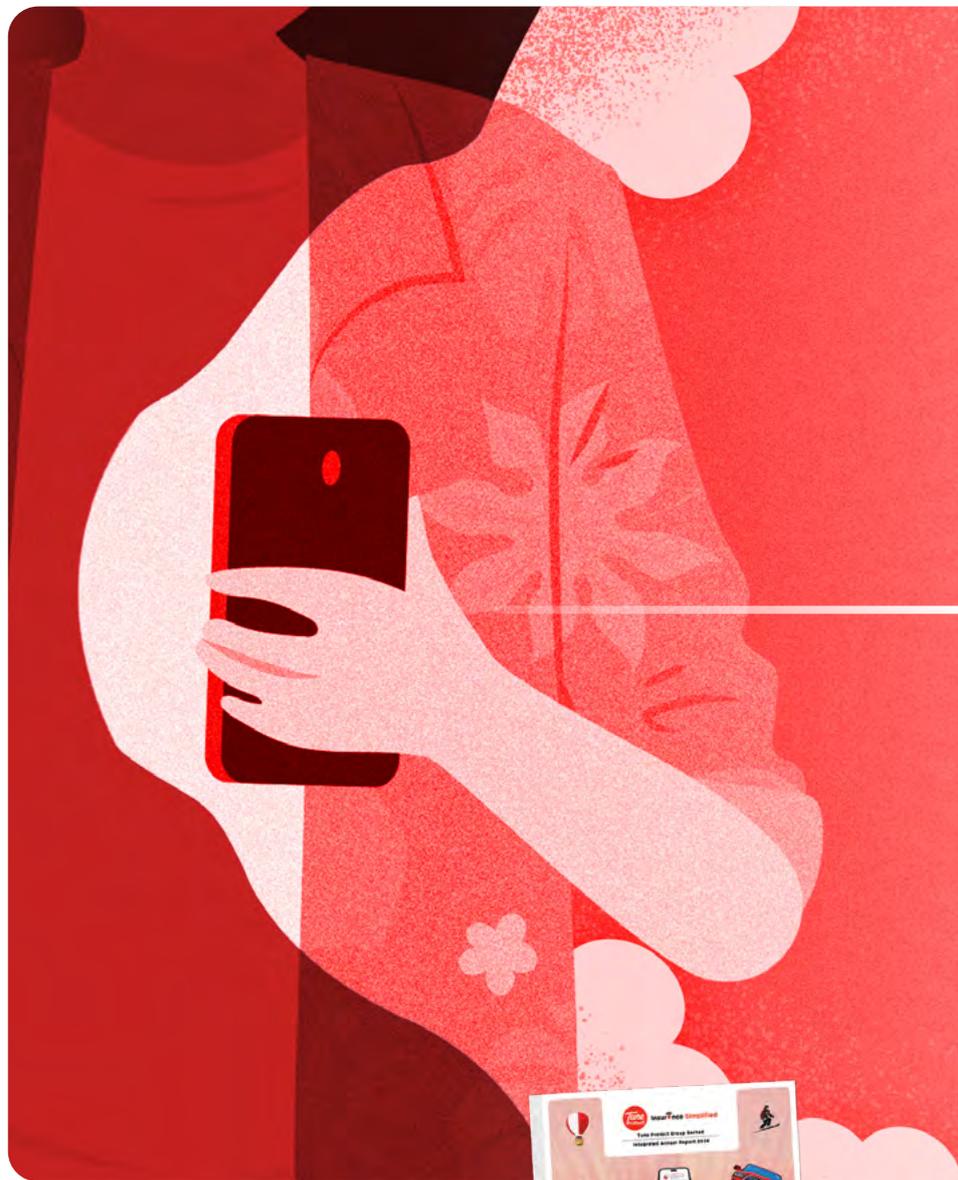
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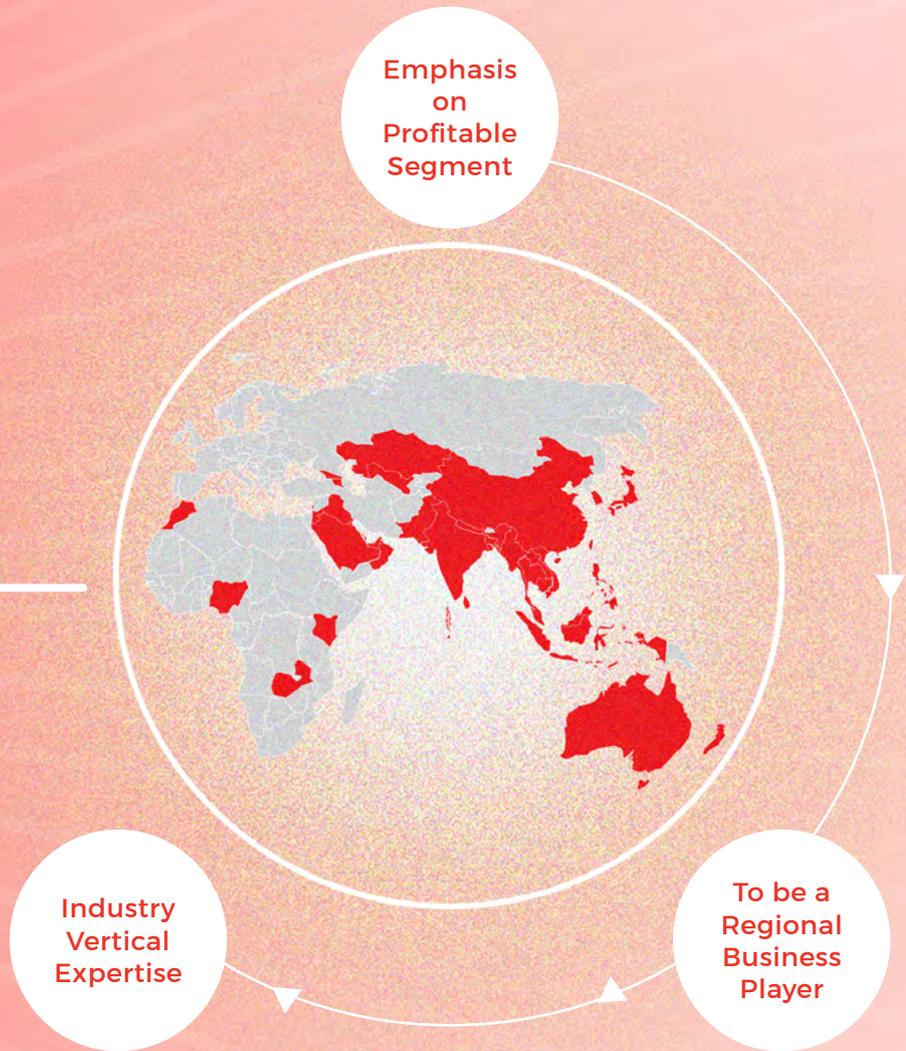


## COVER RATIONALE



The cover design of the 2024 Integrated Annual Report captures Tune Protect's vibrant spirit, global presence and ambition to grow as a prominent regional player in the insurance sector and across key industry verticals. The bold red palette and dynamic illustrations reflect the brand's energy and strong customer-centric approach. Key visual elements – such as the smartphone interface, various modes of transport, and lifestyle icons – represent Tune Protect's wide range of offerings across travel, motor, lifestyle, digital solutions and more. The world map and flight path emphasize the Group's international footprint and ongoing journey of growth and expansion. Altogether, the cover brings to life the brand's commitment to making insurance simplified, accessible and relevant in today's fast-paced digital world.

## Strategic Pillars



## NAVIGATION ICONS

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

## THE CAPITALS

<b>F</b> Financial Capital	<b>S</b> Social & Relationship Capital	<b>I</b> Intellectual Capital
<b>H</b> Human Capital	<b>N</b> Natural Capital	<b>M</b> Manufactured Capital



Find more information  
inside this report



Link to our official website at  
[www.tuneprotect.com](https://www.tuneprotect.com)



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



**Insurance Simplified**  
Tune Protect Group Berhad

# Reporting Framework

## Welcome to Tune Protect Group's Integrated Annual Report ("IAR") 2024

### REPORTING APPROACH

This is Tune Protect Group's IAR2024, prepared in accordance with the International <IR> Framework by the International Integrated Reporting Council ("IIRC") which is now part of the International Financial Reporting Standards ("IFRS") Foundation. Since 2021, we have adopted the integrated thinking framework to ensure our disclosures are concise, well-connected and transparent, providing a clear view of our objectives, strategies and performance across all areas.



Through our IAR2024, we present our 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 sustainability-related matters, that may impact our operations and long-term value creation. We continuously enhance our reporting approach to achieve a fully integrated and dynamic disclosure process.

### REPORTING PERIOD

This IAR2024 covers the period from 1 January 2024 to 31 December 2024 (FY2024) unless otherwise stated.

### REPORTING SCOPE AND BOUNDARY

#### Integrated Annual Report

This IAR2024 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 IAR2024 covers our operations in Malaysia, comprising Tune Protect Group, Tune Protect Malaysia, Tune Protect Re and White Label. Our associate and joint venture entities outside of Malaysia are excluded in this reporting scope.

# Reporting Framework

## REFERENCES AND GUIDELINES

This IAR2024 was prepared and guided by referencing the following frameworks and disclosure requirements:

### Corporate Sections

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

### Sustainability Statement

- Amendments to Bursa Malaysia MMLR in relation to Sustainability Reporting Requirements and Other Enhancements issued on 23 December 2024
- Bank Negara Malaysia ("BNM")'s Policy Document on Climate Risk Management and Scenario Analysis ("CRMSA") issued on 30 November 2022
- Bursa Malaysia ESG Reporting Platform for Mandatory ESG Reporting
- Bursa Malaysia Sustainability Reporting Guide and Toolkits (3rd Edition)
- Department of Energy Security and Net Zero's Greenhouse Gas Reporting: Conversion Factors 2024
- Global Reporting Initiative ("GRI") Standards
- Greenhouse Gas Protocol ("GHG Protocol")
- IIRC's International <IR> Framework
- The Joint Committee on Climate Change's Task Force on Climate-related Financial Disclosures ("TCFD") Application Guide for Malaysian Financial Institute
- United Nations Sustainable Development Goals ("UNSDGs")

### Corporate Governance

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

### Financial Statement

- International Accounting Standards Board's IFRS Accounting Standards
- Malaysian Accounting Standards Board's MFRS Accounting Standards

## SUSTAINABILITY DISCLOSURES

Tune Protect Group has reported the information cited in the GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.



Refer GRI content index on pages 338 to 342 of this IAR2024.

## ASSURANCE

For balanced, meaningful and accurate disclosures, information in the Sustainability Statement of this IAR2024 is subject to an internal review by the Internal Auditor.

## MEMBERSHIPS AND ASSOCIATIONS

The Group, through its subsidiaries is a member of the following associations:

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

## FEEDBACK

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

<b>Address</b>	: Level 9, Wisma Capital A, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia
<b>Tel</b>	: +603 2056 6200
<b>Email</b>	: <a href="mailto:ir@tuneprotect.com">ir@tuneprotect.com</a>
<b>Sustainability-related</b>	: <a href="mailto:sustainability@tuneprotect.com">sustainability@tuneprotect.com</a>



**FTSE4Good**

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.

# Facts At A Glance

## TOTAL ASSETS

RM1.3 billion

## FINANCIAL LEVERAGE

Zero Gearing

## EMPOWERED WORKFORCE

448 employees across the Group

## BUILDING CAPABILITIES

Achieved an average of 25.9 training hours per employee

## COMMUNITY INVESTMENT

7,299 volunteer hours contributed via various Corporate Good initiatives from 2022 to 2024

2,846 beneficiaries have benefited from Corporate Good initiatives from 2022 to 2024

ABOUT US

F

### FINANCIAL CAPITAL

Our Financial Capital comprises the funds available for our organisation for delivering services and products, sourced from our operations and investments.

### HOW WE CREATE VALUE

We strive towards our digital-first approach to build lasting collaborations and partnerships, prioritising long-term business sustainability.

H

### HUMAN CAPITAL

Our Human Capital represents the skills, capabilities, competencies and experiences of our employees. Our culture fosters continuous development and innovation, ensuring our employees grow alongside the core strategies of the Group.

### HOW WE CREATE VALUE

By cultivating a dynamic and innovative workforce, we provide growth opportunities for employees through training, development and performance assessments. Our flexible work arrangement support independence and convenience, accommodating employees from diverse backgrounds.

S

### SOCIAL & RELATIONSHIP CAPITAL

Social & Relationship Capital reflects our connections with communities, stakeholders, industry networks and global markets. Through active engagement and relationship building, we aim to create positive impacts and enrich the lives of those we reach.

### HOW WE CREATE VALUE

We help enhance the welfare and well-being of those around us through community investments and Corporate Good engagements.



# Facts At A Glance

## CLAIMS INNOVATION

Launched

### One Claim Harmonisation Plan

across 8 countries to harmonise claims experience

## DIGITALISATION

### Driving Automation

through Fast and Lean Operations (FLO) and digital technology support

## SUPPORTING LOW-CARBON TRANSITION

Established

### Net Zero Roadmap

for Scope 1 and 2 by 2050

## MANAGING OUR RESOURCES

Generated

4.1 tonnes of waste in our operation and launched the recycling guide

## OUR PRESENCE

Operates 1 HQ and

15 branches

across Malaysia, with offices in Labuan, Bangkok and Dubai

I

### INTELLECTUAL CAPITAL

Our Intellectual Capital comprises intangible assets derived from knowledge, such as organisational structures, frameworks, policies, procedures and intellectual properties.

#### HOW WE CREATE VALUE

By leveraging our proprietary platforms and unique reinsurance business model, we deliver tailored solutions to B2B and retail customers worldwide.

N

### NATURAL CAPITAL

Our Natural Capital represents the environmental resources we rely on and our interactions with the world around us, covering both renewable and non-renewable elements, as well as our efforts toward climate change action and regulatory compliance.

#### HOW WE CREATE VALUE

We have adopted paperless practices in our control processes, remain committed to gradually transitioning away from carbon-intensive industries, and strive to reduce our carbon emissions.

M

### MANUFACTURED CAPITAL

Manufactured Capital includes the physical assets, such as buildings, equipment, infrastructure and goods or services, that support the delivery of our offerings.

#### HOW WE CREATE VALUE

We operate 15 Tune Protect branches and a headquarters across Malaysia. Additionally, we have a Tune Protect Re office in Labuan, and our associate and joint venture maintain local offices in Bangkok and Dubai respectively.

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## OUR VALUE CREATION IN PRACTICE

This year marks our fourth edition of the Integrated Report, applying integrated thinking and reporting methods to provide a comprehensive view of our operations. In this report, we aim to present an overview of our Capitals, which are the key resources we leverage in our business model. These Capitals are interconnected, evolving through our actions and operations to create value for our stakeholders. By managing and allocating resources holistically across all Capitals, we strive to maintain a sustainable business model while promoting responsible corporate practices.

# 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 retails, business owners and corporates' needs via its insurance, reinsurance and marketing arms in Malaysia, Thailand and the UAE.

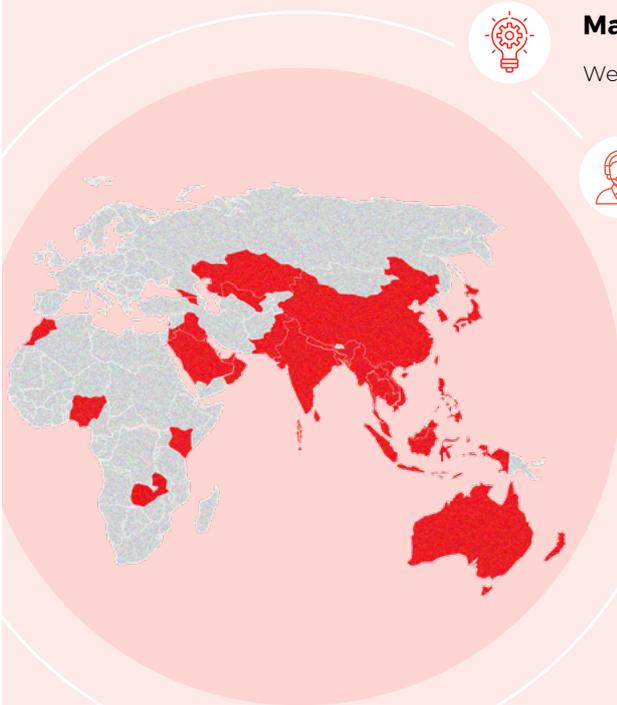
## OUR VISION

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

## OUR CORE VALUES



### 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

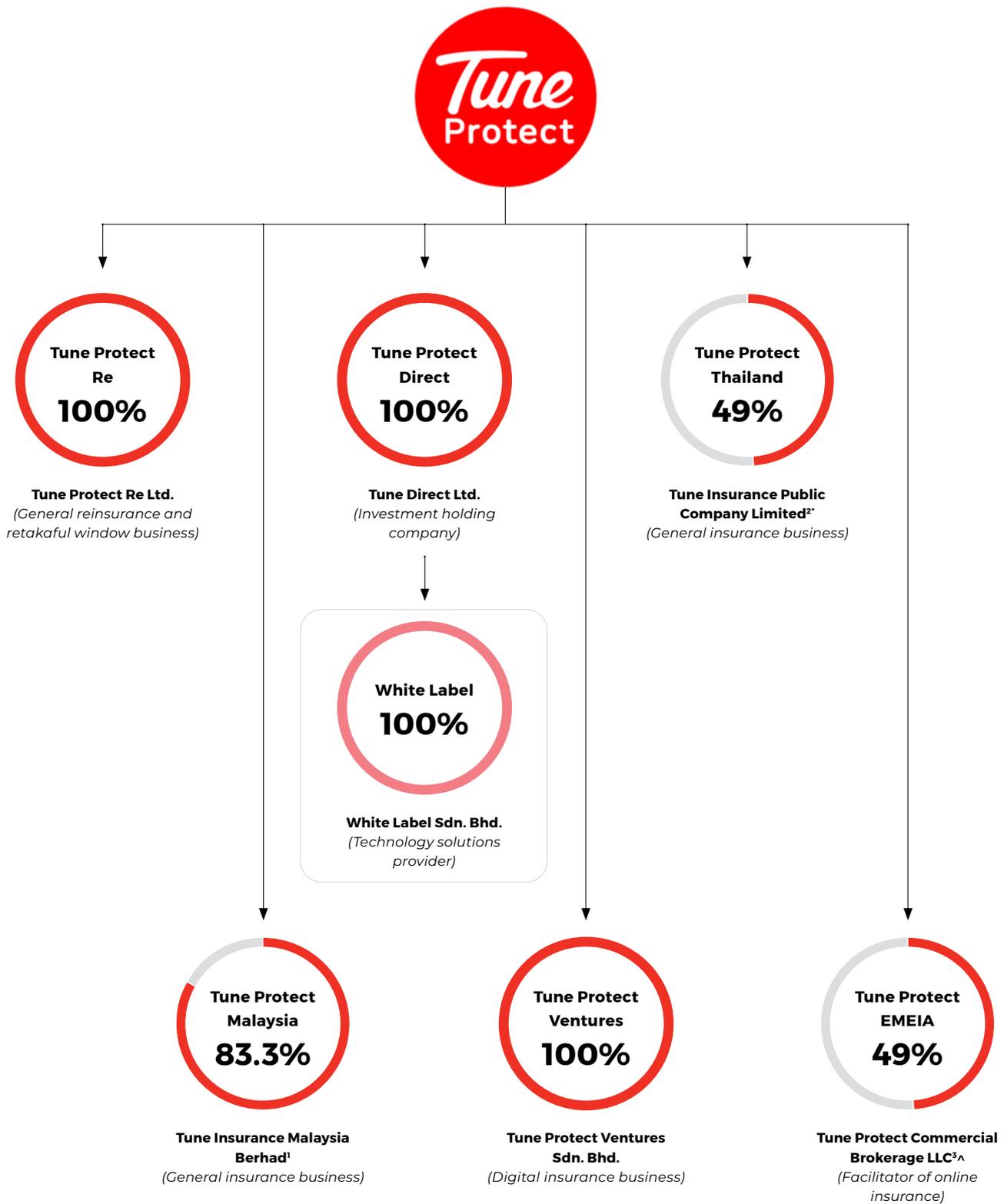
We continuously learn, test and explore. We know when to take risks and be empowered.



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 2025)



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**Notes:**

<sup>1</sup> The remaining 16.7% is owned by minority and unrelated shareholders.

<sup>2</sup> The remaining 51% is owned by various Thai shareholders.

<sup>3</sup> The remaining 51% is owned by a local company in the UAE.

\* associate company

^ joint venture company

# Corporate Information

As at 31 March 2025

## THE BOARD

### Dato' Mohamed Khadar bin Merican

Chairman, Independent Non-Executive Director

### Mohamed Rashdi bin Mohamed Ghazalli

Senior Independent Non-Executive Director

### Aireen Omar

Non-Independent Non-Executive Director

### Jayakumar A/L Somasundram

Independent Non-Executive Director

### Ariff bin Rozhan

Independent Non-Executive Director

### Gan Mei Mei

Independent Non-Executive Director

## AUDIT COMMITTEE

Gan Mei Mei (*Chairperson*)  
 Mohamed Rashdi bin Mohamed Ghazalli  
 Ariff bin Rozhan  
 Jayakumar A/L Somasundram

## RISK MANAGEMENT COMMITTEE

Jayakumar A/L Somasundram  
 (*Chairman*)  
 Mohamed Rashdi bin Mohamed Ghazalli  
 Dato' Mohamed Khadar bin Merican  
 Ariff bin Rozhan  
 Gan Mei Mei

## NOMINATION COMMITTEE

Mohamed Rashdi bin Mohamed Ghazalli (*Chairman*)  
 Ariff bin Rozhan  
 Jayakumar A/L Somasundram

## REMUNERATION COMMITTEE

Mohamed Rashdi bin Mohamed Ghazalli (*Chairman*)  
 Ariff bin Rozhan  
 Jayakumar A/L Somasundram

## INVESTMENT COMMITTEE

Aireen Omar (*Chairperson*)  
 Mohamed Rashdi bin Mohamed Ghazalli  
 Dato' Mohamed Khadar bin Merican  
 Lim Chong Beng  
 Azian binti Kassim

## LTIP COMMITTEE

Aireen Omar (*Chairperson*)  
 Mohamed Rashdi bin Mohamed Ghazalli  
 How Kim Lian  
 Yap Hsu Yi

## 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](mailto:hello.my@tuneprotect.com)  
 Website : [www.tuneprotect.com](http://www.tuneprotect.com)

## SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.  
 [Registration No. 199601006647 (378993-D)]  
 11<sup>th</sup> 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

At Tune Protect Group, we acknowledge our responsibility as an organisation that upholds a transparent and fair communications with our shareholders and the broader investment community.

In 2024, we welcomed a new Group CEO, which ushered in a period of transition and recalibration for the Group. Despite this major development, we remained dedicated to keeping our key stakeholders regularly updated on our recent developments. To address any concerns from investors, we ensured that our communication lines with investors and analysts remained open and accessible.

## Investor Relations Calendar

<p><b>29</b> February 2024</p> <p><b>4Q2023 Analyst Briefing</b></p> <p>Venue <b>Kuala Lumpur</b></p> <p>Type <b>Teleconference &amp; Live streaming</b></p>	<p><b>24</b> May 2024</p> <p><b>1Q2024 Analyst Briefing</b></p> <p>Venue <b>Kuala Lumpur</b></p> <p>Type <b>Teleconference &amp; Live streaming</b></p>	<p><b>19</b> June 2024</p> <p><b>Fully virtual 13<sup>th</sup> Annual General Meeting</b></p> <p>Venue <b>Kuala Lumpur</b></p> <p>Type <b>Live streaming</b></p>	<p><b>28</b> August 2024</p> <p><b>2Q2024 Analyst Briefing</b></p> <p>Venue <b>Kuala Lumpur</b></p> <p>Type <b>Teleconference &amp; Live streaming</b></p>	<p><b>25</b> November 2024</p> <p><b>3Q2024 Analyst Briefing</b></p> <p>Venue <b>Kuala Lumpur</b></p> <p>Type <b>Teleconference &amp; Live streaming</b></p>
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## Annual General Meeting

Our 13<sup>th</sup> AGM was held on a fully virtual basis utilising a Remote Participation and Voting system for the fifth consecutive year. The AGM was chaired by our Chairman, Dato’ Mohamed Khadar Bin Merican. Our then-Group CFO, How Kim Lian presented the progress of our strategic plan and 2023 financial performance. This was followed by a question-and-answer session. Our management team, with the support of our Chairman addressed live questions from our shareholders as well as questions submitted prior to the AGM. 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 as well as questions and answers were published on our Investor Relations webpage in a timely manner.

# Investor Relations

## Analyst Briefings

For each financial quarter of 2024, an analyst briefing is conducted via teleconference and live streamed on Tune Protect's official YouTube channel. 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. These briefings provide a platform to share our quarterly performance and initiatives updates, including addressing any queries from the analysts and investors.

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 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.

## Investors and Analysts Meetings

We continued to uphold best practices in terms of maintaining an open communication channel with the investment communities.

We engaged with both domestic and international analysts, fund managers, retail and institutional investors via various channels, such as one-on-one meetings, group meetings and teleconferences in 2024.

	Number	Total attendees	Accumulated online views*
One-on-one/ group meeting/ teleconferences	15	23	-
Analyst briefing	4	37	540

\* As at 22<sup>nd</sup> Jan 2025

## Investor Relations Webpage

Our Investor Relations webpage hosts archives of our annual reports, financial statements, analyst presentations 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. 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](mailto:ir@tuneprotect.com).

## Research Coverage

The following research house covers us.



Research House  
**TA Securities**



Analyst  
**Kelvin Tan Kong Jin**

## Credit Ratings

RAM Ratings reaffirmed Tune Protect Group's rating while AM Best upgraded Tune Protect Re's Best's Issuer Credit Rating to "bbb+" from "bbb".

Rating Agency		
Rated Entity	Tune Protect Group	
Rating Classifications:		
	Long-term Corporate Credit Rating	Short-term Corporate Credit Rating
	<b>A<sub>2</sub></b>	<b>P1</b>
Outlook	Stable	
Date	24 May 2024	

Rating Agency		
Rated Entity	Tune Protect Re	
Rating Classifications:		
	Best's Financial Strength Rating	Best's Issuer Credit Rating
	<b>B++</b>	<b>bbb+</b>
Outlook	Positive	
Date	13 December 2024	

# Investor Relations

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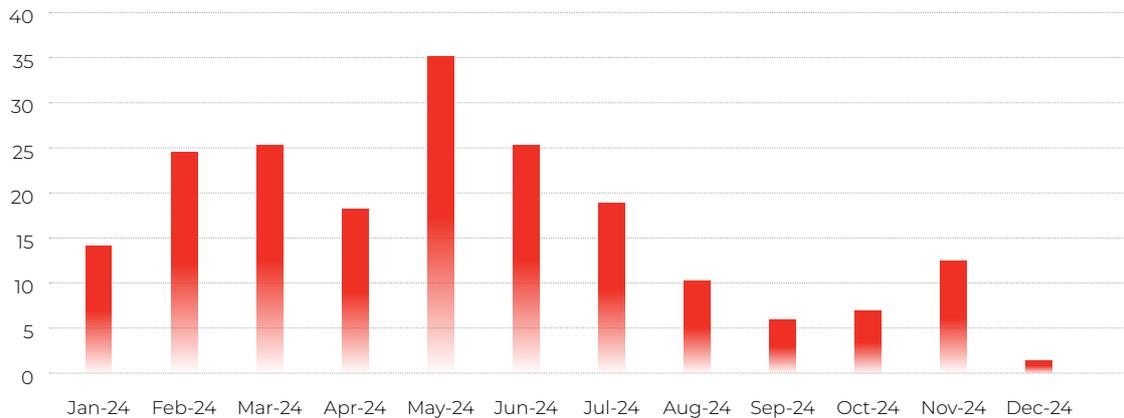
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## Share Price and Volume Traded

### Share Price (RM)

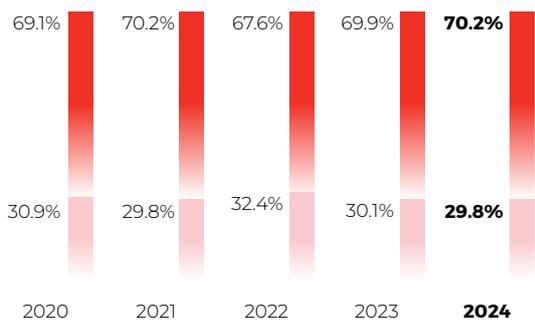


### Volume Traded (million)

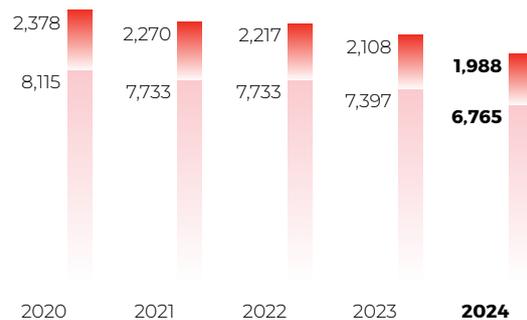


## Shareholders Base

### Shareholding Percentage



### Number of Shareholders



Individual Institutional and others

# Financial Highlights

ABOUT US

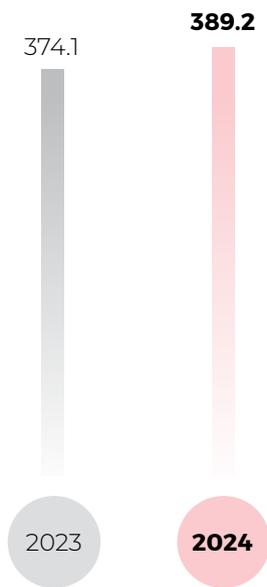
## TUNE PROTECT GROUP

### INSURANCE REVENUE

(RM mil)

**2024: 389.2**

2023: 374.1



### INSURANCE SERVICE RESULT

(RM mil)

**2024: 9.7**

2023: (6.2)



### PROFIT/(LOSS) PER SHARE<sup>(1)</sup>

(sen)

**2024: 0.08**

2023: (0.13)



### RETURN ON EQUITY

(%)

**2024: 0.47%**

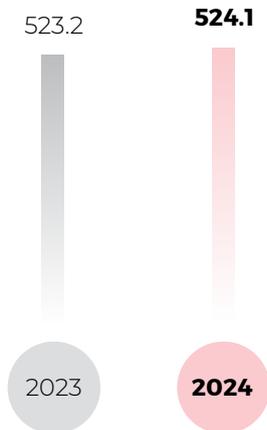
2023: 0.04%

### SHAREHOLDERS' EQUITY\*

(RM mil)

**2024: 524.1**

2023: 523.2

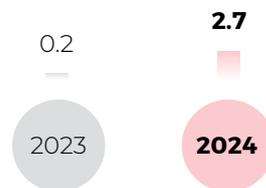


### PROFIT AFTER TAX

(RM mil)

**2024: 2.7**

2023: 0.2



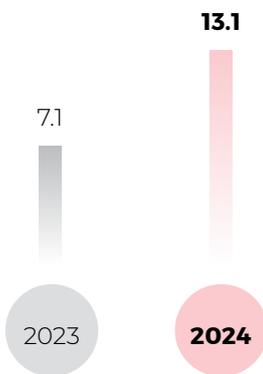
# Financial Highlights

## TUNE PROTECT MALAYSIA

### PROFIT AFTER TAX (RM mil)

**2024: 13.1**

2023: 7.1

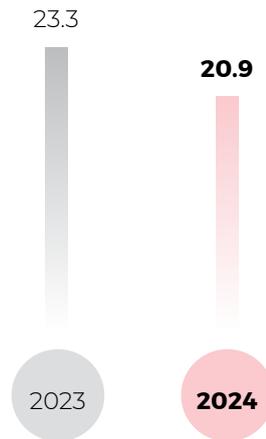


## TUNE PROTECT RE

### PROFIT AFTER TAX (RM mil)

**2024: 20.9**

2023: 23.3



## TUNE PROTECT THAILAND

### SHARE OF RESULTS (RM mil)

**2024: (6.7)**

2023: 0.2

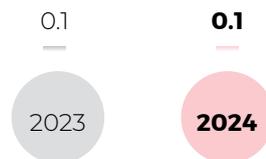


## TUNE PROTECT EMEIA

### SHARE OF RESULTS (RM mil)

**2024: 0.1**

2023: 0.1



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

<sup>(1)</sup> Computed by dividing the profit/(loss) attributable to ordinary equity holders by the number of ordinary shares issued.

# Corporate Calendar

ABOUT US

## January 2024



### Music Run

Tune Protect had a blast rocking out with nearly 20,000 music lovers at The Music Run 2024. With T.P. making a lively appearance before the run and proudly flagging it off, the event resonated strongly with our predominantly Gen Z crowd, creating unforgettable memories for everyone involved.



### Battle of the Reds Press Conference

We were joined by the legendary Teddy Sheringham and John Arne Riise during the press conference to announce that Tune Protect will be the joint presenter for Battle of the Reds Kuala Lumpur 2024.

## February 2024



### Chinese New Year Office Invasion

We teamed up with EightFM and FlyFM to bring the festive spirit to four offices in Klang Valley for our Chinese New Year Office Invasion. We hosted fun activities with their employees alongside DJs from EightFM and FlyFM. Winners enjoyed free Tune Protect merchandise and AEON e-vouchers, and the celebrations were highlighted by an exciting dragon dance performance.



### Loop Music Festival Press Conference

The Loop Music Festival press conference unveiled an eclectic mix of artists who will grace the stage, promising an unforgettable experience for all.

# Corporate Calendar

## April 2024



### Corporate Good: Roll Out Iftar

In the holy month of Ramadhan, Tune Protect collaborated with Sinar Harian to roll out iftar food packs to our local heroes. We distributed 1,000 pieces of murtabak and kuih to hospital staffs, police officers and firefighters around Klang Valley.



### Corporate Good: Titipan Kasih Syawal Bersama Harian Metro

In celebration of Hari Raya Aidilfitri, Tune Protect joined hands with Harian Metro to extend blessings and uplift the spirits of pediatric patients and residents at Hospital Tunku Ampuan Besar Tuanku Aishah Rohani (Hospital Pakar Kanak Kanak UKM). More than 60 Tune Protect volunteers and 20 Harian Metro volunteers collaborated to organise enjoyable games and activities, distribute Tune Protect merchandise, enhance the hospital's atmosphere, and visit patients in the medical, surgical and oncology wards.



### Kampai Dinner with the Legends

On April 24, Tune Protect hosted an unforgettable dinner at Kampai KLCC for the legendary players from Manchester Reds and Liverpool Reds, who were in KL for the Battle of the Reds match. The evening was filled with networking, fun games and plenty of laughter, making it a night to remember.



### Tune Into Triumph!

Tune Protect hosted Tune Into Triumph! at Renaissance Hotel, featuring legends from Manchester Reds and Liverpool Reds. Moderated by Jakeman & Khairy Jamaluddin, the event offered a deeper connection with the players through engaging conversations, fun games and unforgettable moments.



### Legends Meet & Greet

After the Tune Into Triumph event, on the same day, the legends from Manchester Reds and Liverpool Reds headed to MyTown Mall for an exclusive meet & greet session with lucky winners. Fans enjoyed autograph signings, photo opportunities and memorable moments with their football idols.



### Battle of the Reds!

In conjunction with the Battle of the Reds, we organised a charity football clinic at the Bukit Jalil National Stadium for 40 kids from SK Cochrane. After the clinic, we had the opportunity to watch the match between the legends from Manchester Reds and Liverpool Reds with the kids.

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# Corporate Calendar

ABOUT US

## May 2024



### Loop Music Festival

Our team enjoyed engaging with the festival attendees at our booth. We offered fun stamp activity games, allowing participants to learn more about Tune Protect in an interactive way. The energy was incredible, and the performances by our talented local artists were truly unforgettable.



### Corporate Good: Sports & Digital Focused

We carried our Sports & Digital Focused Corporate Good activity at SK Kg Baru Si Rusa, Port Dickson with 75 volunteers. We enhanced the digital library and sports facilities at the school with new furniture, installed vinyl flooring and restored the school field. Additionally, we organised a mini sports carnival with active participation from both students and parents.

## June 2024



### #RepzWithTune

Tune Protect took part in an exciting three-day event organized by Repz Your Style at Lalaport. Our booth featured fun and interactive setups, including a photobooth, the #TPArtsy exhibition, and the #TuneInMirror at LegsoMY. It was a fantastic opportunity to engage with visitors and showcase our creative side.



### Tune Protect Wins the Hashtag Asia Awards

Tune Protect won the bronze award for Best Use of Storytelling in a Social Media Campaign through Healing tanpa Pening campaign, which promotes Travel Easy insurance.



### Tune Protect Wins the Customer Experience Excellence Award

Tune Protect won the Customer Experience Excellence Award at the prestigious InsureTech Connect Asia 2024.

# Corporate Calendar

## August 2024



### Corporate Good: Educational Visit to University of Malaya

Tune Protect brought 38 talented young athletes from SK Kg Baru Si Rusa to the prestigious University of Malaya for an educational sports visit.



### Tune Protect #jomlympics

Tune Protect hosted an internal sports event in conjunction with the 2024 Summer Olympics Paris. Our staff had a good laugh participating and witnessing our #jomlympics featuring a variety of fun activities and games.



### Corporate Good: Cybersecurity Training

Tune Protect engaged with 350 students from of SK Kg Baru Si Rusa, in a 3-series cybersecurity training. The training equipped the Year 4 to Year 6 students with essential knowledge and tools to navigate the online world safely.



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# Corporate Calendar

## September 2024



### T.P.'s 2nd Birthday!

### Matta Fair 2024

Tune Protect had the pleasure of joining the 2024 Matta Fair last September! Teaming up with the AirAsia booth, we showcased how easy it is to protect your travels—just add it on!

Tune Protect's mascot, T.P. the Thumb, celebrated his 2nd birthday in the office with the Tune Protect family. Since the birth of the mascot, T.P. has become a key part of our brand identity, symbolising protection and trust. This milestone is a testament to T.P.'s role in elevating our brand presence and most importantly, an opportunity to celebrate and thank our incredible team.

## October 2024



### Wander & Protect: An Office Drop Adventure

### 2024 AirAsia Travel Fair in Kota Kinabalu

Tune Protect had the pleasure of being part of AirAsia's Travel Fair in Imago Mall, Kota Kinabalu! Over the weekend, our dedicated staff played a role in helping travellers ensure their dream trips are protected.

Tune Protect visited AirAsia RedQ, RedStation, and the offices of Capital A, BigPay and Teleport over two days, turning ordinary workdays into exciting ones! We brought along fun games, endless laughter and great vibes while highlighting why travel insurance is a must-have for every adventure.



### Corporate Good: Tree-Planting Programme

Tune Protect sent a passionate team of over 30 volunteers, joining hands with like-minded organisations to participate in a tree-planting programme in Selangor for two consecutive months, in September and October.

# Corporate Calendar

## November 2024



### 2024 AirAsia Travel Fair in Penang

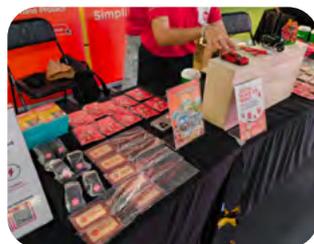
Tune Protect had the pleasure of being part of another AirAsia Travel Fair, this time in Gurney Paragon Mall, Penang. We engaged with the amazing crowd through fun games and performances by talented artists.



### Pokémon Run KL 2024

Tune Protect proudly co-sponsored the Pokémon Run KL 2024 at Pavilion Bukit Jalil! We were thrilled to be part of the excitement, sharing the energy and joy with Pokémon fans of all ages. It was our pleasure to help make the event both safe and unforgettable for everyone involved.

## December 2024



### AllStars Year-End Bazaar

Tune Protect is back at AirAsia RedQ, RedStation, and the offices in Wisma Capital A, but this time we teamed up with our fellow Lines of Business (LOBs) to bring even more games, fun and an exclusive campaign just for AllStars. It was an exciting time filled with collaboration, laughter and shared moments!



### Oriental Daily Run

Tune Protect is proud to be the official insurance partner for the Oriental Daily Run 2024. From our booth at the race pack collection to our Tune Protectors joining the run, we were excited to connect with the health and lifestyle community while building brand awareness and supporting an active lifestyle.

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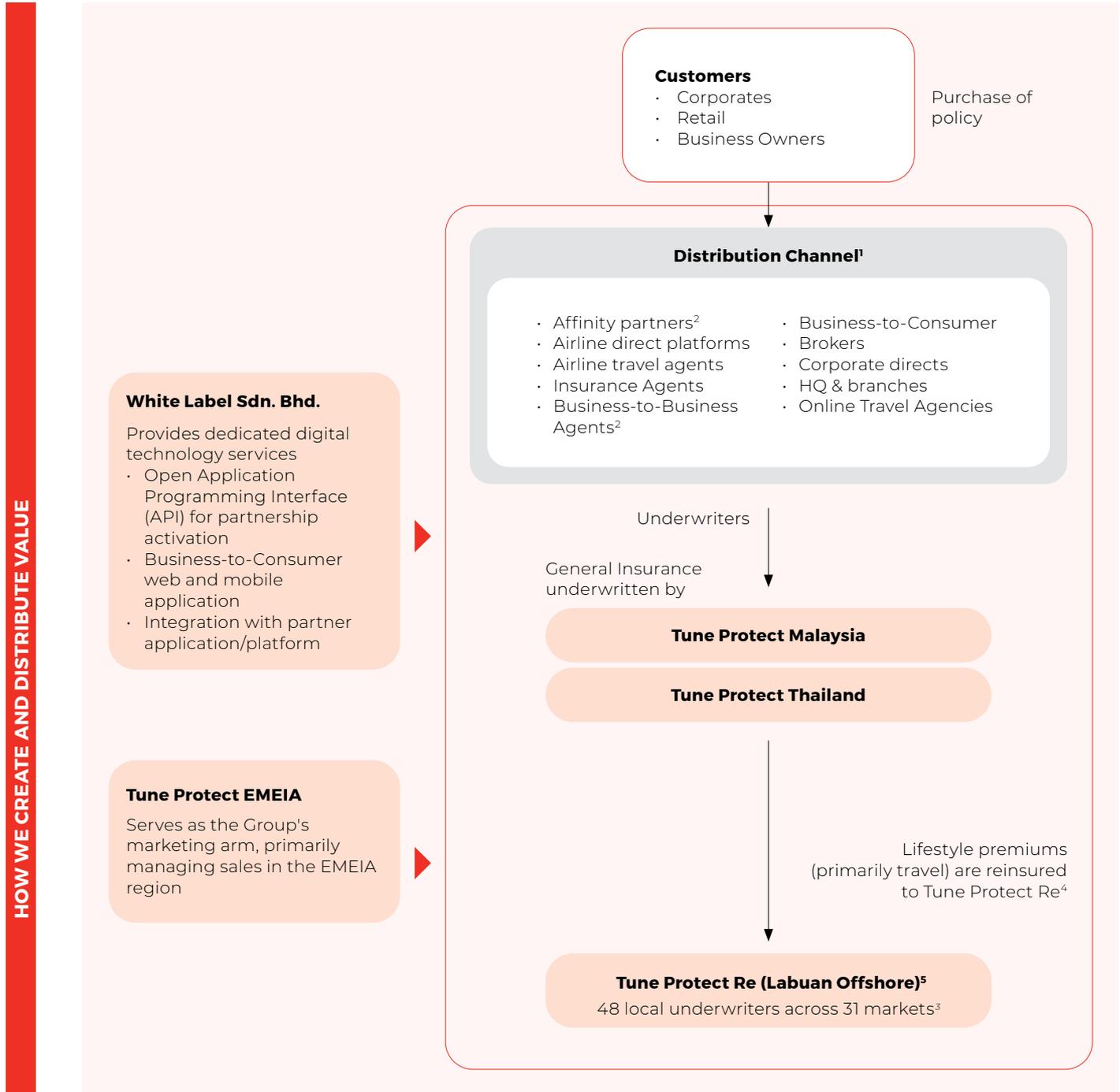
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# Our Business Model



**Footnotes:**

<sup>1</sup> Ancillary services are offered via our selected distribution channels

<sup>2</sup> Including those facilitated by Tune Protect EMEIA

<sup>3</sup> Including inbound markets as of 31 December 2024

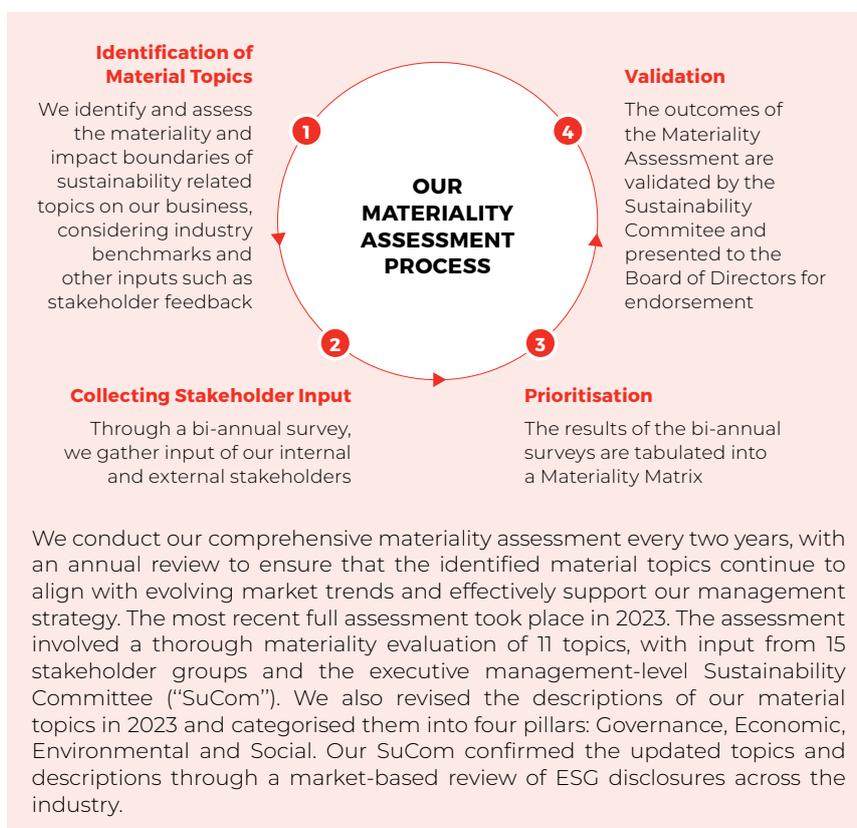
<sup>4</sup> Lifestyle premiums (primarily travel) are reinsured to Tune Protect Re, while other premiums are reinsured to various third party reinsurers

<sup>5</sup> An unique reinsurance model with multiple local underwriters operating under varied quota share arrangements

# Material Matters

We place strong emphasis on our materiality assessment process, as it helps shape our approach to addressing sustainability risks and opportunities that matter most to our stakeholders.

By identifying material matters, the Group can stay informed and respond swiftly to issues that impact its performance and ability to create long-term value.



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Pillar	Topic	Descriptions
<b>Economic</b>	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 values for our shareholders and business partners through our procurement and investment practices
<b>Environmental</b>	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
<b>Social</b>	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

In the year under review, we performed a materiality benchmarking review, which incorporated global trends and a benchmark study across the insurance industry. Guided by the Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition), the review was carried out over few weeks and involved benchmarking against ten insurance companies, examining their top five material sustainability topics for 2023.

# Material Matters

HOW WE CREATE AND DISTRIBUTE VALUE

Through this limited-scale materiality review, our findings showed that the 11 material matters currently identified for our Group are aligned with those identified by the benchmarked companies. Furthermore, these topics remain aligned with our strategic priorities and stakeholder expectations and correspond to the materiality matrix and stakeholder prioritisation developed for the Group in 2023.

No new material topics were identified during the review, nor were there any changes in the ranking of material matters. This review did not involve fresh stakeholder engagement. We aim to conduct a full materiality assessment in 2025.

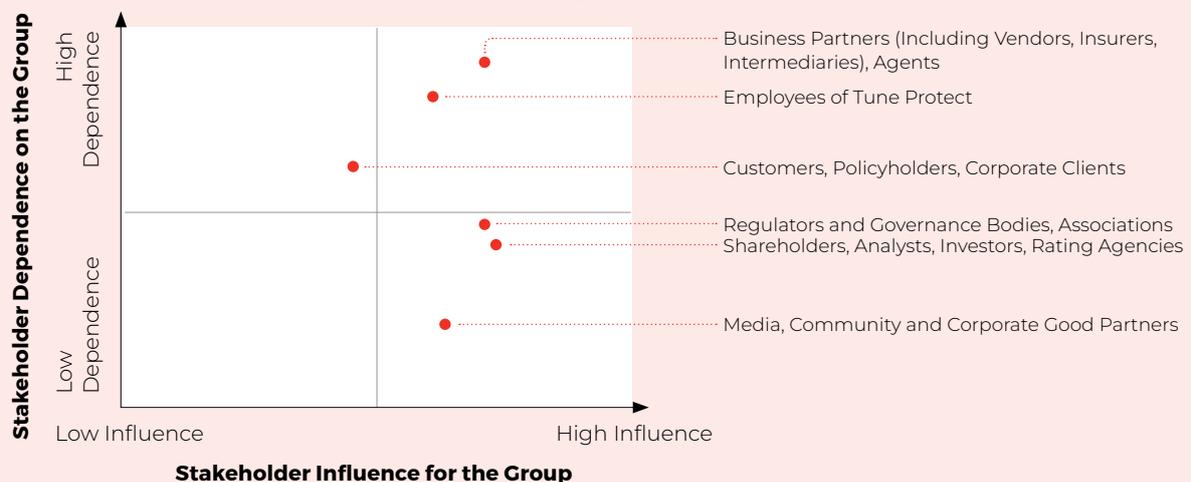
Following this, the SuCom endorsed and approved the prioritisation of the material topics in October 2024.

## MATERIALITY MATRIX 2024



Topics	2024 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

## Stakeholder Prioritisation for the Group



● Governance ● Economic ● Environmental ● Social

# Stakeholder Engagement



## Customers

### Expectation and concern

- Data Governance, Privacy and Cybersecurity
- Products and Offerings
- Customer Centricity
- Digital Innovations
- Corporate Good and Community Investments

### Our response

- Ensuring compliance with prevailing regulatory requirements and best practices for data governance and customer privacy
- Measuring customer satisfaction using Net Promoter Score (NPS)
- Consolidating the information gathered from touchpoints and utilising a one-stop contact centre to ensure smooth customer handling and engagements

### Method and frequency of engagement

- Customer service centres: Locations and operating hours are available on the corporate website
- Customer satisfaction surveys (Biannual customer NPS, ongoing transactional NPS, Contact Centre Feedback): Biannually, as and when
- Digital platforms and social media platforms: 24/7
- Email: As and when
- Online survey (sustainability survey): Biennial

### Impact on the Group

Customers are pivotal to our business success. With customer-centricity at the core, we aim to comprehend and fulfil our customers' expectations for our products and services, foster brand loyalty and deliver exceptional service, aligned with our commitment to providing a consistent customer experience.



## Regulators and Government Bodies

### Expectation and concern

- Corporate Governance, Ethics and Risk Management
- Data Governance, Privacy and Cybersecurity
- Climate Change
- Customer Centricity
- Diversity, Inclusion and Equal Opportunities

### Our response

- Continuously strengthening our governance policies, procedures and mechanisms to embed ethical conduct into our business culture
- Regularly assessing our operations to ensure adherence to current regulatory standards and requirements

### Method and frequency of engagement

- Regulatory reporting: Monthly, quarterly, biannually, annually
- Correspondence and monitoring through letters, emails and calls: As required
- Face-to-face meetings and reviews: Scheduled/ Ad hoc basis
- Online survey (sustainability survey): Biennial

### Impact on the Group

Establishing robust relationships with governance and regulatory bodies facilitates access to timely updates on emerging regulations, ensuring our operations remain compliant with regulatory requirements.

# Stakeholder Engagement



## Shareholders, Investors and Analysts

### Expectation and concern

- Strategic direction
- Financial performance and shareholder returns
- Digital Innovations
- Corporate Governance, Ethics and Risk Management
- Data Governance, Privacy and Cybersecurity
- Environmental, Social and Governance (ESG) performance

### Our response

- Ensuring active engagement with shareholders, investors and analysts
- Ensuring timely, comprehensive updates on financial results, new initiatives and any material events
- Focusing on providing updates on the progress of our strategic plans
- Integrating ESG considerations into our business decisions

### Method and frequency of engagement

- Annual General Meeting (annual reports, shareholder circulars and corporate governance reports): Annually
- Analyst briefings (analyst presentation slides, 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

### Impact on the Group

The investment community contributes towards the market valuation of our share price.



## Employees

### Expectation and concern

- Financial performance
- Corporate Governance, Ethics and Risk Management
- Data Governance, Privacy and Cybersecurity
- Digital Innovations
- Resource Management
- Diversity, Inclusion and Equal Opportunities
- Employee Wellness and Development
- Corporate Good and Community Investments

### Our response

- Guaranteeing that all our employees are cared for, respected and appreciated by offering equitable compensation and benefits, as well as 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

### Method and frequency of engagement

- Annual Integrity Month (AIM) Campaign: 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 the Corporate intranet
- Online survey (sustainability survey): Biennial

### Impact on the Group

Employees are the backbone of our operations. A skilled, high-performing and engaged workforce drives value creation and executes our business strategy.

# Stakeholder Engagement



## Agents and Intermediaries

### Expectation and concern

- Data Governance, Privacy and Cybersecurity
- Customer Centricity
- Digital Innovations
- Training and Education

### Our response

- Coordinating and providing online training on PDPA and AML to agents, cultivating a disciplined business culture that aligns with the company's governance policy
- Monitoring the agents' Continuing Professional Development (CPD) hours to ensure they meet the minimum CPD hours requirement
- Providing support to Digital Partnership in Project Management (API integration with digital partners, business onboarding, process automation, etc.)

### Method and frequency of engagement

- Training and awareness: Annually
- Online survey (sustainability survey): Biennial
- Project Progress Update meeting with stakeholders: Ongoing

### Impact on the Group

Agents and intermediaries are responsible for a disciplined business culture, liaising with sales and managing claims.



## Local Communities

### Expectation and concern

- Corporate Good and Community Investments
- Responsible Business Practices
- Resource Management
- Climate Change
- Diversity, Inclusion and Equal Opportunities

### Our response

- Collaborating with community partners to expand their outreach and facilitate our efforts to connect with unserved, underserved and underprivileged groups, as well as support the environment through sponsorships and employee volunteering

### Method and frequency of engagement

- Community activities: Scheduled/Ad hoc basis
- Community partnerships: Scheduled/Ad hoc basis
- Online survey (sustainability survey): Biennial

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### Impact on the Group

We are responsible for engaging with the concerns of local communities to nurture long-term and mutually trusting relationships.

# Stakeholder Engagement

HOW WE CREATE AND DISTRIBUTE VALUE



## Media

### Expectation and concern

- 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

### Our response

- Utilising diverse media channels to keep the media informed about our accomplishments and advancements, while disseminating essential corporate and consumer information to the public

### Method and frequency of engagement

- Media engagements: As required
- Media interviews and press releases: Monthly
- Company/Corporate events: Biannually
- Online survey (sustainability survey): Biennial

### Impact on the Group

Strong media connections facilitate effective information dissemination about our distinctive value proposition, ensuring brand recognition locally and regionally.



## Business Partners

### Expectation and concern

- Corporate Governance, Ethics and Risk Management
- Data Governance, Privacy and Cybersecurity
- Customer Centricity
- Digital Innovations
- Products and Offerings
- Diversity, Inclusion and Equal Opportunities

### Our response

- Aligning business partners with our organisation's CoC by fostering a disciplined business culture and ensuring the proper management of customer privacy
- Responding to evolving customer needs by collaborating with business partners and leveraging digital technologies to deliver convenient and sustainable solutions to our business partners

### Method and frequency of engagement

- Meetings (face-to-face or virtual and group meetings): Scheduled/Ad hoc basis
- Due diligence: Onboarding and upon renewal
- Online survey (partner engagement survey): Annually

### Impact on the Group

Long-term strategic partnerships to leverage each other's unique strengths for sustainable growth and continuous value creation.

# Stakeholder Engagement

Material topic	Description
<b>Corporate Governance, Ethics and Risk Management</b>	Upholding the highest standards of transparency, integrity, accountability and ethical business practices through good corporate governance, risk management, frameworks, policies and practices to safeguard the stakeholders' trust in Tune Protect
<b>Data Governance, Privacy and Cybersecurity</b>	Safeguarding the personal and sensitive data of employees, customers and business partners through responsive and proactive management of data
<b>Customer Centricity</b>	Embedding customer satisfaction into our operations through efficient, consistent and mutually respectful customer engagements
<b>Climate Change</b>	Managing our indirect carbon emissions through underwriting, investments and regulatory compliance
<b>Resource Management</b>	Managing Tune Protect's consumption of natural resources through mitigations and reductions, recycling and paperless operations for in-control processes
<b>Digital Innovations</b>	Leveraging technology and digital enhancements to provide convenient, sustainable solutions for our internal and external stakeholders
<b>Products and Offerings</b>	Creating innovative offerings and solutions focused on quality, inclusion and accessibility, in line with our customers' evolving needs, while capitalising on Tune Protect's strategic partnerships and collaborations
<b>Responsible Business Practices</b>	Maintaining a healthy financial and capital position to foster a sustainable business, while delivering shared value to our shareholders and business partners through our procurement and investment practices
<b>Diversity, Inclusion and Equal Opportunities</b>	Building a sustainable, inclusive and diverse workforce that practises equal treatment, free from discrimination or prejudice, through our commitment to global frameworks
<b>Employee Wellness and Development</b>	Engaging our employees across the organisation, ensuring a productive workforce and a physically and socially safe working environment for all
<b>Corporate Good and Community Investments</b>	Engaging with and investing in local communities through our products and Corporate Good (CoG) programmes and initiatives

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# Top Risks & How We Manage Them

TYPE OF RISK	CAUSE AND CONSEQUENCES OF THE RISK
<p><b>Technology Risk</b></p> <ul style="list-style-type: none"> <li>· Cybersecurity/ Cyber threats</li> <li>· Information System</li> </ul>	<p>It is crucial to have visibility of these threats to implement immediate remedial measures and minimise potential impacts on business operations.</p> <p>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.</p> <p>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.</p>
<p><b>Compliance</b></p>	<p>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.</p>
<p><b>Financial</b></p>	<p>We are exposed to financial risks such as concentration risk and credit risk.</p>
<p><b>Core System Replacement Project</b></p>	<p>This is a key project for the Group’s largest subsidiary, Tune Protect Malaysia, involving the replacement of the existing core system that is hosted on Cloud.</p>
<p><b>Climate Change</b></p>	<p>Our home markets are experiencing increased frequency of flooding due to the effects of climate change.</p>

HOW WE CREATE AND DISTRIBUTE VALUE

# 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.

Compliance has implemented the following initiatives to enhance the overall compliance awareness level within Tune Protect:

- 1 Compliance collaborates with Risk Management to train and brief nominated Risk and Compliance Advocate (RCA) within the respective department. RCAs serve as the point of reference for risk and compliance related matters within the respective departments.
- 2 Perform Compliance Gap Assessment (CGA) on new/revise regulatory issuances (i.e., policy documents, guidelines, specification letters, etc.) has been coordinated from time to time. This CGA exercise requires the designated departments to determine the process/system gaps by mapping with regulatory issuances from paragraph to paragraph.
- 3 Compliance Thematic Review (CTR) has been implemented with the first CTR on Operating Cost Control for 2024 has completed and was tabled to board in Feb 2025. This CTR is to ascertain potential breach and non-compliance with regulatory requirements and supervisory expectations.
- 4 Quarterly Compliance Newsletters has been implemented since September 2024.
- 5 Annual Compliance Awareness Survey has also been implemented and reported to RMC on 20 May 2024 to evaluate the overall compliance awareness level and to develop improvement plan and compliance initiatives to enhance the compliance awareness level and managing the regulatory risk internally.

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.

This is a key risk due to the significant investment in resources involved in the project. Revised project timeline was approved by the Board in third quarter 2024 following a re-visiting of the project scope and resources. Phase 3A of the project went live in second half of 2024. The project is now targeted for completion in third quarter 2026. Management is closely monitoring the progress of the project with heightened project governance.

Climate change is one of the enterprise-level risks managed by the Management. We have also identified the climate risk at the business level where relevant. 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 consisting of members from Sustainability, Technical, Actuarial and Risk Management teams has been established to address specific requirements of BNM’s Policy Document on Climate Risk Management and Scenario Analysis (CRMSA) and Climate Risk Stress Testing (CRST) Exercise.

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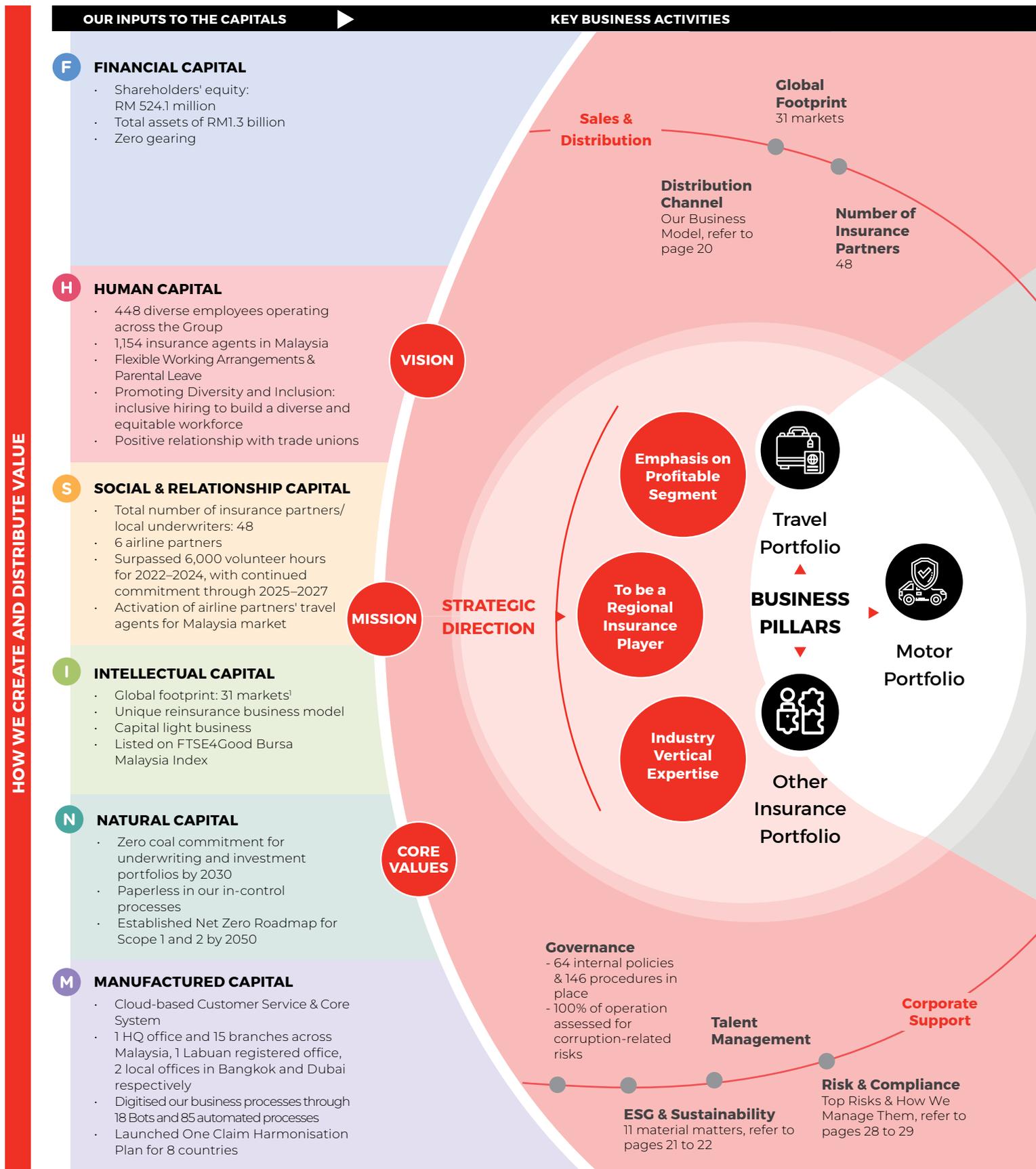
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# Our Value Creation Model



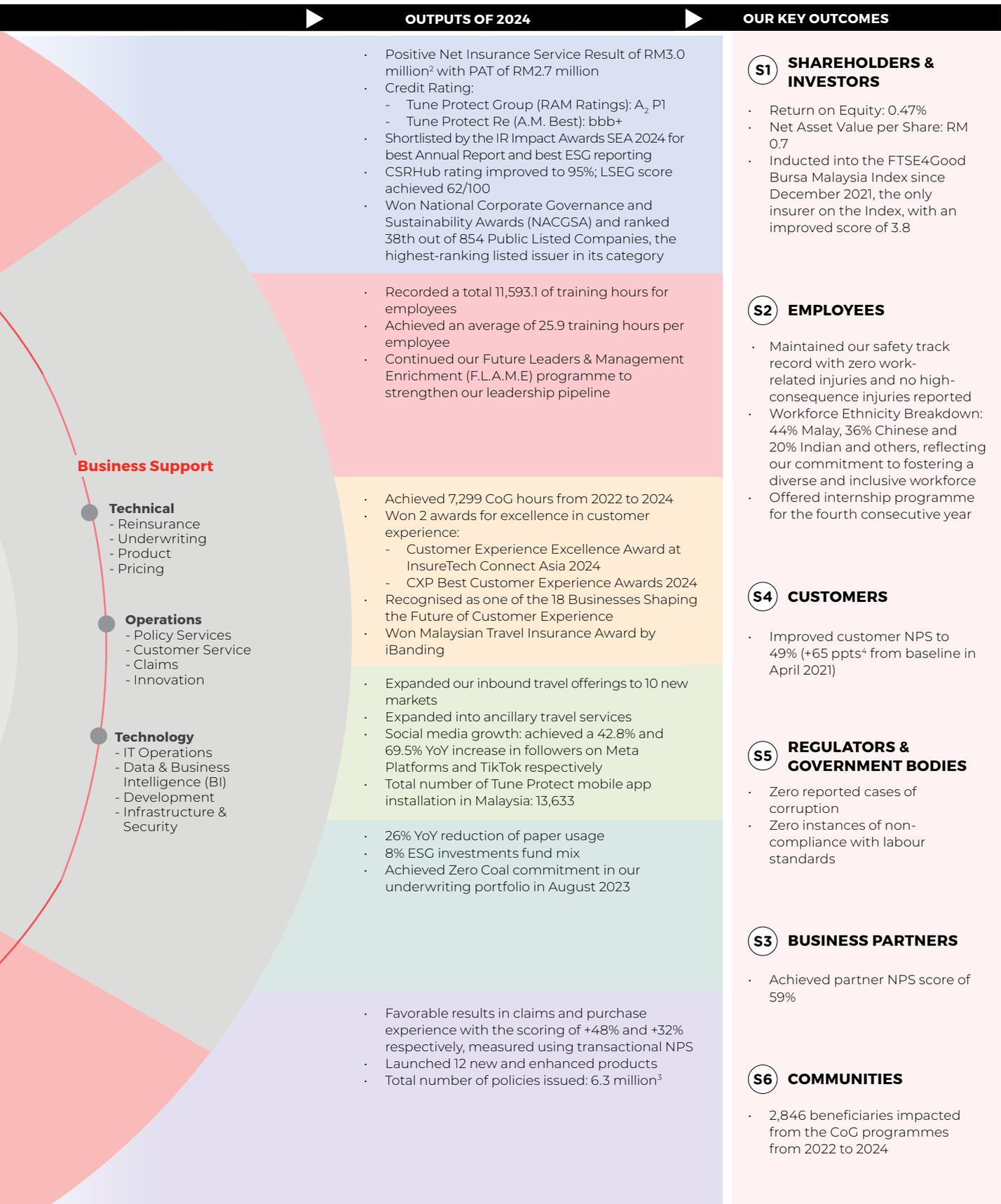
<sup>1</sup> including inbound market as at 31 December 2024

<sup>2</sup> Computed by deducting Net Insurance Financial Result from Insurance Service Result

<sup>3</sup> only for AirAsia policies

<sup>4</sup> percentage points

# Our Value Creation Model



## Business Support

### Technical

- Reinsurance
- Underwriting
- Product
- Pricing

### Operations

- Policy Services
- Customer Service
- Claims
- Innovation

### Technology

- IT Operations
- Data & Business Intelligence (BI)
- Development
- Infrastructure & Security

## OUTPUTS OF 2024

- Positive Net Insurance Service Result of RM3.0 million<sup>2</sup> with PAT of RM2.7 million
- Credit Rating:
  - Tune Protect Group (RAM Ratings): A<sub>2</sub> P1
  - Tune Protect Re (A.M. Best): bbb+
- Shortlisted by the IR Impact Awards SEA 2024 for best Annual Report and best ESG reporting
- CSRHub rating improved to 95%; LSEG score achieved 62/100
- Won National Corporate Governance and Sustainability Awards (NACGSA) and ranked 38th out of 854 Public Listed Companies, the highest-ranking listed issuer in its category

- Recorded a total 11,593.1 of training hours for employees
- Achieved an average of 25.9 training hours per employee
- Continued our Future Leaders & Management Enrichment (F.L.A.M.E) programme to strengthen our leadership pipeline

- Achieved 7,299 CoG hours from 2022 to 2024
- Won 2 awards for excellence in customer experience:
  - Customer Experience Excellence Award at InsureTech Connect Asia 2024
  - CXP Best Customer Experience Awards 2024
- Recognised as one of the 18 Businesses Shaping the Future of Customer Experience
- Won Malaysian Travel Insurance Award by iBanding

- Expanded our inbound travel offerings to 10 new markets
- Expanded into ancillary travel services
- Social media growth: achieved a 42.8% and 69.5% YoY increase in followers on Meta Platforms and TikTok respectively
- Total number of Tune Protect mobile app installation in Malaysia: 13,633

- 26% YoY reduction of paper usage
- 8% ESG investments fund mix
- Achieved Zero Coal commitment in our underwriting portfolio in August 2023

- Favorable results in claims and purchase experience with the scoring of +48% and +32% respectively, measured using transactional NPS
- Launched 12 new and enhanced products
- Total number of policies issued: 6.3 million<sup>3</sup>

## OUR KEY OUTCOMES

### S1 SHAREHOLDERS & INVESTORS

- Return on Equity: 0.47%
- Net Asset Value per Share: RM 0.7
- Inducted into the FTSE4Good Bursa Malaysia Index since December 2021, the only insurer on the Index, with an improved score of 3.8

### S2 EMPLOYEES

- Maintained our safety track record with zero work-related injuries and no high-consequence injuries reported
- Workforce Ethnicity Breakdown: 44% Malay, 36% Chinese and 20% Indian and others, reflecting our commitment to fostering a diverse and inclusive workforce
- Offered internship programme for the fourth consecutive year

### S4 CUSTOMERS

- Improved customer NPS to 49% (+65 ppts<sup>4</sup> from baseline in April 2021)

### S5 REGULATORS & GOVERNMENT BODIES

- Zero reported cases of corruption
- Zero instances of non-compliance with labour standards

### S3 BUSINESS PARTNERS

- Achieved partner NPS score of 59%

### S6 COMMUNITIES

- 2,846 beneficiaries impacted from the CoG programmes from 2022 to 2024

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For more information, refer to:

1. Internal Policies, pages 165 - 167

2. Sustainability Statement, pages 48 - 119

# Chairman's Review

FROM OUR LEADERSHIP

## DEAR VALUED SHAREHOLDERS,

2024 was a year of strategic progress and resilience for Tune Protect, as we capitalised on the recovery of the travel industry and expanded our regional footprint. Despite macroeconomic shifts and regulatory developments, we remained agile – driving growth through innovative products, strengthened partnerships and disciplined execution. Our commitment to sustainability and digital transformation continued to shape our journey, ensuring we stay ahead in an evolving insurance landscape.

## DATO' MOHAMED KHADAR BIN MERICAN

Chairman, Independent  
Non-Executive Director



# Chairman's Review



**Profit After Tax (PAT)**

**RM2.7 million**



**Achieved more than**

**100%**

**growth in net insurance service result**



## MACROECONOMIC & OPERATING ENVIRONMENT

The global economic landscape in 2024 presented a mix of challenges and opportunities for Tune Protect to navigate and capitalise on. Domestically, Malaysia maintained a steady growth trajectory with Gross Domestic Product expanding by 5.1% in 2024, supported by firm domestic demand and sustained private sector spending<sup>1</sup>. This expansion was driven by resilient consumer spending and continued recovery in key sectors, providing a stable foundation for businesses to navigate a shifting economic environment.

The aviation sector's recovery accelerated, benefiting the broader travel ecosystem and players like Tune Protect which offers travel protection. According to the International Air Transport Association (IATA), total Revenue Passenger-Kilometer (RPK) increased by 10.4% year-on-year, with Asia Pacific airlines carrying more than half of this momentum<sup>2</sup>. The global Passenger Load Factor reached a record 83.5%, reflecting strong demand for air travel. Closer to home, Malaysia's aviation sector rebounded significantly, with 97.1 million air passengers recorded, marking a 14.3% year-on-year increase<sup>3</sup>. International tourist arrivals surged by 24.2% to 25 million, driven primarily by returning Chinese and Indian travellers<sup>4</sup>.

These trends had a direct and positive impact on our travel insurance portfolio, which saw continued growth throughout the year. Meanwhile, the Malaysian general insurance industry recorded a 7.1% increase in gross direct premium, with motor insurance remaining the largest segment at 46.4% of the total market<sup>5</sup>. The industry's combined ratio rose to 93.4%, largely due to higher net claims and management expenses.

<sup>1</sup> Bank Negara Malaysia, *Economic and Financial Developments in Malaysia in the Fourth Quarter of 2024*

<sup>2</sup> International Air Transport Association (IATA), *Global Air Passenger Demand Reaches Record High in 2024*

<sup>3</sup> The Sun, "Malaysia's aviation sector recovering, passenger traffic to soar in 2025: Loke,"

<sup>4</sup> The Edge Malaysia, "Malaysia's aviation sector poised for full recovery in 2025,"

<sup>5</sup> ISM Insurance Services Malaysia Berhad, *Market Performance (General Insurance & General Takaful) January - December 2024*

# Chairman's Review

## KEY ACCOMPLISHMENTS, DEVELOPMENTS & CHALLENGES

Against this dynamic backdrop, Tune Protect advanced its strategic priorities, delivering value while proactively addressing emerging challenges. Our top priorities in 2024 focused on expanding our regional presence through our airline partners and network of insurance partners, selectively growing high-margin business lines and aggressively pursuing travel ecosystem opportunities, including event organisers, ticketing platforms, trips, cruises and hotels. These initiatives are aimed at positioning us at the centre of an evolving travel landscape, bringing us closer to transforming Tune Protect into a regional business player.

As a result of our renewed focus, our travel insurance segment continued to gain traction, further aided by the resurgence of global travel. As international tourist arrivals rebounded, we capitalised on this momentum by introducing innovative travel protection products tailored to evolving traveller needs. This included launching the Delay Lounge Pass, a feature granting travellers access to over 1,600 airport lounges worldwide in the event of flight delays, now embedded within AirAsia's travel insurance offerings.

Further expanding our travel-related products, we launched Tune Protect Travel Gadget, available via airline direct channels, aimed at increasing uptake within the Malaysian market. Beyond direct-to-consumer channels, we also strengthened our Business-to-Business (B2B) partnerships, working closely with travel agencies in Malaysia and a leading credit card provider in Thailand. Additionally, we expanded our presence in online travel agencies (OTAs), ensuring greater accessibility and visibility across key regional markets.

Beyond travel, we remained vigilant in managing our Motor insurance portfolio, implementing pricing optimisation strategies, refining our portfolio mix and enhancing claims management. These measures were crucial in aligning our Motor claims ratio with industry benchmarks, ensuring long-term sustainability in this segment.

## FINANCIAL PERFORMANCE

Tune Protect demonstrated a strong recovery trajectory in 2024, particularly in the second half of the year. After recording a Loss After Tax (LAT) of RM14.0 million in the first half, the Group rebounded with a Profit After Tax (PAT) of RM16.7 million in the

second half, reflecting the positive momentum from our expanding travel segment. For the full year, we achieved a net insurance service result of RM3.0 million, alongside RM30.0 million in investment income. The year's performance was unfortunately impacted by our exposure to four large fire losses. This frequency was notably higher than previous years, but we expect this to normalise going forward.

The Group achieved over 100% growth in net insurance service result, demonstrating the strength of our core business despite external challenges. However, lower investment income, due to market volatility, and the impact of a negative share of results from Tune Protect Thailand (TPT), due to challenges faced by our associate, affected overall earnings. These challenges were mitigated by our strong performance in high-margin segments, particularly travel insurance, where strategic pricing and expanded partnerships contributed to revenue growth.

We remain focused on building long-term shareholder value through sustainable profitability and prudent capital management, with a view to rewarding shareholders with a dividend payment in the near future.

## SUSTAINABILITY & REGULATORY DEVELOPMENTS

In 2024, regulatory expectations surrounding climate risk management and sustainability reporting continued to evolve, prompting businesses to enhance their governance frameworks. As part of our commitment to regulatory compliance and sustainability, we have complied with Bank Negara Malaysia's Climate Risk Management & Scenario Analysis (CRMSA) Policy Document, ensuring that our climate-related risk assessments are embedded in our decision-making processes. Additionally, we are actively preparing for the upcoming Climate Risk Stress Testing (CRST) impact analysis in 2025, strengthening our resilience against climate-related financial risks.

The sustainability reporting landscape also underwent significant changes, with the introduction of the enhanced Main Market sustainability disclosure requirements aligned with the National Sustainability Reporting Framework (NSRF). In anticipation of these changes, we are actively working to align our disclosures with the IFRS Sustainability Disclosure Standards, which will be mandatory from 1 January 2026 onwards for Main Market Listed Companies in Group 2.

# Chairman's Review

Our proactive approach reflects our commitment to maintaining transparency, accountability and best-in-class reporting standards as we strengthen our ESG practices. As a result, I am pleased to share that we are the only conventional general insurer in Malaysia listed in the FTSE4Good Bursa Malaysia Index, achieving a 3.8 rating for transparent ESG reporting and governance.

Our commitment to sustainability and community impact has also continued to gain momentum in 2024. We made measurable progress across ESG dimensions, aligning our initiatives with long-term goals to create shared value for stakeholders.

In line with our commitment to achieving net zero emissions, we have set climate targets for Scope 1<sup>(a)</sup> and 2<sup>(b)</sup> reductions. We have also expanded our Scope 3<sup>(c)</sup> disclosure beyond employee commuting to include business travel and waste generated in operations. By 2030, we aim to reduce Scope 1 emissions by 50% and Scope 2 emissions by 50% by 2040, with the ultimate goal of reaching net zero by 2050. This reflects our dedication to minimising our environmental footprint and promoting sustainability across our operations.

Through our Corporate Good initiatives, we exceeded our three-year volunteering target of 6,000 hours (2022-2024), achieving 7,299 hours of community engagement, in activities that provided support to underprivileged groups as well as disaster relief efforts. This milestone highlights our dedication to making a positive difference in the communities where we operate.

## OUTLOOK

Looking ahead, we anticipate that 2025 will bring more challenges and opportunities. We remain cautiously optimistic about the travel segment, expanding our market presence and distribution, establishing a Travel Centre of Excellence and diversifying beyond insurance with ancillary services — all of which should position Tune Protect for sustained growth.

Our focus will remain on profitable segments while driving productivity and efficiency to stay competitive in the evolving insurance landscape. As we execute our strategy, we will continue strengthening our position as a regional business player, deepening our vertical expertise and enhancing claim management efficiency to improve our claim ratio.

With a strong foundation in place, we are confident in our ability to create long-term value for our shareholders and stakeholders.



Our Net Zero Commitment:

50% reduction in Scope 1 emissions by 2030

50% reduction in Scope 2 emissions by 2040

Net Zero for Scope 1 & 2 by 2050



The only conventional general insurer in Malaysia listed in the FTSE4Good Bursa Malaysia Index, achieving a 3.8 rating for transparent ESG reporting and governance.



The Group has committed to dedicating 6,000 employee hours towards CoG and community investment initiatives from 2025 to 2027.

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## ACKNOWLEDGEMENTS

On behalf of the Board, I extend our sincere appreciation to all who have supported Tune Protect throughout the year. We thank Mr. Kelvin Desmond Malayapillay for his invaluable contributions during his tenure as a director and we wish him the very best in his future pursuits. At the same time, we are pleased to welcome Ms. Gan Mei Mei, Mr. Ariff bin Rozhan and Mr. Jayakumar A/L Somasundram to the Board and look forward to their insights as we continue to grow and transform. On behalf of the Board, we are pleased to acknowledge the appointment of Mr. How Kim Lian as Group Chief Executive Officer, effective July 2024. With his strong leadership and strategic vision, we have full confidence in his ability to drive growth, profitability and long-term value for the company.

I would also like to acknowledge the dedication of my fellow Board members, the trust of our shareholders and the tireless efforts of our senior management and employees. To our customers, partners and regulators, thank you for your continued confidence and collaboration. Your support remains the cornerstone of our progress as we work towards delivering greater value and innovation.

- (a) Direct emissions occur from sources owned or controlled by the company
- (b) Indirect emissions from the generation of purchased energy
- (c) Activities from assets not owned or controlled by the company, but indirectly affect the value chain

# Group CEO's Message



## DEAR VALUED SHAREHOLDERS,

This year marked a turning point for Tune Protect as we undertook bold intervention measures to reposition the Group for long-term growth. These measures laid the groundwork for a refreshed strategic agenda built on the three core pillars: emphasis on profitable segments, becoming a regional business player and industry vertical expertise. As we drive this transformation, we remain committed to growing our travel portfolio while strengthening our motor and other insurance segments through our ongoing efforts to elevate our presence across the regional travel ecosystem, broaden our range of insurance and ancillary products, and enhance other profitable business segments.

## HOW KIM LIAN

Group Chief Executive Officer

### OVERVIEW

In 2024, Tune Protect navigated a business landscape shaped by the global travel recovery, operational challenges and competitive pressures. It was a year that saw us recalibrating our business priorities and implementing new strategies in place to strengthen our value creation abilities.

In recognising the need to strengthen our core, we shifted our focus back to our travel insurance portfolio, emphasising innovation in travel and profitable growth across global markets. At the same time, we enhanced our operational efficiency by improving cost controls and claims management.

Key initiatives, such as being involved in enhancing the User Interface (UI) and User Experience (UX) of our airline direct channels to provide a more seamless and engaging booking process, activation of travel agents for our key airline partners and the introduction of customer-focused offerings like the Delay Lounge Pass and Travel Gadget, supported a strong recovery in our travel insurance segment. Despite challenges, including exchange rate volatility and one-off large claims in the first half of the year, we saw encouraging progress in the second half of 2024, with 6.8% growth in travel gross written premiums compared to the second half of 2023.

# Group CEO's Message

## TUNE PROTECT'S RECALIBRATION

In the first half of 2024, we deep dived into how we could rejuvenate our entire operations and determined the most appropriate and sustainable strategies to uplift our financial performance. This included re-setting our business direction and optimising costs. Faced with slower growth in key segments and gaps across operations, we initiated targeted intervention plans to address immediate challenges and reposition the business for future success. These interventions were guided by four focused measures:

### Activation of our key airline partners' travel agents and increasing take up rate:

Our analysis revealed that the growing use of the travel agents of our airline partners was impacting our take-up rate. To address this, we implemented several quick wins for our direct channel, including price optimisation for select markets and the introduction of new products to better meet market needs. Additionally, we enhanced our airline partners' travel agents by bundling travel with tour packages and making product improvements. This allows our partners' exclusive agents to offer a more competitive and attractive proposition in the market.

### Emphasising on bottom line KPIs:

Recognising the impact of loss-making segments on overall performance, we implemented bottom-line alignment and empowerment to re-activate the sales force. This shift emphasised sustainable, profitable growth over volume, including a deliberate decision to scale back top-line revenue in favour of healthier margins.



### Optimising Costs:

We acted swiftly to reduce, manage and optimise our costs, implementing cost efficiencies in our management expenses such as synergising marketing initiatives across distribution channels, and rationalising of IT services and subscriptions, leading to overall savings.

### Core System Migration:

We continued with critical technological upgrades through Project Hydro, an ongoing core system migration initiative in Malaysia, aimed at enhancing our operational scalability, speed to market and laying the groundwork for future innovation.

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# Group CEO's Message

## OUR STRATEGY MOVING FORWARD

In conjunction with the recalibration, we launched a new strategic direction in 2024 designed to position Tune Protect as a specialised, globally competitive player. This agenda centres around three key pillars:

# 1

### Emphasis on Profitable Segment

We aim to balance profitability and topline growth by focusing on high-return, niche portfolios such as Travel and Personal Accident. This disciplined approach will enable us to pursue sustainable financial performance over aggressive expansion. To support this, we are enhancing cost and operational efficiency by centralising back-end and support functions across the Group. This function-focused integration allows us to share best practices, realise economies of scale and optimise resource allocation, which will form the foundation of a more agile and connected Tune Protect. We are also re-evaluating initiatives based on Return on Investment (ROI) criteria, placing greater emphasis on initiatives with shorter ROI cycles and stronger financial impact. This sharpened focus on prioritisation and value creation ensures disciplined capital allocation and improved financial outcomes.

### Becoming a Regional Business Player

We are advancing our regional footprint by embedding insurance into diverse travel and lifestyle ecosystems. While Travel remains a core pillar, we are actively expanding into adjacent verticals by collaborating with regional partners such as online travel agencies, event organisers, concierge services, airport-experience providers and hotels. Our global network of 48 insurance partners across 31 markets is a powerful enabler. Through this network, we offer one-stop solutions that span technology, reinsurance and product design, allowing partners to seamlessly integrate insurance into their platforms. Customers benefit from a consistent experience across the insurance journey – from purchase to claims – underpinned by comprehensive and localised product offerings. These efforts support our broader ambition to deliver embedded, data-driven insurance offerings such as Delay Lounge Passes, auto check-in features and visa support services. In doing so, we are unlocking ancillary revenue streams while elevating our presence across the region.

# 2

# 3

### Industry Vertical Expertise

Building on our regional network and growing partnerships, we are intensifying our efforts within key verticals – namely Travel, Motor and Foreign Workers. Our integrated approach focuses on developing insurance and ancillary offerings tailored to the unique needs of these sectors, backed by customised pricing strategies and contractual frameworks that strengthen our value proposition. We are also moving beyond traditional insurance by offering complimentary services designed to enhance the customer journey and boost margin contribution. Ancillary products such as Delay Lounge Pass not only enrich the travel experience but also improve insurance conversion and create new sources of income for the Group. As we deepen our vertical expertise, we are scaling our regional capabilities to deliver embedded, contextual protection at critical customer touchpoints. This strategy positions Tune Protect as a comprehensive solutions provider that adds value not just through insurance, but through integrated offerings aligned with customer and partner needs.



Initial results from these strategic pillars are promising. By the second half of 2024, travel insurance uptake has rebounded strongly, aided by optimised product pricing and customer-centric innovations. Furthermore, our investments in digitalisation and market expansion are laying the groundwork for sustainable, long-term growth. Looking ahead, these pillars will continue to guide our efforts, ensuring Tune Protect evolves as a niche leader with a focus on profitability and excellence.

# Group CEO's Message

## CUSTOMER AND BRANDING EXCELLENCE

As we strengthen our leadership in the regional travel ecosystem, ensuring exceptional customer experience and brand recognition is equally vital. Our commitment to digital-first, customer-centric solutions has enabled us to maintain strong satisfaction ratings and industry-leading customer loyalty.

Our customer Net Promoter Score (NPS) remains in line with the global industry benchmark at +49% as of 2024, reinforcing our position as a preferred digital insurance provider. A 2024 survey identified our products as of value due to their affordability, ease of purchase and clarity in policy understanding.

Our dedication to enhancing customer experience was reaffirmed through industry accolades, including the CXP Best Customer Experience Awards 2024, recognising us as one of the 18 Businesses Shaping the Future of Customer Experience. In addition, we were also featured in the State of CX Malaysia 2024 Report, the country's first comprehensive customer experience benchmarking study conducted that placed us as one of Malaysia's Top 10 Brands for Customer Service Excellence.

In 2024, Tune Protect Group was also awarded the Malaysian Travel Insurance Award by iBanding, a recognition based on an extensive annual survey of Malaysian travellers. This ranking reflects direct customer feedback, our efforts to deliver relevant products and excellent customer service.



In 2024, we were recognised for our strong customer focus:

- One of the 18 Businesses Shaping the Future of Customer Experience
- Ranked among Malaysia's Top 10 for customer service
- Malaysian Travel Insurance Award by iBanding

## OUTLOOK

As we look ahead to 2025, we anticipate a year of both challenges and opportunities. The global travel industry is expected to continue its recovery, supported by pent-up demand and increasing connectivity. We remain bullish on global travel recovery but will mitigate risks like currency fluctuations through proactive hedging strategies. However, heightened competition and evolving customer expectations will require us to remain agile and innovative.

While 2024 focused on resetting our business direction and optimising costs, our strategic focus for 2025 will continue to emphasise the Group's ongoing efforts in leveraging the travel ecosystem in the region, the expansion of our travel insurance products and other profitable business segments, as well as focus on cost and claims management for motor. Additionally, we will deepen our collaborations with key partners, exploring new touchpoints across the broader travel ecosystem.

Operationally, we will maintain strict discipline in cost management and underwriting practices. By optimising our portfolio mix and enhancing claims management, particularly in the motor segment, we aim to align performance with industry benchmarks and further strengthen our profitability.

We are confident that our strategic initiatives, the team's dedication and our partners' support will drive sustainable growth and create enduring value for all stakeholders in the year ahead.

## ACKNOWLEDGEMENTS

I take this opportunity to thank all employees for their loyalty to the organisation. Your commitment and resilience continues to inspire me to be a progressive leader. I am also grateful for my management team who have done an outstanding job in ensuring we effectively execute our strategies, paving the way for continuous growth. The Board has played an instrumental role in giving us their sound counsel and foresight guiding us in achieving sustainable growth and creating value for our stakeholders.

I also warmly welcome Mr. Teoh Kek Pin as the Group Chief Financial Officer, and Ms. Sasivimol Choladda as the newly appointed Chief Executive Officer of Tune Protect Thailand, who joined us in July and August 2024, respectively.

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# Management Discussion & Analysis



FROM OUR LEADERSHIP



In 2024, Tune Protect recalibrated its business direction to strengthen fundamentals and reposition for sustainable growth. The year began with targeted interventions aimed at capturing untapped travel demand, enhancing profitability and cost optimisation. The Group reported a full-year PAT of RM2.7 million, fueled by a strong recovery in the second half of 2024, with increased insurance revenue driven by growth in Travel.

# Management Discussion & Analysis

## KEY HIGHLIGHTS

 <p><b>Total Assets</b></p> <p><b>RM1.3</b> billion</p>	 <p><b>Insurance Revenue</b></p> <p><b>RM389.2</b> million</p>	 <p><b>Profit After Tax</b></p> <p><b>RM2.7</b> million</p>	 <p><b>With a presence in</b></p> <p><b>31</b> markets and supported by</p> <p><b>48</b> underwriters*</p>
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\* Number of markets and underwriters as of 31 December 2024

## OVERVIEW

In 2024, Tune Protect recalibrated its business direction to address immediate challenges and reposition itself for sustainable growth. During the first half of the year, four targeted interventions were introduced. These included activating the indirect channel of our key airline partners to capture bookings occurring beyond the direct platforms, supported by price optimisation and new product offerings. A sharper focus on bottom-line key performance indicators was adopted, which saw a deliberate shift away from loss-making segments and volume-based growth in favour of profitability.

Cost optimisation formed another core area of intervention, with swift measures taken to reduce and manage operating expenses. In parallel, we initiated a core system migration in Malaysia. This investment in technology is expected to support future scalability and strengthen operational infrastructure for business expansion.

With the groundwork laid, the second half of the year marked a shift toward execution, anchored by three strategic pillars. We focused on profitable growth by targeting niche, high-margin segments such as Travel and Personal Accident ("PA") while improving returns through tighter initiative prioritisation and centralised backend functions. At the same time, efforts were accelerated to embed Tune Protect more deeply within the broader regional travel ecosystem through collaborations with players in tourism, events and hospitality, events and tourism, extending our reach in insurance and beyond.

We also continued to build on our existing strengths, particularly on our wide network of insurance partners spanning 31 markets. With this regional footprint, we are well-positioned to attract new partners by offering bundled technology and reinsurance services. By supporting distribution partners in embedding

relevant protection across the customer journey, we aim to reinforce our competitive position while scaling access to growth opportunities.

## FINANCIAL PERFORMANCE

Tune Protect achieved a commendable recovery in 2024, marked by a clear turnaround in financial performance. The Group posted a Loss After Tax (LAT) of RM14.0 million in the first half but rebounded strongly with a Profit After Tax ("PAT") of RM16.7 million in the second half, resulting in a full-year PAT of RM2.7 million. This recovery was underpinned by higher insurance revenue supported by growth in Travel, leading to a positive net insurance service result of RM3.0 million. Additionally, the Group recorded RM30.0 million in investment income, which helped offset market challenges and the negative contribution from Tune Protect Thailand ("TPT") due to claims-related impairment losses.

Profit Before Tax (PBT) for the year was impacted by several one-off events. These included four large fire claims which was an unusual occurrence in terms of frequency compared to previous years. In addition, there were impairment losses on intangible assets from Tune Protect Ventures (TPV) in the second quarter of 2024, following the run-off of its digital life insurance sandbox. Furthermore, TPT registered an impairment losses related to claims recovery in a PA account, that was fully provided for in the second quarter of 2024.

The Group's combined ratio improved by 3.2 percentage points year-on-year to below 100%, reflecting higher insurance revenue, lower reinsurance premiums in line with the exit from the large commercial segment and better cost efficiency. This improvement was achieved despite elevated net incurred claims and expenses due to Fire and Motor segments.

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# Management Discussion & Analysis

On the investment front, we recorded RM30.0 million in income, a slight year-on-year decline attributed to ongoing global market volatility, a hawkish US Federal Reserve stance and uncertainties following the US presidential election. Nonetheless, we completed a portfolio rebalancing exercise during the quarter, shifting towards low-risk unit trust funds with significant exposure to Malaysian Government Securities and government-backed corporate bonds, in line with our prudent investment strategy to further strengthen our capital adequacy ratio in support of business expansion.

## FINANCIAL POSITION AND LIQUIDITY

As at 31 December 2024, total assets for the Group grew to RM1.3 billion, representing a 1.5% increase compared to 2023, driven by an increase in our investment portfolio whereas total liabilities stood at RM0.7 billion. Net assets per ordinary share attributable to owners of the parent, as at 31 December 2024 was RM0.7, remaining unchanged compared to last year, partially due to the net profit generated during the year. The Group maintained zero gearing in 2024 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 2024.

## 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. There was no dividend distributed in 2024 as the Company's priority was to direct our funds toward investments for growth. In doing so, we were able to focus on targeted intervention plans to address immediate challenges and reposition the business for future success.

## NAVIGATING THE POST-PANDEMIC SHIFT

Recognising a post-pandemic shift in booking behaviour toward indirect airline channels, we initiated targeted actions to improve take-up across both direct and indirect channels. For the direct channel, pricing optimisation and new product introductions were implemented to boost conversion. We have been enhancing the User Interface (UI) and User Experience (UX) of our direct online channel to provide a more seamless and engaging booking process. This enhancement focuses on clearly showcasing the cost savings travellers can enjoy when purchasing bundled ancillary services, including insurance. To meet evolving market needs, we have also introduced Gadget Protection on our airline direct channels for travellers purchasing domestic flight tickets within Malaysia. To activate indirect channels, we deepened engagement with exclusive distribution partners, including travel agents and Online Travel Agencies ("OTAs"), by enabling bundled offerings that enhance agent margins and competitiveness.

## OUR STRATEGY MOVING FORWARD

Tune Protect's new strategic agenda, launched in 2024, aims to position the Group as a specialised, globally competitive player through three key pillars. First, we focus on profitable segments by targeting niche, high-margin segments like Travel and PA insurance while improving cost efficiency and prioritising initiatives with quicker Return on Investment (ROI). Second, we seek to be the regional insurance player by leveraging partnerships with travel service providers to build a data-driven insurance model, enhancing customer experience and generating new revenue streams. Lastly, we drive regional expertise with industry verticals expertise strengthening partnerships and enhancing embedded insurance solutions to provide relevant protection at key customer touchpoints.

## TRAVEL INSURANCE PORTFOLIO

Travel insurance remained a key growth pillar for Tune Protect in 2024, underpinned by a focused three-pronged strategy: expanding market presence and distribution, developing a Travel Centre of Excellence and expanding beyond insurance with ancillary services. We made meaningful progress across all three areas during the year.

# Management Discussion & Analysis

## 1 Expanding Market Presence and Distribution

We expanded our inbound travel offerings to ten new markets, including Australia, Japan, South Korea, Saudi Arabia and Taiwan. Offline sales channels were further strengthened through deeper engagement with travel agents, particularly in Malaysia, where they contributed approximately 20% to the business portfolio of AirAsia, our key airline partner. Digital distribution was also widened with the onboarding of four new OTAs with three in Thailand and one in Indonesia, four new online brokers in Thailand and a credit card travel protection partnership launched in Thailand.

On the local front, BigPay TravelEasy was launched in January 2024 as a comprehensive travel insurance plan available directly through the BigPay app. Designed to make travel insurance more accessible, convenient and affordable, the product targets BigPay's growing base of over 1.5 million registered users. This initiative was made possible through our partnership with BigPay, aligning with our goal to embed insurance seamlessly into everyday digital platforms and promote greater awareness of travel protection.

We also introduced Tune Protect Travel Gadget, offered through the direct airline channel to improve take-up in the Malaysian market. This plan allows one claim per policy during the insurance period, covering up to RM2,000 for mobile phones, laptops, or tablets. It provides protection against accidental damage, including liquid damage, accidental screen cracks and gadget loss due to theft, as well as supplementary benefits such as accidental death and permanent disablement.

We also directed our focus to travel agents associated with the Malaysian Travel Agents Association (MATTA) that are mostly focused on outbound travel. As of end-2024, we had onboarded 207 travel agents onto our B2B platform. Initiatives included sales campaigns aligned with peak travel seasons, product enhancements such as higher age limits and adventure coverage and joint marketing at the

MATTA Fair to raise awareness about Tune Protect. Additional efforts were also made to promote inbound and domestic travel through bundled plans with travel agents.

On a global scale, we have also participated in the annual Arabian Travel Market in Dubai and the South Asia's Travel & Tourism Exchange (SATTE), one of India's largest travel and tourism fairs in New Delhi, to showcase our technological capabilities, explore new areas of partnership and provide solutions for the use of travel agents, to be offered to their customers. The key offering during these events is the travel B2B portal which can be subscribed to by travel agents for ease of transacting travel products and value-added services for their customers. The unique selling proposition of this B2B portal is that it houses a variety of travel insurance products for multiple markets in the Middle East, Africa and India, as well as travel related services such as baggage tracking, airport transfers, flight delay monitoring and notification, concierge services and car rentals, among others.

We were also in China at the Guangzhou International Travel Fair to exhibit and generate public awareness about Tune Protect in the China travel market. Though the number of outbound tourists from China has yet to reach pre-pandemic levels, the addressable population alone provides strong justification for us to start introducing Tune Protect and what we have to offer in that part of the world.



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# Management Discussion & Analysis

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## Developing a Travel Centre of Excellence

To enhance customer conversion on airline platforms, several user interface improvements were introduced, such as pre-ticked insurance options for selected markets, a stronger focus on premium plans and the of ancillaries to highlight value savings.

We have also launched the One Claim feature on the Tune Protect mobile application across eight countries in Malaysia, Indonesia, Brunei, Hong Kong, Singapore, Thailand, Vietnam and the Philippines. This has streamlined the claims experience for policyholders and opened new opportunities for product cross-selling, particularly in the Malaysian market through Tune Protect Malaysia offerings. The One Claim feature allows customers to view policies, file and track claims and access emergency support, all from their mobile devices. Going forward, we plan to implement multi-language options in 2025, improving accessibility for our users by allowing them to navigate our app in their preferred language.

A key aspect of the One Claim Harmonisation Plan aligns with the Tune Protect One Growth Strategy, which will include the One Buy customer portal for us to cross-sell our travel, ancillary and other general insurance products such as Motor. The idea behind our One Growth strategy is to streamline the insurance customer journey for a superior customer experience where Tune Protect becomes the one-stop digital platform to meet the needs of our customers from purchase right up to claims. This is also in line with our strategy to further propel our business growth as we are looking at capturing customers beyond Malaysian shores as plans are in place to expand our reach to countries within Europe, the Middle East, India and Africa (EMEIA), Australia and North Asia, as well as other countries that sell travel insurance in partnership with Tune Protect Re (TPR).

We also revamped the Group's website into a unified platform to showcase our regional coverage and strategically broaden our presence by inviting more regional entities to partner with us. As part of this enhancement, we introduced an interactive map feature on our website **tuneprotect.com**, allowing users to explore our regional footprint.

By hovering over the map, users can seamlessly redirected to the respective country's website. In June 2024, Tune Protect partnered with a leading low-cost carrier in the Middle East and North Africa, to launch "Cancel for Any Reason" protection. This innovative solution is specifically designed for Air Arabia passengers, empowers travellers with the flexibility to cancel their trips for any reason up to 24 hours before departure and receive a reimbursement. This customised insurance solution meets the unique needs of Air Arabia to enhance the passenger experience, build greater customer loyalty and drive revenue growth.

Building on our experience with Air Arabia, we introduced TravelFlex Lite for customers who purchase the Value Pack, Premium Flex and Premium Flatbed on the AirAsia booking platform for AirAsia flights departing Malaysia, Thailand, Indonesia and Vietnam. TravelFlex Lite is a flexible cancellation benefit where the flight tickets will be reimbursed in the event of natural disaster or epidemic at the country of arrival, or involuntary termination or lay off from the current employment, among others.



# Management Discussion & Analysis

Later in November 2024, Tune Protect launched the Travel Easy Instant Travel Claims feature via the Tune Protect mobile app. This feature simplifies the claims process, offering travellers a fully digital and hassle-free experience with instant payouts via DuitNow upon claim approval. Travel Easy is a travel insurance product which provides coverage for flights across all airlines. The Instant Travel Claims Payout feature is the latest innovation that is introduced to expedite the claims process, particularly for the Travel Delay benefit. By eliminating unnecessary documentation such as travel itineraries and delay confirmations, the claims submission process is also completely paperless and fully digital. Travellers can submit claims via the app, and if they opt for the DuitNow payment method, payouts are processed on the day of approval, providing instant reimbursement.

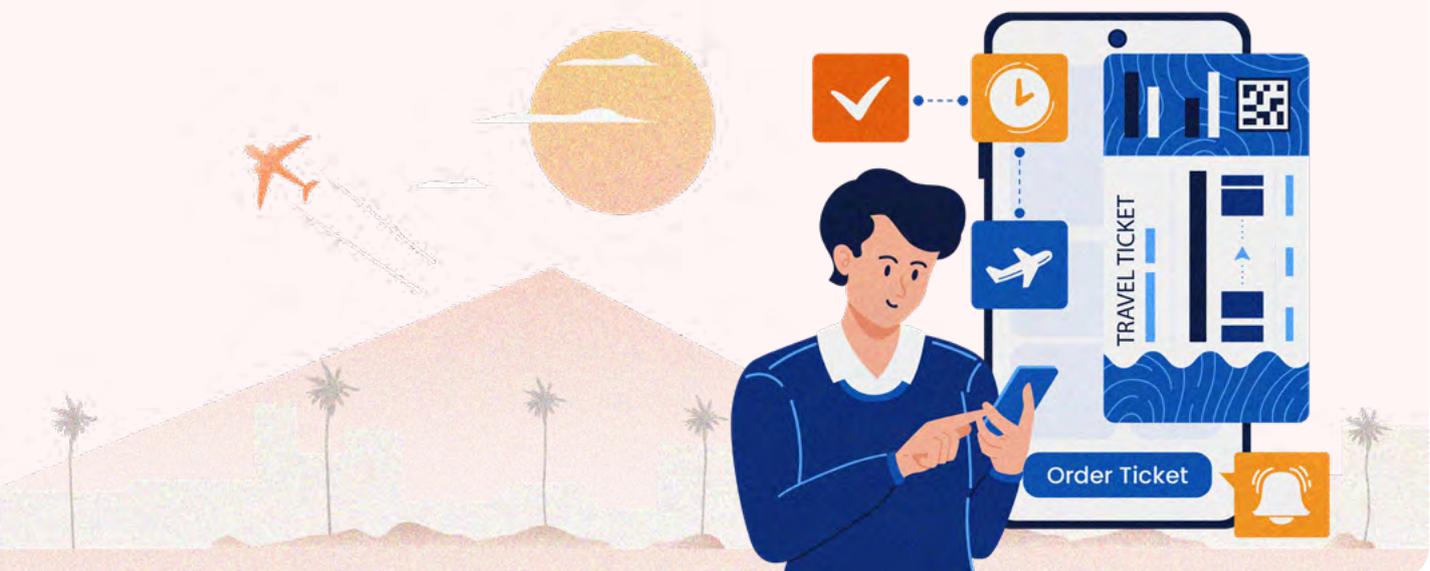
We have also introduced a new Cashless Hospital Admission feature in the AirAsia Travel Comprehensive Travel PLUS Plan, which allows travellers to be admitted and receive treatment in hospitals overseas without any upfront payment. The enhanced travel insurance was launched for AirAsia flights departing from Malaysia, Indonesia, Thailand, Singapore and Vietnam. This new feature comes at no extra cost and travellers departing from these countries can purchase the insurance

plan through all AirAsia online and offline booking platforms. The Cashless Hospital Admission Service does not impact the insurance premium, or any other benefits and sum limits stated in the policy.

Very recently in February 2025, we launched Ticket Protect, an insurance solution that offers a 100% refund on concert ticket price if fans are unable to attend the concert due to unforeseen circumstances, such as medical emergencies, travel disruptions, or other unexpected events with GoLive Asia. On a similar note, we also launched Ticket Refund insurance which offers a 100% refund on event tickets, and Sports PA insurance for eventgoers who participate in any of the sporting events sold on the Ticket2U ticketing platform. All the event insurance solutions are embedded seamlessly along the customer journey in the partners' ticketing platforms for customers to add on with just one click.

With government initiatives such as the Concert and Events Malaysia Incentive (CEMI) positioning the country as a global events destination, we recognise the need for forward-thinking solutions that not only support eventgoers but also strengthen Malaysia's appeal on the international platform.

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# Management Discussion & Analysis

## 3 Expanding Beyond Insurance with Ancillary Services

We expanded our ancillary offerings through the rollout of Delay Lounge Pass services across most Asian markets. This service provides airport lounge access for customers experiencing flight delays of more than two hours and is offered exclusively through either one of the AirAsia Travel Insurance plans. Customers will automatically receive a delay notification along with a digital lounge access voucher upon arrival at the airport if their flight is affected. The voucher can be used immediately. However, if customers choose not to use it right away, it remains valid for one-time use within 30 days from the issuance date at over 1,600 airport lounges in AirAsia's global network.

On the other hand, we introduce Flight Watcher, Automated Check-in, Mobile Pass Issuance and Automated Rebooking offered via travel agencies in the EMEIA region by partnering with our travel technology partner. Flight Watcher is a service that offers flight monitoring and notifications, ensuring travellers are informed of any updates

related to their flights, whilst Automated Check-in and Mobile Pass Issuance offers a streamlined check-in process including mobile boarding passes, and Automated Rebooking facilitates automated rebooking in the event of disruptions, enabling travellers to swiftly make alternative flight arrangements.

Additionally, we introduced the innovative Trace My Bag service, designed to assist travellers in locating and expediting the return of mishandled baggage during their journey, in collaboration with an affinity services provider. This service is distributed via our B2B digital platform to a wide network of OTAs across the Middle East.



## MOTOR INSURANCE PORTFOLIO

Tune Protect remained focused on strengthening the Motor insurance portfolio through a disciplined approach centred on pricing optimisation, portfolio mix improvement and claims management. These measures are aimed at aligning the Motor claims ratio with industry benchmarks while preserving profitability across targeted segments.

### 1 Portfolio Mix Improvement



We continued to rebalance our Motor portfolio in favour of low-risk, higher-value segments. The mid-to-high sum insured segment grew to 48.7% in fourth quarter of 2024, up from 42.3% in the previous quarter, while the motorcycle segment increased to 17.0% from 13.7%. Additionally, the PA attachment rate for Motor improved year-on-year from 32.1% to 35.7%, with point-of-sale attachment increasing from 45.2% to 54.2%.



### 2 Pricing Optimisation

In July 2024, we implemented premium repricing under Phase 2A, which led to an increase in average premiums for Private Car Comprehensive and Third Party, Fire and Theft (TPFT) policies. This adjustment helped improve segment profitability in a more liberalised pricing environment.

# Management Discussion & Analysis

3

## Claims Management Efficiency

The claims registration process was further enhanced to ensure proactive handling of third-party property damage (TPPD) claims. The review procedures for existing claim files were also refined to improve accuracy and operational efficiency. As a result, the Group recorded a 5% year-on-year improvement in the Motor loss ratio in fourth quarter of 2024.



## OTHER INSURANCE PORTFOLIO

We have discontinued low-retention business segments, particularly those involving large and specialist risks. Aligned with our strategic focus of growing more profitable segments of the business, our agency channel prioritised the expansion of our other insurance portfolio, including Foreign Worker insurance, Fire insurance and PA coverage. As part of our product offerings, we introduced TermiteShield, designed to protect homeowners from the financial impact of termite-related property damage. This product complements Rentokil's residential termite treatment services. Additionally, in 2024, we launched Dental Shield, a specialised dental healthcare plan available in Gold and Platinum tiers. This policy offers comprehensive coverage for various dental treatments, catering to both adults (18 years and above) and minors (below 18 years old).

## OUTLOOK AND PROSPECTS

Our strategic direction continues to be guided by leveraging the travel ecosystem in the region, expanding our travel insurance and ancillary products and other profitable business segments through regional partnerships, while focusing on cost and claims efficiency for motor.

In 2025, the Group will continue expanding its presence in indirect airline channels across key markets including Thailand, China, EMEIA and others. The successful offline agency model deployed in Malaysia will be replicated in these new territories. Strategic partnerships will also be broadened to include travel agencies, cruise operators, event organisers, ticketing platforms and hotel chains, deepening the Group's reach within the broader travel ecosystem.

We will also continue to expand the One Claim ecosystem further by rolling out the platform to the EMEIA region, Australia and North Asia, and introducing a web-based version for key ASEAN markets. With this, we aim to unify the customer journey across regions while establishing a single marketplace that supports cross-border upselling and cross-selling.

Further enhancements are planned for the Travel Centre of Excellence, including more customer interfacing improvements and benefit expansion across airline platforms to raise take-up rates. Ancillary service offerings will be expanded with the rollout of Delay Lounge Pass services into new markets and additional product formats. The Group also aims to launch new value-added features such as eSIMs and baggage tracker.

In 2025, the Group will continue refining the Motor portfolio by increasing exposure to lower-risk, higher-margin segments, while being more selective by region to improve portfolio quality. We will also explore opportunities within the franchise channel and grow our motorcycle insurance business, particularly through our collaboration with Pos Malaysia. To further enhance average premium and profitability, we aim to drive cross-selling of PA coverage alongside motor policies. Enhancements to the claims management framework will remain a priority, with further automation expected to reduce processing time and improve overall loss ratios.

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# Sustainability Statement

FROM OUR LEADERSHIP



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.

Since 2017, we have remained mindful of how our decisions and actions affect the people we serve and the communities around us. As responsible corporate citizens, we remain committed to the Triple Bottom Line, looking beyond mere financial success to align our sustainability efforts with three core dimensions: People, Planet, and Profits.

The Tune Protect Group Sustainability Framework is built on four foundational pillars: Our Governance, Our Business, Our Environment, and Our People & Community. These pillars reinforce the alignment between our Environmental, Social, and Governance (“ESG”) commitments and business strategy, supporting long-term sustainable growth. Guided by our sustainability tagline, “In Tune for a Better Tomorrow”, we continue driving our sustainability journey with a clear purpose.

Through these four pillars, we focus on addressing key priorities shaped by stakeholder insights and evolving environmental challenges, while remaining steadfast in our values and aspirations. To ensure continuous progress in our sustainability performance, our Sustainability Committee (“SuCom”) conducts an annual review of material topics. This review assesses their ongoing relevance and determines whether any adjustments, such as additions or removals, are necessary.

# Sustainability Statement

## SUSTAINABILITY PILLARS

Aligning with the United Nations Sustainable Development Goals

### Primary Alignment



### Secondary Alignment



### OUR GOVERNANCE

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

- ✓ Improved our **FTSE4Good ESG score** from 3.6 to 3.8
- ✓ Introduced **Annual Integrity Month Campaign (AIM)**
- ✓ Won **National Corporate Governance and Sustainability Awards (NACGSA)** and ranked 38th out of 854 Public Listed Companies

### OUR BUSINESS

- Customer Centricity
- Digital Innovations
- Responsible Business Practices

- ✓ Won **Customer Experience Excellence Award** and **CXP Best Customer Experience Award**
- ✓ Introduced **One Claim Harmonisation Plan**
- ✓ Winner for **Malaysian Travel Insurance Award**

### OUR ENVIRONMENT

- Climate Change
- Resource Management

- ✓ **Zero Coal** in our underwriting portfolio since August 2023
- ✓ Established **Net Zero Roadmap** for Scope 1 & 2 by 2050
- ✓ Relunched our **recycling activity**, diverting **4 kg of waste** from landfill into recyclables.

### OUR PEOPLE & COMMUNITY

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

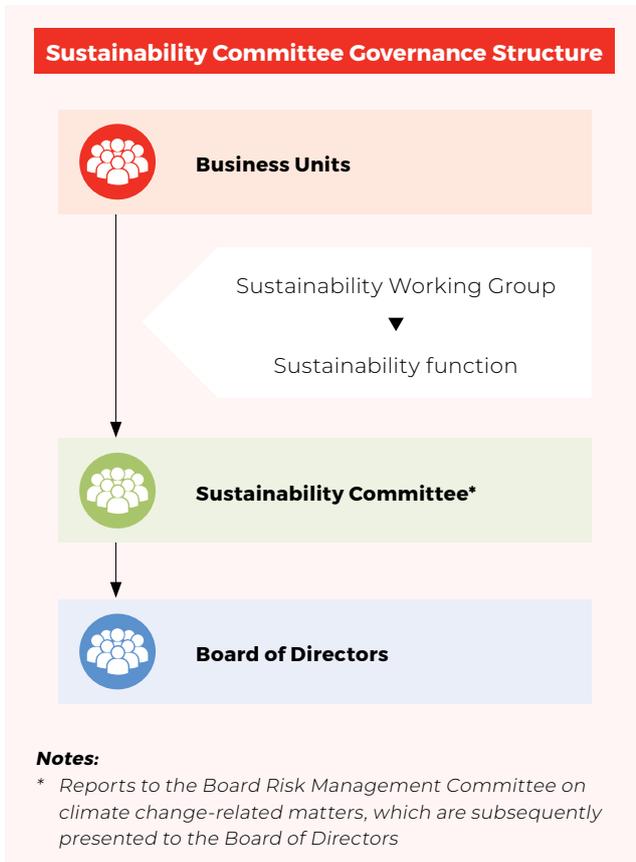
- ✓ Women represent **58.9%** of our total workforce
- ✓ Achieved **7,299 hours** of Corporate Goods from 2022 to 2024, surpassing our target of **6,000 hours**

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# Sustainability Statement

FROM OUR LEADERSHIP

## SUSTAINABILITY GOVERNANCE



As Tune Protect's highest governance body, the Board of Directors ("Board") provides strategic guidance and oversight to management, ensuring the Group fulfils its fiduciary responsibilities to shareholders. Additionally, the Board monitors the Group's sustainability strategy, priorities and targets, reviewing sustainability-related matters and key disclosures. In line with the business strategy and sustainability objectives, the Board ensures that internal and external stakeholders remain well-informed about the Company's sustainability direction, priorities and key performance indicators. The Board is also responsible for embedding sustainability considerations into the Group's strategy and operations.

Overall accountability for sustainability is entrusted to the Board, while at the management-level, Sustainability Committee ("SuCom"), leads the strategic oversight and governance of key sustainability matters in support of the Board.

Established in 2017 to lead and oversee sustainability-related initiatives across the Group, SuCom comprises selected senior management members and is chaired

by a management-appointed leader, serving a term of up to five years.

To reinforce our commitment to sustainability, the Group proactively identifies and manages key ESG risks and opportunities, integrating best practices throughout its business operations.

In addition, a comprehensive materiality assessment is conducted every two years to facilitate the effective management of sustainability issues in alignment with identified material topics. SuCom convenes every two months and submits quarterly reports to the Board. SuCom also provides bi-monthly updates on climate-related developments to the Risk Management Committee ("RMC"), which are subsequently reported 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 functioning as a project management office that collaborates with various internal stakeholders to drive and fulfill commitments.
- Serving as the primary liaison for external stakeholders, including analysts, investors and the media, providing insights into the Group's long-term strategic direction and commitments.
- Providing SuCom with timely updates on the Group's sustainability progress and presenting relevant proposals for consideration.
- Continuously monitoring ESG progress and regulatory requirements, staying informed of the latest developments and providing regular updates while seeking guidance from the committee when necessary.

The Group's SWG is a cross-functional working group that supports the Sustainability function in overseeing and driving sustainability initiatives across the Group. Comprising representatives from various business and functional units, SWG ensures the accuracy and transparency of sustainability disclosures while facilitating the execution of related initiatives.

# Our Governance

## Governance

### ALIGNING WITH THE UN SDGS



### MAPPING TO OUR CAPITALS



### SUSTAINABILITY MATERIAL MATTERS



Corporate Governance, Ethics and Risk Management



Data Governance, Privacy and Cybersecurity

### WHY IT MATTERS

- To comply with the Financial Services Act 2013, Companies Act 2016 and all relevant regulations, including BNM policy documents and Bursa Malaysia's Main Market Listing Requirements ("MMLR"), ensuring our continued licensing for insurance, reinsurance and related services
- To uphold the confidence of our stakeholders 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 strengthen ethical business conduct across the Group, prioritising transparency and integrity, while acting as responsible stewards of shareholders' capital



## CORPORATE GOVERNANCE, ETHICS AND RISK MANAGEMENT



At Tune Protect, we remain committed to ethical business practices, recognising that transparency, integrity and accountability are fundamental to maintaining trust and safeguarding our reputation. Any lapse in these standards carries significant financial and reputational risks, which is why we remain resolute in fostering a culture of honesty and responsibility. We expect the highest ethical conduct from our workforce and partners both current and potential. By prioritising ethical decision-making at every level, we reinforce stakeholder confidence and ensure the long-term sustainability of our business.

### OUR APPROACH

#### Upholding Ethical Business Practices

Ethical business practices are at the heart of Tune Protect's operations, reinforced by a strong framework that upholds 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 ("WB Policy")

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# Our Governance

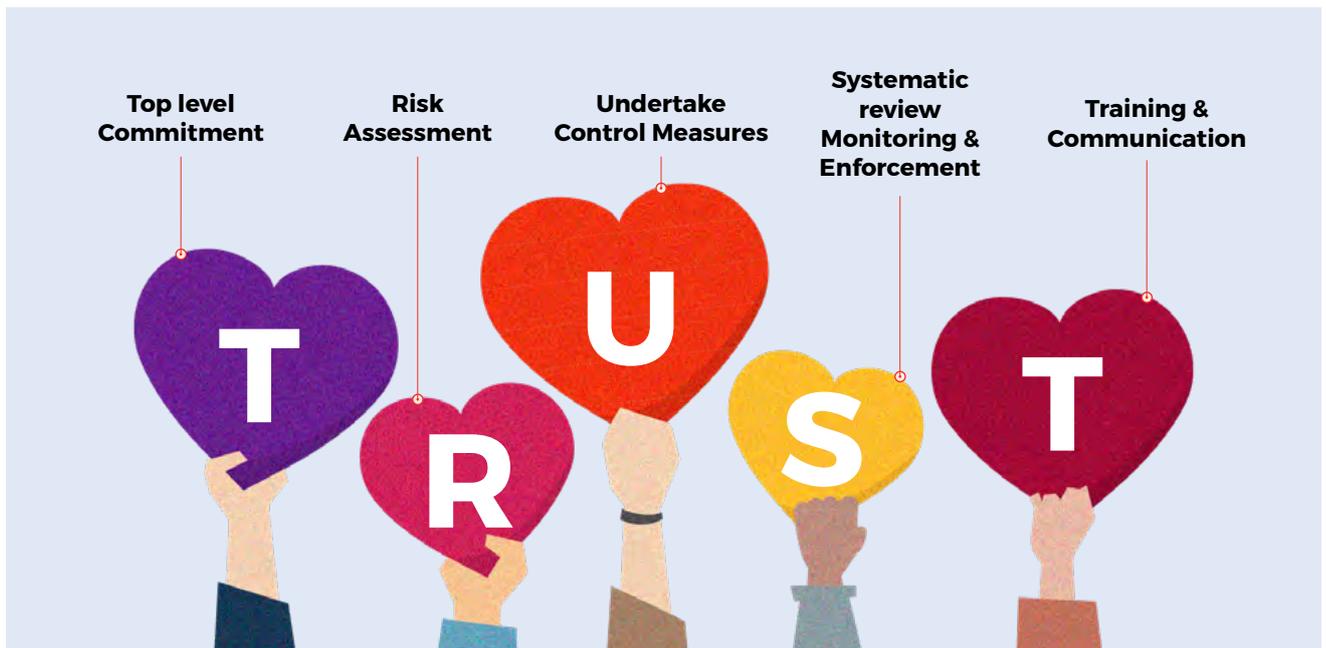
## Anti-Bribery and Corruption System

The Group upholds a firm commitment to ethical business conduct, maintaining a zero-tolerance approach towards bribery, corruption, fraud, money laundering and abuse of power. In strict compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009"), the UN Convention against Corruption ("UNCAC") and other relevant laws, we embed integrity at every level of our operations.

Our CoC, available in English and Thai, serves as the cornerstone of our ethical framework reinforcing our Anti-Bribery and Corruption ("ABC") initiatives. Complementing this, our ABC Policy and System focus on prevention, detection, monitoring and response, providing clear guidelines on gifts, hospitality, donations and political contributions.

To uphold transparency, our "No Gift Policy" restricts the exchange of gifts and prizes exceeding RM300, with very limited exceptions with strict control and requiring formal declarations. Limited allowances are made for gifts in specific personal circumstances such as births, hospitalisation and bereavements as well as designated corporate events like official lucky draws and branding-related giveaways.

Further strengthening our governance, we mandate Annual Conflict of Interest Declarations & Pledge (COII) for all directors and employees, aligning with the T.R.U.S.T. Principles of Adequate Procedures and the MACC (Amendment) Act 2018. Through these measures, we ensure a robust framework that fosters accountability and ethical decision-making across our organisation.



To ensure robust oversight, we provide direct reports to Bank Negara Malaysia ("BNM") on our Risk Management and Regulatory Compliance across all operations. Additionally, our internal Standard Operating Procedures ("SOPs") mandate that each business and support unit self-reports on the Risk Register and submits a Regulatory Compliance declaration form on a quarterly basis. This process reinforces our commitment to maintaining high standards of compliance and risk management.

# Our Governance

## Whistleblowing and Grievance Mechanisms

The Group upholds a firm commitment to ethical business conduct, maintaining a zero-tolerance approach towards bribery, corruption, fraud, money laundering and abuse of power. In strict compliance with Section 17A of the MACC Act 2009, the UNCAC and other relevant laws, we embed integrity at every level of our operations.



Tune Protect Group Whistleblowing email address: [whistleblowing@tuneprotect.com](mailto:whistleblowing@tuneprotect.com)

All reports are forwarded directly to the RMC Chairman, who will determine whether the Whistleblowing Investigation Team ("WBIT") should proceed with further action. The system also simultaneously notifies the WBIT.

The WBIT oversees all whistleblowing investigations, ensuring that concerns are addressed with accuracy and efficiency. The team is composed of the Chief Risk and Compliance Officer, and the Integrity Lead, who is a Certified Integrity Officer ("CeIO"), works together to verify the information disclosed and take prompt action.

The WBIT reports directly to the RMC Chairman, who is a Board-appointed member. This structure helps manage potential conflicts of interest and maintain confidentiality throughout the process. If a conflict is identified, the RMC chair will invite a suitable replacement to join the WBIT temporarily to ensure impartiality.

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### Enhancement to WB Policy

In 2023, we introduced several enhancements to the WB Policy to strengthen governance and transparency. The enhancements are:

- The establishment of the Whistleblowing Committee (WBC), which will convene on an ad hoc basis if a Whistleblowing Complaint is made against a member of the Board of Directors, the RMC, or the Executive Committee ("ExCom")
- The WBC comprises three members from both the Board of Directors and the ExCom respectively
- Additionally, the WBIT is led by a CeIO to ensure a thorough and impartial review process.

Apart from whistleblowing, employees have access to a grievance mechanism as an additional reporting channel for workplace concerns, ensuring a fair and transparent resolution process. The grievance mechanism is outlined in the CoC, which upholds the three pillars of respect.

The process for raising grievances follows similar steps to those outlined in the WB Policy, ensuring a fair and transparent approach. The CoC is also available on our corporate website at <https://www.tuneprotect.com/my/corporate/group/investor-relations/corporate-governance-group/>.

# Our Governance



FROM OUR LEADERSHIP

All new hires are introduced to both the Whistleblowing and grievance mechanisms during Integrity Training. Employees who wish to protect their identity can raise grievances through the WB Policy. All reported grievances and incidents will be reviewed by the WBIT. No repercussions or adverse actions will be taken against any employee making a complaint or report.

## OUR INITIATIVES

### Engaging Employees to Embed Ethics and Integrity

#### Compulsory Integrity Training for New Hires

We prioritise ensuring that our employees fully understand their responsibility in preventing unethical business conduct. To achieve this, People & Culture offer both face-to-face and virtual Induction Sessions for all newly hired employees, consultants, contractors, vendors and interns. As part of the onboarding journey, new hires are required to attend the Compulsory Integrity Training, which focuses on key areas including anti-bribery and corruption, fraud, money laundering, conflict of interest, abuse of power, misconduct, IT security and operational risk.

In 2024, 166 new joiners received the Integrity training during the induction sessions. Additionally, there is a process for incorporating feedback to strengthen anti-bribery and corruption measures. Any feedback that has been officially approved and endorsed by the Audit Committee of the Board of Directors will be applied as soon as practicable.

# Our Governance

In addition to raising awareness of our zero-tolerance policy through notices at all office entrances and employee computer screensavers, we also communicate our stance on anti-bribery and corruption through the following methods:

Third Parties	Employees	Board of Directors
<ul style="list-style-type: none"> <li>Code of Conduct for Third Parties</li> <li>ABC Policy</li> <li>No Gift Policy Communication.</li> <li>WB Policy</li> <li>Corporate Website</li> <li>Purchase Order Agreements</li> </ul>	<ul style="list-style-type: none"> <li>Annual Integrity Month (AIM)</li> <li>Governance Week</li> <li>Compulsory Integrity Training for new hires</li> <li>Anti-Bribery &amp; Corruption Forums and Talks</li> </ul>	<ul style="list-style-type: none"> <li>Top-Level Commitment Integrity Training for New Directors</li> <li>Annual Conflict of Interest Declaration &amp; Integrity Pledge</li> </ul>

As part of our commitment to strong governance, our Internal Audit performs an annual audit of the ABC System, covering seven vital functions, namely Integrity, Corporate Secretary, Compliance, Risk Management, IT, Finance and People & Culture, across all Malaysian entities pursuant to the Systematic Review, Monitoring and Assessment requirement in compliance with Prime Minister's Department Guidelines on Adequate Procedures pursuant to subsection (5) of Section 17A under the MACC Act 2009.

The 2024 audit involved a review of all operations, including all 15 branches, HQ and Tune Protect Re ("TPR") Labuan office, which is 100% of our operations. The results showed zero significant risks and zero reports of corruption during the year.



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

Throughout 2024, additional workshops and training sessions on ethical business practices were conducted, including the following:

## January 2024

- Anti-Bribery & Corruption Talk**  
 Conducted by MACC during the 2024 Agency Channel Kick-off in Port Dickson. 63 personnel attended, including the Chief Agency Officer, Regional Managers, Branch Managers and Marketing Officers
- No Gift Policy Reminder**  
 Integrity launched a new screen saver reminding personnel to reject disguised bribes and to seek guidance from Integrity when in doubt
- Integrity Training for New Hires**  
 A mandatory training session covering essential topics such as anti-bribery, fraud prevention, and IT security. This session is conducted year-round as part of ongoing training for new employees



## February 2024

- Certified Integrity Officer Accreditation**  
 The Integrity Lead was officially accredited as a CeIO by the Chief Commissioner of the Malaysian Anti-Corruption Commission Y. Bhg. Tan Sri Dato' Sri Azam Baki, on behalf of the Malaysian Anti-Corruption Academy
- National Anti-Corruption Summit 2024**  
 Integrity Lead attended the summit, gaining insights to apply to Tune Protect's policies
- Ongoing Enhanced Due Diligence Support**  
 Continuously addressed queries and provided clarifications regarding the ABC Policy, WB Policy, Conflict of Interest and the CoBC



# Our Governance

## March, April, May 2024

- **Integrity Training for New Hires**  
A compulsory training session that covers key topics such as anti-bribery, fraud and IT security. Conducted as part of the ongoing training for new hires throughout the year

## June 2024

- **Integrity Training for Tune Protect EMEA ("TPEMEA")**  
Conducted virtually for TPEMEA, focusing on global compliance standards
- **Updated Code of Business Conduct**  
The refreshed Code included a dedicated section on the Commitment to Fair Treatment of Financial Consumers in line with BNM's Policy Document
- **Updated Integrity Documents**  
Published the updated ABC Policy and WB Policy to local business partner and departments for onward transmission to third party business partners.

## July 2024

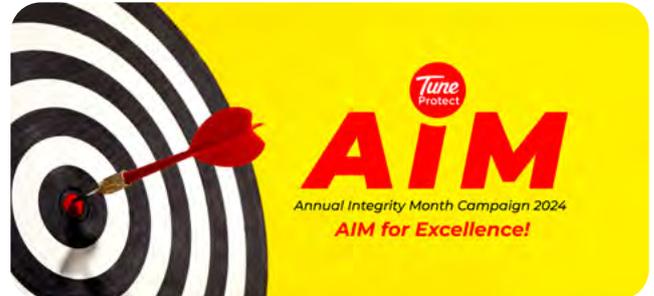
- **Integrity Training for New Hires**  
Continued the roll out of compulsory training sessions for new hires, including core topics on compliance, fraud and conflict of interest.

## August 2024



- **CoC for Personnel**  
Published an updated version of the CoC with a focus on Commitment to Fair Treatment of Financial Consumers
- **Collaboration with Tune Protect Thailand ("TPT")**  
Worked together to update and translate the CoC into Thai, approved by the Thailand Board of Directors
- **No Gift Policy Reminder**  
Sent out bi-annual reminders to personnel ahead of key festive seasons to reinforce the No Gift Policy and to remind third-party business partners against offering gifts

## September 2024



- **Annual Integrity Month (AIM 2024)**  
Launched the online training covering the CoC, Anti-Bribery, Whistleblowing and Conflict of Interest, achieving a 100% completion rate. Team TPR emerged as the Champion Team for being the first to complete the online training

## October 2024

- **Governance Week 2024**  
Launched by the Chief Risk and Compliance Officer, the event had eight presentations on key governance topics, quizzes and a Deepavali-themed Kolam Competition that celebrated respect in our workplace, including diversity and inclusion.

## November 2024

- **Directors' Conflict of Interest Declaration & Integrity Pledge (COII 2024)**  
Achieved 100% completion rate with all directors submitting their declarations and pledges
- **Integrity Training for Agents**  
Collaborated with Distribution Channel Support to develop and release Integrity Training for agents, incorporating MACC's training materials

## December 2024

- **Whistleblowing Policy Translation**  
Translated the WB Policy into Thai for TPT
- **Integrity Training for TPT CEO & Team**  
Conducted training for the new TPT CEO and her team, covering key areas such as the CoC, Anti-Bribery and IT security
- **Integrity Training for New Hires**  
Integrity conducted the final training of 2024 that stressed that the Group has zero tolerance against bribery and corruption

# Our Governance



## The Group's Governance Week "Be Proper to Prosper"

Governance Week 2024, held in October, successfully embraced the theme "Be Proper to Prosper" underscoring the critical role of governance in fostering organisational growth and success. The event featured a variety of engaging activities aimed at enhancing employee awareness and understanding of key governance concepts. The Chief Risk and Compliance Officer kicked-off the event with a presentation on BNM's

control measures ensuring compliance and introduced the 'Three Lines of Defense' screensaver for company laptops.

One of the highlights was the Plants vs Gombies interactive quiz, which captured participants attention and made learning about Risk, Compliance, Technology Risk, Anti-Bribery & Corruption, Internal Audit, Data Governance and Policy Governance both fun and memorable. This innovative approach encouraged active participation and reinforced these crucial topics in a lively and engaging format. The Plants vs Gombies theme was also used in the training sessions, blending entertainment with education.

Another significant event during Governance Week was the Deepavali Kolam Competition, a celebration of cultural diversity and inclusion. The competition, with participants from Tune Protect Group, saw judges from Tune Group Sdn Bhd, Capital A Berhad and Teleport Commerce Malaysia Sdn Bhd evaluating the artistic and cultural displays. This event not only fostered creativity but also highlighted the company's commitment to Diversity & Inclusion under the Respect In Our Workplace pillar of our CoC.

Overall, Governance Week provided an excellent platform for enhancing governance knowledge, while simultaneously reinforcing the organisation's values of inclusivity, cultural appreciation and good governance. It was a well-rounded initiative that combined education, fun and community-building.

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SECTION

### Percentage of employees received training on anti-corruption

Employee Category (%)	2022	2023	2024
Heads & Above	100	98.1	<b>100</b>
Managers	96.8	87.2	<b>100</b>
Executives	100	84.3	<b>100</b>
Non-Executives	100	87.5	<b>100</b>

### Percentage of operation assessed for corruption-related risks



**0** Confirmed incidents of corruption and action taken

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

As of 31 December 2024, 100% of employees have received anti-corruption training and we recorded zero incidents of corruption across our operations.

# Our Governance

## CoC Online Training Modules

To uphold our commitment to ensuring all employees align with our core principles, we require participation in our CoC Online Training Modules. We provide three distinct modules, each designed to meet the needs of different stakeholders. This module addresses critical topics, including our CoC, ABC Policy, WB Policy, Conflict of Interest guidelines and Information and Communications Technology protocols, among others.

Upon completion, participants will take part in an interactive assessment, featuring multiple-choice questions. To earn the e-Certificate of Completion, participants must achieve a minimum score of 80%, ensuring a solid understanding of our ethical standards and policies. This process supports a unified, compliant organisational culture.

In September 2024, the Annual CoC Month Campaign was rebranded to the Annual Integrity Month Campaign (AIM), launched with an expanded focus beyond just CoC online to cover a wider range of topics.

Launched in October 2024, AIM leveraged the Go! platform to facilitate online training modules, with employees required to complete the CoC training and the Employee Commute Survey to obtain their e-Certificate of Completion. This integration streamlined the process, ensuring both training completion and participation in the sustainability-focused survey. The collaboration between the Integrity and Sustainability teams proved successful, with the Employee Commute Survey launched through the same platform, reinforcing the company's commitment to sustainability while saving employees' time. All new hires who joined after the AIM were notified to complete the training within one month.

Our 2024 AIM achieved a 100% completion rate, with employees engaging in various modules designed to enhance understanding of key integrity principles. The campaign's core content included the CoC and key topics drawn from the three pillars of respect namely workplace, business partners and shareholders. The training covered a broad spectrum of areas, including anti-discrimination, anti-bribery, human rights and intellectual property.



## Key Highlights from AIM 2024

Formerly known as Annual CoC Month, AIM 2024 focused on reinforcing key principles of integrity and respect within the workplace, among business partners and towards shareholders. The training covered a range of important areas:

### 1 Code of Conduct & the 3 Pillars of Respect:

- Respect in Our Workplace
- Respect for Our Business Partners
- Respect for Our Shareholders

### 2 Key Policies and Commitments:

- ABC Policy
- WB Policy
- Conflict of Interest Declaration and Integrity Pledge (COII)

Additionally, AIM 2024 featured the release of three online training videos, each accompanied by quizzes on all modules and the three CoC Pillars of Respect. These videos covered the following areas:



### • Respect in Our Workplace

Tackling Diversity & Inclusion, Anti-Discrimination, Anti-Harassment, Anti-Violence and Safety & Health in the video TakeCue

# Our Governance



- Respect for Our Business Partners**

Discussing Conflict of Interest, Anti-Bribery & Corruption, Anti-Money Laundering, Business Gifts & Entertainment and Commitment to Fair Treatment of Financial Consumers in the video It's A Jungle Out There!



- Respect for Our Shareholders**

Focused on Maintaining Accurate Business Records, Fraud, Confidential Information, Insider Trading, Anti-Hedging, Human Rights & Ethical Conduct, External Communication, Intellectual Property and Email, Internet & Information Systems via the video M.E. and His Pals.

The success of the campaign was marked by TPR emerging as the Champion Team, securing the new repurposed Royal Selangor Pewter Champions Cup for being the first team to complete the online training. Close behind, Team TPT secured second place, winning the repurposed Royal Selangor Pewter Landmarks Plate.

The campaign not only emphasised the importance of ethical behaviour and integrity but also fostered a sense of healthy competition and team spirit across the Group.

## Upholding Human Rights and Ethical Conduct

At Tune Protect, we continue to uphold a steadfast commitment to human rights across all our operations and subsidiaries, ensuring that our policies and practices remain fully aligned with internationally recognised human rights standards.

Guided by the principles outlined in the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), the International Labour Organisation (ILO) standards and UNSDG Goal 8: Promoting Decent Work and Economic Growth, we prioritise the protection of fundamental human rights and stand against human trafficking, modern slavery and child labour.

As stated in our CoC, we maintain a strict zero-tolerance policy against practices such as child labour, forced labour, human trafficking and modern slavery. We are also dedicated to ensuring full compliance with applicable national legislation regarding workers' rights and human rights.

For 2024, we are pleased to report that there have been no instances of non-compliance with labour standards across our operations.

## Shareholder Rights and Board Appointment

As part of our commitment to good governance, shareholders play a vital role in appointment of Directors through a transparent voting process. Shareholders are empowered to vote on Director appointments during general meetings, ensures accountability and aligns the Board's composition with the interest of our stakeholders.

## GOING FORWARD

In 2024, we rolled out the updated Integrity Documents, namely the CoBC, ABC Policy and WB Policy to departments, business units and Distribution Channel Support, as a preparatory exercise ahead of the Corruption Risk Assessment to communicate our Zero Tolerance approach towards against bribery and corruption to agents, brokers, external consultants and contractors, intermediaries, suppliers and vendors.

Our AIM further reinforced awareness among all personnel and business units as the first line of defence against bribery and corruption. The next step involves consolidating all records, followed by the Corruption Risk Assessment for personnel in 2025.

Moving forward, we will continue to promote and maintain a zero-tolerance stance against bribery and corruption, with a focus on building and refining a robust procedure to protect all directors, the ExCom and personnel from both corporate and personal liability under the MACC Act.



For more information on our Corporate Governance, please see the disclosures of the Corporate Governance Overview Statement on pages 133 to 150.



For more information on our Risk Management, please see the disclosures on the Statement on Risk Management and Internal Control on pages 156 to 162.

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# Our Governance

## Awards and Recognition



### Improved our FTSE4Good ESG score from 3.6 to 3.8

Remained our position as the only listed conventional general insurer on the FTSE4Good Bursa Malaysia Index



### Won National Corporate Governance and Sustainability Awards (NACGSA)

Recognised as one of the Top 50 Public Listed Companies by the Minority Shareholders Watch Group (MSWG), ranked 38th out of 854 Public Listed Companies and was the highest-ranking listed issuer in its category



### Shortlisted by the IR Impact\* Awards SEA 2024 for:

- Best Annual Report
- Best ESG Reporting



### Improved ESG Rating

Improved CSRHub rating to 95%, while LSEG Data & Analytics achieved a score of 62 out of 100

\* formerly known as IR Magazine



## DATA GOVERNANCE, PRIVACY AND CYBERSECURITY

At Tune Protect, we understand that safeguarding the privacy and security of our customers' and stakeholders' information is essential for maintaining trust and preventing risks such as identity theft, phishing and the misuse of personal data. By placing a strong emphasis on data protection, we aim to uphold the rights of our customers in accordance with the law and foster long-term loyalty and confidence.

We achieve this by implementing robust security measures and strictly adhering to privacy policies that are aligned with relevant regulations, such as the Personal Data Protection Act ("PDPA"). This approach not only ensures the protection of sensitive data but also enhances our operational efficiency, minimises the risk of legal penalties and supports sustainable business growth.

### OUR APPROACH

We continued to be guided by robust core policies and frameworks designed to uphold data governance, privacy and cybersecurity. These principles ensure that we manage data responsibly, protect privacy and implement effective cybersecurity measures:

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

In 2020, we established the Technology Risk function in line with the RMIT requirements for Technological risk management. This function has since been superseded by the appointment of an Information Security Officer, who is responsible for ensuring the adequate protection of information assets and technologies, as well as enforcing compliance to data governance standards.

# Our Governance

## OUR INITIATIVES

### Strengthening Data Governance

In our ongoing efforts to enhance data privacy and governance, we conduct comprehensive training on the PDPA. Throughout 2024, PDPA training remains a key focus within the Data Governance section for new joiners attending Integrity training. The attendance rate and the total number of attendees are consistent with previous training sessions, with 166 new joiners attending the induction sessions. Additionally, we provide biennial IT Security Awareness and Data Protection training through the GoI platform, alongside dedicated sessions for management, focusing specifically on the new amendments to the PDPA.

To further strengthen our data governance practices, we have established the Data Privacy Practice Procedure. This procedure ensures that access control measures are closely aligned with the Group Privacy and Data Risk Management Policy. The procedure is designed to ensure that personal data processing is conducted in line with individuals' rights and choices, as well as to ensure access requests are handled promptly and respectfully.

The Data Privacy Practice Procedure also documents the key processes that must be followed to ensure compliance with regulatory obligations and control measures in protecting personal data. This includes renewal of data user registration, responding to personal data requests by third parties, ongoing training and awareness programmes and site visits by Jabatan Perlindungan Data Peribadi (JPDP).

We have also completed enhancements to our Data Loss Prevention ("DLP") solution, which is currently operational and actively detecting unauthorised file transfers. Follow-up actions are promptly taken in response to incidents. We conduct bi-monthly DLP Incident Reviews to discuss critical incidents involving violations and to outline the necessary corrective actions.

In response to the increased emphasis on data governance within the PDPA, the Group has implemented several initiatives to stay abreast of changes in laws and regulations. We regularly monitor updates from regulatory bodies, participate in industry forums and conduct internal training programmes to ensure employees remain informed of new legal requirements. Additionally, we consistently review our data privacy policies and procedures to align with the evolving regulatory landscape, ensuring compliance with the PDPA and other relevant laws.

In 2024, we have already undertaken a comprehensive training schedule to support our efforts. In addition, Governance Week took place on 11 October 2024 to raise awareness of governance matters. As part of our commitment to legal compliance, we also conducted a training session on the "Personal Data Protection (Amendment) Act 2024: Key Updates to Data Protection Laws in Malaysia" on 7 November 2024, ensuring that all staff were informed of the latest amendments to data protection laws.

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# Our Governance



## IT Security Awareness and Cybersecurity Session at SKKBSR, Port Dickson

Over the past few months in 2024, we have successfully concluded our three-part Cybersecurity Talk series at SK Kampung Baru Si Rusa (SKKBSR), Port Dickson, as one of our Corporate Good initiatives. This initiative reached over 350 students from Year 4 to Year 6, equipping them with essential knowledge and tools to safely navigate the digital world.

Led by our Risk Management representatives, each session provided a highly interactive learning experience. Students participated enthusiastically, competing for prizes by answering test questions and demonstrating their newfound understanding of cybersecurity.

The results of the cybersecurity assessment highlight the extraordinary dedication and hard work of these young learners. On average, students from all participating levels namely Year 4, 5 and 6 students achieved scores exceeding 90%, surpassing the initial target of 70%. Year 6 students recorded the most outstanding results, with a remarkable 98%.

These outcomes stand as evidence of the commitment of the students in mastering cybersecurity knowledge. The sessions also provided them a foundation to navigate the digital era responsibly.

## Heightening Cybersecurity Awareness

At the Group, we believe in heightening cybersecurity awareness to foster a safer, more resilient environment.



### IT Security Awareness Training

The training frequency has changed from quarterly to biennial and both training sessions achieved a participation rate of over 95%.

#### Key Cybersecurity Initiatives:

- 1 Continuous Awareness Training
- 2 Laptop Screensaver for Endpoints
- 3 External Email Disclaimer: Notifying recipients that the email originates from outside Tune Protect.
- 4 Annual Cyber Drill: Assessing cybersecurity incident response readiness.
- 5 Phishing Campaign: Testing employee responses to phishing attempts.

#### Additional Cybersecurity Measures Implemented:

- IT Operations Platform: This platform enables tighter cybersecurity enforcement across the organisation.



### Cyber Threat Landscape 2024 Awareness Session

#### Session Highlights:

- **Cyber Threat Landscape**  
An in-depth look at current and emerging cybersecurity threats, including sophisticated attack methods and their impact on IT infrastructure, organisational operations, reputation and financial stability.
- **Regulatory and Compliance Landscape**  
Review of evolving cybersecurity regulations and compliance requirements, with a focus on maintaining compliance in a rapidly changing environment.
- **5 Foundational Elements**  
Key pillars for building an effective cybersecurity strategy from planning to execution.

# Our Governance

Our cybersecurity initiatives undertaken during the year in review are as follow:



## Cyber Drill 2024 - Ransomware Attack

### Scenario

Ransomware attack leading to data leakage

### Key Findings:

- The Cyber Emergency Response Team (CERT) had excellent visibility over IT assets.
- Initial communication was effective, utilising WhatsApp groups.
- Collaboration between Data Protection and Communications teams ensured smooth communication with internal and external stakeholders.
- The Data Protection team demonstrated awareness of recent amendments to the Personal Data Protection Act (2024).
- Overall preparedness of the CERT was high, showcasing excellent detection and analysis capabilities.



## Phishing Campaign

### Campaign Overview

An external cybersecurity consultant conducted a phishing campaign targeting around 562 users with three different email phishing scenarios.

### Results

#### Click Rate

**53** users  
(9.43%)

opened the phishing email and clicked on the embedded link.

#### Data Submission Rate

**22** users  
(3.91%)

submitted data via the phishing link.

The campaign's overall risk rating was categorised as secure by the cybersecurity consultant.

### Follow-up

Phishing awareness training was conducted for users who clicked the link or submitted their data.

During the reporting period, we recorded zero cases of cybersecurity breaches. There are also no ongoing legal proceedings or claims against the Group related to any cybersecurity breaches in 2024.

### GOING FORWARD

We are committed to achieving zero tolerance for any information security breaches or the disclosure of sensitive information. To reinforce this, we recognise several opportunities for improvement, including the importance of continuous employee training and awareness programmes to enhance knowledge of security best practices, phishing prevention and data privacy, thereby reducing the risk of human error.

Additionally, engaging third-party experts for cybersecurity audits and consultations offers valuable insights into potential vulnerabilities and areas of improvement that may not be identified internally. Furthermore, retaining skilled operational technology staff is essential to ensure the continuous security, efficiency and innovation of the organisation's technology infrastructure. Collectively, these efforts will bolster our security framework and help protect sensitive information.

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# Our Business

FROM OUR LEADERSHIP

**Economic**

**ALIGNING WITH THE UN SDGS**



**MAPPING TO OUR CAPITALS**

**F S I**

**SUSTAINABILITY MATERIAL MATTERS**

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

**WHY IT MATTERS**

- To ensure a stable business environment by maintaining healthy working capital, assets, liabilities and cash flow, strengthening our financial positioning and creating sustainable value for our shareholders
- To be a lifestyle insurer that everyone loves



## Customer Centricity

Customer centricity is critical to us as it puts our customers at the heart of our business strategies. Making their needs, preferences and satisfaction levels a central metric of our performance helps us to boost their retention levels, which leads to stronger financial performance and sustains our value creation. Furthermore, this approach deepens our understanding of market trends and allows us to anticipate customer demands, innovate and remain competitive.

### OUR APPROACH

We integrate customer satisfaction into our operations through efficient, consistent and mutually respectful engagements. At the Group, customer management takes into consideration the following groups of stakeholders: consumers of our products and services, as well as our employees and partners who serve our consumers. We map our customer journey through an outside-in customer-centric approach to better serve these stakeholders.

To provide reliable services, achieve strong financial results and deliver equitable customer treatment, we operate in accordance with our Customer Service Charter and our Treat Customer Fairly Charter.

**CUSTOMER SERVICE CHARTER**

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



**TREAT CUSTOMER FAIRLY CHARTER**

Embed fair dealing in our institution's corporate culture and core values	Ensure that customers are provided with clear, relevant and timely information on financial services and products	We commit to ensure that customers receive suitable advice and recommendations that consider their financial needs and conditions
Ensure that our staff, representatives and agents exercise due care, skill and diligence when dealing with customers	Ensure that customers are provided with fair terms	Ensure that customers' complaints and claims are handled in a prompt, fair and effective manner
We are dedicated to treating vulnerable consumers fairly and equitably through the actions of our staff, representatives, and agents		

# Our Business

Furthermore, we implement robust customer service procedures and charters that enable us to serve our customers as an integrated service hub, ensuring we consistently deliver exceptional customer service experience.

				
<b>Complaints Handling Procedures</b>	<b>Internal Service Level Agreement</b>	<b>Treat Customer Fairly Charter</b>	<b>Standard Operating Procedures for Contact Centre</b>	<b>Customer Service Charter</b>
Outline procedures on how to handle customer complaints and help build insights into areas for improvement	Ensures proper elements and commitments are in place to provide customers with consistent and up-to-date information	Specifies our commitment to providing the highest standards of fairness in our dealings with customers	Provide guidelines for our dedicated team to serve our customers and assist them with any requests or inquiries	Outlines our level of commitment to providing quality service and gives our customers references by which our performance can be evaluated

## OUR INITIATIVES

### Customer Experience

Driven by our commitment to enhance customer experience, the Group continues to prioritise initiatives that strengthen our understanding of customer needs and expectations. We actively track and analyse customer feedback through tools to improve our service delivery, streamline customer journeys, and ensure our offerings remain relevant and responsive to evolving demands.

We perform regular engagement surveys based on Net Promoter Score ("NPS")\* on our stakeholders, who include our customers, partners and employees. In 2022, we augmented our feedback gathering process with Transactional NPS ("TNPS"), which measures specific touchpoints, including our purchase journey, customer service and claims, in line with our commitment to providing a consistent customer experience.

\* 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 Response Time

Our customer service procedures and charters, set up in line with regulatory requirements such as BNM Policy Document on Fair Treatment of Financial Consumers, are designed to uphold customer service excellence.

Our live chat function that integrates our social media platforms with our B2C website, mainly for General Insurance products was further enhanced in 2024 with the introduction of Zendesk. This live chat is in addition to the AirAsia Tune Protect Travel-related live chat which was established in 2019. It is a cloud-based customer service platform that helps businesses to improve communications with customers by streamlining support operations, bringing us closer towards establishing a singular point of response for customers.

Through Zendesk, each customer ticket is accompanied by a service level agreement that spells out what customers can expect, which includes turnaround response time to their queries. The platform consolidates requests from our website, email and social media channels, enabling us to handle enquiries efficiently, minimising duplication and improving response management.

# Our Business

FROM OUR LEADERSHIP



In 2024, we received over 18,118 enquiries via SENTRY, our enquiry management system for AirAsia travel product-related enquiries.

### Enhancing Claim Process

We introduced our parametric claim payout solution, an immediate compensation mechanism in 2023 for travel policies that is determined by specific events or conditions which can be adjusted in real time through our Application Programming Interface ("API"). This saves customers from having to undergo lengthy claim procedures, while alleviating administrative burdens for airlines and travel insurance providers.

In 2024, we introduced instant claims payout for Travel Easy Travel Delay benefit, whereby claims for flight delays within three to nine hours are simplified, eliminating the need for supporting documents such as travel itineraries and delay confirmation. Claims are to be submitted via the app, and payouts for those opting for DuitNow as their reimbursement method are processed on the day of approval, providing instant reimbursement.

In August 2024, we enhanced one of the features in the Tune Protect app by introducing a digital submission service module, which is also known as endorsement submission, further streamlining the request processes and reducing manual interventions. Submission through the app allows customers to track the status of and access the endorsement notes. This new initiative has reduced turnaround time ("TAT") by two thirds to one working day from three working days.

**One Claim Harmonisation Plan**

We introduced the One Claim Harmonisation Plan in December 2024 on the Tune Protect Mobile app.

The enhanced Tune Protect Mobile app now allows AirAsia customers who have purchased Tune Protect policies to seamlessly manage their policies, view policy details, file claims and track claims statuses. The upgraded version of the app has been rolled out to 8 countries.

  
**Malaysia**

  
**Thailand**

  
**Singapore**

  
**Indonesia**

  
**Philippines**

  
**Vietnam**

  
**Hong Kong**

  
**Brunei**

# Our Business

## Handling of Complaints

We strive to resolve all issues within 14 days of receiving relevant supporting documents with sufficient information. Besides investigating cases, we also strive to identify the root causes of complex complaints to improve our processes. Each complex case is handled on a case-by-case basis, depending on the nature of the incident and remediation or documentation process requirements. While some complex cases take longer to resolve, this usually only applies to a minority of cases.

In 2024, we received one complaint related to AirAsia travel product and 78 complaints about General Insurance. Our General Insurance-related complaints processing time averaged 10 days across the year. The average monthly complaints processing time for our General Insurance rose from 7.2 days in 2023 to 10 days in 2024 because more time is required to perform checks to ensure claims are being handled correctly, especially after the consolidation of incoming inquiries from all channels. We are continuously enhancing our quality of service and response time to complaints.

Average Monthly Complaints Processing Time for General Insurance (days)	
2022	6.4
2023	7.2
2024	10.0

## Elevating Customer Satisfaction (NPS)

NPS Performance	2022	2023	2024
Customer Experience (CNPS)	+39%	+45%	<b>+49%</b>
Partner Experience (PNPS)	+63%	+60%	<b>+59%</b>

TNPS Touchpoint	2024
Claims	<b>+48%</b>
Purchase Journey	<b>+32%</b>

The overall NPS performance is in line with global industry benchmark. We continue to lead the market with the highest CNPS score, driven primarily by easy-to-use digital platforms, affordable pricing and responsive customer service. Customers appreciate the convenience of purchasing insurance online and the competitive premiums offered by the brand. According to a survey carried out in 2024, our products were best valued for:



The survey also identified three main areas for improvement:



To address these weaknesses, we have implemented the following initiatives:

### Renewal reminder system

We have established renewal reminder system for 9 out of 13 of our online products. The reminders will be sent through email, SMS, push notifications on the Tune Protect app. Additionally, 3 of these 9 products include reminders through the WhatsApp channel. The reminders are sent twice.

- Motor Insurance**  
 The first reminder is sent 30 days before the plan is due to lapse, followed by the second reminder 10 days before.
- Non-Motor Insurance**  
 The first and second reminders are sent 15 days and 5 days respectively before the plan is due to lapse.

### Payment enhancement

We have added e-wallets to our payment options. We also held campaigns for online products that included e-wallet cashbacks to promote the addition of this payment method.

### Customer support improvement

We have improved our incoming query ticketing system via Zendesk, which gathers requests from across our channels into one platform, enhancing our response time to achieve our brand promise of a response in under three hours.

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# Our Business

FROM OUR LEADERSHIP

## Customer Satisfaction (CSAT\*)

### Satisfaction on explanation provided

First quarter 2024	<div style="width: 82%;"></div>	82%
Second quarter 2024	<div style="width: 51%;"></div>	51%
Third quarter 2024	<div style="width: 75%;"></div>	75%
Fourth quarter 2024	<div style="width: 63%;"></div>	63%

### Issue resolution

First quarter 2024	<div style="width: 86%;"></div>	86%
Second quarter 2024	<div style="width: 61%;"></div>	61%
Third quarter 2024	<div style="width: 76%;"></div>	76%
Fourth quarter 2024	<div style="width: 60%;"></div>	60%

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

## Awards and Recognition



### Customer Experience Excellence Award at InsureTech Connect Asia 2024

This award recognises our commitment and dedication to enhance our customer journey.



### Recognised among Top 10 companies in inaugural 'State of CX Malaysia 2024' research

This recognition places us alongside other leading corporations in Malaysia, reflecting our commitment to enhancing customer experience



### CXP Best Customer Experience Awards 2024

This award reaffirms our dedication to innovation and excellence in CX

## GOING FORWARD

We will keep our finger on our customers' pulse, identifying their internal and external needs. The One Claim Harmonisation Plan is targeted for full rollout to EMEIA region before end of 2025. We remain committed to innovation through continuous system enhancements, strengthening our customer-centric approach.

# Our Business



## Digital Innovations

It is critical that we adopt technology to maintain competitiveness, promote innovation and drive efficiency. Digitalisation enables us to widen our reach and offer sustainable value to our customers, growing our business and ensuring continued exceptional customer service.

In addition, we see opportunities to create new ecosystems through strategic alliances, develop innovative products and strengthen employee productivity. By leveraging technology and digital enhancements, we provide convenient and sustainable solutions for our internal and external stakeholders, ensuring customer service excellence.

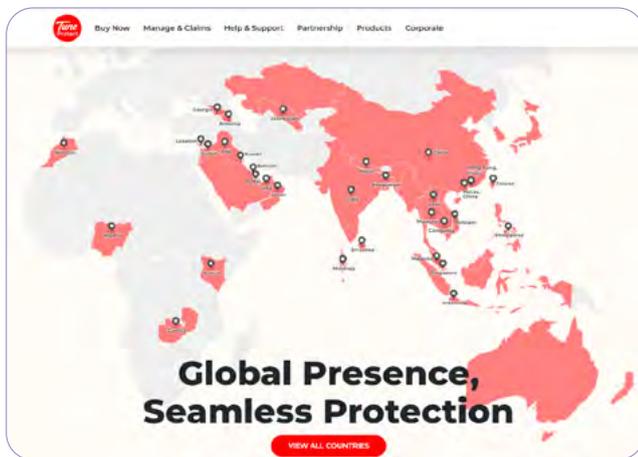
### OUR APPROACH

Our digital operations and IT risk management are governed by BNM's Risk Management in Technology (RMiT).

### OUR INITIATIVES

#### Digitalisation - Cloud-based Core System

In our efforts to deliver exceptional customer experience, we became Malaysia's first insurance company to launch our core system on to Cloud for Malaysia operation. We collaborated with strategic technology partner to undertake this initiative.



#### Regional Expansion Approach

The mobile app has been repositioned as a regional mobile app and is now accessible in Malaysia, Singapore, Thailand, Indonesia, the Philippines, Vietnam, Brunei and Hong Kong. In addition, AirAsia policy holders can also directly view and manage their travel policy, file claims and track their claim status through the app.

This approach gives customers the convenience of viewing and managing their travel policies, providing a quick and seamless claim experience that drives customer attraction and retention.

Going forward, we plan to implement language options in 2025, improve accessibility for our users by allowing them to navigate our app in their preferred language. Furthermore, we intend to expand our reach to countries within Europe, Middle East, India and Africa (EMEIA), as well as other countries that sell travel insurance in partnership with TPR.

We revamped our company website into an unified platform to showcase our regional coverage and strategically broaden our presence by inviting more regional entities to partner with us. As part of this enhancement, we introduced an interactive map feature on our website **tuneprotect.com**, allowing users to explore our regional footprint. By hovering over the map, users can seamlessly redirect to the respective country's website.



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# Our Business

FROM OUR LEADERSHIP

## Mobile App Performance 2024



## Robotic Process Automations (RPA) and Digital Operations

As Malaysia’s first insurer to receive BNM’s approval to host our insurance core system on the Cloud, we have made significant investments in our digital-first approach by adopting Robotic Process Automations (“RPA”) to digitalise our operations. RPA enables us to focus on accessibility, responsiveness and accelerating the user journey, meeting our stakeholders’ needs. We digitised our business processes through 18 Bots and 85 automated processes across various entities and departments. We have integrated the banks’ API with our RPA workflow to enable DuitNow payments, supporting seamless processing of B2C Fast Track Travel Delay Claims. This initiative enhances process efficiency and significantly improves the customer experience. We plan to migrate existing processes to a more cost-effective platform, providing ongoing support for sales and enhancing claims process efficiency.

Year	RPA Highlights	
	2023	2024
<b>Total transactions (no.)</b>	3,465,022	<b>7,496,465</b>
<b>Total hours saved (no.)</b>	105,211.5	<b>483,607</b>

RPA enables us to optimise resource allocation in pursuit of other innovations, reduce human error and increase efficiency and productivity to better serve our customers.

We believe that streamlining processes and automation boost operational efficiency, significantly impacting how customers perceive and interact with our brand. Simplification and process automation are therefore crucial to delivering exceptional customer service. The Digital Transformation Journey, launched in 2022, includes staff upskilling and/or reskilling. Staff participated in a five-day resilience bootcamp that featured programmes designed to enhance their change management, technical and soft skills, graduating in January 2024. During this exercise 23 operational staff were upskilled and reskilled.

In 2023, we implemented Fast and Lean Operations (“FLO”), a digital workflow platform aimed at improving our administrative payment processes and streamline operations. FLO is currently applicable for Policy Issuance, Admins Payment, Claims Payment and Claims Notification. In addition, we have enabled the platform for ePayment Profile Creation and Customer Excellence.

By implementing FLO, we have reaped the following benefits:

- **Increased efficiency** – we have streamlined admin payment processes
- **Time and effort saving** – FLO enabled us to eliminate manual requests for signatures
- **Improved functionality** – We can view our TAT and status transparency via the FLO Dashboard

We continue to improve our systems, applying FLO to areas such as endorsement issuance, finance processes and policy processing enhancements.

The advent of work-from-anywhere has prompted organisations to adopt technology-driven operations. At the Group, we address this shift through the incorporation of digital tools and platforms to support remote working. At the same time, we remain committed to sustainability by promoting paperless practices through FLO, digital tools and document editing modules.

# Our Business

In 2024, we focused on enhancing existing processes to align with business requirements and improve efficiency. This includes removing the checker role from policy issuance and automating the creation and approval of ePayment profiles.

	<b>Adobe Sign</b>		<b>E-procurement</b>
<p>An electronic signature feature that is safe, auditable and verifiable, which also enables us to track documents</p>		<p>Enabling us to raise purchase requisitions and purchase orders without paperwork submissions</p>	
	<b>E-claims</b>		<b>E-learning tools</b>
<p>All submissions of claims are performed online without manual processing</p>		<p>Empowering our employees to upskill and reskill themselves anywhere, anytime through a variety of courses</p>	

In 2024, we achieved a **26%** year-on-year reduction of paper used for copy and printing, which is 372,906 sheets in FY2023 to this year's **276,675 sheets**

## GOING FORWARD

We remain dedicated to being digital-first as we continue to shift our operations to the new core. We remain committed to further streamlining business processes by initiating requirement gathering or endorsement issuance and finance receipting, which is targeted to be implemented in 2025. We also plan to expand functionality to include IT ticketing management applications and further optimise existing processes through FLO.

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# Our Business



## Products and Offerings



We aim to develop innovative products and services that help us to reach a wider range of customers and meet their evolving needs in this digital world.

By leveraging technology and digitalisation, we boost the accessibility of our products and offerings, driving customer satisfaction levels up. In addition, we also expand the demographic of people we can serve to include the underserved and unserved markets, supporting our sustainability efforts that resonate with our more socially conscious consumers. These strengthen our reputation and market position.

### OUR APPROACH

Our Product Development Policy guides us in ensuring that sustainability considerations are incorporated into all stages of our new product developments, in line with our commitment to environmental responsibility and social well-being. This is enhanced by our strategic alliances to ensure our product offerings are relevant and competitive.

### OUR INITIATIVES



#### Delay Lounge Pass



Launched in December 2024, the Delay Lounge Pass provides access to over 1,600 airport lounges worldwide when flights are delayed by two hours or more, ensuring their comfort while they wait. The pass is available exclusively for customers who purchase the Value Pack or Premium Flex bundle plan. Customers will automatically receive a delay notification along with a digital lounge access voucher upon arrival at the airport if their flight is affected. The voucher can be used immediately, but if customers choose not to use the voucher then, it is still valid for one-time use within 30 days from the issuance date at any of the 1,600 airport lounges.

**AirAsia TRAVEL INSURANCE**  
powered by Tune Protect

**DELAY LOUNGE PASS**

COMPLIMENTARY LOUNGE ACCESS when your scheduled flight is delayed more than 2 hours. Exclusively for AirAsia Travel Insurance customers of

- Value Pack
- Premium Flex

Scan to Find out More

FROM OUR LEADERSHIP

# Our Business



## Partnership with travel technology provider

We introduced Flight Watcher and Automated Check-in on our B2B portal to enhance the travel experience. The Flight Watcher monitors real-time flight status across five key data points: airline, airport, route, weather and pushing proactive insights and recommendations, including on-time flight performance, gate updates, airport information, delays, cancellations, departure and arrival statuses to travellers via text, email or WhatsApp. The Automated Check-in enhances the travel experience by providing seamless and transparent delivery of boarding passes to the passenger's mobile device. It also supports a range of preferences and data entry, including Transportation Security Administration (TSA) PreCheck, seat assignment, frequent flyer numbers and passport or identity documents.



## Travel Gadget

This plan is offered on the AirAsia website when travellers purchase domestic flight tickets within Malaysia. The coverage for Gadget Protection is limited to only one claim per policy during the insurance period, with coverage of up to RM2,000 for mobile phones, laptops or tablets. Gadget protection covers accidental damage, including damage caused by liquid, accidental screen crack and loss of gadget due to theft.



## Activation of travel agents

In 2024, we have successfully activated all the airline travel agents for Malaysian market. Additionally, several B2B partnerships have also been activated including working closely with agencies in Malaysia and a leading credit card provider in Thailand. In addition, we also expanded our presence in online travel agencies (OTAs), ensuring greater accessibility and visibility across key regional markets.



## Cashless Hospital Admission

Cashless hospital admissions allow users to be admitted and receive treatment in hospitals overseas without any upfront payment. Tune Protect and AirAsia introduce enhanced AirAsia travel insurance for AirAsia flights departing from Malaysia, Thailand, Indonesia, Singapore and Vietnam.

Included in the AirAsia Comprehensive Travel PLUS at no extra cost, travellers departing from these countries can purchase the insurance plan through all AirAsia online and 'Manage My Booking' platforms. The Cashless Hospital Admission Service does not impact the insurance premium, or any other benefits and sum limits stated in the policy.



## Cancel for Any Reason Protection

We introduced Cancel for Any Reason protection, an innovative insurance solution that offers travellers the flexibility to cancel their trip for any reason up to 24 hours before departure, with reimbursement provided. Developed in collaboration with the largest low-cost carrier in the Middle East and North Africa, this tailored product enhances passenger confidence, strengthens customer loyalty, and contributes to revenue growth.

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# Our Business

## INNOVATIVE AND RESPONSIBLE PRODUCTS



### Ticket Refund Insurance

We introduced Malaysia's first Ticket Refund Insurance, giving customers the confidence to purchase tickets without the worry of last-minute emergencies, travel disruptions, or unexpected events. Additionally, for marathon participants and other sporting event enthusiasts, we offered Sports PA Insurance, providing coverage for medical expenses, accidental death, and permanent disablement, ensuring peace of mind when booking events. These innovation solutions were introduced in collaboration with Ticket2U, an online ticketing and event management platform that sell, manage and check-in tickets for events.



### Dental Shield

This product offers specialised dental healthcare plans, divided into Gold and Platinum plans for those above 18 years old and those aged 18 years and below.

The policy covers a range of treatments, including Restorations and Preventive Treatment, Root Canal Therapy and Surgical Extractions, Treatment of Acute Periodontal Infection, Dental Prosthesis, and Major Dental Work.



### TermiteShield

TermiteShield is specifically designed to protect homeowners from the financial burden of property damages caused by termites. It complements Rentokil's residential termite treatment.



### Ticket Protection

Ticket Protect was introduced to safeguard event attendees against unforeseen circumstances that may disrupt their participation in live events such as concerts and festivals. This product was launched in collaboration with GoLive Asia, an established ticketing platform company for live concerts and festivals.

## Awards and Recognition



### Winner and #1 for Malaysian Travel Insurance Award by iBanding

Tune Protect Travel Insurance was named the best travel insurance in the Malaysian Travel Insurance Award, in recognition of its comprehensive coverage, innovative offerings and exceptional customer service. Tune Protect introduced enhanced policies that cover COVID-19 related incidents, setting a new benchmark for travel insurance in Malaysia. Its responsiveness to customer needs, coupled with its user-friendly online platform that makes policy management and claims processing convenient has reinforced its position as a leader in the market.

## GOING FORWARD

We aim to continuously innovate our products and offerings, while forging strategic alliances to deliver the best possible quality to our customers.

# Our Business



## Responsible Business Practices

Responsible business practices are vital for preserving a strong financial and capital position, securing the long-term performance of Tune Protect. Through ethical procurement and investment practices, we forge enduring bonds with our communities and stakeholders founded on shared values. Furthermore, we contribute positively to their socio-economic wellbeing and mitigate ESG risks.

### OUR APPROACH

We are guided by the Group Procurement Policy, Group Investment Policy and CoBC in all of our business operations, ensuring we practice transparency, accountability and ethical business conduct.

Our Group Procurement Policy spells out guidelines and procedures to streamline our procurement activities, enabling us to obtain the best value and quality of goods and services through good governance practices and transparency.

### OUR INITIATIVES

#### Local Procurement

We contribute to the national economy by supporting our local suppliers and vendors, choosing to work with them as far as possible. Sourcing goods and services locally also strengthens our supply chain, enables speedier response and avoiding risks associated by trade barriers and shipment delays. It also mitigates foreign exchange risks.

We will only source from foreign suppliers if no similar or comparable services and goods that meet our requirements are offered locally.

Our Procurement team handles our procurement processes, ensuring business transactions are carried out seamlessly with our large pool of suppliers, most of whom are SMEs. They are responsible for centralising, streamlining and managing the procurement processes while looking out for the Group's financial interest.



In 2024, we engaged **656 (94.5%)** local vendors out of 694 vendors, while **91.9%** of our procurement spending went to local suppliers and vendors.

### Practising Ethical Procurement Processes

We strive to ensure that our procurement process is transparent, ethical and fair. Our Tune Protect Malaysia compliance due diligence guidelines require us to screen vendors against lists by the Ministry of Home Affairs Malaysia (MOHA) and United Nations Security Council (UNSC) Consolidated list to ensure we are not dealing with sanctioned entities. If required by BNM, we will conduct audits on our suppliers and vendors.

In addition, all frontliners who have direct contact with suppliers and vendors are required to ensure they have received a copy of the the Group CoC and ABC Policy annually.

To ensure fairness, we require having three vendors to compare for procurement contracts worth above RM5,000. If there are insufficient vendors or there are signed agreements between the organisation and the supplier, end users are required to provide sole source justification. Once our vendors and suppliers are chosen, we work with them through long-term partnerships, especially in the development of software and apps. Our contract tenures range from one year to three years.

To optimise our procurement costs, we have begun automating our procurement dashboard to enhance our performance monitoring, including cost reduction targets.



SECTION

# Our Business

## Responsible Investing and Underwriting

We have an Investment Committee that is tasked with overseeing our investments and supporting the Board in discharging its duties and responsibilities regarding investment management.

Our Group Investment Policy aims to allocate up to 10% of its investments to fund managers who are United Nation Principles for Responsible Investment (UNPRI) signatories or funds that align with sustainable investment guidelines, internationally recognised benchmarks, ESG integration, or high sustainability ratings. One of our funds is a qualified sustainable and responsible investment fund that is operated along the guidelines of the Sustainable and Responsible Investment issued by the Securities Commission Malaysia, while the fund manager is a signatory to the UNPRI.



The Group directs up to

# 10%

of its investments into ESG-related funds.

In 2024,

# 8%

of our total investments were invested in ESG-focused fixed-income assets

## Zero Coal by 2030 Commitment

In 2023, we achieved our commitment to Zero Coal in our underwriting portfolios, seven years earlier of our 2030 target. We have also excluded tobacco and arms manufacturing from our portfolios, reflecting our ethical commitment and integrity as a health insurer. This commitment extends to our investment practices across the group, where we seek to minimise the environmental impact of our portfolios.

We continue to monitor existing mandates with coal exposure while ensuring that all new discretionary mandates will be zero coal, per our Group Investment Policy.



For more information on how we are adapting our portfolios to the low-carbon economy, see our TCFD-aligned reporting on from pages 77 to 92.



## Supporting the Industry

We are steadfast in upholding strong governance and caring for our customers as we contribute to the building of a resilient financial and travel industry. Robust risk management policies and compliance with regulations ensures that we protect our financial stability while supporting the country's health and well-being by providing continued services to our customers.

## GOING FORWARD

We continue to emphasise responsible business practices as a central part of our operations, continuously monitoring our portfolio for opportunities to enhance our processes and further contribute to our communities.

# Our Environment

## Environment

### ALIGNING WITH THE UN SDGS



### MAPPING TO OUR CAPITALS



### SUSTAINABILITY MATERIAL MATTERS



Climate Change



Resource Management

### WHY IT MATTERS

- To foster awareness of environmentally sustainable business practices and encourage societal transformation
- To integrate mitigation, reduction, recycling and paperless initiatives to optimise natural resource consumption
- To accelerate the shift towards a low-carbon economy
- To address and reduce indirect carbon emissions through underwriting, investments and regulatory compliance



## Climate Change



As climate challenges intensify, industries must take bold action to drive meaningful change. Reducing greenhouse gas emissions, transitioning to renewables and implementing climate adaptation measures are critical steps for businesses and economies alike. To navigate this changing landscape, businesses must also integrate sustainable transition to renewable energy and implement climate adaptation measures.

We acknowledge that climate resilience is key to long-term business sustainability. Our commitment to Zero Coal by 2030 in our underwriting and investment portfolios reflects our dedication to sustainable growth. By strengthening our capabilities and aligning with regulatory standards, we aim to build and sustain a future-ready business. We have established the Group's Net Zero Roadmap for Scope 1 and 2 by 2050 and 6,000 of Corporate Good hours from 2025 to 2027.

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# Our Environment

## OUR APPROACH

### Task Force on Climate-related Financial Disclosures

At the Group, we recognise the crucial need for climate-related disclosures to drive informed decision-making among our business, investors and stakeholders. In our ongoing efforts to integrate climate change considerations into our business strategy, we have fully embraced the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), established by The Financial Stability Board (FSB). Since publicly pledging our support for TCFD in August 2022, we have continued to strengthen our climate risk management framework by incorporating TCFD's four core pillars: Governance, Strategy, Risk Management, and Metrics & Targets. During the year under review, we further embedded these principles into our business operations, ensuring a structured approach to identifying, assessing, and addressing climate-related risks and opportunities. Our progress, strategies and key initiatives is guided by the Joint Committee on Climate Change ("JC3")'s TCFD Application Guide<sup>1</sup>.

As ESG frameworks continue to evolve, the International Sustainability Standards Board ("ISSB") has introduced two key Sustainability Disclosure Standards: General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and Climate-related Disclosures ("IFRS S2"). With the disbandment of TCFD, ISSB now oversees the monitoring of companies' climate-related disclosures. We remain committed to aligning with these evolving standards and are actively working towards adopting IFRS S1 and IFRS S2 by 2028, in accordance with the National Sustainability Reporting Framework (NSRF) and Bursa's Sustainability Reporting Framework.

These disclosures provide essential insights that support our compliance with leading standards in climate risk management, allowing us to transparently communicate our approach to addressing climate change. Our actions are continuously guided by our Group Sustainability Policy, Underwriting Policy and Group Investment Policy, ensuring a comprehensive and strategic approach.

As we continue to refine our climate strategy, we are dedicated to aligning our practices with the Climate Risk Management and Scenario Analysis ("CRMSA") policy published by BNM in November 2022, further strengthening our efforts to manage and mitigate climate-related risks.

<sup>1</sup> JC3 - TCFD Application Guide is the Application Guide which outlines key recommendations to facilitate the adoption of TCFD Recommendations by Malaysian financial industry. JC3 is a platform for regulator-industry cooperation to build climate resilience within the Malaysia financial sector, which is also co-chaired by BNM and Securities Commission Malaysia (SC)

# Our Environment

## Governance

We are continuously enhancing our governance structure to foster effective decision-making and oversight, ensuring that the Board has a comprehensive understanding of climate-related risks and opportunities across our operations. Clear accountability is embedded within our organisational structure, with well-defined responsibilities for managing climate-related risks. This integrated approach strengthens our resilience and supports informed, strategic responses to the evolving climate landscape.

**a Describe the board's oversight of climate-related risks and opportunities**

The Board holds the highest level of oversight within the Group, ensuring robust oversight of all sustainability-related matters, including climate change issues and risks. During the year under review, the Group strengthened its sustainability governance by aligning it with the principles of the CRMSA. This alignment ensures that the Board and senior management are well-equipped to address climate-related risks, paving the way for the organisation to build climate resilience. The Board assumes responsibility for evaluating climate-related risks and opportunities, integrating these considerations into the company's overall strategic decision-making process.

Supporting the Board is the RMC, which plays a crucial role in facilitating climate-related governance. The RMC reviews and recommends climate-related risks and opportunities to the Board, ensuring these align with the company's efforts to enhance climate resilience in accordance with CRMSA principles. The RMC also oversees the Group's Risk Register through quarterly evaluations of the risk dashboard, which includes key risk indicators. This process enables the identification of significant and emerging risks while ensuring appropriate mitigation strategies are developed to support the Group's climate strategy.

**b Describe management's role in assessing and managing climate-related risks and opportunities**

The SuCom comprising management and executive-level representatives, further strengthens the governance structure by overseeing the implementation of sustainability initiatives. Chaired by a member appointed by the Management-appointed with a maximum tenure of five years, SuCom focuses on addressing strategic sustainability concerns and ensuring alignment between strategy and operations. To maintain transparency and accountability, SuCom provides quarterly updates on sustainability matters to the Board. It operates with the support of the Sustainability Team and the Sustainability Working Committee, fostering a collaborative approach to advancing the Group's sustainability agenda.

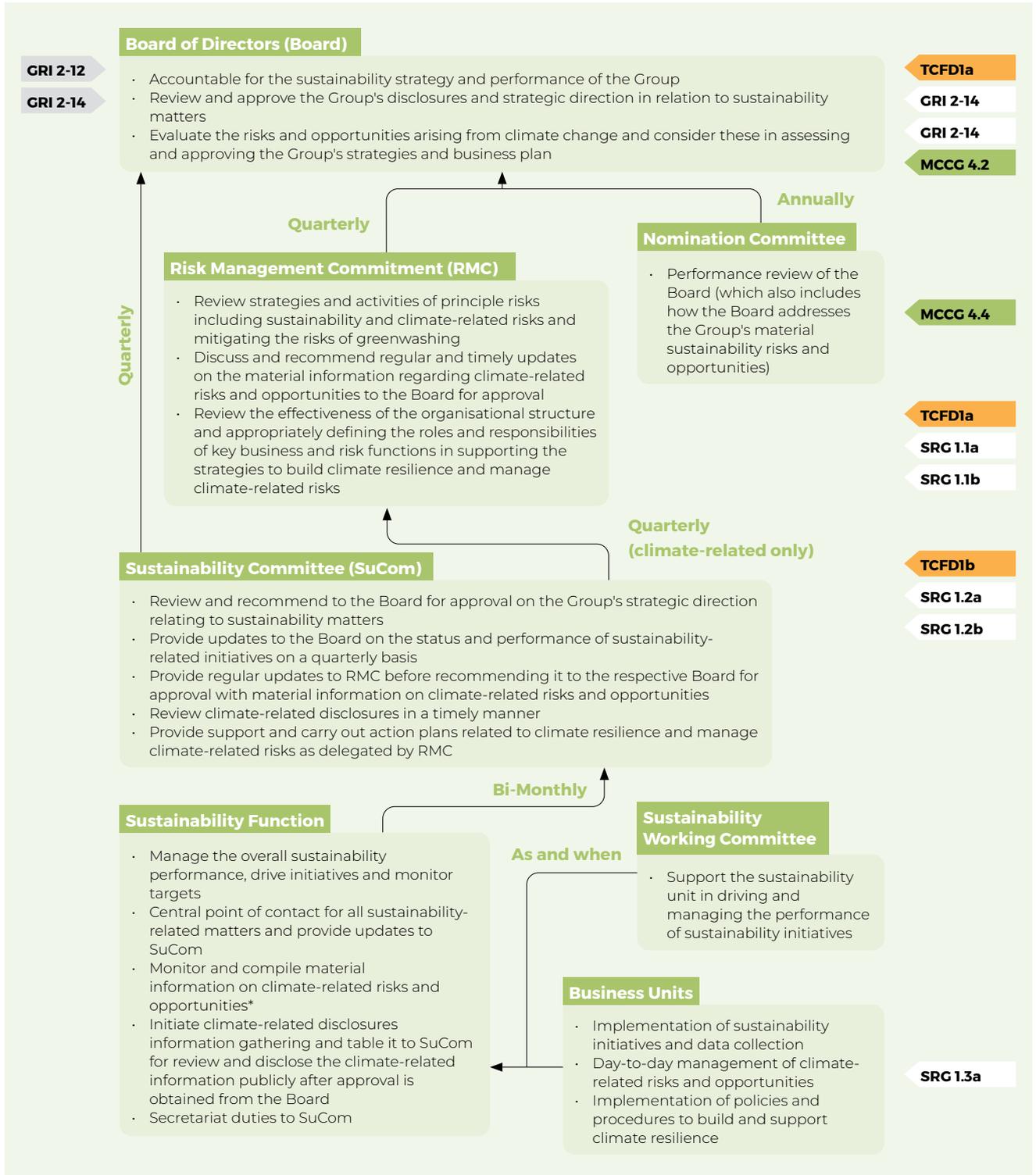
In 2024, the Board appointed a Senior Management Officer from our subsidiary, Tune Protect Malaysia to oversee the effective management of climate-related risks. This appointment reinforces accountability within the existing governance structure, ensuring a more integrated approach to sustainability. Additionally, the officer plays a key role in facilitating engagement with regulators, aligning our strategies with evolving regulatory expectations.

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# Our Environment

FROM OUR LEADERSHIP

## Integrated Climate Governance and Accountability



**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 Financial Disclosures; GRI – Global Reporting Initiatives Standards; SRG – Bursa Malaysia's Sustainability Reporting Guide (3rd Edition)

# Our Environment

Since 2023, climate change has evolved to be one of the main key considerations. In the year under review, the climate-related agenda deliberated at Board-level and Management-level meetings are:

Level	 <ul style="list-style-type: none"> <li>• Board</li> </ul>	Meeting Frequency	Quarterly
<b>Climate-related agenda</b>		<b>Outcomes</b>	
<ul style="list-style-type: none"> <li>• Reviewed the status of implementation plans towards full compliance of the CRMSA Policy Document</li> </ul>		<ul style="list-style-type: none"> <li>• The Board acknowledged the progress made in the implementation and provided guidance on addressing remaining gaps, including review of scenario analysis result, emphasising the importance of compliance within the stipulated timeframe.</li> </ul>	
<ul style="list-style-type: none"> <li>• Approved the appointment of Senior Management Officer from Tune Protect Malaysia to oversee climate-related matters</li> </ul>		<ul style="list-style-type: none"> <li>• This appointment ensure alignment with climate-related regulatory requirements and strengthen the Group's sustainability and governance</li> </ul>	
<ul style="list-style-type: none"> <li>• Approved the Group's climate strategy</li> </ul>		<ul style="list-style-type: none"> <li>• Established the Group's Net Zero Roadmap for Scope 1 and 2 by 2050 and 6,000 of Corporate Good hours (2025 – 2027)</li> </ul>	
<ul style="list-style-type: none"> <li>• Approved the establishment of TPG Internal Capital Adequacy Assessment Process ("ICAAP") Policy</li> </ul>		<ul style="list-style-type: none"> <li>• Aligned with Risk Appetite Statement ("RAS") which helps in identifying risks, including material climate-related risks when assessing the internal capital adequacy over different time horizons</li> </ul>	
<ul style="list-style-type: none"> <li>• Approved 2025 RAS</li> </ul>		<ul style="list-style-type: none"> <li>• Flood stress test was included, and two climate-related risk appetite statements have been approved</li> </ul>	
Level	 <ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• Sustainability Committee</li> </ul>	Meeting Frequency	Bi-monthly
<b>Climate-related agenda</b>		<b>Outcomes</b>	
<ul style="list-style-type: none"> <li>• Approved the changes to due diligence form to make applicable for outsourcing/counterparty and incorporation of climate-related question in the form</li> </ul>		<ul style="list-style-type: none"> <li>• Enhancement of existing due diligence form to identify and enhance climate-related risk evaluation at the portfolio and counterparty level</li> </ul>	
<ul style="list-style-type: none"> <li>• Approved the additional sections below to the Climate Risk Assessment Methodology (CRAM):                             <ul style="list-style-type: none"> <li>• Climate Risk Assessment</li> <li>• Quantitative and Qualitative Assessment</li> <li>• Forward-looking Quantitative Metrics</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>• The metrics will be used as a guide to assess climate risks and identify emerging risk and opportunities associated with climate change</li> </ul>	
<ul style="list-style-type: none"> <li>• Deliberated on:                             <ul style="list-style-type: none"> <li>• All enhancements to the areas of Risk Management for Board approval</li> <li>• Enhancements to SuCom Term of Reference</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>• Ensured compliance with CRMSA and alignment with regulatory expectations</li> </ul>	
<ul style="list-style-type: none"> <li>• Reviewed the materiality matrix for 2023*</li> </ul>		<ul style="list-style-type: none"> <li>• Endorsed and approved the materiality assessment outcomes for 2023 remain relevant in 2024</li> </ul>	

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\* SuCom only

**Note:**  
All climate-related agendas were presented to the SuCom and/or ExCom before being tabled to the RMC and subsequently the Board, while other sustainability-related matters were presented to the SuCom before being tabled to the Board.

Looking forward, our focus continues to be on enhancing our ability to manage climate risks and execute effective strategies to strengthen climate resilience. This effort includes prioritising capacity-building initiatives and delivering targeted training programmes for the Board, senior management and key employees.

# Our Environment

## Remuneration and Compensation

We integrate sustainability targets into our employees' performance metrics, including those of our senior management team. This is aimed to strengthen our sustainability outcomes. Employees allocate up to 5% of their Key Performance Indicators ("KPIs") to sustainability-related goals. The KPIs are structured within a cascading framework, with the Board defining KPIs for the Group CEO, including sustainability-related KPI. The Group CEO then communicates these goals to the senior management team. In addition, the Board is required to attend sustainability or climate-related trainings annually.

The performance evaluation is conducted annually via a qualitative scorecard that includes sustainability metrics, which factor into bonus allocations. Our total compensation also includes a combination of benefits and fixed or variable cash compensation, in alignment with the organisation's long-term performance objectives and goals.

In 2022, the Group launched the 2022-2024 Corporate Good ("CoG") initiatives, setting a 3-year target of 6,000 CoG hours to be achieved by 2024. This target was embedded into sustainability-related KPIs and performance evaluations across all levels, from the senior management and employees. By the end of 2024, the Group surpassed its goal, recording a total of 7,299 volunteering hours, driven by strong employee participation and dedication. Building on this success, the Group has set a new target of 6,000 CoG hours for 2025-2027, reinforcing leadership accountability and further strengthening its commitment to sustainability.



For more information, please refer to the Remuneration report on pages 142 to 145

## Training and Development

To continuously expand our knowledge and keep informed about the evolving sustainability and climate change landscape, the Board and Senior Management have participated in various training sessions and conferences. We have also leveraged the UNGC Academy which offers sustainability and climate-related courses. This is part of our ongoing efforts to strengthen the Board's and management's capabilities in overseeing sustainability matters. Looking ahead to 2025, some Board members are considering pursuing sustainability-related certification to further strengthen their expertise.



For more information on other ESG-related training and development initiatives, please refer to 126 to 127 on List of Directors' Trainings for 2024

## STRATEGY

We combine internal expertise with external insights to enhance our understanding of the actual and potential impacts of climate-related risks and opportunities. By embedding these risks into our risk appetite framework and business strategies, we strengthen our resilience and ensure a proactive approach to addressing climate-related challenges.

### a Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

The Company is exposed to a broad range of climate-related risks and opportunities. There are two main types of risks, in which it could affect the Company's business activities and we define it in our Group Risk Management policy:

#### Climate-related risks

##### Physical Risk

The risk of physical impacts from climate change, including the economic costs and financial losses, both direct and indirect.

It is further categorised into two categories, namely:

- **Acute Physical Risk**  
Refers to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, heat or cold waves or floods.
- **Chronic Physical Risk**  
Longer-term shifts in climate patterns (e.g. sustained higher temperatures, sea level rise, changing precipitation patterns) that may cause sea level rise or chronic heat waves

##### Transition risk

The risk arises due to the process of adjustment towards a low carbon economy, where the transition may give extensive changes to policy & legal, technology, market and reputational risk.

# Our Environment

## Identification Of Climate-Related Risks & Opportunities

The climate-related risks are reflected in the table below, which describes both the nature of the risk as well as its potential impact to us. The risk assessment is conducted quarterly and taken into consideration the short, medium, and long-term implications of climate-related risks, which subsequently incorporated into strategy and financial planning. Through this exercise, we identified the drivers of climate-related risks and align both physical and transition risks with existing risk categories. We will continue to monitor and expand our assessments, taking an iterative approach to enhance our ability to anticipate and respond to emerging climate-related risk while aligning with regulatory requirements and our responsibility as a responsible citizen.

Climate Risk Type	Risk Type	Time Horizon	Impact
 <b>Physical Risk</b>	<b>Operational Risk</b>		<ul style="list-style-type: none"> <li>· Non-compliance with newly introduced regulatory requirements</li> <li>· Increase in operational costs</li> <li>· Underprovision or overprovision of claims and premium liabilities</li> <li>· Delays in claims registration and settlement</li> <li>· Decrease in employee productivity and performance due to business disruption</li> </ul>
	<b>Insurance Risk</b>		<ul style="list-style-type: none"> <li>· Adjustment in pricing strategies to account for evolving risk profiles</li> <li>· Challenging for underwriters to accurately assess and price policies</li> <li>· Incompetency in accounting for climate risks could result in unexpected financial losses</li> </ul>
	<b>Market Risk</b>		<ul style="list-style-type: none"> <li>· Lower investment income</li> </ul>
 <b>Transition Risk</b>	<b>Regulatory Risk</b>		<ul style="list-style-type: none"> <li>· Adjustments in pricing strategies</li> <li>· Reduction or restrictions of capacity and terms and conditions for climate risk related perils</li> <li>· Non-compliance with newly introduced regulatory requirements</li> </ul>
	<b>Strategic Risk</b>		<ul style="list-style-type: none"> <li>· Loss of market competitiveness</li> <li>· Product unable to meet market requirements leading to customer dissatisfaction and financial losses</li> </ul>
	<b>Liquidity Risk</b>		<ul style="list-style-type: none"> <li>· Delay in claims registration and settlement</li> <li>· Negative public opinion and damage to the company's reputation</li> </ul>

SECTION 3

*Legend*

-  **Short term**  
1-3 years
-  **Medium term**  
4-10 years
-  **Long term**  
beyond 10 years

*Note: The risks identified at the Group level also extend to Tune Protect Malaysia, as the Group oversees and manages the entity.*

# Our Environment

## **b Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning**

### **Risk Appetite Statement**

We have a Risk Appetite commitment of 'No acceptance of coal, weapon, and tobacco-related risks' and 'No new investment in coal-based businesses.' Since August 2023, our Underwriting portfolio has been completely free of coal exposure, and we continue to monitor and work toward achieving zero coal in our investment portfolio.

We align with our Group Investment Policy, which mandates incorporating ESG considerations into our investment portfolio and allocates up to 10% of investments to ESG-related funds. Currently, we do not hold direct coal investments, and approximate 10% of our funds have exposure to the coal sector. Additionally, 8% of our total investments are allocated to ESG-focused fixed-income assets. To further strengthen our climate risks monitoring, we have two approved climate-related risk appetite statements that are selected from the business units' climate risks, to enable enhanced and specialised monitoring. These statements provide a more detailed approach, ensuring alignment with our overall risk tolerance.

### **Decarbonising Towards A Greener Portfolio**

In response to climate-related risks, our business strategy is shifting away from commercial lines associated with coal and instead focuses on Travel and Motor portfolio.

Our commitment to sustainability is underscored by our pledge to phase out coal by 2030, reducing underwriting risks linked to coal-fired power plants, thermal coal mining and coal-dependent utilities. We also align with the UNSDGs, particularly Goal 3: Good Health and Well-being and Goal 16: Peace, Justice, and Strong Institutions, by avoiding partnerships with industries involved in tobacco and weapons production. This reflects our dedication to conducting business in a manner that is consistent with our core values.

As we support the transition to a low-carbon economy and work towards a sustainable future, we are actively reducing our exposure to coal-related risks and steering clear of industries that conflict with our values. Additionally, our Investment Policy permits up to 10% of total investments to be allocated to ESG-approved funds, while phase out investing in carbon intensive assets, especially from coal mining and coal power production companies from future private mandates.

### **Driving Engagement On Climate Change**

The Group actively collaborates with various corporate sectors and climate-focused chapters to stay informed about evolving policies, regulations, and laws. Through these partnerships, we also contribute valuable insights to national climate strategy discussions, fostering a shared commitment to addressing climate challenges.

1



CLIMATE GOVERNANCE MALAYSIA

The Group remains fully committed in its pursuit of an effective climate transition strategy. The Group has placed a strong emphasis on ensuring financial stability, resilience, and long-term sustainability. As part of this commitment, the Company continues to be Climate Governance Malaysia's member, the Malaysian Chapter of the World Economic Forum's Climate Governance Initiative. This highlights the Group's dedication to integrating climate governance principles into its operations, strengthening its position in addressing climate-related challenges.

# Our Environment

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In 2024, the Group remains steadfast in its commitment pledge to the United Nation Global Compact (UNGC) corporate responsibility initiative, adhering to its principles in the areas of human rights, labour, environment and anti-corruption.

As a signatory to the UN Global Compact Network Malaysia and Brunei (UNGCMYB), we maintained our approach of leveraging shared resources in our ongoing efforts to engage our employees and enhance their knowledge on climate change and environmental stewardship. This also reinforced our commitment to the principles of good business as defined by the United Nations.

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At its 11<sup>th</sup> meeting on 20 September 2023, JC3 reviewed its progress and strategic action plans. In 2023, JC3 established Working Groups on Physical Risk and Transition Risk to support financial institutions in aligning with BNM's CRMSA policy document.

As a member of the Physical Risk Working Group, we observe industry-wide climate initiatives and gain insights on capacity building efforts.

## Promoting Sustainable Practices

We recognise the significant role our customers play in reducing carbon emissions, particularly the indirect emissions linked to our products. As part of our sustainability journey, we are focused on empowering customers to make environmentally conscious choices.

One of our main exposures to climate risk resides in our Motor portfolio. As we work towards managing these risks, we have identified climate-related opportunities and continue to explore innovative ways to mitigate the impact of our offerings. These opportunities not only help reduce environmental impact but also pave the way for sustainable growth and resilience.

- **Pay-As-You-Drive (PAYD)**

Since its introduction in 2019, our Pay-As-You-Drive (PAYD) scheme has been a game-changer in promoting sustainable driving habits. This product rewards customers for driving less, providing them with a unique opportunity to reduce both their environmental impact and insurance costs. PAYD allows drivers to pay based on their usage, ensuring that lower-mileage drivers benefit from reduced premiums. In addition, those with minimal mileage can enjoy a yearly reimbursement of up to 20% of their basic premium. We remain committed to continuing PAYD through 2025 as a cornerstone of our environmental initiatives.

## Products Promoting Adaptation

With climate change escalating the frequency and intensity of floods, traditional coverage options may no longer be sufficient. The rise in flood events has not only heightened risk but also created climate-related opportunities to enhance protection measures. As highlighted in a news release by Persatuan Insurans Am Malaysia (PIAM)\* in early January 2024, Malaysians were urged to review their insurance coverage. In continuous support to this, we have continued to offer flood coverage add-ons for both motor and home policies. These add-ons are designed to help customers protect their assets from the growing risk of flood damage, giving them greater confidence and stability amid increasingly volatile weather patterns. In 2024, awareness of flood coverage has risen as evident in the take-up rate for flood cover under Motor class, which rose from 0.19% in 2023 to 0.30% in 2024.

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\* Persatuan Insurans Am Malaysia (PIAM), Malaysians Encouraged to Weather the Storm with Flood Coverage.

# Our Environment

- c Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios**

## Climate-Related Scenario Analysis

Our approach to managing climate risk is informed by comprehensive data. We assess flood risk and its potential impact on our business by using historical trends and future projections with the help of our reinsurance broker's Catastrophe Model. This analysis forms the basis of our ongoing efforts to manage risk and ensure financial stability across our portfolios.

We incorporate flood loss assessments from our reinsurance broker into key processes, including the Financial Condition Report (FCR), ICAAP, and the Individual Target Capital Level (ITCL) exercises, ensuring comprehensive risk evaluation and informed decision-making. Additionally, we have integrated Climate Risk into the ICAAP in 2024. This ensures the adequacy of financial strength against the rising frequency and severity of catastrophic events. This ensures the adequacy of financial strength against the rising frequency and severity of catastrophic events. We continuously enhance the quality of our data and analysis to ensure we are well-equipped to price our products appropriately and manage potential claims effectively.

In 2024, we conducted a high-level long-term qualitative scenario analysis based on the Hot House World (HHW), one of the categories of scenarios developed by the Network for Greening the Financial System (NGFS) to explore climate change impacts on the economy and financial system, assessing the potential business impacts of climate risk events.

For short-term scenario analysis, our actuarial team factored in both physical and transition risks, considering a 1-in-200-year flood event as a physical risk and regulatory changes through potential national policy developments as a transition risk to evaluate their impacts on our portfolios. The analysis identified Motor, Cargo, and Engineering as the affected portfolios, and a financial impact of less than 5% on shareholders' equity. This exercise enhances the Group's awareness of climate risks, strengthens future planning and ensures compliance with growing regulatory requirements.

Moving forward, we aim to enhance climate scenario analysis capabilities, including the development of quantitative long-term scenario analysis, building on our initial qualitative assessment. This initiative also aligns with Climate Risk Stress Testing ("CRST") guidelines which will be reported by 31 December 2025. We will adjust our approach to better reflect our risk appetite and, when necessary, set new thresholds and risk limits.

## RISK MANAGEMENT

We have enhanced and updated our risk management policies and procedures to incorporate the unique aspects of climate change, ensuring clear communication and understanding across our organisation. Through the analysis of climate-related risk transmission across existing risk categories and the application of scenario analysis, we have gained insights to refine our risk appetite and further strengthen our risk management framework.

- a Describe the organisation's processes for identifying and assessing climate-related risks**

## Understanding the Impacts on Our Business

To ensure the continued relevance of our business strategies, we are committed to fostering low-carbon growth. As insurers, we recognise the significant impact of climate change on our operations, exposing us to various climate-related risks. These risks affect not only our insurance products directly but also the evolving sectors and business models that we underwrite.

In response, we actively assess and mitigate climate-related risks, identifying opportunities to reduce our environmental footprint while strategically prioritising our investments. We are continually refining our assessment processes to better capture both short- and long-term risks and opportunities that may influence our business landscape.

The financial and non-financial risks arising from climate change are multifaceted. The transition to a low-carbon economy presents challenges, including shifts in industries, policy changes, technological advancements, and evolving market sentiment. As a result, financial assets could experience devaluation, increasing transactional losses, capital requirements, and operational expenses. By proactively managing

# Our Environment

these climate-related risks and prioritising socially responsible investments, we seek to align our business practices with our commitment to sustainability and reducing our carbon footprint.

**b Describe the organisation's processes for managing climate-related risks**

### Managing Our Risks

We remain committed to managing climate-related risks through strategic risk management. With the escalating effects of climate change, including more frequent and severe events like floods, our focus is on safeguarding our business by effectively mitigating these risks. In pursuit of this goal, we are continuously reviewing available protocols to address climate-related risks.

We employ Risk Classification to assess and categorize various risks, identifying both challenges and opportunities arising from climate-related factors. Through our Group Risk Management Policy, we define key risk terminologies to ensure consistency with the TCFD recommendations and BNM CRMSA Policy Document. In line with these principles, we have embraced the principles and requirements that enhance our resilience against climate-related risks. Climate change considerations are integrated into the Company's risk management framework as part of the overall risk management process. During the quarterly review of the climate risk register, we identified existing controls to mitigate climate risks, ensuring appropriate measures are in place to prevent potential impacts. The impact of climate change is evaluated across key financial risk categories, including credit risk, market risk, insurance risk, liquidity risk and operational risk. This proactive approach bolsters our ability to navigate climate risks. Looking ahead, we aim to incorporate BNM's CRST Policy Document into our operations. This framework is designed to assess the resilience of financial institutions against both physical and transition risks. By implementing CRST, we will evaluate the potential impact of climate-related risks on our business, further strengthening our risk management strategies and enabling us to make well-informed decisions.

**c Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management**

### Integrating Climate Risks into Risk Management

Our commitment is to fully integrate climate-related risks and opportunities across the Group, ensuring we mitigate exposure effectively. As part of our forward-looking strategy, we intend to refine our risk mapping process to include a more thorough evaluation of climate risks throughout the entire value chain.

We have incorporated potential climate change impacts, such as changes in weather patterns, into our Enterprise Risk Register. This reflects the increasing frequency, severity, and associated costs of extreme weather events resulting from global warming. At the departmental level, climate risks are included in their risk registers with clearly assigned risk owners to identify and manage climate-related risks within existing risk categories, where applicable. The appointment of a Senior Management Officer from Tune Protect Malaysia, who also serves as the Chief Technical Officer, to oversee climate-related matters strengthens our governance framework. As a SuCom member, his involvement enhances transparency, while the risk management team supports him in integrating climate risks into the broader risk management framework.

All identified climate risks are assessed across short-, medium-, and long-term horizons, considering their financial impact and likelihood of materialisation. Additionally, we evaluate their significance within existing risk categories. Credit, market, liquidity, and operational risks are assessed qualitatively, while insurance risks are evaluated quantitatively. The assessment revealed that climate risks within existing risk categories are minimal and immaterial over the short-term time horizon. We will continue to refine our evaluation process by incorporating more elements to achieve more robust and reliable results.

With an ongoing commitment to advancing data capabilities, tools and methodologies, we aim to ensure effective reporting on climate-related risks. In 2024, we have made considerable progress in aligning our operations with the CRMSA's expectations and recommendations.



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# Our Environment

## Existing Control for Alignment to CRMSA and Enhancements in 2024

Enhancement	Outcome
<b>Risk Appetite</b>	
<ul style="list-style-type: none"> <li>Exploration and assessment of climate risk in existing risk categories and developed climate-related risk appetite statements</li> </ul>	In-depth assessment to enhance the organisation's resilience to climate-related risks
<b>Risk Assessment Processes</b>	
<ul style="list-style-type: none"> <li>Engaged with three of our main counterparties</li> </ul>	Questionnaires covering areas such as exposure to climate-related risks, track record in managing these risks, commitment to transition strategies, and future outlook were disseminated. This allowed us to gain deeper insights into their risk exposure and dedication to managing climate-related challenges
<ul style="list-style-type: none"> <li>Added new sections below into Climate Risk Assessment Methodology (CRAM)               <ol style="list-style-type: none"> <li>Climate Risk Assessment</li> <li>Quantitative and Qualitative Assessment</li> <li>Forward-looking Quantitative and Qualitative Metrics</li> </ol> </li> </ul>	One of the risk management tools to measure and manage climate-related risks under business-as-usual and stress condition. The metrics will be used to assess climate risks and identify emerging risks and opportunities related to climate change
<b>Risk Register</b>	
<ul style="list-style-type: none"> <li>Climate-related risks have been included as one of the discussion topics during risk register review since second quarter of 2024.</li> </ul>	Business Units are prompted to assess whether the risk would have financial impacts or affect the product and customer
<b>Due Diligence</b>	
<ul style="list-style-type: none"> <li>Key changes to due diligence form to make applicable for outsourcing/counter party and incorporation of climate-related question in the form</li> </ul>	Enhancement of existing due diligence form to identify and evaluate climate-related risk at the portfolio and counterparty level
<b>Procedure on Data Collection for Climate-related Risks</b>	
<ul style="list-style-type: none"> <li>Enhanced the Procedure to outline the roles of different Business Units</li> </ul>	Tailored based on the requirement of CRMSA to continuously develop capabilities to assess and identify material risks

# Our Environment

## METRICS AND TARGETS

We utilise risk metrics to identify, assess and manage climate-related risks effectively, as part of our commitment to transparency.

- a Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.**

### Our Products and Services

#### Zero Coal in our Portfolios

We aim to completely removing coal from both our underwriting and investment portfolios by 2030. To support this, we have strengthened our climate risk management practices and successfully complied with the CRMSA requirements in 2024, establishing measurable metrics and targets for climate action.

As of August 2023, we have reached Zero Coal status in our underwriting portfolio. In our investment portfolio, three mandated funds maintain coal exposure of approximate 10%, demonstrating our continuous progress toward a fully coal-free future. In 2024, 8% of our funds are invested in ESG-related funds, aligning with our Group Investment Policy, which allocates up to 10% for such investments.

#### Climate Adaptation

Aligned with the Climate Change Principle-based Taxonomy (CCPT) by BNM, we have identified and categorised climate-related exposures in our portfolio to improve risk assessments and monitor associated risks and opportunities. In 2024, 9.9% of our Gross Earned Premium was attributed to products that mitigate climate-related risks, showcasing our ongoing efforts to adapt and respond to climate challenges.

Insurance/Takaful cover for	Percentage of Gross Earned Premiums (%)/ Contribution (%)
Flood under Motor class	0.3
Flood under Fire class	0.5
Flood under Other class	8.9
Electric/Hybrid cars	0.2

We also actively support the growth of renewable energy by underwriting projects in solar, hydropower, and biomass, with our Gross Written Premium in this sector reaching 0.1% as of 31 December 2024.

#### Capital Deployment

No capital has been deployed towards climate-related risks and opportunities in 2024. However, we will continue to monitor future developments related to climate, particularly in areas related to operational improvements such as energy efficiency measures, process optimisation and policy changes.

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# Our Environment

## High-Risk Sector Exposure

In accordance with BNM's Guidance Notes for CRMSA Engagements: Insurance and Takaful Operators (ITO), we have identified our exposure to high-risk sectors within our underwriting portfolio, excluding the coal sector. As of 31 December 2024, our current underwriting exposure to these sectors is less than 10.0%.

- b Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.**

## Our Carbon Footprint

### Net Zero Roadmap

The Group is committed to reducing its direct and indirect carbon emissions. In 2024, Net Zero Roadmap has been developed, where determination of baseline emissions will be conducted in 2025.



The Group target to achieve

**50%** reduction for Scope 1 by 2030

**50%** reduction for Scope 2 by 2040, and

**Net Zero** for both Scope 1 and 2 by 2050.

## Operational Metrics and Targets

In our ongoing commitment to sustainability, we have tracked our greenhouse gas (GHG) emissions since 2020, following the GHG Protocol Framework. In 2024, we recorded total emissions of 758.9 tonnes of CO<sub>2</sub>e (tCO<sub>2</sub>e), which include Scope 1 emissions from company-owned vehicles, Scope 2 emissions from electricity use and Scope 3 emissions from business travel, employee commuting and waste generated in operation.

As part of our efforts to mitigate climate change, we have begun to assess and measure Scope 3 emissions, which arise from activities within our supply chain. We have also reviewed our methodology in 2024 and restated our 2022 and 2023 GHG emissions based on the latest emission factor.

# Our Environment

**c Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks**

**GHG emissions (in tCO<sub>2</sub>e)**

	2022	2023	2024
<b>Scope 1</b>			
Company-owned Vehicle	12.5	12.8	<b>17.2</b>
<b>Scope 2</b>			
Purchased Electricity	365.3	347.7	<b>351.3</b>
<b>Scope 3</b>			
Category 5: Waste Generated in Operation	-	-	<b>0.04</b>
Category 6: Business Travel	-	-	<b>62.7</b>
Category 7: Employee Commute	-	418.1	<b>327.7</b>
<b>Total</b>	<b>377.8</b>	<b>778.6</b>	<b>758.9</b>

As part of our sustainability journey, we are monitoring waste diversion to and from landfills to minimise our carbon footprint. The table below shows the total waste that is directed and diverted from landfills. The data is also used to calculate Category 5: Waste Generated in Operation.

	2024
<b>Total waste generated (in tonnes)</b>	<b>4.104</b>
· Waste diverted from disposal	0.004
· Waste directed to disposal	4.1

GHG emissions are calculated using methodologies consistent with the Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard. The Scope 1, 2, and 3 emissions totals based on the organisational consolidation approaches to boundaries.

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# Our Environment

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

GHG Emissions	Approach	Emission Factor Reference
<b>Scope 1 Direct Emissions</b> <ul style="list-style-type: none"> <li>Mobile Combustion</li> </ul>	<ul style="list-style-type: none"> <li>Covers emissions from vehicles owned by the company; one owned by Tune Protect Group and two owned by Tune Protect Malaysia. One fully fuel-based car was replaced with a hybrid car in June 2022</li> <li>Emissions are calculated using fuel consumption data</li> </ul>	UK Government GHG Conversion Factors for Company Reporting 2024
<b>Scope 2 Indirect Emissions</b> <ul style="list-style-type: none"> <li>Purchased Electricity</li> </ul>	<ul style="list-style-type: none"> <li>Cover Emissions generated from electricity purchased from the grid.</li> <li>Emissions are calculated using consumption data via location-based method</li> <li>Peninsular Malaysia: Tenaga Nasional Berhad</li> <li>East Malaysia: Sabah Electricity Sendirian Berhad and Sarawak Energy Berhad</li> </ul>	Grid Emission Factor (GEF) 2022 by The Malaysia Energy Information (MEIH)
<b>Scope 3 Other Indirect Emissions</b> <ul style="list-style-type: none"> <li>Waste Generated in Operation</li> </ul>	<ul style="list-style-type: none"> <li>Cover emissions generated by waste disposal to landfill and recycling</li> </ul>	UK Government GHG Conversion Factor for Company Reporting 2024
<ul style="list-style-type: none"> <li>Business Travel</li> </ul>	<ul style="list-style-type: none"> <li>Cover emissions generated by employee travel for work-related purposes</li> <li>Local and international business air and on-land travel</li> <li>Road travel data captured via our HR Management System on the mileage for on-land travel claims for public transportation and taxis</li> </ul>	<b>Road travel</b> UK Government GHG Conversion Factor for Company Reporting 2024  <b>Air Travel</b> International Civil Aviation Organisation's Carbon Emissions Calculator ( <a href="https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx">https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx</a> )
<ul style="list-style-type: none"> <li>Employee Commuting</li> </ul>	<ul style="list-style-type: none"> <li>Cover emissions generated by employees travelling to and from work</li> <li>We conducted a survey among employees to collect information on the mode of travel, distance travelled, and total days worked from office in the reporting year to estimate the commuting emissions</li> </ul>	UK Government GHG Conversion Factor for Company Reporting 2024

## GOING FORWARD

We will continue to address the challenges of climate change by strategically enhancing our sustainability practices and aligning with IFRS S1 and IFRS S2. This long-term commitment aligns with Malaysia's goal of reducing GHG emissions intensity and achieving Net Zero emissions as early as 2050. To further strengthen our efforts, we will conduct a comprehensive review of our Scope 3 emissions beyond the three categories included in this year's reporting, assessing their relevance and materiality to our overall carbon footprint. Strengthening our risk management and reducing our environmental footprint are central to our ongoing efforts, ensuring that we contribute to long-term environmental resilience.

# Our Environment



## Resource Management

The Group remains committed to the responsible stewardship of natural resources, aligning our actions with our sustainable development goals.

This commitment drives our initiatives to conserve energy, water and reduce waste, while ensuring that our resources are used efficiently. By adopting these practices, we not only minimise operational costs but also foster a culture of environmental sustainability among our employees.

### OUR APPROACH

The Group Sustainability Policy continues to guide our commitment to sustainable and responsible resource management. In alignment with local laws and environmental standards, the policy steers our efforts to optimise energy, water and waste consumption, alongside reducing paper usage as we move towards a paperless environment. Through its implementation, we consistently embed sustainability practices across all our operations.

Through the Weekly News Digest by IR, which includes ESG-related news, we enhance the Group's management's awareness of developments in environmental, social and governance matters. These updates aim to keep our management informed about relevant trends, regulations and best practices in the ESG landscape.

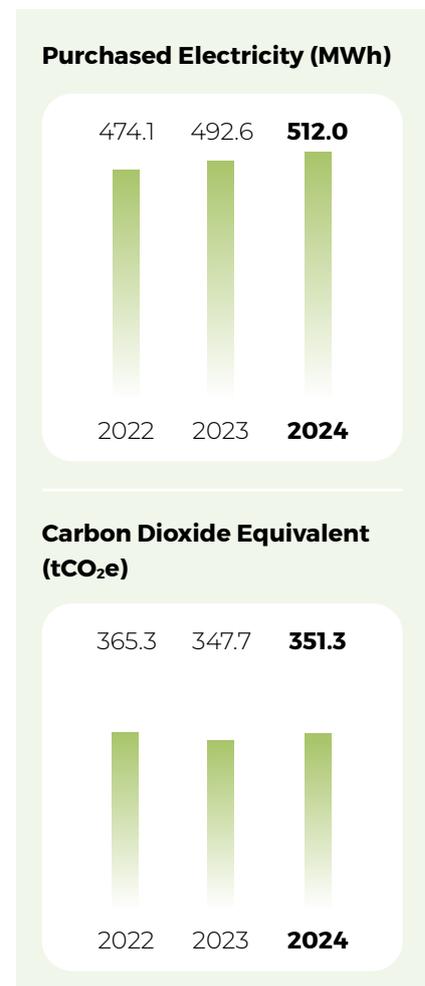
### OUR INITIATIVES

#### Energy Consumption

Building on our 2023 efforts, we have continued to implement ongoing measures that promote sustainability across the organisation. Our Earth Hour Fridays continue to encourage our people in reducing energy consumption by turning off all non-essential lights and electrical appliances for one hour, every Friday from 12 pm to 1 pm. We also maintained our practice of switching off non-essential lights when not in use on Level 9 of Wisma Capital A. Additionally, we consistently encourage employees to adopt energy-saving measures through notifications, wraps, screensavers and signage throughout the organisation.

Through the Workplace Green Screen via VivaEngage, we highlight employees' environmentally responsible actions, such as bringing their own containers and using reusables.

The following table outlines our electricity consumption at both HQ and branch locations over the past three years, which accounts for 100% of our Energy Consumption and is the leading source of our Scope 2 emissions:



#### Notes on operational changes:

- The data presented reflects the electricity usage across 15 branches and HQ
- The change in numbers reported for FY2022 and FY2023 differ from IAR 2023 as we have reconducted our internal baseline study to comply with Bursa Malaysia's Sustainability Reporting Requirements
- The Carbon Dioxide Equivalent for 2022 and 2023 has been restated, incorporating updated Grid Emission Factors for 2022

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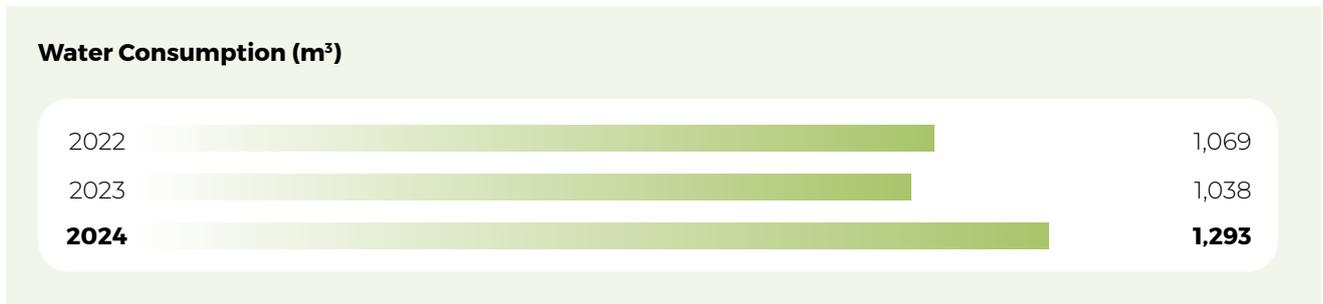
# Our Environment

FROM OUR LEADERSHIP

## Water Consumption

Following the progress made in 2023, we continue to focus on sustainable water management as part of our environmental responsibility. Our ongoing initiatives to manage water consumption include efforts to raise awareness among employees, such as strategically placed signage in high-traffic areas within our HQ and branch offices to encourage conscientious water usage.

Since 2022, we have been tracking water consumption across our 15 branches and HQ, which has provided us with a clearer understanding of our collective usage patterns. Through this effort, we are better positioned to identify areas for improvement and drive further reductions in water consumption, particularly during periods of water shortage and drought.



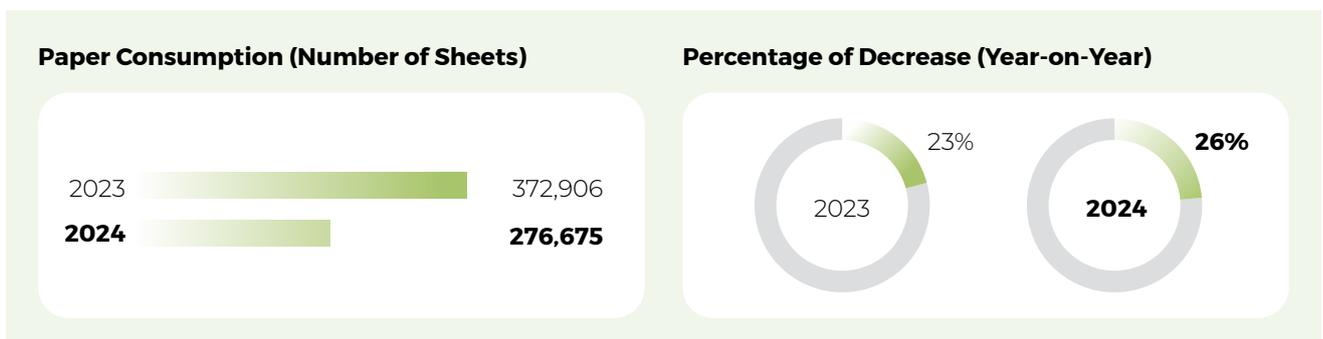
## Paper Consumption

In 2024, we have maintained the same level of commitment to reducing our environmental impact as in 2023 by continuing our paperless operations and digital delivery methods. We have upheld this approach, focusing on eliminating paper use wherever possible. Employees have also been regularly encouraged to print on recycled paper for internal use when necessary.

Our products are now created, developed and delivered digitally, with policy documents sent via email and online forms made available for customer use. We have continued to implement e-billing and paperless transactions through our e-card feature, which remains a key part of our sustainable business model. Additionally, we have kept our digital collaterals and business cards in place, ensuring we reduce environmental pollution caused by excessive paper consumption.

As part of our ongoing digitalisation efforts, we have continued phasing out outdated dot matrix printers and reducing paper consumption through efficient office printing practices. Our printers have remained set to duplex and grayscale by default and we have maintained the restriction on new printer installations, allowing them only when necessary.

We have Dyson HEPA hand dryers installed in the HQ washrooms. These dryers use filtered and clean air to dry hands, reducing the need for paper towels and minimising disposable waste.

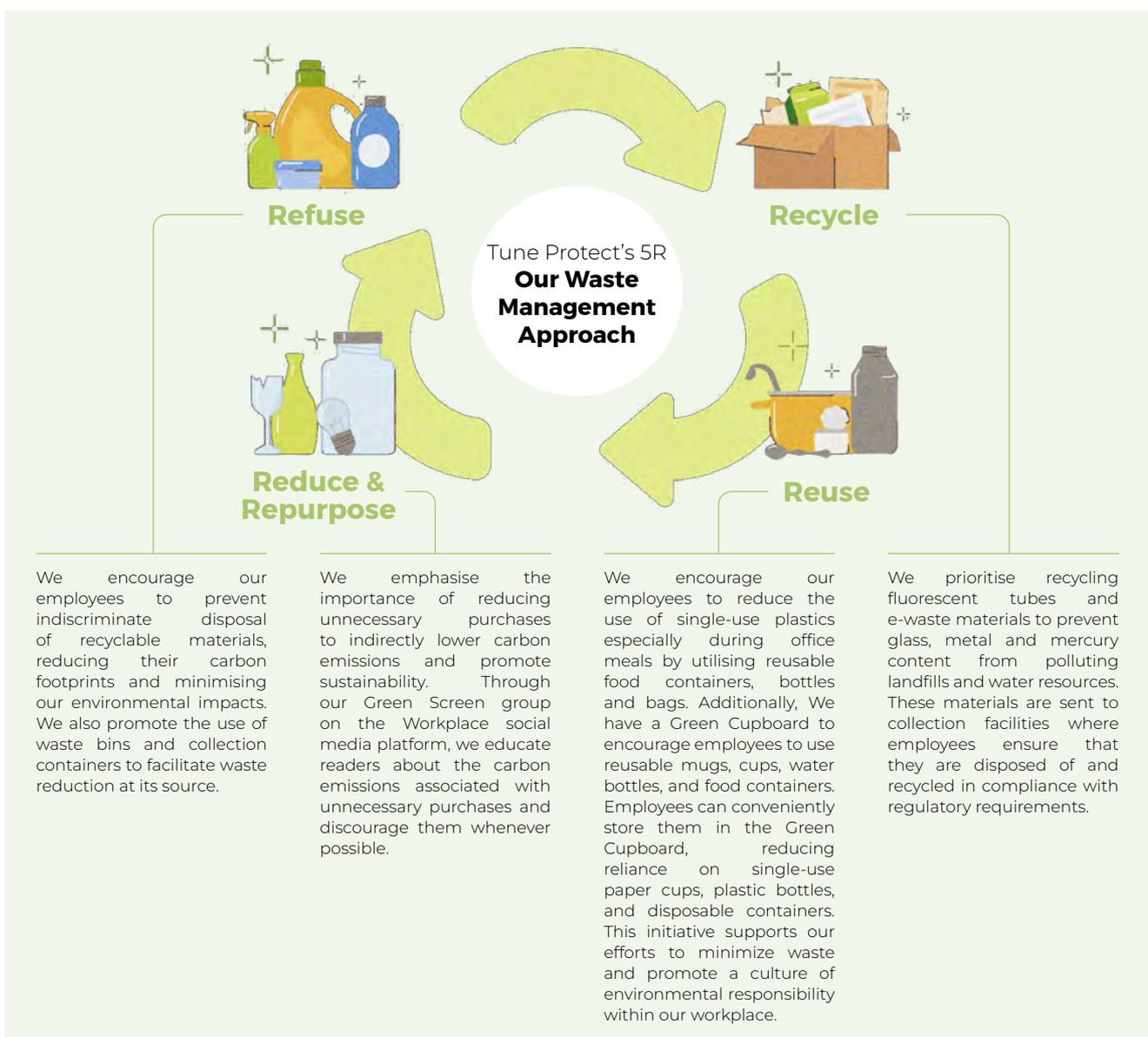


# Our Environment

## Waste Management

During the reporting year, the Group continues to adopt the 5R approach as a key strategy for reducing our environmental impact and advancing sustainability efforts. Our ongoing approach focuses on conserving resources, optimising material usage, reducing waste, mitigating environmental impacts and enhancing protection measures.

Additionally, we remain committed to promoting recycling practices across all operations. By further integrating these principles, we aim to protect vital resources, ensuring their availability for both current and future generations.



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Throughout 2024, we have built upon our 2023 initiatives to further reduce waste and promote sustainability. The prohibition of single-use plastic bottles for meetings in HQ remains a key practice, encouraging attendees to adopt sustainable habits while also reducing expenses associated with purchasing disposable bottles. This initiative has enhanced awareness and significantly reduced reliance on single-use plastics, supporting our long-term sustainability goals.

# Our Environment

FROM OUR LEADERSHIP

“ Total carbon footprint saved from e-recycling  
**16.95 kgCO<sub>2</sub>eq\***

*\* based on the Green Points Calculator by the 1Utama mobile app*

We have also strengthened our e-waste recycling efforts. In 2024, we successfully recycled 339 batteries, along with other e-waste items such as power banks, coin batteries and mobile phone batteries, through the 1Utama Shopping Centre Recycling Centre. Additionally, we ensured the responsible disposal of light bulbs and fluorescent tubes at the IPC Shopping Centre Recycling Centre, preventing potential land and water contamination.

“ Diverted  
**4 kg\*** of recyclable waste, including  
**1 kg** of plastic,  
**1 kg** of aluminium and  
**2 kg** of paper

*\* disposal from July to December 2024*

Building on these efforts, we introduced new sustainability initiatives in 2024. In July, we relaunched recycling bins on Levels 7, 8 and 9 to promote recycling habits among the employees. While this is a modest beginning, it marks an important step for us towards fostering a stronger recycling culture within the office. We will continue to educate our employees on proper recycling practices and the impact of waste reduction.

We also launched The Workplace Sustainability Scene via VivaEngage, sharing educational content on key topics such as the difference between biodegradable and recyclable materials, the second life of paper, metal and plastic, plastic classification codes and recycling guidelines for paper and metal. Additionally, we introduced a Waste Management Handbook featuring mini activities and interactive games to engage employees in sustainable practices.

Through these initiatives, we remain committed to embedding sustainability into our workplace culture. By continuously improving our waste management efforts and promoting environmental awareness, we strive to make meaningful progress in our sustainability journey.

## GOING FORWARD

Looking ahead, we aim to focus on achieving the Net Zero target set for Scope 1 and 2 emissions, while also addressing our internal waste generation. Our key strategy will be educating employees on the importance of recycling and encouraging sustainable practices within the workplace.



# Our People & Community

## Social

### ALIGNING WITH THE UN SDGS



### MAPPING TO OUR CAPITALS



### SUSTAINABILITY MATERIAL MATTERS



Diversity, Inclusion and Equal Opportunities



Employee Wellness & Developments



Corporate Good & Community Investments

### WHY IT MATTERS

- To nurture a sustainable, inclusive and diverse workforce that is free of discrimination and prejudice through equal treatment and alignment with international frameworks
- To engage with all employees, thereby boosting their productivity while fostering a workplace that is inclusive and offers physical, psychological and social safety
- To engage with and invest in local communities through our products as well as Corporate Good programmes and initiatives



## Diversity, Inclusion and Equal Opportunities

We promote diversity and inclusion across our workforce as these values empower our people to excel in their roles, contributing to our collective success. By embracing people from all walks of life, we can leverage their diverse viewpoints, experiences and ideas to develop creative and cutting-edge solutions. This is reflected in our commitment to inclusivity by providing equal opportunities for all individuals.

### OUR APPROACH

We continue to demonstrate our commitment to diversity and inclusion by adhering to our Group Recruitment and Selection Policy. The policy guides us in upholding fairness and transparency in our hiring processes, ensuring we pick the most qualified candidates. Furthermore, our hiring practices are also aligned with global human rights standards such as the Principles on Human Rights and Labour of the United Nations Global Compact (UNGC), reflecting our commitment to ethical and equitable practices. To reinforce our dedication to transparency, we strive to align our disclosures as closely as possible to the key performance indicators (KPI) of the Bloomberg Gender Equality Index (GEI).

### OUR INITIATIVES

#### Diverse Recruitment

At Tune Protect, we embed inclusion into our hiring processes from the start. Our job postings and descriptions use gender neutral language, while emphasising our commitment towards diversity to ensure we widen the talent pool. To prevent discrimination, we do not screen candidates based on race, gender and religion at the initial stage of the hiring process, only requesting candidates' personal details after they are selected to advance to the next round of the process.

Our internship programme continued for the fourth straight year, supporting our aim of positioning ourselves as the employer of the future as well as our current employees who aspire to upskill themselves. To cement our employer branding, we participated in a number of events throughout 2024, namely:



Career fairs held at Asia Pacific University (APU), University Teknologi Mara (UiTM) Shah Alam, Taylor's University, UCSI University and Kuala Lumpur Convention Centre



APU Technology team industrial visit to Tune Protect HQ



INTI International University workshop



Heriot-Watt University Malaysia Society of Actuarial Science (HWUMSAS) Case Competition 2024



Malaysian Actuarial Student Association (MASA) Actuariology event at Universiti Malaya

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# Our People & Community

## Gender Equality

We continue to be an active supporter and participant of the 30% Club, an international movement that pushes for gender parity within executive leadership and boardrooms. This is reflected in the proportion of women representation in our organisation's leadership. In 2024, 28.6% of our Board comprised women directors, exceeding the Malaysian average of 26%\*, while women accounted for 37.8% of senior management. On average, female employees make up 58.9% of our workforce, showcasing our dedication to diversity and inclusion.

\* 30% Club Malaysia, *Empowering Progress: Celebrating Nine Years of the 30% Club Malaysia*

Women in Management	As at Dec 2022		As at Dec 2023		As at Dec 2024	
	Headcount	%	Headcount	%	Headcount	%
TPG's Board of Directors	3	50.0	3	50.0	2	28.6
Senior Management	21	38.2	23	43.4	17	37.8

As signatories of the Women's Empowerment Principles (WEP) established by the UNGC and UN Women, we join organisations dedicated to advancing gender equality across the workplace, marketplace and community. Our hiring processes are detailed on our website, underscoring the transparency of our recruitment approach. To ensure that our people have equal opportunities for career advancement, we offer access to employee development resources to everyone in our workforce. Our hiring and promotions process are merit-based, rooted in competencies and qualifications.

We aim to foster a supportive work environment that empowers all employees to meet their professional and personal obligations, regardless of their stage in life. Towards this end, we implement initiatives such as flexible working arrangements and parental leave, allowing our employees to manage their various priorities.

In 2024, we participated in the 30% Club Malaysia's annual flagship Speed Mentoring event, as a mentees. Titled "Lead & Lead: Women Making Waves in the Corporate World", the event involved 60 participants divided into two equal-sized cohorts. Each cohort was further divided into six groups of five mentees.

Six mentors engaged with the groups, spending 15 minutes with each group to answer one question from each mentee. The groups rotated to a new table after 15 minutes, completing three rotations. Each cohort's session lasted 45 minutes. Mentors and mentees shared their experiences and key insights during the sessions after they have concluded.

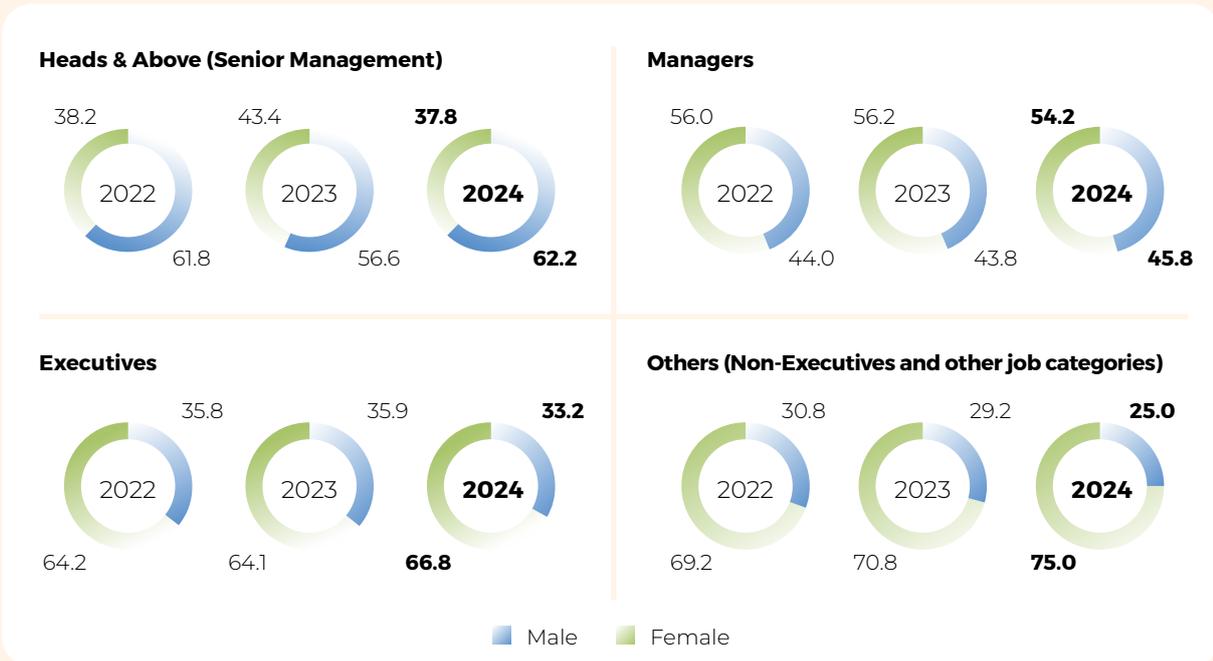
# Our People & Community

## GOING FORWARD

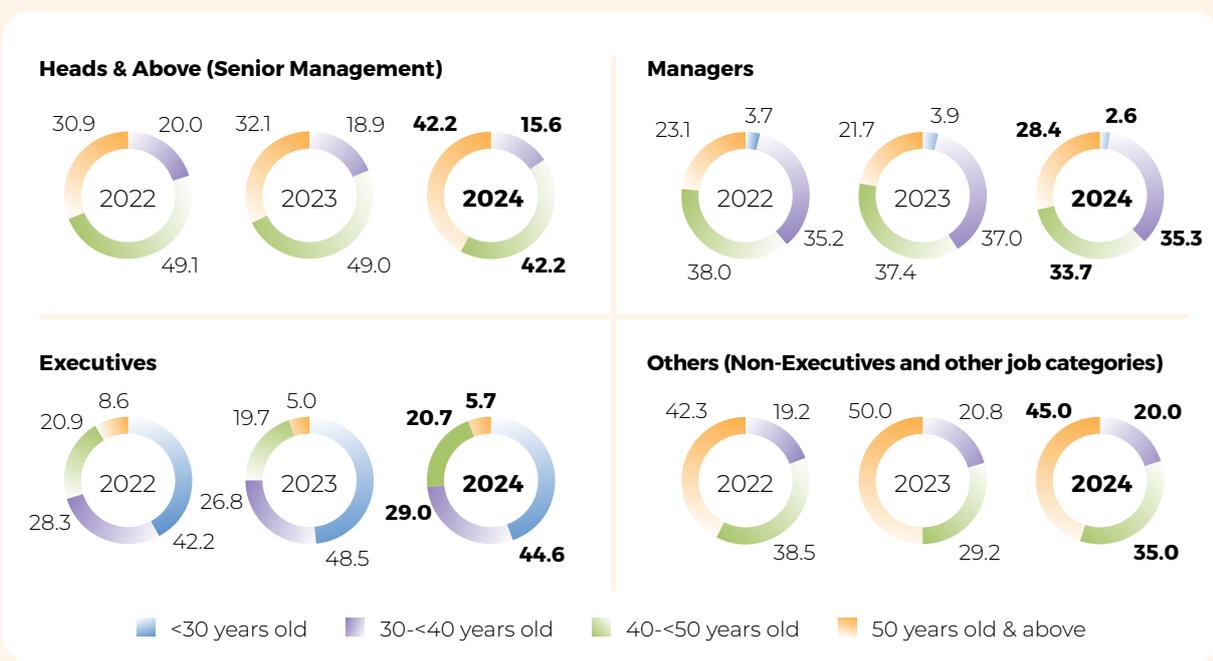
We will continue to build a more equitable and inclusive organisation by emphasising diversity, inclusion and the provision of equal opportunities in our recruitment, policies and practices.

### Employee Performance Data

#### Employees by Gender and Employee Category (%)



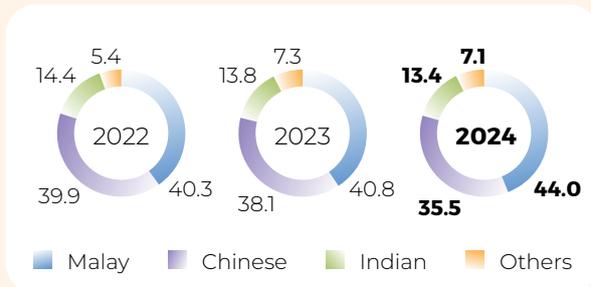
#### Employees by Age Group and Employee Category (%)



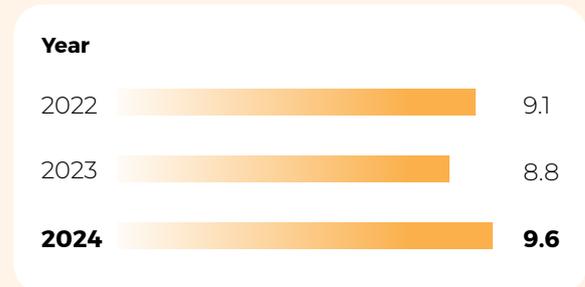
# Our People & Community

FROM OUR LEADERSHIP

## Employees by Ethnicity (%)



## 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 (%)	51.0	49.0	36.3	38.3	18.5	6.9

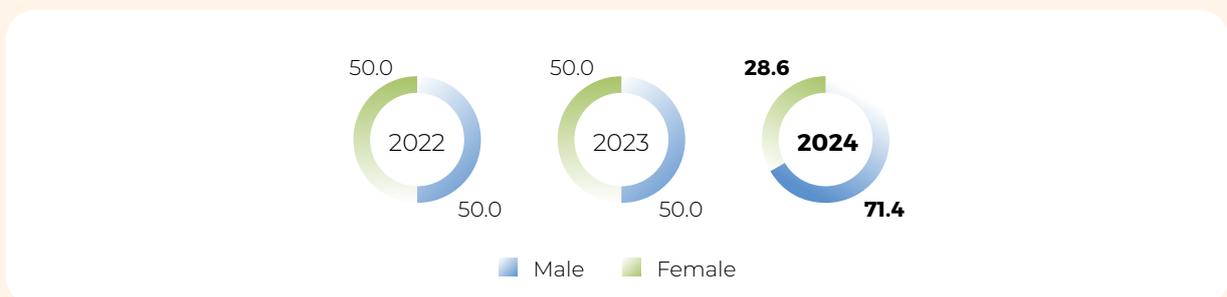
2023	Gender		Age group			
	Male	Female	<30	30-<40	40-<50	50 & above
Total (no.)	48	51	45	38	11	5
Percentage (%)	48.0	52.0	45.4	38.4	11.1	5.1

2024	Gender		Age group			
	Male	Female	<30	30-<40	40-<50	50 & above
Total (no.)	35	57	39	24	16	13
Percentage (%)	38.0	62.0	42.4	26.1	17.4	14.1

## Employee Turnover

Employee Category (no.)	2022	2023	2024
Heads & Above (Senior Management)	11	8	16
Managers	44	55	49
Executives	30	37	62
Others (Non-Executives and other job categories)	2	4	1
Percentage (%)	19.0	21.3	28.6

## Tune Protect Group's Board of Directors Gender Composition (%)



# Our People & Community



## Employee Wellness & Development

Our employees are central to our business. To ensure their wellbeing and satisfaction, we focus on creating a supportive and healthy work environment through numerous initiatives that address their needs. These include flexible working arrangements, competitive benefits packages and robust safeguards for their health and safety. Furthermore, we emphasise their continued professional and personal development by providing opportunities to enhance their skills and capabilities, ensuring we are constantly ready to meet evolving challenges.

### OUR APPROACH

Employee wellness and development are a pillar of our success. We are guided by our CoC, Group Employee Handbook and Group Sexual Harassment Policy, which outlines measures to protect employee health, safety and wellbeing.

### OUR INITIATIVES

#### Inclusive Work Arrangements and Benefits

Our people are a major driving force of the organisation, propelling us towards our goals and long-term success. We demonstrate our appreciation of their efforts through our commitment to equitable hiring practices, providing jobs opportunities to all, including individuals with disabilities. We align our remuneration with the Minimum Wages order to ensure that employees are fairly compensated for their time, effort and commitment. To ensure that our benefits and policies are aligned with the needs of our employees, we conduct an employee engagement survey every year to gather feedback on these areas.

Our array of attractive benefits include:

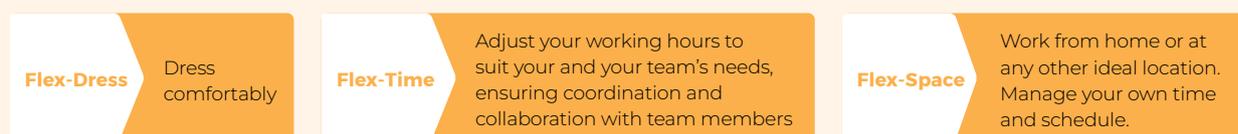
 <p><b>Leave</b> (including annual, birthday, marriage, parental, medical, hospitalisation, prolonged illness, exam, compassionate)</p>	 <p><b>Dental Coverage</b></p>	 <p><b>Professional Subscriptions</b></p>
 <p><b>Medical Check-up/ Health Screening</b></p>	 <p><b>Personal Accident Coverage</b></p>	 <p><b>Outpatient Medical Coverage</b></p>
	 <p><b>Hospitalisation and Surgical Coverage</b></p>	 <p><b>Term Life Coverage</b></p>

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# Our People & Community

Flexible working arrangements are available to all employees, whereby they are allowed to adjust their work schedules, leverage their most productive hours to complete their tasks and work remotely.

## Flex Working Arrangement



## Parental Leave

We provide parental leave to support employees with children. The Group offers 98 consecutive days of maternity leave. In addition, we offer 14 days of paternity leave, double the seven days of paternity leave stipulated by the Employment (Amendment) Act 2022, in recognition of men's caregiving responsibilities. In 2024, 11 employees took parental leave. At the end of 2024, 11 employees returned to work.

Return to Work Rate in 2024	2024		
	Men	Women	Total
Employees entitled to parental leave (no.)	6	5	11
Employees who took parental leave (no.)	6	5	11
Employees who returned to work after parental leave ended (no.)	6	5	11
Return to work rate <sup>(1)</sup> (%)	100	100	100

Retention Rate in 2024	2024		
	Men	Women	Total
Employees who returned to work after parental leave ended and were still employees 12 months after their return to work (no.)	5	4	9
Employees returning from parental leave in 2023 (no.)	11	5	16
Retention rate <sup>(2)</sup> (%)	45.5	80.0	56.3

### Note:

Our calculations are based on the following:

$$^{(1)} \text{ Return to work rate} = \frac{\text{Total number of employees that did return to work after parental leave}}{\text{Total number of employees due to return to work after taking parental leave}} \times 100$$

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

# Our People & Community

## Training and Development

Employee training and development plays a vital role in cultivating a positive company culture, in addition to improving job satisfaction, employee engagement and retention. At the Group, we empower our employees to thrive in their roles by equipping them with the necessary competencies through on-the-job learning that is complemented by feedback and coaching from their supervisors, in addition to online and offline training programmes.

In line with our Group Learning and Development Policy, we aim to provide employees with learning, development and training opportunities and resources that are customised for individual roles. These include mentoring, coaching and structured learning programmes. To facilitate learning from anywhere at any time, employees are given access to e-learning platforms. To track the effectiveness of our training programmes, we survey employees to obtain their feedback about quality and relevance.



### e-Learning Platforms

We joined the UNGC in 2023, gaining access to the UNGC Academy which allowed everyone in our organisation to learn about topics related to the UN Sustainable Development Goals and UNGC Principles which include climate change, gender equality and anti-corruption.

In addition, employees also had access to Go1, an online platform with over 100,000 resources that encompasses technical skills, soft skills and life lessons. To meet our employees' self-learning needs, we curated learning pathways for various competencies such as management and leadership.

We recorded 5,299 hours of online learning and self-learning and 13 hours of learning on climate and sustainability of the UNGC Academy by Tune Protectors, including the Board of Directors in 2024.



### Leadership Pipeline Development

Succession planning is vital for our business continuity and sustainable growth, ensuring that leadership transitions take place smoothly with minimal operational disruptions.

Establishing a leadership pipeline opens career pathways for employees, making their professional journey visible while boosting motivation and engagement levels. Additionally, we mitigate the risks arising from surprise vacancies in critical positions by identifying and grooming potential successors.

We continued our Future Leaders & Management Enrichment (F.L.A.M.E) programme in 2024 to strengthen our leadership pipeline and elevate the professional and personal development of our employees.

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# Our People & Community

## F.L.A.M.E

### Future Leaders & Managers Enrichment Programme

A Career Programme To Support Growth And Development



The Group Career Programme	Development Needs	Areas Of Development	Target Group
<b>Advanced Leaders Programme ("ALP")</b>	Leading The Organisation	<ul style="list-style-type: none"> <li>Coaching &amp; Mentoring</li> <li>Authentic Leadership</li> <li>Driving Change</li> <li>Leaderpreneur</li> </ul>	<ul style="list-style-type: none"> <li>Chiefs</li> <li>General Managers</li> </ul>
<b>Experienced Leaders Programme ("ELP")</b>	Leading The Teams	<ul style="list-style-type: none"> <li>Coaching</li> <li>Feedback &amp; Managing Performance</li> <li>Decision-Making &amp; Accountability</li> <li>Stakeholder Management</li> </ul>	<ul style="list-style-type: none"> <li>General Managers</li> <li>Heads</li> <li>Senior Managers</li> <li>Managers</li> </ul>
<b>Individual Leaders Programme ("ILP")</b>	Leading Self	<ul style="list-style-type: none"> <li>Communication Skills</li> <li>Resilient Mindset</li> <li>Data Analytics</li> <li>Thinking Out Of The Box</li> <li>Customer Mindset</li> </ul>	<ul style="list-style-type: none"> <li>Managers</li> <li>Assistant Managers</li> <li>Executives</li> </ul>

### Developing Employee Skills

In 2024, we implemented the following programmes to enhance employees' skills along with transition assistance programmes.

Programme	Objective	No. of Participants
<b>Critical Thinking &amp; Problem Solving (ILP)</b>	This course serves as a comprehensive introduction to the principles and practices of critical thinking and problem-solving techniques. Through this course, participants develop the skills necessary to analyse information, evaluate arguments and formulate effective solutions to real-world challenges.	<b>32</b>
<b>Business Presentation (ILP)</b>	This course aims to equip participants with the necessary skills to plan, prepare and deliver compelling business presentations that engage and influence audiences.	<b>19</b>
<b>First Time Manager (ILP)</b>	The highly interactive workshop provides newly promoted managers with a strong foundation in management and leadership skills. Day 1 emphasises values-driven management and a growth mindset. Day 2 delves into bold decision-making, customer obsession, goal setting, applying the Plan, Organize, Lead, Control (POLC) framework, in addition to inspiring leadership.	<b>18</b>
<b>Emotional Intelligence (ILP)</b>	Emotional intelligence is a critical skill that influences our relationships, decision-making and overall well-being. This course delves into the concept of EI, exploring its components, importance and practical applications in personal and professional contexts.	<b>13</b>
<b>Communication across Generation (ILP)</b>	This course provides students with insights into the unique communication styles, preferences and values of different generations, enabling them to bridge intergenerational gaps and build stronger relationships in professional settings.	<b>11</b>
<b>Data Story Telling (ILP)</b>	This course focuses on the art and science of data storytelling and visualisation, teaching students how to transform complex data into compelling narratives and visual representations. Through hands-on exercises and real-world examples, participants will learn to create engaging data visualisations that inform, persuade and inspire action.	<b>21</b>

# Our People & Community

Programme	Objective	No. of Participants
<b>Think Like a CEO (ILP)</b>	This course arms participants with practical tools to embrace a proactive mindset and avoid the 'not my problem' mentality. During the course, they develop strategies to apply a CEO mindset in daily decision-making and problem-solving, overcoming challenges and driving organisational success.	<b>17</b>
<b>Experienced Leadership Programme (ELP)</b>	The Experienced Leadership Programme is a two-year programme where the participants will attend a 5 days 4 night training programme and followed by coaching session. The training programmes is thoughtfully designed to equip senior leaders with the skills necessary to lead effectively, drive team performance and manage complex stakeholder relationships.	<b>16</b>
<b>Advanced Leadership Programme (ALP)</b>	This 1.5-day programme, designed for six participants progressing from ELP Cohort 1, offers an immersive experience combining both classroom-based and outdoor activities. The programme aims to help participants navigate the organisation's political landscape, engage key stakeholders and transition from securing mere compliance to achieving genuine ownership and commitment.	<b>6</b>

## Employee Training, Upskilling and Reskilling

We believe continuous learning is crucial for personal growth and organisational success. In 2024, our average training days per employee is 1.1 days.

Training Hours (no.)	2022	2023	2024
Total Training Hours	19,272.9	31,837.5	<b>11,593.1</b>
Average Training Hours per Employee	39.8	66.6	<b>25.9</b>

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## By Gender

Training Hours by Gender (no.)	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Average Training Hours per Employee	36.7	42.1	53.2	76.0	<b>27.6</b>	<b>24.7</b>

# Our People & Community

## Employee Engagement

A healthy workplace culture is critical to sparking organisational progress. It gives our employees a sense of belonging and purpose, driving them to achieve our collective goals and mutual success. Additionally, a supportive workplace solidifies our reputation as an employer of choice, enabling us to attract the best talents in the industry.

### Employee Engagement activities carried out in 2024:



#### Learning Festival 2024

The Learning Festival is a celebration of Tune Protect's commitment to fostering a growth mindset, encouraging creativity and supporting employee wellbeing. It featured a diverse lineup of workshops that catered for various interests, encouraging participants to explore new skills and perspectives. Besides crafts, hobbies and music the workshops also covered topics such as mental health and career development, sparking curiosity, building connections and promoting growth.



#### Olympic Event

In conjunction with the Paris Olympic 2024, Tune Protect brought the excitement and camaraderie of the global event to our workplace with the Tune Protect Olympic 2024! This vibrant initiative was designed to promote employee engagement, foster teamwork and celebrate the spirit of healthy competition through fun and inclusive activities. The event featured a variety of games and challenges such as ping pong, dart and squat challenge that catered to diverse interests and fitness levels, ensuring everyone had a chance to participate and shine.



#### Intern Day

We showed our appreciation to our talented interns, who bring fresh energy and innovative ideas to our teams and gave them a platform for growth and engagement by celebrating Intern Day. Activities were held to help interns learn our corporate culture and equip them with essential skills, including communication, time management and stress management. During Intern Day, interns also shared their challenges and received tips on how to overcome them.

# Our People & Community

To foster a positive work environment, we implement measures to boost employee satisfaction, engagement, retention rates and productivity. These initiatives are aimed at promoting employee wellbeing and instilling a sense of ownership among our people. In addition, we remain dedicated to keeping our employees fully engaged through platforms such as VivaEngage by Microsoft, WhatsApp and Microsoft Teams.



### Deepavali Kolam Competition

The grand finale of Governance Week was a Kolam Competition in celebration of Deepavali, the Festival of Lights. Employees engaged in a meaningful and colourful way. This event beautifully blended creativity, teamwork and cultural appreciation, creating an atmosphere of joy and unity within the workplace.



### Team Building

To reinforce collaboration, communication and camaraderie, we organised a number of dynamic team building events designed to inspire and energise our workforce.

This event not only celebrated our diversity but also reinforced our shared mission and values. As we continue to strive for excellence at Tune Protect, the bonds formed during this team-building experience will serve as a foundation for achieving greater success together.



### Year-End Townhall

The event served as an opportunity to reflect on our milestones and set the tone for the year ahead. We recapped our successes, milestones and standout moments from the year, showcasing the incredible teamwork and dedication of all employees.

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# Our People & Community

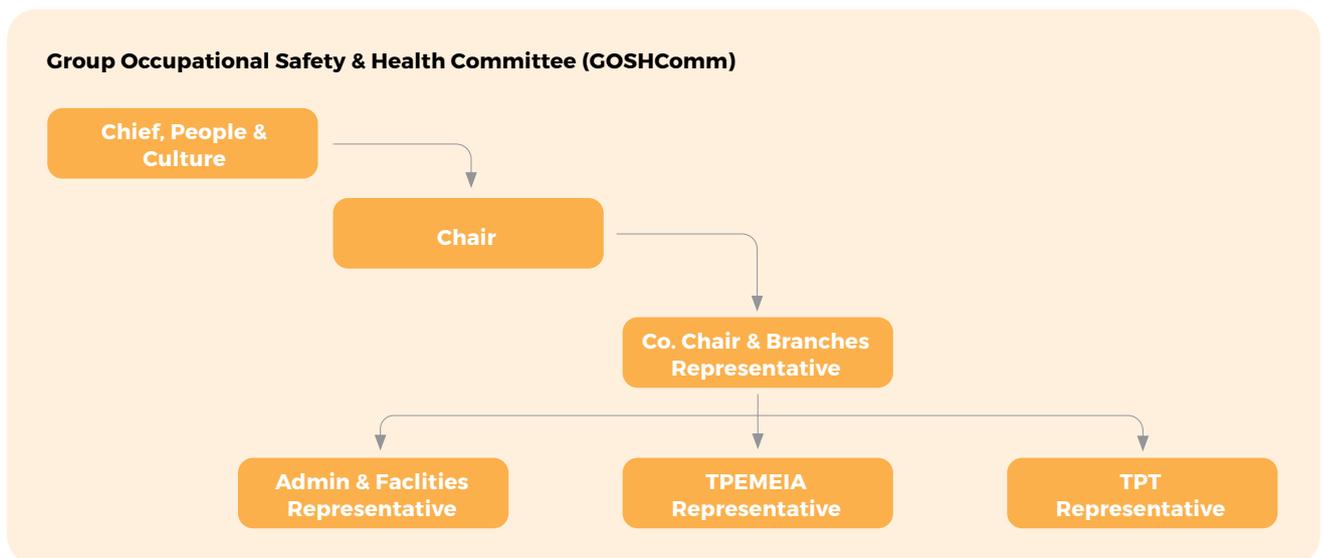
FROM OUR LEADERSHIP

## Occupational Health and Safety

Tune Protect takes the health and safety of our employees seriously as they are critically important to its operations. We are steadfast in fostering a safe and healthy workplace with strong safeguards in place to protect employees from harm, injury and illness. Since the start of the pandemic, we have implemented measures to control the spread of COVID-19, in line with the health and safety guidelines of the Occupational Safety and Health Act (OSHA) 1994 and the Fire Services Act 1988.

Tune Protect has established a Group Occupational Safety and Health Committee (“GOSHComm”) and Group Occupational Safety and Health Team (“GOSH Team”) responsible for ensuring safety protocols across the Group, including branches, entities covered by collective bargaining agreements and visitors. GOSHComm also seeks to ingrain in every employee the belief that safety and health is a collective responsibility, with each individual doing everything in their power to maintain safety and prevent mishaps from occurring.

The committees are formed by representatives from each entity and branch, including our associate and joint venture companies. Our GOSHComm structure is outlined below:



The GOSHComm is responsible for leading and championing initiatives for:

<div style="text-align: center;">  <p><b>Safety</b></p> <ul style="list-style-type: none"> <li>• Fire safety &amp; prevention</li> <li>• Personal safety, accident prevention training, talks and events</li> </ul> </div>	<div style="text-align: center;">  <p><b>Health</b></p> <ul style="list-style-type: none"> <li>• Workplace health and wellness programmes</li> <li>• Mental health awareness and support</li> <li>• Training, talks and events on health and well-being</li> <li>• Annual Blood Donation drives to promote health and save lives</li> </ul> </div>	<div style="text-align: center;">  <p><b>Security</b></p> <ul style="list-style-type: none"> <li>• General security practices</li> </ul> </div>
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Our HQ, branches and offices in Bangkok and Dubai have emergency response teams and fire marshals. In compliance with the Occupational Safety & Health (Amendment) Act 2022, we appointed a health and safety coordinator.

# Our People & Community

We strive to ensure our GOSH Team has the necessary competencies to carry out their responsibilities. Members includes medical advisors with healthcare qualifications and experience. Furthermore, many of them have attended Emergency Cardio Pulmonary Resuscitation & First Aid Training (CPR) and Fire Safety Training.

The GOSH Team publishes an internal Haze Advisory and Flood Advisory as and when these occur.

The following were safety and health initiatives carried out in 2024, in alignment with the UN SDG's Goal 3: Promoting Good Health and Well-Being.

Initiative	Description
 <p><b>Fire Safety</b></p>	<ul style="list-style-type: none"> <li> <b>Fire Marshals at Offices</b>                      We stationed fire marshals who are equipped with high visibility reflective vests, LED torch lights, whistles, guide flags and basic megaphones to facilitate safe and quick evacuations at HQ and branch offices every day                 </li> <li> <b>Compulsory Integrity Training for New Hires</b>                      This session provided a good overview of the GOSH initiatives under the First Pillar of Respect (Respect In Our Workplace) of the CoC. We also held Fire Safety Walkabouts during the training to help new hires familiarise themselves with the fire exits and locations of fire extinguishers                 </li> <li> <b>Fire Drill Exercise</b>                      On 14 October 2024, the GOSH fire marshals sprang into action speedily by helping to evacuate and direct personnel to the designated assembly point during the fire drill exercise organised by the building manager Rahim &amp; Co in collaboration with the Fire &amp; Rescue Department of Malaysia                 </li> </ul>
 <p><b>Health</b></p>	<ul style="list-style-type: none"> <li> <b>8<sup>th</sup> Blood Donation Drive</b>                      The GOSH Team collaborated with the National Blood Bank to organise Tune Protect's 8th Blood Donation Drive at Wisma Capital A on 12 December 2024. A total of 79 employees registered to donate with 54 donations successfully recorded. This initiative is close to our heart because a single donation has the potential to save up to three lives. Furthermore, volunteers who assisted with the drive were able to clock in their five hours of service towards the Corporate Good calculations                 </li> </ul>
 <p><b>Security</b></p>	<ul style="list-style-type: none"> <li> <b>Securing doors at HQ</b>                      HQ office doors automatic lock magnetically upon closing, while there are notices on doors to remind personnel to close doors. Fire Exits doors have alarms to ensure they are not used as shortcuts                 </li> <li> <b>New Hire Training on Security</b>                      The Compulsory Integrity Training for New Hires covers security in general under the First Pillar of Respect (Respect In Our Workplace)                 </li> </ul>

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# Our People & Community

## Safety Performance Data

In 2024, we maintained our safety track record with zero work-related injuries and high-consequence injuries reported.

Employees						
	2022		2023		2024	
	Number	Rate	Number	Rate	Number	Rate
Fatalities (no.)	0	0	0	0	0	0
Recordable work-related injuries (no.)	0	0	0	0	0	0
High-consequence work-related injuries (no.)	0	0	0	0	0	0

Non-employees						
	2022		2023		2024	
	Number	Rate	Number	Rate	Number	Rate
Fatalities (no.)	0	0	0	0	0	0
Recordable work-related injuries (no.)	0	0	0	0	0	0
High-consequence work-related injuries (no.)	0	0	0	0	0	0

	2022	2023	2024
Lost Time Incident Rate (LTIR)	0	0	0

## GOING FORWARD

We remain focused on strengthening our commitment to employee wellness, safety and diversity, equality and inclusion. This is demonstrated through our ongoing investments into initiatives to bolster the physical, mental and emotional health of our employees, provide continuous training and development opportunities as well as uphold the highest safety standards throughout our operations. Our ultimate goal is to foster an environment where each individual feels valued, respected, protected and empowered.

# Our People & Community



## Corporate Good & Community Investments

Taking into account the environmental and social impacts of our operations, the Group ensures long-term sustainability by supporting communities in places where we operate our business.

Corporate Social Responsibility (CSR), also known as Corporate Good (CoG) is a core element of our organisation. Our initiatives are guided by our CoG Framework, which emphasises helping unserved, underserved and underprivileged groups, contributing to their socio-economic development.

Investing in and engaging with our local communities is an essential part of our core values. We can actively engage with our communities through CoG programmes and initiatives, as well as impactful products.

### OUR APPROACH

The Group's CoG framework is aligned with several UNSDGs, focusing on, among other things, inclusivity, equality and tackling climate change. For initiatives involving both external and internal stakeholders, we collaborate with diverse partners while also ensuring we contribute to environmental protection.

We have established volunteering and charitable giving initiatives to support our communities aimed at uplifting the underprivileged, helping the unserved and underserved and taking care of the environment

Two years after we launched our CoG commitment, we have surpassed our initial commitment of 6,000 volunteer hours from 2022 to 2024, achieving 7,299 hours.

In 2024, the Group shifted focus from numbers to delivering lasting benefits for communities, demonstrating our commitment to integrating ESG principles and advancing environmental sustainability and social well-being.

In 2024, we contributed a total of **RM240,189** towards our CoG events.

Our employees volunteered **1,670 hours** for our CoG events in 2024, with estimated 2,846 beneficiaries impacted by our programmes.

To date, we reached a cumulative **7,299 volunteer hours** for our CoG events from 2022 to 2024, surpassing our target of 6,000 hours.

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# Our People & Community

FROM OUR LEADERSHIP

## OUR INITIATIVES

### Uplifting the Underprivileged



**a** **Sekolah Kebangsaan Kg Baru Si Rusa (SKKBSR) school programme - sports & digital with Tune Protect**

Tune Protect embarked on its first digital and sports-related CSR initiative in 2024. We collaborated with SKKBSR in Port Dickson, Negeri Sembilan to provide educational and sports resources, particularly for underprivileged students from the B40 income group. This collaboration is one of our key CSR initiatives aimed at enhancing students' sports and digital literacy. Of the total 799 students in the school, over 65 percent are from the B40 income group.

Throughout the programme, various activities were conducted, including introducing digital literacy programmes, refurbishing the school's digital resource centre and upgrading the school's sports facilities. The programme included two corporate social responsibility and volunteer activities on 18 and 25 May 2024 respectively.


**79** Tune Protectors volunteered  
**445** hours for this programme.



**b** **Visiting University of Malaya (UM) sports facilities**

SKKBSR in Port Dickson, in partnership with Tune Protect and UM, organised an educational field trip to the university. The trip involved 38 students, who participated in intensive track and field drills on the university's elevated track. They also explored the university's cutting-edge sports facilities, including locker rooms, equipment and a swimming pool. Dr. Eliza Hafiz, a sports lecturer at UM, delivered an inspiring session on the importance of proper diet and nutrition for athletes, inspiring them to adopt healthier habits. The objective of the initiative is to inspire young athletes, enhance skills, promote sports science, foster educational aspirations, encourage holistic development, strengthen community collaborations and leave a lasting impact on students' journey towards athletic success.

# Our People & Community



**c Cybersecurity Talk with Tune Protect**

Tune Protect conducted Cybersecurity Talk series at SKKBSR, Port Dickson, engaging over 350 students from Year 4 to Year 6. Led by representatives from Risk Management, the series offered interactive learning, quizzes and competitions, equipping the students with essential cybersecurity knowledge and skills to navigate the online world safely. The students achieved scores exceeding 90%, with Year 6 students recording the most outstanding results at 98%. The series aimed to empower young learners and foster ethical online practices and cybersecurity measures.



**2** Tune Protectors volunteered **10** hours for this programme.



**RM64,840** was put towards the three initiatives (a), (b) and (c).

**d Tune Protect's Final CoG Event at SKKBSR - Kids' Athletic Carnival**

Tune Protectors supported and participated in the Kids' Athletic Carnival at SKKBSR, Port Dickson, marking the culmination of our Sports and Digital-focused initiatives for 2024. The event was filled with energy and excitement, as students explored the joys of athletics through hands-on activities inspired by the World Kids Athletics concept. The event celebrated student achievements fostered the spirit of sportsmanship and served as a testament to the transformative power of community collaboration.



**15** Tune Protectors volunteered **125** hours for this event, with **RM10,135** put towards to this programme.

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# Our People & Community

FROM OUR LEADERSHIP

## Uplifting the Underprivileged



### e Battle of The Reds Football Clinic

Tune Protect organised a football clinic at the Bukit Jalil National Stadium, in conjunction with The Battle of the Reds, a much-anticipated football match featuring retired legendary players from two of the most iconic football clubs, Manchester United and Liverpool.

We welcomed 40 children from Sekolah Kebangsaan Cochrane to participate in this programme. Following the football clinic, the children enjoyed an exhilarating match between the Manchester United and Liverpool legends, making the day unforgettable for all.



**17** Tune Protectors volunteered  
**135** hours for this event, with  
**RM24,611** put towards to this programme.

## Helping the Unserved and Underserved



### a Roll Out Iftar Programme with Tune Protect & Sinar Harian

Tune Protect Berhad joined forces with our media partner Sinar Harian to launch a CSR programme called "Roll Out Iftar: Distribution of Iftar via Misi Rakyat Food Riders" to support uniformed personnel and food delivery riders in the Shah Alam area. The programme involved distributing 2,000 food packages, including beef and chicken murtabak and homemade ubi boko kuih, to uniformed personnel via food delivery riders. Through this programme, we supported not only uniformed personnel such as police officers, fire fighters, air force personnel and hospital staff but also provided young people working as food delivery riders with opportunities to earn additional income while demonstrating the spirit of Ramadan through the blessings of giving and sharing sustenance with our communities.



**61** Tune Protectors volunteered  
**355** hours for this event, with  
**RM51,655** put towards to this programme.

# Our People & Community

## Taking Care of the Environment



**b Titipan Kasih Syawal Harian Metro with Tune Protect, held at Hospital Tunku Ampuan Besar Tuanku Aishah Rohani, UKM Children's Specialist Hospital (HPKK)**

To bring joy and festive cheer to children and their families during Syawal, over 60 Tune Protectors teamed up with 20 Harian Metro volunteers to host the Titipan Kasih Syawal event at Hospital Tunku Ampuan Besar Tuanku Aishah Rohani (HPKK) in Cheras, Kuala Lumpur. They organised engaging games, activities and distributed branded merchandise to make the event memorable. The volunteers also decorated the hospital space to add festive touch and visited patients in medical, surgical and oncology wards, offering comfort and support. The event aimed to uplift the spirits of both inpatients and outpatients, promoting community engagement and celebrating the spirit of Hari Raya Aidilfitri. This initiative was featured on TV9 News, allowing a wider audience to witness this impactful initiative highlighting our commitment to community empowerment, sustainability and positive change.



**66** Tune Protectors volunteered **380** hours for this event, with **RM87,150** put towards to this programme.



**a Tune Protect tree-planting program in Selangor**

Tune Protect participated in a tree-planting programme in Selangor, planting 600 Tenggek Burung trees to conserve Selangor's peatland ecosystem, reaffirming its commitment to environmental conservation.

Tune Protect's team of over 29 volunteers contributed to the conservation of peat swamp forests, understanding their role in climate mitigation. The programme, aimed at bolstering biodiversity and combating climate change, was held on World Sustainability Day, was celebrated on 23 October 2024. It highlights the importance of sustainable development and environmental stewardship to safeguard Malaysia's natural heritage for future generations.



**29** Tune Protectors volunteered **195** hours for this event, with **RM1,798** put towards to this programme.

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# Our People & Community

FROM OUR LEADERSHIP

## Community Health Outreach



### b Blood Donation Drive

The 8<sup>th</sup> Blood Donation Drive was successfully held on 12 December 2024. This initiative helps to address the critical needs for blood donations while also highlighting the importance of communal efforts in saving lives. Our 'superheroes' from Tune Protect, Teleport Commerce Malaysia Sdn Bhd, Tune Talk Sdn. Bhd., Federation of Investment Managers Malaysia (FIMM) and Malaysian National Reinsurance Berhad (MNRB) donated a total of 54 bags of blood.



**5** Tune Protectors volunteered  
**25** hours for this programme.



### c TPT Blood Donation with Thai Red Cross Society

To encourage employee participation in live saving humanitarian efforts through regular blood donations, we collaborated with Thai Red Cross Society for quarterly blood donation drives. 40 employees participated in this blood donation, reinforcing our commitment to corporate social responsibility.



**40** Tune Protectors volunteered  
**20** hours for this programme.



### d TPT Plastic Bottle Caps Collection Project, in support of Precious Plastic Bangkok

Under this initiative, employees are encouraged to collect plastic bottle caps as it supports sustainable practices and aims to reduce plastic waste, making our workplace greener. During the two-month initiative, TPT donated 17,000 plastic bottle caps to support Precious Plastic Bangkok's recycling and reduce plastic waste project. This donation is part of TPT's sustainability strategy, and we look forward to introducing more initiatives to promote environmental stewardship.



**68** Tune Protectors volunteered for this programme.

# Our People & Community



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**e TPT Supporting Underprivileged Children at Wat Ban Ao, Ayutthaya**

The primary objective of this CSR initiative is to make a positive impact on the community by supporting children’s well-being and enhancing the environment of Wat Ban Ao. The initiative featured a donation ceremony, painting activity, and the serving of lunch to local children. Our volunteers worked together to paint the cloister pillars, adding a vibrant touch to the temple grounds. Additionally, essential items such as long light bulbs, sweatpants, snacks, and toys were donated. To further support the children at the Wat Ban Ao orphanage, volunteers provided and served lunch and ice cream. Through these efforts, we made meaningful contributions by donating essential supplies, educational stationery, serving nutritious meals, and engaging in beautification initiatives to create a better living and learning environment for the children.

 **40** Tune Protectors volunteered  
**320** hours for this event, with  
**48,986 Thai Baht** put towards to this programme.

**OUTLOOK**

While our CoG initiatives in 2024 were focused on uplifting communities, nurturing future generations and promoting environmental preservation, as we move into 2025, our sustainability vision, “In Tune for a Better Tomorrow,” continues to inspire our journey toward a more resilient and sustainable future.

From 2022 to 2024, we achieved 7,299 hours of volunteering – surpassing our target of 6,000 hours. To build on this momentum, we have committed to achieve 6,000 volunteer hours for the next three years (2025–2027). We plan to focus on environmental conservation, advancing sustainability initiatives and reaffirming our commitment to leaving a positive, lasting legacy for the planet and its future generations.

# Performance Data Table

As uploaded to the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Heads and Above (Senior Management)	Percentage	100.00	98.10	100.00
Managers	Percentage	96.80	87.20	100.00
Executives	Percentage	100.00	84.30	100.00
Non-Executives	Percentage	100.00	87.50	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
<b>Bursa (Community/Society)</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer				
	MYR	150,000.00	279,115.00	240,189.00
Bursa C2(b) Total number of beneficiaries of the investment in communities				
	Number	-	7,834	2,846
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Heads & Above <30	Percentage	0.00	0.00	0.00
Heads & Above Between 30-39	Percentage	20.00	18.90	15.56
Heads & Above Between 40-49	Percentage	49.10	49.00	42.22
Heads & Above >50	Percentage	30.90	32.10	42.22
Managers				
Managers <30	Percentage	3.70	3.90	2.63
Managers Between 30-39	Percentage	35.20	37.00	35.26
Managers Between 40-49	Percentage	38.00	37.40	33.68
Managers >50	Percentage	23.10	21.70	28.42
Executives				
Executives <30	Percentage	42.20	48.50	44.56
Executives Between 30-39	Percentage	28.30	26.80	29.02
Executives Between 40-49	Percentage	20.90	19.70	20.73
Executives >50	Percentage	8.60	5.00	5.70
Non-Executives				
Non-Executives <30	Percentage	0.00	0.00	0.00
Non-Executives Between 30-39	Percentage	19.20	20.80	20.00
Non-Executives Between 40-49	Percentage	38.50	29.20	35.00
Non-Executives >50	Percentage	42.30	50.00	45.00
Gender Group by Employee Category				
Heads & Above Male	Percentage	61.80	56.60	62.22
Heads & Above Female	Percentage	38.20	43.40	37.78
Managers Male	Percentage	44.00	43.80	45.79
Managers Female	Percentage	56.00	56.20	54.21
Executives Male	Percentage	35.80	35.90	33.16
Executives Female	Percentage	64.20	64.10	66.84
Non-Executives Male	Percentage	30.80	29.20	25.00
Non-Executives Female	Percentage	69.20	70.80	75.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	50.00	50.00	71.40
Female	Percentage	50.00	50.00	28.60
40-49	Percentage	33.30	16.70	0.00
>50	Percentage	66.70	83.30	100.00
<b>Bursa (Energy management)</b>				

Internal assurance

External assurance

No assurance

(\*)Restated

# Performance Data Table

Indicator	Measurement Unit	2022	2023	2024
Bursa C4(a) Total energy consumption	Megawatt	474.10	492.60 *	512.00
<b>Bursa (Health and safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	147	8
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(a) Total hours of training by employee category				
Heads & Above (Senior Management)	Hours	3,511	3,224	1,322
Managers	Hours	8,377	15,534	5,981
Executives	Hours	6,585	12,057	4,005
Others	Hours	801	1,023	285
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	9.10	8.80	9.60
Bursa C6(c) Total number of employee turnover by employee category				
Heads & Above (Senior Management)	Number	11	8	16
Managers	Number	44	55	49
Executives	Number	30	37	62
Others	Number	2	4	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
<b>Bursa (Supply chain management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	93.70	91.50	91.90
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	1.069000	1.038000 *	1.293000
<b>Bursa (Waste management)</b>				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	4.13
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	4.13
<b>Bursa (Emissions management)</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	12.50	12.80 *	17.20
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	365.30	347.70 *	351.30
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	418.10	390.36

# Profile of Directors

OUR GOVERNANCE

## DATO' MOHAMED KHADAR BIN MERICAN

**Chairman,  
Independent Non-Executive Director**



68  

**Date of Appointment:**  
5 October 2021

**Length of Tenure:**  
3 years 6 months



**Number of Board Meetings Attended**

### 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 Pemas 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

# Profile of Directors

## MOHAMED RASHDI BIN MOHAMED GHAZALLI

Senior Independent Non-Executive Director

- AC
- RMC
- NC
- RC
- IC
- LTIPC



68  

**Date of Appointment:**  
1 June 2017

**Length of Tenure:**  
7 years 11 months



**Number of Board Meetings Attended**

### 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 at 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 the Board of Trustees of Yayasan Siti Sapura Husin.

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- RC Remuneration Committee
- IC Investment Committee
- LTIPC Long Term Incentive Plan Committee

# Profile of Directors

OUR GOVERNANCE

## AIREEN OMAR

**Non-Independent  
Non-Executive Director**

NC LTIPC



51  

**Date of Appointment:**  
14 November 2021

**Length of Tenure:**  
3 years 5 months



**Number of Board Meetings Attended**

### 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 Omar is a visionary leader, currently serving as the CEO of BigPay and AirAsia Rewards, where she drives innovation and growth in these key fintech and loyalty businesses. She previously held the role of President (Investment & Ventures) at Capital A, where she spearheaded the Group's investment initiatives and ventures builder pillar. Additionally, she is the Executive Director of Outclass, a pioneering edutech platform invested in growth of talents through its learning content and reshaping traditional learning by focusing on personality, ambition, and skill alignment.

With a career spanning over two decades, Aireen joined AirAsia in 2006 as Director of Corporate Finance. Her roles expanded to include Treasury, Fuel Procurement, Insurance, and Investor Relations, playing a pivotal part in AirAsia's rapid growth. She was appointed Executive Director and CEO of AirAsia Berhad in 2012 and later became Deputy Group CEO, overseeing digital transformation initiatives that transformed AirAsia into a global cloud and data-driven platform company.

Aireen has been instrumental in incubating and growing AirAsia's digital and fintech businesses, including AirAsia Move, Teleport, Ikhlas and Outclass.

She began her career at Deutsche Bank Securities Inc. and has served in major financial institutions in Malaysia. Her achievements include the Outstanding CEO Achievement Award and APAC CEO of the Year 2017. Aireen holds degrees from the London School of Economics and New York University. She is also an Independent Director of Sengheng New Retail Sdn Bhd.

**Board Committee**

**AC** Audit Committee

**RMC** Risk Management Committee

**NC** Nomination Committee

# Profile of Directors

## ARIFF BIN ROZHAN

**Independent  
Non-Executive Director**



AC RMC RC NC

58  

**Date of Appointment:**  
1 July 2024

**Length of Tenure:**  
10 months



8/8

**Number of Board Meetings Attended**

### QUALIFICATION AND WORKING EXPERIENCE

Ariff bin Rozhan (“Ariff”) joined the Board of Tune Protect Group Berhad as an Independent Non- Executive Director on 1 July 2024 and was appointed as a member of the Nomination Committee and Remuneration Committee of the Company. On 1 August 2024, he was appointed as a member of the Audit Committee and Risk Management Committee of the Company.

Ariff holds an LLB (Hons) from Reading University, Berks, England and is a Barrister-at-Law. He is also a Fellow of the Chartered Institute of Arbitrators.

Ariff is an advocate and solicitor of the High Court of Malaya and a practising Barrister-at-Law in England and Wales, and an Arbitrator.

Ariff has practised law for more than 35 years. He began his career in 1989 at an international city law firm in London, England. From 1991 to 2003, he practised as a Barrister in Temple, London, England, where he was instructed as Counsel at various levels of the Judicial System in England and Wales. He returned to Malaysia in 2004 and joined Zaid Ibrahim & Co as a Partner. Ariff founded Ariff Rozhan & Co in April 2015 and is its Managing Partner. In November 2015, Ariff set up the Chambers of Ariff Rozhan in London, England, from where he practises as a Barrister. Ariff has also been authorised by the Bar Council of England and Wales to “Conduct Litigation” and is registered for Direct Access.

Ariff has advised and acted as Counsel in a wide range of cases, including corporate and commercial disputes, administrative, insolvency, construction and energy related matters, insurance and reinsurance, and banking disputes. He also has extensive experience in forensic investigation, forensic due diligence, and cases involving issues of regulatory and statutory compliance. His clients include Malaysian and international banks, Malaysian and international corporations, statutory bodies, local authorities as well as Malaysian and international conglomerates in various industries.

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RC

Remuneration Committee

IC

Investment Committee

LTIPC

Long Term Incentive Plan Committee

# Profile of Directors

OUR GOVERNANCE

## JAYAKUMAR A/L SOMASUNDRAM

**Independent Non-Executive Director**



**Date of Appointment:**  
1 July 2024

**Length of Tenure:**  
10 months



**Number of Board Meetings Attended**

### QUALIFICATION AND WORKING EXPERIENCE

Jayakumar A/L Somasundram (“Jayakumar”) joined the Board of Tune Protect Group Berhad as an Independent Non-Executive Director on 1 July 2024. On 1 August 2024, he was appointed as the Chairman of the Risk Management Committee and a member of the Audit Committee of the Company. He was also appointed as a member of the Nomination Committee and the Remuneration Committee on 27 February 2025.

Jayakumar holds a Bachelor of Science with Education degree with Honours (B.Sc. Ed. Hons), majoring in Mathematics. He is a Fellow of the Chartered Insurance Institute (FCII) United Kingdom and also a Fellow of the Malaysian Insurance Institute (FMII).

Jayakumar has more than 36 years of experience and is familiar with all the key areas in the non-life insurance industry. He spent a greater part of his career, a total of 21 years, in Tokio Marine Insurans (Malaysia) Berhad (“Tokio Marine”) until his retirement on 26 November 2020. Jayakumar has over the years held several senior management roles in Tokio Marine including that of Chief Executive Officer, Executive Advisor, Senior Advisor, Deputy Chief Executive Officer and Chief Operating Officer. His recent experiences include that of re-structuring of the company and the business with a view to profitability as well as demands for the de-tariff/liberalized market. He had also led the team for the liberalization of Motor and Fire which successfully launched the new Motor GLM and new products and pricing for Fire.

He is passionate about the insurance industry and has contributed by serving in the general insurance association as well as other insurance related organisations, inter-alia, he acted as a Council Member of Fire Protection Association of Malaysia (FPAM), Management Committee of Persatuan Insurans Am Malaysia (PIAM) and Council Member of Malaysian Motor Insurance Pool (MMIP).

Jayakumar joined the Board of Tune Insurance Malaysia Berhad, the general insurance subsidiary of the Company on 21 September 2022 as an Independent Non-Executive Director.

### NOTES

**Family Relationships**

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

**Conflict of Interest**

None of the Directors has any conflict of interest with the Group.

**Board Committee**



Audit Committee



Risk Management Committee



Nomination Committee

# Profile of Directors

## GAN MEI MEI

**Independent  
Non-Executive Director**

AC

RMC



64



**Number of Board Meetings Attended**

**Date of Appointment:**  
10 September 2024

**Length of Tenure:**  
7 months

### QUALIFICATION AND WORKING EXPERIENCE

Gan Mei Mei (“Mei Mei”) joined the Board of Tune Protect Group Berhad as an Independent Non-Executive Director on 10 September 2024 and was appointed as a member of the Audit and Risk Management Committee of the Company on the same day. On 1 January 2025, she was then appointed as the chairperson of the Audit Committee.

Mei Mei previously served as the Chief Financial Officer of Berjaya Sampo Insurance Berhad (“BSIB”), a role she held from June 2017 to July 2024. She was actively involved in all Board and Board Committees’ meetings. As a vital Executive Committee (EXCO) member, she led in various areas, including finance, tax, investment, cash management, corporate governance, planning, and strategy. Before joining BSIB, Mei Mei held prominent positions at various reputable organisations such as RHB Insurance Berhad from 2011 to 2013 and AXA Affin General Insurance Berhad from 2004 to 2011, where she was the Head of Finance. Her leadership experience in numerous financial institutions including Alliance Bank Berhad from 2001 to 2004, PanGlobal Insurance Berhad in 2001, Jerneh Insurance Berhad from 1995 to 2001, and AmBank Berhad from 1991 to 1995, has significantly enhanced her expertise.

With over 30 years of professional experience, she has been involved in Board activities for over 15 years. She has a deep understanding of the regulatory landscape in the financial sector, and her leadership abilities, strong interpersonal skills, and keen attention to detail have played a crucial role in achieving organisational success throughout her career.

Mei Mei graduated with a Bachelor of Accounting (Hon) from University of Malaya in 1990. She has been a member of the Malaysian Institute of Accountants (MIA) since 1994 and a Certified Practising Accountant (CPA) with CPA Australia since 2008. She also holds a directorship position as an Independent Non-Executive Director of Top Glove Corporation Bhd.

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### 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 2024.

### Attendance at Board Meetings

The attendance of the Directors at Board of Directors’ meetings for the financial year ended 31 December 2024 is disclosed in the Corporate Governance Overview Statement.

- RC

Remuneration Committee
- IC

Investment Committee
- LTIPC

Long Term Incentive Plan Committee

# List of Directors' Trainings for 2024

Directors	Training Attended
<b>Dato' Mohamed Khadar bin Merican</b>	Mandatory Accreditation Program – Part II Leading for impact
	TCFD training by Malaysian Institute of Accountants
	In-house Director's Training on Insurtech
	Bank Negara Sasana Symposium 2024 (Value based finance. Diversifying funding sources in the economy, interacting between monetary and fiscal policy, structural reforms, guarding the security of digital payments)
	Anti-corruption laws in Malaysia and key legal issues in digital transformation – Wong & Partners
	Islamic finance training- Hajah and Darurah – BNP Patibas Malaysia Bhd (BNPP)
	PAC directors' training on ESG – BNPP
	Greenhouse gas training – IRIS Corporation Bhd
	Audit Oversight Board – Conversation with Audit Committees: Training on Sustainability Reporting
Sustainability Sharing Session (CRMSA, TCFD, IFRS S1 S2) – EY	
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	In-house Director's Training on Insurtech
	FIDE Forum – CGM Masterclass: What Directors Must Know: Recent Developments in Climate Science.
	Engagement Session with FIDE Forum Members on BNM Annual Report 2023, Economic & Monetary Review 2023 and Financial Stability Review 2H 2023
	Webinar by United Nations Global Compact Creative Leverage: Human Rights Action in Business
	FIDE Forum: “Preventing Fraud: The Board's Roles and Responsibilities”
	FIDE Forum: Launch of Director's Remuneration Report
	COP27 Debrief for Private Sector (In-depth)
Sustainability Sharing Session (CRMSA, TCFD, IFRS S1 S2) – EY	
<b>Aireen Omar</b>	Sustainability Sharing Session (CRMSA, TCFD, IFRS S1 S2) – EY
<b>Ariff bin Rozhan</b>	Mandatory Accreditation Programme (MAP) Part II: Leading For Impact (LIP)
	Khazanah Megatrends Forum 2024
	39 Essex Chambers Banking and Finance Webinar Series: Claims against banks arising out of fraud
	AIAC: Asia ADR Week 2024 - Supernova: Igniting the Transformation of ADR
	IBA: 6th Asia Law Firm Management Roundtable: Is your firm 'fit for the future'?
	AIAC: Great Wall of Alliance: Forum on International Commercial Arbitration and Dispute Resolution
	UNGC Academy: The Net Zero Standard
Sustainability Sharing Session (CRMSA, TCFD, IFRS S1 S2) – EY	

# List of Directors' Trainings for 2024

Directors	Training Attended
<b>Jayakumar a/ Somasundram</b>	BNM: FIDE Forum – Responsibility Mapping with Directors of Financial Institutions
	In-house Director’s Training on Insurtech
	FIDE Forum – CGM Masterclass: What Directors Must Know: Recent Developments in Climate Science.
	Engagement Session with FIDE Forum Members on BNM Annual Report 2023, Economic & Monetary Review 2023 and Financial Stability Review 2H 2023
	Webinar by United Nations Global Compact Creative Leverage: Human Rights Action in Business
	FIDE Forum: Director’s Liabilities within Their Respective Institutions AML Framework
	ICDM: MAP Part I & II
	UNGC Academy : Setting Science Based Targets (Introduction)
	FIDE Forum: Launch of Director’s Remuneration Report
	FIDE Forum: Economic Outlook & Post Budget 2025 Forum.
<b>Gan Mei Mei</b>	Sustainability Sharing Session (CRMSA, TCFD, IFRS S1 S2) – EY
	ICDM Member’s Exclusive with Deloitte: Are You Measuring Your Sustainability Performance Right: Targets & Metrics?
	Being Sued as an INED – A Personal Journey
	Bursa Malaysia Mandatory Accreditation Programme (MAP)
	Remaking Corporate Governance for an ESG World
	ICDM BARMC Dialogue & Networking Session: Board’s Role in Whistleblowing Oversight
<b>Kelvin Desmond Malayapillay</b> <i>(Ceased on 27 February 2025)</i>	Sustainability Sharing Session (CRMSA, TCFD, IFRS S1 S2) – EY
	In-house Director’s Training on Insurtech
	BDO NED event – Changing Role of Remuneration Committee
	Data Enabled Value Creation – Barton Partnership
	BDO Financial Services’ NED Event – Keeping it green: the role of assurance in underpinning programme success
	Deloitte Academy Webinar: Remuneration Committee Update
	Deloitte Academy Webinar: The Future of Insurance
	The Deloitte Academy: The Quarter Ahead – Latest thinking on big issues facing business
	The Deloitte Academy: Board Director Update
	The Deloitte Academy: Latest developments on AI regulation and best practice for corporates
UNGC Academy: COP27 Debrief for Private Sector (In-depth)	

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# Profiles of the Executive Committee

## HOW KIM LIAN

Group Chief Executive Officer



How Kim Lian (“How”) joined Tune Protect Group on 4 May 2020 as the Group Chief Financial Officer (“GCFO”) and was appointed as the Group Chief Executive Officer (“GCEO”) on 29 July 2024. In his role as GCEO, How will deepen Tune Protect’s presence in the lifestyle ecosystem and engage with key regional players to establish the Group as a leading regional insurance provider in the travel sector. His strategic focus is on showcasing the Group’s capabilities as a comprehensive service provider, encompassing technology and reinsurance, to deliver consistent customer experience and a global product offering.

In his previous role as GCFO, How oversaw Procurement, Legal, and Corporate Secretarial portfolios. He reviewed and established financial strategies aligned with the Company’s Corporate Strategy by evaluating operational trends, measurements, and productivity levels, while also exploring acquisition and expansion prospects.

In addition to his role as GCEO, How has been appointed as an Executive Director of Tune Insurance Malaysia Berhad effective 2 December 2024. He also serves as a Director in Tune Protect Re Ltd., and a member of the LTIP Committee.

Prior to joining Tune Protect, How was the Group Deputy Chief Financial Officer at AirAsia. He has over 22 years of senior management experience, including strategic development in Finance Transformation, Programme Management, Enterprise Performance Management, and Investor Relations.

He is a member of the Malaysian Institute of Accountants (MIA), the Institute of Internal Auditors (IIA), and a Certified Internal Auditor (CIA).

## TEOH KEK PIN

Group Chief Financial Officer



Teoh Kek Pin (“Teoh”) joined Tune Protect Group on 29 July 2024 as the Group Chief Financial Officer (“GCFO”) and is responsible for the overall financial management and integrity of the Group. This includes among others Strategic Financial Management, Financial Leadership and Management, Corporate Finance & Strategy, and External Financial Relations. Teoh is also a Director of Tune Direct Ltd., White Label Sdn. Bhd. and Tune Protect Ventures Sdn. Bhd.

In his role, Teoh oversees long-term budgetary planning, forecasting and cost management, develops and implements business management processes, acts as a centre of excellence in finance, strategy, and investment, leads the preparation of the Group’s strategic plan, oversees Mergers & Acquisition transactions, and manages investor relations, banking, and investment banking relationships.

Teoh is a seasoned industry professional having served various local and multinational insurers and reinsurers including MAA Assurance, AXA Affin General, and Asia Capital Reinsurance. Prior to joining Tune Protect Group, Teoh was the Chief Financial Officer for The Pacific Insurance Berhad. He was also the Chief Financial Officer for Tune Protect Malaysia for over five years.

He has 20 years of senior management experience, covering Business Strategy, Financial and Management Reporting, Budgetary Planning and Forecasting, Investment and Treasury Management, Asset-Liability Management, Capital Management, Taxation, Admin and Human Resources.

Teoh holds a B.A (Hons) in Accounting and Finance from Oxford Brookes University. He is a Fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants, reflecting his extensive expertise and dedication to the field of finance.

# Profiles of the Executive Committee

## PRASANTA ROY

Chief Technology Officer



Prasanta Roy ("Prasanta") joined the Company on 29 April 2020 and he is currently the 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 24 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 includes 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.

## YAP HSU YI

Chief - People and Culture



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 Director of White Label Sdn. Bhd. and a member of the LTIP Committee.

An experienced Human Resource ("HR") professional, Hsu Yi has over 22 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 worked in various industries, including companies such as Arthur Andersen, PwC, Mercer Consulting, Telenor and PepsiCo.

Graduating from Monash University, Australia with a Bachelor's Degree in Commerce, majoring in Accounting and Finance, she has won awards for outstanding achievements in human resources.

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# Profiles of the Executive Committee

OUR GOVERNANCE

## KOOT CHIEW LING

Chief Strategy Officer



Koot Chiew Ling (“Chiew Ling”) joined the Company on 10 February 2014 and is currently the Chief Strategy Officer of Tune Protect Group. In her current role, she is responsible for overseeing the company’s corporate strategy, investor relations, sustainability, strategic projects, and customer experience portfolios. Chiew Ling also chairs the company’s Sustainability Committee and serves as a Board Member and Risk Management Committee Chairman of Tune Protect Thailand. She led the application process and successful entry of a digital life venture into the financial technology regulatory sandbox, testing digital life and health propositions for the SME and individual markets. She is also a Director of Tune Direct Ltd. and Tune Protect Ventures Sdn. Bhd.

With over 20 years of experience in business development, corporate planning, product management, investor relations, and communications, Chiew Ling has served in both local and regional capacities at major financial institutions such as CIMB, Etiqa, and AIG.

Chiew Ling holds a Bachelor’s Degree in Commerce from Curtin University of Technology, Australia, and is a certified ScrumMaster and Integrated Reporting Practitioner, certified by the International Integrated Reporting Council.

## JUBIN MEHTA

Chief Executive Officer,  
Tune Protect Malaysia



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. He also leads the Small, Medium Enterprise (“SME”) solution developments across the Group.

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 is 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 5 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 Master’s in Business Administration from Management Development Institute of India.

# Profiles of the Executive Committee

## JANET CHIN

**Chief Executive Officer,  
Tune Protect Re**



Janet Chin Yoke Heng ("Janet") joined the Company on 1 March 2021, and she is currently the Chief Executive Officer of Tune Protect Re. In her new role, she oversees the overall business and operational aspects of the Group's general reinsurance division. This includes formulating strategies, creating plans, developing products, and collaborating with essential stakeholders, such as global insurance partners and distribution partners outside Malaysia. Her primary goal is to enhance sales and revenue across the retail health, travel, and lifestyle segments.

She has over 28 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. Janet recently held the role as the Chief Partnership Officer of Tune Protect Group.

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**



Arijit Munshi ("Ori") joined Tune Protect EMEIA, 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, Middle East, India & Africa (EMEIA) region focusing on providing digital Travel solutions for the Travel Industry as well as look at new areas of partnership and affinity within the non-travel industry segment.

Ori and his team also 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.

He has over 26 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.

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# Profiles of the Executive Committee

## SASIVIMOL CHOLADDA

**Chief Executive Officer,  
Tune Protect Thailand**



Sasvimol Choladda ("Sasvimol") joined Tune Insurance Public Company Limited (Tune Protect Thailand), an associate company of Tune Protect Group, on 23 July 2024. As Chief Executive Officer, Sasvimol leads her team in Bangkok to drive digital innovation, enhance customer experience, and expand market presence, leveraging her extensive expertise to foster strategic partnerships and propel business growth.

With over 20 years of experience in the airline industry and a significant track record in the insurance sector, Sasvimol is well-equipped to lead the company into a new era of growth. She is a seasoned professional with strengths in sales, marketing, eCommerce, digital innovation, and partnerships, emphasizing cultural alignment and customer-centric approaches.

Her career includes a notable tenure at Amadeus Asia where she gained extensive sales and marketing experience collaborating with most of the major airlines in Asia Pacific, such as Singapore Airlines, Qantas, and Japan Airlines. Transitioning to the insurance industry, Sasvimol spent five years at MSIG Insurance (Thailand) Public Company Limited as Vice President of Digital and Affinity Business Development, excelling in digital insurance distributions and growing their Gross Written Premium (GWP) portfolio. At Chubb, she leveraged her travel insurance expertise to propel the business to second place in the market.

Sasvimol holds a Bachelor of Arts (B.A.) in Political Science, International Relations from Chulalongkorn University.

### NOTES

#### **Other Directorship**

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

#### **Family Relationship**

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

#### **Conflict of Interest**

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

#### **Conviction for Offences**

None of the Senior Management has been convicted for any public sanction during the financial year ended 31 December 2024 or penalty imposed by the relevant regulatory bodies and offences within the past 5 years other than traffic offences, if any.

# 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 Malaysia Securities Berhad’s Corporate Governance Guide and BNM’s CG Policy throughout the financial year ended 31 December 2024.

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 2024. 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 2024 (“CG Report”) of the Company, which is available on the Company’s corporate website at [tuneprotect.com](https://www.tuneprotect.com).

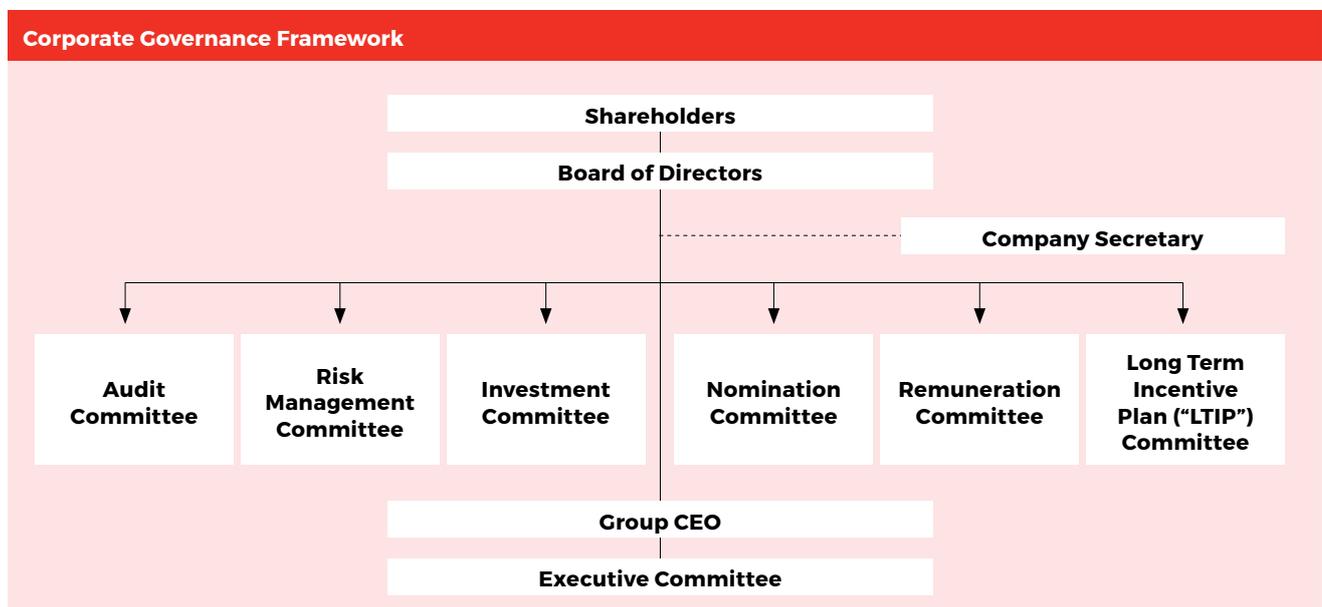
Section A of the CG Report outlines how the Company applied each practice during the financial year ended 31 December 2024 as set out in the MCCG 2021 and Section B provides details on the adoption of CG practices as guided by BNM’s CG Policy.

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## 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 Overview Statement

## Roles and Responsibilities

The Board is responsible 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.

In addition, the Board is responsible for establishing the sustainability strategies, priorities and targets through incorporating appropriate ESG initiatives in its business strategies. The sustainability matters, including but not limited to climate-related topics, were discussed during the Risk Management Committee meetings.

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 20 March 2024 and is available on the corporate website at [tuneprotect.com](https://www.tuneprotect.com).

## Company Secretary

The Company Secretary provides advice and guidance to the Board on issues relating to compliance 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 experience relevant to the Company in areas such as insurance, banking, finance, law, economics, investment, technology and international business operations. This diverse experience contributes to the governance, strategies, resources and performance of the Company.

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 higher, to be Independent Directors.

# Corporate Governance Overview Statement

The composition of the Board is as follows:

NAME	DESIGNATION	DIRECTORSHIP
<b>Dato' Mohamed Khadar bin Merican</b>	Chairman	Independent Non-Executive Director
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	Member	Senior Independent Non-Executive Director
<b>Aireen Omar</b>	Member	Non-Independent Non-Executive Director
<b>Ariff bin Rozhan<sup>1</sup></b>	Member	Independent Non-Executive Director
<b>Jayakumar A/L Somasundram<sup>1</sup></b>	Member	Independent Non-Executive Director
<b>Gan Mei Mei<sup>2</sup></b>	Member	Independent Non-Executive Director
<b>Tan Ming-Li<sup>3</sup></b>	Member	Non-Independent Non-Executive Director
<b>Dr. Grace Lee Hwee Ling<sup>4</sup></b>	Member	Independent Non-Executive Director
<b>Kelvin Desmond Malayapillay<sup>5</sup></b>	Member	Independent Non-Executive Director

**Notes:**

1. Appointed as Independent Non-Executive Director on 1 July 2024.
2. Appointed as Independent Non-Executive Director on 10 September 2024.
3. Retired as Non-Independent Non-Executive Director on 1 April 2024.
4. Ceased as Independent Non-Executive Director on 19 June 2024.
5. Ceased as Independent Non-Executive Director on 27 February 2025.

A total of eight (8) Board of Directors' meetings were held during the financial year under review. The details of the directors' attendance are set out as follows:

Directors	Attendance
<b>Dato' Mohamed Khadar bin Merican</b> (Independent Non-Executive Chairman)	8/8
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> (Senior Independent Non-Executive Director)	8/8
<b>Aireen Omar</b> (Non-Independent Non-Executive Director)	8/8
<b>Ariff bin Rozhan</b> (Independent Non-Executive Director) (Appointed on 1 July 2024)	4/4
<b>Jayakumar A/L Somasundram</b> (Independent Non-Executive Director) (Appointed on 1 July 2024)	4/4
<b>Gan Mei Mei</b> (Independent Non-Executive Director) (Appointed on 10 September 2024)	1/2
<b>Tan Ming-Li</b> (Non-Independent Non-Executive Director) (Retired on 1 April 2024)	3/3
<b>Dr. Grace Lee Hwee Ling</b> (Independent Non-Executive Director) (Ceased on 19 June 2024)	4/4
<b>Kelvin Desmond Malayapillay</b> (Independent Non-Executive Director) (Ceased on 27 February 2025)	8/8

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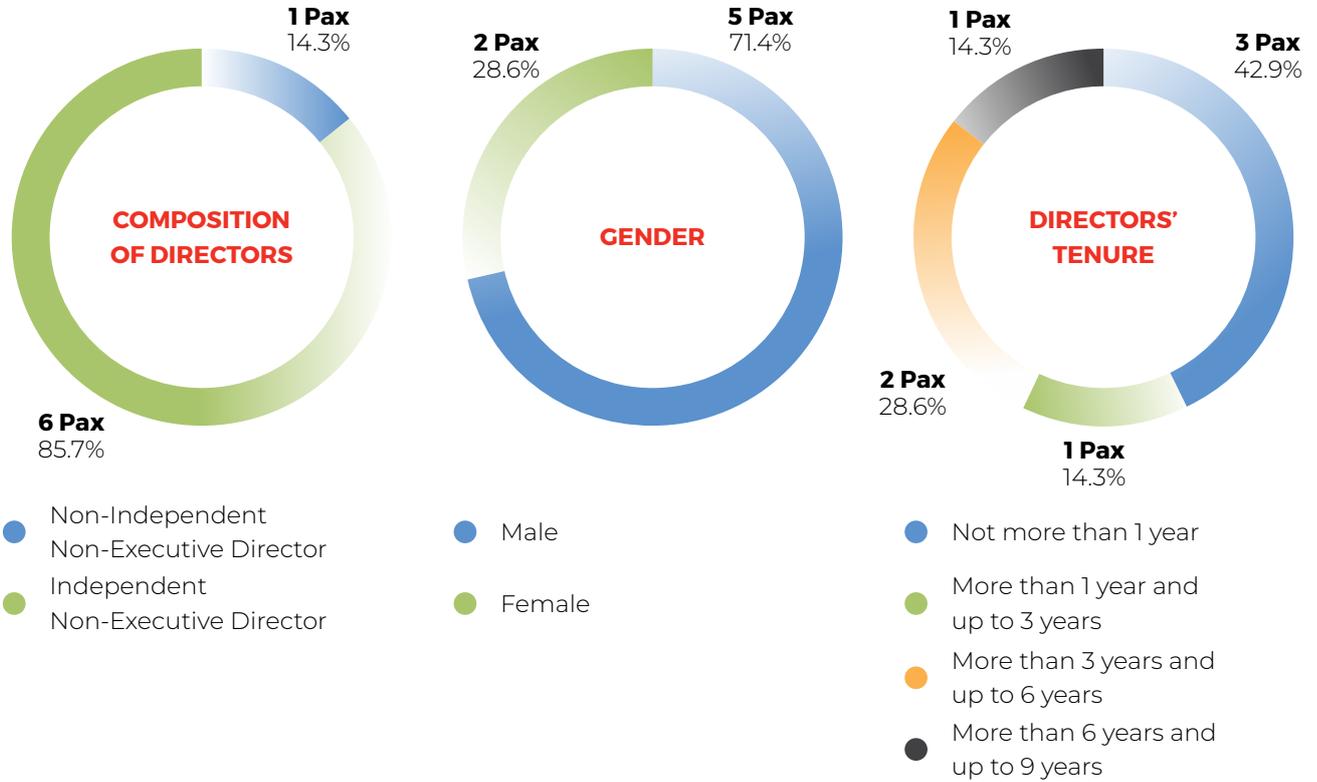
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# Corporate Governance Overview Statement

OUR GOVERNANCE

## Board Diversity

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



During the financial year ended 31 December 2024, none of the Independent Directors had served on the Board for more than nine (9) years. The profiles of the Directors are set out on pages 120 to 125 of this Annual Report.

### Board Gender Diversity

The Board acknowledges the recommendation of MCCG 2021 on gender diversity. With the appointment of Ms Gan Mei Mei on 10 September 2024, the Company has two (2) female Directors, which exceeded the requirement laid down in MMLR to have at least one (1) female Director. The Board recognises and embraces the benefits of having gender diversity in the boardroom as a mix-gendered board would offer different viewpoints, ideas, and market insights.

The Board will focus its efforts to establish a diverse Board with a variety of skills, experience, age, cultural backgrounds, and gender.

### Appointment of Directors

The Board does not adhere to a fixed set of criteria for assessing and selecting director candidates. However, in line with the Fit and Proper Policy, several factors are taken into considerations which include the candidate's skills, qualifications, knowledge, experience, competence, integrity, and expertise, all of which should add value to the Board. A good understanding of the business environment and a willingness to commit sufficient time and effort to fulfil the Board's duties and responsibilities are also crucial factors.

The NC is responsible for recommending candidates to the Board if a vacancy arises due to resignation, retirement, or any other reasons, or if there is a need to appoint additional director(s) with the required skills or profession, based on the Board's recommendation to address any competency gaps identified by the NC. Potential candidate(s) may be proposed by existing director(s), senior management staff, members, or third-party referrals and/or independent sources.

# Corporate Governance Overview Statement

Upon receiving the proposal, the NC is responsible for assessing and evaluating the proposed candidates based on their skills, knowledge, character, integrity, expertise and experience, competency, commitment (including time), and where appropriate, the independence of the proposed candidate(s) for the appointment of independent directors. The NC may, at its discretion, conduct legal and other background checks on the proposed candidates, as well as formal or informal interviews.

Upon completing the assessment and evaluation of the proposed candidates, the NC would make its recommendation to the Board. The Board will then evaluate and decide on the appointment of the proposed candidates based on the NC's recommendation.

## 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 page 135 of this 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 on the issues discussed. The Directors and Management maintain regular communication 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 page 126 to 127 of this 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 that aim to achieve at least 30% of women directors on the Board.

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# Corporate Governance Overview Statement

The members of the Nomination Committee are as follows:

Name	Designation	Directorship
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	Chairman	Senior Independent Non-Executive Director
<b>Ariff bin Rozhan<sup>1</sup></b>	Member	Independent Non-Executive Director
<b>Jayakumar A/L Somasundram<sup>2</sup></b>	Member	Independent Non-Executive Director
<b>Tan Ming-Li<sup>3</sup></b>	Member	Non-Independent Non-Executive Director
<b>Dr. Grace Lee Hwee Ling<sup>4</sup></b>	Member	Independent Non-Executive Director
<b>Kevin Desmond Malayapillay<sup>5</sup></b>	Member	Independent Non-Executive Director

**Notes:**

1. Appointed as a member on 1 July 2024.
2. Appointed as a member on 27 February 2025.
3. Retired as a member on 1 April 2024.
4. Appointed as a member on 1 April 2024 and ceased as a member on 19 June 2024.
5. Ceased as a member on 27 February 2025.

A total of eight (8) Nomination Committee meetings were held during the financial year under review. The directors' attendance are set out as follows: -

Directors	Attendance
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> (Chairman)	8/8
<b>Ariff bin Rozhan</b> (Member) (Appointed on 1 July 2024)	4/4
<b>Jayakumar A/L Somasundram</b> (Member) (Appointed on 27 February 2025)	0/0
<b>Tan Ming-Li</b> (Member) (Retired on 1 April 2024)	3/3
<b>Dr. Grace Lee Hwee Ling</b> (Member) (Appointed on 1 April 2024 and ceased on 19 June 2024)	2/2
<b>Kelvin Desmond Malayapillay</b> (Member) (Ceased on 27 February 2025)	8/8

Key matters deliberated during the Nomination Committee meetings during the financial year under review 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 discussed the succession planning for Key Senior Roles.
- Reviewed and recommended the appointment of Group CEO and Group CFO.
- Reviewed and discussed the compositions of the Board and Board Committees for companies within the Group.
- 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 2024.
- 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 2024.

# Corporate Governance Overview Statement

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

The BEE exercise covered the following scope:

Subject Matter	Key Scope
Assessment on Board	<ul style="list-style-type: none"> <li>• Overall Board Effectiveness</li> <li>• Board Culture</li> <li>• Board Composition</li> <li>• Board Administration and Process</li> </ul>
Assessment on Board Chairman	<ul style="list-style-type: none"> <li>• The effectiveness of Chairman’s roles</li> </ul>
Assessment on Individual Board member	<ul style="list-style-type: none"> <li>• Contribution to interaction, quality of input and understanding of roles.</li> </ul>

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](https://www.tuneprotect.com).

### (b) Remuneration Committee

The Remuneration Committee assists the Board in determining the remuneration of the Non-Executive Directors, Group Chief Executive and Senior Management at Tune Protect Group. The Remuneration Committee reviews the Directors’ Remuneration Policy and the remuneration policies for Senior Management to ensure that the rewards are competitive, fair and aligns with company performance.

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.

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# Corporate Governance Overview Statement

The members of the Remuneration Committee are as follows:

Name	Designation	Directorship
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	Chairman	Senior Independent Non-Executive Director
<b>Ariff bin Rozhan<sup>1</sup></b>	Member	Independent Non-Executive Director
<b>Jayakumar A/L Somasundram<sup>2</sup></b>	Member	Independent Non-Executive Director
<b>Tan Ming-Li<sup>3</sup></b>	Member	Non-Independent Non-Executive Director
<b>Dr. Grace Lee Hwee Ling<sup>4</sup></b>	Member	Independent Non-Executive Director
<b>Kevin Desmond Malayapillay<sup>5</sup></b>	Member	Independent Non-Executive Director

- Appointed as a member on 1 July 2024.*
- Appointed as a member on 27 February 2025.*
- Retired as a member on 1 April 2024.*
- Appointed as a member on 1 April 2024 and ceased as a member on 19 June 2024.*
- Ceased as a member on 27 February 2025.*

A total of two (2) Remuneration Committee meetings were held during the financial year under review. The details of the directors' attendance are set out as follows:

Directors	Attendance
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> (Chairman)	2/2
<b>Ariff bin Rozhan</b> (Member) (Appointed on 1 July 2024)	0/0
<b>Jayakumar A/L Somasundram</b> (Member) (Appointed on 27 February 2025)	0/0
<b>Tan Ming-Li</b> (Member) (Retired on 1 April 2024)	1/1
<b>Dr. Grace Lee Hwee Ling</b> (Member) (Appointed on 1 April 2024 and ceased on 19 June 2024)	1/1
<b>Kelvin Desmond Malayapillay</b> (Member) (Ceased on 27 February 2025)	2/2

Key matters deliberated during the Remuneration Committee meetings held during the financial year under review were as below:

- Reviewed the proposed 2023 performance bonus and the proposed 2024 annual increment for employees (including Key Responsible Persons) and Senior Leadership Team.
- Reviewed the Group CEO's performance for 2023.
- Reviewed the Group CEO's Key Performance Indicators ("KPIs") for 2024.
- Reviewed and discussed the Directors' Fees and Benefits from the conclusion of the AGM held on 19 June 2024 until the conclusion of the next AGM of the Company to be held in 2025.
- Reviewed and recommended the 2024 Corporate Scorecard.
- Reviewed and proposed the compensation package for Group CEO and Group CFO.

## 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](https://www.tuneprotect.com).

# Corporate Governance Overview Statement

## (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 are as follows:

Name	Designation	Directorship/Title
<b>Aireen Omar</b>	Chairperson	Non-Independent Non-Executive Director
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	Member	Senior Independent Non-Executive Director
<b>Dato' Mohamed Khadar bin Merican</b>	Member	Independent Non-Executive Director

A total of four (4) Investment Committee meetings were held during the financial year under review. The details of the directors' attendance are set out as follows:

Directors	Attendance
<b>Aireen Omar</b> (Chairman)	4/4
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> (Member)	4/4
<b>Dato' Mohamed Khadar bin Merican</b> (Member)	4/4

## 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](https://www.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 2024 consist of the following:

Name	Designation	Directorship /Title
<b>Aireen Omar</b>	Chairperson	Non-Independent Non-Executive Director
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	Member	Senior Independent Non-Executive Director
<b>Rohit Nambiar<sup>1</sup></b>	Member	Group Chief Executive Officer (GCEO)
<b>How Kim Lian<sup>2</sup></b>	Member	Group Chief Executive Officer
<b>Yap Hsu Yi</b>	Member	Chief – People and Culture

### Note:

1. Resigned as GCEO on 10 May 2024
2. Appointed as member on 18 February 2025

 Further details of the LTIP can be found on page 163 under Additional Compliance Information.

# Corporate Governance Overview Statement

## 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
<b>Fixed Pay</b>	
<b>Base Salary</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• In setting base salary, differences in individual performance and achievements, skillsets, job scope as well as competency level are considered.</li> <li>• 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).</li> <li>• The Company sets the company-wide salary increment pool taking into consideration market movement and projected performance for the upcoming financial year.</li> <li>• Increments implemented in the year 2024 were based on individual performance. Non-performing employees received minimal or no increment.</li> <li>• 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:               <ul style="list-style-type: none"> <li>- Association of Insurance Employers and National Union of Commercial Workers.</li> <li>- Tune Insurance Malaysia Berhad and Persatuan Pegawai-Pegawai Pentadbiran Industri Insuran Semenanjung Malaysia.</li> </ul> </li> </ul>
<b>Fixed Bonus</b>	<ul style="list-style-type: none"> <li>• Other than employees falling under the scope of the CAs, no other employees received fixed or guaranteed bonuses.</li> </ul>

# Corporate Governance Overview Statement

Component	Purpose and application
<b>Fixed Pay (cont'd.)</b>	
<b>Fixed Allowances</b>	<ul style="list-style-type: none"> <li>Role-based fixed cash allowances which are paid monthly to certain segments of our employee pool, dependant on employees' role.</li> <li>Quantum of the allowances are reviewed and set in accordance with external market benchmarking and Company's priorities.</li> </ul>
<b>Variable Pay</b>	
<b>Performance Bonus</b>	<ul style="list-style-type: none"> <li>Performance bonus is a discretionary payment to employees to reward and recognise them for achievement of the Company's and individual goals.</li> <li>Performance bonus is paid once a year, subsequent to the annual performance review.</li> <li>The performance bonus pool is determined by the Board based on various factors including the Company's financial performance and market pull factors.</li> <li>Performance bonus payout is 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.</li> <li>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.</li> <li>Individual Personal Goals comprise i) Business goals (sales, profitability, efficiency, productivity), ii) Team/People goals (self and/or team development) and iii) Risk/Compliance/Sustainability goals. Scoring of goals are weighted depending on the goal. Weighted scores fall into a structured performance matrix ranging from Outstanding Performance to Unsatisfactory Performance.</li> <li>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 conflicts of interest.</li> <li>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. A summary of the organisation's performance will be presented to the Board to support them in their discussion, deliberation and approval of the performance bonus pool.</li> </ul>

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## 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.

# Corporate Governance Overview Statement

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 internal controls, 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 Key Senior 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 any commission or percentage based on turnover.
- Fees payable to Non-Executive Directors shall be by a fixed sum and not commission based on profits or turnover.
- Bonuses to Executive Directors shall not be guaranteed, except in the context of sign-on bonuses.
- Share options, if granted to Executive 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.

# Corporate Governance Overview Statement

The Board's remuneration package currently comprises fees, meeting allowances and hospitalisation benefits. Annual fixed fees are paid monthly and meeting allowances are paid in the subsequent month when each meeting is held for the Board and Board Committees.

## Total Directors' Remuneration for 2024

The total Directors' remuneration received from the Company and the Group during the financial year ended 31 December 2024 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
<b>Executive Director</b>						
NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Non-Executive Directors</b>						
Dato' Mohamed Khadar bin Merican	178	38	216	250	48	298
Mohamed Rashdi bin Mohamed Ghazalli	186	78	264	355	130	485
Aireen Omar	106	30	136	106	30	136
Ariff bin Rozhan <sup>1</sup>	70	25	95	70	25	95
Jayakumar A/L Somasundram <sup>1</sup>	60	20	80	179	76	255
Gan Mei Mei <sup>2</sup>	38	10	48	38	10	48
Tan Ming-Li <sup>3</sup>	37	25	62	64	41	105
Dr. Grace Lee Hwee Ling <sup>4</sup>	64	33	97	64	33	97
Kelvin Desmond Malayapillay <sup>5</sup>	186	68	254	186	68	254
<b>Total</b>	<b>925</b>	<b>327</b>	<b>1252</b>	<b>1312</b>	<b>461</b>	<b>1773</b>

### Notes:

1. Appointed as Independent Non-Executive Director on 1 July 2024.
2. Appointed as Independent Non-Executive Director on 10 September 2024.
3. Retired as Non-Independent Non-Executive Director on 1 April 2024.
4. Ceased as Independent Non-Executive Director on 19 June 2024.
5. Ceased as Independent Non-Executive Director on 27 February 2025.

The total remuneration of the Group CEO for the financial year ended 31 December 2024 is disclosed in Note 24(c) 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 2024 is disclosed in Section B of the CG Report.

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# Corporate Governance Overview Statement



## 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, operating independently from the Management.

### I. AUDIT COMMITTEE

The Audit Committee comprised three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director from 1 January 2024 to 31 March 2024. Since 1 April 2024, the Audit Committee expanded to include four (4) Independent Non-Executive Directors. 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 include reviewing 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 assessing 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 2024 undertaken by the Management to assess the performance and suitability of the external auditors. The Audit Committee was 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 2024 are available in the Audit Committee Report on pages 151 to 155.

### II. RISK MANAGEMENT COMMITTEE

The primary function of the Risk Management Committee is to oversee and manage the identification, assessment, mitigation, and monitoring of risks that could potentially affect the Group's objectives, operations, and reputation.

The members of the Risk Management Committee are as follows:

NAME	DESIGNATION	DIRECTORSHIP
<b>Jayakumar A/L Somasundram<sup>1</sup></b>	Chairman	Independent Non-Executive Director
<b>Mohamed Rashdi bin Mohamed Ghazalli</b>	Member	Senior Independent Non-Executive Director
<b>Ariff bin Rozhan<sup>2</sup></b>	Member	Independent Non-Executive Director
<b>Gan Mei Mei<sup>3</sup></b>	Member	Independent Non-Executive Director
<b>Dato' Mohamed Khadar bin Merican</b>	Member	Independent Non-Executive Director
<b>Kelvin Desmond Malayapillay<sup>4</sup></b>	Member	Independent Non-Executive Director

#### Notes:

1. Appointed as the Chairman on 1 August 2024.
2. Appointed as a member on 1 August 2024.
3. Appointed as a member on 10 September 2024.
4. Redesignated as a member on 1 August 2024 and ceased as a member on 27 February 2025.

# Corporate Governance Overview Statement

A total of four (4) Risk Management Committee meetings were held during the financial year under review. The directors' attendance are set out as follows: -

Directors	Attendance
<b>Jayakumar A/L Somasundram</b> (Chairman) (Appointed on 1 August 2024)	<b>2/2</b>
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> (Member)	<b>4/4</b>
<b>Dato' Mohamed Khadar bin Merican</b> (Member)	<b>3/4</b>
<b>Ariff bin Rozhan</b> (Member) (Appointed on 1 August 2024)	<b>2/2</b>
<b>Gan Mei Mei</b> (Member) (Appointed on 10 September 2024)	<b>1/1</b>
<b>Kelvin Desmond Malayapillay</b> (Member) (Ceased on 27 February 2025)	<b>4/4</b>

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 2024 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 2023 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.
  - (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.

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# Corporate Governance Overview Statement

- (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 Policy:
  - (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 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.

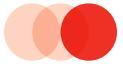
Further information on the roles and responsibilities of the Risk Management Committee can be found in its Terms of Reference, which is available on the corporate website at [tuneprotect.com](http://tuneprotect.com).

### 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 156 to 162.

# Corporate Governance Overview Statement



## 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 11 of this 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.

#### 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 23 to 26 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.

Analyst and investor briefings are held quarterly to provide regular updates on Group's financial and operational performance. Further information can be found in the Investor Relations Report of this Annual Report on pages 9 to 11.

The Company's Thirteenth AGM was held virtually in 2024. 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 2024 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 2024, 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.

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# Corporate Governance Overview Statement

## 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. During the financial year under review, the Audit Committee reviewed the fees and type of non-audit services provided by the external auditors. 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 PLT annually. 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.

## Going Concern

The Board has reviewed the Group's financial projections for the next twelve (12) 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 24 March 2025.

# 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, operating independently from the Management.

The Audit Committee consists of four (4) Independent Non-Executive Directors.

The members of the Audit Committee are as follows:

NAME	DESIGNATION	DIRECTORSHIP
<b>Gan Mei Mei</b> <sup>1</sup>	Chairperson	Independent Non-Executive Director
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> <sup>2</sup>	Member	Senior Independent Non-Executive Director
<b>Ariff bin Rozhan</b> <sup>3</sup>	Member	Independent Non-Executive Director
<b>Jayakumar A/L Somasundram</b> <sup>3</sup>	Member	Independent Non-Executive Director
<b>Tan Ming-Li</b> <sup>4</sup>	Member	Non-Independent Non-Executive Director
<b>Dr. Grace Lee Hwee Ling</b> <sup>5</sup>	Member	Independent Non-Executive Director
<b>Kelvin Desmond Malayapillay</b> <sup>6</sup>	Member	Independent Non-Executive Director

### Notes:

1. Appointed as Member of the Audit Committee on 10 September 2024 and was re-designated as Chairman of the Audit Committee on 1 January 2025.
2. Re-designated as Chairman of the Audit Committee on 8 August 2024 and subsequently re-designated as Member of the Audit Committee on 1 January 2025.
3. Appointed as Member of the Audit Committee on 1 August 2024.
4. Retired as Member of the Audit Committee on 1 April 2024.
5. Ceased as Member of the Audit Committee on 19 June 2024.
6. Ceased as Member of the Audit Committee on 27 February 2025.

A total of six (6) Audit Committee meetings were held during the financial year under review. The details of the directors' attendance are set out as follows:

Directors	Attendance
<b>Gan Mei Mei</b> (Chairperson) (Appointed on 10 September 2024)	1/1
<b>Mohamed Rashdi bin Mohamed Ghazalli</b> (Member)	6/6
<b>Ariff bin Rozhan</b> (Member) (Appointed on 1 August 2024)	2/2
<b>Jayakumar A/L Somasundram</b> (Member) (Appointed on 1 August 2024)	2/2
<b>Tan Ming-Li</b> (Member) (Retired on 1 April 2024)	2/3
<b>Dr. Grace Lee Hwee Ling</b> (Member) (Ceased on 19 June 2024)	3/3
<b>Kevin Desmond Malayapillay</b> (Member) (Ceased on 27 February 2025)	6/6

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# Audit Committee Report

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 consist of at least three (3) directors;
- (b) all the Audit Committee members are non-executive directors with a majority being 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 Chairman 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 schedules and agendas are aligned with 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 a Audit Committee meetings whenever required. During the year under review, the total number of meetings held included a meeting between the members of the Audit Committee and representatives of the External Auditors without the presence of the Management.

## 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](https://www.tuneprotect.com).

# Audit Committee Report

## SUMMARY OF WORK PERFORMED BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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
<b>28 February 2024</b>	Fourth quarter and year-to-date financial results for the financial year ended 31 December 2023.
<b>25 March 2024 &amp; 29 March 2024</b>	Audited Financial Statements and reports thereon for the financial year ended 31 December 2023.
<b>23 May 2024</b>	First quarter and year-to-date financial results for the financial period ended 31 March 2024.
<b>26 August 2024</b>	Second quarter and year-to-date financial results for the financial period ended 30 June 2024.
<b>22 November 2024</b>	Third quarter and year-to-date financial results for the financial period ended 30 September 2024.

The reviews mentioned above primarily focus on the changes to or implementation of major accounting policies and practices. They address significant adjustment arising from external audits, any highlighted financial reporting issues, significant judgements made by the Management, unusual events, the going concern assumption, compliance with relevant accounting standards and legal requirements. This comprehensive approach ensures that the financial statements accurately reflect the Company's financial performance.

- (b) Reviewed and discussed with the Management on the Group financial performance and implementation status of Malaysian Financial Reporting Standards (MFRS) 17 including 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 2024.

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# Audit Committee Report

## 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, independence 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 and internal audit reports that focus on the following areas:
  - (i) Sustainability Reporting;
  - (ii) Recurrent Related Party Transactions (“RRPT”);
  - (iii) Regulatory Compliance;
  - (iv) Legal;
  - (v) Finance Operations;
  - (vi) Business Continuity Management and Disaster Recovery Plan;
  - (vii) Anti-Bribery and Corruption System (“ABCS”);
  - (viii) Various audit reviews on the major subsidiary of the Company, namely Tune Insurance Malaysia Berhad, including Broking, Actuarial, Perbadanan Insurans Deposit Malaysia (PIDM) Validation, Anti-Money Laundering & Counter Financing of Terrorism, Pricing, Non-Motor Claims, Product Transparency & Disclosure (PTD), and 6 (six) branches; and
  - (ix) IT Audit Review undertaken for the Group by external vendor (outsourced) covering IT General Controls, Applications and Cybersecurity Review.

The above audits focused on management, compliance, internal controls of head office and branch operations.

- (b) Reviewed the implementation of audit recommendations to ensure that key risks and controls were addressed on a timely and complete manner.
- (c) Reviewed the scope and effectiveness of the Internal Audit function, including the quality of its findings and recommendations to improve internal controls and operational efficiencies.

## 5. RELATED PARTY TRANSACTIONS

- (a) Reviewed Related Party Transactions (RPT) 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

# Audit Committee Report

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.
- (c) Reviewed the Group Dividend Policy.

## SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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.

The sum of RM904,749 was incurred by the Group for the internal audit function for FY2024.

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# 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 2024.

## 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. 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 meeting. 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.

# Statement on Risk Management and Internal Control

## 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.

### 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](http://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 Group 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:

 <p><b>Risk Identification</b></p>	<p>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.</p>
 <p><b>Measurement</b></p>	<p>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.</p>
 <p><b>Control &amp; Mitigation</b></p>	<p>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.</p>
 <p><b>Monitoring</b></p>	<p>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.</p>
 <p><b>Reporting</b></p>	<p>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.</p>

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 BNM Policy Document on Climate Risk Management and Scenario Analysis.

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# Statement on Risk Management and Internal Control

## 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.

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 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 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 Management.

The Group has implemented the Policy for Business Continuity Management, along with the Business Continuity Plan ("BCP"), Disaster Recovery Plan ("DRP"), and Cyber Incident Response Plan to effectively address disasters and/or disruptions. At a strategic level, the Group established a group-wide BCP to enable an efficient response and recovery to business interruptions. On an annual basis, the Group assesses the effectiveness of the BCP and the DRP for all critical systems to evaluate the Group's preparedness. The Group is ready to resume and

# Statement on Risk Management and Internal Control

maintain its critical operations during disasters and/or disruptions.

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.

## 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 2024 the Group held its annual Governance week activities in October, to enforce the importance of the “3 Lines of Defense” that the Group practises, and briefed employees on selected risk management and compliance topics.

## 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 is intended to reiterate the importance of adherence with the regulatory requirements and expectations. It also set out the internal rules and regulatory requirements on managing compliance risks.

The Group Compliance Policy was last reviewed and approved in the February 2025 Board of Directors meeting with the addition of definition on Chief Risk and Compliance Officer and Compliance Risk, and responsibilities of Risk Management Committee.

## 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 and 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 151 to 155.

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 the Institute of Internal Auditors Malaysia (IIAM). There were three (3) full time employees in the Internal Audit function as of 31 December 2024, including the Group Head of Internal Audit. In addition to this, there is another Internal Audit Unit that supervise the Internal Audit team of Tune Insurance Public Company Ltd. (Tune Protect Thailand) and provides audit services for subsidiaries and joint venture companies; Tune Protect Re Ltd., White Label Sdn. Bhd., and Tune Protect Commercial Brokerage LLC (Tune Protect EMEIA). This unit is managed by Mr. Anbu Kandasamy, who is a Chartered Member of the IIAM and is a Certified Fraud Examiner.

During the year, the Group also engaged Deloitte Business Advisory Sdn Bhd (Deloitte) to provide IT Audit Services. The Audit Committee has agreed and approved the scope of this audit, which includes review of IT General Controls Review and Cybersecurity. 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 they are resolved.

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# Statement on Risk Management and Internal Control

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 2024 was RM 904,749.

## 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](https://www.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 suppliers, service providers, vendors, contractors, consultants and agents 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](https://www.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.

### Group 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.

# Statement on Risk Management and Internal Control

## Group Whistleblowing Policy and Procedures

The Group 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](https://www.tuneprotect.com).

## Group 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](https://www.tuneprotect.com).

Refer to Sustainability Statement on pages 48 to 119 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.

## Group Policies and Procedures Governance Policy

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 reviewed in November 2024 to include empowerment to management to approve operational, non-regulatory, low-risk policy amendments, for better efficiency while maintaining governance controls and Board oversight. The amendment was approved in the February 2025 Board of Directors meeting.

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.

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# Statement on Risk Management and Internal Control

## 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 2024, 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 2024.

## 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 24 March 2025.

# 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 2024 is set out in the table below:

Description	Number of Options	
	All Eligible Employees of the Group (excluding dormant subsidiaries) *	Chief Executive Officer of the Company
Outstanding as at 1 January 2024	16,876,108	1,395,144
No. of options granted	997,226	-
No. of options exercised	1,381,020	-
No. of options forfeited	8,435,026	-
No. of options outstanding	8,057,288	1,395,144

\* The 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 as at 31 December 2024 are set out in the table below:

Granted to Executive Directors and Senior Management	During the financial year ended 31 December 2024 (%)	Since commencement of the LTIP on 30 September 2022 up to 31 December 2024 (%)
Aggregate maximum allocation	75.00	75.00
Actual options granted	34.80	34.80

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# Additional Compliance Information

## 1.2 SGP

Since commencement of the LTIP on 30 September 2022 up to 31 December 2024, 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.

## 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 ("EY"), the external auditors of the Company, and/or a firm or corporation affiliated to EY, during the financial year ended 31 December 2024 were as follows:

For the financial year ended 31 December 2024	The Company (RM '000)	The Group (RM '000)
Audit Fees:		
· Statutory audits	166	1,009
· Regulatory related services	45	122
Non-Audit Fees	10	153

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 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 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 2024 or if not then subsisting, entered into since the end of the previous financial year except as disclosed in the financial statements.

## 4.0 Utilisation of Proceeds

There were no proceeds raised from any corporate proposals during the financial year ended 31 December 2024.

## 5.0 Recurrent Related Party Transactions of a Revenue or Trading Nature

At the AGM held on 19 June 2024, 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.

The disclosure of the recurrent related party transactions conducted during the financial year ended 31 December 2024 are set out in Note 30 of the financial statements.

# Internal Policies

Policies are established to standardise daily operations and effectively manage the Group's risk landscape. They are designed to align with current regulatory requirements and industry best practices.

The policies have been endorsed by the Risk Management Committee and approved by the Board before implementation across the Group, where applicable. Approved policies are cascaded to the relevant stakeholders in a timely manner.

Our policies are reviewed periodically to keep abreast with the evolving regulatory requirements, risks and internal control measures. This ensures they remain relevant and effective in addressing emerging challenges and supporting new products and services. Key policies of the Group include:

Title	Description
<b>Group Communication Policy</b>	<p>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.</p> <p>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.</p> <p>The policy has further integrated the Corporate Disclosure Policy covering the responsibilities of Climate-related disclosures.</p>
<b>Group Investor Relations Policy</b>	<p>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.</p>
<b>Group Sustainability Policy</b>	<p>This policy sets out some guidelines and its commitments to Economic, Environmental &amp; Social (EES) aspects of the business, which are aligned with Bursa Malaysia's Sustainability Reporting Guide.</p>
<b>Group Credit Control Policy</b>	<p>This policy provides a clear guidance on the principles of effective receivables management.</p>
<b>Group Dividend Policy</b>	<p>This Policy sets out some guidelines to ensure that dividends declared are in reflection of the financial position, operating performance and future investment needs to ensure stable and sustainable returns to the shareholders.</p>
<b>Group Limit of Authority</b>	<p>This document provides clear guidelines for the approval and authorisation of financial transactions during the ordinary course of business of the Company.</p>
<b>Group Investment Policy</b>	<p>This policy sets out 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.</p>
<b>Group Fit &amp; Proper Policy</b>	<p>This 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.</p>
<b>Group Related Party Transactions Policy</b>	<p>This 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.</p>

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# Internal Policies

Title	Description
<b>Group Anti-Bribery and Corruption Policy</b>	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.
<b>Group Whistleblowing Policy</b>	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.
<b>Internal Audit Charter Policy</b>	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.
<b>Group Business Continuity Management ("BCM") Policy</b>	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.
<b>Group Risk Management Policy</b>	This 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.
<b>TPR's relevant Policies and Procedures</b> (covering TPR Claims Procedure, Operations Procedure, Portfolio Management Procedure, Reinsurance Operations Procedures, Underwriting Policy and Procedure, PMO Procedure, Due Diligence Procedure and External Service Agreement Procedure)	The policies and procedures provide guidance on managing new or existing business partners, user acceptance testing, premium and claims reporting, billing & payments and customer experience.
<b>Group Employee Handbook</b>	This document is a compilation of the policies, procedures, working conditions, and behavioural expectations that will guide our employees' actions in our workplace.
<b>Group Sexual Harassment Policy</b>	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.
<b>Group Internal Control Policy</b>	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.
<b>Group Compliance Policy</b>	This policy sets 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
<b>Group Privacy and Data Risk Management Policy</b>	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.
<b>Claims Policy</b>	This policy sets out the minimum standards for claims handling practices.
<b>Underwriting Policy</b>	The documents provide guideline to the classes of Motor and Non-Motor insurance businesses that the Company underwrites.
<b>Product Development Policy</b>	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.
<b>Pricing Policy for Motor and Fire Products</b>	This policy sets out the policies and procedures for pricing and re-pricing exercises of the General Insurance businesses' Motor and Fire products.
<b>Re-pricing Policy on Medical and Health Insurance Product</b>	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.
<b>Group IT Security Policy</b>	This policy establishes standard of practice that complies with internal, statutory and regulatory requirements in managing technology operation and cyber risks.
<b>Technology Risk Management Policy</b>	This policy provides guidance on conducting technology risk assessments and identifying key areas of technology risk. It ensures a comprehensive, enterprise-wide approach to risk assessment and analysis.
<b>Cyber Resilience Policy</b>	This policy outlines the principles for Cyber Resilience and the management of potential cybersecurity incidents. It encompasses several key components such as Identify, Protect, Detect, Respond and Recover which focuses on assessing the current security posture, addressing identified gaps and ensuring business continuity.
<b>Group Senior Management Remuneration Policy</b>	This policy sets out the remuneration principles and guidelines for Senior Management and other employees of Tune Protect Group Berhad and its subsidiaries.
<b>Reinsurance Policy</b>	This Policy outlines the policy and procedures that enable the Company to manage and administer its reinsurance arrangement.
<b>Group Infrastructure Policy - Endpoint &amp; Office Productivity</b>	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.
<b>Group Infrastructure Policy - Network &amp; Server</b>	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 organisation to respond effectively to unforeseen events, recover quickly, and resume normal operations with minimal disruption.
<b>Group Internal Capacity Adequacy Assessment Process (ICAAP) Policy</b>	This policy establishes the process for Tune Protect to ensure it has adequate capital to meet capital requirements on an on-going basis.

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# Director's 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 2024.

## 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

	<b>Group 2024 RM'000</b>	<b>Company 2024 RM'000</b>
Net profit/(loss) for the year	2,741	(13,568)
Profit/(loss) attributable to:		
Equity holders of the Company	572	(13,568)
Non-controlling interests	2,169	-
	2,741	(13,568)

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.

## 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.

# Director's Report

## Directors

The names of the directors of the Company and its subsidiaries in office since the beginning of the financial year to 24 March 2025 are:

Name of Director	←----- Directors of the entities ----->					
	Holding Company	Subsidiaries				
	TPG*	TIMB*	TPR*	TDL*	WL*	TPV*
Dato' Mohamed Khadar Bin Merican (Chairman of TPG)	✓	-	✓	-	-	-
Tan Ming-Li	Ceased on 1 April 2024	Ceased on 1 April 2024	-	-	-	-
Mohamed Rashdi Bin Mohamed Ghazalli	✓	✓	-	-	-	-
Aireen Omar	✓	-	-	-	-	-
Kelvin Desmond Malayapillay	Ceased on 27 February 2025	-	-	-	-	-
Dr Grace Lee Hwee Ling	Ceased on 19 June 2024	-	-	-	-	-
Ariff Bin Rozhan	Appointed on 1 July 2024	-	-	-	-	-
Gan Mei Mei	Appointed on 10 September 2024	-	-	-	-	-
Jayakumar A/L Somasundram	Appointed on 1 July 2024	✓	-	-	-	-
Azian Binti Kassim	-	Appointed on 1 May 2024	-	-	-	-
Lim Chong Beng	-	✓	-	-	-	-
Rohit Chandrasekharan Nambiar	-	Ceased on 10 May 2024	-	-	-	-
Mohd Yusof Hafiz Bin Mohamad	-	-	-	Ceased on 26 July 2024	-	-
Dixon Wong Kit Seng	-	-	-	-	Ceased on 26 July 2024	-
How Kim Lian	-	Appointed on 2 Dec 2024	✓	Ceased on 26 July 2024	Ceased on 26 July 2024	Ceased on 26 July 2024
Teoh Kek Pin	-	-	-	Appointed on 26 July 2024	Appointed on 26 July 2024	Appointed on 26 July 2024
Yap Hsu Yi	-	-	-	-	Appointed on 26 July 2024	-
Koot Chiew Ling	-	-	-	Appointed on 26 July 2024	-	✓

- \* 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.

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# Director's Report

## 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	1,312	925
Allowances and other emoluments	461	327
Insurance effected to indemnify directors *	100	100
	1,873	1,352

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 2024.

## 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 1.1.2024 '000	Acquired '000	Disposed '000	As at 31.12.2024 '000

### Direct interests:

#### Director of the Company:

Aireen Omar	600	-	-	600
-------------	-----	---	---	-----

#### Director of the subsidiaries:

How Kim Lian	1,395	-	-	1,395
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.

# Director's Report

## 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  
 Yap Hsu Yi  
 Rohit Chandrasekharan Nambiar (Resigned on 10 May 2024)

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.
- (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.

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# Director's Report

## Other statutory information (cont'd.)

- (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 event

The significant event during the financial year end is disclosed in Note 39 to the financial statements.

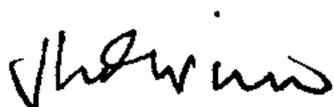
## Auditors and auditors' remuneration

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	1,286	221
Other auditors	13	-
	1,299	221

Signed on behalf of the Board in accordance with a resolution of the directors dated 24 March 2025.



Dato' Mohamed Khadar Bin Merican

Kuala Lumpur, Malaysia



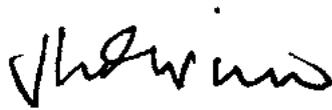
Gan Mei Mei

# Statement by Directors

Pursuant to Section 251(2) of the Companies Act, 2016

We, Dato' Mohamed Khadar Bin Merican and Gan Mei Mei, 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 179 to 332 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting 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 2024 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 24 March 2025.



Dato' Mohamed Khadar Bin Merican



Gan Mei Mei

Kuala Lumpur, Malaysia

# Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act, 2016

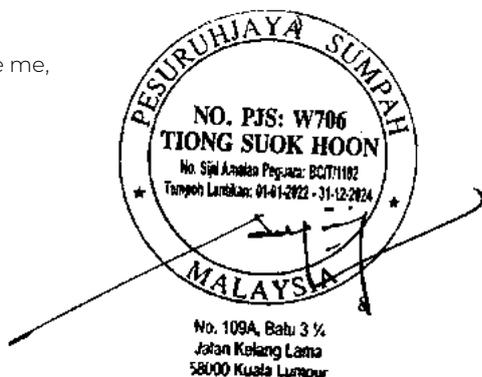
I, Teoh Kek Pin (MIA Membership No. CA 23412), being the officer primarily responsible for the financial management of Tune Protect Group Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 15 to 201 are in my opinion, correct and I make this solemn declaration 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 Teoh Kek Pin at )  
 Kuala Lumpur in the Federal Territory )  
 on 24 March 2025 )



Teoh Kek Pin

Before me,



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# 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 2024 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 179 to 332.

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 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting 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. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group 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 2024 amounted to RM670 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 MFRS Accounting Standards and IFRS Accounting Standards, as well as the accounting policies described in Notes 2.3(l) for liabilities for incurred claims and liabilities for remaining coverage, respectively.

# 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.)

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.

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 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.

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# 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.)*

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.

*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.

*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 MFRS Accounting Standards, IFRS Accounting 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.

# 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.)*

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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

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.

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# 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.)*

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

Kuala Lumpur, Malaysia  
24 March 2025



Kannan A. L. Rajagopal  
No. 03490/03/2026 J  
Chartered Accountant

# Statements of Financial Position

As at 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	20223 RM'000
<b>Assets</b>					
Property and equipment	3	4,242	3,353	564	693
Intangible assets	4	42,041	38,368	291	358
Right-of-use assets	15	5,103	6,913	3,144	4,887
Investments in subsidiaries	5	-	-	179,128	199,129
Investment in an associate	6	26,959	33,689	40,955	40,955
Investment in a joint venture company	7	1,510	1,281	433	433
Goodwill	8	24,165	24,165	-	-
Investments	9	766,417	724,372	44,477	40,858
Deferred tax assets	13	218	468	-	-
Insurance contract assets	10	20,371	16,883	-	-
Reinsurance contract assets	10	330,931	341,100	-	-
Other receivables	11	47,187	43,479	15,446	12,553
Tax recoverable		12,493	14,964	235	112
Cash and bank balances		31,986	45,736	957	2,357
<b>Total assets</b>		<b>1,313,623</b>	<b>1,294,771</b>	<b>285,630</b>	<b>302,335</b>
<b>Equity</b>					
Share capital	12	249,382	248,756	249,382	248,756
LTIP - ESOS reserve		913	1,342	913	1,342
Foreign currency translation reserve		6,204	6,717	-	-
Other comprehensive income ("OCI") reserve		190	(363)	-	-
Other reserve		595	499	-	-
Retained earnings		266,789	266,217	29,814	43,382
Equity attributable to owners of the parent		524,073	523,168	280,109	293,480
Non-controlling interests		54,555	53,002	-	-
<b>Total equity</b>		<b>578,628</b>	<b>576,170</b>	<b>280,109</b>	<b>293,480</b>
<b>Liabilities</b>					
Insurance contract liabilities	10	669,892	649,782	-	-
Reinsurance contract liabilities	10	68	1,325	-	-
Lease liabilities	15	5,399	7,219	3,270	4,980
Other payables	14	59,636	60,275	2,251	3,875
<b>Total liabilities</b>		<b>734,995</b>	<b>718,601</b>	<b>5,521</b>	<b>8,855</b>
<b>Total equity and liabilities</b>		<b>1,313,623</b>	<b>1,294,771</b>	<b>285,630</b>	<b>302,335</b>

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The accompanying notes form an integral part of the financial statements.

# Statements of Comprehensive Income

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Insurance revenue	16	389,194	374,139	-	-
Insurance service expenses	17, 24	(364,478)	(256,278)	-	-
<b>Insurance service result before reinsurance contracts held</b>		<b>24,716</b>	117,861	-	-
Allocation of reinsurance premiums		(54,286)	(93,124)	-	-
Amounts recoverable from reinsurers for incurred claims	18	39,306	(30,934)	-	-
<b>Net expense from reinsurance contracts held</b>		<b>(14,980)</b>	(124,058)	-	-
<b>Insurance service result</b>		<b>9,736</b>	(6,197)	-	-
Investment income	19	21,564	12,108	24,432	10,584
Realised gains and losses	20	17,045	2,844	316	200
Fair value gains or losses		(8,560)	17,253	66	842
<b>Total investment income</b>		<b>30,049</b>	32,205	<b>24,814</b>	11,626
Insurance finance expenses for insurance contracts issued	21	(14,689)	(15,799)	-	-
Reinsurance finance income for reinsurance contracts held	22	7,976	13,026	-	-
<b>Net insurance financial result</b>		<b>(6,713)</b>	(2,773)	-	-
Other operating income	23	3,121	8,159	5,924	12,979
Other operating expenses	24	(27,194)	(28,323)	(44,138)	(33,801)
Other finance costs		(180)	(216)	(172)	(211)
<b>Total other income and expenses</b>		<b>(24,253)</b>	(20,380)	<b>(38,386)</b>	(21,033)
Share of results of an associate	6	(6,743)	167	-	-
Share of results of a joint venture company	7	106	149	-	-
<b>Profit/(loss) before taxation</b>		<b>2,182</b>	3,171	<b>(13,572)</b>	(9,407)
Taxation	26	559	(2,926)	4	(198)
<b>Net profit/(loss) for the year</b>		<b>2,741</b>	245	<b>(13,568)</b>	(9,605)

# Statements of Comprehensive Income

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Net profit/(loss) for the year</b>		<b>2,741</b>	245	<b>(13,568)</b>	(9,605)
<b>Other comprehensive income/(loss):</b>					
Items that will not be subsequently reclassified to profit or loss:					
Share of other comprehensive income/(loss) of an associate	6	<b>649</b>	(406)	-	-
Effect of post-acquisition foreign exchange translation reserve on investment in associate and joint venture company		<b>(513)</b>	(2,928)	-	-
Other comprehensive income/(loss) for the year		<b>136</b>	(3,334)	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>2,877</b>	(3,089)	<b>(13,568)</b>	(9,605)
<b>Profit/(Loss) attributable to:</b>					
Owners of the parent		<b>572</b>	(947)	<b>(13,568)</b>	(9,605)
Non-controlling interests		<b>2,169</b>	1,192	-	-
		<b>2,741</b>	245	<b>(13,568)</b>	(9,605)
<b>Other comprehensive income/(loss) attributable to:</b>					
Owners of the parent		<b>136</b>	(3,334)	-	-
Non-controlling interests		-	-	-	-
		<b>136</b>	(3,334)	-	-
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the parent		<b>708</b>	(4,281)	<b>(13,568)</b>	(9,605)
Non-controlling interests		<b>2,169</b>	1,192	-	-
		<b>2,877</b>	(3,089)	<b>(13,568)</b>	(9,605)
<b>Earnings/(Loss) per share attributable to owners of the parent (sen per share)</b>					
Basic	27	<b>0.08</b>	(0.13)		
Diluted	27	<b>0.08</b>	(0.13)		

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The accompanying notes form an integral part of the financial statements.

# Statements of Changes in Equity

For the financial year ended 31 December 2024

## FINANCIAL STATEMENTS

Group	Attributable to the owners of the parent										Total equity RM'000
	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	Non-controlling interests RM'000	Total RM'000	Dis-tributable Retained earnings RM'000	Non-controlling interests RM'000	
<b>At 1 January 2023, as previously reported</b>	248,519	199	343	-	9,603	264,246	51,279	522,910	264,246	51,279	574,189
Impact on initial application of MFRS 17	-	-	-	-	42	2,918	531	2,960	2,918	531	3,491
<b>At 1 January 2023, restated</b>	248,519	199	343	-	9,645	267,164	51,810	525,870	267,164	51,810	577,680
Net (loss)/profit for the year	-	-	-	-	-	(947)	1,192	(947)	(947)	1,192	245
Other comprehensive (loss)/income for the year	-	(562)	156	-	(2,928)	-	-	(3,334)	(2,928)	-	(3,334)
Total comprehensive (loss)/income for the year	-	(562)	156	-	(2,928)	(947)	1,192	(4,281)	(947)	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
<b>At 31 December 2023</b>	248,756	(363)	499	1,342	6,717	266,217	53,002	523,168	266,217	53,002	576,170
<b>At 1 January 2024</b>	248,756	(363)	499	1,342	6,717	266,217	53,002	523,168	266,217	53,002	576,170
Net profit for the year	-	-	-	-	-	572	2,169	572	572	2,169	2,741
Other comprehensive income/(loss) for the year	-	553	96	-	(513)	-	-	136	-	-	136
Total comprehensive income/(loss) for the year	-	553	96	-	(513)	572	2,169	708	572	2,169	2,877
Write-back of equity-settled share options to employees (Note 25)	-	-	-	(252)	-	-	-	(252)	-	-	(252)
Issuance of shares pursuant to LTIP - ESOS	626	-	-	(177)	-	-	-	449	-	-	449
Decrease in non-controlling interest arising from reduction in interest in a subsidiary	-	-	-	-	-	-	(616)	-	-	(616)	(616)
<b>At 31 December 2024</b>	249,382	190	595	913	6,204	266,789	54,555	524,073	266,789	54,555	578,628

The accompanying notes form an integral part of the financial statements.

# Statements of Changes in Equity

For the financial year ended 31 December 2024

Company	Share capital RM'000 (Note 12)	Non-distributable LTIP - ESOS reserve RM'000	Distributable Retained earnings RM'000	Total equity RM'000
<b>At 1 January 2023</b>	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
<b>At 31 December 2023</b>	248,756	1,342	43,382	293,480
<b>At 1 January 2024</b>	<b>248,756</b>	<b>1,342</b>	<b>43,382</b>	<b>293,480</b>
Total comprehensive loss for the year	-	-	<b>(13,568)</b>	<b>(13,568)</b>
Write-back of equity-settled share options to employees (Note 25)	-	<b>(252)</b>	-	<b>(252)</b>
Issuance of shares pursuant to LTIP - ESOS	<b>626</b>	<b>(177)</b>	-	<b>449</b>
<b>At 31 December 2024</b>	<b>249,382</b>	<b>913</b>	<b>29,814</b>	<b>280,109</b>

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The accompanying notes form an integral part of the financial statements.

# Statements of Cash Flows

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Operating activities</b>					
Profit/(Loss) before taxation		<b>2,182</b>	3,171	<b>(13,572)</b>	(9,407)
Adjustments for:					
Investment income	19	<b>(21,564)</b>	(12,108)	<b>(24,432)</b>	(10,584)
Net unrealised losses/(gains) on foreign exchange		<b>1,369</b>	(3,358)	<b>6</b>	(42)
Realised gains on disposal of fair value through profit or loss ("FVTPL") investments	20	<b>(16,942)</b>	(2,850)	<b>(316)</b>	(200)
Fair value gains of investments		<b>8,560</b>	(17,253)	<b>(66)</b>	(842)
(Gains)/Losses on disposal of property and equipment	20	<b>(103)</b>	6	-	-
Depreciation of property and equipment	24	<b>1,328</b>	1,704	<b>242</b>	370
Depreciation of right-of-use assets	24	<b>2,387</b>	2,526	<b>1,527</b>	1,634
Amortisation of intangible assets	24	<b>7,757</b>	5,757	<b>174</b>	151
Impairment losses on:					
- intangible assets	24	<b>2,984</b>	-	-	-
- investment in a subsidiary	24	-	-	<b>20,001</b>	-
(Write-back of)/Allowance for equity-settled share options to employees	25	<b>(252)</b>	1,394	<b>(504)</b>	861
Income from subleasing right-of-use assets	23	-	-	<b>(1,376)</b>	(1,323)
Finance cost	15	<b>286</b>	327	<b>172</b>	211
Share of results of an associate	6	<b>6,743</b>	(167)	-	-
Share of results of a joint venture company	7	<b>(106)</b>	(149)	-	-
Operating loss before working capital changes		<b>(5,371)</b>	(21,000)	<b>(18,144)</b>	(19,171)
Reinsurance contract assets		<b>8,776</b>	99,111	-	-
Insurance contract liabilities		<b>15,535</b>	(53,653)	-	-
Other receivables		<b>(1,714)</b>	15,670	<b>(2,635)</b>	1,073
Other payables		<b>(235)</b>	(2,846)	<b>(1,624)</b>	(131)

# Statements of Cash Flows

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Operating activities (cont'd.)</b>					
<b>Cash generated from/(used in) operating activities</b>					
		<b>16,991</b>	37,282	<b>(22,403)</b>	(18,229)
Net interest received		<b>13,131</b>	586	<b>558</b>	29
Net dividend received		<b>6,445</b>	6,570	<b>23,874</b>	10,556
Net income from subleasing right-of-use assets	23	-	-	<b>1,376</b>	1,323
Income tax refund/(paid)		<b>3,280</b>	(727)	<b>(119)</b>	(399)
<b>Net cash generated from/(used in) operating activities</b>		<b>39,847</b>	43,711	<b>3,286</b>	(6,720)
<b>Investing activities</b>					
Purchases of FVTPL financial assets		<b>(614,673)</b>	(549,555)	<b>(54,629)</b>	(9,140)
Proceeds from disposal of FVTPL financial assets		<b>376,172</b>	854,280	<b>51,392</b>	16,970
Movement in amortised cost financial assets		<b>244,744</b>	(305,207)	-	-
Proceeds from disposal of property and equipment		<b>103</b>	2	-	-
Purchase of property and equipment	3	<b>(2,218)</b>	(1,137)	<b>(113)</b>	(93)
Purchase of intangible assets	4	<b>(14,414)</b>	(15,166)	<b>(107)</b>	(117)
<b>Net cash generated from/(used in) investing activities</b>		<b>(10,286)</b>	(16,783)	<b>(3,457)</b>	7,620
<b>Financing activities</b>					
Payment of principal portion of lease liabilities	15	<b>(2,664)</b>	(2,694)	<b>(1,666)</b>	(1,776)
Cash paid to non-controlling interest of units cancelled in a subsidiary		<b>(616)</b>	-	-	-
Proceeds from issuance of shares pursuant to LTIP - ESOS		<b>449</b>	185	<b>449</b>	185
<b>Net cash used in financing activities</b>		<b>(2,831)</b>	(2,509)	<b>(1,217)</b>	(1,591)

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# Statements of Cash Flows

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>26,730</b>	24,419	<b>(1,388)</b>	(691)
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>(221)</b>	(483)	<b>(12)</b>	46
<b>Cash and cash equivalents at beginning of year</b>		<b>72,468</b>	48,532	<b>2,357</b>	3,002
<b>Cash and cash equivalents at end of year</b>		<b>98,977</b>	72,468	<b>957</b>	2,357
<b>Cash and cash equivalents comprise:</b>					
Fixed and call deposits (with original maturities of less than three months) with licensed financial institutions	9(a)	<b>66,991</b>	26,732	-	-
Cash and bank balances		<b>31,986</b>	45,736	<b>957</b>	2,357
		<b>98,977</b>	72,468	<b>957</b>	2,357

The accompanying notes form an integral part of the financial statements.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 Capital A  
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 24 March 2025.

## 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 MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards 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 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 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 2024. 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.

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 to align 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.2 Basis of consolidation (cont'd.)

#### (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.

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 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.

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (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.

#### (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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

##### (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 the Company, and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 and the Company 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 development, the in-house developed computer software will be amortised using the straight-line method over the estimated useful lives of 10 to 15 years.

The acquired intangible assets are amortised using the straight-line method over the following estimated useful lives:

Computer software	4 to 15 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (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.

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

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.

- (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).

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 (cont'd.)

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.

###### 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (g) Investments and financial assets (cont'd.)

##### **Subsequent measurement (cont'd.)**

##### 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.

#### (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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (h) Impairment of financial assets (cont'd.)

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 PD 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 EAD 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 LGD 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.

#### **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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (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 Group and the Company, comprising insurance payables and other payables except for those covered under MFRS 4 *Insurance Contracts* ("MFRS 4"), 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 2024

## 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 Group does not issue any contracts with direct participating features.

Investment contracts are those contracts that do not transfer significant insurance risk.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) Insurance and reinsurance contracts (cont'd.)

##### (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 contracts 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.

###### (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).

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) Insurance and reinsurance contracts (cont'd.)

#### (ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

#### (b) Level of aggregation (cont'd.)

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.

#### (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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) Insurance and reinsurance contracts (cont'd.)

##### (ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

##### (c) Recognition (cont'd.)

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

- 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 they provide insurance contract services under the insurance contracts in the group.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) 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.)

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;
- 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;
- Transaction-based taxes.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) 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.)

The Group does not provide investment-return services in respect of contracts that they issue, nor do they 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) 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.)

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;
- 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) 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 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.

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) Insurance and reinsurance contracts (cont'd.)

##### (ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

##### (e) Measurement - General Model (cont'd.)

###### 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.

##### (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;

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) Insurance and reinsurance contracts (cont'd.)

##### (ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

##### (f) Measurement - Premium Allocation Approach (cont'd.)

##### Adopted approach by the Group: (cont'd.)

- 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) 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 – initial measurement (cont'd.)

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.

###### 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;
- 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).

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) 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.

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 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (i) 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 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) 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 Group 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 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.

##### 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (I) Insurance and reinsurance contracts (cont'd.)

##### (ii) Insurance and reinsurance contracts accounting treatment (cont'd.)

##### (g) Presentation (cont'd.)

###### Loss-recovery components - Premium Allocation Approach (cont'd.)

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.

###### 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (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.

#### 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (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.

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (p) Employee benefits (cont'd.)

##### 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

The Company participates in the national Employees Provident Fund (EPF) Scheme. Under the Clerical and Executive Union Agreements, the Company has an enhanced EPF Scheme for additional contributions between 1% to 5%, based on years of service. Such contributions are recognised as an expense in profit or loss as incurred.

Provision for retirement benefits is made for eligible staff in the Group and the Company from the date of employment under an unfunded defined contribution plan. For eligible staff, the 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.

##### 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.

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.3 Summary of material accounting policies (cont'd.)

#### (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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 2024 and which were adopted by the Group and the Company on 1 January 2024.

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

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

Amendments to MFRS 107 *Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures*

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group or the Company.

### 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 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Amendments that are part of Annual Improvements - Volume 11	1 January 2026
- Amendments to MFRS 1 <i>First-time Adoption of MFRS Accounting Standards</i>	
- Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i>	
- Amendments to MFRS 9 <i>Financial Instruments</i>	
- Amendments to MFRS 10 <i>Consolidated Financial Statements</i>	
- Amendments to MFRS 107 <i>Statement of Cash Flows</i>	
Amendments to MFRS 18 <i>Presentation and Disclosure in Financial Statement</i>	1 January 2027
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability Disclosures</i>	1 January 2027
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investments in Associates and Joint Ventures - Sale or Distribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined by MASB

Except for MFRS 18, the directors expect that the adoption of the above pronouncements will not have a material impact on the Group's and the Company's financial statements upon initial application. The Group and the Company are currently evaluating the potential impact, if any, arising from the implementation of MFRS 18.

### 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 2. Material accounting policies (cont'd.)

### 2.6 Significant accounting judgements, estimates and assumptions (cont'd)

#### (a) Critical judgements made in applying accounting policies (cont'd)

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 RM11,224,000 (2023: RM10,180,000) and unabsorbed capital allowances of RM5,855,000 (2023: RM16,321,000) carried forward for which no deferred tax assets are recognized due to the uncertainty of their recoverability.

#### (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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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

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.

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 3. Property and equipment

Group	Renovation RM'000	Motor vehicles RM'000	Furniture, fittings, office equipment and computers RM'000	Total RM'000
<b>Cost</b>				
At 31 December 2022	2,828	627	9,944	13,399
Additions	476	-	661	1,137
Disposals	-	-	(50)	(50)
At 31 December 2023	<b>3,304</b>	<b>627</b>	<b>10,555</b>	<b>14,486</b>
Additions	-	<b>286</b>	<b>1,932</b>	<b>2,218</b>
Disposals	-	<b>(136)</b>	<b>(64)</b>	<b>(200)</b>
Written off	-	-	<b>(49)</b>	<b>(49)</b>
At 31 December 2024	<b>3,304</b>	<b>777</b>	<b>12,374</b>	<b>16,455</b>
<b>Accumulated depreciation</b>				
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	<b>1,912</b>	<b>464</b>	<b>8,757</b>	<b>11,133</b>
Charge for the year (Note 24)	<b>240</b>	<b>39</b>	<b>1,049</b>	<b>1,328</b>
Disposals	-	<b>(136)</b>	<b>(63)</b>	<b>(199)</b>
Written off	-	-	<b>(49)</b>	<b>(49)</b>
At 31 December 2024	<b>2,152</b>	<b>367</b>	<b>9,694</b>	<b>12,213</b>
<b>Net carrying amount</b>				
At 31 December 2023	1,392	163	1,798	3,353
At 31 December 2024	<b>1,152</b>	<b>410</b>	<b>2,680</b>	<b>4,242</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>Cost</b>				
At 31 December 2022	478	323	2,503	3,304
Additions	-	-	93	93
At 31 December 2023	<b>478</b>	<b>323</b>	<b>2,596</b>	<b>3,397</b>
Additions	-	-	<b>113</b>	<b>113</b>
At 31 December 2024	<b>478</b>	<b>323</b>	<b>2,709</b>	<b>3,510</b>
<b>Accumulated depreciation</b>				
At 31 December 2022	288	54	1,992	2,334
Charge for the year (Note 24)	45	108	217	370
At 31 December 2023	<b>333</b>	<b>162</b>	<b>2,209</b>	<b>2,704</b>
Charge for the year (Note 24)	<b>45</b>	-	<b>197</b>	<b>242</b>
At 31 December 2024	<b>378</b>	<b>162</b>	<b>2,406</b>	<b>2,946</b>
<b>Net carrying amount</b>				
At 31 December 2023	145	161	387	693
At 31 December 2024	<b>100</b>	<b>161</b>	<b>303</b>	<b>564</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>Cost</b>							
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	<b>15,248</b>	<b>41,231</b>	<b>3,100</b>	<b>2,500</b>	<b>564</b>	<b>2,425</b>	<b>65,068</b>
Reclassification	<b>(17,764)</b>	<b>17,764</b>	-	-	-	-	-
Additions	<b>11,461</b>	<b>2,953</b>	-	-	-	-	<b>14,414</b>
At 31 December 2024	<b>8,945</b>	<b>61,948</b>	<b>3,100</b>	<b>2,500</b>	<b>564</b>	<b>2,425</b>	<b>79,482</b>
<b>Accumulated amortisation</b>							
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	-	<b>20,536</b>	<b>3,100</b>	<b>2,500</b>	<b>564</b>	-	<b>26,700</b>
Amortisation for the year (Note 24)	-	<b>7,454</b>	-	-	-	<b>303</b>	<b>7,757</b>
Impairment loss for year (Note 24)	-	<b>862</b>	-	-	-	<b>2,122</b>	<b>2,984</b>
At 31 December 2024	-	<b>28,852</b>	<b>3,100</b>	<b>2,500</b>	<b>564</b>	<b>2,425</b>	<b>37,441</b>
<b>Net carrying amount</b>							
At 31 December 2023	15,248	20,695	-	-	-	2,425	38,368
At 31 December 2024	<b>8,945</b>	<b>33,096</b>	-	-	-	-	<b>42,041</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 4. Intangible assets (cont'd.)

Company	Computer software RM'000	Digital direct marketing platform RM'000	Total RM'000
<b>Cost</b>			
At 31 December 2022	1,378	564	1,942
Additions	117	-	117
At 31 December 2023	<b>1,495</b>	<b>564</b>	<b>2,059</b>
Additions	<b>107</b>	-	<b>107</b>
At 31 December 2024	<b>1,602</b>	<b>564</b>	<b>2,166</b>
<b>Accumulated amortisation</b>			
At 31 December 2022	986	564	1,550
Amortisation for the year (Note 24)	151	-	151
At 31 December 2023	<b>1,137</b>	<b>564</b>	<b>1,701</b>
Amortisation for the year (Note 24)	<b>174</b>	-	<b>174</b>
At 31 December 2024	<b>1,311</b>	<b>564</b>	<b>1,875</b>
<b>Net carrying amount</b>			
At 31 December 2023	358	-	358
At 31 December 2024	<b>291</b>	-	<b>291</b>

The Group's intangible assets include computer software recorded at a cost of RM29,285,000 (2023: RM11,565,000).

Following a reassessment conducted after two years, the Group identified delays in the implementation timeline of certain project phases. To better align the remaining amortisation expenses with the deferred future economic benefits of the software, the Group revised its estimated useful life from 10 years to 15 years.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 5. Investments in subsidiaries

	Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost:		
At 1 January	<b>199,129</b>	199,129
Impairment loss for the year (Note 24)	<b>(20,001)</b>	-
At 31 December	<b>179,128</b>	199,129

During the year, the Company recorded impairment losses of RM20,001,000 in respect of its investment in a subsidiary, Tune Protect Ventures Sdn Bhd, as the carrying value of the investment exceeded its recoverable amount.

All subsidiaries are incorporated in Malaysia or Federal Territory of Labuan, which also has its principal place of business in Malaysia or Federal Territory of Labuan, are as follows:

Name of Company/ Fund	Principal activities	% of ownership interest held by the Group		% of ownership held by non-controlling interest	
		2024 %	2023 %	2024 %	2023 %
<b>Held by the Company:</b>					
Tune Protect Re Ltd ("TPR")	Underwriting of general reinsurance and retakaful window	<b>100.00</b>	100.00	-	-
Tune Insurance Malaysia Berhad ("TIMB")	Underwriting of general insurance business	<b>83.26</b>	83.26	<b>16.74</b>	16.74
Tune Direct Ltd ("TDL")	Consultant, facilitator and provider of digital and technology services and investment holding company	<b>100.00</b>	100.00	-	-
Tune Protect Ventures Sdn Bhd ("TPV")	Provision of affordable pure life and health protection for the unserved and underserved market **	<b>100.00</b>	100.00	-	-

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 5. Investments in subsidiaries (cont'd.)

All subsidiaries are incorporated in Malaysia or Federal Territory of Labuan, which also has its principal place of business in Malaysia or Federal Territory of Labuan, are as follows:

Name of Company/ Fund	Principal activities	% of ownership interest held by the Group		% of ownership held by non-controlling interest	
		2024 %	2023 %	2024 %	2023 %
<b>Held through subsidiaries:</b>					
<b>TDL:</b>					
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	-	-
<b>TIMB:</b>					
Affin Hwang Income Fund 1 ("Affin") ***	Investment in fixed income securities and money market placements	-	53.54	-	46.46

\*\* On 10 January 2023, Bank Negara Malaysia ("BNM") 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.

During the year, TPV has ceased offering insurance to new clients or customers, as it prepares to exit the BNM financial technology regulatory sandbox. This strategic shift aligns with the Group to focus on its core business of general insurance and general reinsurance.

\*\*\* 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 held by non-controlling interests	
		2024 %	2023 %
Tune Insurance Malaysia Berhad	Malaysia	16.74	16.74
Affin Hwang Income Fund 1	Malaysia	-	46.46

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 5. Investments in subsidiaries (cont'd.)

### Material partly-owned subsidiaries (cont'd.)

	2024 RM'000	2023 RM'000
<b>Accumulated balances of material non-controlling interests:</b>		
Tune Insurance Malaysia Berhad	54,555	52,366
Affin Hwang Income Fund 1	-	636
<b>Profit/(loss) allocated to material non-controlling interests:</b>		
Tune Insurance Malaysia Berhad	2,189	1,183
Affin Hwang Income Fund 1	(20)	9

TIMB fully redeemed its holdings in the Affin Hwang Income Fund I, and the fund was subsequently terminated on 31 May 2024.

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Summarised statements of comprehensive income:</b>				
Insurance revenue	-	-	320,224	310,227
Insurance service expenses	-	-	(300,465)	(194,873)
<b>Insurance service result before reinsurance contracts held</b>	-	-	19,759	115,354
Allocation of reinsurance premiums	-	-	(64,233)	(97,693)
Amounts recoverable from reinsurers for incurred claims	-	-	43,107	(28,095)
<b>Net expense from reinsurance contracts held</b>	-	-	(21,126)	(125,788)
<b>Insurance service result</b>	-	-	(1,367)	(10,434)

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Summarised statements of comprehensive income: (cont'd.)</b>				
Investment income	(5)	40	16,861	7,661
Realised gains and losses	-	-	15,739	(527)
Fair value gains or losses	21	-	(9,443)	14,844
<b>Total investment income</b>	<b>16</b>	<b>40</b>	<b>23,157</b>	<b>21,978</b>
Insurance finance expenses for insurance contracts issued	-	-	(14,507)	(18,075)
Reinsurance finance income for reinsurance contracts held	-	-	7,825	13,106
<b>Net insurance financial result</b>	<b>-</b>	<b>-</b>	<b>(6,682)</b>	<b>(4,969)</b>
Other operating income	-	-	2,611	7,111
Other operating expenses	(26)	(23)	(5,799)	(4,587)
<b>Total other income and expenses</b>	<b>(26)</b>	<b>(23)</b>	<b>(3,188)</b>	<b>2,524</b>
<b>(Loss)/Profit before taxation</b>	<b>(10)</b>	<b>17</b>	<b>11,920</b>	<b>9,099</b>
Taxation	-	-	1,159	(2,032)
<b>Net (loss)/profit for the year</b>	<b>(10)</b>	<b>17</b>	<b>13,079</b>	<b>7,067</b>
<b>Total comprehensive (loss)/income</b>	<b>(10)</b>	<b>17</b>	<b>13,079</b>	<b>7,067</b>
Attributable to non-controlling interests	(20)	9	2,189	1,183

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Summarised statements of financial position as at 31 December:</b>				
Property and equipment	-	-	1,871	2,346
Intangible assets	-	-	39,879	31,725
Rights-of-use assets	-	-	1,978	2,795
Investments	-	1,382	583,405	545,202
Reinsurance contract assets	-	-	330,216	340,109
Other receivables	-	-	52,236	55,278
Cash and bank balances	-	4	26,293	28,602
Deferred tax assets	-	-	218	468
Insurance contract liabilities	-	-	(669,556)	(649,412)
Lease liabilities	-	-	(2,146)	(2,968)
Other payables	-	(21)	(38,464)	(41,294)
Net assets	-	1,365	325,930	312,851
Attributable to:				
Equity holders of the parent	-	729	271,375	260,485
Non-controlling interests	-	636	54,555	52,366
	-	1,365	325,930	312,851
<b>Summarised cash flow information for the year ended 31 December:</b>				
Operating activities	(30)	14	45,664	62,932
Investing activities	-	-	14,251	(49,686)
Financing activities	(1,356)	-	(1,938)	(1,796)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,386)</b>	14	<b>57,977</b>	11,450

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 6. Investment in an associate

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	40,955	40,955	40,955	40,955
Share of post-acquisition reserves	(19,757)	(13,663)	-	-
	21,198	27,292	40,955	40,955
Exchange differences	5,761	6,397	-	-
	26,959	33,689	40,955	40,955

The investment in an associate is incorporated in Thailand, which also has its principal place of business in Thailand. Other details are as follow:

Name of associate	Principal activities	% of ownership interest held by the Group	
		2024	2023
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:

	2024 RM'000	2023 RM'000
<b>Summarised statement of comprehensive income:</b>		
Insurance revenue	61,169	50,086
Insurance service expenses	(46,134)	(26,289)
<b>Insurance service result before reinsurance contracts held</b>	<b>15,035</b>	<b>23,797</b>
Allocation of reinsurance premiums	(15,585)	(18,669)
Amounts recoverable from reinsurers for incurred claims	(2,960)	(999)
<b>Net expense from reinsurance contracts held</b>	<b>(18,545)</b>	<b>(19,668)</b>
<b>Insurance service result</b>	<b>(3,510)</b>	<b>4,129</b>
Investment income	746	818
Realised gains and losses	4	13
Fair value gains or losses	500	132
<b>Total investment income</b>	<b>1,250</b>	<b>963</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

	2024 RM'000	2023 RM'000
<b>Summarised statement of comprehensive income: (cont'd.)</b>		
Insurance finance expenses for insurance contracts issued	(77)	(51)
Reinsurance finance income for reinsurance contracts held	904	45
<b>Net insurance financial result</b>	<b>827</b>	<b>(6)</b>
Other operating income	134	813
Other operating expenses	(8,547)	(4,464)
<b>Total other income and expenses</b>	<b>(8,413)</b>	<b>(3,651)</b>
<b>(Loss)/Profit before taxation</b>	<b>(9,846)</b>	1,435
Taxation	(3,916)	(1,095)
<b>Net (loss)/profit for the year</b>	<b>(13,762)</b>	340
Group's share of (loss)/profit for the financial year	(6,743)	167
Group's share of other comprehensive income/(losses)	553	(562)
Group's share of gain on fair value changes of FVOCI investments	96	156
	649	(406)
<b>Group's share of total comprehensive loss for the financial year</b>	<b>(6,094)</b>	<b>(239)</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

	2024 RM'000	2023 RM'000
<b>Summarised statement of financial position as at 31 December:</b>		
<b>Assets</b>		
Property and equipment	446	893
Intangible assets	1,613	1,609
Right-of-use assets	318	686
Investments	38,495	37,726
Deferred tax assets	1,717	6,163
Reinsurance contract assets	1,341	14,824
Other receivables	3,751	5,686
Cash and bank balances	10,686	5,742
	<b>58,367</b>	73,329
<b>Liabilities</b>		
Insurance contract liabilities	19,217	13,718
Lease liabilities	4,689	656
Other payables	288	19,959
Retirement benefits	10,633	1,721
	<b>34,827</b>	36,054
<b>Net assets of an associate</b>		
Proportion of the Group's ownership interest in an associate	49%	49%
Share of net assets of the associate	11,535	18,265
Add: Goodwill	15,424	15,424
<b>Carrying amount of interest in an associate as at 31 December</b>	<b>26,959</b>	33,689

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 7. Investment in a joint venture company

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	433	433	433	433
Share of post-acquisition reserves	634	528	-	-
	<b>1,067</b>	961	<b>433</b>	433
Exchange differences	443	320	-	-
	<b>1,510</b>	1,281	<b>433</b>	433

The joint venture company is incorporated in Dubai, United Arab Emirates, which also has its principal place of business in Dubai, United Arab Emirates. Other details are as follows:

Name of joint venture company	Principal activities	% of ownership interest held by the Group	
		2024	2023
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:

	2024 RM'000	2023 RM'000
<b>Summarised statement of comprehensive income:</b>		
Facilitator fees	10,361	9,877
Other income	217	305
Management expenses	(5,269)	(5,665)
<b>Profit before taxation</b>	<b>5,309</b>	4,517
Taxation	(447)	-
<b>Net profit for the year</b>	<b>4,862</b>	4,517
<b>Group's share of profits for the financial year *</b>	<b>106</b>	149

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

	2024 RM'000	2023 RM'000
<b>Summarised statement of financial position as at 31 December:</b>		
<b>Assets</b>		
Property and equipment	54	36
Trade and other receivables	15,023	12,453
Cash and bank balances	936	2,605
	<b>16,013</b>	15,094
<b>Liabilities</b>		
Trade and other payables	6,070	6,212
<b>Net assets of the joint venture</b>		
Proportion of the Group's ownership interest in joint venture	49%	49%
<b>Carrying amount of interest in joint venture as at 31 December **</b>	<b>1,510</b>	1,281

\* 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.

\*\* 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

	2024 RM'000	2023 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 business volume is expected to be 28% in 2025, 15% annually for the years 2026 and 2027, and 5% annually for the years 2028 and 2029;
- (ii) The retention ratio is estimated at around 73% in 2025 and 71% annually from 2026 to 2029, while the net claims incurred ratio is projected to be approximately 41% in 2025 and 43% annually from 2026 to 2029.
- (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 6.67% per annum (pre-tax discount rate of 8.78% per annum); and
- (iv) Terminal value cash flow growth rate is 5.05%, 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Debt securities	5,031	5,048	-	-
Unit trust funds	625,744	379,218	44,477	40,858
Loans receivable	57	57	-	-
Fixed and call deposits with licensed financial institutions	135,585	340,049	-	-
	<b>766,417</b>	724,372	<b>44,477</b>	40,858

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amortised cost (Note 9(a))	135,642	340,106	-	-
Financial assets at FVTPL (Note 9(b))	630,775	384,266	44,477	40,858
	<b>766,417</b>	724,372	<b>44,477</b>	40,858

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 9. Investments (cont'd)

### (a) Amortised cost

	Group	
	2024 RM'000	2023 RM'000
Fixed and call deposits with licensed financial institutions	135,585	340,049
Loans receivable:		
Staff mortgage loans	53	56
Other unsecured staff loans	4	1
	57	57
	135,642	340,106

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 RM66,991,000 (2023: RM26,732,000) 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 RM13,685,000 (2023: RM13,270,000) 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.

In the prior year, the Group's fixed and call deposits with licensed financial institutions, amounting to RM5,000,000, were pledged as security for credit facilities obtained from a licensed financial institution. As a result, these deposits were 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 secured staff mortgage loans and other unsecured staff loans are reasonable approximations of fair value due to the insignificant impact of discounting.

### (b) Financial assets at FVTPL

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>At fair value:</b>				
<b><u>Mandatorily measured</u></b>				
Unquoted debt securities in Malaysia	5,031	5,048	-	-
Quoted unit trust funds in Malaysia	625,744	379,218	44,477	40,858
	630,775	384,266	44,477	40,858

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 %	2023 %
Debt securities	<b>4.30</b>	4.30
Loans receivable	<b>5.00</b>	5.00
Deposits with financial institutions	<b>3.70</b>	4.09

## 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:

	2024			2023		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
<b>Group</b>						
<b>Insurance contracts issued</b>						
General reinsurance	<b>20,371</b>	<b>(85)</b>	<b>20,286</b>	16,883	(227)	16,656
General insurance	-	<b>(669,556)</b>	<b>(669,556)</b>	-	(649,412)	(649,412)
Life insurance	-	<b>(251)</b>	<b>(251)</b>	-	(143)	(143)
	<b>20,371</b>	<b>(669,892)</b>	<b>(649,521)</b>	16,883	(649,782)	(632,899)
<b>Reinsurance contracts issued</b>						
General reinsurance	<b>708</b>	<b>(68)</b>	<b>640</b>	660	(1,325)	(665)
General insurance	<b>330,223</b>	-	<b>330,223</b>	340,440	-	340,440
	<b>330,931</b>	<b>(68)</b>	<b>330,863</b>	341,100	(1,325)	339,775

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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		Total RM'000
	Excluding loss component RM'000	Loss component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	
<b>2024</b>					
Insurance contract assets as at 1 January	37,054	-	(17,337)	(2,834)	16,883
Insurance contract liabilities as at 1 January	(285)	-	58	-	(227)
<b>Net insurance contract assets/ (liabilities) as at 1 January</b>	<b>36,769</b>	<b>-</b>	<b>(17,279)</b>	<b>(2,834)</b>	<b>16,656</b>
Insurance revenue	68,653	-	-	-	68,653
Insurance service expenses	(39,197)	-	(22,243)	782	(60,658)
Incurred claims and other expenses	-	-	(22,486)	(1,003)	(23,489)
Amortisation of insurance acquisition cash flows	(39,197)	-	-	-	(39,197)
Changes to liabilities for incurred claims	-	-	243	1,785	2,028
Investment components	6,780	-	(6,780)	-	-
<b>Insurance service result</b>	<b>36,236</b>	<b>-</b>	<b>(29,023)</b>	<b>782</b>	<b>7,995</b>
<b>Insurance finance expenses</b>	<b>1,204</b>	<b>-</b>	<b>(298)</b>	<b>-</b>	<b>906</b>
<b>Effect of movements in exchange rates</b>	<b>(1,087)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,087)</b>
<b>Total changes in the statements of comprehensive income</b>	<b>36,353</b>	<b>-</b>	<b>(29,321)</b>	<b>782</b>	<b>7,814</b>
Cash flows					
Premium received	(67,962)	-	-	-	(67,962)
Claims and other expenses paid	-	-	25,153	-	25,153
Insurance acquisition cash flows	38,625	-	-	-	38,625
<b>Total cash flows</b>	<b>(29,337)</b>	<b>-</b>	<b>25,153</b>	<b>-</b>	<b>(4,184)</b>
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>43,785</b>	<b>-</b>	<b>(21,447)</b>	<b>(2,052)</b>	<b>20,286</b>
Insurance contract assets as at 31 December	43,954	-	(20,727)	(2,856)	20,371
Insurance contract liabilities as at 31 December	(169)	-	84	-	(85)
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>43,785</b>	<b>-</b>	<b>(20,643)</b>	<b>(2,856)</b>	<b>20,286</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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		Total RM'000
	Excluding loss component RM'000	Loss component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	
<b>2023</b>					
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)
<b>Net insurance contract assets/ (liabilities) as at 1 January</b>	<b>30,978</b>	<b>-</b>	<b>(12,819)</b>	<b>(3,637)</b>	<b>14,522</b>
Insurance revenue	63,725	-	-	-	63,725
Insurance service expenses	(44,009)	-	(11,591)	1,014	(54,586)
Incurred claims and other expenses	-	-	(19,698)	(2,383)	(22,081)
Amortisation of insurance acquisition cash flows	(44,009)	-	-	-	(44,009)
Changes to liabilities for incurred claims	-	-	8,107	3,397	11,504
Investment components	16,309	-	(16,309)	-	-
<b>Insurance service result</b>	<b>36,025</b>	<b>-</b>	<b>(27,900)</b>	<b>1,014</b>	<b>9,139</b>
<b>Insurance finance expenses</b>	<b>2,084</b>	<b>-</b>	<b>(224)</b>	<b>-</b>	<b>1,860</b>
<b>Effect of movements in exchange rates</b>	<b>416</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>416</b>
<b>Total changes in the statements of comprehensive income</b>	<b>38,525</b>	<b>-</b>	<b>(28,124)</b>	<b>1,014</b>	<b>11,415</b>
Cash flows					
Premium received	(68,895)	-	-	-	(68,895)
Claims and other expenses paid	-	-	23,453	-	23,453
Insurance acquisition cash flows	36,161	-	-	-	36,161
<b>Total cash flows</b>	<b>(32,734)</b>	<b>-</b>	<b>23,453</b>	<b>-</b>	<b>(9,281)</b>
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>36,769</b>	<b>-</b>	<b>(17,490)</b>	<b>(2,623)</b>	<b>16,656</b>
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)
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>36,769</b>	<b>-</b>	<b>(17,279)</b>	<b>(2,834)</b>	<b>16,656</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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:

2024	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Excluding loss component RM'000	Loss component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	
Insurance contract liabilities as at 1 January	(63,482)	(24,715)	(503,816)	(57,399)	(649,412)
<b>Net insurance contract liabilities as at 1 January</b>	<b>(63,482)</b>	<b>(24,715)</b>	<b>(503,816)</b>	<b>(57,399)</b>	<b>(649,412)</b>
Insurance revenue	320,224	-	-	-	320,224
Insurance service expenses	(94,323)	7,024	(211,003)	(2,163)	(300,465)
Incurred claims and other expenses	-	-	(231,171)	(17,036)	(248,207)
Amortisation of insurance acquisition cash flows	(94,323)	-	-	-	(94,323)
Losses on onerous contracts and reversals of those losses	-	7,024	-	-	7,024
Changes to liabilities for incurred claims	-	-	20,168	14,873	35,041
<b>Insurance service result</b>	<b>225,901</b>	<b>7,024</b>	<b>(211,003)</b>	<b>(2,163)</b>	<b>19,759</b>
<b>Insurance finance expenses</b>	<b>(1,168)</b>	<b>(60)</b>	<b>(13,131)</b>	<b>(148)</b>	<b>(14,507)</b>
<b>Total changes in the statements of comprehensive income</b>	<b>224,733</b>	<b>6,964</b>	<b>(224,134)</b>	<b>(2,311)</b>	<b>5,252</b>
<b>Investment components</b>	<b>1,171</b>	<b>-</b>	<b>(1,171)</b>	<b>-</b>	<b>-</b>
Cash flows					
Premium received excluding taxes	(328,517)	-	-	-	(328,517)
Premium tax outflows	25,208	-	-	-	25,208
Claims and other expenses paid	-	-	195,673	-	195,673
Insurance acquisition cash flows	82,240	-	-	-	82,240
<b>Total cash flows</b>	<b>(221,069)</b>	<b>-</b>	<b>195,673</b>	<b>-</b>	<b>(25,396)</b>
<b>Net insurance contract liabilities as at 31 December</b>	<b>(58,647)</b>	<b>(17,751)</b>	<b>(533,448)</b>	<b>(59,710)</b>	<b>(669,556)</b>
Insurance contract liabilities as at 31 December	(58,647)	(17,751)	(533,448)	(59,710)	(669,556)
<b>Net insurance contract liabilities as at 31 December</b>	<b>(58,647)</b>	<b>(17,751)</b>	<b>(533,448)</b>	<b>(59,710)</b>	<b>(669,556)</b>

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 claim in MMIP, amounting to RM919,000 (2023: RM729,000) and RM10,655,000 (2023: RM14,069,000), respectively.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

2023	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Excluding loss component RM'000	Loss component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	
Insurance contract liabilities as at 1 January	(29,017)	(22,809)	(585,179)	(72,666)	(709,671)
<b>Net insurance contract liabilities as at 1 January</b>	(29,017)	(22,809)	(585,179)	(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	-	-	(243,506)	(19,574)	(263,080)
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	-	-	115,261	34,841	150,102
<b>Insurance service result</b>	230,238	(1,906)	(128,245)	15,267	115,354
<b>Insurance finance expenses</b>	(1,181)	-	(16,894)	-	(18,075)
<b>Total changes in the statements of comprehensive income</b>	229,057	(1,906)	(145,139)	15,267	97,279
<b>Investment components</b>	(749)	-	749	-	-
Cash flows					
Premium received excluding taxes	(391,495)	-	-	-	(391,495)
Premium tax outflows	24,925	-	-	-	24,925
Claims and other expenses paid	-	-	225,753	-	225,753
Insurance acquisition cash flows	103,797	-	-	-	103,797
<b>Total cash flows</b>	(262,773)	-	225,753	-	(37,020)
<b>Net insurance contract liabilities as at 31 December</b>	(63,482)	(24,715)	(503,816)	(57,399)	(649,412)
Insurance contract liabilities as at 31 December	(63,482)	(24,715)	(503,816)	(57,399)	(649,412)
<b>Net insurance contract liabilities as at 31 December</b>	(63,482)	(24,715)	(503,816)	(57,399)	(649,412)

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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:

2024	Liabilities for remaining coverage		Liabilities for incurred claims			Total RM'000
	Excluding loss component RM'000	Loss component RM'000	Contracts not under PAA RM'000	Contracts under PAA		
				Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	
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)
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>805</b>	<b>(933)</b>	<b>(11)</b>	<b>(4)</b>	<b>-</b>	<b>(143)</b>
Insurance revenue	317	-	-	-	-	317
Insurance service expenses	(2,074)	736	(1,524)	(488)	(5)	(3,355)
Incurred claims and other expenses	-	-	(1,535)	(492)	(5)	(2,032)
Amortisation of insurance acquisition cash flows	(2,074)	-	-	-	-	(2,074)
Losses on onerous contracts and reversals of those losses	-	736	-	-	-	736
Changes to liabilities for incurred claims	-	-	11	4	-	15
<b>Insurance service result</b>	<b>(1,757)</b>	<b>736</b>	<b>(1,524)</b>	<b>(488)</b>	<b>(5)</b>	<b>(3,038)</b>
<b>Insurance finance expenses</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
<b>Total changes in the statements of comprehensive income</b>	<b>(1,757)</b>	<b>735</b>	<b>(1,524)</b>	<b>(488)</b>	<b>(5)</b>	<b>(3,039)</b>
Cash flows						
Premium received	(299)	-	-	-	-	(299)
Premium tax outflows	18	-	-	-	-	18
Claims and other expenses paid	-	-	1,453	454	-	1,907
Insurance acquisition cash flows	1,305	-	-	-	-	1,305
<b>Total cash flows</b>	<b>1,024</b>	<b>-</b>	<b>1,453</b>	<b>454</b>	<b>-</b>	<b>2,931</b>
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>72</b>	<b>(198)</b>	<b>(82)</b>	<b>(38)</b>	<b>(5)</b>	<b>(251)</b>
Insurance contract assets/ (liabilities) as at 31 December	72	(198)	(82)	(38)	(5)	(251)
Contracts under PAA	99	(102)	-	(38)	(5)	(46)
Contracts not under PAA	(27)	(96)	(82)	-	-	(205)
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	<b>72</b>	<b>(198)</b>	<b>(82)</b>	<b>(38)</b>	<b>(5)</b>	<b>(251)</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 (cont'd)

2023	Liabilities for remaining coverage		Liabilities for incurred claims			Total RM'000
	Excluding loss component RM'000	Loss component RM'000	Contracts not under PAA RM'000	Contracts under PAA		
				Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000	
<b>Net insurance contract assets/ (liabilities) as at 1 January</b>	-	-	-	-	-	-
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)
<b>Insurance service result</b>	(2,110)	(933)	(2,030)	(1,559)	-	(6,632)
<b>Total changes in the statements of comprehensive income</b>	(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
<b>Total cash flows</b>	2,915	-	2,019	1,555	-	6,489
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	805	(933)	(11)	(4)	-	(143)
Insurance contract assets/ (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)
<b>Net insurance contract assets/ (liabilities) as at 31 December</b>	805	(933)	(11)	(4)	-	(143)

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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

2024	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	CSM RM'000	Total RM'000
Insurance contract liabilities as at 1 January	(39)	(38)	-	(77)
<b>Net insurance contract (liabilities) as at 1 January</b>	<b>(39)</b>	<b>(38)</b>	<b>-</b>	<b>(77)</b>
Changes that relate to current services				
Risk adjustment recognised for risk expired	-	8	-	8
Experience adjustments	(2,513)	-	-	(2,513)
Changes that relate to future services				
Changes in estimate that results in onerous contract losses or reversal of such losses	(45)	(28)	-	(73)
Changes that relate to past services				
Changes in the future cash flows relating to liabilities for incurred claims	10	-	-	10
Adjustments to liabilities for incurred claims	-	1	-	1
<b>Insurance service results</b>	<b>(2,548)</b>	<b>(19)</b>	<b>-</b>	<b>(2,567)</b>
<b>Insurance finance expenses</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
<b>Total changes in the statements of comprehensive income</b>	<b>(2,549)</b>	<b>(19)</b>	<b>-</b>	<b>(2,568)</b>
Cash flows				
Premium received	(219)	-	-	(219)
Premium tax outflows	13	-	-	13
Claims and other insurance service expenses paid	1,453	-	-	1,453
Insurance acquisition cash flows	1,193	-	-	1,193
<b>Total cash flows</b>	<b>2,440</b>	<b>-</b>	<b>-</b>	<b>2,440</b>
<b>Net insurance contract liabilities as at 31 December</b>	<b>(148)</b>	<b>(57)</b>	<b>-</b>	<b>(205)</b>
Insurance contract liabilities as at 31 December	(148)	(57)	-	(205)
<b>Net insurance contract liabilities as at 31 December</b>	<b>(148)</b>	<b>(57)</b>	<b>-</b>	<b>(205)</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 (cont'd.)**

### Life insurance (cont'd.)

2023	Present value of future cash flows RM'000	Risk adjustment for non-financial risk RM'000	CSM RM'000	Total RM'000
<b>Net insurance contract assets/(liabilities) as at 1 January</b>	-	-	-	-
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)
<b>Insurance service results</b>	<b>(3,670)</b>	<b>(38)</b>	<b>-</b>	<b>(3,708)</b>
<b>Total changes in the statements of comprehensive income</b>	<b>(3,670)</b>	<b>(38)</b>	<b>-</b>	<b>(3,708)</b>
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
<b>Total cash flows</b>	<b>3,631</b>	<b>-</b>	<b>-</b>	<b>3,631</b>
<b>Net insurance contract liabilities as at 31 December</b>	<b>(39)</b>	<b>(38)</b>	<b>-</b>	<b>(77)</b>
Insurance contract liabilities as at 31 December	(39)	(38)	-	(77)
<b>Net insurance contract liabilities as at 31 December</b>	<b>(39)</b>	<b>(38)</b>	<b>-</b>	<b>(77)</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 10. Insurance and reinsurance contracts (cont'd.)

**Roll-forward of net asset or liability for reinsurance contracts held 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			Total RM'000
	Excluding loss-recovery component RM'000	Loss - recovery component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000		
<b>2024</b>						
Reinsurance contract assets as at 1 January	660	-	-	-		660
Reinsurance contract liabilities as at 1 January	(1,436)	-	111	-		(1,325)
<b>Net reinsurance contract (liabilities)/ assets as at 1 January</b>	<b>(776)</b>	<b>-</b>	<b>111</b>	<b>-</b>		<b>(665)</b>
An allocation of reinsurance premium	(515)	-	-	-		(515)
<b>Net expenses from reinsurance contracts held</b>	<b>(515)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(515)</b>
<b>Reinsurance finance income</b>	<b>13</b>	<b>-</b>	<b>2</b>	<b>-</b>		<b>15</b>
<b>Effect of movements in exchange rates</b>	<b>136</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>136</b>
<b>Total changes in the statements of comprehensive income</b>	<b>(366)</b>	<b>-</b>	<b>2</b>	<b>-</b>		<b>(364)</b>
Cash flows						
Premium paid	1,854	-	-	-		1,854
Commission received	(101)	-	-	-		(101)
Amounts received	-	-	(84)	-		(84)
<b>Total cash flows</b>	<b>1,753</b>	<b>-</b>	<b>(84)</b>	<b>-</b>		<b>1,669</b>
<b>Net reinsurance contract (liabilities)/ assets as at 31 December</b>	<b>611</b>	<b>-</b>	<b>29</b>	<b>-</b>		<b>640</b>
Reinsurance contract assets as at 31 December	679	-	29	-		708
Reinsurance contract liabilities as at 31 December	(68)	-	-	-		(68)
<b>Net reinsurance contract (liabilities)/ assets as at 31 December</b>	<b>611</b>	<b>-</b>	<b>29</b>	<b>-</b>		<b>640</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

	Assets for remaining coverage		Amounts recoverable on incurred claims			Total RM'000
	Excluding loss-recovery component RM'000	Loss - recovery component RM'000	Estimates of the present value of future cash flows RM'000	Risk adjustments RM'000		
<b>2023</b>						
Reinsurance contract assets as at 1 January	438	-	-	38		476
Reinsurance contract liabilities as at 1 January	(1,339)	-	111	-		(1,228)
<b>Net reinsurance contract (liabilities)/ assets as at 1 January</b>	(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)
<b>Net expenses from reinsurance contracts held</b>	(653)	-	(2)	(38)		(693)
<b>Reinsurance finance (expenses)/ income</b>	(29)	-	2	-		(27)
<b>Effect of movements in exchange rates</b>	(53)	-	-	-		(53)
<b>Total changes in the statements of comprehensive income</b>	(735)	-	-	(38)		(773)
Cash flows						
Premium paid	860	-	-	-		860
<b>Total cash flows</b>	860	-	-	-		860
<b>Net reinsurance contract (liabilities)/ assets as at 31 December</b>	(776)	-	111	-		(665)
Reinsurance contract assets as at 31 December	660	-	-	-		660
Reinsurance contract liabilities as at 31 December	(1,436)	-	111	-		(1,325)
<b>Net reinsurance contract (liabilities)/ assets as at 31 December</b>	(776)	-	111	-		(665)

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 10. Insurance and reinsurance contracts (cont'd.)

**Roll-forward of net asset or liability for reinsurance contracts held 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				Total RM'000
	Excluding loss- recovery component	Loss- recovery component	Contracts not under PAA	Contracts under PAA			
				Estimates of the present value of future cash flows	Risk adjustments		
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Reinsurance contract assets as at 1 January	(34,756)	4,398	310,495	56,879	3,424	340,440	
Contracts under PAA	(17,235)	3,610	-	56,879	3,424	46,678	
Contracts not under PAA	(17,521)	788	310,495	-	-	293,762	
<b>Net reinsurance contract (liabilities)/assets as at 1 January</b>	<b>(34,756)</b>	<b>4,398</b>	<b>310,495</b>	<b>56,879</b>	<b>3,424</b>	<b>340,440</b>	
Allocation of reinsurance premium	(53,770)	-	-	-	-	(53,770)	
Amounts recoverable from reinsurers for incurred claims	(2,766)	(1,294)	4,729	39,239	2,582	42,490	
Amounts recoverable for incurred claims and other expenses	(2,766)	-	-	37,434	6,712	41,380	
Reversal of a loss-recovery component, other than changes in fulfilment cash flow	-	(1,294)	-	-	-	(1,294)	
Changes to amounts recoverable for incurred claims	-	-	4,729	1,805	(4,130)	2,404	
Investment components	2,645	-	-	(2,645)	-	-	
<b>Net (expense)/income from reinsurance contracts held</b>	<b>(53,891)</b>	<b>(1,294)</b>	<b>4,729</b>	<b>36,594</b>	<b>2,582</b>	<b>(11,280)</b>	
<b>Reinsurance finance income</b>	<b>368</b>	<b>-</b>	<b>6,665</b>	<b>792</b>	<b>-</b>	<b>7,825</b>	
<b>Total changes in the statements of comprehensive income</b>	<b>(53,523)</b>	<b>(1,294)</b>	<b>11,394</b>	<b>37,386</b>	<b>2,582</b>	<b>(3,455)</b>	

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

2024	Assets for remaining coverage		Amounts recoverable on incurred claims				Total RM'000
	Excluding loss-recovery component RM'000	Loss-recovery component RM'000	Contracts not under PAA RM'000	Contracts under PAA		Risk adjustments RM'000	
				Estimates of the present value of future cash flows RM'000			
Cash flows							
Premium paid	52,369	-	-	-	-	-	52,369
Amounts received	-	-	(38,750)	(20,381)	-	-	(59,131)
<b>Total cash flows</b>	<b>52,369</b>	<b>-</b>	<b>(38,750)</b>	<b>(20,381)</b>	<b>-</b>	<b>-</b>	<b>(6,762)</b>
<b>Net reinsurance contract (liabilities)/assets as at 31 December</b>	<b>(35,910)</b>	<b>3,104</b>	<b>283,139</b>	<b>73,884</b>	<b>6,006</b>	<b>330,223</b>	
Reinsurance contract (liabilities)/assets as at 31 December	(35,910)	3,104	283,139	73,884	6,006	330,223	
Contracts under PAA	(10,039)	2,745	-	73,884	6,006	72,596	
Contracts not under PAA	(25,871)	359	283,139	-	-	257,627	
<b>Net reinsurance contract (liabilities)/assets as at 31 December</b>	<b>(35,910)</b>	<b>3,104</b>	<b>283,139</b>	<b>73,884</b>	<b>6,006</b>	<b>330,223</b>	

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

2023	Assets for remaining coverage		Amounts recoverable on incurred claims				Total RM'000
	Excluding loss- recovery component RM'000	Loss- recovery component RM'000	Contracts not under PAA RM'000	Contracts under PAA			
				Estimates of the present value of future cash flows RM'000	Risk adjustments 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	
<b>Net reinsurance contract (liabilities)/assets as at 1 January</b>	(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)	-	-	44,835	27,586	70,260	
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)	(14,276)	(25,031)	(100,031)	
Investment components	496	-	-	(496)	-	-	
<b>Net (expense)/income from reinsurance contracts held</b>	(94,136)	(1,123)	(60,724)	30,063	2,555	(123,365)	
<b>Reinsurance finance income</b>	1,359	-	11,525	222	-	13,106	
<b>Total changes in the statements of comprehensive income</b>	(92,777)	(1,123)	(49,199)	30,285	2,555	(110,259)	

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

2023	Assets for remaining coverage		Amounts recoverable on incurred claims				Total RM'000
	Excluding loss-recovery component RM'000	Loss-recovery component RM'000	Contracts not under PAA RM'000	Contracts under PAA		Risk adjustments RM'000	
				Estimates of the present value of future cash flows RM'000			
Cash flows							
Premium paid	65,584	-	-	-	-	-	65,584
Amounts received	-	-	(77,127)	16,404	-	-	(60,723)
<b>Total cash flows</b>	65,584	-	(77,127)	16,404	-	-	4,861
<b>Net reinsurance contract (liabilities)/assets as at 31 December</b>	(34,756)	4,398	310,495	56,879	3,424		340,440
Reinsurance contract (liabilities)/assets as at 31 December	(34,756)	4,398	310,495	56,879	3,424		340,440
Contracts under PAA	(17,235)	3,610	-	56,879	3,424		46,678
Contracts not under PAA	(17,521)	788	310,495	-	-		293,762
<b>Net reinsurance contract (liabilities)/assets as at 31 December</b>	(34,756)	4,398	310,495	56,879	3,424		340,440

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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

2024	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/liabilities as at 1 January	258,885	35,722	(1,689)	844	293,762
<b>Net reinsurance contract assets/ liabilities as at 1 January</b>	<b>258,885</b>	<b>35,722</b>	<b>(1,689)</b>	<b>844</b>	<b>293,762</b>
Changes that relate to current services					
CSM recognised for services received	-	-	781	-	781
Risk adjustment for non-financial risk for the risk expired	-	(603)	-	-	(603)
Experience adjustments	(3,344)	-	-	-	(3,344)
Changes that relate to future services					
Changes in estimates that adjust CSM	(691)	79	612	-	-
Reversal of a loss-recovery component, other than changes in fulfilment cash flow of reinsurance contracts held	-	-	-	(485)	(485)
Experience adjustments	-	-	-	-	-
Changes that relate to past services					
Changes in future cash flow relating to incurred claims recovery	6,539	(1,810)	-	-	4,729
<b>Insurance service results</b>	<b>2,504</b>	<b>(2,334)</b>	<b>1,393</b>	<b>(485)</b>	<b>1,078</b>
<b>Reinsurance finance income</b>	<b>6,786</b>	<b>-</b>	<b>(44)</b>	<b>-</b>	<b>6,742</b>
<b>Total changes in the statements of comprehensive income</b>	<b>9,290</b>	<b>(2,334)</b>	<b>1,349</b>	<b>(485)</b>	<b>7,820</b>
Cash flows					
Premium paid, net of ceding commissions and other directly attributable expenses	(1,453)	-	-	-	(1,453)
Amounts received	(42,502)	-	-	-	(42,502)
<b>Total cash flows</b>	<b>(43,955)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(43,955)</b>
<b>Net reinsurance contract assets/ (liabilities) as at 31 December</b>	<b>224,220</b>	<b>33,388</b>	<b>(340)</b>	<b>359</b>	<b>257,627</b>
Reinsurance contract assets/ (liabilities) as at 31 December	224,220	33,388	(340)	359	257,627
<b>Net reinsurance contract assets/ (liabilities) as at 31 December</b>	<b>224,220</b>	<b>33,388</b>	<b>(340)</b>	<b>359</b>	<b>257,627</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

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
<b>Net reinsurance contract assets as at 1 January</b>	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	-	-	-	(4,677)	(4,677)
Changes that relate to past services					
Changes in future cash flow relating to incurred claims recovery	(42,023)	(18,700)	-	-	(60,723)
<b>Insurance service results</b>	(75,826)	(24,191)	(5,744)	(4,677)	(110,438)
<b>Reinsurance finance income</b>	12,467	-	221	-	12,688
<b>Total changes in the statements of comprehensive income</b>	(63,359)	(24,191)	(5,523)	(4,677)	(97,750)
Cash flows					
Premium paid, net of ceding commissions and other directly attributable expenses	7,908	-	-	-	7,908
Amounts received	(52,392)	-	-	-	(52,392)
<b>Total cash flows</b>	(44,484)	-	-	-	(44,484)
<b>Net reinsurance contract assets/ (liabilities) as at 31 December</b>	258,885	35,722	(1,689)	844	293,762
Reinsurance contract assets/ (liabilities) as at 31 December	258,885	35,722	(1,689)	844	293,762
<b>Net reinsurance contract assets/ (liabilities) as at 31 December</b>	258,885	35,722	(1,689)	844	293,762

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 11. Other receivables

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Financial assets:</b>				
Amounts due from subsidiaries	-	-	14,245	11,614
Amount due from a joint venture company	72	-	-	-
Amount due from an associate company	1,760	1,257	453	284
Income due and accrued	1,064	1,116	-	-
Deposits paid to cedants and reinsurers	3,090	2,043	-	-
Other receivables	3,683	1,193	535	574
	<b>9,669</b>	5,609	<b>15,233</b>	12,472
<b>Non-financial assets:</b>				
Assets held under the Malaysian Motor Insurance Pool ("MMIP" or "the Pool") *	36,025	36,843	-	-
Prepayments	1,493	1,027	213	81
	<b>37,518</b>	37,870	<b>213</b>	81
<b>Total</b>	<b>47,187</b>	43,479	<b>15,446</b>	12,553

\* 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 2024 and 2023.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 12. Share capital

	Group and Company Share capital (Issued and fully paid, at no par value)	
	Number of ordinary shares '000	Amount RM'000
At 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
Ordinary shares issued pursuant to the LTIP - ESOS	1,381	626*
<b>At 31 December 2024</b>	<b>753,641</b>	<b>249,382</b>

\* Includes capitalisation of employee share option reserve of RM177,000 (2023: RM51,999).

During the year, a total of 1,381,020 (2023: 500,000) new fully paid ordinary shares were issued following the exercise of options granted under the Company's LTIP - ESOS. The shares were issued at an exercise price of RM0.325 per share (2023: 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	
	2024 RM'000	2023 RM'000
At 1 January	(468)	(1,091)
Recognised in profit or loss (Note 26)	250	623
At 31 December	(218)	(468)

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	
	2024 RM'000	2023 RM'000
Presented as follows:		
Deferred tax liabilities	4,825	1,521
Deferred tax assets	(5,043)	(1,989)
	(218)	(468)

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>Group</b>			
<b>Deferred tax liabilities</b>			
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
Recognised in profit or loss	448	2,856	3,304
<b>At 31 December 2024</b>	<b>460</b>	<b>4,365</b>	<b>4,825</b>

	Premium liabilities RM'000	Provisions and MFRS 17 valuation difference RM'000	Unutilised tax losses, unabsorbed capital allowances and others RM'000	Total RM'000
<b>Group</b>				
<b>Deferred tax assets</b>				
At 31 December 2022	(1,108)	(1,440)	-	(2,548)
Recognised in profit or loss	590	(31)	-	559
At 31 December 2023	(518)	(1,471)	-	(1,989)
Recognised in profit or loss	48	(378)	(2,724)	(3,054)
<b>At 31 December 2024</b>	<b>(470)</b>	<b>(1,849)</b>	<b>(2,724)</b>	<b>(5,043)</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 13. Deferred tax (assets)/liabilities (cont'd.)

Net deferred tax assets have not been recognised in respect of the following temporary differences of the Group and the Company:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised tax losses	<b>11,224</b>	10,180	<b>8,904</b>	-
Provisions	-	-	-	-
Unabsorbed capital allowances	<b>5,855</b>	16,321	-	-
Other deductible temporary differences	<b>(643)</b>	574	-	-
	<b>16,436</b>	27,075	<b>8,904</b>	-

Year of expiry of unutilised tax losses is analysed as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Expiring in 2028	<b>18</b>	18	-	-
Expiring in 2029	<b>500</b>	500	-	-
Expiring in 2030	-	-	-	-
Expiring in 2031	-	-	-	-
Expiring in 2032	<b>9,058</b>	9,058	-	-
Expiring in 2033	<b>604</b>	604	-	-
Expiring in 2034	<b>1,044</b>	-	<b>2,137</b>	-
	<b>11,224</b>	10,180	<b>2,137</b>	-

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 14. Other payables

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Financial liabilities:</b>				
Amount due to subsidiaries	-	-	79	-
Amount due to a joint venture	12,800	8,650	-	-
Amount due to an associate company	-	-	-	-
Retirement benefits	255	255	-	-
Accrued expenses	3,961	8,091	665	927
Other payables	27,366	23,968	1,507	2,948
	<b>44,382</b>	40,964	<b>2,251</b>	3,875
<b>Non-financial liabilities:</b>				
Provision for taxation	615	696	-	-
Others	14,639	18,615	-	-
	<b>15,254</b>	19,311	-	-
<b>Total</b>	<b>59,636</b>	60,275	<b>2,251</b>	3,875

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Office premises and buildings</b>				
As at 1 January	<b>6,913</b>	3,273	<b>4,887</b>	716
Additions	<b>793</b>	6,166	-	5,805
Depreciation expense (Note 24)	<b>(2,387)</b>	(2,526)	<b>(1,527)</b>	(1,634)
Modification to lease term	<b>(216)</b>	-	<b>(216)</b>	-
As at 31 December	<b>5,103</b>	6,913	<b>3,144</b>	4,887

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Office premises and buildings</b>				
As at 1 January	<b>7,219</b>	3,420	<b>4,980</b>	740
Additions	<b>774</b>	6,166	-	5,805
Accretion of interest	<b>286</b>	327	<b>172</b>	211
Payments	<b>(2,664)</b>	(2,694)	<b>(1,666)</b>	(1,776)
Modification to lease term	<b>(216)</b>	-	<b>(216)</b>	-
As at 31 December	<b>5,399</b>	7,219	<b>3,270</b>	4,980

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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Income/(expense):</b>				
Income from subleasing right-of-use assets (Note 23)	-	-	<b>1,376</b>	1,323
Depreciation expense of right-of-use assets (Note 24)	<b>(2,387)</b>	(2,526)	<b>(1,527)</b>	(1,634)
Interest expense on lease liabilities	<b>(286)</b>	(327)	<b>(172)</b>	(211)
Expenses relating to leases of low-value assets (Note 24)	<b>(66)</b>	(74)	-	-
Expenses relating to short term leases (Note 24)	<b>(641)</b>	(2,916)	<b>(95)</b>	(456)

The Group and the Company had total cash outflows for payment of lease liabilities of RM3,394,000 (2023: RM4,304,000) and RM1,761,000 (2023: RM2,232,000) respectively. The Group and the Company also had non-cash additions to right-of-use assets of RM774,000 (2023: RM6,166,000) and Nil (2023: RM5,805,000) 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	
	2024 RM'000	2023 RM'000
Receivable within one year	<b>162</b>	1,293
Receivable after one year but not more than five years	-	162
	<b>162</b>	1,455

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 16. Insurance revenue

	Group	
	2024 RM'000	2023 RM'000
Amounts relating to changes in liabilities for remaining coverage		
- Risk adjustment recognised for risk expired	15	7
- Expected insurance service expenses incurred in the period	116	68
- Other amounts including experience adjustments for premium receipts	68	83
Recovery of insurance acquisition cash flows	1	2
Contracts not measured under the PAA	200	160
Contracts measured under the PAA	388,994	373,979
	<b>389,194</b>	374,139

## 17. Insurance service expenses

	Group	
	2024 RM'000	2023 RM'000
Incurred claims and other expenses	273,728	288,750
Amortisation of insurance acquisition cash flows	135,594	126,295
(Reversal of losses)/Losses on onerous insurance contracts	(7,760)	2,839
Changes to liabilities for incurred claims	(37,084)	(161,606)
	<b>364,478</b>	256,278

## 18. Amounts recoverable from reinsurers for incurred claims

	Group	
	2024 RM'000	2023 RM'000
Amounts recoverable for incurred claims and other expenses	(38,196)	(70,260)
Reversal of a loss recovery component, other than changes in fulfilment cash flow, for reinsurance contracts held	1,294	1,123
Changes to amounts recoverable for incurred claims	(2,404)	100,071
	<b>(39,306)</b>	30,934

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 19. Investment income

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income:				
- AC financial assets	11,264	3,097	493	-
- FVTPL financial assets	216	207	-	-
- Bank balances	116	117	65	29
Share of investment loss from MMIP	3,523	2,526	-	-
Dividend income:				
- FVTPL financial assets	6,445	6,161	539	918
- Subsidiaries	-	-	23,335	9,637
	<b>21,564</b>	12,108	<b>24,432</b>	10,584

## 20. Realised gains and losses

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Property and equipment:</b>				
Realised gains/(losses) on disposal of property and equipment	103	(6)	-	-
<b>FVTPL financial assets:</b>				
Realised gains on disposal				
quoted unit trust funds in Malaysia	16,942	2,850	316	200
Total net realised gains	<b>17,045</b>	2,844	<b>316</b>	200

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 21. Insurance finance expenses for insurance contracts issued

	Group	
	2024 RM'000	2023 RM'000
Interest accreted to insurance contracts using current financial assumptions	(12,254)	(14,408)
Due to changes in interest rates and other financial assumptions	(1,348)	(1,807)
Net foreign exchange (expenses)/income	(1,087)	416
	<b>(14,689)</b>	<b>(15,799)</b>

## 22. Reinsurance finance income for reinsurance contracts held

	Group	
	2024 RM'000	2023 RM'000
Interest accreted to reinsurance contracts using current financial assumptions	7,679	11,558
Interest accreted to insurance contracts using locked-in rate	4	37
Due to changes in interest rates and other financial assumptions	205	1,300
Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	(48)	184
Net foreign exchange income/(expenses)	136	(53)
	<b>7,976</b>	<b>13,026</b>

## 23. Other operating income

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Foreign exchange gains:				
- realised	12	14	-	-
- unrealised	-	2,995	-	42
Tele-marketing commission income	6	10	4	9
Management fees income	-	311	4,373	11,387
Income from subleasing right-of-use assets (Note 18)	-	-	1,376	1,323
Provision of software maintenance services	598	996	-	-
Provision of software customisation and professional services	14	7	-	-
Sundry income	2,491	3,826	171	218
	<b>3,121</b>	<b>8,159</b>	<b>5,924</b>	<b>12,979</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 24. Expenses

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Claims and benefits	186,162	83,110	-	-
Fees and commissions	74,807	84,006	-	-
(Reversal of losses)/Losses on onerous insurance contracts	(7,760)	2,839	-	-
Employee benefits expense (Note 24(a))	71,917	86,151	12,463	18,670
Directors' remuneration (Note 24(b))	2,178	2,200	1,252	1,235
Auditors' remuneration:				
- statutory audits	1,009	1,167	166	145
- regulatory related services	122	113	45	44
- other services	153	47	10	10
Audit fees to other audit firms	13	13	-	-
Depreciation of property and equipment (Note 3)	1,328	1,704	242	370
Amortisation of intangible assets (Note 4)	7,757	5,757	174	151
Impairment losses on:				
- intangible assets (Note 4)	2,984	-	-	-
- investment in a subsidiary (Note 5)	-	-	20,001	-
Depreciation of right-of-use assets (Note 18)	2,387	2,526	1,527	1,634
Expenses relating to leases of low-value assets (Note 15)	66	74	-	-
Expenses relating to short-term leases (Note 15)	641	2,916	95	456
Management fees	253	655	1,220	2,803
Marketing expenses	16,903	18,952	495	523
Facilitator fees (Note 30(a))	10,361	9,877	-	-
Professional fees	4,064	4,116	393	1,019
Printing charges	113	110	105	100
Publicity expenses	799	428	205	383
Communication expenses	278	479	39	50
Computer expenses	11,279	10,571	853	1,029
Foreign exchange losses:				
- realised	535	2,087	-	6
- unrealised	418	-	6	-
Other administration and general expenses	13,545	15,770	4,847	5,173
	<b>402,312</b>	335,668	<b>44,138</b>	33,801
Amounts attributed to insurance acquisition cash flows incurred during the year	(139,453)	(161,052)	-	-
Amortisation of insurance acquisition cash flows	135,594	126,295	-	-
	<b>398,453</b>	300,911	<b>44,138</b>	33,801
<b>Represented by:</b>				
Insurance service expenses (Note 17)	364,478	256,278	-	-
Other operating expenses	27,194	28,323	44,138	33,801
Non-distinct investment component	6,781	16,310	-	-
	<b>398,453</b>	300,911	<b>44,138</b>	33,801

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 24. Expenses (cont'd.)

### (a) Employee benefits expense

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages and salaries	59,270	70,082	10,599	14,357
Social security contributions	426	443	56	71
Contributions to defined contribution plan	6,600	7,660	1,177	1,694
Share-based compensation (Note 25)	(252)	1,394	(504)	861
Other benefits	5,873	6,572	1,135	1,687
	<b>71,917</b>	86,151	<b>12,463</b>	18,670

Included in employee benefits expense of the Group and the Company is CEO's remuneration of RM1,781,000 (2023: RM1,849,000) as further disclosed in Note 24(c).

### (b) Directors' remuneration

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Directors of the Company:</b>				
<u>Non-executive:</u>				
Fees	1,312	1,250	925	890
Allowances and other emoluments	461	441	327	345
	<b>1,773</b>	1,691	<b>1,252</b>	1,235
<b>Directors of the subsidiaries:</b>				
<u>Executive:</u>				
Fees	69	106	-	-
Allowances and other emoluments	22	35	-	-
	<b>91</b>	141	-	-
<u>Non-executive:</u>				
Fees	216	254	-	-
Allowances and other emoluments	98	114	-	-
	<b>314</b>	368	-	-
	<b>405</b>	509	-	-
<b>Total</b>	<b>2,178</b>	2,200	<b>1,252</b>	1,235

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 24. Expenses (cont'd.)

### (b) Directors' remuneration (cont'd.)

#### Directors of the Company:

Group	Fees	Allowances and other emoluments	Total
	RM'000	RM'000	RM'000
<b>2024</b>			
<u>Non-executive:</u>			
Dato Mohamed Khadar Bin Merican	250	48	298
Kelvin Desmond Malayapillay	186	68	254
Tan Ming-Li	64	41	105
Mohamed Rashdi Bin Mohamed Ghazalli	355	130	485
Aireen Omar	106	30	136
Dr Grace Lee Hwee Ling	64	33	97
Gan Mei Mei	38	10	48
Ariff Bin Rozhan	70	25	95
Jayakumar A/L Somasundram	179	76	255
<b>Total</b>	<b>1,312</b>	<b>461</b>	<b>1,773</b>
<b>2023</b>			
<u>Non-executive:</u>			
Dato Mohamed Khadar 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
<b>Total</b>	<b>1,250</b>	<b>441</b>	<b>1,691</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024	2023
<u>Non-executive:</u>		
Less than RM50,000	1	-
RM50,001 - RM100,000	2	-
RM100,001 - RM150,000	2	2
RM150,001 - RM200,000	-	-
RM200,001 - RM250,000	-	-
RM250,001 - RM300,000	3	1
RM300,001 - RM350,000	-	1
RM350,001 - RM400,000	-	1
RM400,001 - RM450,000	-	-
RM450,001 - RM500,000	1	1

Company	Fees and other emoluments		Total
	Fees RM'000	RM'000	
<b>2024</b>			
<u>Non-executive:</u>			
Dato Mohamed Khadar Bin Merican	178	38	216
Kelvin Desmond Malayapillay	186	68	254
Tan Ming-Li	37	25	62
Mohamed Rashdi Bin Mohamed Ghazalli	186	78	264
Aireen Omar	106	30	136
Dr Grace Lee Hwee Ling	64	33	97
Gan Mei Mei	38	10	48
Ariff Bin Rozhan	70	25	95
Jayakumar A/L Somasundram	60	20	80
Total	925	327	1,252

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>2023</b>			
<u>Non-executive:</u>			
Dato Mohamed Khadar 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
<b>Total</b>	<b>890</b>	<b>345</b>	<b>1,235</b>

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	
	2024	2023
<u>Non-executive:</u>		
Less than RM50,000	<b>1</b>	-
RM50,001 - RM100,000	<b>4</b>	-
RM100,001 - RM150,000	<b>1</b>	2
RM150,001 - RM200,000	-	-
RM200,001 - RM250,000	<b>1</b>	2
RM250,001 - RM300,000	<b>2</b>	2

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024	2023
Executive director:		
Less than RM50,000	3	1
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	-	1
Non-executive directors:		
Less than RM50,000	1	1
RM50,001 - RM100,000	1	1
RM100,001 - RM150,000	1	1
RM150,001 - RM200,000	1	2
RM200,001 - RM250,000	2	1

### (c) CEO's remuneration

The details of remuneration received by the CEO of the Company during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries and other emoluments	1,299	1,118	1,299	1,118
Bonus	-	189	-	189
Defined contribution plan	129	157	129	157
Other benefits	318	280	318	280
Total remuneration excluding benefits-in-kind	1,746	1,744	1,746	1,744
Estimated money value of benefits-in-kind	35	105	35	105
Total remuneration (Note 30(b))	1,781	1,849	1,781	1,849

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.

On 16 May 2024, the Company offered 997,226 LTIP - ESOS shares to eligible employees of the Group. The offer period was from 16 May 2024 to 15 June 2024. The LTIP - ESOS was to be vested over a period of 1 to 3 years in 3 tranches from 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Write-back of)/Allowance for equity-settled share-based payment transactions (Note 24(a))	(252)	1,394	(504)	861

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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			Exercised '000	Forefeited '000	Outstanding as at 31.12.2024 '000	Vested '000	Exercise price of		Average remaining contractual life
	1.1.2024 '000	Granted '000	Terminated '000					LTIP - ESOS RM	ESOS RM	
5 January 2023	1,379	-	(1,379)	-	(1,379)	-	-	0.37	0.37	6.98 years
5 January 2023	1,879	-	(1,879)	-	(1,879)	-	-	0.38	0.38	8.73 years
5 January 2023	9,465	-	(681)	(681)	(2,300)	6,484	1,683	0.33	0.33	8.73 years
12 January 2023	2,273	-	(700)	(700)	-	1,573	750	0.33	0.33	8.71 years
11 May 2023	1,879	-	(1,879)	-	(1,879)	-	-	0.38	0.38	8.39 years
16 May 2024	-	997	(997)	-	(997)	-	-	0.37	0.37	8.37 years
	16,876	997	(1,381)	(8,435)	8,057	2,434				
WAEP	0.34	0.37	0.33	0.36	0.33	0.33	0.33			

Grant date	Outstanding as at			Exercised '000	Terminated '000	Outstanding as at 31.12.2023 '000	Vested '000	Exercise price of		Average remaining contractual life
	1.1.2023 '000	Granted '000	Terminated '000					LTIP - ESOS RM	ESOS RM	
5 January 2023	-	1,879	(500)	-	-	1,379	1,379	0.37	0.37	7.98 years
5 January 2023	-	1,879	-	-	-	1,879	-	0.38	0.38	9.73 years
5 January 2023	-	9,465	-	-	-	9,465	-	0.33	0.33	9.73 years
12 January 2023	-	2,273	-	-	-	2,273	-	0.33	0.33	9.71 years
11 May 2023	-	1,879	-	-	-	1,879	-	0.38	0.38	9.39 years
	-	17,376	(500)	-	-	16,876	1,379			
WAEP	-	0.34	0.37	-	-	0.34	0.37			

# Notes to the Financial Statements

For the financial year ended 31 December 2024

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### 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 1 5 January 2023	Grant 2 5 January 2023	Grant 3 5 January 2023	Grant 4 12 January 2023	Grant 5 11 May 2023	Grant 6 16 May 2024
Fair value of share options:						
- Tranche 1 (RM)	0.103998	0.109063	0.121003	0.125165	0.149233	0.117820
- Tranche 2 (RM)	-	-	0.129211	0.133250	-	0.125148
- Tranche 3 (RM)	-	-	0.135689	0.139666	-	0.131572
Dividend yield (per annum)	2.07%	2.07%	2.07%	2.07%	2.07%	1.89%
Expected volatility (per annum)	37.00%	37.00%	37.00%	37.00%	37.00%	38.00%
Risk-free interest rate (per annum)	3.90%	3.90%	3.90%	3.90%	3.60%	3.70%

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 26. Taxation

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Labuan income tax:				
Current income tax	615	696	-	-
Underprovision in prior years	25	-	-	-
	<b>640</b>	696	-	-
Malaysian income tax:				
Current income tax	-	182	-	182
(Over)/Under provision in prior years	(1,449)	1,425	(4)	16
	<b>(1,449)</b>	1,607	<b>(4)</b>	198
Deferred tax (Note 13):				
Relating to origination and reversal of temporary differences	(1,198)	623	-	-
Under provision in prior years	1,448	-	-	-
	<b>250</b>	623	-	-
	<b>(559)</b>	2,926	<b>(4)</b>	198

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% (2023: 24%) of the estimated assessable profit for the financial year.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 26. Taxation (cont'd.)

A reconciliation of income tax (benefit)/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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(loss) before taxation	<b>2,182</b>	3,171	<b>(13,572)</b>	(9,407)
Taxation at Malaysian statutory tax rate of 24%	<b>524</b>	761	<b>(3,257)</b>	(2,258)
Effect of different tax rate in respect of Labuan subsidiary	<b>(4,519)</b>	(5,047)	-	-
Income not subject to tax	<b>(2,322)</b>	(6,182)	<b>(6,227)</b>	(2,533)
Expenses not deductible for tax purposes	<b>6,695</b>	6,098	<b>8,963</b>	4,973
Share of results of an associate	<b>1,618</b>	(40)	-	-
Share of results of a joint venture company	<b>(26)</b>	(36)	-	-
Deferred tax asset not recognised on deductible temporary differences, unabsorbed capital allowances and unutilised tax losses	<b>1,192</b>	6,057	<b>521</b>	-
Deferred tax asset recognised on unutilised tax losses and other deductible temporary differences	<b>(2,720)</b>	-	-	-
Utilisation of previously unrecognised unutilised tax losses and unabsorbed capital allowances	<b>(1,025)</b>	(110)	-	-
(Over)/Under provision of income tax in prior years	<b>(1,424)</b>	1,425	<b>(4)</b>	16
Under provision of deferred tax in prior years	<b>1,448</b>	-	-	-
Tax (benefit)/expense for the year	<b>(559)</b>	2,926	<b>(4)</b>	198

## 27. Earnings/(Loss) per share - Basic and diluted

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) for the year, net of tax, attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings/(loss) per share is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year, adjusted for the dilutive effects of potential ordinary shares that would be issued under the LTIP - ESOS.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 27. Earnings/(Loss) per share - Basic and diluted (cont'd.)

The following shows the computation of basic and diluted earnings/(loss) per share for the years ended 31 December 2024 and 2023:

	Group	
	2024	2023
<b>Basic earnings/(loss) per share</b>		
Profit/(Loss) attributable to ordinary equity holders (RM'000)	572	(947)
Weighted average number of ordinary shares in issues ('000)	753,323	751,977
Basic earnings/(loss) per share (sen)	0.08	(0.13)
<b>Diluted earnings/(loss) per share</b>		
Profit/(Loss) attributable to ordinary equity holders (RM'000)	572	(947)
Weighted average number of ordinary shares in issues ('000)	753,323	751,977
Effects of dilution - LTIP - ESOS in issue ('000)	156	131
Weighted average number of ordinary shares adjusted for the effect of dilution ('000)	753,480	752,108
Diluted earnings/(loss) per share (sen)	0.08	(0.13)

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Capital expenditure</b>				
Approved but not contracted for:				
Intangible assets	51,139	25,981	741	753
Property and equipment	1,921	1,594	221	88
	53,060	27,575	962	840

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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:

Income/(expense):	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Transactions with subsidiaries:</b>				
<b>TPR</b>				
Director fees	-	-	52	40
Dividend income	-	-	23,335	9,637
Income from subleasing right-of-use assets	-	-	93	80
Management fee income	-	-	1,335	2,556
Payment of expenses on behalf	-	-	3,126	2,984
<b>TIMB</b>				
Director fees	-	-	49	89
Income from subleasing right-of-use assets	-	-	1,099	939
Management fee income	-	-	2,531	7,739
Management fee expense	-	-	(887)	(1,710)
Other employee benefits	-	-	(34)	(38)
Payment of expenses on behalf	-	-	5,350	7,453
<b>WL</b>				
Computer expenses	-	-	(106)	(238)
Income from subleasing right-of-use assets	-	-	172	216
Management fee income	-	-	496	835
Management fee expense	-	-	(230)	(928)
Payment of expenses on behalf	-	-	214	1,683
<b>TPV</b>				
Income from subleasing right-of-use assets	-	-	12	63
Management fee income	-	-	(45)	257
Reimbursement of expenses incurred	-	-	(256)	334
Sundry income	-	-	-	8

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

Income/(expense):	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Transactions with subsidiaries: (cont'd.)</b>				
<b>Transactions with associate:</b>				
<b>TIPCL</b>				
Director fees	53	55	53	55
Gross earned premiums	798	921	-	-
Gross claims paid	(6)	(13)	-	-
Management fee income	61	312	-	-
Management fee expense	(154)	(382)	(103)	(165)
Provision of software maintenance services	122	460	-	-
Provision of software customisation and professional services (Note 23)	14	7	-	-
Payment of expenses on behalf	392	140	154	140
Sundry income	-	168	-	-
<b>Transactions with joint venture company:</b>				
<b>TPCBLLC</b>				
Facilitator fees (Note 24)	(10,361)	(9,877)	-	-
Sundry income	-	72	-	-
<b>Transactions with corporate shareholders of the Company:</b>				
<b>Tune Group Sdn Bhd</b>				
Royalty fee	(6,341)	(6,670)	(4,407)	(4,718)
Rental and utilities charges	(1,624)	(1,538)	(1,606)	(1,582)
Gross written premium	1	1	-	-

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 30. Related party disclosures (cont'd.)

### (a) Significant related party transactions (cont'd.)

Income/(expense):	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Transactions with related companies of a corporate shareholder of the Company, Tune Group Sdn Bhd:</b>				
<b>Epsom College in Malaysia</b>				
Gross written premium	61	114	-	-
<b>ECM Libra Financial Group Berhad</b>				
Gross written premium	103	124	-	-
<b>SP&amp;G Gallagher Insurance Brokers</b>				
Gross written premium	2,997	13,754	-	-
Fee and commission expenses	(442)	(1,929)	-	-
<b>Teleport Commerce Malaysia Sdn Bhd</b>				
Gross written premium	2	2	-	-
<b>Tune Talk Sdn Bhd</b>				
Gross written premium	64	63	-	-
<b>Transactions with related companies of a corporate shareholder of the Company, Move Digital Sdn Bhd (formerly known as AirAsia Digital Sdn Bhd):</b>				
<b>AirAsia Berhad</b>				
Gross written premium	38,310	31,027	-	-
Fee and commission expense	(9,546)	(7,749)	-	-
<b>AirAsia X Berhad</b>				
Gross written premium	8,395	6,430	-	-
Fee and commission expense	(2,098)	(1,607)	-	-
<b>BIGLIFE Sdn Bhd</b>				
Management expenses	(8)	(38)	-	-

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 30. Related party disclosures (cont'd.)

### (a) Significant related party transactions (cont'd.)

Income/(expense):	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Transactions with related companies of a corporate shareholder of the Company, Move Digital Sdn Bhd (formerly known as AirAsia Digital Sdn Bhd): (cont'd.)</b>				
<b>BigPay Malaysia Sdn Bhd</b>				
Gross written premium	71	-	-	-
<b>Capital A Berhad</b>				
Gross written premium	3	-	-	-
<b>Move Travel Sdn Bhd (formerly known as AirAsia Com Travel Sdn Bhd)</b>				
Gross written premium	641	1,471	-	-
Reimbursement of expenses incurred	(2,723)	-	-	-
Fee and commission expenses	(156)	(96)	-	-
<b>Philippines AirAsia Inc</b>				
Gross written premium	92	45	-	-
<b>PT Indonesia AirAsia</b>				
Gross written premium	1,572	1,171	-	-
Telemarketing commission expense	-	(1)	-	(1)
<b>Thai AirAsia Co. Ltd</b>				
Gross written premium	912	1,153	-	-
Telemarketing commission expense	-	(5)	-	(5)

Details of balances with related parties at the end of the respective years are disclosed in Notes 11 and 14.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 30. Related party disclosures (cont'd.)

### (b) Compensation of key management personnel

The remuneration of key management personnel during the year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive directors' remuneration: (Note 24(b))				
- directors of the subsidiaries	91	141	-	-
Non-executive directors' remuneration: (Note 24(b))				
- directors of the Company	1,773	1,691	1,252	1,235
- directors of the subsidiaries	314	368	-	-
	<b>2,087</b>	2,059	<b>1,252</b>	1,235
CEO's remuneration (Note 24(c))	1,781	1,849	1,781	1,849
	<b>3,959</b>	4,049	<b>3,033</b>	3,084

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 Insurance Capital Adequacy Framework ("the Guidelines") was introduced as a set of risk-based capital ("RBC") regulations for the general and life insurance industry in Labuan International Business and Financial Centre, effective from 1 January 2024. It was issued pursuant to Section 4A of the Labuan Financial Services Authority Act 1996 for the purpose of clarifying the requirements on margin of solvency for Labuan insurers under Section 109 of the Labuan Financial Services and Securities Act 2010.

Under the Guidelines, TPR is required to satisfy the Supervisory Target Capital Level ("STCL") of 120%. As at year end, TPR has a capital adequacy ratio in excess of the STCL.

### (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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 31. Regulatory capital/working fund and solvency requirements of subsidiaries (cont'd.)

### (ii) TIMB (cont'd.)

The capital structure of TIMB as at 31 December 2024 and the comparative period, as prescribed under the RBC Framework, are provided below:

	2024 RM'000	2023 RM'000
<b>Eligible Tier 1 capital</b>		
Share capital (paid-up)	<b>103,348</b>	103,348
Reserves, including retained earnings	<b>216,029</b>	204,309
	<b>319,377</b>	307,657
Amount deducted from capital	<b>(46,311)</b>	(40,550)
<b>Total capital available</b>	<b>273,066</b>	267,107

## 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 6 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.

### 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;
- (j) Credit settlement period; and
- (k) Climate change risk.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 32. Risk management framework (cont'd.)

### 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 32. Risk management framework (cont'd.)

### Overview of risk management policies (cont'd.)

#### E. Credit quality

##### i. Risk

Credit quality risk is associated with credit exposure that increase 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.

##### 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;

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 32. Risk management framework (cont'd.)

### Overview of risk management policies (cont'd.)

#### F. Operational (cont'd.)

##### ii. Policy (cont'd.)

- (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.

#### 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 Function is in place to ensure regulatory compliance. The function is under the responsibility of the Chief Risk & Compliance Officer who shall monitor compliance to regulatory requirements.

The Chief Risk & Compliance Officer shall take responsibility to ensure regulatory compliance is adhered to and any changes to policy and practices are communicated appropriately to all parties concerned.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 32. Risk management framework (cont'd.)

### Overview of risk management policies (cont'd.)

#### 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 33. Insurance risk (cont'd.)

### (a) Sensitivity analysis (cont'd.)

#### Key assumptions (cont'd.)

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, general reinsurance and life insurance 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.

#### General reinsurance

	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
<b>General reinsurance</b>					
<b>2024</b>					
Loss ratio	+1%	248	248	(248)	(241)
Discounting	+1%	(135)	(135)	135	131
Loss ratio	-1%	(248)	(248)	248	241
Discounting	-1%	135	135	(135)	(131)

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 33. Insurance risk (cont'd.)

### (a) Sensitivity analysis (cont'd.)

#### Sensitivities (cont'd.)

#### General reinsurance

	Changes in variable	Increase/(decrease)			* Impact on equity RM'000
		Impact on gross liabilities RM'000	Impact on net liabilities RM'000	Impact on profit before taxation RM'000	

#### General reinsurance (cont'd.)

#### 2023

Loss ratio	+1%	110	110	(110)	(107)
Discounting	+1%	(133)	(133)	133	129
Loss ratio	-1%	(110)	(110)	110	107
Discounting	-1%	133	133	(133)	(129)

#### General insurance

#### 2024

Loss ratio	+10%	49,611	34,136	(34,136)	(25,943)
PRAD	+10%	7,646	3,161	(3,161)	(2,403)
Provision for expenses	+10%	2,550	2,494	(2,494)	(1,896)
Discounting	+1%	(10,230)	(4,755)	4,755	3,614
Loss ratio	-10%	(48,727)	(32,283)	32,283	24,535
PRAD	-10%	(7,646)	(3,161)	3,161	2,403
Provision for expenses	-10%	(2,550)	(2,494)	2,494	1,896
Discounting	-1%	8,279	4,644	(4,644)	(3,529)

#### 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

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 33. Insurance risk (cont'd.)

### (a) Sensitivity analysis (cont'd.)

#### Sensitivities (cont'd.)

#### 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

#### General insurance (cont'd.)

##### 2023

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)

#### Life insurance

##### 2024

Loss ratio	<b>+10%</b>	<b>32</b>	<b>32</b>	<b>(32)</b>	<b>(24)</b>
Loss ratio	<b>-10%</b>	<b>(32)</b>	<b>(32)</b>	<b>32</b>	<b>24</b>

##### 2023

Loss ratio	+10%	28	28	(28)	(21)
Loss ratio	-10%	(28)	(28)	28	21

\* Impact is net of tax of 3% (2023: 3%) for the general reinsurance business and 24% (2023: 24%) for the general insurance business and life 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 2024

**33. Insurance risk (cont'd.)**
**(b) Claims development table (cont'd.)**
**Net undiscounted liabilities for incurred claims for 2024**
**(i) General reinsurance**

Accident year	2017 & prior RM'000	2018 RM'000	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	Total RM'000
At end of accident year	7,136	7,030	6,389	6,521	8,325	15,679	19,394	13,646	
One year later	5,587	5,504	5,535	2,911	6,001	6,769	13,887		
Two years later	5,929	5,391	4,816	2,267	5,909	7,732			
Three years later	5,932	5,114	4,783	2,278	5,909				
Four years later	5,827	5,103	4,769	2,252					
Five years later	5,825	5,102	4,778						
Six years later	5,547	5,099							
Seven years later	5,559								
<b>Net estimates of the undiscounted amount of the claims</b>	<b>5,559</b>	<b>5,099</b>	<b>4,778</b>	<b>2,252</b>	<b>5,909</b>	<b>7,732</b>	<b>13,887</b>	<b>13,646</b>	<b>58,862</b>
At end of accident year	(4,231)	(4,245)	(3,264)	(1,109)	(3,751)	(4,434)	(7,477)	(5,124)	
One year later	(5,146)	(4,946)	(4,419)	(2,093)	(5,903)	(6,172)	(9,504)		
Two years later	(5,531)	(5,003)	(4,481)	(2,180)	(5,895)	(7,663)			
Three years later	(5,524)	(5,003)	(4,488)	(2,214)	(5,895)				
Four years later	(5,524)	(5,003)	(4,483)	(2,195)					
Five years later	(5,523)	(5,000)	(4,487)						
Six years later	(5,520)	(5,000)							
Seven years later	(5,520)								
<b>Cumulative payments to-date</b>	<b>(5,520)</b>	<b>(5,000)</b>	<b>(4,487)</b>	<b>(2,195)</b>	<b>(5,895)</b>	<b>(7,663)</b>	<b>(9,504)</b>	<b>(5,124)</b>	<b>(45,388)</b>
Net undiscounted liabilities for incurred claims	39	99	291	57	14	69	4,383	8,522	13,474
Claims payable									11,087
Effect of discounting									(407)
<b>Total net liabilities for incurred claims before elimination</b>									<b>24,154</b>
Elimination/adjustment upon consolidation									(684)
<b>Total net liabilities for incurred claims per statements of financial position</b>									<b>23,470</b>
Total gross liabilities for incurred claims (Note 10)					20,643		2,856		23,499
Amounts recoverable from reinsurers (Note 10)					(29)		-		(29)
<b>Total net liabilities for incurred claims</b>					<b>20,614</b>		<b>2,856</b>		<b>23,470</b>
									<b>Estimated of the present value of future cash flows RM'000</b>
									<b>Risk adjustments RM'000</b>
									<b>Total RM'000</b>



# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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								
<b>Net estimates of the undiscounted amount of the claims</b>	<b>3,794</b>	<b>5,547</b>	<b>5,102</b>	<b>4,769</b>	<b>2,278</b>	<b>5,909</b>	<b>6,769</b>	<b>19,394</b>	<b>53,562</b>
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)								
<b>Cumulative payments to-date</b>	<b>(3,782)</b>	<b>(5,520)</b>	<b>(5,000)</b>	<b>(4,483)</b>	<b>(2,214)</b>	<b>(5,895)</b>	<b>(6,172)</b>	<b>(7,477)</b>	<b>(40,543)</b>
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)
<b>Total net liabilities for incurred claims before elimination</b>									20,194
Elimination/adjustment upon consolidation									(192)
<b>Total net liabilities for incurred claims per statements of financial position</b>									20,002
Estimated of the present value of future cash flows									
Total gross liabilities for incurred claims (Note 10)					17,279		2,834		20,113
Amounts recoverable from reinsurers (Note 10)					(111)		-		(111)
<b>Total net liabilities for incurred claims</b>					17,168		2,834		20,002



# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>Assets</b>				
<b>2024</b>				
Investments	135,642	630,775	-	766,417
Insurance contract assets	-	-	20,371	20,371
Reinsurance contract assets	-	-	330,931	330,931
Other receivables (net of prepayments and assets held under MMIP)	9,669	-	-	9,669
<b>Total assets</b>	<b>145,311</b>	<b>630,775</b>	<b>351,302</b>	<b>1,127,388</b>
<b>2023</b>				
Investments	340,106	384,266	-	724,372
Insurance contract assets	-	-	16,883	16,883
Reinsurance contract assets	-	-	341,100	341,100
Other receivables (net of prepayments and assets held under MMIP)	5,609	-	-	5,609
<b>Total assets</b>	<b>345,715</b>	<b>384,266</b>	<b>357,983</b>	<b>1,087,964</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>Liabilities</b>			
<b>2024</b>			
Insurance contract liabilities	-	669,892	669,892
Reinsurance contract liabilities	-	68	68
Lease liabilities	5,399	-	5,399
Other payables (net of provision for taxation and other provisions)	44,382	-	44,382
<b>Total liabilities</b>	<b>49,781</b>	<b>669,960</b>	<b>719,741</b>
<b>2023</b>			
Insurance contract liabilities	-	649,782	649,782
Reinsurance contract liabilities	-	1,325	1,325
Lease liabilities	7,219	-	7,219
Other payables (net of provision for taxation and other provisions)	40,964	-	40,964
<b>Total liabilities</b>	<b>48,183</b>	<b>651,107</b>	<b>699,290</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>Assets</b>			
<b>2024</b>			
Investments	-	44,477	44,477
Other receivables (net of prepayments)	15,233	-	15,233
	15,233	44,477	59,710
<b>2023</b>			
Investments	-	40,858	40,858
Other receivables (net of prepayments)	12,472	-	12,472
	12,472	40,858	53,330
<b>Other financial liabilities</b>			
Company	RM'000		
<b>Liabilities</b>			
<b>2024</b>			
Lease liabilities			3,270
Other payables			2,251
			5,521
<b>2023</b>			
Lease liabilities			4,980
Other payables			3,875
			8,855

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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:

##### Quantitative criteria

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.

##### Qualitative criteria

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 2024

## 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 2024 and 2023.

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					Total RM'000
	< 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	
<b>31 December 2024</b>						
ECL rate	1%	4%	3%	4%	33%	14%
Gross carrying amount - insurance receivables	26,810	10,402	8,983	36,014	50,286	132,495
Allowance for ECL	352	444	292	1,361	16,640	19,089
<b>31 December 2023</b>						
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

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 35. Financial risks (cont'd.)

### (a) Credit risk (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
<b>Gross carrying amount</b>			
As at 1 January 2023	197,991	36,969	234,960
(Reduction)/increase	(85,453)	46,131	(39,322)
As at 31 December 2023	<b>112,538</b>	<b>83,100</b>	<b>195,638</b>
Increase/(reduction)	<b>4,706</b>	<b>(67,849)</b>	<b>(63,143)</b>
As at 31 December 2024	<b>117,244</b>	<b>15,251</b>	<b>132,495</b>
<b>Allowance for ECL</b>			
As at 1 January 2023	10,002	27,318	37,320
(Reduction)/increase	(4,519)	36,057	31,538
As at 31 December 2023	<b>5,483</b>	<b>63,375</b>	<b>68,858</b>
Increase/(reduction)	<b>420</b>	<b>(50,189)</b>	<b>(49,769)</b>
As at 31 December 2024	<b>5,903</b>	<b>13,186</b>	<b>19,089</b>

### 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amortised cost:				
Fixed and call deposits with licensed financial institutions	<b>135,585</b>	340,049	-	-
Loans receivable:				
Staff mortgage loans	<b>53</b>	56	-	-
Other unsecured staff loans	<b>4</b>	1	-	-
FVTPL financial assets:				
Debt securities	<b>5,031</b>	5,048	-	-
Reinsurance contract assets	<b>330,931</b>	341,100	-	-
Other receivables (net of prepayments)	<b>9,669</b>	5,609	<b>15,233</b>	12,472
Cash and bank balances	<b>31,986</b>	45,736	<b>957</b>	2,357
	<b>513,259</b>	737,599	<b>16,190</b>	14,829

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>2024</b>						
Amortised cost:						
Fixed and call deposits with licensed financial institutions	66,786	66,990	-	-	1,808	135,585
Loans receivable:						
Staff mortgage loans	-	-	-	-	53	53
Other unsecured staff loans	-	-	-	-	4	4
FVTPL financial assets:						
Debt securities	5,031	-	-	-	-	5,031
Reinsurance contract assets <sup>^</sup>	-	12,656	73,997	-	244,278	330,931
Insurance receivables: <sup>^</sup>						
- included within insurance contract assets	-	46	9,972	8,057	23,305	41,380
- included within insurance contract liabilities	-	503	709	-	74,945	76,157
Other receivables (net of prepayments and assets held under the MMIP)	527	537	-	-	8,605	9,669
Cash and bank balances	31,755	7	90	-	134	31,986
	<b>104,099</b>	<b>80,739</b>	<b>84,768</b>	<b>8,057</b>	<b>353,132</b>	<b>630,796</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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
<b>2023</b>						
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 <sup>^</sup>	-	934	109,726	3,500	226,940	341,100
Insurance receivables: <sup>^</sup>						
- 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	349,398	868,907

<sup>^</sup> 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 2024

## 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
<b>2024</b>			
Other receivables (net of prepayments)	-	15,233	15,233
Cash and bank balances	957	-	957
	<b>957</b>	<b>15,233</b>	<b>16,190</b>
<b>2023</b>			
Other receivables (net of prepayments)	-	12,472	12,472
Cash and bank balances	2,357	-	2,357
	<b>2,357</b>	<b>12,472</b>	<b>14,829</b>

### (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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 35. Financial risks (cont'd.)

### (b) Liquidity risk (cont'd)

#### Maturity profiles

The following table summarises the maturity profile of financial assets and financial 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
<b>2024</b>						
Amortised cost:						
Fixed and call deposits with licensed financial institutions	135,585	135,585	-	-	-	135,585
Loans receivable:						
Staff mortgage loans	53	-	-	53	-	53
Other unsecured staff loans	4	4	-	-	-	4
FVTPL:						
Unit trust funds	625,744	-	-	-	625,744	625,744
Debt securities	5,031	5,031	-	-	-	5,031
Insurance contract assets	20,371	20,371	-	-	-	20,371
Reinsurance contract assets	330,931	248,965	81,417	549	-	330,931
Other receivables (net of prepayments and assets held under the MMIP)	9,669	9,669	-	-	-	9,669
Cash and bank balances	31,986	31,986	-	-	-	31,986
	<b>1,159,370</b>	<b>451,607</b>	<b>81,417</b>	<b>602</b>	<b>625,744</b>	<b>1,159,370</b>
Insurance contract liabilities	669,892	363,896	298,320	7,676	-	669,892
Reinsurance contract liabilities	68	68	-	-	-	68
Lease liabilities	5,399	607	3,595	239	-	4,441
Other payables (net of provision for taxation and other provisions)	44,382	44,382	-	-	-	44,382
Total financial liabilities	<b>719,741</b>	<b>408,952</b>	<b>301,916</b>	<b>7,915</b>	<b>-</b>	<b>718,783</b>
Liquidity surplus/(deficit)	<b>439,629</b>	<b>42,655</b>	<b>(220,499)</b>	<b>(7,313)</b>	<b>625,744</b>	<b>440,587</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 35. Financial risks (cont'd.)

### (b) Liquidity risk (cont'd.)

#### Maturity profiles (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
<b>2023</b>						
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	16,883	16,883	-	-	-	16,883
Reinsurance contract assets	341,100	165,393	173,488	2,884	-	341,765
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
	<b>1,133,700</b>	<b>573,812</b>	<b>178,811</b>	<b>2,940</b>	<b>379,218</b>	<b>1,134,781</b>
Insurance contract liabilities	649,782	281,204	359,271	8,937	-	649,412
Reinsurance contract liabilities	1,325	1,325	-	-	-	1,325
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	<b>699,290</b>	<b>324,249</b>	<b>365,725</b>	<b>9,362</b>	<b>-</b>	<b>699,336</b>
Liquidity surplus	<b>434,410</b>	<b>249,563</b>	<b>(186,914)</b>	<b>(6,422)</b>	<b>379,218</b>	<b>435,445</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 35. Financial risks (cont'd.)

### (b) Liquidity risk (cont'd.)

#### Maturity profiles (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
<b>2024</b>						
FVTPL:						
Unit trust funds	44,477	-	-	-	44,477	44,477
Other receivables (net of prepayments)	15,233	15,233	-	-	-	15,233
Cash and bank balances	957	957	-	-	-	957
	<b>60,667</b>	<b>16,190</b>	-	-	<b>44,477</b>	<b>60,667</b>
Lease liabilities	3,270	1,579	1,842	-	-	3,421
Other payables (net of provision for taxation)	2,251	2,251	-	-	-	2,251
Total financial liabilities	<b>5,521</b>	<b>3,830</b>	<b>1,842</b>	-	-	<b>5,672</b>
Liquidity surplus/(deficit)	<b>55,146</b>	<b>12,360</b>	<b>(1,842)</b>	-	<b>44,477</b>	<b>54,995</b>
<b>2023</b>						
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 2024

## 35. Financial risks (cont'd.)

### (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.

#### 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:

	Change in NAV %	Group Increase/(decrease)		Company Increase/(decrease)	
		* 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
<b>2024</b>					
Market indices:					
NAV	+10	50,432	50,432	3,380	3,380
NAV	-10	(50,432)	(50,432)	(3,380)	(3,380)
<b>2023</b>					
Market indices:					
NAV	+10	31,251	31,251	3,105	3,105
NAV	-10	(31,251)	(31,251)	(3,105)	(3,105)

\* Impact is net of tax rates enacted at reporting date.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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:

	Changes in basis points	Group (Decrease)/Increase	
		* Effect on net profit for the year RM'000	* Effect on equity RM'000
<b>2024</b>			
Interest-bearing investments:			
FVTPL	+ 200 bps	(3)	(3)
FVTPL	- 200 bps	3	3
<b>2023</b>			
Interest-bearing investments:			
FVTPL	+ 200 bps	(6)	(6)
FVTPL	- 200 bps	6	6

\* Impact is net of tax of 24% (2023: 24%)

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 RM'000	2023 RM'000
Insurance contract assets:		
Thai Baht	5,182	2,725
United States Dollar	13,665	12,620
Philippines Peso	4,765	6,838
Indonesian Rupiah	1,723	1,380
Singapore Dollar	(165)	1,964
China Yuen Renminbi	586	641
Indian Rupee	300	613
Australia Dollar	-	111
Japanese Yen	63	191
Hong Kong Dollar	(110)	(11)
Vietnam Dong	10,314	11,177
Other currencies	169	162
	<b>36,492</b>	<b>38,411</b>
Cash and bank balances:		
United States Dollar	3,825	13,229
Thai Baht	19	20
Indonesian Rupiah	45	48
	<b>3,889</b>	<b>13,297</b>
Investments:		
United States Dollar	3,928	27,144
Other payables:		
United States Dollar	(13,195)	(8,650)
Vietnam Dong	-	(1,767)
	<b>(13,195)</b>	<b>(10,417)</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	
	2024 RM'000	2023 RM'000
Cash and bank balances:		
United States Dollar	723	852
Indonesian Rupiah	23	25
	<b>746</b>	<b>877</b>

#### Sensitivity analysis:

A 5% strengthening/weakening of the Ringgit Malaysia against the foreign currencies as at the end of 31 December 2024 would have decreased/increased net profit of the Group and the Company by approximately RM1,556,000 and RM37,000 respectively (2023: RM3,422,000 and RM44,000 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.

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

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 36. Fair value measurement (cont'd.)

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:

	Date of valuation	Valuation technique using			Total RM'000
		Quoted market price (Level 1) RM'000	Observable inputs (Level 2) RM'000	Un-observable inputs (Level 3) RM'000	
<b>Group</b>					
<b>Assets measured at fair value:</b>					
<b>2024</b>					
<b>Financial assets at FVTPL:</b>					
Unquoted debt securities in Malaysia	31 December 2024	-	5,031	-	5,031
Quoted unit trust funds in Malaysia	31 December 2024	625,744	-	-	625,744
		625,744	5,031	-	630,775
<b>2023</b>					
<b>Financial assets at FVTPL:</b>					
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

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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.)

	Date of valuation	Valuation technique using			Total RM'000
		Quoted market price (Level 1) RM'000	Observable inputs (Level 2) RM'000	Un- observable inputs (Level 3) RM'000	
<b>Company</b>					
<b>Assets measured at fair value:</b>					
<b>2024</b>					
<b>Financial assets at FVTPL:</b>					
Quoted unit trust funds in Malaysia	31 December 2024	44,477	-	-	44,477
<b>2023</b>					
<b>Financial assets at FVTPL:</b>					
Quoted unit trust funds in Malaysia	31 December 2023	40,858	-	-	40,858

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2024

### 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>For the year ended 31 December 2024</b>							
Insurance revenue	-	-	78,896	320,224	317	(10,243)	389,194
Insurance service expenses	-	-	(61,275)	(300,465)	(3,355)	617	(364,478)
<b>Insurance service result before reinsurance contracts held</b>	-	-	17,621	19,759	(3,038)	(9,626)	24,716
Allocation of reinsurance premiums	-	-	(515)	(64,233)	-	10,462	(54,286)
Amounts recoverable from reinsurers for incurred claims	-	-	-	43,107	-	(3,801)	39,306
<b>Net expense from reinsurance contracts held</b>	-	-	(515)	(21,126)	-	6,661	(14,980)
<b>Insurance service result</b>	-	-	17,106	(1,367)	(3,038)	(2,965)	9,736
Investment income	24,452	(5)	3,588	16,861	5	(23,337)	21,564
Realised gains and losses	316	-	914	15,739	76	-	17,045
Fair value gains or losses	68	21	854	(9,443)	(52)	(8)	(8,560)
<b>Total investment income</b>	24,836	16	5,356	23,157	29	(23,345)	30,049

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## FINANCIAL STATEMENTS

### 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>For the year ended</b>							
<b>31 December 2024 (cont'd.)</b>							
Insurance finance expenses for insurance contracts issued	-	-	(181)	(14,507)	(1)	-	(14,689)
Reinsurance finance income for reinsurance contracts held	-	-	151	7,825	-	-	7,976
<b>Net insurance financial result</b>	-	-	(30)	(6,682)	(1)	-	(6,713)
Other operating income	14,892	-	1,973	2,611	1	(16,356)	3,121
Other operating expenses	(56,331)	(26)	(2,880)	(5,799)	(1,882)	39,724	(27,194)
Other finance costs	(182)	-	(6)	-	-	8	(180)
<b>Total other income and expenses</b>	<b>(41,621)</b>	<b>(26)</b>	<b>(913)</b>	<b>(3,188)</b>	<b>(1,881)</b>	<b>23,376</b>	<b>(24,253)</b>
Share of results of an associate	-	-	-	-	-	(6,743)	(6,743)
Share of results of a joint venture company	-	-	-	-	-	106	106
<b>(Loss)/profit before taxation</b>	<b>(16,785)</b>	<b>(10)</b>	<b>21,519</b>	<b>11,920</b>	<b>(4,891)</b>	<b>(9,571)</b>	<b>2,182</b>
Taxation	4	-	(640)	1,159	36	-	559
<b>Net (loss)/profit for the year</b>	<b>(16,781)</b>	<b>(10)</b>	<b>20,879</b>	<b>13,079</b>	<b>(4,855)</b>	<b>(9,571)</b>	<b>2,741</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 37. Segmental information (cont'd.)

	Investment holding and others	Collective investment schemes	General reinsurance business	General insurance business	Life insurance business	Adjustments and eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>For the year ended 31 December 2023</b>							
Insurance revenue	-	-	68,947	310,227	187	(5,222)	374,139
Insurance service expenses	-	-	(53,742)	(194,873)	(6,819)	(844)	(256,278)
<b>Insurance service result before reinsurance contracts held</b>	-	-	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)
<b>Net expense from reinsurance contracts held</b>	-	-	(693)	(125,788)	-	2,423	(124,058)
<b>Insurance service result</b>	-	-	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
<b>Total investment income</b>	11,648	40	7,939	21,978	246	(9,646)	32,205

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## FINANCIAL STATEMENTS

### 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>For the year ended 31 December 2023</b>							
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
<b>Net insurance financial result</b>	-	-	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)
<b>Total other income and expenses</b>	(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
<b>(Loss)/Profit before taxation</b>	(11,834)	17	24,031	9,099	(9,006)	(9,136)	3,171
Taxation	(1,534)	-	(696)	(696)	-	-	(2,926)
<b>Net (loss)/profit for the year</b>	(13,368)	17	23,335	8,403	(9,006)	(9,136)	245

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>As at 31 December 2024</b>							
<b>Assets</b>							
Property and equipment	2,331	-	40	1,871	-	-	4,242
Intangible assets	1,944	-	391	39,879	-	(173)	42,041
Right-of-use assets	3,210	-	57	1,978	-	(142)	5,103
Investments in subsidiaries	179,128	-	-	-	-	(179,128)	-
Investment in an associate	40,955	-	-	-	-	(13,996)	26,959
Investment in a joint venture company	433	-	-	-	-	1,077	1,510
Goodwill	-	-	-	-	-	24,165	24,165
Investments	45,403	-	136,908	583,405	701	-	766,417
Deferred tax assets	-	-	-	218	-	-	218
Insurance contract assets	-	-	20,158	-	-	213	20,371
Reinsurance contract assets	-	-	708	330,216	-	7	330,931
Other receivables	18,420	-	3,860	39,996	-	(15,089)	47,187
Tax recoverable	239	-	-	12,240	14	-	12,493
Cash and bank balances	1,209	-	4,328	26,293	156	-	31,986
<b>Total assets</b>	<b>293,272</b>	<b>-</b>	<b>166,450</b>	<b>1,036,096</b>	<b>871</b>	<b>(183,066)</b>	<b>1,313,623</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## FINANCIAL STATEMENTS

### 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>As at 31 December 2024 (cont'd.)</b>							
<b>Equity</b>							
Share capital	259,485	-	10,000	103,348	20,001	(143,452)	249,382
LTIP - ESOS reserve	913	-	-	-	-	-	913
Foreign currency translation reserve	-	-	-	-	-	6,204	6,204
Other comprehensive income reserve	-	-	-	-	-	190	190
Other reserve	-	-	-	-	-	595	595
Retained earnings	12,465	-	137,048	222,582	(19,666)	(85,640)	266,789
Equity attributable to owners of the parent	272,863	-	147,048	325,930	335	(222,103)	524,073
Non-controlling interests	-	-	-	-	-	54,555	54,555
<b>Total equity</b>	<b>272,863</b>	<b>-</b>	<b>147,048</b>	<b>325,930</b>	<b>335</b>	<b>(167,548)</b>	<b>578,628</b>
<b>Liabilities</b>							
Insurance contract liabilities	-	-	85	669,556	251	-	669,892
Reinsurance contract liabilities	-	-	68	-	-	-	68
Lease liabilities	3,338	-	58	2,146	-	(143)	5,399
Other payables	17,071	-	19,191	38,464	285	(15,375)	59,636
<b>Total liabilities</b>	<b>20,409</b>	<b>-</b>	<b>19,402</b>	<b>710,166</b>	<b>536</b>	<b>(15,518)</b>	<b>734,995</b>
<b>Total equity and liabilities</b>	<b>293,272</b>	<b>-</b>	<b>166,450</b>	<b>1,036,096</b>	<b>871</b>	<b>(183,066)</b>	<b>1,313,623</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>As at 31 December 2023</b>							
<b>Assets</b>							
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	-	-	17,214	-	-	(331)	16,883
Reinsurance contract assets	-	-	660	340,109	-	331	341,100
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
<b>Total assets</b>	<b>310,950</b>	<b>1,386</b>	<b>169,512</b>	<b>1,006,525</b>	<b>6,576</b>	<b>(200,178)</b>	<b>1,294,771</b>

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## FINANCIAL STATEMENTS

### 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	Adjustments and eliminations RM'000	Consolidated RM'000
<b>As at 31 December 2023 (cont'd.)</b>							
<b>Equity</b>							
Share capital	258,859	(377)	10,000	103,348	20,001	(143,075)	248,756
LTIP - ESOS reserve	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
<b>Total equity</b>	289,449	1,365	149,504	312,851	5,190	(182,189)	576,170
<b>Liabilities</b>							
Insurance contract liabilities	-	-	227	649,412	143	-	649,782
Reinsurance contract liabilities	-	-	1,325	-	-	-	1,325
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
<b>Total liabilities</b>	21,501	21	20,008	693,674	1,386	(17,989)	718,601
<b>Total equity and liabilities</b>	310,950	1,386	169,512	1,006,525	6,576	(200,178)	1,294,771

# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 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 2024 and 2023.

The Company is not subject to any externally imposed capital requirements.

Both TPR and TIMB is required to meet the minimum capital adequacy requirements as prescribed by the RBC Framework imposed by Labuan Financial Services Authority Act 1996 and Bank Negara Malaysia respectively. The status of compliance of these subsidiaries with the RBC Framework above are disclosed in Note 31.

## 39. Significant 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 on 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.

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# Notes to the Financial Statements

For the financial year ended 31 December 2024

## 39. Significant 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 opposing the Application on 3 January 2023. The hearing for the Application took place on 30 November 2023 at the Kuala Lumpur High Court.

On 16 January 2024, the High Court dismissed MyCC's application for leave to commence judicial review against the Competition Appeal Tribunal's decision dated 2 September 2022. The Court also ordered the MyCC to pay costs of RM10,000 for each putative respondent.

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 the hearing of the Appeal on 22 May 2025.

### (b) 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.

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 make full payment to TIPCL;
2. The Managing Director of the Broker (K.Chakrit) which acted on behalf of the Broker, is no 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.

TIPCL and CIS have agreed to settle the judgement sum of THB79.2 million and all issues relating to the Judgement. TIPCL has received the full settlement sum as of 30 July 2024. The suit has been withdrawn and discontinued.

# Analysis of Shareholdings

As at 28 March 2025

## 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	130	1.51	1,754	0.00
100 – 1,000	975	11.32	631,479	0.08
1,001 – 10,000	3,941	45.77	22,325,354	2.96
10,001 – 100,000	2,936	34.10	105,657,703	14.02
100,001 to less than 5% of issued shares	624	7.25	333,247,653	44.22
5% and above of issued shares	4	0.05	291,777,057	38.72
<b>Total</b>	<b>8,610</b>	<b>100.00</b>	<b>753,641,000</b>	<b>100.00</b>

## 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:

No.	Name of Directors	Direct		Deemed		No. of Unexercised LTIP Options of the Company
		No. of Ordinary Shares Held in the Company	%	No. of Ordinary Shares Held in the Company	%	
1.	Dato' Mohamed Khadar bin Merican	-	-	-	-	-
2.	Mohamed Rashdi bin Mohamed Ghazalli	-	-	-	-	-
3.	Aireen Omar	600,000	0.08	-	-	-
4.	Ariff bin Rozhan	-	-	-	-	-
5.	Jayakumar A/L Somasundram	-	-	-	-	-
6.	Gan Mei Mei	-	-	-	-	-
<b>Group CEO</b>						
1.	How Kim Lian	200,000	0.03	-	-	1,395,144

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# Analysis of Shareholdings

As at 28 March 2025

## SUBSTANTIAL SHAREHOLDERS

No.	Name of Directors	Direct		Deemed	
		No. of Ordinary Shares Held	%	No. of Ordinary Shares Held	%
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 <sup>(i)</sup>	100,000	0.01	221,172,150	29.35
4	Datuk Kamarudin bin Meranun <sup>(i)</sup>	163,900	0.02	221,172,150	29.35
5	CIMB SI II Sdn. Bhd.	70,679,123	9.38	-	-
6	CIMB Group Sdn. Bhd. <sup>(ii)</sup>	-	-	70,679,123	9.38
7	CIMB Group Holdings Berhad <sup>(ii)</sup>	-	-	70,679,123	9.38

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)	25,406,100	3.37
6	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ooi Keng Thye	17,037,800	2.26
7	Universal Trustee (Malaysia) Berhad KAF Core Income Fund	15,762,900	2.09
8	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ooi Keng Thye	8,539,000	1.13
9	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Cheng Chew Giap	7,919,700	1.05
10	Universal Trustee (Malaysia) Berhad KAF Tactical Fund	7,820,200	1.04

# Analysis of Shareholdings

As at 28 March 2025

## THIRTY LARGEST ORDINARY SHAREHOLDERS OF THE COMPANY (CONT'D.)

No.	Registered Holders	No. of Ordinary Shares	%
11	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Toh Hooi Hak	6,669,700	0.89
12	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Chee Chiang	6,446,000	0.86
13	Kenanga Nominees (Tempatan) Sdn Bhd Tanjung Panorama Sdn. Bhd.	5,544,100	0.74
14	Citigroup Nominees (Asing) Sdn Bhd Exempt an for Bank Of Singapore Limited (Foreign)	5,000,000	0.66
15	HSBC Nominees (Asing) Sdn Bhd Exempt an for Bank Julius Baer & Co. Ltd. (Singapore BCH)	4,608,000	0.61
16	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Cheng Chew Giap	4,582,100	0.61
17	Ooi Keng Thye	3,909,400	0.52
18	Zakaria Bin Meranun	3,473,900	0.46
19	Cartaban Nominees (Tempatan) Sdn Bhd RHB Trustees Berhad for KAF Vision Fund	3,271,000	0.43
20	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Su Tiing Uh	3,146,000	0.42
21	Chai Hooi Teing	3,000,000	0.40
22	Lim Kok Seong	2,700,000	0.36
23	KAF Trustee Berhad Kifb for Lagmuir Holdings Ltd	2,662,300	0.35
24	Kenanga Nominees (Tempatan) Sdn Bhd Lim Kok Khong	2,650,000	0.35
25	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Loo Kee Seng	2,623,900	0.35
26	Tee Kok Chuan	2,428,300	0.32
27	Ong Leong Huat	2,200,000	0.29
28	Libra Capital Sdn Bhd	2,000,000	0.27
29	Ten Soon Lee	1,956,600	0.26
30	Tan Geok Hoon	1,671,000	0.22

1

2

3

4

5

SECTION

6

# List of Branches & Overseas Ventures

## 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)

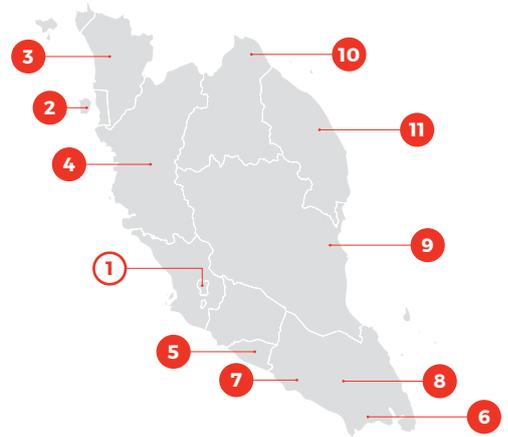
### EMAIL:

- [hello.my@tuneprotect.com](mailto:hello.my@tuneprotect.com)
- [enquiry@tuneprotect.com](mailto:enquiry@tuneprotect.com)  
(for AirAsia Travel Protection  
related enquiries only)



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## TUNE PROTECT MALAYSIA'S BRANCHES (as of 25 April 2025)



### 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](mailto:hello.my@tuneprotect.com)  
Website :  
[www.tuneprotect.com/my](http://www.tuneprotect.com/my)

### 2 Penang

No. 29-G, 29-1 & 29-2,  
Persiaran Bayan Indah,  
Bayan Bay,  
11900 Bayan Lepas,  
Penang  
Phone : +604 643 0288  
+604 641 2388

### 3 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

### 4 Ipoh

Ground & 1<sup>st</sup> Floor,  
No. 52, Jalan Medan Istana,  
Bandar Ipoh Raya,  
30000 Ipoh,  
Perak Darul Ridzuan  
Phone : +605 254 3305  
+605 254 1239

### 5 Melaka

No. 529 & 530, Ground Floor,  
Taman Melaka Raya,  
75000 Melaka,  
Melaka  
Phone : +606 284 2828  
+606 283 3109  
+606 281 2753

### 6 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

### 7 Batu Pahat

No. 55A, 1<sup>st</sup> Floor,  
Jalan Cengal,  
Taman Batu Pahat,  
83000 Batu Pahat,  
Johor Darul Takzim  
Phone : +607 431 3591  
+607 431 3752

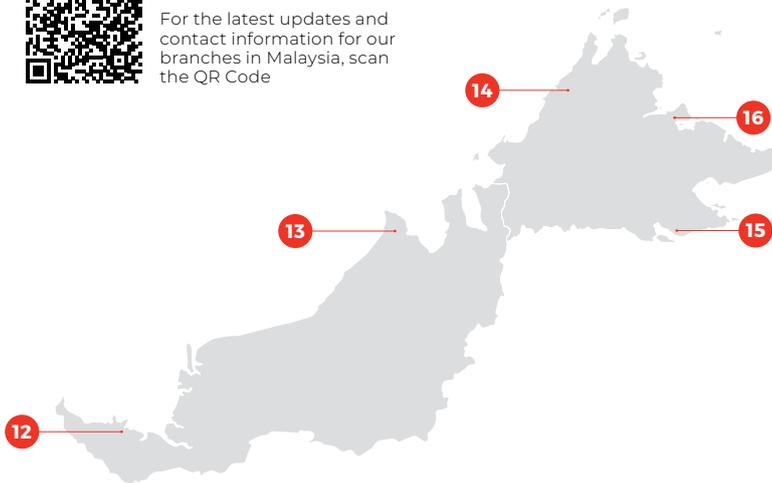
### 8 Kluang

No. 53, 1<sup>st</sup> & 2<sup>nd</sup> Floor,  
Jalan Rambutan,  
86000 Kluang,  
Johor Darul Takzim  
Phone : +607 776 5468

# List of Branches & Overseas Ventures



For the latest updates and contact information for our branches in Malaysia, scan the QR Code



**9 Kuantan**  
A109, Ground Floor,  
Sri Dagangan,  
Jalan Tun Ismail,  
25000 Kuantan,  
Pahang Darul Makmur  
Phone : +609 513 1914  
+609 514 5259

**10 Kota Bharu**  
PT 389, Ground Floor,  
Rumah Kedai Lembah Sireh,  
15050 Kota Bharu,  
Kelantan Darul Naim  
Phone : +609 748 3986  
+609 748 4895

**11 Kuala Terengganu**  
No. 888C, Lot 3886, Tingkat 1,  
Jalan Sultan Sulaiman,  
20000 Kuala Terengganu,  
Terengganu Darul Iman  
Phone : +609 622 9828  
+609 622 4828

**12 Kuching**  
Lot 579, Ground Floor & 1<sup>st</sup> Floor,  
Section 10, Kuching Town Land  
District,  
Jalan Tun Ahmad Zaidi Aduce,  
93400 Kuching,  
Sarawak  
Phone : +6082 241 266  
+6082 417 343  
Fax : +6082 256 045

**13 Miri**  
Lot 788, 1<sup>st</sup> Floor,  
Jalan Bintang Jaya 4,  
Bintang Jaya Commercial  
Centre,  
98000 Miri,  
Sarawak  
Phone : +6085 424 243  
+6085 422 344  
Fax : +085 438 904

**14 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

**15 Tawau**  
1<sup>st</sup> Floor, Lot A7,  
Pusat Komersil BDC (1Arena),  
Jalan Chong Thien Yun,  
91000 Tawau,  
Sabah  
Phone : +6089 763 177  
+6089 763 178  
Fax : +6089 763 179

**16 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,  
14<sup>th</sup> 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 : **customer@tuneprotect.com**

Website :  
**https://online.tuneprotect.co.th/th/home**  
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 :  
**https://www.tuneprotect.com/emeia/uae**

**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 2024 to 31 December 2024 with reference to the GRI Standards.

**GRI 1 used** GRI 1: Foundation 2021

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		• Kuala Lumpur, Malaysia or Corporate Information	8
		• List of Branches and Overseas Ventures	336 - 337
2-2	Entities included in the organisation'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	<i>Restatements of data have been indicated accordingly in context where necessary</i>	
2-5	External assurance	• Reporting Framework	3
2-6	Activities, value chain and other business relationships	• Who We Are	6
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2-17	Collective knowledge of the highest governance body	• Sustainability Statement: Sustainability Governance	50
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		• Top Risks and How We Manage Them	28 - 29
		• Statement on Risk Management and Internal Control: Internal Control	160 - 161
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• Statement on Risk Management & Internal Control: Whistleblowing Policy and Procedures	161		
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201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>Financial Highlights</li> <li>Sustainability Statement: Responsible Business Practices</li> </ul> 12 - 13 75 - 76
201-2	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> <li>Top Risks &amp; How We Manage Them</li> <li>Sustainability Statement: Climate Change - Strategy</li> <li>Sustainability Statement: Climate Change - Risk Management</li> </ul> 28 - 29 82 - 86 86 - 88
<b>GRI 202: Market Presence 2016</b>		
202-2	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> <li>Profiles of the Executive Committee</li> </ul> 128 - 132
<b>GRI 203: Indirect Economic Impacts 2016</b>		
203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> <li>Management Discussion &amp; Analysis</li> <li>Sustainability Statement: Responsible Business Practices</li> <li>Sustainability Statement: Corporate Good and Community Investments</li> </ul> 40 - 47 75 - 76 111 - 117
203-2	Significant indirect economic impacts	<ul style="list-style-type: none"> <li>Sustainability Statement: Responsible Business Practices</li> <li>Sustainability Statement: Corporate Good and Community Investments</li> </ul> 75 - 76 111 - 117
<b>GRI 204: Procurement Practices 2016</b>		
204-1	Proportion of spending on local suppliers	<ul style="list-style-type: none"> <li>Sustainability Statement: Local Procurement</li> </ul> 75
<b>GRI 205: Anti-corruption 2016</b>		
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<b>GRI 207: General Disclosures 2021 (CONT'D.)</b>		
207-1	Approach to tax	<ul style="list-style-type: none"> <li>Notes to the Financial Statements: 2.3(n) Summary of Material Accounting Policies - Income tax</li> <li>Notes to the Financial Statements: 26 Taxation</li> </ul> 221 279 - 280
207-2	Tax governance, control, and risk management	<ul style="list-style-type: none"> <li>Notes to the Financial Statements: 2.3(n) Summary of Material Accounting Policies - Income tax</li> <li>Notes to the Financial Statements: 26 Taxation</li> </ul> 221 279 - 280
<b>GRI 301: Materials 2016</b>		
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303-5	Water consumption	· Sustainability Statement: Water Consumption	94
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305-1	Direct (Scope 1) GHG emissions	· Sustainability Statement: Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	91
305-2	Energy indirect (Scope 2) GHG emissions	· Sustainability Statement: Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	91
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305-4	GHG emissions intensity	· Sustainability Statement: Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	91
305-5	Reduction of GHG emissions	· Sustainability Statement: Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	91
<b>GRI 306: Waste 2020</b>			
306-4	Waste diverted from disposal	· Sustainability Statement: Waste Management	91
<b>GRI 401: Employment 2016</b>			
401-1	New employee hires and employee turnover	· Sustainability Statement: Employee Performance Data	100
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	101
401-3	Parental leave	· Sustainability Statement: Inclusive Work Arrangements and Benefits	102
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403-4	Worker participation, consultation, and communication on occupational health and safety	· Sustainability Statement: Occupational Health and Safety 108 - 110
403-5	Worker training on occupational health and safety	· Sustainability Statement: Occupational Health and Safety 108 - 110
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404-1	Average hours of training per year per employee	· Sustainability Statement: Training and Development 105
404-2	Programs for upgrading employee skills and transition assistance programs	· Sustainability Statement: Training and Development 103 - 105
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
405-1	Diversity of governance bodies and employees	· Profile of Directors · Profiles of the Executive Committee · Sustainability Statement: Diversity, Inclusion and Equal Opportunities 120 - 125 128 - 132 97 - 100
<b>GRI 406: Non-discrimination 2016</b>		
406-1	Incidents of discrimination and corrective actions taken	· Sustainability Statement: Upholding Human Rights and Ethical Conduct <i>There were no recorded reports of discrimination in the year under review</i> 59
<b>GRI 413: Local Communities 2016</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	· Sustainability Statement: Corporate Good and Community Investments 111 - 117
<b>GRI 418: Customer Privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<i>There were no substantiated complaints concerning breaches of customer privacy and losses of customer data.</i>

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the Fourteenth Annual General Meeting (“AGM”) of Tune Protect Group Berhad will be held at The Vertical, Connexion Conference & Event Centre, Summit 1 Ballroom (Level M1), Bangsar South City, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan on Tuesday, 24 June 2025 at 10.00 a.m. to transact the following businesses:

## AGENDA

### AS ORDINARY BUSINESS

- |   |                     |
|---|---------------------|
| 1. To receive the Audited Financial Statements for the year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.<br><b>Please refer to Explanatory Note A.</b>   |                     |
| 2. To re-elect Ms Aireen Omar who retires by rotation pursuant to Article 122 of the Company’s Constitution and who, being eligible, has offered herself for re-election.<br><b>Please refer to Explanatory Note B.</b>   | <b>Resolution 1</b> |
| 3. To re-elect Mr Ariff bin Rozhan who retires by rotation pursuant to Article 127 of the Company’s Constitution and who, being eligible, has offered himself for re-election.<br><b>Please refer to Explanatory Note B.</b>  | <b>Resolution 2</b> |
| 4. To re-elect Mr Jayakumar A/L Somasundram who retires by rotation pursuant to Article 127 of the Company’s Constitution and who, being eligible, has offered himself for re-election.<br><b>Please refer to Explanatory Note B.</b>   | <b>Resolution 3</b> |
| 5. To re-elect Ms Gan Mei Mei who retires by rotation pursuant to Article 127 of the Company’s Constitution and who, being eligible, has offered herself for re-election.<br><b>Please refer to Explanatory Note B.</b>   | <b>Resolution 4</b> |
| 6. To approve the payment of Directors’ fees of up to RM1,217,000 for the period from the conclusion of the Fourteenth AGM until the conclusion of the next AGM of the Company to be held in 2026.<br><b>Please refer to Explanatory Note C.</b>  | <b>Resolution 5</b> |
| 7. 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, for the period from the conclusion of the Fourteenth AGM until the conclusion of the next AGM of the Company to be held in 2026.<br><b>Please refer to Explanatory Note D.</b> | <b>Resolution 6</b> |
| 8. To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company for the ensuing financial year ending 31 December 2025 and to authorise the Directors to fix their remuneration.  | <b>Resolution 7</b> |

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# Notice of Annual General Meeting

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following resolutions:

9. **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;

**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."

**Resolution 8**

**Please refer to Explanatory Note E.**

10. **ORDINARY RESOLUTION  
PROPOSED 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 2025 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.

# Notice of Annual General Meeting

**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.”

**Please refer to Explanatory Note F.**

**Resolution 9**

## 11. **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;

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# Notice of Annual General Meeting

**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;

**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."

**Please refer to Explanatory Note G.**

**Resolution 10**

## 12. **ORDINARY RESOLUTION PROPOSED AUTHORITY TO ALLOT SHARES TO THE GROUP CHIEF EXECUTIVE OFFICER ("GROUP CEO") OF THE COMPANY**

**"THAT** the Directors be and are hereby authorised to allot up to 643,394 ordinary shares of the Company to Mr How Kim Lian, the Group CEO of the Company pursuant to the exercise of options offered to him under the Long Term Incentive Plan ("LTIP") of the Company from time to time and subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws."

**Please refer to Explanatory Note H.**

**Resolution 11**

# Notice of Annual General Meeting

13. 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 2025

**Notes:**

Appointment of proxy

- 1) 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).
- 2) 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.
- 3) 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.
- 4) 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.
- 5) 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 Fourteenth AGM for further information on proxy form submission. All proxy forms submitted must be received by the Company by Sunday, 22 June 2025 at 10.00 a.m., being not less than forty-eight (48) hours before the time set for holding the AGM.

Others

- 6) In respect of deposited securities, only a depositor whose name appears on the Record of Depositors as at Tuesday, 17 June 2025 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.
- 7) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all voting on the resolutions set out in this Notice will be by way of poll.

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# 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 - Ordinary Resolutions 1 to 4 on Re-election of Directors**

Ms Aireen Omar who retires in accordance with Article 122 of the Constitution, together with Mr Ariff bin Rozhan, Mr Jayakumar A/L Somasundram and Ms Gan Mei Mei who retire in accordance with Article 127 of the Constitution (collectively referred to as "Retiring Directors"), being eligible, have offered themselves for re-election.

For the purpose of determining the eligibility of the Retiring Directors to stand for re-election at the Fourteenth AGM and in line with Practice 5.1 of the MCCG, the Nomination Committee ("NC") has reviewed and assessed each of the Retiring Directors from the annual assessment and evaluation of the Board, Board Committees, Independent Directors and individual Directors for FY2024.

The NC had recommended that, the Retiring Directors to be re-elected based on the following:-

- (i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
- (ii) met the fit and proper criteria in discharging their roles as directors of the Company;
- (iii) level of independence demonstrated by the independent directors; and
- (iv) their ability to act in the best interest of the Company in decision-making.

The Board had endorsed the recommendation of the NC on the above re-election.

The profiles of the Retiring Directors are stated on pages 122 to 125 of the Integrated Annual Report 2024 of the Company.

# Notice of Annual General Meeting

## Note C – Ordinary Resolution 5 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 Fourteenth 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 D – Proposed Ordinary Resolution 6 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.

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# Notice of Annual General Meeting

## **Note E - Ordinary Resolution 8 on the Authority for Directors to Allot Shares**

The proposed Ordinary Resolution 8, 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.

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 19 June 2024, which will lapse at the conclusion of the Fourteenth AGM. The general mandate sought at the Fourteenth 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 F - Ordinary Resolution 9 on the RRPTs of a Revenue or Trading Nature**

The proposed Ordinary Resolution 9, 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 2025 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 G - Ordinary Resolution 10 on the Proposed Renewal of Share Buy-Back Authority**

The proposed Ordinary Resolution 10, 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 2025, which is despatched together with the Integrated Annual Report 2024, for further information.

## **Note H - Ordinary Resolution 11 on the Authority to Issue Shares to GCEO**

The proposed Ordinary Resolution 11 is to seek authority for the Directors to allot new shares in the Company under the LTIP to Mr How Kim Lian, the GCEO of the Company. The LTIP, which came into effect on 30 September 2022, was established for the grant of Options to eligible employees of our Group to subscribe for new shares, not exceeding in aggregate 10% of the enlarged issued and paid-up share capital of our Company during the subsistence of the LTIP.

# Notice of Annual General Meeting

## 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.

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# 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 Fourteenth Annual General Meeting ("AGM") of the Company to be held at The Vertical, Connexion Conference & Event Centre, Summit 1 Ballroom (Level M1), Bangsar South City, No 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan on Tuesday, 24 June 2025 at 10.00 a.m. or any adjournment thereof.

NO.	RESOLUTIONS	FOR	AGAINST
-	To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.		Not applicable
Ordinary Resolution 1	To re-elect Ms Aireen Omar as Director.		
Ordinary Resolution 2	To re-elect Mr Ariff bin Rozhan as Director.		
Ordinary Resolution 3	To re-elect Mr Jayakumar A/L Somasundram as Director.		
Ordinary Resolution 4	To re-elect Ms Gan Mei Mei as Director.		
Ordinary Resolution 5	To approve the payment of Directors' fees.		
Ordinary Resolution 6	To approve the Directors' benefits payable.		
Ordinary Resolution 7	To approve the re-appointment of Ernst & Young PLT as Auditor and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 8	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 9	To authorise the renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.		
Ordinary Resolution 10	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.		
Ordinary Resolution 11	To authorise the issuance of shares to GCEO		

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 \_\_\_\_\_ 2025

Signature/Seal of Shareholder

**Notes:**

Appointment of proxy

- 1) 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).
- 2) 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.
- 3) 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.
- 4) 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.
- 5) 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 Fourteenth AGM for further information on proxy form submission. All proxy forms submitted must be received by the Company by Sunday, 22 June 2025 at 10.00 a.m., being not less than forty-eight (48) hours before the time set for holding the AGM.

Others

- 6) In respect of deposited securities, only a depositor whose name appears on the Record of Depositors as at Tuesday, 17 June 2025 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.
- 7) 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.

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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

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**TUNE PROTECT GROUP BERHAD**

[Registration No. 201101020320 (948454-K)]

Level 9, Wisma Capital A,  
No. 19, Lorong Dungun,  
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50490 Kuala Lumpur,  
Wilayah Persekutuan, Malaysia

**[tuneprotect.com](http://tuneprotect.com)**