



# **Tune Protect Group Berhad**

**Registration No. 201101020320 (948454-K)**

**Interim Financial Statements**

**For the Quarter and Six Months Ended 30 June 2024**

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Condensed consolidated statement of comprehensive income**  
**For the period ended 30 June 2024**

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Insurance revenue	95,412	102,303	190,034	224,131
Insurance service expenses	(82,122)	(44,199)	(208,888)	(143,192)
<b>Insurance service result</b>				
<b>before reinsurance contracts held</b>	<b>13,290</b>	<b>58,104</b>	<b>(18,854)</b>	<b>80,939</b>
Allocation of reinsurance premiums	(14,530)	(21,185)	(29,331)	(57,017)
Amounts recoverable from reinsurers for incurred claims	(1,166)	(32,840)	37,020	(13,559)
<b>Net expense from reinsurance contracts held</b>	<b>(15,696)</b>	<b>(54,025)</b>	<b>7,689</b>	<b>(70,576)</b>
<b>Insurance service result</b>	<b>7</b>	<b>(2,406)</b>	<b>4,079</b>	<b>(11,165)</b>
Investment income	8	3,988	4,276	10,386
Realised gains and losses		802	481	1,209
Fair value gains or losses		2,196	3,941	4,785
<b>Total investment income</b>		<b>6,986</b>	<b>8,698</b>	<b>16,380</b>
Insurance finance expenses for insurance contracts issued		(4,296)	(3,094)	(6,909)
Reinsurance finance income for reinsurance contracts held		1,788	3,784	3,848
<b>Net insurance financial result</b>		<b>(2,508)</b>	<b>690</b>	<b>(3,061)</b>
Other operating income		1,906	1,562	2,885
Other operating expenses		(9,177)	(4,019)	(14,510)
Other finance costs		(47)	(47)	(100)
<b>Total other income and expenses</b>		<b>(7,318)</b>	<b>(2,504)</b>	<b>(11,725)</b>
Share of results of an associate		(5,041)	1,969	(4,805)
Share of results of a joint venture company		23	42	43
<b>(Loss)/Profit before tax</b>	<b>9</b>	<b>(10,264)</b>	<b>12,974</b>	<b>(14,333)</b>
Income tax benefit/(expense)	<b>10</b>	135	(1,800)	334
<b>(Loss)/Profit for the period</b>		<b>(10,129)</b>	<b>11,174</b>	<b>(13,999)</b>

**Tune Protect Group Berhad**  
Registration No. 201101020320 (948454-K)

**Condensed consolidated statement of comprehensive income (cont'd.)**  
For the period ended 30 June 2024

	<u>Current quarter</u>		<u>Cumulative quarters</u>		
	<u>3 months ended</u>		<u>6 months ended</u>		
	<u>30 Jun</u>	<u>30 Jun</u>	<u>30 Jun</u>	<u>30 Jun</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
Note	RM'000	RM'000	RM'000	RM'000	
<b>Other comprehensive (loss)/profit:</b>					
<u>Items that will not be subsequently reclassified</u>					
<u>to profit or loss</u>					
Effect of post-acquisition foreign exchange translation reserve on investment in an associate and a joint venture company	(205)	419	(607)	(224)	
<b>Other comprehensive (loss)/profit for the period</b>	<b>(205)</b>	<b>419</b>	<b>(607)</b>	<b>(224)</b>	
<b>Total comprehensive (loss)/profit for the period</b>	<b>(10,334)</b>	<b>11,593</b>	<b>(14,606)</b>	<b>14,128</b>	
<b>(Loss)/Profit attributable to:</b>					
Owners of the parent	(9,765)	9,518	(13,299)	11,492	
Non-controlling interests	(364)	1,656	(700)	2,860	
	<b>(10,129)</b>	<b>11,174</b>	<b>(13,999)</b>	<b>14,352</b>	
<b>Total comprehensive (loss)/income attributable to:</b>					
Owners of the parent	(9,970)	9,937	(13,906)	11,268	
Non-controlling interests	(364)	1,656	(700)	2,860	
	<b>(10,334)</b>	<b>11,593</b>	<b>(14,606)</b>	<b>14,128</b>	
<b>(Loss)/earnings per share attributable to owners of the parent (sen per share)</b>					
Basic	11	<b>(1.30)</b>	<b>1.27</b>	<b>(1.77)</b>	<b>1.53</b>
Diluted	11	<b>(1.30)</b>	<b>1.27</b>	<b>(1.76)</b>	<b>1.53</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Condensed consolidated statement of financial position**  
**As at 30 June 2024**

	<b>As at</b>	<b>As at</b>
	<b>30 Jun 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>		
Property and equipment	3,079	3,353
Intangible assets	36,634	38,368
Right-of-use assets	6,238	6,913
Investment in an associate	28,078	33,689
Investment in a joint venture company	1,523	1,281
Goodwill	24,165	24,165
Investments	730,558	724,372
Deferred tax assets	1,112	468
Insurance contract assets	21,520	16,656
Reinsurance contract assets	355,383	340,440
Other receivables	64,291	58,443
Cash and bank balances	28,846	45,736
<b>Total assets</b>	<b>1,301,427</b>	<b>1,293,884</b>
<b>Equity</b>		
Share capital	249,382	248,756
Long Term Incentive Plan - Employee Share Option Scheme ("LTIP - ESOS") reserves	872	1,342
Foreign currency translation reserve	6,110	6,717
Other comprehensive income ("OCI") reserve	(363)	(363)
Other reserve	499	499
Retained earnings	252,918	266,217
Equity attributable to owners of the parent	509,418	523,168
Non-controlling interests	51,686	53,002
<b>Total equity</b>	<b>561,104</b>	<b>576,170</b>
<b>Liabilities</b>		
Insurance contract liabilities	677,381	649,555
Reinsurance contract liabilities	747	665
Lease liabilities	6,527	7,219
Other payables	55,668	60,275
<b>Total liabilities</b>	<b>740,323</b>	<b>717,714</b>
<b>Total equity and liabilities</b>	<b>1,301,427</b>	<b>1,293,884</b>
<b>Net assets per ordinary share attributable to owners of the parent (RM)</b>	<b>0.68</b>	<b>0.70</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023.

**Tune Protect Group Berhad**  
Registration No. 201101020320 (948454-K)

**Condensed consolidated statement of changes in equity**  
For the period ended 30 June 2024

	Attributable to the owners of the parent								Total equity RM'000
	← Non-distributable →					Distributable		Non-controlling interests RM'000	
	Share capital RM'000	OCI reserve RM'000	Other reserve RM'000	LTIP - ESOS reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000		
<b>At 1 January 2024</b>	248,756	(363)	499	1,342	6,717	266,217	523,168	53,002	576,170
Net loss for the period	-	-	-	-	-	(13,299)	(13,299)	(700)	(13,999)
Other comprehensive loss for the period	-	-	-	-	(607)	-	(607)	-	(607)
Total comprehensive loss for the period	-	-	-	-	(607)	(13,299)	(13,906)	(700)	(14,606)
Grant of equity-settled share options to employees	-	-	-	(294)	-	-	(294)	-	(294)
Issuance of shares pursuant to LTIP - ESOS	626	-	-	(176)	-	-	450	-	450
Decrease in non-controlling interest arising from reduction in interest in a subsidiary	-	-	-	-	-	-	-	(616)	(616)
<b>At 30 June 2024</b>	<b>249,382</b>	<b>(363)</b>	<b>499</b>	<b>872</b>	<b>6,110</b>	<b>252,918</b>	<b>509,418</b>	<b>51,686</b>	<b>561,104</b>
<b>At 1 January 2023</b>	248,519	199	343	-	9,645	267,164	525,870	51,810	577,680
Net profit for the period	-	-	-	-	-	11,492	11,492	2,860	14,352
Other comprehensive loss for the period	-	-	-	-	(224)	-	(224)	-	(224)
Total comprehensive (loss)/income for the period	-	-	-	-	(224)	11,492	11,268	2,860	14,128
Grant of equity-settled share options to employees	-	-	-	745	-	-	745	-	745
Issuance of shares pursuant to LTIP - ESOS	118	-	-	-	-	-	118	-	118
<b>At 30 June 2023</b>	<b>248,637</b>	<b>199</b>	<b>343</b>	<b>745</b>	<b>9,421</b>	<b>278,656</b>	<b>538,001</b>	<b>54,670</b>	<b>592,671</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Condensed consolidated statement of cash flows**  
**For the period ended 30 June 2024**

	<b>Cumulative quarters</b>	
	<b>6 months ended</b>	
	<b>30 Jun 2024</b>	<b>30 Jun 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/Profit before taxation	(14,333)	16,779
Adjustments for:		
Non-cash items	11,991	4,569
Investment related income	(16,380)	(18,014)
Operating (loss)/profit before working capital changes	(18,722)	3,334
Net change in operating assets	(24,658)	42,903
Net change in operating liabilities	28,982	(61,483)
Cash used in operating activities	(14,398)	(15,246)
Net interest received	4,576	2,368
Net dividend received	550	4,319
Income tax paid	(906)	(102)
Net cash used in operating activities	(10,178)	(8,661)
<b>Cash flows from investing activities</b>		
Purchases of fair value through profit or loss ("FVTPL") financial assets	(150,404)	(382,211)
Proceeds from disposal of FVTPL financial assets	73,016	382,724
Movements in amortised cost financial assets	63,229	(1,692)
Proceeds from disposal of property and equipment	102	3
Purchase of property and equipment	(495)	(545)
Purchase of intangible assets	(5,110)	(7,289)
Net cash used in investing activities	(19,662)	(9,010)
<b>Cash flows from financing activities</b>		
Payment of principal portion of lease liabilities	(1,235)	(2,024)
Proceeds from issuance of shares pursuant to ESOS	450	92
Cash paid to non-controlling interest of units cancelled in a subsidiary	(616)	-
Net cash used in financing activities	(1,401)	(1,932)
<b>Net decrease in cash and cash equivalents</b>	(31,241)	(19,603)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	125	(46)
<b>Cash and cash equivalents at beginning of period</b>	72,468	48,532
<b>Cash and cash equivalents at end of period</b>	41,352	28,883
<b>Cash and cash equivalents comprise:</b>		
Fixed and call deposits (with original maturities of less than three months) with licensed financial institutions	12,506	5,038
Cash and bank balances	28,846	23,845
	41,352	28,883

The condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**1. Basis of preparation**

These condensed consolidated interim financial statements, for the period ended 30 June 2024, have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. These condensed consolidated interim financial statements has also been prepared in accordance with Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2023.

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

**2. Changes in accounting policies**

**2.1 Adoption of New MFRS and Amendments to MFRSs**

The accounting policies adopted are consistent with those of the previous financial year except with respect to the following Amendments to Standards which are mandatory for annual financial periods beginning on or after 1 January 2024 and which were adopted by the Group 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 to the current and prior period financial statements of the Group.

**Tune Protect Group Berhad**  
Registration No. 201101020320 (948454-K)

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**2. Changes in accounting policies (cont'd.)**

**2.2 Standards issued but not yet effective**

The following are Standards and Amendments to Standards issued by the Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of these condensed consolidated interim financial statements. The Group intends to adopt these Standards and Amendments to Standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investment in Associates and Joint Ventures</i>	To be announced by MASB

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements of the Group in the period of initial application.

**3. Change in estimates**

There were no changes in estimates that have had a material effect on the current interim results.

**4. Changes in composition of the Group**

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



**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**5. Segment information**

The Group is organised into business units based on their products and services, and has four business segments as follows:

General insurance business : Underwriting of all classes of general insurance business  
 General reinsurance business : Underwriting of all classes of general reinsurance business  
 Investment holding and others : Investment holding operations and other subsidiaries

	General insurance		General reinsurance		Investment holding and others		Adjustments and eliminations		Consolidated	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Period to date 30 June 2024</b>										
<b>Insurance revenue</b>										
External	160,458	188,565	29,548	35,515	28	51	-	-	190,034	224,131
Inter-segment	-	-	5,206	1,479	-	-	(5,206)	(1,479)	-	-
	<u>160,458</u>	<u>188,565</u>	<u>34,754</u>	<u>36,994</u>	<u>28</u>	<u>51</u>	<u>(5,206)</u>	<u>(1,479)</u>	<u>190,034</u>	<u>224,131</u>
<b>(Loss)/Profit before tax</b>	<u>(4,716)</u>	<u>19,122</u>	<u>9,630</u>	<u>13,530</u>	<u>(14,085)</u>	<u>(16,743)</u>	<u>(5,162)</u>	<u>870</u>	<u>(14,333)</u>	<u>16,779</u>
<b>Segment assets</b>	<u>1,027,102</u>	<u>979,930</u>	<u>178,592</u>	<u>170,750</u>	<u>297,913</u>	<u>320,956</u>	<u>(202,180)</u>	<u>(189,818)</u>	<u>1,301,427</u>	<u>1,281,818</u>
<b>Segment liabilities</b>	<u>718,322</u>	<u>657,077</u>	<u>19,769</u>	<u>21,788</u>	<u>17,195</u>	<u>21,389</u>	<u>(14,963)</u>	<u>(11,107)</u>	<u>740,323</u>	<u>689,147</u>

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**6. Seasonality of operations**

The business operation of the Group are not mainly affected by any significant seasonal or cyclical factors.

**7. Insurance service result**

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Insurance revenue :</b>				
Amounts relating to changes in liabilities for remaining coverage				
- CSM recognised for the services provided	-	1	-	1
- Risk adjustment recognised for risk expired	-	2	17	2
- Expected insurance service expenses incurred in the period	-	18	138	18
- Other amounts including experience adjustments for premium receipts	-	25	(129)	25
Recovery of insurance acquisition cash flows	-	1	1	1
Contracts not measured under the PAA	-	47	27	47
Contracts measured under the PAA	95,412	102,256	190,007	224,084
	<u>95,412</u>	<u>102,303</u>	<u>190,034</u>	<u>224,131</u>
<b>Insurance service expenses:</b>				
Incurred claims and other expenses	(34,332)	(38,373)	(82,867)	(80,023)
Amortisation of insurance acquisition cash flows	(34,874)	(36,588)	(66,936)	(68,928)
Reversal of losses/(Losses) on onerous contracts	1,791	(1,556)	2,639	(100)
Changes to liabilities for incurred claims	(14,707)	32,318	(61,724)	5,859
	<u>(82,122)</u>	<u>(44,199)</u>	<u>(208,888)</u>	<u>(143,192)</u>
<b>Allocation of reinsurance premiums</b>	<u>(14,530)</u>	<u>(21,185)</u>	<u>(29,331)</u>	<u>(57,017)</u>
<b>Amounts recoverable from reinsurers for incurred claims:</b>				
Amounts recoverable for incurred claims and other expenses	6,160	6,903	17,139	20,022
Reversal of loss recovery component, other than changes in fulfilment cash flow, for reinsurance contracts held	(219)	156	(840)	(2,089)
Changes to amounts recoverable for incurred claims	(7,107)	(39,899)	20,721	(31,492)
	<u>(1,166)</u>	<u>(32,840)</u>	<u>37,020</u>	<u>(13,559)</u>
<b>Insurance service result</b>	<u>(2,406)</u>	<u>4,079</u>	<u>(11,165)</u>	<u>10,363</u>

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**8. Investment income**

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income:				
- Amortised costs financial assets	3,079	-	5,976	-
- FVTPL financial assets	(28)	112	86	223
- Bank balances	29	102	49	192
Share of investment income from Malaysian Motor Insurance Pool ("MMIP")	-	2,263	2,406	2,263
Dividend income:				
- FVTPL financial assets	908	1,799	1,869	4,345
	<b>3,988</b>	<b>4,276</b>	<b>10,386</b>	<b>7,023</b>

**9. Profit/(loss) before tax is stated after charging/(crediting) the following:**

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property and equipment	367	428	719	845
Depreciation of right-of-use assets	970	621	1,599	1,275
Amortisation of intangible assets	1,627	1,240	3,183	2,525
(Reversal of)/Allowance for impairment losses on insurance receivables and reinsurance assets	(2,202)	924	584	355
Realised (gains)/losses on disposal of:				
- property and equipment	(102)	938	(102)	944
- FVTPL financial assets	(700)	(1,419)	(1,107)	6
Net realised (gains)/losses	(802)	(481)	(1,209)	950
Fair value gains on FVTPL financial assets	(2,196)	(3,941)	(4,785)	(11,941)
Interest expense on lease liabilities	47	47	100	74
(Gains)/Losses on foreign exchange:				
- realised	(342)	(256)	(400)	(265)
- unrealised	539	(2,256)	(109)	(2,829)

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**10. Taxation**

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income tax expense	179	1,007	311	1,408
Deferred tax (benefits)/expense	(314)	793	(645)	1,019
	<u>(135)</u>	<u>1,800</u>	<u>(334)</u>	<u>2,427</u>
Effective tax rate	<u>1%</u>	<u>14%</u>	<u>2%</u>	<u>14%</u>

The Group's low effective tax rate is mainly due to no deferred tax assets being recognised on tax losses of the loss making entities.

**11. (Loss)/Earnings per share**

Basic (loss)/earnings per share is calculated by dividing (loss)/profit for the period, net of tax, attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted (loss)/earnings per share is calculated by dividing (loss)/profit for the period, net of tax, attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period, adjusted for dilutive effects of potential ordinary shares under the LTIP - ESOS.

The following shows the computation of basic and diluted (loss)/earnings per share for the periods ended 30 June 2024 and 2023:

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Basic (loss)/earnings per share</b>				
(Loss)/Profit attributable to ordinary equity holders (RM'000)	<u>(9,765)</u>	<u>9,518</u>	<u>(13,299)</u>	<u>11,492</u>
Weighted average number of shares in issue ('000)	<u>753,358</u>	<u>751,843</u>	<u>753,289</u>	<u>751,802</u>
Basic (loss)/earnings per share (sen)	<u>(1.30)</u>	<u>1.27</u>	<u>(1.77)</u>	<u>1.53</u>

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**11. (Loss)/Earnings per share (cont'd.)**

The following shows the computation of basic and diluted (loss)/earnings per share for the periods ended 30 June 2024 and 2023: (cont'd.)

	Current quarter		Cumulative quarters	
	3 months ended		6 months ended	
	30 Jun	30 Jun	30 Jun	30 Jun
	2024	2023	2024	2023
<b>Diluted (loss)/earnings per share</b>				
(Loss)/Profit attributable to ordinary equity holders (RM'000)	(9,765)	9,518	(13,299)	11,492
Weighted average number of shares in issue ('000)	753,358	751,843	753,289	751,802
Effects of dilution - LTIP - ESOS in issue ('000)	139	150	233	123
Weighted average number of shares adjusted for the effect of dilution ('000)	753,497	751,993	753,522	751,925
Basic (loss)/earnings per share (sen)	(1.30)	1.27	(1.76)	1.53

**12. Share capital**

	Share capital (Issued and fully paid)	
	Number of ordinary shares '000	Amount RM'000
At 1 January 2022 / 31 December 2022	751,760	248,519
Ordinary shares issued pursuant to the LTIP - ESOS	500	237*
At 31 December 2023	752,260	248,756
Ordinary shares issued pursuant to the LTIP - ESOS	1,381	626*
At 30 June 2024	753,641	249,382

\* Includes capitalisation of LTIP - ESOS reserve of RM177,000 (2023: RM51,999).

During the period, 1,381,000 (2023: 500,000) new ordinary shares each fully paid were issued pursuant to the exercise of options granted the Company's LTIP - ESOS at the exercise price of RM0.37 (2023: RM0.37) per share.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**12. Share capital (cont'd.)**

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.

There were no cancellations, repurchases, resale and repayments of equity securities by the Company during the period.

**13. Dividends**

No interim dividend has been declared for the financial period ended 30 June 2024.

**14. Fair value measurement**

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**14. 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:

	Date of valuation	<-- Valuation technique using -->			Total RM'000
		Quoted market price (Level 1) RM'000	Ob-servable inputs (Level 2) RM'000	Unob-servable inputs (Level 3) RM'000	
<b>Assets measured at fair value:</b>					
<b>30 June 2024</b>					
<b>Financial assets at FVTPL:</b>					
Unquoted debt securities in Malaysia	30 June 2024	-	5,048	-	5,048
Quoted unit trust funds in Malaysia	30 June 2024	437,906	-	-	437,906
		<u>437,906</u>	<u>5,048</u>	<u>-</u>	<u>442,954</u>
<b>31 December 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
		<u>379,218</u>	<u>5,048</u>	<u>-</u>	<u>384,266</u>

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the current financial period and previous financial year. There were also no transfers in and out of Level 3 of the fair value hierarchy.

**Determination of fair value and fair value hierarchy**

The fair values of the Group'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 investments in unit trust funds is determined by reference to published net asset values.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**15. Capital commitments**

	<b>As at 30 Jun 2024 RM'000</b>	<b>As at 31 Dec 2023 RM'000</b>
<b>Capital expenditure:</b>		
Approved but not contracted for:		
Intangible assets	33,396	34,753
Property and equipment	2,069	2,069
	<b>35,465</b>	<b>36,822</b>

**16. Contingencies**

There were no contingent assets or liabilities as at the date of this report, other than liabilities arising from insurance contracts underwritten in the ordinary course of business of the Group.

**17. Related party transactions**

The details of the related party transactions entered by the Group under the approved Shareholders' Mandate for Recurrent Related Party Transactions of Revenue or Trading Nature are as follow:

<b>Name of company</b>	<b>Relationship</b>
AirAsia Berhad ("AAB")	AAB is wholly-owned by Capital A Berhad, which is 12.14% owned by Tune Air Sdn Bhd ("TASB") and 11.96% owned by Tune Live Sdn Bhd ("TLSB") respectively. Both TASB and TLSB are owned by Tan Sri Anthony Francis Fernandes and Datuk Kamarudin bin Meranun who are major shareholders of the Company
AirAsia X Bhd ("AAX")	Person connected to major shareholders of the Company, Tan Sri Anthony Francis Fernandes and Datuk Kamarudin bin Meranun
Tune Group Sdn Bhd ("TGSB")	Major shareholder of the Company
SP&G Gallagher Insurance Brokers Sdn Bhd ("SP&G")	SP&G is a company 51.00% owned by Orion Asia Sdn Bhd which is 50.00% owned by Dato' Zakaria Bin Meranun, the brother of Datuk Kamarudin Bin Meranun, who is major shareholder of the Company
Move Travel Sdn Bhd (formerly known as AirAsia Com Travel Sdn Bhd) ("Move Travel")	Person connected to major shareholders of the Company, Tan Sri Anthony Francis Fernandes and Datuk Kamarudin bin Meranun



**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to MFRS 134**  
**For the period ended 30 June 2024**

**17. Related party transactions (cont'd.)**

	<b>Current quarter</b>		<b>Cumulative quarters</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>	<b>30 Jun</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Income/(expenses):</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>AAB</b>				
Fee and commission expenses	(2,080)	(1,894)	(4,153)	(3,737)
Data management fee	-	(1)	-	(2)
<b>AAX</b>				
Fee and commission expenses	(475)	-	(1,019)	-
<b>TGSB</b>				
Royalty fee	(2,025)	(1,904)	(3,705)	(3,492)
Rental and utilities charges	(406)	(407)	(812)	(799)
<b>SP&amp;G</b>				
Fee and commission expenses	(194)	(384)	(385)	(456)
<b>Move Travel</b>				
Fee and commission expenses	(11)	(39)	(16)	(76)

All related party transactions of the Group had been entered into in the normal course of business and were carried out on terms and conditions similar to transactions with unrelated parties unless otherwise stated.

**18. Events after the reporting period**

There were no significant events after the reporting period.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A**

**For the period ended 30 June 2024**

**19. Performance review**

**19.1 Current quarter ("2Q24") against corresponding quarter in prior year ("2Q23")**

	General insurance		General reinsurance		Investment holding and others		Adjustments and eliminations		Consolidated	
	Current quarter 3 months ended									
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Insurance revenue</b>										
External	80,844	86,640	14,568	15,612	-	51	-	-	95,412	102,303
Inter-segment	-	-	2,579	1,450	-	-	(2,579)	(1,450)	-	-
	80,844	86,640	17,147	17,062	-	51	(2,579)	(1,450)	95,412	102,303
<b>Profit/(loss) before tax</b>	(2,366)	11,438	5,031	8,755	(7,570)	(9,205)	(5,359)	1,986	(10,264)	12,974

**Group/Consolidated**

The Group's insurance revenue decreased from RM102.3 million in 2Q23 to RM95.4 million in 2Q24, a decrease of RM6.9 million or 6.7% as compared to the corresponding quarter last year, mainly contributed by a decrease of RM5.8 million in general insurance segment and RM1.1 million in general reinsurance segment.

The Group recorded a loss before tax of RM10.3 million in 2Q24, mainly due to share of loss of an associate for the impairment losses of claims recovery in relation to Rubber Authority of Thailand ("RAOT") of RM4.9 million, impairment losses on intangible assets of RM3.0 million from life insurance entity, and large fire losses of RM3.9 million from general insurance segment.

In comparison, the Group's profit before tax of RM13.0 million in 2Q23 was partially contributed by the release in reserves of RM6.8 million for the Perlindungan Tenang Vouchers ("PTV") Personal Accident Scheme which has been discontinued by the Malaysian government, and realised and unrealised foreign exchange gains of RM2.5 million resulted from depreciation of MYR in general reinsurance segment.

**General insurance**

Insurance revenue of this segment decreased by RM5.8 million in 2Q24, from RM86.6 million in 2Q23 to RM80.8 million in 2Q24, a decrease of 6.7% as compared to the corresponding quarter last year, mainly due to the absence of premium of RM4.0 million from PTV under Personal Accidents segment in 2Q23.

Profit before tax of this segment decreased by RM13.8 million, from a profit of RM11.4 million in 2Q23 to a loss of RM2.4 million in 2Q24. The decrease in profit before tax was mainly due to decrease of RM11.1 million in insurance service result (net of insurance financial result) driven by last year's PTV release in reserves of RM6.8 million and current quarter large fire losses of RM3.9 million, decrease of RM1.3 million in realised and unrealised investment income and increase of RM1.4 million in net other operating expenses.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A**

**For the period ended 30 June 2024**

**19. Performance review (cont'd.)**

**19.1 Current quarter ("2Q24") against corresponding quarter in prior year ("2Q23") (cont'd.)**

**General reinsurance**

Insurance revenue of this segment maintained at RM17.1 million in both 2Q24 and 2Q23.

Profit before tax of this segment decreased by RM3.7 million in this quarter, from RM8.8 million in 2Q23 to RM5.1 million in 2Q24, mainly due to decrease of RM2.0 million in insurance service result (net of insurance financial result) and increase of RM1.7 million in other operating expenses.

**19.2 Current year to date ("YTD 2024") against corresponding year to date ("YTD 2023")**

	General insurance		General reinsurance		Investment holding and others		Adjustments and eliminations		Consolidated	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Insurance revenue</b>										
External	160,458	188,565	29,548	35,515	28	51	-	-	190,034	224,131
Inter-segment	-	-	5,206	1,479	-	-	(5,206)	(1,479)	-	-
	160,458	188,565	34,754	36,994	28	51	(5,206)	(1,479)	190,034	224,131
<b>Profit/(loss) before tax</b>	(4,716)	19,122	9,630	13,530	(14,085)	(16,743)	(5,162)	870	(14,333)	16,779

**Group/Consolidated**

The Group's insurance revenue decreased from RM224.1 million in YTD 2023 to RM190.0 million in YTD 2024. The decrease of RM34.1 million in insurance revenue was mainly resulted from the decrease of RM28.1 million in general insurance segment and RM6.0 million in general reinsurance segment.

The Group recorded a loss before tax of RM 14.3 million in YTD 2024, mainly due to share of loss of an associate for the impairment losses of claims recovery in relation to RAOT of RM 4.9 million, impairment losses on intangible assets of RM 3.0 million from life insurance entity, and large fire losses of RM 7.0 million from general insurance segment.

In comparison, the Group's profit before tax of RM 16.8 million in YTD 2023 was mainly contributed by PTV release in reserves of RM 13.8 million from general insurance segment, and realised and unrealised foreign exchange gains of RM3.0 million from depreciation of MYR in general reinsurance segment.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A**

**For the period ended 30 June 2024**

**19. Performance review (cont'd.)**

**19.2 Current year to date ("YTD 2024") against corresponding year to date ("YTD 2023") (cont'd.)**

**General insurance**

Insurance revenue of this segment decreased by RM28.1 million in YTD 2024, from RM188.6 million in YTD 2023 to RM160.5 million in YTD 2024, mainly due to Personal Accident (impact of RM13.8 million from PTV) and Fire segments.

Profit before tax of this segment decreased by RM23.8 million, from a profit of RM19.1 million in YTD 2023 to a loss of RM4.7 million in YTD 2024. The decrease in profit before tax mainly due to decrease of RM22.3 million in insurance service result (net of insurance financial result), driven by last year's PTV release in reserves of RM13.8 million and current year large fire losses of RM7.0 million, and RM1.5 million in net other operating expenses.

**General reinsurance**

Insurance revenue of this segment decreased by RM2.2 million in YTD 2024, from RM37.0 million in YTD 2023 to RM34.8 million in YTD 2024, mainly due to decrease in Motor segment of RM8.7 million offset by increase in RM6.5 million in Travel PA segment.

Profit before tax of this segment decreased by RM3.9 million in this period, from RM13.5 million in YTD 2023 to RM9.6 million in YTD 2024, mainly due to decreases of RM3.6 million in insurance service result (net of insurance financial result).

**19.3 Current quarter ("2Q24") against preceding quarter in current year ("1Q24")**

	General insurance		General reinsurance		Investment holding and others		Adjustments and eliminations		Consolidated	
	Current quarter 3 months ended									
	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024	30 Jun 2024	31 Mar 2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Insurance revenue</b>										
External	80,844	79,614	14,568	14,980	-	28	-	-	95,412	94,622
Inter-segment	-	-	2,579	2,627	-	-	(2,579)	(2,627)	-	-
	80,844	79,614	17,147	17,607	-	28	(2,579)	(2,627)	95,412	94,622
<b>Profit/(loss) before tax</b>	(2,366)	(2,350)	5,031	4,599	(7,570)	(6,515)	(5,359)	197	(10,264)	(4,069)

**Group/Consolidated**

The Group's insurance revenue increased by RM0.8 million in 2Q24, from RM94.6 million in 1Q24 to RM95.4 million in 2Q24, due to increase of RM1.2 million in general insurance segment offset by decrease of RM0.4 million in general reinsurance segment.

**For the period ended 30 June 2024**

**19. Performance review (cont'd.)**

**19.3 Current quarter ("2Q24") against preceding quarter in current year ("1Q24") (cont'd.)**

**Group/Consolidated (cont'd.)**

Loss before tax of the Group increased by RM6.2 million, from loss of RM4.1 million in 1Q24 to loss of RM10.3 million in 2Q24 mainly due to increase of RM5.3 million in share of loss of an associate, RM2.4 million in realised and unrealised investment income, RM2.9 million in other operating expenses resulted from impairment losses on intangible assets, partially offset by increase of RM4.4 million in insurance service result (net of insurance financial result).

**General insurance**

Insurance revenue of this segment increased by RM1.2 million in 2Q24, from RM79.6 million in 1Q24 to RM80.8 million in 2Q24, an increase of 1.5% as compared to the immediate preceding quarter, was mainly contributed by Motor and Others segments.

Loss before tax of this segment maintained at RM2.4 million for both 2Q24 and 1Q24.

**General reinsurance**

Insurance revenue of this segment decreased by RM0.5 million in 2Q24, from RM17.6 million in 1Q24 to RM17.1 million in 2Q24, mainly due to decrease in Travel PA segment.

Profit before tax of this segment increased by RM0.4 million, from RM4.6 million in 1Q24 to RM5.0 million in 2Q24. The increase in profit before tax was mainly contributed by improvements in insurance service result (net of insurance financial result).

**20. Commentary on prospects**

With the travel and tourism sector showing robust resurgence to pre-pandemic levels of 2019, as well as the Group's ongoing efforts in leveraging the travel ecosystem in the region, the Group is optimistic that the travel insurance products will continue to grow positively in the coming quarters.

The Group has reviewed its portfolio and will focus on the more profitable segments of the business while maintaining cost discipline to ensure favourable underwriting results in the coming quarters.

The Group continues to maintain a conservative investment strategy while looking for opportunities to enhance its overall investment return. In the coming quarters, the Group will progressively increase its investment into Low-Risk Unit Trust funds, with underlying investment predominantly in Malaysian Government Securities, Government Investment Issues, and Government Guaranteed Corporate Bonds.

The Group is cautiously optimistic that its business strategies and capital strength will continue to fuel growth for the Group over the medium to longer terms.

**For the period ended 30 June 2024**

**21. Profit forecast or profit guarantee**

The Group did not issue any profit forecast or profit guarantee for the financial period ended 30 June 2024.

**22. Status of corporate proposal**

There were no corporate proposals at the date of this report.

**23. Material litigation**

**(a) Update to the Malaysian Competition Commission ("MyCC")'s Proposed Decision against PIAM and its 22 members**

On 22 February 2017, the general insurance subsidiary, TIMB received a notice from the Malaysia Competition Commission ("MyCC") concerning a proposed decision ("proposed decision") which found that TIMB and 21 other general insurance companies in Malaysia who are all members of the General Insurance Association of Malaysia ("PIAM") had infringed one of the prohibitions under the Competitions Act 2010 ("CA") in Malaysia, pursuant to its investigation outcome in respect of the agreement entered into between PIAM and the Federation of Automobile Workshop Owners' Association of Malaysia ("FAWOAM") concerning the cap on the parts trade discount rates and minimum agreed labour rates payable by the insurers to the PIAM Approved Repairer's Scheme workshops. These rates were subsequently approved and adopted by PIAM members, including TIMB.

Subsequent to MyCC's issuance of its proposed decision, PIAM and its 22 members, including TIMB, were given the opportunity to make written representations in their defence and TIMB had on 5 April 2017 filed in its written representations with MyCC. TIMB's oral representations were presented before MyCC on 29 January 2018.

Subsequently, TIMB received a notice from MyCC informing TIMB of its decision dated 14 September 2020, wherein they have found that TIMB and 21 other members of PIAM had infringed Section 4 of the CA ("Decision").

The MyCC in its Decision, had imposed a financial penalty of RM2,571,078 only on the part of TIMB and a consolidated amount of RM130,241,475 on all 22 members of PIAM, net of a 25% reduction granted on the final penalties after taking into consideration the economic impact arising from the Covid-19 pandemic. The MyCC had also granted the parties a moratorium period of six (6) months up to 24 March 2021 to pay the financial penalty imposed. The MyCC had also allowed the parties, including TIMB, to pay the financial penalty imposed by way of up to six (6) equal monthly instalments.

**For the period ended 30 June 2024**

**23. Material litigation (cont'd.)**

**(a) Update to the Malaysian Competition Commission ("MyCC")'s Proposed Decision against PIAM and its 22 members (cont'd.)**

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.

On 23 March 2021, the CAT allowed TIMB's application for a stay of the financial penalty. The CAT has also stayed the Cease and Desist Order.

On 2 September 2022, TIMB and the other general insurance companies succeeded in their appeal to the CAT ("Appeal Decision").

MyCC applied for leave to apply for judicial review of the Kuala Lumpur High Court Decision ("Application"). TIMB and the other general insurance companies filed their affidavits on 03 January 2023 to oppose the Application. Hearing date of the Application is fixed on 30 November 2023 at the Kuala Lumpur High Court.

On 16 January 2024, High Court dismissed the MyCC's application for leave to commence judicial review against the Competition Appeal Tribunal's decision dated 2 September 2022. The High Court also ordered the MyCC to pay costs of RM10,000 for each putative respondent. The MyCC has 30 days to file an appeal to the Court of Appeal.

On 15 February 2024, MyCC filed their Notice of Appeal against the Leave Decision at the Court of Appeal. The Court of Appeal has fixed the hearing of the Appeal on 22 May 2025.

**For the period ended 30 June 2024**

**23. Material litigation (cont'd.)**

**(b) Tax dispute with the Lembaga Hasil Dalam Negeri ("LHDN")**

On 20 December 2018, TIMB received Notice of Additional Assessment (Form JA) from Lembaga Hasil Dalam Negeri ("LHDN") in respect of Years of Assessment ("YAs") 2013 to 2015, wherein a sum of RM11.1 million of additional taxes and penalties was sought by LHDN.

Based on the legal advice received, the Company is of the view that out of the RM11.1 million of additional taxes and penalties imposed by LHDN, RM10.7 million, being the disputed additional tax and penalties, is open to challenge. Hence, TIMB engaged tax solicitors to assist in challenging the said disputed additional taxes and penalties imposed by LHDN.

On 11 January 2019, TIMB filed an application for judicial review to the High Court of Malaya ("High Court") to challenge LHDN's assessments. On 23 May 2019, the High Court allowed TIMB's application for judicial review with cost of RM5,000. The High Court ordered that the Notice of Assessment raised by LHDN to be amended to allow the deduction of PRAD expenses. The High Court also ordered a stay against the payment of taxes on the other issues until the full and final determination of the appeal before the Special Commissioners of Income Tax ("SCIT").

On 11 June 2019, LHDN filed an appeal against the High Court's decision to the Court of Appeal. On 13 November 2020, the parties recorded consent order before the Court of Appeal:

- (a) the PRAD expenses for the YAs 2013, 2014 and 2015 are allowed for deduction for income tax purposes;
- (b) LHDN will issue Notices of Reduced Assessment for the YAs 2013, 2014 and 2015 within 90 days from the date of the consent order;
- (c) the consent order applies only to this case.

On 22 July 2024, the parties entered into a Settlement Agreement whereby it is agreed that there is no outstanding balance of taxes payable by TIMB for the YAs 2013, 2014, and 2015. The Settlement Agreement was recorded before the SCIT on 25 July 2024. In this regard, the SCIT instructed that the appeal before the SCIT is discontinued.



**For the period ended 30 June 2024**

**23. Material litigation (cont'd.)**

**(c) Litigation between TIPCL with a foreign reinsurance broker (the "Broker")**

On 25 November 2022, TIPCL, a 49% owned associate company of the Company, commenced legal proceedings against the Broker and its director in the courts of Thailand.

On 14 August 2020, the Broker issued a reinsurance slip wherein three foreign insurers ("Three Reinsurers") would provide reinsurance to TIPCL to allow TIPCL to facilitate an insurance policy. Subsequently, TIPCL was informed that the sole reinsurer of this insurance arrangement was in fact another reinsurer which was not aligned with TIPCL's internal guidelines.

On 9 March 2023, the Broker filed its Defence and Counterclaim to the court of Thailand. On 11 April 2023, TIPCL filed its Reply to Defence and Defence to the Counterclaim accordingly.

The matter was fixed for Trial from 17 to 20 October 2023. The Thailand Court will deliver its Judgment on this matter on 20 December 2023.

On 20 December 2023, the Thailand Court delivered its decision as follows:

1. The Broker must pay TIPCL THB79.2 million plus 5% interest per year from the date that TIPCL sued the Broker (25 November 2022) until the Broker completely make full payment to TIPCL;
2. The Managing Director of the Broker (K.Chakrit) which acted on behalf of the Broker, is not personally liable for TIPCL;
3. The court dismissed all counter claims raised by the Broker;
4. The Broker must pay THB100,000 to TIPCL as lawyer fees and THB50,000 for our litigation costs and expenses. In addition, the Broker needs to pay for the court fees which is 2% of the recovery amount.

TIPCL and CIS have agreed to settle the judgement sum of THB 79.2 million and all issues relating to the Judgment. TIPCL has received the full settlement sum as of 30 July 2024.

**24. Disclosure of nature of outstanding derivatives**

There were no outstanding derivatives as at the end of the reporting period.

**Tune Protect Group Berhad**  
**Registration No. 201101020320 (948454-K)**

**Explanatory Notes Pursuant to Bursa Malaysia Listing Requirements: Chapter 9, Appendix 9B, Part A**

**For the period ended 30 June 2024**

**25. Rationale for entering into derivatives**

The Group did not enter into any derivative transactions during the period ended 30 June 2024 or the previous year ended 31 December 2023.

**26. Risks and policies for derivatives**

The Group did not enter into any derivative transactions during the period ended 30 June 2024 or the previous year ended 31 December 2023.

**27. Disclosures of gains/losses arising from fair value changes of financial liabilities**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 30 June 2024 and 31 December 2023.

**28. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2023 was not qualified.