

LPI CAPITAL BHD

Condensed Consolidated Statement of Profit or Loss for the Quarter Ended 30 September 2024 - Unaudited

	Individual Period		Cumulative Period	
	Current Year Quarter Ended 30.09.2024 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2023 RM'000	Current Year To Date Ended 30.09.2024 RM'000	Preceding Year Corresponding Period Ended 30.09.2023 RM'000
Operating revenue	499,832	498,400	1,438,996	1,424,063
Insurance revenue	453,073	454,372	1,319,136	1,324,828
Insurance service expenses	(252,025)	(237,081)	(819,037)	(647,232)
Net expenses from reinsurance contracts held	(89,674)	(128,802)	(212,445)	(465,036)
Insurance service result	111,374	88,489	287,654	212,560
Investment income	46,759	44,028	119,860	99,235
Net fair value gains/(losses)	4,579	(1,781)	6,539	15,177
(Net impairment loss)/Net reversal of impairment loss on investments	(3)	-	(2)	1
Investment return	51,335	42,247	126,397	114,413
Net finance expenses from insurance contracts	(14,994)	(17,053)	(50,090)	(54,180)
Net finance income from reinsurance contracts held	5,906	9,306	22,848	29,928
Net financial result	42,247	34,500	99,155	90,161
Other income	1,137	818	3,843	3,524
Other operating expenses	(4,384)	(4,354)	(12,667)	(14,956)
Other finance costs	(275)	(282)	(795)	(874)
Share of profit after tax of equity accounted associated company	301	398	1,107	1,326
Profit before tax	150,400	119,569	378,297	291,741
Tax expense	(26,463)	(21,652)	(75,066)	(56,595)
Profit for the period	123,937	97,917	303,231	235,146
Profit attributable to:				
Owners of the Company	123,937	97,917	303,231	235,146
Earnings per ordinary share (sen)				
- Basic	31.11	24.58	76.12	59.03
- Diluted	N/A	N/A	N/A	N/A

N/A - *Not Applicable*.

Note : The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Quarter Ended 30 September 2024 - Unaudited

	Individual Period		Cumulative Period	
	Current Year Quarter Ended <u>30.09.2024</u> RM'000	Preceding Year Corresponding Quarter Ended <u>30.09.2023</u> RM'000	Current Year To Date Ended <u>30.09.2024</u> RM'000	Preceding Year Corresponding Period Ended <u>30.09.2023</u> RM'000
Profit for the period	123,937	97,917	303,231	235,146
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	(14,269)	(90)	(14,721)	10,573
Net gains on investments in debt instruments designated at fair value through other comprehensive income	200	-	292	-
Net finance expenses from insurance contracts	(6,151)	(445)	(3,140)	(7,260)
Net finance income from reinsurance contracts held	3,338	393	1,005	5,216
Income tax relating to these items	538	38	354	574
Items that will not be reclassified to profit or loss				
Net gains/(losses) on investments in equity instruments designated at fair value through other comprehensive income	119,195	46,276	59,740	(57,499)
Income tax relating to these items	(902)	(299)	(545)	506
Total other comprehensive income/(expenses) for the period, net of tax	101,949	45,873	42,985	(47,890)
Total comprehensive income for the period attributable to owners of the Company	225,886	143,790	346,216	187,256

Note : The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

LPI CAPITAL BHD**Condensed Consolidated Statement of Financial Position As At 30 September 2024 - Unaudited**

	<u>30.09.2024</u>	<u>31.12.2023</u>
	RM'000	RM'000
Assets		
Plant and equipment	5,873	5,986
Right-of-use assets	35,223	38,056
Investment properties	31,944	33,977
Intangible assets	2,574	3,542
Investment in an associated company	42,957	46,322
Other investments	3,430,437	3,167,288
Fair value through other comprehensive income	1,033,000	945,063
Fair value through profit or loss	1,419,026	1,218,290
Amortised cost	978,411	1,003,935
Reinsurance contract assets	948,032	877,968
Loans and receivables	76,443	80,864
Current tax assets	2,042	-
Cash and cash equivalents	190,356	315,015
Total assets	<u>4,765,881</u>	<u>4,569,018</u>
Equity		
Share capital	398,383	398,383
Reserves	1,952,479	1,885,131
Total equity	<u>2,350,862</u>	<u>2,283,514</u>
Liabilities		
Insurance contract liabilities	2,262,637	2,199,820
Deferred tax liabilities	37,426	25,121
Lease liabilities	37,579	40,303
Other payables	41,228	8,131
Current tax payables	36,149	12,129
Total liabilities	<u>2,415,019</u>	<u>2,285,504</u>
Total equity and liabilities	<u>4,765,881</u>	<u>4,569,018</u>

Note : The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

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Condensed Consolidated Statement of Changes in Equity for the Period Ended 30 September 2024 - Unaudited

	←	Non-distributable		→	Distributable	
	Share capital RM'000	Foreign currency translation reserve RM'000	Insurance finance reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
<u>9 Months Period Ended 30 September 2024</u>						
At 1 January 2024	398,383	48,599	(2,209)	785,263	1,053,478	2,283,514
Foreign currency translation differences for foreign operation	-	(14,721)	-	-	-	(14,721)
Net finance expenses from insurance contracts	-	-	(2,494)	-	-	(2,494)
Net finance income from reinsurance contracts held	-	-	777	-	-	777
Net gains on investments designated at fair value through other comprehensive income	-	-	-	59,423	-	59,423
Total other comprehensive (expenses)/income for the period	-	(14,721)	(1,717)	59,423	-	42,985
Profit for the period	-	-	-	-	303,231	303,231
Total comprehensive (expenses)/income for the period	-	(14,721)	(1,717)	59,423	303,231	346,216
Distributions to owners of the Company						
Dividends to owners of the Company	-	-	-	-	(278,868)	(278,868)
Total transactions with owners of the Company	-	-	-	-	(278,868)	(278,868)
At 30 September 2024	398,383	33,878	(3,926)	844,686	1,077,841	2,350,862

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Condensed Consolidated Statement of Changes in Equity for the Period Ended 30 September 2024 - Unaudited (continued)

	←	Non-distributable		→	Distributable	
	Share capital RM'000	Foreign currency translation reserve RM'000	Insurance finance reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
<u>9 Months Period Ended 30 September 2023</u>						
At 1 January 2023	398,383	35,155	357	791,936	982,765	2,208,596
Foreign currency translation differences for foreign operation	-	10,573	-	-	-	10,573
Net finance expenses from insurance contracts	-	-	(5,416)	-	-	(5,416)
Net finance income from reinsurance contracts held	-	-	3,946	-	-	3,946
Net losses on investments in equity instruments designated at fair value through other comprehensive income	-	-	-	(56,993)	-	(56,993)
Total other comprehensive income/(expenses) for the period	-	10,573	(1,470)	(56,993)	-	(47,890)
Profit for the period	-	-	-	-	235,146	235,146
Total comprehensive income/(expenses) for the period	-	10,573	(1,470)	(56,993)	235,146	187,256
Distributions to owners of the Company						
Dividends to owners of the Company	-	-	-	-	(243,013)	(243,013)
Total transactions with owners of the Company	-	-	-	-	(243,013)	(243,013)
At 30 September 2023	398,383	45,728	(1,113)	734,943	974,898	2,152,839

Notes : The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

LPI CAPITAL BHD**Condensed Consolidated Statement of Cash Flows
for the Period Ended 30 September 2024 - Unaudited**

	Current Year To Date Ended 30.09.2024 RM'000	Preceding Year Corresponding Period Ended 30.09.2023 RM'000
Operating activities		
Profit before tax	378,297	291,741
Investment income	(119,860)	(99,235)
Gain on disposal of plant and equipment	(276)	(156)
Net fair value gains recorded in profit or loss	(6,539)	(15,177)
Share of profit of equity accounted associated company	(1,107)	(1,326)
Interest on lease liabilities	795	874
Non-cash items:		
Depreciation of plant and equipment	1,967	1,914
Depreciation of right-of-use assets	5,364	5,376
Amortisation of intangible assets	1,101	2,127
Write off of plant and equipment	-	1
Unrealised foreign exchange gain	(684)	(162)
Net impairment loss/(Net reversal of impairment loss) on investments	2	(1)
Changes in working capital:		
Other investments	(206,188)	(395,235)
Loans and receivables	4,162	(11,927)
Reinsurance contract assets	(71,025)	306,463
Insurance contract liabilities	70,538	(268,855)
Other payables	33,287	30,450
Cash generated from/(used in) operating activities	89,834	(153,128)
Dividend income received	76,125	58,176
Interest income received	43,256	40,551
Rental income on investment property received	631	640
Interest paid	(795)	(874)
Income tax paid	(40,815)	(64,101)
Net cash flows generated from/(used in) operating activities	168,236	(118,736)

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Condensed Consolidated Statement of Cash Flows for the Period Ended 30 September 2024 - Unaudited (continued)

	Current Year To Date Ended 30.09.2024 RM'000	Preceding Year Corresponding Period Ended 30.09.2023 RM'000
Investing activities		
Proceeds from disposal of plant and equipment	276	156
Purchase of plant and equipment	(1,951)	(157)
Purchase of intangible assets	(160)	(579)
Net cash flows used in investing activities	(1,835)	(580)
Financing activities		
Dividends paid to owners of the Company	(278,868)	(243,013)
Payment of lease liabilities	(5,240)	(5,173)
Net cash flows used in financing activities	(284,108)	(248,186)
Net decrease in cash and cash equivalents	(117,707)	(367,502)
Cash and cash equivalents at 1 January	315,015	724,911
Effect of movement in exchange rates	(6,952)	10,731
Cash and cash equivalents at 30 September	190,356	368,140

Note : The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2023.

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS
PURSUANT TO MALAYSIAN FINANCIAL REPORTING
STANDARD (“MFRS”) 134**

A1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *Interim Financial Reporting*, and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. They do not include all of the information required for a complete set of MFRS/IFRS financial statements, and should be read in conjunction with the Group’s last annual consolidated audited financial statements as at and for the year ended 31 December 2023 (“last annual consolidated audited financial statements”). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated audited financial statements.

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s last annual consolidated audited financial statements, except for the adoption of the following:

MFRSs/Interpretations/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 and Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 107, <i>Statement of Cash Flows</i> and MFRS 7, <i>Financial Instruments: Disclosures – Supplier Finance Arrangements</i>	1 January 2024

The initial application of the abovementioned amendments did not have any material impact to the current and prior periods financial statements upon their first adoption.

A2. COMMENTS ON SEASONALITY OR CYCLICALITY

The Group's insurance business operations were not significantly affected by seasonality or cyclical factors for the period under review.

However, for the investment holding segment, the dividend income generated from the dividend stocks are subject to timing of the payment of dividend which may fluctuate when comparing quarter to quarter. The Group's investment income is seasonally stronger in 1st Quarter and 3rd Quarter.

A3. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no items affecting assets, liabilities, equity, net income, or cash flows which are unusual because of their nature, size, or incidence in the current interim period ended 30 September 2024.

A4. CHANGES IN ESTIMATES

The preparation of these condensed consolidated interim financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual consolidated audited financial statements.

A5. ISSUES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities by LPI Capital Bhd ("LPI") in the current interim period ended 30 September 2024.

A6. DIVIDEND PAID

- a) A second interim single tier dividend of 40.00 sen per ordinary share amounting to RM159,353,101 in respect of the financial year ended 31 December 2023 on 20 March 2024.
- b) A first interim single tier dividend of 30.00 sen per ordinary share amounting to RM119,514,826 in respect of the financial year ending 31 December 2024 was paid on 13 September 2024.

A7. OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units are managed separately based on the Group's management and internal reporting structure. For each of the strategic business units, LPI's Chief Executive Officer (the chief operating decision maker) reviews internal management reports on a monthly basis. Inter-segment pricing, if any, is determined based on negotiated terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal management reports that are reviewed by LPI's Chief Executive Officer. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

A7. OPERATING SEGMENTS (CONTINUED)

Business segments

The Group comprises the following main business segments:

General insurance - Underwriting of all classes of general insurance business, mainly carried out by Lonpac Insurance Bhd

Investment holding - Investment holding operations, mainly carried out by LPI Capital Bhd

Segment reporting:

RM'000	← 9 Months Ended →					
	General insurance		Investment holding		Total	
	2024	2023	2024	2023	2024	2023
External revenue	1,394,836	1,393,122	44,160	30,941	1,438,996	1,424,063
Inter-segment revenue	-	-	260,000	220,000	260,000	220,000
Segment profit before tax	339,861	266,852	298,436	244,889	638,297	511,741
Segment assets	3,734,401	3,658,073	1,231,480	1,107,793	4,965,881	4,765,866
Segment liabilities	2,411,415	2,409,619	3,604	3,408	2,415,019	2,413,027

A7. OPERATING SEGMENTS (CONTINUED)

Business segments (continued)

i) Reconciliation of reportable segment profit:

RM'000	← 9 Months Ended →	
	<u>2024</u>	<u>2023</u>
Total profit for reportable segments	638,297	511,741
Elimination of inter-segment profit	(260,000)	(220,000)
Consolidated profit before tax	<u>378,297</u>	<u>291,741</u>

ii) Reconciliation of reportable segment assets:

RM'000	← 9 Months Ended →	
	<u>2024</u>	<u>2023</u>
Total assets for reportable segments	4,965,881	4,765,866
Elimination of inter-segment assets	(200,000)	(200,000)
Consolidated assets	<u>4,765,881</u>	<u>4,565,866</u>

A8. EVENTS AFTER THE INTERIM PERIOD

There were no material events after the interim period that have not been reflected in the financial statements for the interim period.

A9. EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarterly period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinued operations.

A10. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

On 22 February 2017, Lonpac Insurance Bhd (“Lonpac”), a wholly-owned subsidiary of LPI Capital Bhd (“LPI”), received a Notice of Proposed Decision by the Malaysia Competition Commission (“MyCC”) under Section 36 of the Competition Act 2010 (“the Act”).

MyCC informed that pursuant to its investigation, the commission on the preliminary basis finds that Lonpac together with the other 21 members of Persatuan Insurans Am Malaysia (“PIAM”) had infringed the prohibition under Section 4(2)(a) of the Act for fixing parts trade discounts and labour rates for repair workshops and therefore liable for an infringement under Section 4(3) of the Act.

Lonpac had on 25 September 2020 received a Notice of Finding of An Infringement (“Notice”) by MyCC under Section 40 of the Act. MyCC determined that Lonpac had infringed Section 4 prohibition of the Act.

In the view of the impact of the COVID-19 pandemic, MyCC had granted a reduction of 25% of the financial penalties imposed on the 22 general insurers. The financial penalty imposed on Lonpac after taking into account the 25% reduction amounted to RM5,914,780.

Lonpac believes that it has always conducted its business in full compliance with all relevant laws and regulations and had filed an appeal to the Competition Appeal Tribunal (“CAT”) on 13 October 2020.

On 2 September 2022, the CAT had allowed Lonpac to appeal and set aside MyCC’s decision.

MyCC has applied to the High Court for leave to apply for judicial review of CAT’s decision dated 2 September 2022 and Lonpac had filed its Affidavit in Opposition in the High Court.

On 16 January 2024, the High Court dismissed MyCC’s application for leave to commence judicial review against the CAT’s decision. On 15 February 2024, MyCC filed a Notice of Appeal to the Court of Appeal against the High Court’s decision. The Court of Appeal has fixed the hearing of the appeal on 22 May 2025.

Save as disclosed above, the Group does not have any other contingent assets and liabilities since the last annual balance sheet date of 31 December 2023.

A11. FINANCIAL INSTRUMENTS

Fair value information

The carrying amounts of cash and cash equivalents, fixed and call deposits, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

A11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the condensed consolidated statement of financial position.

RM'000	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
30.09.2024										
Financial assets										
<i>Designated at fair value through other comprehensive income</i>										
- Quoted shares	1,004,543	-	-	1,004,543	-	-	-	-	1,004,543	1,004,543
- Corporate bonds and sukuk	-	28,457	-	28,457	-	-	-	-	28,457	28,457
<i>Mandatorily at fair value through profit or loss</i>										
- Unit trusts	-	1,059,303	-	1,059,303	-	-	-	-	1,059,303	1,059,303
- Real estate investment trusts ("REITs")	3,649	-	-	3,649	-	-	-	-	3,649	3,649
- Exchange-traded fund ("ETF")	594	-	-	594	-	-	-	-	594	594
- Quoted shares	5,237	-	-	5,237	-	-	-	-	5,237	5,237
- Unquoted shares	-	-	1,627	1,627	-	-	-	-	1,627	1,627
- Corporate bonds and sukuk	-	348,616	-	348,616	-	-	-	-	348,616	348,616
<i>Amortised cost</i>										
- Malaysian government securities	-	-	-	-	-	15,155	-	15,155	15,155	15,194
- Government investment issues	-	-	-	-	-	40,117	-	40,117	40,117	39,841
- Malaysian government guaranteed loans	-	-	-	-	-	76,072	-	76,072	76,072	75,000
- Corporate bonds and sukuk	-	-	-	-	-	42,725	-	42,725	42,725	42,420
	1,014,023	1,436,376	1,627	2,452,026	-	174,069	-	174,069	2,626,095	2,624,481

A11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value information (continued)

31.12.2023

RM'000	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>		
Financial assets										
<i>Designated at fair value through other comprehensive income</i>										
- Quoted shares	945,063	-	-	945,063	-	-	-	-	945,063	945,063
<i>Mandatorily at fair value through profit or loss</i>										
- Unit trusts	-	923,739	-	923,739	-	-	-	-	923,739	923,739
- Real estate investment trusts ("REITs")	3,259	-	-	3,259	-	-	-	-	3,259	3,259
- Exchange-traded fund ("ETF")	636	-	-	636	-	-	-	-	636	636
- Quoted shares	4,940	-	-	4,940	-	-	-	-	4,940	4,940
- Unquoted shares	-	-	1,575	1,575	-	-	-	-	1,575	1,575
- Corporate bonds and sukuk	-	284,141	-	284,141	-	-	-	-	284,141	284,141
<i>Amortised cost</i>										
- Malaysian government securities	-	-	-	-	-	15,115	-	15,115	15,115	15,240
- Government investment issues	-	-	-	-	-	39,857	-	39,857	39,857	39,821
- Malaysian government guaranteed loans	-	-	-	-	-	85,432	-	85,432	85,432	85,000
- Corporate bonds and sukuk	-	-	-	-	-	43,319	-	43,319	43,319	43,302
	<u>953,898</u>	<u>1,207,880</u>	<u>1,575</u>	<u>2,163,353</u>	<u>-</u>	<u>183,723</u>	<u>-</u>	<u>183,723</u>	<u>2,347,076</u>	<u>2,346,716</u>

A11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value information (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the current interim period ended 30 September 2024 (31.12.2023: no transfer in either directions).

Level 3 fair value

The following table shows a reconciliation of Level 3 fair values:

	2024	2023
	RM'000	RM'000
Unquoted shares		
Balance as at 1 January	1,575	1,472
Fair value gains recognised in profit or loss	<u>52</u>	<u>103</u>
Balance as at 30 September 2024 / 31 December 2023	<u>1,627</u>	<u>1,575</u>

A11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value information (continued)

The following table shows the valuation technique used in the determination of fair value within Level 3, as well as the key unobservable inputs used in the valuation model.

Financial instrument carried at fair value

Type	Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted shares	The fair value is determined to approximate the net assets value of the investee as it is immaterial in the context of the condensed interim financial statements.	Net assets value	The higher the value of net assets the higher the fair value.

A12. SIGNIFICANT RELATED PARTY TRANSACTIONS

The significant related party transactions of the Group are as follows:-

RM'000	Associated Company		Companies Under Common Significant Influence	
	Current Year To Date Ended	Preceding Year Corresponding Period Ended	Current Year To Date Ended	Preceding Year Corresponding Period Ended
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Income earned:				
Premium income	342	419	37,745	36,773
Dividend income	-	-	44,014	30,849
Fixed deposits income	-	-	1,935	1,416
Interest/profit income from corporate bonds and sukuk	-	-	1,472	974
Management fees	43	-	-	-
Information technology services	2	46	-	-
	<u>387</u>	<u>465</u>	<u>85,166</u>	<u>70,012</u>
Expenditure incurred:				
Rental paid	-	-	(2,997)	(2,997)
Reimbursement of utilities	-	-	(244)	(240)
Insurance commission	(90)	(107)	(40,400)	(37,660)
	<u>(90)</u>	<u>(107)</u>	<u>(43,641)</u>	<u>(40,897)</u>
Other transaction:				
Purchase of corporate bonds and sukuk	-	-	(5,000)	-

PART B – ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. REVIEW OF GROUP PERFORMANCE

Table 1: Financial review for current quarter and financial year to date

RM'mil	Individual Period		Changes		Cumulative Period		Changes	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended			Current Year To Date Ended	Preceding Year Corresponding Period Ended		
	30.09.2024	30.09.2023	Amount	% / ppt (*)	30.09.2024	30.09.2023	Amount	% / ppt (*)
Revenue by segments								
General insurance segment	477.9	478.9	(1.0)	(0.2%)	1,394.8	1,393.2	1.6	0.1%
Insurance revenue	453.0	454.4	(1.4)	(0.3%)	1,319.1	1,324.9	(5.8)	(0.4%)
Investment income	24.9	24.5	0.4	1.6%	75.7	68.3	7.4	10.8%
Investment holding segment								
Investment income	21.9	19.5	2.4	12.3%	44.2	30.9	13.3	43.0%
Total revenue	499.8	498.4	1.4	0.3%	1,439.0	1,424.1	14.9	1.0%
Revenue by geographical locations								
Malaysia	468.7	458.8	9.9	2.2%	1,329.8	1,309.6	20.2	1.5%
Singapore	31.1	39.6	(8.5)	(21.5%)	109.2	114.5	(5.3)	(4.6%)
Total revenue	499.8	498.4	1.4	0.3%	1,439.0	1,424.1	14.9	1.0%

(* ppt – percentage points)

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 1: Financial review for current quarter and financial year to date (continued)

	Individual Period		Changes		Cumulative Period		Changes	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended			Current Year To Date Ended	Preceding Year Corresponding Period Ended		
	30.09.2024	30.09.2023	Amount	% / ppt (*)	30.09.2024	30.09.2023	Amount	% / ppt (*)
Profit before tax by segments								
General insurance (RM'mil)	130.4	101.9	28.5	28.0%	339.9	266.8	73.1	27.4%
Investment holding (RM'mil)	20.0	17.7	2.3	13.0%	38.4	24.9	13.5	54.2%
Total profit before tax	150.4	119.6	30.8	25.8%	378.3	291.7	86.6	29.7%
Profit before tax by geographical locations								
Malaysia (RM'mil)	146.7	116.2	30.5	26.2%	366.4	278.2	88.2	31.7%
Singapore (RM'mil)	3.4	3.0	0.4	13.3%	10.8	12.2	(1.4)	(11.5%)
Cambodia (RM'mil)	0.3	0.4	(0.1)	(25.0%)	1.1	1.3	(0.2)	(15.4%)
Total profit before tax	150.4	119.6	30.8	25.8%	378.3	291.7	86.6	29.7%
Profit attributable to owners of the Company (RM'mil)	123.9	97.9	26.0	26.6%	303.2	235.1	68.1	29.0%
Net return on equity (%)	5.3	4.5	-	0.8 ppt	12.9	10.9	-	2.0 ppt
Earnings per share (sen)	31.11	24.58	6.53	26.6%	76.12	59.03	17.09	29.0%

(* ppt – percentage points)

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 1: Financial review for current quarter and financial year to date (continued)

	Individual Period		Changes		Cumulative Period		Changes	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended			Current Year To Date Ended	Preceding Year Corresponding Period Ended		
	30.09.2024	30.09.2023	Amount	% / ppt (*)	30.09.2024	30.09.2023	Amount	% / ppt (*)
Gross written premiums (RM'mil)	465.2	447.9	17.3	3.9%	1,428.7	1,339.1	89.6	6.7%
Net claims incurred ratio (%)	35.8	39.4	-	(3.6) ppt	40.0	46.2	-	(6.2) ppt
Management expenses ratio (%)	19.1	20.0	-	(0.9) ppt	19.6	20.6	-	(1.0) ppt
Net commission ratio (%)	8.4	8.7	-	(0.3) ppt	8.4	8.3	-	0.1 ppt
Net insurance finance cost ratio (%)	3.1	2.9	-	0.2 ppt	3.1	3.1	-	-
Net losses on onerous contracts ratio (%)	0.5	-	-	0.5 ppt	0.2	(0.5)	-	0.7 ppt
Combined ratio (%)	66.8	71.1	-	(4.3) ppt	71.2	77.6	-	(6.4) ppt

(* ppt – percentage points)

The above financial ratios were computed based on the Group's internal management accounts.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 2: Insurance service result by portfolio for the 3 months period ended 30 September:

RM'000	Fire		Motor		Marine, Aviation & Transit		Miscellaneous		Total	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Insurance revenue	172,298	191,314	113,615	101,012	26,967	26,324	140,193	135,722	453,073	454,372
Incurred claims	(6,918)	24,791	(75,365)	(61,057)	(5,647)	(63,906)	(57,399)	(36,416)	(145,329)	(136,588)
Other incurred insurance service expenses	(4,965)	(4,271)	(6,302)	(6,442)	(838)	(628)	(6,248)	(6,760)	(18,353)	(18,101)
Amortisation of commission expense	(22,537)	(22,947)	(10,588)	(9,525)	(1,571)	(1,678)	(16,790)	(16,781)	(51,486)	(50,931)
Amortisation of other insurance acquisition cash flows	(11,918)	(10,918)	(11,315)	(9,607)	(1,993)	(1,703)	(10,523)	(10,217)	(35,749)	(32,445)
(Losses)/Reversals of losses on onerous contracts	(14)	(98)	1,495	597	(1)	(34)	(2,588)	519	(1,108)	984
Insurance service expenses	<u>(46,352)</u>	<u>(13,443)</u>	<u>(102,075)</u>	<u>(86,034)</u>	<u>(10,050)</u>	<u>(67,949)</u>	<u>(93,548)</u>	<u>(69,655)</u>	<u>(252,025)</u>	<u>(237,081)</u>
Allocation of reinsurance premiums paid	(50,159)	(82,793)	(6,226)	(4,877)	(19,713)	(18,384)	(52,255)	(53,145)	(128,353)	(159,199)
(Reversals of recoveries)/ Recoveries of incurred claims	(2,097)	(39,359)	7,110	6,146	4,178	62,660	29,758	2,017	38,949	31,464
Recoveries/(Reversals of recoveries) of losses on onerous underlying contracts	6	48	(359)	(1,141)	1	25	82	1	(270)	(1,067)
Net (expenses)/income from reinsurance contracts held	<u>(52,250)</u>	<u>(122,104)</u>	<u>525</u>	<u>128</u>	<u>(15,534)</u>	<u>44,301</u>	<u>(22,415)</u>	<u>(51,127)</u>	<u>(89,674)</u>	<u>(128,802)</u>
Insurance service result	<u>73,696</u>	<u>55,767</u>	<u>12,065</u>	<u>15,106</u>	<u>1,383</u>	<u>2,676</u>	<u>24,230</u>	<u>14,940</u>	<u>111,374</u>	<u>88,489</u>

The below financial information was extracted from the Group's internal management accounts.

Gross written premiums	<u>162,916</u>	<u>170,210</u>	<u>119,792</u>	<u>105,697</u>	<u>20,607</u>	<u>21,405</u>	<u>161,842</u>	<u>150,583</u>	<u>465,157</u>	<u>447,895</u>
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B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 3: Insurance service result by portfolio for the financial period ended 30 September:

RM'000	Fire		Motor		Marine, Aviation & Transit		Miscellaneous		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Insurance revenue	498,822	572,863	327,415	293,765	81,136	74,017	411,763	384,183	1,319,136	1,324,828
Incurred claims	(67,807)	81,862	(218,075)	(192,569)	(69,974)	(96,652)	(145,831)	(144,485)	(501,687)	(351,844)
Other incurred insurance service expenses	(17,108)	(12,913)	(19,145)	(17,041)	(3,090)	(2,464)	(20,320)	(19,556)	(59,663)	(51,974)
Amortisation of commission expense	(66,189)	(66,629)	(30,979)	(27,633)	(4,815)	(4,691)	(50,837)	(48,485)	(152,820)	(147,438)
Amortisation of other insurance acquisition cash flows	(33,875)	(33,081)	(32,520)	(29,792)	(6,183)	(5,554)	(30,699)	(31,246)	(103,277)	(99,673)
Reversals of losses/(Losses) on onerous contracts	388	(98)	(456)	6,661	66	19	(1,588)	(2,885)	(1,590)	3,697
Insurance service expenses	(184,591)	(30,859)	(301,175)	(260,374)	(83,996)	(109,342)	(249,275)	(246,657)	(819,037)	(647,232)
Allocation of reinsurance premiums paid	(137,763)	(239,858)	(17,047)	(19,963)	(59,932)	(51,665)	(151,131)	(142,506)	(365,873)	(453,992)
Recoveries/(Reversals of recoveries) of incurred claims (Reversals of recoveries)/	23,457	(153,012)	9,709	3,020	62,775	94,371	57,395	44,048	153,336	(11,573)
Recoveries of losses on onerous underlying contracts	(146)	48	195	425	(38)	(5)	81	61	92	529
Net (expenses)/income from reinsurance contracts held	(114,452)	(392,822)	(7,143)	(16,518)	2,805	42,701	(93,655)	(98,397)	(212,445)	(465,036)
Insurance service result	199,779	149,182	19,097	16,873	(55)	7,376	68,833	39,129	287,654	212,560

The below financial information was extracted from the Group's internal management accounts.

Gross written premiums	552,044	526,487	335,405	295,890	84,162	84,092	457,084	432,637	1,428,695	1,339,106
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B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Revenue

For the 3rd quarter of financial year 2024, the Group's revenue increased by RM1.4 million to RM499.8 million from RM498.4 million recorded in the corresponding quarter in 2023. The 0.3% growth in revenue was largely contributed by its investment holding segment, which increased by RM2.4 million to RM21.9 million as compared to RM19.5 million in the corresponding quarter in 2023, contributed by higher tax-exempt dividend income received from its equity investment. The general insurance segment recorded a lower revenue of RM477.9 million as compared to RM478.9 million reported in the corresponding quarter in 2023 mainly due to lower insurance revenue. The lower insurance revenue was caused by the currency translation of its Singapore operation arising from the strengthening of Ringgit Malaysia.

Revenue of the Group for the nine months period ended 30 September 2024 increased by 1.0% or RM14.9 million to RM1,439.0 million from RM1,424.1 million in the corresponding period in 2023. Of the total amount of RM1,439.0 million, RM1,394.8 million was generated from general insurance segment and RM44.2 million from investment holding segment. The increase in revenue was mainly driven by the investment holding segment, which registered an increase of 43.0% or RM13.3 million as compared to RM30.9 million in 2023, which was attributed to the higher dividend income. The general insurance segment recorded higher revenue of RM1,394.8 million as compared to RM1,393.2 million in 2023 which was attributed to higher dividend income and interest income received during the current financial period.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Profit Before Tax

Profit before tax of the Group for the 3rd quarter of financial year 2024 increased by 25.8% or RM30.8 million to RM150.4 million from RM119.6 million in the corresponding quarter in 2023. The increase was driven by the higher profit from general insurance segment, which increased by 28.0% or RM28.5 million to RM130.4 million from RM101.9 million in the 3rd quarter of financial year 2023, mainly contributed by higher insurance service result as compared to the corresponding quarter last year. The investment holding segment recorded a higher profit before tax of RM20.0 million as compared to RM17.7 million in the corresponding quarter in 2023 mainly contributed by higher tax-exempt dividend income received during the 3rd quarter of financial year 2024.

Profit before tax of the Group for the nine months period ended 30 September 2024 grew by 29.7% or RM86.6 million to RM378.3 million from RM291.7 million in the corresponding period in 2023. The increase was primarily driven by the higher profit from general insurance segment, which increased by 27.4% or RM73.1 million to RM339.9 million from RM266.8 million reported in the previous corresponding period, mainly contributed by higher insurance service result as compared to the corresponding period in 2023. The investment holding segment recorded a higher profit before tax of RM38.4 million as compared to RM24.9 million reported in the corresponding period in 2023 mainly contributed by higher tax-exempt dividend income received from its equity investment.

Business operations in Malaysia contributed 97.5% of the Group's total profit before tax in the 3rd quarter of financial year 2024 and 96.9% for the nine months period ended 30 September 2024.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 4: Other comprehensive income for current quarter and financial year to date

	Individual Period		Cumulative Period	
	Current Year Quarter Ended 30.09.2024	Preceding Year Corresponding Quarter Ended 30.09.2023	Current Year To Date Ended 30.09.2024	Preceding Year Corresponding Period Ended 30.09.2023
RM'mil				
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	(14.3)	(0.1)	(14.7)	10.6
Net gains on investments in debt instruments designated at fair value through other comprehensive income	0.2	-	0.3	-
Net finance expenses from insurance contracts	(6.1)	(0.4)	(3.1)	(7.3)
Net finance income from reinsurance contracts held	3.3	0.4	1.0	5.2
Income tax relating to these items	0.5	-	0.3	0.6
Items that will not be reclassified to profit or loss				
Net gains/(losses) on investments in equity instruments designated at fair value through other comprehensive income	119.2	46.3	59.7	(57.5)
Income tax relating to these items	(0.9)	(0.3)	(0.5)	0.5
Total other comprehensive income/(expenses) for the period, net of tax	101.9	45.9	43.0	(47.9)

The Group's total other comprehensive income for the nine months ended 30 September 2024 recorded a net gain of RM43.0 million as compared to net loss of RM47.9 million in the corresponding period in 2023. The net gain recorded was mainly contributed by the increase in the market value of its investment in quoted equities.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 5: Review of assets and liabilities

RM'mil	As at	As at	Changes	
	30.09.2024	31.12.2023	Amount	%
Total assets	4,765.9	4,569.0	196.9	4.3%
Total liabilities	2,415.0	2,285.5	129.5	5.7%
Total equity	2,350.9	2,283.5	67.4	3.0%

Total assets

As at 30 September 2024, the Group's total assets were higher by RM196.9 million to RM4,765.9 million from RM4,569.0 million as at 31 December 2023. The increase was mainly contributed by higher investment in unit trusts, corporate bonds and sukuk measured at fair value through profit or loss coupled with higher reinsurance contract assets. The general insurance segment accounted for 78.4% of the Group's total assets as at 30 September 2024.

Total liabilities

As at 30 September 2024, total liabilities of the Group were higher by RM129.5 million to RM2,415.0 million from RM2,285.5 million as at 31 December 2023. This was mainly due to RM62.8 million increase in insurance contract liabilities and RM33.1 million increase in other payables of its general insurance segment.

Total equity

The Group's total equity increased by 3.0% or RM67.4 million to RM2,350.9 million from RM2,283.5 million as at 31 December 2023. The Group's retained earnings recorded a net increase of RM24.3 million after the payment of dividends of RM278.9 million from the current period's net profit of RM303.2 million. The fair value reserves increased by RM59.4 million mainly contributed by the higher market value of investment designated as fair value through other comprehensive income. Therefore, net tangible asset per share also increased to RM5.89 from RM5.72 as at 31 December 2023.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 6: Breakdown of Key Financial Information of Foreign Operation - Lonpac Insurance Bhd (Singapore Branch)

Exchange rate as at 30.09.2024 SGD1.00 = RM3.30	Functional Currency SGD'000	Reporting Currency RM'000
Insurance revenue	30,854	101,819
Investment income	2,251	7,429
Total revenue	33,105	109,248
Profit before tax	3,271	10,795
Profit after tax	2,812	9,279
Total assets	115,102	379,837
Total liabilities	56,263	185,668

For consolidation purpose, the financial statements of Singapore Branch of its subsidiary, Lonpac Insurance Bhd are translated from SGD to RM at the exchange rate at the end of the reporting period.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 7: Review of statement of cash flows

RM'mil	Current Year To Date Ended 30.09.2024	Preceding Year Corresponding Period Ended 30.09.2023
Profit after tax	303.2	235.1
Net cash flows generated from/(used in) operating activities	168.2	(118.7)
Net cash flows used in investing activities	(1.8)	(0.6)
Net cash flows used in financing activities	(284.1)	(248.2)
Net decrease in cash and cash equivalents	(117.7)	(367.5)
Cash and cash equivalents at 1 January	315.0	724.9
Effect of movement in exchange rates	(6.9)	10.7
Cash and cash equivalents at 30 September	190.4	368.1

For the nine months ended 30 September 2024, the operating cash flows of the Group remained healthy at RM168.2 million. The ratio of cash flows from operating activities to net income was 55.5% (RM168.2 million / RM303.2 million). The ratio indicated the ability of the Group to generate sufficient positive cash flows to maintain and grow its operations.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Review of statement of cash flows (continued)

The Group had relatively low spending on plant and equipment and intangible assets as its core business is underwriting of general insurance. The Group's investing activities for the current financial period amounted to RM1.8 million, mainly relating to the purchase of plant and equipment.

The Group's balance sheet did not carry any debts other than insurance contract liabilities which increased by RM62.8 million to RM2,262.6 million as at 30 September 2024. The Group had generated sufficient cash flows to pay dividends amounting to RM278.9 million (which consisted of RM159.4 million second interim dividend for the financial year ended 31 December 2023 and RM119.5 million first interim dividend for the financial year ending 2024) during the current financial period.

B2. MATERIAL CHANGES IN THE PROFIT BEFORE TAX FOR THE QUARTER REPORTED ON WITH THE IMMEDIATE PRECEDING QUARTER

	Current Year Quarter Ended 30.09.2024	Immediate Preceding Quarter Ended 30.06.2024	Changes	
			Amount	% / ppt
Insurance revenue (RM'mil)	453.0	443.3	9.7	2.2%
Investment income (RM'mil)	46.8	26.1	20.7	79.3%
Total revenue (RM'mil)	499.8	469.4	30.4	6.5%
Profit before tax (RM'mil)	150.4	100.6	49.8	49.5%
Profit attributable to owners of the Company (RM'mil)	123.9	78.0	45.9	58.8%
Net return on equity (%)	5.3	3.5	-	1.8 ppt
Earnings per share (sen)	31.11	19.58	11.53	58.9%
Gross written premiums (RM'mil)	465.2	431.7	33.5	7.8%
Insurance service result (RM'mil)	111.4	88.4	23.0	26.0%
Net claims incurred ratio (%)	35.8	44.3	-	(8.5) ppt
Management expenses ratio (%)	19.1	18.4	-	0.7 ppt
Net commission ratio (%)	8.4	8.3	-	0.1 ppt
Net insurance finance cost ratio (%)	3.1	3.2	-	(0.1) ppt
Net losses on onerous contracts ratio (%)	0.5	(0.5)	-	1.0 ppt
Combined ratio (%)	66.8	73.6	-	(6.8) ppt

For the 3rd quarter of financial year 2024, the Group recorded a higher profit before tax of RM150.4 million as compared to RM100.6 million in the preceding quarter ended 30 June 2024. The increase in the profit before tax for the said quarter was mainly contributed by higher insurance service result and investment income received.

B3. CURRENT YEAR PROSPECTS

- a) Despite the solid economic performance reported by Malaysia, external factors especially the rising geopolitical tensions may overshadow domestic stability and cause heightened uncertainty and volatility. The 4th Quarter of the year is expected to remain challenging and the LPI Group will be keenly focused on international and local developments that may affect its prospects. Lonpac's distribution channels will be further enhanced to tap into the insurance needs of the increased domestic and foreign direct investments to drive sustainable business growth. Meanwhile, the LPI Group recognises the need to future-proof its workforce by enhancing skills and boosting employee value propositions to attract and retain talents. Emerging technologies will be further explored to strengthen its operational effectiveness and efficiency in order to adapt to evolving business needs.
- b) Commentary on the Company's progress to achieve the financial estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document and steps taken or proposed to be taken to achieve the financial estimate, forecast, projection or internal targets. – Not Applicable.

B4. STATEMENT ON FINANCIAL ESTIMATE, FORECAST, PROJECTION OR INTERNAL TARGETS PREVIOUSLY ANNOUNCED OR DISCLOSED IN A PUBLIC DOCUMENT

A statement of the Board of Directors' opinion as to whether the financial estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved. – Not Applicable.

B5. EXPLANATORY NOTE FOR VARIANCE FROM A FINANCIAL ESTIMATE, FORECAST OR PROJECTION OR PROFIT GUARANTEE PREVIOUSLY ANNOUNCED OR DISCLOSED IN A PUBLIC DOCUMENT

- a) Any variance of actual profit after tax and minority interest and the profit after tax and minority interest stated in the financial estimate, forecast or projection (where the variance exceeds 10%). – Not Applicable.
- b) Any shortfall in the profit guarantee received by the Company and steps to recover the shortfall. – Not Applicable.

B6. TAXATION

RM'000	Individual Period		Cumulative Period	
	Current Year Quarter Ended <u>30.09.2024</u>	Preceding Year Corresponding Quarter Ended <u>30.09.2023</u>	Current Year To Date Ended <u>30.09.2024</u>	Preceding Year Corresponding Period Ended <u>30.09.2023</u>
Profit before tax	150,400	119,569	378,297	291,741
Income tax:				
Current tax charge	29,955	23,619	67,934	39,409
Over provision in prior year	(5,029)	(1,768)	(5,024)	(1,768)
Deferred taxation	1,537	(199)	12,156	18,954
Total tax expense	26,463	21,652	75,066	56,595
Effective tax rate on current tax charge	21%	20%	21%	20%

The effective tax rate on the current tax charge of the Group for the current quarter and current financial period ended 30 September 2024 was lower than the statutory tax rate, mainly due to tax-exempt dividends received and certain income being taxed at a reduced rate.

B7. STATUS OF CORPORATE PROPOSALS

- a) There was no corporate proposal announced but not completed as at 22 October 2024, the latest practicable date which is not earlier than 7 days from the date of the issue of this quarterly report.
- b) Brief explanation of the status of utilisation of proceeds raised from any corporate proposal – Not Applicable.

B8. GROUP BORROWINGS AND DEBT SECURITIES

The Group has no outstanding borrowings and debt securities for the current interim period ended 30 September 2024.

B9. DISCLOSURE OF DERIVATIVES

A disclosure on outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 September 2024. – Not Applicable.

B10. GAINS/ LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

There were no gains/ losses arising from fair value changes of the financial liabilities for the current quarter and financial period ended 30 September 2024.

B11. CHANGES IN MATERIAL LITIGATION

There were no pending material litigations since the last annual balance sheet date up to 22 October 2024, which is not earlier than 7 days from date of issue of this quarterly report.

B12. DIVIDEND

The total dividend declared and paid for the 9 months ended 30 September 2024 was 30.00 sen single tier dividend per share.

B13. EARNINGS PER SHARE

a) Basic earnings per share

	Individual Period		Cumulative Period	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date Ended	Preceding Year Corresponding Period Ended
	<u>30.09.2024</u>	<u>30.09.2023</u>	<u>30.09.2024</u>	<u>30.09.2023</u>
Profit after tax (RM'000)	123,937	97,917	303,231	235,146
Weighted average no. of ordinary shares in issue ('000)	398,383	398,383	398,383	398,383
Basic earnings per share (sen)	31.11	24.58	76.12	59.03

b) Diluted earnings per share. – Not Applicable.

B14. PROFIT FOR THE PERIOD

	Individual Period		Cumulative Period	
	Current Year Quarter Ended <u>30.09.2024</u> RM'000	Preceding Year Corresponding Quarter Ended <u>30.09.2023</u> RM'000	Current Year To Date Ended <u>30.09.2024</u> RM'000	Preceding Year Corresponding Period Ended <u>30.09.2023</u> RM'000
Profit for the period is arrived at after charging:				
Depreciation of plant and equipment (N1)	659	622	1,967	1,914
Depreciation of right-of-use assets (N1)	1,747	1,784	5,364	5,376
Amortisation of intangible assets (N1)	374	540	1,101	2,127
Net impairment loss on investments	3	-	2	-
and after crediting:				
Interest income (N2)	13,801	14,439	43,104	40,419
Dividend income (N2)	32,761	29,371	76,125	58,176
Rental income (N2)	197	218	631	640
Net reversal of impairment loss on investments	-	-	-	1
Net foreign exchange gain (N1)	204	215	821	58

Other than the items above which have been included in the Condensed Consolidated Statement of Profit or Loss, there were no impairment of assets, gain or loss on derivatives and exceptional items for the current financial period ended 30 September 2024.

(N1) Depreciation of plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and net foreign exchange gain are reported under item insurance service expenses and other operating expenses in the Condensed Consolidated Statement of Profit or Loss.

(N2) Interest income, dividend income and rental income are reported under item investment income in the Condensed Consolidated Statement of Profit or Loss.

B15. ADDITIONAL DISCLOSURE INFORMATION

Amounts due from policyholders, agents, brokers, co-insurers and reinsurers (“trade receivables”), was either net off with insurance contract liabilities or reinsurance contract assets. However, these amounts are still exposed to credit risk.

The credit terms of trade receivables granted to related parties are no different from those granted to non-related parties.

A trade receivable is deemed past due when the counterparty has failed to make payment when the outstanding amount is contractually due.

Age analysis of trade receivables past due but not impaired:

	<30 days RM'000	31 - 60 days RM'000	61 - 90 days RM'000	91 - 180 days RM'000	>180 days RM'000	Total RM'000
30.09.2024						
Trade receivables arise from insurance contracts	114,088	35,040	58,782	29,241	214	237,365
Trade receivables arise from reinsurance contracts held	8,698	3,656	1,436	1,042	-	14,832
31.12.2023						
Trade receivables arise from insurance contracts	97,775	26,389	29,130	12,353	2,070	167,717
Trade receivables arise from reinsurance contracts held	7,794	3,261	1,312	7,718	-	20,085

The past due trade receivables above are deemed collectable.

B16. DISCLOSURE ON QUALIFICATION OF AUDIT REPORT

The audit report of the Group’s preceding annual financial statements was not qualified.