

Company No.
198201011878 (91603-K)

THE PACIFIC INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024

Company No.
198201011878 (91603-K)

THE PACIFIC INSURANCE BERHAD
(Incorporated in Malaysia)

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THE PACIFIC INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	<u>30.06.2024</u>		<u>31.12.2023</u>	
		Group RM	Company RM	Group RM	Company RM
ASSETS					
Property and equipment		43,158,426	43,158,426	43,716,015	43,716,015
Investment properties	12	19,690,000	19,690,000	19,690,000	19,690,000
Intangible assets	13	46,599,703	46,599,703	46,919,975	46,919,975
Investments:					
Fair value through profit or loss financial assets	14	501,143,861	516,109,468	447,856,553	465,468,353
Amortised cost	14	284,870,702	284,870,702	295,988,827	295,988,827
Insurance contract assets	15	82,776	82,776	9,512,141	9,512,141
Reinsurance contract assets	15	526,925,449	526,925,449	550,723,049	550,723,049
Right-of-use assets		3,062,890	3,062,890	3,560,366	3,560,366
Loans		270,092	270,092	270,261	270,261
Tax recoverable		10,001,055	10,001,055	10,001,055	10,001,055
Other receivables		47,384,107	47,384,107	44,768,148	44,768,148
Cash and cash equivalents		187,389,998	166,782,416	182,831,879	164,746,385
Total assets		1,670,579,059	1,664,937,084	1,655,838,269	1,655,364,575
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital		219,875,038	219,875,038	219,875,038	219,875,038
Capital reserve		1,703,625	1,703,625	1,703,625	1,703,625
Revaluation reserves		5,183,306	5,183,306	5,183,306	5,183,306
Retained profits		274,336,185	274,313,028	263,628,034	263,648,881
Total equity		501,098,154	501,074,997	490,390,003	490,410,850
Liabilities					
Insurance contract liabilities	15	1,066,603,994	1,066,603,994	1,056,587,875	1,056,587,875
Reinsurance contract liabilities	15	18,691,876	18,691,876	29,455,610	29,455,610
Subordinated loans		38,913,119	38,913,119	37,871,749	37,871,749
Deferred tax liabilities		12,206,439	12,206,439	10,030,834	10,030,834
Lease liabilities		3,123,274	3,123,274	3,614,783	3,614,783
Other payables		29,942,203	24,323,385	27,887,415	27,392,874
Total liabilities		1,169,480,905	1,163,862,087	1,165,448,266	1,164,953,725
Total equity and liabilities		1,670,579,059	1,664,937,084	1,655,838,269	1,655,364,575

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

Company No.
198201011878 (91603-K)

THE PACIFIC INSURANCE BERHAD
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UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	Note	6 months period ended 30.6.2024		6 months period ended 30.6.2023	
		Group RM	Company RM	Group RM	Company RM
Insurance revenue	15	485,964,878	485,964,878	419,026,076	419,026,076
Insurance service expenses	15	(284,410,522)	(284,410,522)	(299,467,632)	(299,467,632)
Insurance service result before reinsurance contracts held		<u>201,554,356</u>	<u>201,554,356</u>	<u>119,558,444</u>	<u>119,558,444</u>
Allocation of reinsurance premiums		(271,487,197)	(271,487,197)	(196,794,181)	(196,794,181)
Amounts recoverable from reinsurers for incurred claims		<u>82,641,755</u>	<u>82,641,755</u>	<u>96,269,372</u>	<u>96,269,372</u>
Net expense from reinsurance contracts held		<u>(188,845,442)</u>	<u>(188,845,442)</u>	<u>(100,524,809)</u>	<u>(100,524,809)</u>
Insurance service result		<u>12,708,914</u>	<u>12,708,914</u>	<u>19,033,635</u>	<u>19,033,635</u>
Investment income		16,078,381	15,381,737	29,896,590	29,793,896
Net fair value losses		251,299	474,553	(8,447,052)	(9,211,914)
Total investment income		<u>16,329,680</u>	<u>15,856,290</u>	<u>21,449,538</u>	<u>20,581,982</u>
Insurance finance expenses for insurance contracts issued		(13,055,642)	(13,055,642)	(13,210,916)	(13,210,916)
Reinsurance finance income for reinsurance contracts held		<u>6,768,132</u>	<u>6,768,132</u>	<u>7,465,981</u>	<u>7,465,981</u>
Net insurance financial result		<u>(6,287,510)</u>	<u>(6,287,510)</u>	<u>(5,744,935)</u>	<u>(5,744,935)</u>
Other operating income		630,751	630,751	1,972,583	1,972,583
Other operating expenses		(9,414,651)	(8,985,265)	(7,607,637)	(7,224,085)
Other finance costs		(1,091,417)	(1,091,417)	(976,376)	(976,376)
Total other income and expenses		<u>(9,875,317)</u>	<u>(9,445,931)</u>	<u>(6,611,430)</u>	<u>(6,227,878)</u>
Profit before taxation		<u>12,875,767</u>	<u>12,831,763</u>	<u>28,126,808</u>	<u>27,642,804</u>
Taxation		(2,167,616)	(2,167,616)	(5,577,877)	(5,577,877)
Net profit for the period		<u>10,708,151</u>	<u>10,664,147</u>	<u>22,548,931</u>	<u>22,064,927</u>
Net profit and total comprehensive income for the period		<u>10,708,151</u>	<u>10,664,147</u>	<u>22,548,931</u>	<u>22,064,927</u>
Net profit and total comprehensive income for the period attributable to:					
Owner of the Company		10,699,020	10,664,147	22,536,038	22,064,927
Unitholders		9,131	-	12,893	-
		<u>10,708,151</u>	<u>10,664,147</u>	<u>22,548,931</u>	<u>22,064,927</u>
Earnings per share attributable to owner of the Company (sen) basic		<u>4.9</u>	<u>4.9</u>	<u>10.2</u>	<u>10.0</u>

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UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	6 months period ended 30.6.2024		6 months period ended 30.6.2023	
	<u>Group</u> RM	<u>Company</u> RM	<u>Group</u> RM	<u>Company</u> RM
Net profit for the financial period	10,708,151	10,664,147	22,548,931	22,064,927
Other comprehensive income:				
<u>Items that will not be reclassified to comprehensive income</u>				
Revaluation reserve				
- Surplus arising during the financial period	-	-	5,183,306	5,183,306
Total other comprehensive income for the financial period	<u>10,708,151</u>	<u>10,664,147</u>	<u>27,732,237</u>	<u>27,248,233</u>
Total other comprehensive income attributable:				
- Owner of the Company	10,699,020	10,664,147	27,719,344	27,248,233
- Unitholders	9,131	-	12,893	-
	<u>10,708,151</u>	<u>10,664,147</u>	<u>27,732,237</u>	<u>27,248,233</u>

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Company No.
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THE PACIFIC INSURANCE BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	Attributable to owners of the Company				Total equity RM
	Share capital RM	Capital reserve RM	Revaluation reserves RM	Retained earnings RM	
Group					
At 1 January 2023	219,875,038	1,703,625	-	232,745,811	454,324,474
Net profit for the financial period	-	-	-	22,548,931	22,548,931
Other comprehensive income for the financial period	-	-	5,183,306	-	5,183,306
At 30 June 2023	<u>219,875,038</u>	<u>1,703,625</u>	<u>5,183,306</u>	<u>255,294,742</u>	<u>482,056,711</u>
At 1 January 2024	219,875,038	1,703,625	5,183,306	263,628,034	490,390,003
Net profit for the financial period	-	-	-	10,708,151	10,708,151
At 30 June 2024	<u>219,875,038</u>	<u>1,703,625</u>	<u>5,183,306</u>	<u>274,336,185</u>	<u>501,098,154</u>

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THE PACIFIC INSURANCE BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	<u>Non-distributable</u>			<u>Distributable</u>	<u>Total equity</u> RM
	<u>Share capital</u> RM	<u>Capital reserve</u> RM	<u>Revaluation reserves</u> RM	<u>Retained earnings</u> RM	
<u>Company</u>					
At 1 January 2023	219,875,038	1,703,625	-	232,745,811	454,324,474
Net profit for the financial period	-	-	-	22,064,927	22,064,927
Other comprehensive income for the financial period	-	-	5,183,306	-	5,183,306
At 30 June 2023	<u>219,875,038</u>	<u>1,703,625</u>	<u>5,183,306</u>	<u>254,810,738</u>	<u>481,572,707</u>
At 1 January 2024	219,875,038	1,703,625	5,183,306	263,648,881	490,410,850
Net profit for the financial period	-	-	-	10,664,147	10,664,147
At 30 June 2024	<u>219,875,038</u>	<u>1,703,625</u>	<u>5,183,306</u>	<u>274,313,028</u>	<u>501,074,997</u>

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THE PACIFIC INSURANCE BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	6 months period ended 30.6.2024		6 months period ended 30.6.2023	
	<u>Group</u> RM	<u>Company</u> RM	<u>Group</u> RM	<u>Company</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	12,875,767	12,831,763	28,126,808	27,642,804
Adjustments for:				
Depreciation of property and equipment	1,087,726	1,087,726	1,043,681	1,043,681
Loss/(gain) on disposal of property and equipment	1,878	1,878	(588)	(588)
Property and equipment written-off	-	-	613	613
Finance cost on subordinated loans	1,041,370	1,041,370	914,313	914,313
Finance cost on lease liability	50,047	50,047	62,063	62,063
Change in fair value of FVTPL financial assets	(190,702)	34,513	(11,371,852)	(12,471,896)
Foreign currency translation differences	(609,013)	(609,013)	(1,973,614)	(1,973,614)
Depreciation of investment properties	-	-	61,869	61,869
Change in fair value of investment properties	-	-	(4,066,833)	(4,066,833)
Amortisation of intangible assets	354,318	354,318	338,317	338,317
Depreciation of right-of-use assets	966,681	966,681	1,110,975	1,110,975
Net loss/(gain) on disposal of FVTPL financial assets	223,256	474,553	8,447,055	(9,212,502)
Investment income	(15,276,661)	(10,123,613)	(12,480,334)	(12,884,478)
Loss/(profit) from operations before changes in operating assets and liabilities	524,667	6,110,223	10,212,473	(9,435,276)
Changes in working capital:				
Purchase of investments	(333,353,949)	(226,308,976)	(408,983,311)	(367,182,772)
Proceeds from disposal/ maturity of investments	290,943,122	186,528,519	293,042,095	250,658,362
Decrease in loans and receivables	169	169	12,036	12,036
Net increase in insurance and reinsurance contracts	32,479,350	32,479,350	63,346,589	63,346,589
(Increase)/decrease in other receivables	(2,317,448)	(2,317,448)	166,994	166,994

THE PACIFIC INSURANCE BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	6 months period ended 30.6.2024		6 months period ended 30.6.2023	
	<u>Group</u> RM	<u>Company</u> RM	<u>Group</u> RM	<u>Company</u> RM
Increase/(decrease) in other payables	2,053,648	(3,061,498)	9,742,703	4,573,047
Net decrease in working capital	(9,670,441)	(6,569,661)	(32,460,421)	(57,861,020)
Investment income received	15,796,253	10,182,516	10,198,917	11,360,918
Interest paid on lease liabilities	(50,047)	(50,047)	(62,063)	(62,063)
Income tax paid	-	-	(1,429,874)	(1,429,874)
Net cash generated from/ (used in) operating activities	6,075,765	3,562,808	(23,753,441)	(47,992,039)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property and equipment	(532,015)	(532,015)	(259,047)	(259,047)
Purchase of intangible assets	(34,047)	(34,047)	(12,965)	(12,965)
Proceeds from disposal of property and equipment	-	-	588	588
Distribution to unitholders	9,131	-	12,893	-
Net cash used in investing activities	(556,931)	(566,062)	(258,531)	(271,424)
CASH FLOWS FROM FINANCING ACTIVITY				
Repayment of lease liabilities	(960,715)	(960,715)	(1,106,696)	(1,106,696)
Net cash used in financing activity	(960,715)	(960,715)	(1,106,696)	(1,106,696)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,558,119	2,036,031	(25,118,668)	(49,370,159)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	182,831,879	164,746,385	257,485,457	247,083,763
CASH AND CASH EQUIVALENTS AT END OF PERIOD	187,389,998	166,782,416	232,366,789	197,713,604

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UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024

	6 months period ended 30.6.2024		6 months period ended 30.6.2023	
	<u>Group</u> RM	<u>Company</u> RM	<u>Group</u> RM	<u>Company</u> RM
Cash and cash equivalents comprise:				
Fixed and call deposits with licensed financial institutions	172,245,905	151,740,836	193,414,351	158,863,679
Cash and cash equivalents	15,144,093	15,041,580	38,952,438	38,849,925
	<u>187,389,998</u>	<u>166,782,416</u>	<u>232,366,789</u>	<u>197,713,604</u>

Reconciliation of liabilities arising from financing activities

	2024		2023	
	Principal RM	Interest payable RM	Principal RM	Interest payable RM
<u>Group and Company</u>				
Subordinated loans				
At 1 January	30,000,000	7,871,749	24,337,504	11,561,302
Interest conversion to principal	-	-	5,662,496	(5,662,496)
Interest charge	-	1,041,370	-	914,313
At 30 June	<u>30,000,000</u>	<u>8,913,119</u>	<u>30,000,000</u>	<u>6,813,119</u>

	2024 RM	2023 RM
Lease liabilities		
At 1 January	3,614,783	4,300,423
Cash flows	(1,010,762)	(2,190,625)
Interest charge	50,047	122,175
Lease additions	458,300	1,373,315
Change in consideration	10,906	9,495
At 30 June	<u>3,123,274</u>	<u>3,614,783</u>

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

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The principal activity of the Company consists of the underwriting of general insurance business. There has been no significant change in the nature of the principal activity of the Company during the financial period.

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The principal place of business of the Company is located at Level 40-1, Q Sentral, 2A Jalan Stesen Sentral 2, Kuala Lumpur, 50470 Kuala Lumpur.

The Company is a subsidiary of Fairfax Asia Limited, a company incorporated under the Barbados Companies Act and licensed under the International Business Companies Act, Cap 77. The ultimate holding company is Fairfax Financial Holdings Limited, a company incorporated in Canada.

2. BASIS OF PREPARATION

The unaudited condensed interim financial statements of the Group and the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 - *Interim Financial Reporting* as issued by Malaysian Accounting Standard Board ("MASB") and International Accounting Standard ("IAS") 34 - *Interim Financial Reporting* as issued by the International Accounting Standard Board ("IASB").

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

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation applied in the preparation of the unaudited condensed interim financial statements are consistent with those adopted in the preparation of the Group's and the Company's audited financial statements for the financial year ended 31 December 2023, except for the following standards:

MFRS, Interpretations and Amendments	Effective date
• Amendments to MFRS 16, <i>Leases – Lease Liability in a Sale and Leaseback</i>	1 January 2024
• Amendments to MFRS 101, <i>Presentation of Financial Statements – Non-current Liabilities with Covenants</i>	1 January 2024
• Amendment to MFRS 9 and MFRS 7 - <i>Classification and Measurement of Financial Instruments</i>	1 January 2027
• MFRS 18, <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027

The management expects that the adoption of the above amended standards issued by MASB do not have any material impact to the unaudited condensed interim financial statements.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

4. SEASONAL OR CYCLICAL FACTORS

The principal business operations of the Group and the Company were not significantly affected by seasonal or cyclical factors.

5. UNUSUAL ITEMS

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

6. CHANGES IN ESTIMATES

There were no changes in the basis used for accounting estimates for the current financial period ended 30 June 2024.

7. ISSUANCE, CANCELLATIONS, REPURCHASES, RESALE, AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale, or repayment of debt and equity securities by the Group and the Company during the current financial period ended 30 June 2024.

8. DIVIDENDS PAID

No interim dividend was paid during the current financial period ended 30 June 2024.

9. MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the end of the current financial period that have not been reported in the interim financial statements for the current financial period ended 30 June 2024.

10. EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP AND THE COMPANY

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

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. CONTINGENT LIABILITIES

In August 2016, Malaysia Competition Commission ("MyCC") had commenced investigation under Section 15(1) of the Competition Act 2010 ("the Act") against the General Insurance Association of Malaysia ("PIAM") and its 22 member companies with regards to an alleged infringement of Section 4(2)(a) of the Act in relation to an agreement to fix parts trade discount and labour rates for 6 vehicle makes. On 22 February 2017, MyCC issued a Proposed Decision to all 22 member companies, proposing to impose collective penalty of RM213.5 million on the general insurance industry. As an 'industry collective action', the Company together with PIAM, submitted written representation and made oral representation to MyCC on 25 April 2017 and 29 January 2018 respectively to defend the allegation.

Due to the changes of Chairman of MyCC and new members being added to MyCC, the new Chairman decided that there would be a re-hearing of the case. The hearing session which was set for 19 - 21 February 2019 concluded and as the dates set were not sufficient for all the insurers to submit their arguments, further hearing dates were set for May and June 2019.

On 25 September 2020, the Company's solicitors received the final decision ("Decision") that parties had infringed the prohibition under Section 4 of the Act and had imposed on each of the 22 general insurers financial penalties for the said infringement.

In view of the impact of COVID-19 pandemic, MyCC granted a reduction of 25% of the financial penalty imposed on the 22 general insurers. The financial penalty imposed on the Company, taking into account the 25% reduction, amounts to RM1,643,583.

The Company had on 14 October 2020 filed a Notice of Appeal with the Competition Appeal Tribunal ("CAT") against the Decision, pursuant to Section 51 of the Act ("Appeal"). On 27 October 2020, the Company had also filed a Stay Application with the CAT pursuant to Section 53 of the Act for the grant of a stay of the Decision in respect of the financial penalty imposed on the Company.

CAT in a letter dated 20 January 2021 informed all parties that the initial case management date for the Appeal and hearing of the Stay Application fixed for 27 January 2021 was rescheduled to 18 February 2021. Due to the extension of the Movement Control Order ("MCO"), the hearing for the Stay Application and case management for the Appeal were further rescheduled for online hearing on 25 of February 2021 and online case management on 26 February 2021, respectively. The CAT started hearing oral submissions for the Stay Application on 25 February 2021. The hearing was then continued on 26 February 2021, 5 March 2021 and 12 March 2021. The CAT has fixed 23 March 2021 for the decision on the Stay Application.

On 23 March 2021, CAT unanimously allowed the Stay Application filed and ordered that the cease and desist order as well as the financial penalty imposed be stayed pending the disposal of the appeal, with no order as to costs. Subsequently, in the case management on 30 April 2021, the CAT has fixed the hearing of the appeals by BNM on 2 July 2021 and by PIAM and insurers on 12 November 2021, 15 November 2021, 16 November 2021 and 26 November 2021. Due to the MCO, the hearing of the appeal by BNM on 2 July 2021 was rescheduled and CAT heard the submissions of BNM counsel on 15 October 2021 and 29 October 2021.

In respect of the appeal by PIAM and insurers, CAT has read and heard the opening written and oral submissions by the relevant counsels, including the Company's, on 12 November 2021, 15 November 2021, 16 November 2021, 19 November 2021 and 26 of November 2021. The next scheduled hearing dates have been fixed by CAT on 17 March 2022 and 21 March 2022 for the hearing of reply submissions from counsel for MyCC and the hearing of rebuttal submissions from counsels for PIAM and insurers on 24 March 2022, 6 April 2022, 7 April 2022 and 21 April 2022.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

11. CONTINGENT LIABILITIES (CONTINUED)

Having completed the hearing from counsel for MyCC and counsels for PIAM and insurers, the CAT reserved its decision.

On 2 February 2022, the CAT unanimously allowed the appeals filed by PIAM and the insurers and the MyCC's entire final decision dated 14 September 2020 was set aside. However, the Company was informed by its counsels on 6 September 2022 that the MyCC had filed an ex-parte application to the High Court for leave to commence judicial review proceedings against the CAT's decision. In view thereof, the Company has instructed its counsels to seek leave from the court to intervene in MyCC ex-parte application and be heard as putative respondents to argue against the granting of leave to MyCC. The hearing date of the MyCC ex parte leave application has now been rescheduled from 10 January 2023 to 8 May 2023.

On 8 May 2023, the High Court ("HC") (i) gave further direction on (a) the filing of parties' affidavits and affidavits in reply, and (b) exchanges of parties' written submissions in chief and written submissions in reply, as the case may be; and (ii) set various dates for (a) the filings to commence on/before 22 May 2023 and (b) the exchanges to complete on/before 1 September 2023. The HC also set further case management on 16 May 2023 before the Deputy Registrar to set a hearing date for MyCC's leave application.

The High Court has now fixed the hearing of MyCC's leave application on 30 November 2023.

On 30 November 2023, the HC heard detailed submissions of the parties in relation to MyCC's leave application and the learned judge reserved his decision till 16 January 2024. On 16 January 2024, the learned HC judge dismissed MyCC's Leave Application with costs of RM10,000.00 per Putative Respondent, including TPIB.

Dissatisfied with the HC decision, the MYCC, on 15 February 2024, filed a Notice of Appeal to the Court of Appeal (COA). The COA has fixed the first case management for MyCC's appeal on 15 May 2024.

Following the case management on 15 May 2024, the COA fixed a case management on 8 May 2025 to monitor preparation for the hearing of MYCC's appeal which has been fixed for a physical hearing before the COA on 22 May 2025.

The Management of the Company believes that the criteria to disclose the above as a contingent liability is met. Saved as disclosed above, the Company does not have any other contingent assets and liabilities since the last annual balance sheet date.

THE PACIFIC INSURANCE BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INVESTMENT PROPERTIES

<u>Group/Company</u>	As at 30.6.2024 RM	As at 31.12.2023 RM
<u>Cost</u>		
At 1 January	19,690,000	18,496,596
Revaluation surplus	-	1,193,404
At 30 June/31 December	<u>19,690,000</u>	<u>19,690,000</u>
<u>Accumulated depreciation</u>		
At 1 January	-	2,811,560
Charge for the period	-	61,869
Change in fair value adjustment	-	(2,873,429)
At 30 June/31 December	<u>-</u>	<u>-</u>
Net book value	<u>19,690,000</u>	<u>19,690,000</u>
Fair value	<u>19,690,000</u>	<u>19,690,000</u>

The fair value of the properties are estimated at RM19,690,000 based on valuations performed by an independent professionally qualified valuer. The fair value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The fair value of investment properties are categorised at Level 3 of the fair value hierarchy. Fair value of the investment properties are measured in whole by reference to inputs other than the quoted price included within Level 1 that are observable for the investment properties, either directly or indirectly. The investment properties are valued using the Comparison Method.

There were no transfers between Level 1, 2 and 3 fair value measurements during the interim period.

As at 30 June 2024, the two commercial investment properties held by the Company are leased to third parties.

THE PACIFIC INSURANCE BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

13. INTANGIBLE ASSETS

<u>Group/Company</u>	<u>Goodwill</u> RM	<u>Computer Software and Licence</u> RM	<u>Total</u> RM
<u>30.6.2024</u>			
<u>Cost</u>			
At 1 January 2024	40,103,501	11,645,028	51,748,529
Additions	-	34,047	34,047
Disposal	-	(4,110)	(4,110)
At 30 June 2024	<u>40,103,501</u>	<u>11,674,965</u>	<u>51,778,466</u>
<u>Accumulated Amortisation</u>			
At 1 January 2024	-	4,828,554	4,828,554
Charge for the period	-	354,319	354,319
Reclassification	-	(4,110)	(4,110)
Disposal	-	-	-
At 30 June 2024	<u>-</u>	<u>5,178,763</u>	<u>5,178,763</u>
Net book value	<u>40,103,501</u>	<u>6,496,202</u>	<u>46,599,703</u>
<u>Group/Company</u>			
<u>31.12.2023</u>			
<u>Cost</u>			
At 1 January 2023	40,103,501	11,371,463	51,474,964
Additions	-	267,204	267,204
Reclassification from property and equipment	-	6,361	6,361
At 31 December 2023	<u>40,103,501</u>	<u>11,645,028</u>	<u>51,748,529</u>
<u>Accumulated Amortisation</u>			
At 1 January 2023	-	4,146,501	4,146,501
Charge for the financial year	-	682,053	682,053
At 31 December 2023	<u>-</u>	<u>4,828,554</u>	<u>4,828,554</u>
Net book value	<u>40,103,501</u>	<u>6,816,474</u>	<u>46,919,975</u>

THE PACIFIC INSURANCE BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INVESTMENTS

	As at 30.6.2024		As at 31.12.2023	
	<u>Group</u> RM	<u>Company</u> RM	<u>Group</u> RM	<u>Company</u> RM
Malaysian Government Securities	78,321,677	-	62,346,334	-
Government Investment Issues	85,777,320	-	85,783,316	-
Corporate Bonds	148,829,291	-	161,856,556	-
Unit Trust Investments	151,446,331	479,340,225	101,201,051	428,799,057
Equity securities	36,769,242	36,769,242	36,669,296	36,669,296
Deposits with Licensed Financial Institutions	284,870,702	284,870,702	295,988,827	295,988,827
	<u>786,014,563</u>	<u>800,980,169</u>	<u>743,845,380</u>	<u>761,457,180</u>

The financial investments are summarised by categories as follows:

Fair value through profit or loss financial assets ("FVTPL")	501,143,861	516,109,467	447,856,553	465,468,353
Amortised cost ("AC")	284,870,702	284,870,702	295,988,827	295,988,827
	<u>786,014,563</u>	<u>800,980,169</u>	<u>743,845,380</u>	<u>761,457,180</u>

The following investments mature after 12 months:

FVTPL financial assets	<u>282,716,231</u>	<u>-</u>	<u>249,156,307</u>	<u>-</u>
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(a) FVTPL financial assets

Fair value

Malaysian Government Securities	78,321,677	-	62,346,334	-
Government Investment Issues	85,777,320	-	85,783,316	-
Unit Trust Investments:				
- Quoted in Malaysia	151,446,331	151,446,331	101,201,051	101,201,050
- Unquoted in Malaysia	-	327,893,894	-	327,598,007
Corporate bonds	148,829,291	-	161,856,556	-
Equity securities				
- Quoted in Malaysia	5,604,000	5,604,000	5,784,000	5,784,000
- Quoted outside Malaysia	31,165,242	31,165,242	30,885,296	30,885,296
	<u>501,143,861</u>	<u>516,109,467</u>	<u>447,856,553</u>	<u>465,468,353</u>

THE PACIFIC INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INVESTMENTS (CONTINUED)

	As at 30.6.2024		As at 31.12.2023	
	<u>Group</u> RM	<u>Company</u> RM	<u>Group</u> RM	<u>Company</u> RM
(b) AC				
<u>Amortised cost</u>				
Deposits with Commercial Banks	284,870,702	284,870,702	295,988,827	295,988,827

Deposits with Commercial Banks have interest rates which range from 2.70% to 3.83% (31.12.2023: 2.80% to 3.83%) per annum with an average maturity period of 317 days (31.12.2023: 313 days).

(c) Carrying values of financial investments

	<u>FVTPL</u> RM	<u>AC</u> RM	<u>Total</u> RM
<u>30.6.2024</u>			
<u>Group</u>			
At 1 January 2024	447,856,553	295,988,827	743,845,380
Purchases	157,111,588	176,242,361	333,353,949
Maturities	(19,099,539)	(187,003,072)	(206,102,611)
Disposals	(85,063,765)	-	(85,063,765)
Fair value gains recorded in			
Statements of Comprehensive Income	190,702	-	190,702
Currency translations differences	609,013	-	609,013
Movement in accrued interest	(46,649)	(357,414)	(404,063)
Amortisation of premiums	(414,042)	-	(414,042)
At 30 June 2024	501,143,861	284,870,702	786,014,563
<u>31.12.2023</u>			
<u>Group</u>			
At 1 January 2023	276,307,814	295,833,938	572,141,752
Purchases	328,197,725	341,897,763	670,095,488
Maturities	(27,693,500)	(343,537,078)	(371,230,578)
Disposals	(143,694,638)	-	(143,694,638)
Fair value losses recorded in			
Statements of Comprehensive Income	12,568,951	-	12,568,951
Currency translations differences	1,839,208	-	1,839,208
Movement in accrued interest	1,193,320	1,794,204	2,987,524
Amortisation of premiums	(862,327)	-	(862,327)
At 31 December 2023	447,856,553	295,988,827	743,845,380

THE PACIFIC INSURANCE BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INVESTMENTS (CONTINUED)

(c) Carrying values of financial investments (continued)

	<u>FVTPL</u> RM	<u>AC</u> RM	<u>Total</u> RM
<u>30.6.2024</u>			
<u>Company</u>			
At 1 January 2024	465,468,353	295,988,827	761,457,180
Purchases	50,066,615	176,242,361	226,308,976
Maturities	-	(187,003,072)	(187,003,072)
Fair value losses recorded in			
Statements of Comprehensive Income	(34,513)	-	(34,513)
Currency translations differences	609,012	-	609,012
Movement in accrued interest	-	(357,414)	(357,414)
At 30 June 2024	<u>516,109,467</u>	<u>284,870,702</u>	<u>800,980,169</u>
<u>31.12.2023</u>			
<u>Company</u>			
At 1 January 2023	286,237,771	295,833,938	582,071,709
Purchases	244,534,611	341,897,763	586,432,374
Maturities	-	(343,537,078)	(343,537,078)
Disposals	(80,808,300)	-	(80,808,300)
Fair value losses recorded in			
Statements of Comprehensive Income	13,665,063	-	13,665,063
Currency translations differences	1,839,208	-	1,839,208
Movement in accrued interest	-	1,794,204	1,794,204
At 31 December 2023	<u>465,468,353</u>	<u>295,988,827</u>	<u>761,457,180</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INVESTMENTS (CONTINUED)

(d) Fair values of financial investments

The following tables show financial investments recorded at fair value analysed by the different basis of fair values and valuation methods as follows:

<u>Group</u>	<u>Level 1</u> RM	<u>Level 2</u> RM
<u>30.6.2024</u>		
<u>Recurring fair value measurements</u>		
FVTPL		
- Malaysian Government Securities	-	78,321,677
- Government Investment Issues	-	85,777,320
- Corporate Bonds	-	148,829,291
- Unit Trust Investments	151,446,331	-
- Equity Securities	36,769,242	-
	<u>188,215,573</u>	<u>312,928,288</u>
<u>31.12.2023</u>		
<u>Recurring fair value measurements</u>		
FVTPL		
- Malaysian Government Securities	-	62,346,334
- Government Investment Issues	-	85,783,316
- Corporate Bonds	-	161,856,556
- Unit Trust Investments	101,201,051	-
- Equity Securities	36,669,296	-
	<u>137,870,347</u>	<u>309,986,206</u>
<u>Company</u>		
<u>30.6.2024</u>		
<u>Recurring fair value measurements</u>		
FVTPL		
- Unit Trust Investments	151,446,331	327,893,894
- Equity Securities	36,769,242	-
	<u>188,215,573</u>	<u>327,893,894</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INVESTMENTS (CONTINUED)

(d) Fair values of financial investments (continued)

	<u>Level 1</u> RM	<u>Level 2</u> RM
<u>Company (continued)</u>		
<u>31.12.2023</u>		
<u>Recurring fair value measurements</u>		
FVTPL		
- Unit Trust Investments	101,201,051	327,598,006
- Equity Securities	36,669,296	-
	<u>137,870,347</u>	<u>327,598,006</u>

Included in the quoted market price category are financial instruments that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, secondary market via dealer and broker, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis (Level 1).

Financial instruments measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are instruments for which pricing is obtained via pricing services but where prices have not been determined in an active market and instruments with fair values based on broker quotes (Level 2).

Financial instruments that are valued not based on observable market data are categorised as Level 3. There are no financial instruments categorised as Level 3.

There were no transfers between level 1 and 2 during the interim period.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INSURANCE AND REINSURANCE CONTRACTS

	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM
	<u>Loss component</u> RM	<u>Excluding loss component</u> RM	<u>Estimates of the present value of future cash flow</u> RM	<u>Risk adjustments</u> RM	
30.06.2024					
<u>Group/Company</u>					
Insurance contract liabilities as at 1 January	2,006,222	271,049,934	732,095,745	51,435,974	1,056,587,875
Insurance contract assets as at 1 January	-	(9,512,141)	-	-	(9,512,141)
	<u>2,006,222</u>	<u>261,537,793</u>	<u>732,095,745</u>	<u>51,435,974</u>	<u>1,047,075,734</u>
Insurance revenue	-	(485,964,878)	-	-	(485,964,878)
Insurance service expenses					
Incurred claims and other insurance service expenses	1,777,919	-	248,138,853	15,640,870	265,557,642
Amortisation of insurance acquisition cash flows	-	64,671,600	-	-	64,671,600
Changes to liabilities for incurred claims	-	-	(29,614,394)	(13,430,758)	(43,045,152)
Losses and reversal of losses on onerous contracts	(2,773,568)	-	-	-	(2,773,568)
	<u>(995,649)</u>	<u>64,671,600</u>	<u>218,524,459</u>	<u>2,210,112</u>	<u>284,410,522</u>
Insurance service result	(995,649)	(421,293,278)	218,524,459	2,210,112	(201,554,356)
Net finance expenses from insurance contracts	2,294,730	-	10,760,912	-	13,055,642
Total changes in the statements of comprehensive income	<u>1,299,081</u>	<u>(421,293,278)</u>	<u>229,285,371</u>	<u>2,210,112</u>	<u>(188,498,714)</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM
	<u>Loss component</u> RM	<u>Excluding loss component</u> RM	<u>Estimates of the present value of future cash flow</u> RM	<u>Risk adjustments</u> RM	
30.06.2024					
<u>Group/Company</u>					
Investment components	-	1,658,496	-	-	1,658,496
Cash flows					
Premium received	-	474,048,577	-	-	474,048,577
Claims and other insurance service expenses paid, including investment components	-	-	(201,085,083)	-	(201,085,083)
Insurance acquisition cash flows	-	(66,677,792)	-	-	(66,677,792)
Total cash flows	-	407,370,785	(201,085,083)	-	206,285,702
Insurance contract liabilities as at 30 June 2024	3,305,303	249,273,796	760,296,033	53,646,086	1,066,521,218
Insurance contract liabilities as at 30 June 2024	3,305,303	249,356,572	760,296,033	53,646,086	1,066,603,994
Insurance contract assets as at 30 June 2024	-	(82,776)	-	-	(82,776)
	3,305,303	249,273,796	760,296,033	53,646,086	1,066,521,218

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM
	<u>Loss component</u> RM	<u>Excluding loss component</u> RM	<u>Estimates of the present value of future cash flow</u> RM	<u>Risk adjustments</u> RM	
31.12.2023					
<u>Group/Company</u>					
Insurance contract liabilities as at 1 January	6,393,264	251,912,108	680,855,600	44,952,286	984,113,258
Insurance contract assets as at 1 January	-	(4,796,300)	-	-	(4,796,300)
	<u>6,393,264</u>	<u>247,115,808</u>	<u>680,855,600</u>	<u>44,952,286</u>	<u>979,316,958</u>
Insurance revenue	-	(848,503,428)	-	-	(848,503,428)
Insurance service expenses					
Incurred claims and other insurance service expenses	(4,506,398)	-	547,381,574	26,919,017	569,794,193
Amortisation of insurance acquisition cash flows	-	119,936,260	-	-	119,936,260
Changes to liabilities for incurred claims	-	-	(78,998,818)	(20,435,329)	(99,434,147)
Losses and reversal of losses on onerous contracts	(2,437,003)	-	-	-	(2,437,003)
	<u>(6,943,401)</u>	<u>119,936,260</u>	<u>468,382,756</u>	<u>6,483,688</u>	<u>587,859,303</u>
Insurance service result	(6,943,401)	(728,567,168)	468,382,756	6,483,688	(260,644,125)
Net finance expenses from insurance contracts	2,556,359	-	18,615,728	-	21,172,087
Total changes in the statements of comprehensive income	<u>(4,387,042)</u>	<u>(728,567,168)</u>	<u>486,998,484</u>	<u>6,483,688</u>	<u>(239,472,038)</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM
	<u>Loss component</u> RM	<u>Excluding loss component</u> RM	<u>Estimates of the present value of future cash flow</u> RM	<u>Risk adjustments</u> RM	
31.12.2023					
<u>Group/Company</u>					
Investment components	-	1,676,257	-	-	1,676,257
Cash flows					
Premium received	-	864,137,212	-	-	864,137,212
Claims and other insurance service expenses paid, including investment components	-	-	(435,758,339)	-	(435,758,339)
Insurance acquisition cash flows	-	(122,824,316)	-	-	(122,824,316)
Total cash flows	-	741,312,896	(435,758,339)	-	305,554,557
Insurance contract liabilities as at 31 December 2023	2,006,222	261,537,793	732,095,745	51,435,974	1,047,075,734
Insurance contract liabilities as at 31 December 2023	2,006,222	271,049,934	732,095,745	51,435,974	1,056,587,875
Insurance contract assets as at 31 December 2023	-	(9,512,141)	-	-	(9,512,141)
	2,006,222	261,537,793	732,095,745	51,435,974	1,047,075,734

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total RM
	<u>Loss component</u> RM	<u>Excluding loss component</u> RM	<u>Estimates of the present value of future cash flow</u> RM	<u>Risk adjustments</u> RM	
30.06.2024					
<u>Group/Company</u>					
Reinsurance contract assets as at 1 January	1,552,280	90,336,337	436,757,329	22,077,103	550,723,049
Reinsurance contract liabilities as at 1 January	-	(29,421,522)	(34,088)	-	(29,455,610)
	<u>1,552,280</u>	<u>60,914,815</u>	<u>436,723,241</u>	<u>22,077,103</u>	<u>521,267,439</u>
An allocation of reinsurance premiums	-	(271,487,197)	-	-	(271,487,197)
Amounts recoverable from reinsurers for incurred claims					
Actual amount recoverable for incurred claims and other expenses	1,629,021	-	125,899,418	6,729,156	134,257,595
Changes to amounts recoverable for incurred claims	-	-	(43,987,044)	(5,481,704)	(49,468,748)
Loss-recovery on onerous underlying contracts and adjustments	(1,872,395)	-	-	-	(1,872,395)
Effect of changes in non-performance risk of reinsurers	-	-	(274,697)	-	(274,697)
	<u>(243,374)</u>	<u>-</u>	<u>81,637,677</u>	<u>1,247,452</u>	<u>82,641,755</u>
Net income or expense from reinsurance contracts held	(243,374)	(271,487,197)	81,637,677	1,247,452	(188,845,442)
Reinsurance finance income	317,102	-	6,451,030	-	6,768,132
Total changes in the statements of comprehensive income	<u>73,728</u>	<u>(271,487,197)</u>	<u>88,088,707</u>	<u>1,247,452</u>	<u>(182,077,310)</u>
Cash flows:					
Premiums paid	-	241,515,837	-	-	241,515,837
Claims recovered	-	-	(72,472,393)	-	(72,472,393)
Total cash flows	<u>-</u>	<u>241,515,837</u>	<u>(72,472,393)</u>	<u>-</u>	<u>169,043,444</u>
Net reinsurance contract liabilities as at 30 June 2024	<u>1,626,008</u>	<u>30,943,455</u>	<u>452,339,555</u>	<u>23,324,555</u>	<u>508,233,573</u>
Reinsurance contract assets as at 30 June 2024	1,626,008	49,591,773	452,383,089	23,324,579	526,925,449
Reinsurance contract liabilities as at 30 June 2024	-	(18,648,318)	(43,534)	(24)	(18,691,876)
Net reinsurance contract liabilities as at 30 June 2024	<u>1,626,008</u>	<u>30,943,455</u>	<u>452,339,555</u>	<u>23,324,555</u>	<u>508,233,573</u>

Company No.
198201011878 (91603-K)

THE PACIFIC INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

	Assets for remaining coverage		Amounts recoverable on incurred claims		Total RM
	<u>Loss component</u> RM	<u>Excluding loss component</u> RM	<u>Estimates of the present value of future cash flow</u> RM	<u>Risk adjustments</u> RM	
31.12.2023					
<u>Group/Company</u>					
Reinsurance contract assets as at 1 January	21,021	40,992,523	468,288,524	22,495,564	531,797,632
Reinsurance contract liabilities as at 1 January	343,194	(20,974,239)	-	-	(20,631,045)
	<u>364,215</u>	<u>20,018,284</u>	<u>468,288,524</u>	<u>22,495,564</u>	<u>511,166,587</u>
An allocation of reinsurance premiums	-	(398,250,697)	-	-	(398,250,697)
Amounts recoverable from reinsurers for incurred claims					
Actual amount recoverable for incurred claims and other expenses	768,601	-	227,644,311	11,297,483	239,710,395
Changes to amounts recoverable for incurred claims	-	-	(62,937,065)	(11,715,944)	(74,653,009)
Loss-recovery on onerous underlying contracts and adjustments	(336,244)	-	-	-	(336,244)
Effect of changes in non-performance risk of reinsurers	-	-	(820,282)	-	(820,282)
	<u>432,357</u>	<u>-</u>	<u>163,886,964</u>	<u>(418,461)</u>	<u>163,900,860</u>
Net income or expense from reinsurance contracts held	432,357	(398,250,697)	163,886,964	(418,461)	(234,349,837)
Reinsurance finance income	755,708	-	11,892,038	-	12,647,746
Total changes in the statements of comprehensive income	<u>1,188,065</u>	<u>(398,250,697)</u>	<u>175,779,002</u>	<u>(418,461)</u>	<u>(221,702,091)</u>
Cash flows:					
Premiums paid	-	439,147,228	-	-	439,147,228
Claims recovered	-	-	(207,344,285)	-	(207,344,285)
Total cash flows	<u>-</u>	<u>439,147,228</u>	<u>(207,344,285)</u>	<u>-</u>	<u>231,802,943</u>
Net reinsurance contract liabilities as at 31 December 2023	<u>1,552,280</u>	<u>60,914,815</u>	<u>436,723,241</u>	<u>22,077,103</u>	<u>521,267,439</u>
Reinsurance contract assets as at 31 December 2023	1,552,280	90,336,337	436,757,329	22,077,103	550,723,049
Reinsurance contract liabilities as at 31 December 2023	-	(29,421,522)	(34,088)	-	(29,455,610)
Net reinsurance contract liabilities as at 31 December 2023	<u>1,552,280</u>	<u>60,914,815</u>	<u>436,723,241</u>	<u>22,077,103</u>	<u>521,267,439</u>

THE PACIFIC INSURANCE BERHAD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

16. REGULATORY CAPITAL REQUIREMENTS

The Company's capital management policy is designed to protect its policyholders, and to optimise the efficient and effective use of resources to maximise the return on equity.

The Company is required to comply with the regulatory capital requirement as prescribed in the Risk Based Capital ("RBC") Framework issued by Bank Negara Malaysia. As at 30 June 2023, the Company has a capital adequacy ratio in excess of the regulatory requirement of 130%.

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

	<u>30.6.2024</u>	<u>31.12.2023</u>
	RM	RM
Tier 1 Capital	445,785,522	447,003,819
Tier 2 Capital	35,183,306	35,183,306
Deductions	50,213,740	48,949,277
Total Capital Available	<u>430,755,088</u>	<u>433,237,848</u>
<u>Eligible Tier 1 Capital</u>		
Share capital (paid-up)	219,875,038	219,875,038
Reserves, including retained earnings	<u>191,240,919</u>	<u>200,479,449</u>
	<u>411,115,957</u>	<u>420,354,487</u>
<u>Tier 2 Capital</u>		
Subordinated term debts	30,000,000	24,337,504
<u>Deductions</u>		
Goodwill & other intangible assets	(47,721,298)	(47,328,463)
Deferred tax assets	<u>(9,936,079)</u>	<u>(7,139,735)</u>
	<u>(57,657,377)</u>	<u>(54,468,198)</u>
Total Capital Available	<u>383,458,580</u>	<u>390,223,793</u>