

**GREAT EASTERN TAKAFUL BERHAD**  
**201001032332 (916257-H)**  
**(Incorporated in Malaysia)**

**Unaudited Condensed Interim Financial Statements**  
**For The 6 Months Period Ended 30 June 2024**

201001032332 (916257-H)

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2024**

<b>CONTENTS</b>	<b>PAGE (S)</b>
Unaudited Condensed Interim Statement of Financial Position	1
Unaudited Condensed Interim Statement of Profit or Loss	2
Unaudited Condensed Interim Statement of Other Comprehensive Income	3
Unaudited Condensed Interim Statement of Changes in Equity	4
Unaudited Condensed Interim Statement of Cash Flows	5 - 6
Notes to the Unaudited Condensed Interim Financial Statements	7 - 37

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
As at 30 June and 31 December

	Note	30 June 2024		31 Dec 2023	
		Family Takaful	Company	Family Takaful	Company
		Fund RM'000	Company RM'000	Fund RM'000	Company RM'000
<b>ASSETS</b>					
Property, plant and equipment					
- Owned		-	17,068	-	16,508
- Right-of-use assets		-	2,611	-	2,822
Intangible assets		-	6,209	-	7,908
Investments	11	1,520,758	1,694,882	1,317,615	1,483,802
Takaful contract assets	12	349,865	480,685	33,218	149,221
Retakaful contract assets	12	217,927	219,737	375,710	377,520
Deferred tax assets		-	-	782	782
Tax recoverable		-	9,039	-	6,442
Other receivables		191,533	220,593	13,135	15,198
Other financial assets		-	67	-	1,538
Cash and cash equivalents		370,693	545,500	502,193	680,800
<b>TOTAL ASSETS</b>		<b>2,650,776</b>	<b>3,196,391</b>	<b>2,242,653</b>	<b>2,742,541</b>
<b>EQUITY</b>					
Share capital		-	195,000	-	195,000
Retained earnings		-	53,677	-	39,370
Other comprehensive income fair value reserves		-	3,243	-	1,040
<b>TOTAL EQUITY</b>		<b>-</b>	<b>251,920</b>	<b>-</b>	<b>235,410</b>
<b>LIABILITIES</b>					
Takaful contract liabilities	12	2,417,756	2,475,595	1,994,216	2,069,949
Retakaful contract liabilities	12	25,808	27,188	208,638	209,821
Provision for agents' retirement benefits		-	25,370	-	22,700
Deferred tax liabilities		5,893	20,760	19	13,320
Other financial liabilities		1,595	1,595	2,456	2,456
Provision for taxation		4,176	4,176	1,866	1,866
Provision for zakat		-	247	-	155
Lease liabilities		-	2,608	-	2,976
Other payables		195,548	386,932	35,458	183,888
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,650,776</b>	<b>3,196,391</b>	<b>2,242,653</b>	<b>2,742,541</b>

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

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**

For the 6-months period ended 30 June 2024

	6-months period ended 30.06.2024		6-months period ended 30.06.2023	
	Family Takaful		Family Takaful	
Note	Fund	Company	Fund	Company
	RM'000	RM'000	RM'000	RM'000
Takaful revenue	586,433	641,163	1,450,495	1,484,967
Takaful service expense	(594,049)	(637,672)	(703,702)	(735,460)
Net expenses from retakaful contracts held	3,708	3,779	(739,575)	(739,772)
<b>Takaful service result</b>	<b>(3,908)</b>	<b>7,270</b>	<b>7,218</b>	<b>9,735</b>
Profit income from:				
Financial assets not measured at fair value through profit or loss	5,993	7,475	9,984	11,331
Financial assets measured at fair value through profit or loss	16,964	19,690	7,746	10,294
Other investment income	9,508	10,396	9,318	10,714
Gain on exchange differences	1,323	1,323	1,447	1,447
Net realised gains	10,809	10,782	82	20
Net fair value gains and losses	83,911	84,257	(20,656)	(19,381)
Decrease/(increase) in provision for impairment of investments	770	770	(63)	(63)
<b>Net investment result</b>	<b>129,278</b>	<b>134,693</b>	<b>7,858</b>	<b>14,362</b>
Takaful finance expenses for takaful certificates issued	(121,576)	(122,371)	(16,074)	(10,045)
Retakaful finance expenses for retakaful certificates held	(3,708)	(3,708)	253	253
<b>Net takaful financial result</b>	<b>(125,284)</b>	<b>(126,079)</b>	<b>(15,820)</b>	<b>(9,792)</b>
<b>Net investment and takaful result</b>	<b>86</b>	<b>15,884</b>	<b>(744)</b>	<b>14,305</b>
Other operating (expense)/revenue	(86)	(70)	744	1,239
<b>Other expenses and income</b>	<b>(86)</b>	<b>(70)</b>	<b>744</b>	<b>1,239</b>
<b>Profit before zakat and taxation</b>	<b>-</b>	<b>15,814</b>	<b>-</b>	<b>15,544</b>
Zakat	-	(50)	-	(50)
Taxation	-	(1,909)	-	(1,501)
<b>Net profit for the period</b>	<b>-</b>	<b>13,855</b>	<b>-</b>	<b>13,993</b>

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

## UNAUDITED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME

For the 6-months period ended 30 June 2024

	<u>6-months period ended 30.06.2024</u>		<u>6-months period ended 30.06.2023</u>	
	<u>Family Takaful Fund RM'000</u>	<u>Company Company</u>	<u>Family Takaful Fund RM'000</u>	<u>Company RM'000</u>
<b>Net profit for the period</b>	-	13,855	-	13,993
<b>Other comprehensive income/(loss):</b>				
<b>Other comprehensive income that will not be reclassified to statement of profit or loss in subsequent periods:</b>				
Net gain/(loss) on equity instrument designated at fair value through other comprehensive income ("FVOCI")	-	594	(279)	(279)
Tax effects thereon	-	(142)	520	520
<b>Net other comprehensive income that will not be reclassified to statement of profit or loss in subsequent periods, (net of tax)</b>	-	452	241	241
<b>Other comprehensive income/(loss) that may be reclassified to statement of profit or loss in subsequent periods:</b>				
Debt and equity instruments at FVOCI:				
Net gain arising during the period	-	2,898	5,533	4,685
Changes in allowance for Expected Credit Loss	(770)	(770)	63	63
Net realised gain transferred to statement of profit or loss	-	-	636	636
Tax effects thereon	211	(484)	(494)	(290)
Other comprehensive income/(outgo) attributable to participants	559	559	(5,979)	(5,979)
<b>Net other comprehensive income/(outgo) that may be reclassified to statement of profit or loss in subsequent periods (net of tax)</b>	-	2,203	(241)	(885)
<b>Other comprehensive gain/(loss) for the period, after tax</b>	-	2,655	-	(644)
<b>Total comprehensive income for the period</b>	-	16,510	-	13,349

201001032332 (916257-H)

GREAT EASTERN TAKAFUL BERHAD  
(Incorporated in Malaysia)

### UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 June 2024

	Attributable to shareholders of the Company			Total Equity RM'000
	Share Capital RM'000	Other reserves Fair Value Reserve RM'000	Retained earnings RM'000	
Balance as at 31 December 2023	195,000	1,040	39,370	235,410
Net profit for the period	-	-	13,855	13,855
Other comprehensive income for the period	-	2,655	-	2,655
Total comprehensive income for the period	-	2,655	13,855	16,510
Transfer of fair value reserve of equity instruments designated at FVOCI (net of tax)	-	(452)	452	-
<b>Balance at 30 June 2024</b>	<b>195,000</b>	<b>3,243</b>	<b>53,677</b>	<b>251,920</b>

	Attributable to shareholders of the Company			Total Equity RM'000
	Share Capital RM'000	Other reserves Fair Value Reserve RM'000	Retained earnings RM'000	
Balance as at 31 December 2022, as previously reported	195,000	(720)	(46,418)	147,862
Effect of adopting MFRS 9 and MFRS 17	-	-	90,391	90,391
Balance at 1 January 2023, restated	195,000	(720)	43,973	238,253
Net profit for the period	-	-	13,993	13,993
Other comprehensive loss for the period	-	(644)	-	(644)
Total comprehensive (loss)/income for the period	-	(644)	13,993	13,348
Transfer of fair value reserve of equity instruments designated at FVOCI (net of tax)	-	(241)	241	-
<b>Balance at 30 June 2023</b>	<b>195,000</b>	<b>(1,364)</b>	<b>57,966</b>	<b>251,602</b>

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

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM CONDENSED STATEMENT OF CASH FLOWS**

For the financial period ended 30 June 2024

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before zakat and taxation</b>	<b>15,814</b>	<b>15,544</b>
<i>Adjustments for non-cash items:</i>		
Depreciation and amortisation expenses	4,672	3,916
Profit income	(27,165)	(20,785)
Dividend income	(10,590)	(11,247)
Net gains of financial assets measured at FVTPL	(10,782)	(20)
Fair value (gains)/losses	(84,257)	16,372
Unrealised (gains)/losses on exchange differences	(268)	2,690
Movement in impairment loss on financial assets	770	63
Increase in provision for agents' retirement benefits	3,229	2,499
Profit expense on lease liabilities	76	40
Taxation of family takaful funds	-	(26)
Operating (loss)/gain before working capital changes	(108,501)	9,046
Purchase of investments	(509,720)	(581,976)
Proceeds from maturities and sale of investments	394,225	456,973
Changes in working capital:		
Other receivables	(197,766)	4,585
Other payables	209,683	(130,340)
Changes in takaful contracts assets/liabilities	73,413	145,900
Changes in retakaful contracts assets/liabilities	(24,850)	45,944
Cash used in operating activities	(163,516)	(49,868)
Income tax paid	(3,892)	(4,850)
Zakat paid	-	(18)
Profit paid on lease liabilities	(37)	(242)
Profit income received	26,350	17,348
Dividends received	10,084	11,229
Agents' retirement benefits paid	(558)	(16)
<b>Net cash flows used in operating activities</b>	<b>(131,569)</b>	<b>(26,417)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,400)	(3,708)
Increase in right-of-use assets	(618)	(3,318)
Acquisition of intangible assets	(305)	(180)
<b>Net cash flows used in investing activities</b>	<b>(3,323)</b>	<b>(7,206)</b>

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM CONDENSED STATEMENT OF CASH FLOWS (CONTINUED)**

For the financial period ended 30 June 2024

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(408)	2,682
<b>Net cash flows (used in)/provided by financing activities</b>	<b>(408)</b>	<b>2,682</b>
Net decrease in cash and cash equivalents	(135,300)	(30,941)
Cash and cash equivalents at the beginning of the period	680,800	503,360
<b>Cash and cash equivalents at the end of the period</b>	<b>545,500</b>	<b>472,419</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	169,370	166,979
Short term instruments	376,130	305,440
	<b>545,500</b>	<b>472,419</b>



**GREAT EASTERN TAKAFUL BERHAD**  
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**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**1. CORPORATE INFORMATION**

The Company is a public limited liability company incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 20, Menara Great Eastern, 303 Jalan Ampang, 50450 Kuala Lumpur.

The Company is principally engaged in managing family takaful business including takaful investment-linked business. There has been no significant change in the principal activity during the financial year.

The immediate holding company is I Great Capital Holdings Sdn. Bhd., a company incorporated in Malaysia. The ultimate holding company is Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), a public-listed company incorporated in the Republic of Singapore.

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**

**2.1 Basis of Preparation**

The Unaudited Condensed Interim Financial Statements of Great Eastern Takaful Berhad ("the Company") have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting as issued by the Malaysian Accounting Standards Board ("MASB") and International Accounting Standard ("IAS") 34 - Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"), and do not include all of the information and disclosures required in the annual financial statements. These Unaudited Condensed Interim Financial Statements are to be read in conjunction with the Company's financial statements for the year ended 31 December 2023.

The Unaudited Condensed Interim Financial Statements of the Company include the Takaful fund established in accordance with the Islamic Financial Services Act, 2013, in Malaysia, which is managed and controlled by the Company as the operator of the fund.

The Statement of Financial Position and the Profit or Loss Statement of the Family Takaful Fund are supplementary financial information presented in accordance with the requirements of BNM and the Islamic Financial Services Act, 2013, in Malaysia to segregate assets, liabilities, income, and expenses of the Takaful fund from its own. The Statement of Financial Position and Profit or Loss Statement of the Family Takaful Fund include only the assets, liabilities, income, and expenses of the Family Takaful Fund that are set up, managed, and controlled by the Takaful Operator.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.1 Basis of Preparation (continued)**

In preparing the Company's financial statements, the balances and transactions of the Takaful Operator are amalgamated and combined with those of the Takaful fund. Interfund assets and liabilities, income and expenses relating to transactions between the funds are eliminated in full during amalgamation. The accounting policies adopted for the Takaful Operator and Takaful fund are uniform for like transactions and events in similar circumstances.

The Takaful fund is consolidated and amalgamated from the date of control and continues to be consolidated until the date such control ceases, which occurs when the Company's license to manage Takaful business is withdrawn or surrendered.

The Unaudited Condensed Interim Financial Statements of the Company have been prepared under the historical cost convention.

As at the reporting date, the Company has met the minimum capital adequacy requirements as prescribed under the Risk-Based Capital Framework for Takaful Operators ("RBCT") issued by Bank Negara Malaysia ("BNM").

The Unaudited Condensed Interim Financial Statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

**2.2 Material Accounting Policies**

**(a) New and amended standards and interpretations**

The significant accounting policies in these Unaudited Condensed Interim Financial Statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2023, except for the adoption of the following standards, amendments to standards and interpretation of standards.

On 1 January 2024, the Company adopted the following amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2024.

- Amendments to MFRS 101 *Classification of liabilities as current or non-current*
- Amendments to MFRS 16 *Leases (Lease Liability in a Sale and Leaseback)*
- Amendments to MFRS 101 *Non-current liabilities with covenants*
- Amendments to MFRS 107 and MFRS 7 *Supplier Finance Arrangement*

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.2 Material Accounting Policies (continued)**

**(b) Standards issued but not yet effective**

The following are standards, amendments to standards and interpretation to standards issued by MASB that will be effective for the Company in future years. The Company intends to adopt these standards, amendments to standards and interpretation to standards, if applicable, when they become effective.

**Effective for financial periods beginning on or after 1 January 2025**

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*
- Amendments to MFRS 7 *Financial Instruments: Disclosures*
- Amendments to MFRS 9 *Financial Instruments*
- Amendments to MFRS 10 *Consolidated Financial Statements*
- Amendments to MFRS 107 *Statement of Cash Flows*
- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates*

**(c) Deferred**

- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Management expects that the adoption of the above standards, amendments to standards and interpretations to standards issued by MASB, but not yet effective, will have no material impact on the financial statements in the period of initial application.

**2.3 Transition to MFRS 17**

The Company applied MFRS 17 for annual reporting period beginning on 1 January 2023. MFRS17 establishes principles for the recognition, measurement, presentation and disclosure of takaful contracts and retakaful contracts held by the Company. It introduces a model that measures groups of contracts based on the Company's estimates of the present value of future cash flows that are expected to arise as the Company fulfils contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin ("CSM").

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.3 Transition to MFRS 17 (Continued)**

The Company has determined that it was impracticable to apply the full retrospective approach for some groups of takaful certificates because certain historical information was not available or was not available without undue cost and effort that would enable it to be used under this approach. Therefore, the Company applied fair value approaches for these groups of takaful certificates. The Company exercises judgements in determining the transition approaches, applying the transition methods and measuring the transition impacts on the transition date, which affect the amounts recognised in the financial statements on the transition date.

In 2024, the primary objectives were to finalise the transition statement of financial position, the restated 2022 and 2023 financial statements as well as implementation of an end-state control environment. The Unaudited Condensed Interim Financial Statements was prepared based on an interim control environment and models that are still undergoing validation and refinement. The actual impact of adopting MFRS 17 may change as the Company continues to embed and refine new systems, business processes, controls and audit validations, including the comparatives.

**2.4 Significant Accounting Estimates and Judgements**

In the preparation of the Company's financial statements, management makes estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities at reporting date. Estimates, assumptions and judgements are continually evaluated and based on internal studies of actual historical experience and other factors. Best estimates and assumptions are constantly reviewed to ensure that they remain relevant and valid. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**(a) Critical Judgements Made in Applying Accounting Policies**

The following are judgements made by the management in the process of applying the Company's accounting policies that have significant effect on the amounts recognised in the financial statements.

**(i) Impairment of FVOCI Financial Assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.4 Significant Accounting Estimates and Judgements (Continued)**

**(a) Critical Judgements Made in Applying Accounting Policies (Continued)**

**(ii) Takaful Contract Classification**

Contracts are classified as takaful contracts where they transfer significant takaful risk from the certificate holder to the Company. The Company exercises judgement about the level of takaful risk transferred. As a general guideline, the Company determines whether it has significant takaful risk by comparing benefits paid with benefits payable if the covered event did not occur. These additional benefits include claims liability and assessment costs, but exclude loss of the ability to charge the certificate holder for future services. The assessment covers the whole of the expected term of the certificate where such additional benefits could be payable.

**(iii) Takaful Business**

The Company makes estimates, assumptions and judgments in its estimates of Fulfilment Cash Flows ("FCF"), discount rates used, risk adjustments for non-financial risk, and CSM.

Discount rates

Takaful contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the observable market yields of Malaysian Government Securities in the currency of the takaful contract liabilities. The illiquidity premium is determined by reference to observable market rates.

The Company adopts a bottom-up approach in which discount rates are based on risk-free yield curve and an adjustment for illiquidity premium.

(a) For risk-free yield curves and Ultimate Forward Rate ("UFR"), references are made in particular to the Bank Negara Malaysia Risk Based Capital Takaful Framework ("BNM RBCT") which is also aligned with the approach taken by the International Associations of Insurance Supervisors ("IAIS") on the design of the global insurance capital standards ("ICS").

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.4 Significant Accounting Estimates and Judgements (Continued)**

**(a) Critical Judgements Made in Applying Accounting Policies (Continued)**

**(iii) Takaful Business (Continued)**

Discount rates (Continued)

(b) For illiquidity premium, illiquidity buckets (“illiquidity application ratio”) are assigned using an objective scoring system that is based on illiquidity characteristics of products on each portfolio. Market observable illiquidity premium levels are derived every month-end based on a credit-risk adjusted market spread of reference assets for each currency.

The adjustment of illiquidity premium in (b) is added as a layer in addition to the risk-free yield curve in (a) based on the illiquidity application ratio of each portfolio.

The yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

		2024					
		1 year	5 years	10 years	15 years	20 years	30 years
Endowment	MYR	3.432%	3.736%	3.918%	4.082%	4.248%	4.469%
Term		3.328% -	3.677% -	3.913% -	4.055% -	4.198% -	4.419% -
	MYR	3.432%	3.736%	3.918%	4.082%	4.248%	4.469%

		2023					
		1 year	5 years	10 years	15 years	20 years	30 years
Endowment	MYR	3.470%	3.796%	3.967%	4.159%	4.347%	4.583%
Term		3.317% -	3.643% -	3.814% -	4.006% -	4.194% -	4.430% -
	MYR	3.470%	3.796%	3.967%	4.159%	4.347%	4.583%

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the takaful contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Company’s degree of risk aversion. The Company estimates an adjustment for non-financial risk separately from all other estimates.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.4 Significant Accounting Estimates and Judgements (Continued)**

**(a) Critical Judgements Made in Applying Accounting Policies (Continued)**

**(iii) Takaful Business (Continued)**

Risk adjustment for non-financial risk (Continued)

The confidence level technique was used to derive the overall risk adjustment for non-financial risk. Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from the contracts at each reporting date and calculate the risk adjustment for non-financial risk as the excess of the value at risk at the target confidence level over the expected present value of the future cash flows allowing for the associate risks over all future years. The target confidence level will be at 85th percentile.

Estimates of future cash flows

In estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience updated to reflect current expectations of future events.

The estimates of future cash flows will reflect the Company's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Company takes into account current expectations of future events that might affect cash flows. Cash flows within the boundary of a contract are those that relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) certificate holders, takaful acquisition cash flows and other costs that are incurred in fulfilling contracts, which comprise both direct costs and an allocation of fixed and variable overheads.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.4 Significant Accounting Estimates and Judgements (Continued)**

**(a) Critical Judgements Made in Applying Accounting Policies (Continued)**

**(iii) Takaful Business (Continued)**

Estimates of future cash flows (Continued)

Cash flows will be attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities will be allocated to groups of contracts using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics.

Coverage units

The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage duration. The coverage units are assessed at each reporting period-end prospectively by considering:

- a. the quantity of benefits provided by contracts in the group;
- b. the expected coverage period of contracts in the group; and
- c. the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

The Company uses the amount that it expects the certificate holder to be able to validly claim in each period if a takaful event occurs as the basis for the quantity of benefits with respect to takaful coverage.

**(iv) mySalam Scheme**

The Company was appointed by the National B40 Protection Trust Fund ("the Trust") to operate the mySalam Scheme in financial year 2019.

The significant accounting policies applied by the Company over the mySalam Scheme is consistent with those applied to the Company's own shareholders' fund and family takaful funds.



**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.4 Significant Accounting Estimates and Judgements (Continued)**

**(b) Key Sources of Estimation Uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed as follows:

**(i) Agents' Retirement Benefits**

Agents' Retirement Benefit ("ARB") is considered a financial instrument as it gives rise to a financial asset in one entity and a financial liability of another entity. The contractual obligation to pay ARB arises from the agency supplementary agreement ("Agreement") signed between the Company and takaful agents, thus creating a financial liability for the Company.

The carrying amount for ARB is calculated in accordance with the terms and conditions in the respective agents' Agreement. The carrying amount for ARB is initially recognised at fair value and subsequent to initial recognition, it is measured at amortised cost. The accrued interest is recognised in statement of profit or loss.

The terms and conditions of the Agreements stipulate that upon the agent maintaining his position for the qualifying year and achieving the required personal sales and minimum new business, the agent shall be allocated a deferred benefit/retirement benefit.

The deferred benefit/retirement benefit accumulated at the statement of financial position date includes an element of accrued profit, which is calculated at the agency retirement benefit's fund investment rate of return. The accrued deferred benefit shall only become payable provided the Agreements have been in force for certain continuous contract years and the agent has attained the minimum age stipulated in the Agreements.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**2. BASIS OF PREPARATION AND CHANGES TO THE ACCOUNTING POLICIES**  
(continued)

**2.4 Significant Accounting Estimates and Judgements (Continued)**

**(b) Key Sources of Estimation Uncertainty (Continued)**

**(i) Deferred Tax**

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainties hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

**3. SEASONALITY OF OPERATIONS**

The business and operations of the Company was not materially affected by any seasonal or cyclical fluctuations during the interim financial period.

**4. UNUSUAL ITEMS**

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

**5. METHODS OF COMPUTATION AND CHANGES IN ESTIMATES**

There were no significant changes in the methods of computation and basis used for accounting estimates for the interim financial period compared to the most recent financial statement.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**6. DIVIDENDS**

No dividend has been paid or declared by the Company since the end of the previous financial period

**7. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

There were no material events subsequent to the end of the interim reporting period that have not been reflected in the unaudited interim condensed financial statements.

**8. CHANGES IN THE COMPOSITION OF THE COMPANY**

There is no change in the composition of the Company during the interim financial period.

**9. AUDITORS' REPORT**

The auditors' report on the audited financial statements of the preceding 31 December 2023 did not contain any qualification.

**10. CONTINGENT LIABILITIES**

There were no contingent liabilities as at 30 June 2024.

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**11. INVESTMENTS**

	30 June 2024		31 Dec 2023	
	Family	Company	Family	Company
	takaful fund	Company	takaful fund	Company
	RM'000	RM'000	RM'000	RM'000
FVOCI financial assets:				
Quoted Shariah-approved equities	-	30,259	-	35,046
Government investment issues	-	-	81,653	81,653
Unquoted Islamic private debt securities	-	-	249,313	249,313
Financial assets at FVTPL:				
Quoted Shariah-approved equities	702,348	710,679	554,867	559,949
Financial instruments with embedded derivatives	127	127	172	172
Unit trusts - REITS	16,558	16,877	12,637	12,939
Government investment issues	245,785	298,567	164,257	208,762
Unquoted Islamic private debt securities	555,940	638,373	254,716	335,968
	<u>1,520,758</u>	<u>1,694,882</u>	<u>1,317,615</u>	<u>1,483,802</u>

The funds' and Company's financial assets are summarised by categories as follows:

	30 June 2024		31 Dec 2023	
	Family	Company	Family	Company
	takaful fund	Company	takaful fund	Company
	RM'000	RM'000	RM'000	RM'000
FVOCI financial assets	-	30,259	330,966	366,012
Financial assets at FVTPL	<u>1,520,758</u>	<u>1,664,623</u>	<u>986,649</u>	<u>1,117,790</u>
	<u>1,520,758</u>	<u>1,694,882</u>	<u>1,317,615</u>	<u>1,483,802</u>

**(a) FVOCI financial assets**

	30 June 2024		31 Dec 2023	
	Family	Company	Family	Company
	takaful fund	Company	takaful fund	Company
	RM'000	RM'000	RM'000	RM'000
<b>At amortised cost/cost</b>				
Quoted Shariah-approved equities	-	25,992	-	33,679
Government investment issues	-	-	82,621	82,621
Unquoted Islamic private debt securities	-	-	249,355	249,355
	-	<u>25,992</u>	<u>331,976</u>	<u>365,655</u>
<b>At fair value</b>				
Quoted Shariah-approved equities	-	30,259	-	35,046
Government investment issues	-	-	81,653	81,653
Unquoted Islamic private debt securities	-	-	249,313	249,313
	-	<u>30,259</u>	<u>330,966</u>	<u>366,012</u>

**GREAT EASTERN TAKAFUL BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**11. INVESTMENTS (continued)**

**(b) Financial assets at FVTPL**

	30 June 2024		31 Dec 2023	
	Family takaful fund RM'000	Company RM'000	Family takaful fund RM'000	Company RM'000
<b>At fair value:</b>				
<b>Mandatorily measured:</b>				
Quoted Shariah-approved equities	702,348	710,679	554,867	559,949
Financial instruments with embedded derivatives	127	127	172	172
Unit trusts - REITS	16,558	16,877	12,637	12,939
Government investment issues	24,896	24,896	22,589	22,589
Unquoted Islamic private debt securities	154,817	154,817	126,129	126,146
<b>Designated upon initial recognition:</b>				
Government investment issues	220,889	273,671	141,668	186,173
Unquoted Islamic private debt securities	401,122	483,556	128,587	209,822
	<u>1,520,758</u>	<u>1,664,623</u>	<u>986,649</u>	<u>1,117,790</u>

**(c) Fair values of financial assets**

The following table shows financial assets recorded at fair value analysed by the different basis of fair values as follows:

	30 June 2024		31 Dec 2023	
	Family takaful fund RM'000	Company RM'000	Family takaful fund RM'000	Company RM'000
<b>Valuation techniques:</b>				
<b>FVOCI financial assets:</b>				
Quoted prices	-	30,259	-	35,046
Market observable inputs	-	-	330,965	330,966
<b>Financial assets at FVTPL:</b>				
Quoted prices	719,033	727,683	567,676	573,060
Market observable inputs	801,725	936,940	418,974	544,730
	<u>1,520,758</u>	<u>1,694,882</u>	<u>1,317,615</u>	<u>1,483,802</u>



**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS**

The breakdown of groups of takaful/retakaful contracts issued, and retakaful contracts held, that are in an asset position and those in a liability position for contracts measured under the PAA is set out in the table below:

	30 Jun 2024			31 Dec 2023		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
<b>Family Takaful Fund</b>						
<b>Takaful contracts</b>						
Takaful contracts issued	(300,395)	254,735	(45,660)	-	-	-
<b>Total takaful contracts</b>	<u>(300,395)</u>	<u>254,735</u>	<u>(45,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	30 Jun 2024			31 Dec 2023		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
<b>Company</b>						
<b>Takaful contracts</b>						
Takaful contracts issued	(300,395)	254,735	(45,660)	-	-	-
<b>Total takaful contracts</b>	<u>(300,395)</u>	<u>254,735</u>	<u>(45,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Family Takaful Fund/Company disaggregates information to provide disclosure in respect of family takaful contracts issued and retakaful contracts issued separately. This is disaggregation has been determined based on how the Family Takaful Fund/company is managed.

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.1 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.1.1 Takaful contracts issued**

The roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below:

	2024				2023			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Family takaful fund</b>								
Takaful contract assets as at 1 January	(16,135)	-	(17,083)	(33,218)	(1,156,100)	-	(4,032)	(1,160,132)
Takaful contract liabilities as at 1 January	1,354,387	-	639,829	1,994,216	1,109,636	-	1,437,050	2,546,686
<b>Net family takaful contract (assets)/liabilities as at 1 January</b>	<b>1,338,252</b>	<b>-</b>	<b>622,746</b>	<b>1,960,998</b>	<b>(46,464)</b>	<b>-</b>	<b>1,433,018</b>	<b>1,386,554</b>
<b>Takaful revenue</b>	<b>(286,038)</b>	<b>-</b>	<b>-</b>	<b>(286,038)</b>	<b>(1,695,045)</b>	<b>-</b>	<b>-</b>	<b>(1,695,045)</b>
Contracts under the modified retrospective approach	(69,928)	-	-	(69,928)	(131,923)	-	-	(131,923)
Contracts under the fair value approach	(35,183)	-	-	(35,183)	(61,845)	-	-	(61,845)
Other contracts	(180,927)	-	-	(180,927)	(1,501,278)	-	-	(1,501,278)
<b>Takaful service expenses</b>	<b>(138,884)</b>	<b>-</b>	<b>432,537</b>	<b>293,653</b>	<b>720,543</b>	<b>-</b>	<b>979,877</b>	<b>1,700,421</b>
Incurred claims and other expenses	(213,205)	-	625,494	412,289	597,364	-	669,172	1,266,536
Amortisation of takaful acquisition cash flows	74,321	-	-	74,321	123,179	-	-	123,179
Losses on onerous contracts and reversals	-	-	-	-	-	-	-	-
Incurred surplus to participants	-	-	-	-	-	-	868,207	868,207
Changes to liabilities for incurred claims	-	-	(192,957)	(192,957)	-	-	(557,501)	(557,501)
<b>Investment components</b>	<b>(44,107)</b>	<b>-</b>	<b>44,107</b>	<b>-</b>	<b>(75,527)</b>	<b>-</b>	<b>75,527</b>	<b>-</b>
<b>Takaful service result</b>	<b>(469,029)</b>	<b>-</b>	<b>476,644</b>	<b>7,615</b>	<b>(1,050,029)</b>	<b>-</b>	<b>1,055,405</b>	<b>5,375</b>
<b>Takaful finance expenses</b>	<b>120,993</b>	<b>-</b>	<b>582</b>	<b>121,575</b>	<b>62,089</b>	<b>-</b>	<b>874</b>	<b>62,963</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(348,036)</b>	<b>-</b>	<b>477,226</b>	<b>129,190</b>	<b>(987,940)</b>	<b>-</b>	<b>1,056,279</b>	<b>68,338</b>
<b>Cash flows</b>								
Contributions received	282,481	-	-	282,481	2,532,627	-	-	2,532,627
Claims and other expenses paid including investment components	-	-	(527,347)	(527,347)	-	-	(1,888,334)	(1,888,334)
Takaful acquisition cash flows	(153,206)	-	-	(153,206)	(300,115)	-	(30,000)	(330,115)
<b>Total cash flows</b>	<b>129,275</b>	<b>-</b>	<b>(527,347)</b>	<b>(398,072)</b>	<b>2,232,512</b>	<b>-</b>	<b>(1,918,334)</b>	<b>314,178</b>
<b>Other movements</b>	<b>387,794</b>	<b>-</b>	<b>33,640</b>	<b>421,434</b>	<b>140,144</b>	<b>-</b>	<b>51,783</b>	<b>191,928</b>
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>1,507,285</b>	<b>-</b>	<b>606,265</b>	<b>2,113,550</b>	<b>1,338,252</b>	<b>-</b>	<b>622,746</b>	<b>1,960,998</b>
Takaful contract assets as at 31 December	(39,070)	-	(10,401)	(49,471)	(16,135)	-	(17,083)	(33,218)
Takaful contract liabilities as at 31 December	1,546,355	-	616,666	2,163,021	1,354,387	-	639,829	1,994,216
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>1,507,285</b>	<b>-</b>	<b>606,265</b>	<b>2,113,550</b>	<b>1,338,252</b>	<b>-</b>	<b>622,746</b>	<b>1,960,998</b>



**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.1 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.1.1 Takaful contracts issued**

The roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below:

	2024				2023			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>								
Takaful contract assets as at 1 January	(179,417)	48,058	(17,862)	(149,221)	(1,284,365)	27,760	(4,129)	(1,260,735)
Takaful contract liabilities as at 1 January	1,416,883	11,816	641,250	2,069,949	1,173,799	8,145	1,438,732	2,620,675
<b>Net family takaful contract (assets)/liabilities as at 1 January</b>	<b>1,237,466</b>	<b>59,874</b>	<b>623,388</b>	<b>1,920,728</b>	<b>(110,566)</b>	<b>35,904</b>	<b>1,434,603</b>	<b>1,359,940</b>
<b>Takaful revenue</b>	<b>(163,751)</b>	-	-	<b>(163,751)</b>	<b>(1,746,300)</b>	-	-	<b>(1,746,300)</b>
Contracts under the modified retrospective approach	(102,794)	-	-	(102,794)	(165,907)	-	-	(165,907)
Contracts under the fair value approach	(40,929)	-	-	(40,929)	(61,989)	-	-	(61,989)
Other contracts	(20,028)	-	-	(20,028)	(1,518,404)	-	-	(1,518,404)
<b>Takaful service expenses</b>	<b>(162,156)</b>	<b>(273)</b>	<b>322,689</b>	<b>160,260</b>	<b>1,033,288</b>	<b>24,600</b>	<b>678,424</b>	<b>1,736,312</b>
Incurred claims and other expenses	(296,595)	(19,864)	515,646	199,187	929,463	(34,460)	367,715	1,262,718
Amortisation of takaful acquisition cash flows	134,439	-	-	134,439	103,825	-	-	103,825
Losses on onerous contracts and reversals	-	19,591	-	19,591	-	59,060	-	59,060
Incurred surplus to participants	-	-	-	-	-	-	868,210	868,210
Changes to liabilities for incurred claims	-	-	(192,957)	(192,957)	-	-	(557,501)	(557,501)
<b>Investment components</b>	<b>(44,107)</b>	-	<b>44,107</b>	-	<b>(75,527)</b>	-	<b>75,527</b>	-
<b>Takaful service result</b>	<b>(370,014)</b>	<b>(273)</b>	<b>366,796</b>	<b>(3,491)</b>	<b>(788,539)</b>	<b>24,600</b>	<b>753,951</b>	<b>(9,988)</b>
<b>Takaful finance expenses</b>	<b>121,910</b>	<b>(154)</b>	<b>613</b>	<b>122,369</b>	<b>62,647</b>	<b>(630)</b>	<b>924</b>	<b>62,941</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(248,104)</b>	<b>(427)</b>	<b>367,409</b>	<b>118,878</b>	<b>(725,892)</b>	<b>23,970</b>	<b>754,875</b>	<b>52,953</b>
<b>Cash flows</b>								
Contributions received	281,904	-	-	281,904	2,151,381	-	-	2,151,381
Claims and other expenses paid including investment components	(13,232)	-	(528,016)	(541,248)	(25,475)	-	(1,508,957)	(1,534,432)
Takaful acquisition cash flows	(159,419)	-	-	(159,419)	(280,087)	-	(30,000)	(310,087)
<b>Total cash flows</b>	<b>109,253</b>	-	<b>(528,016)</b>	<b>(418,763)</b>	<b>1,845,820</b>	-	<b>(1,538,957)</b>	<b>306,863</b>
<b>Other movements</b>	<b>275,683</b>	-	<b>144,045</b>	<b>419,728</b>	<b>228,104</b>	-	<b>(27,133)</b>	<b>200,971</b>
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>1,374,298</b>	<b>59,447</b>	<b>606,826</b>	<b>2,040,571</b>	<b>1,237,466</b>	<b>59,874</b>	<b>623,388</b>	<b>1,920,728</b>
Takaful contract assets as at 31 December	(222,409)	53,380	(11,261)	(180,290)	(179,417)	48,058	(17,862)	(149,221)
Takaful contract liabilities as at 31 December	1,596,707	6,067	618,087	2,220,861	1,416,883	11,816	641,250	2,069,949
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>1,374,298</b>	<b>59,447</b>	<b>606,826</b>	<b>2,040,571</b>	<b>1,237,466</b>	<b>59,874</b>	<b>623,388</b>	<b>1,920,728</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.1 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts measured under the PAA****12.1.1.1 Takaful contracts issued**

The roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below:

	2024				2023			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Family takaful fund</b>								
Takaful contract assets as at 1 January	-	-	-	-	-	-	-	-
Takaful contract liabilities as at 1 January	-	-	-	-	-	-	-	-
<b>Net family takaful contract (assets)/liabilities as at 1 January</b>	-	-	-	-	-	-	-	-
<b>Takaful revenue</b>	<b>(300,395)</b>	-	-	<b>(300,395)</b>	-	-	-	-
Contracts under the modified retrospective approach	-	-	-	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-	-	-	-
Other contracts	(300,395)	-	-	(300,395)	-	-	-	-
<b>Takaful service expenses</b>	-	-	<b>300,395</b>	<b>300,395</b>	-	-	-	-
Incurred claims and other expenses	-	-	300,395	300,395	-	-	-	-
Amortisation of takaful acquisition cash flows	-	-	-	-	-	-	-	-
Losses on onerous contracts and reversals	-	-	-	-	-	-	-	-
Incurred surplus to participants	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	-	-	-	-	-	-
<b>Investment components</b>	-	-	-	-	-	-	-	-
<b>Takaful service result</b>	<b>(300,395)</b>	-	<b>300,395</b>	-	-	-	-	-
<b>Takaful finance expenses</b>	-	-	-	-	-	-	-	-
<b>Effect of movements in exchange rates</b>	-	-	-	-	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(300,395)</b>	-	<b>300,395</b>	-	-	-	-	-
<b>Cash flows</b>								
Contributions received	-	-	-	-	-	-	-	-
Claims and other expenses paid including investment components	-	-	(21,628)	(21,628)	-	-	-	-
Takaful acquisition cash flows	-	-	-	-	-	-	-	-
<b>Total cash flows</b>	-	-	<b>(21,628)</b>	<b>(21,628)</b>	-	-	-	-
<b>Other movements</b>	-	-	<b>(24,032)</b>	<b>(24,032)</b>	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>(300,395)</b>	-	<b>254,735</b>	<b>(45,660)</b>	-	-	-	-
Takaful contract assets as at 31 December	(300,395)	-	-	(300,395)	-	-	-	-
Takaful contract liabilities as at 31 December	-	-	254,735	254,735	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>(300,395)</b>	-	<b>254,735</b>	<b>(45,660)</b>	-	-	-	-

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.1 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts measured under the PAA****12.1.1.1 Takaful contracts issued**

The roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the family takaful fund, is disclosed in the table below:

	2024				2023			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component			Excluding loss component	Loss component		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>								
Takaful contract assets as at 1 January	-	-	-	-	-	-	-	-
Takaful contract liabilities as at 1 January	-	-	-	-	-	-	-	-
<b>Net family takaful contract (assets)/liabilities as at 1 January</b>	-	-	-	-	-	-	-	-
<b>Takaful revenue</b>	(300,395)	-	-	(300,395)	-	-	-	-
Contracts under the modified retrospective approach	-	-	-	-	-	-	-	-
Contracts under the fair value approach	-	-	-	-	-	-	-	-
Other contracts	(300,395)	-	-	(300,395)	-	-	-	-
<b>Takaful service expenses</b>	-	-	300,395	300,395	-	-	-	-
Incurred claims and other expenses	-	-	300,395	300,395	-	-	-	-
Amortisation of takaful acquisition cash flows	-	-	-	-	-	-	-	-
Losses on onerous contracts and reversals	-	-	-	-	-	-	-	-
Incurred surplus to participants	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	-	-	-	-	-	-
<b>Investment components</b>	-	-	-	-	-	-	-	-
<b>Takaful service result</b>	(300,395)	-	300,395	-	-	-	-	-
<b>Takaful finance expenses</b>	-	-	-	-	-	-	-	-
<b>Effect of movements in exchange rates</b>	-	-	-	-	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	(300,395)	-	300,395	-	-	-	-	-
<b>Cash flows</b>								
Contributions received	-	-	-	-	-	-	-	-
Claims and other expenses paid including investment components	-	-	(21,628)	(21,628)	-	-	-	-
Takaful acquisition cash flows	-	-	-	-	-	-	-	-
<b>Total cash flows</b>	-	-	(21,628)	(21,628)	-	-	-	-
<b>Other movements</b>	-	-	(24,032)	(24,032)	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	(300,395)	-	254,735	(45,660)	-	-	-	-
Takaful contract assets as at 31 December	(300,395)	-	-	(300,395)	-	-	-	-
Takaful contract liabilities as at 31 December	-	-	254,735	254,735	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	(300,395)	-	254,735	(45,660)	-	-	-	-

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.1 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.1.2 Retakaful contracts held**

The roll-forward of the net asset or liability for retakaful contracts held for contracts not measured under the PAA, showing assets for remaining coverage and amounts recoverable on incurred claims arising business from ceded to retakaful operators in the family takaful fund, is disclosed in the table below:

	2024					2023				
	Assets for remaining coverage		Amounts recoverable on incurred claims			Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Family takaful fund</b>										
Retakaful contract assets as at 1 January	(18,509)	-	394,218	-	375,710	(40,001)	-	1,180,124	-	1,140,123
Retakaful contract liabilities as at 1 January	(204,023)	-	(4,615)	-	(208,638)	(1,015,267)	-	(1,178)	-	(1,016,445)
<b>Net retakaful contract assets/(liabilities) as at 1 January</b>	<b>(222,532)</b>	<b>-</b>	<b>389,603</b>	<b>-</b>	<b>167,072</b>	<b>(1,055,268)</b>	<b>-</b>	<b>1,178,946</b>	<b>-</b>	<b>123,678</b>
Allocation of retakaful contributions	78,392	-	-	-	78,392	(122,317)	-	-	-	(122,317)
Amounts recoverable from retakaful operators	-	-	(74,684)	-	(74,684)	-	-	125,606	-	125,606
<b>Net income or expense from retakaful contracts held</b>	<b>78,392</b>	<b>-</b>	<b>(74,684)</b>	<b>-</b>	<b>3,708</b>	<b>(122,317)</b>	<b>-</b>	<b>125,606</b>	<b>-</b>	<b>3,289</b>
<b>Retakaful finance income</b>	<b>(3,708)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,708)</b>	<b>(3,289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,289)</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>74,684</b>	<b>-</b>	<b>(74,684)</b>	<b>-</b>	<b>-</b>	<b>(125,606)</b>	<b>-</b>	<b>125,606</b>	<b>-</b>	<b>-</b>
<b>Cash flows</b>										
Contributions paid	-	-	-	-	-	687,299	-	-	-	687,299
Amounts received	62,874	-	(62,874)	-	-	166,839	-	(857,198)	-	(690,359)
<b>Total cash flows</b>	<b>62,874</b>	<b>-</b>	<b>(62,874)</b>	<b>-</b>	<b>-</b>	<b>854,138</b>	<b>-</b>	<b>(857,198)</b>	<b>-</b>	<b>(3,060)</b>
Other movements	55,225	-	(30,177)	-	25,048	104,204	-	(57,750)	-	46,454
<b>Net retakaful contract assets/(liabilities) as at 31 December</b>	<b>(29,749)</b>	<b>-</b>	<b>221,868</b>	<b>-</b>	<b>192,119</b>	<b>(222,532)</b>	<b>-</b>	<b>389,603</b>	<b>-</b>	<b>167,072</b>
Retakaful contract assets as at 31 December	(9,134)	-	227,061	-	217,927	(18,509)	-	394,218	-	375,710
Retakaful contract liabilities as at 31 December	(20,615)	-	(5,193)	-	(25,808)	(204,023)	-	(4,615)	-	(208,638)
<b>Net retakaful contract assets/(liabilities) as at 31 December</b>	<b>(29,749)</b>	<b>-</b>	<b>221,868</b>	<b>-</b>	<b>192,119</b>	<b>(222,532)</b>	<b>-</b>	<b>389,603</b>	<b>-</b>	<b>167,072</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.1 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.1.2 Retakaful contracts held**

The roll-forward of the net asset or liability for retakaful contracts held for contracts not measured under the PAA, showing assets for remaining coverage and amounts recoverable on incurred claims arising business from ceded to retakaful operators in the family takaful fund, is disclosed in the table below:

	2024					2023				
	Assets for remaining coverage		Amounts recoverable on incurred claims			Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>										
Retakaful contract assets as at 1 January	(18,509)	-	396,029	-	377,520	(40,001)	-	1,181,771	-	1,141,770
Retakaful contract liabilities as at 1 January	(204,024)	-	(5,797)	-	(209,821)	(1,015,267)	-	(1,178)	-	(1,016,445)
<b>Net retakaful contract assets/(liabilities) as at 1 January</b>	<b>(222,533)</b>	<b>-</b>	<b>390,232</b>	<b>-</b>	<b>167,699</b>	<b>(1,055,268)</b>	<b>-</b>	<b>1,180,593</b>	<b>-</b>	<b>125,325</b>
Allocation of retakaful contributions	78,392	-	-	-	78,392	(122,317)	-	-	-	(122,317)
Amounts recoverable from retakaful operators	-	-	(74,614)	-	(74,614)	-	-	125,641	-	125,641
<b>Net income or expense from retakaful contracts held</b>	<b>78,392</b>	<b>-</b>	<b>(74,614)</b>	<b>-</b>	<b>3,778</b>	<b>(122,317)</b>	<b>-</b>	<b>125,641</b>	<b>-</b>	<b>3,324</b>
Retakaful finance income	(3,708)	-	-	-	(3,708)	(3,289)	-	-	-	(3,289)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>74,684</b>	<b>-</b>	<b>(74,614)</b>	<b>-</b>	<b>70</b>	<b>(125,606)</b>	<b>-</b>	<b>125,641</b>	<b>-</b>	<b>35</b>
<b>Cash flows</b>										
Contributions paid	-	-	-	-	-	687,299	-	-	-	687,299
Amounts received	62,874	-	(62,874)	-	-	166,839	-	(857,198)	-	(690,359)
<b>Total cash flows</b>	<b>62,874</b>	<b>-</b>	<b>(62,874)</b>	<b>-</b>	<b>-</b>	<b>854,138</b>	<b>-</b>	<b>(857,198)</b>	<b>-</b>	<b>(3,060)</b>
Other movements	55,226	-	(30,446)	-	24,780	104,203	-	(58,804)	-	45,399
<b>Net retakaful contract assets/(liabilities) as at 31 December</b>	<b>(29,749)</b>	<b>-</b>	<b>222,298</b>	<b>-</b>	<b>192,549</b>	<b>(222,533)</b>	<b>-</b>	<b>390,232</b>	<b>-</b>	<b>167,699</b>
Retakaful contract assets as at 31 December	(9,134)	-	228,871	-	219,737	(18,509)	-	396,029	-	377,520
Retakaful contract liabilities as at 31 December	(20,615)	-	(6,573)	-	(27,188)	(204,024)	-	(5,797)	-	(209,821)
<b>Net retakaful contract assets/(liabilities) as at 31 December</b>	<b>(29,749)</b>	<b>-</b>	<b>222,298</b>	<b>-</b>	<b>192,549</b>	<b>(222,533)</b>	<b>-</b>	<b>390,232</b>	<b>-</b>	<b>167,699</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.2 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.2.1 Takaful contracts issued**

The table below presents a roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the family takaful fund.

	2024				2023			
	Estimates of present value of future cash flows RM'000	Risk adjustment RM'000	Contractual service margin RM'000	Total RM'000	Estimates of present value of future cash flows RM'000	Risk adjustment RM'000	Contractual service margin RM'000	Total RM'000
<b>Family Takaful Fund</b>								
Takaful contract assets as at 1 January	(33,218)	-	-	(33,218)	(1,160,132)	-	-	(1,160,132)
Takaful contract liabilities as at 1 January	1,994,216	-	-	1,994,216	2,546,686	-	-	2,546,686
<b>Net takaful contract (assets)/liabilities as at 1 January</b>	<b>1,960,998</b>	-	-	<b>1,960,998</b>	<b>1,386,554</b>	-	-	<b>1,386,553</b>
Changes that relate to current services	2,581	-	-	2,581	(3,302)	-	-	(3,302)
Experience adjustments	2,581	-	-	2,581	(3,302)	-	-	(3,302)
Changes that relate to past services	5,034	-	-	5,034	8,678	-	-	8,678
Adjustments to liabilities for incurred claims	5,034	-	-	5,034	8,678	-	-	8,678
<b>Takaful service result</b>	<b>7,615</b>	-	-	<b>7,615</b>	<b>5,376</b>	-	-	<b>5,376</b>
<b>Takaful finance expenses</b>	<b>121,576</b>	-	-	<b>121,576</b>	<b>62,963</b>	-	-	<b>62,963</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>129,191</b>	-	-	<b>129,191</b>	<b>68,338</b>	-	-	<b>68,339</b>
<b>Cash flows</b>								
Contributions received	282,481	-	-	282,481	2,532,627	-	-	2,532,627
Claims and other expenses paid including investment components	(527,347)	-	-	(527,347)	(1,888,334)	-	-	(1,888,334)
Takaful acquisition cash flows	(153,206)	-	-	(153,206)	(330,115)	-	-	(330,115)
<b>Total cash flows</b>	<b>(398,072)</b>	-	-	<b>(398,072)</b>	<b>314,178</b>	-	-	<b>314,178</b>
<b>Other movements</b>	<b>421,433</b>	-	-	<b>421,433</b>	<b>191,928</b>	-	-	<b>191,928</b>
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>2,113,550</b>	-	-	<b>2,113,550</b>	<b>1,960,998</b>	-	-	<b>1,960,998</b>
Takaful contract assets as at 31 December	(49,471)	-	-	(49,471)	(33,218)	-	-	(33,218)
Takaful contract liabilities as at 31 December	2,163,021	-	-	2,163,021	1,994,216	-	-	1,994,216
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>2,113,550</b>	-	-	<b>2,113,550</b>	<b>1,960,998</b>	-	-	<b>1,960,998</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.2 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.2.1 Takaful contracts issued**

The table below presents a roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the Company:

	2024				2023			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>								
Takaful contract assets as at 1 January	(575,141)	210,446	215,474	(149,221)	(1,683,026)	212,968	209,323	(1,260,735)
Takaful contract liabilities as at 1 January	1,708,312	217,021	144,616	2,069,949	2,328,997	158,044	133,633	2,620,674
<b>Net takaful contract (assets)/liabilities as at 1 January</b>	<b>1,133,171</b>	<b>427,467</b>	<b>360,090</b>	<b>1,920,728</b>	<b>645,971</b>	<b>371,012</b>	<b>342,956</b>	<b>1,359,939</b>
Changes that relate to current services	23,350	(11,258)	(21,397)	(9,305)	27,648	(32,690)	(40,230)	(45,272)
Contractual service margin recognised for services provided	-	-	(21,397)	(21,397)	-	-	(40,230)	(40,230)
Risk adjustment for the risk expired	-	(11,258)	-	(11,258)	-	(32,690)	-	(32,690)
Experience adjustments	23,350	-	-	23,350	27,648	-	-	27,648
Changes that relate to future services	(69,498)	30,710	38,515	(273)	(88,096)	71,005	41,691	24,600
contracts initially recognised in the period	(73,988)	44,561	35,048	5,621	(180,938)	102,737	89,465	11,264
Changes in estimates that adjust the contractual service margin	10,384	(13,851)	3,467	-	79,506	(31,732)	(47,774)	-
Changes in estimates that do not adjust the contractual service margin	(5,894)	-	-	(5,894)	13,336	-	-	13,336
Changes that relate to past services	6,087	1	-	6,088	10,684	2	-	10,686
Adjustments to liabilities for incurred claims	6,087	1	-	6,088	10,684	2	-	10,686
<b>Takaful service result</b>	<b>(40,061)</b>	<b>19,453</b>	<b>17,118</b>	<b>(3,490)</b>	<b>(49,764)</b>	<b>38,317</b>	<b>1,461</b>	<b>(9,986)</b>
<b>Takaful finance expenses</b>	<b>105,262</b>	<b>9,021</b>	<b>8,087</b>	<b>122,370</b>	<b>29,130</b>	<b>18,138</b>	<b>15,673</b>	<b>62,941</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>65,201</b>	<b>28,474</b>	<b>25,205</b>	<b>118,880</b>	<b>(20,634)</b>	<b>56,455</b>	<b>17,134</b>	<b>52,955</b>
<b>Cash flows</b>								
Contributions received	281,904	-	-	281,904	2,151,381	-	-	2,151,381
Claims and other expenses paid including investment components	(541,248)	-	-	(541,248)	(1,534,432)	-	-	(1,534,432)
Takaful acquisition cash flows	(159,419)	-	-	(159,419)	(310,087)	-	-	(310,087)
<b>Total cash flows</b>	<b>(418,763)</b>	<b>-</b>	<b>-</b>	<b>(418,763)</b>	<b>306,862</b>	<b>-</b>	<b>-</b>	<b>306,862</b>
<b>Other movements</b>	<b>419,726</b>	<b>-</b>	<b>-</b>	<b>419,726</b>	<b>200,972</b>	<b>-</b>	<b>-</b>	<b>200,972</b>
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>1,199,335</b>	<b>455,941</b>	<b>385,295</b>	<b>2,040,571</b>	<b>1,133,171</b>	<b>427,467</b>	<b>360,090</b>	<b>1,920,728</b>
Takaful contract assets as at 31 December	(608,760)	214,632	213,839	(180,290)	(575,141)	210,446	215,474	(149,221)
Takaful contract liabilities as at 31 December	1,808,095	241,309	171,456	2,220,861	1,708,312	217,021	144,616	2,069,949
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>1,199,335</b>	<b>455,941</b>	<b>385,295</b>	<b>2,040,571</b>	<b>1,133,171</b>	<b>427,467</b>	<b>360,090</b>	<b>1,920,728</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.2 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts measured under the PAA****12.1.2.1 Takaful contracts issued**

The table below presents a roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the family takaful fund.

	2024				2023			
	Estimates of present value of future cash flows RM'000	Risk adjustment RM'000	Contractual service margin RM'000	Total RM'000	Estimates of present value of future cash flows RM'000	Risk adjustment RM'000	Contractual service margin RM'000	Total RM'000
<b>Family Takaful Fund</b>								
Takaful contract assets as at 1 January	-	-	-	-	-	-	-	-
Takaful contract liabilities as at 1 January	-	-	-	-	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 1 January</b>	-	-	-	-	-	-	-	-
Changes that relate to past services	-	-	-	-	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
<b>Takaful service result</b>	-	-	-	-	-	-	-	-
<b>Total changes in the statement of profit or loss and OCI</b>	-	-	-	-	-	-	-	-
<b>Cash flows</b>								
Claims and other expenses paid including investment components	(21,628)	-	-	(21,628)	-	-	-	-
<b>Total cash flows</b>	<b>(21,628)</b>	-	-	<b>(21,628)</b>	-	-	-	-
<b>Other movements</b>	<b>(24,032)</b>	-	-	<b>(24,032)</b>	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>(45,660)</b>	-	-	<b>(45,660)</b>	-	-	-	-
Takaful contract assets as at 31 December	(300,395)	-	-	(300,395)	-	-	-	-
Takaful contract liabilities as at 31 December	254,735	-	-	254,735	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>(45,660)</b>	-	-	<b>(45,660)</b>	-	-	-	-



**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CONTRACTS (CONTINUED)****12.1 TAKAFUL CONTRACTS ISSUED AND RETAKAFUL CONTRACTS HELD****12.1.2 Roll-forward of net asset or liability of takaful/retakaful contracts issued showing the liability for remaining coverage and the liability for incurred claims - Contracts measured under the PAA****12.1.2.1 Takaful contracts issued**

The table below presents a roll-forward of the net asset or liability for takaful contracts issued for contracts not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM

	2024				2023			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>								
Takaful contract assets as at 1 January	-	-	-	-	-	-	-	-
Takaful contract liabilities as at 1 January	-	-	-	-	-	-	-	-
<b>Net takaful contract (assets)/liabilities as at 1 January</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Changes that relate to past services	-	-	-	-	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	-	-	-	-	-	-
<b>Takaful service result</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows</b>								
Claims and other expenses paid including investment components	(21,628)	-	-	(21,628)	-	-	-	-
<b>Total cash flows</b>	<b>(21,628)</b>	<b>-</b>	<b>-</b>	<b>(21,628)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other movements</b>	<b>(24,032)</b>	<b>-</b>	<b>-</b>	<b>(24,032)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>(45,660)</b>	<b>-</b>	<b>-</b>	<b>(45,660)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Takaful contract assets as at 31 December	(300,395)			(300,395)	-			-
Takaful contract liabilities as at 31 December	254,735			254,735	-			-
<b>Net takaful contract (assets)/liabilities as at 31 December</b>	<b>(45,660)</b>	<b>-</b>	<b>-</b>	<b>(45,660)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)****12.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD****12.1.2 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.2.2 Retakaful certificates held**

The table below presents a roll-forward of the net asset or liability for retakaful certificates issued for contracts not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for retakaful held portfolios included in the family takaful fund.

	2024				2023			
	Estimates of present value of future cash flows RM'000	Risk adjustment RM'000	Contractual service margin RM'000	Total RM'000	Estimates of present value of future cash flows RM'000	Risk adjustment RM'000	Contractual service margin RM'000	Total RM'000
<b>Family Takaful Fund</b>								
Retakaful certificate assets as at 1 January	375,710	-	-	375,710	1,140,123	-	-	1,140,123
Retakaful certificate liabilities as at 1 January	(208,638)	-	-	(208,638)	(1,016,445)	-	-	(1,016,445)
<b>Net retakaful certificate assets/(liabilities) as at 1 January</b>	<b>167,072</b>	<b>-</b>	<b>-</b>	<b>167,072</b>	<b>123,678</b>	<b>-</b>	<b>-</b>	<b>123,678</b>
Changes that relate to current services	3,708	-	-	3,708	3,289	-	-	3,289
Experience adjustments	3,708	-	-	3,708	3,289	-	-	3,289
Retakaful finance income	(3,708)	-	-	(3,708)	(3,289)	-	-	(3,289)
<b>Total changes in the statement of profit or loss and OCI</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows</b>								
Contributions paid	-	-	-	-	687,299	-	-	687,299
Amounts received	-	-	-	-	(690,359)	-	-	(690,359)
<b>Total cash flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,060)</b>	<b>-</b>	<b>-</b>	<b>(3,060)</b>
<b>Other movements</b>	<b>25,048</b>	<b>-</b>	<b>-</b>	<b>25,048</b>	<b>46,454</b>	<b>-</b>	<b>-</b>	<b>46,454</b>
<b>Net retakaful certificate assets/(liabilities) as at 31 December</b>	<b>192,120</b>	<b>-</b>	<b>-</b>	<b>192,120</b>	<b>167,072</b>	<b>-</b>	<b>-</b>	<b>167,072</b>
Retakaful contract assets as at 31 December	217,927	-	-	217,927	375,710	-	-	375,710
Retakaful contract liabilities as at 31 December	(25,808)	-	-	(25,808)	(208,638)	-	-	(208,638)
<b>Net retakaful certificate assets/(liabilities) as at 31 December</b>	<b>192,119</b>	<b>-</b>	<b>-</b>	<b>192,119</b>	<b>167,072</b>	<b>-</b>	<b>-</b>	<b>167,072</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)****12.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD****12.1.2 Roll-forward of net asset or liability of takaful/retakaful certificates issued showing the liability for remaining coverage and the liability for incurred claims - Contracts not measured under the PAA****12.1.2.2 Retakaful certificates held**

The table below presents a roll-forward of the net asset or liability for retakaful certificates issued for contracts not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for retakaful held portfolios included in the family takaful fund.

	2024				2023			
	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of present value of future cash flows	Risk adjustment	Contractual service margin	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Company</b>								
Retakaful certificate assets as at 1 January	377,520	-	-	377,520	1,141,770	-	-	1,141,770
Retakaful certificate liabilities as at 1 January	(209,821)	-	-	(209,821)	(1,016,445)	-	-	(1,016,445)
<b>Net retakaful certificate assets/(liabilities) as at 1 January</b>	<b>167,699</b>	<b>-</b>	<b>-</b>	<b>167,699</b>	<b>125,325</b>	<b>-</b>	<b>-</b>	<b>125,325</b>
Changes that relate to current services	3,778	-	-	3,778	3,324	-	-	3,324
Experience adjustments	3,778	-	-	3,778	3,324	-	-	3,324
<b>Retakaful finance income</b>	<b>(3,708)</b>	<b>-</b>	<b>-</b>	<b>(3,708)</b>	<b>(3,289)</b>	<b>-</b>	<b>-</b>	<b>(3,289)</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>70</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>35</b>
<b>Cash flows</b>								
Contributions paid	-	-	-	-	687,299	-	-	687,299
Amounts received	-	-	-	-	(690,359)	-	-	(690,359)
<b>Total cash flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,060)</b>	<b>-</b>	<b>-</b>	<b>(3,060)</b>
<b>Other movements</b>	<b>24,780</b>	<b>-</b>	<b>-</b>	<b>24,780</b>	<b>45,399</b>	<b>-</b>	<b>-</b>	<b>45,399</b>
<b>Net retakaful certificate assets/(liabilities) as at 31 December</b>	<b>192,549</b>	<b>-</b>	<b>-</b>	<b>192,549</b>	<b>167,699</b>	<b>-</b>	<b>-</b>	<b>167,699</b>
Retakaful contract assets as at 31 December	219,737	-	-	219,737	377,520	-	-	377,520
Retakaful contract liabilities as at 31 December	(27,188)	-	-	(27,188)	(209,821)	-	-	(209,821)
<b>Net retakaful certificate assets/(liabilities) as at 31 December</b>	<b>192,549</b>	<b>-</b>	<b>-</b>	<b>192,549</b>	<b>167,699</b>	<b>-</b>	<b>-</b>	<b>167,699</b>

**12. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)****12.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD****12.1.3 The components of new business****12.1.3.1 Family takaful contracts issued (continued)**

The components of new business for family takaful issue portfolios included in the family takaful unit is disclosed in the table below:

	2024					2023				
	Contracts issued		Contracts acquired		Total	Contracts issued		Contracts acquired		Total
	Non-onerous RM'000	Onerous RM'000	Non-onerous RM'000	Onerous RM'000		Non-onerous RM'000	Onerous RM'000	Non-onerous RM'000	Onerous RM'000	
<b>Family Takaful Fund</b>										
<b>Family takaful contract liabilities</b>										
Estimate of present value of future cash outflows, excluding takaful acquisition cash flows	836,143	-	-	-	836,143	1,932,937	-	-	-	1,932,937
Estimates of present value of future cash outflows	836,143	-	-	-	836,143	1,932,937	-	-	-	1,932,937
Estimates of present value of future cash inflows	(836,143)	-	-	-	(836,143)	(1,932,937)	-	-	-	(1,932,937)
<b>Amount included in takaful contract liabilities for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Company</b>										
<b>Family takaful contract liabilities</b>										
Estimate of present value of future cash outflows, excluding takaful acquisition cash flows	640,135	(17,916)	-	-	622,219	1,954,674	8,741	-	-	1,963,415
Estimates of present value of future cash outflows	118,016	21,919	-	-	139,935	272,900	45,224	-	-	318,124
Estimates of present value of future cash inflows	758,151	4,003	-	-	762,154	2,227,574	53,965	-	-	2,281,539
Risk adjustment	(836,143)	-	-	-	(836,143)	(2,416,777)	(45,700)	-	-	(2,462,477)
Contractual service margin	42,944	1,617	-	-	44,561	99,738	2,999	-	-	102,737
<b>Amount included in takaful contract liabilities for the period</b>	<b>-</b>	<b>5,620</b>	<b>-</b>	<b>-</b>	<b>5,620</b>	<b>-</b>	<b>11,264</b>	<b>-</b>	<b>-</b>	<b>11,264</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)****12.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD****12.1.3 The components of new business****12.1.3.2 Retakaful contracts held**

The components of new business for retakaful contracts held portfolios included in the family takaful unit is disclosed in the table below:

	2024			2023		
	Contracts purchased RM'000	Contracts acquired RM'000	Total RM'000	Contracts purchased RM'000	Contracts acquired RM'000	Total RM'000
<b>Family takaful fund</b>						
<b>Retakaful contract assets</b>						
Estimate of present value of future cash outflows	(144,001)	-	(144,001)	(651,398)	-	(651,398)
Estimate of present value of future cash inflows	144,001	-	144,001	651,398	-	651,398
<b>Amount included in retakaful contract assets for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Company</b>						
<b>Retakaful contract assets</b>						
Estimate of present value of future cash outflows	(144,001)	-	(144,001)	(651,398)	-	(651,398)
Estimate of present value of future cash inflows	144,001	-	144,001	651,398	-	651,398
<b>Amount included in retakaful contract assets for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**12. TAKAFUL AND RETAKAFUL CERTIFICATES (CONTINUED)****12.1 TAKAFUL CERTIFICATES ISSUED AND RETAKAFUL CERTIFICATES HELD****12.1.4 The impacts on the current period of transition approaches adopted to establishing CSM****12.1.4.1 Family takaful contracts issued (continued)**

The impact on the current period of the transition approaches adopted to establishing CSMs for takaful contracts portfolios included in the family takaful unit is disclosed in the table below:

	2024				2023			
	Certificates using the modified retrospective approach RM'000	Certificates using the fair value approach RM'000	All other certificates RM'000	Total RM'000	Certificates using the modified retrospective approach RM'000	Certificates using the fair value approach RM'000	All other certificates RM'000	Total RM'000
<b>Company</b>								
<b>Contractual service margin as at 1 January</b>	<b>220,367</b>	<b>2,523</b>	<b>137,201</b>	<b>360,091</b>	<b>263,050</b>	<b>5,323</b>	<b>74,584</b>	<b>342,957</b>
<b>Changes that relate to current services</b>								
Contractual service margin recognised for services provided	(9,288)	(224)	(11,885)	(21,397)	(21,407)	(992)	(17,831)	(40,230)
<b>Changes that relate to future services</b>								
Contracts initially recognised in the period	-	-	35,047	35,047	-	-	89,465	89,465
Changes in estimates that adjust the contractual service margin	(528)	105	3,890	3,467	(29,320)	(4,908)	(13,545)	(47,773)
<b>Takaful service result</b>	<b>(9,816)</b>	<b>(119)</b>	<b>27,052</b>	<b>17,117</b>	<b>(50,727)</b>	<b>(5,900)</b>	<b>58,089</b>	<b>1,462</b>
<b>Takaful finance expenses</b>	<b>3,802</b>	<b>1,222</b>	<b>3,063</b>	<b>8,087</b>	<b>8,044</b>	<b>3,100</b>	<b>4,528</b>	<b>15,672</b>
<b>Total changes in the statement of profit or loss and OCI</b>	<b>(6,014)</b>	<b>1,103</b>	<b>30,115</b>	<b>25,204</b>	<b>(42,683)</b>	<b>(2,800)</b>	<b>62,617</b>	<b>17,134</b>
<b>Contractual service margin as at 31 December</b>	<b>214,353</b>	<b>3,626</b>	<b>167,316</b>	<b>385,295</b>	<b>220,367</b>	<b>2,523</b>	<b>137,201</b>	<b>360,091</b>

**NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS**

For the financial period ended 30 June 2024

**13. REGULATORY CAPITAL REQUIREMENT**

The capital structure of the Company as at 30 June 2024, as prescribed under the Risk-Based Capital Framework for Takaful Operators ("RBCT") is provided as below:

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Tier-1 Capital	195,412	160,223
Tier-2 Capital	16,300	15,641
Deductions	19,487	22,752
Capital Available	<u>192,225</u>	<u>153,112</u>