

Prudential BSN Takaful Berhad
(Company No. 200601020898 (740651-H))
(Incorporated in Malaysia)

**Unaudited condensed interim
financial statements
for the half-year ended
30 June 2024**

Prudential BSN Takaful Berhad

(Company No. 200601020898 (740651-H))

(Incorporated in Malaysia)

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Prudential BSN Takaful Berhad

(Company No. 200601020898 (740651-H))

(Incorporated in Malaysia)

Condensed interim financial statements

Unaudited statement of financial position as at 30 June 2024

	Note	Family takaful fund		Company		Group	
		30.6.2024 RM'000	31.12.2023 RM'000	30.6.2024 RM'000	31.12.2023 RM'000	30.6.2024 RM'000	31.12.2023 RM'000
Assets							
Property and equipment		-	-	23,484	23,761	23,484	23,761
Right-of-use assets		-	-	56,631	58,772	56,631	58,772
Intangible assets		-	-	182,889	165,567	182,889	165,567
Investments	2	6,312,816	5,724,139	7,159,532	6,446,496	7,208,392	6,533,818
Takaful certificate assets	4	123,875	124,734	480,276	494,251	480,276	494,251
Retakaful certificate assets	4	59,938	36,093	59,375	33,826	59,375	33,826
Other receivables		153,789	151,772	182,826	172,877	182,826	172,877
Current tax assets		-	-	-	6,497	-	6,497
Deferred tax assets		-	9,231	-	-	-	-
Cash and cash equivalents		335,586	297,436	388,433	428,437	530,959	442,455
Total assets		6,986,004	6,343,405	8,533,446	7,830,484	8,724,832	7,931,824
Equity							
Share capital		-	-	100,000	100,000	100,000	100,000
Retained earnings		-	-	1,669,795	1,615,690	1,669,795	1,615,690
Revaluation reserve		-	-	1,925	1,925	1,925	1,925
Total equity		-	-	1,771,720	1,717,615	1,771,720	1,717,615
Liabilities							
Takaful certificate liabilities	4	6,762,841	6,118,946	6,115,893	5,523,667	6,115,893	5,523,667
Retakaful certificate liabilities	4	34,912	34,912	25,825	25,863	25,825	25,863
Other payables		158,567	181,570	62,566	50,076	253,952	151,416
Lease liabilities		-	-	64,212	65,653	64,212	65,653
Subordinated sukuk		-	-	100,000	100,000	100,000	100,000
Current tax liabilities		9,920	7,977	7,106	-	7,106	-
Deferred tax liabilities		19,764	-	386,124	347,610	386,124	347,610
Total liabilities		6,986,004	6,343,405	6,761,726	6,112,869	6,953,112	6,214,209
Total equity and liabilities		6,986,004	6,343,405	8,533,446	7,830,484	8,724,832	7,931,824

The accompanying notes are an integral part of these condensed interim financial statements.

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Unaudited statement of profit or loss and other comprehensive income for the period ended 30 June 2024

	Family takaful fund		Company		Group	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Takaful revenue	757,889	585,028	1,037,276	856,047	1,037,276	856,047
Takaful service expense	(667,288)	(646,776)	(900,282)	(867,681)	(900,282)	(867,681)
Takaful service result before retakaful certificates held	90,601	(61,748)	136,994	(11,634)	136,994	(11,634)
Net income/(expense) from retakaful certificates held	6,568	(10,467)	6,128	(10,962)	6,128	(10,962)
Takaful service result	97,169	(72,215)	143,122	(22,596)	143,122	(22,596)
Net investment income	107,281	114,266	116,050	117,104	118,181	120,343
Realised gains/(losses)	27,547	(13,052)	27,511	(10,375)	27,226	(9,991)
Fair value gains/(losses)	361,440	(101,875)	363,182	(96,493)	362,118	(100,041)
Total investment income/(expenses)	496,268	(661)	506,743	10,236	507,525	10,311
Takaful finance (expenses)/income for takaful certificates issued	(557,271)	59,314	(531,107)	103,890	(531,107)	103,890
Retakaful finance expenses/(income) for retakaful certificates held	(6,568)	10,467	(6,568)	10,467	(6,568)	10,467
Net takaful financial result	(563,839)	69,781	(537,675)	114,357	(537,675)	114,357
Other income/(expenses)	1,340	(1,458)	(5,243)	(5,110)	(5,532)	(5,242)
Profit/(Loss) before zakat and taxation	30,938	(4,553)	106,947	96,887	107,440	96,830
Tax (expense)/credit attributable to participants	(30,938)	4,553	(30,938)	4,553	(30,938)	4,553
Tax expense attributable to takaful operator	-	-	(21,742)	(29,672)	(21,742)	(29,672)
Zakat	-	-	(162)	(808)	(162)	(808)
Net profit for the period	-	-	54,105	70,960	54,598	70,903

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Unaudited statement of changes in equity for the period ended 30 June 2024

	Share capital RM'000	Revaluation reserves RM'000	Retained earnings RM'000	Total RM'000
Group and Company				
As at 1 January 2024	100,000	1,925	1,615,690	1,717,615
Net profit and total comprehensive income for the period	-	-	54,105	54,105
At 30 June 2024	<u>100,000</u>	<u>1,925</u>	<u>1,669,795</u>	<u>1,771,720</u>
As at 1 January 2023	100,000	1,925	1,488,202	1,590,127
Net profit and total comprehensive income for the year	-	-	70,960	70,960
As at 30 June 2023	<u>100,000</u>	<u>1,925</u>	<u>1,488,202</u>	<u>1,590,127</u>

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Unaudited statement of cash flows for the period ended 30 June 2024

	Company		Group	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before zakat and taxation	106,947	96,887	107,440	96,830
Adjustments for:				
Depreciation on property and equipment	1,570	1,870	1,570	1,870
Depreciation of right-of-use assets	2,647	2,832	2,647	2,832
Intangible assets and property and equipment written off	9	-	9	-
Amortisation of intangible assets	9,296	9,308	9,296	9,308
Investment income	(116,050)	(117,104)	(118,181)	(120,343)
Realised (gains)/losses on disposal on investments	(27,511)	10,375	(27,226)	9,991
Fair value (gains)/losses on investments	(363,182)	96,493	(362,118)	100,041
Operating (loss)/profit before changes in operating assets and liabilities	(386,274)	100,661	(386,563)	100,529
Decrease/(increase) in takaful certificate assets	13,975	(6,322)	13,975	(6,322)
Increase in retakaful certificate assets	(25,549)	(158)	(25,549)	(158)
(Increase)/decrease in other receivables	(1,302)	99,711	(1,302)	99,711
Increase in takaful certificate liabilities	592,226	54,901	592,226	54,901
(Decrease)/increase in retakaful certificate liabilities	(38)	2,181	(38)	2,181
Increase/(decrease) in other payables	12,328	(37,192)	12,260	(37,188)
Tax paid	(563)	(16,734)	(563)	(16,734)
Net cash inflow from operating activities	204,803	197,048	204,446	196,920

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Unaudited statement of cash flows for the period ended 30 June 2024 (continued)

	Company		Group	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities				
Investment in intangible asset	(26,618)	(8,020)	(26,618)	(8,020)
Investment income received	107,403	117,325	118,570	120,846
Proceeds from maturity/disposal of investments	26,529,785	34,747,688	26,686,149	34,978,810
Purchase of property and equipment	(1,302)	(373)	(1,302)	(373)
Purchase of investments	(26,852,128)	(34,911,302)	(26,971,897)	(35,090,780)
Net cash (outflow)/inflow from investing activities	(242,860)	(54,682)	(195,098)	483
Cash flows from financing activities				
Payment of lease liabilities	(1,947)	(2,169)	(1,947)	(2,169)
Cash proceeds from unit created received from other unitholders	-	-	81,144	27,787
Payment for cancellation of units made to other unitholders	-	-	(41)	(10,001)
Net cash (outflow)/inflow from financing activities	(1,947)	(2,169)	79,156	15,617
Net (decrease)/increase in cash and cash equivalents	(40,004)	140,197	88,504	213,020
Cash and cash equivalents at 1 January	428,437	280,906	442,455	293,139
Cash and cash equivalents at 30 June	388,433	421,103	530,959	506,159

The accompanying notes are an integral part of these condensed interim financial statements.

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*

1. Basis of preparation

The unaudited condensed interim financial statements of the Group and the Company for the period ended 30 June 2024 have been prepared in accordance with MFRS 134 *Interim Financial Reporting*.

The significant accounting policies applied in the unaudited condensed interim financial statements are consistent with those adopted in the audited annual financial statement of the Group and Company for the financial year ended 31 December 2023, except for the adoption of the following accounting standards, amendments and interpretations that are effective during the current financial period:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- (i) Amendment to MFRS 16, Leases – Lease Liability in a Sale and Leaseback
- (ii) Amendment to MFRS 101, Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
- (iii) Amendment to MFRS107 and MFRS 7, Disclosures: Supplier Finance Arrangements

The adoption of the above standard and amendments to standards issued by Malaysian Accounting Standards Board ("MASB") in the current financial period do not have any impact to the financial statements of the Group and Company.

The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Company for the financial year ended 31 December 2023. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Company since the year ended 31 December 2023.

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2. Investments

	Family takaful fund		Company		Group	
	30.6.2024 RM'000	31.12.2023 RM'000	30.6.2024 RM'000	31.12.2023 RM'000	30.6.2024 RM'000	31.12.2023 RM'000
Malaysian government investment issue	451,235	413,945	460,545	422,017	1,051,054	830,097
Islamic debts securities	2,073,383	1,992,454	2,127,667	2,046,146	2,127,667	2,046,146
Equity securities	2,823,268	2,415,821	2,823,268	2,415,821	2,823,268	2,415,821
Collective investment schemes	538,720	433,841	1,071,842	843,984	530,193	425,939
Deposits with financial institutions	426,210	468,078	676,210	718,528	676,210	815,815
	6,312,816	5,724,139	7,159,532	6,446,496	7,208,392	6,533,818

(a) The Company's financial investments are summarised by categories as follows:

	Family takaful fund		Company		Group	
	30.6.2024 RM'000	31.12.2023 RM'000	30.6.2024 RM'000	31.12.2023 RM'000	30.6.2024 RM'000	31.12.2023 RM'000
Amortised cost						
- Deposits with financial institutions	426,210	468,078	676,210	718,528	676,210	815,815
Fair value through profit or loss ("FVTPL")						
Malaysian government investment issue	451,235	413,945	460,545	422,017	1,051,054	830,097
Islamic debts securities	2,073,383	1,992,454	2,127,667	2,046,146	2,127,667	2,046,146
Equity securities	2,823,268	2,415,821	2,823,268	2,415,821	2,823,268	2,415,821
Collective investment schemes	538,720	433,841	1,071,842	843,984	530,193	425,939
	5,886,606	5,256,061	6,483,322	5,727,968	6,532,182	5,718,003
	6,312,816	5,724,139	7,159,532	6,446,496	7,208,392	6,533,818

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2. Investments (continued)

(b) Carrying values of financial statements are as follows:

Company	Amortised cost RM'000	FVTPL RM'000	Total RM'000
At 1 January 2023	923,347	4,934,482	5,857,829
Purchases	44,199,968	15,513,525	59,713,493
Maturities/disposals	(44,404,787)	(14,737,614)	(59,142,401)
Fair value losses recognised in profit or loss	-	17,575	17,575
At 31 December 2023/ 1 January 2024	718,528	5,727,968	6,446,496
Purchases	14,120,315	12,731,813	26,852,128
Maturities/disposals	(14,162,633)	(12,339,641)	(26,502,274)
Fair value losses recognised in profit or loss	-	363,182	363,182
At 30 June 2024	<u>676,210</u>	<u>6,483,322</u>	<u>7,159,532</u>
	Amortised cost RM'000	FVTPL RM'000	Total RM'000
	Group		
At 1 January 2023	1,000,738	4,844,895	5,845,633
Purchases	44,297,255	15,690,226	59,987,481
Maturities/disposals	(44,482,178)	(14,828,761)	(59,310,939)
Fair value losses recognised in profit or loss	-	11,643	11,643
At 31 December 2023/ 1 January 2024	815,815	5,718,003	6,533,818
Purchases	14,120,315	12,851,582	26,971,897
Maturities/disposals	(14,259,920)	(12,399,521)	(26,659,441)
Fair value losses recognised in profit or loss	-	362,118	362,118
At 30 June 2024	<u>676,210</u>	<u>6,532,182</u>	<u>7,208,392</u>

(c) Fair value information

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

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2. Investments (continued)

(c) Fair value information (continued)

The table below analyses financial instruments carried at fair value. There are no financial instruments which are not carried at fair value.

Company	Fair value of financial instruments carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
At 30 June 2024						
Malaysian government investment issue	-	460,545	-	460,545	460,545	460,545
Islamic debt securities	-	2,127,667	-	2,127,667	2,127,667	2,127,667
Equity securities	2,823,268	-	-	2,823,268	2,823,268	2,823,268
Unit trust funds	1,071,842	-	-	1,071,842	1,071,842	1,071,842
	<u>3,895,110</u>	<u>2,588,212</u>	<u>-</u>	<u>6,483,322</u>	<u>6,483,322</u>	<u>6,483,322</u>
At 31 December 2023						
Malaysian government investment issue	-	422,017	-	422,017	422,017	422,017
Islamic debt securities	-	2,046,146	-	2,046,146	2,046,146	2,046,146
Equity securities	2,415,821	-	-	2,415,821	2,415,821	2,415,821
Unit trust funds	843,984	-	-	843,984	843,984	843,984
	<u>3,259,805</u>	<u>2,468,163</u>	<u>-</u>	<u>5,727,968</u>	<u>5,727,968</u>	<u>5,727,968</u>
Fair value of financial instruments carried at fair value						
Group	Level 1	Level 2	Level 3	Total	Total fair	Carrying
	RM'000	RM'000	RM'000	RM'000	value RM'000	amount RM'000
At 30 June 2024						
Malaysian government investment issue	-	1,051,054	-	1,051,054	1,051,054	1,051,054
Islamic debt securities	-	2,127,667.00	-	2,127,667.00	2,127,667.00	2,127,667.00
Equity securities	2,823,268.00	-	-	2,823,268.00	2,823,268.00	2,823,268.00
Unit trust funds	530,193.00	-	-	530,193.00	530,193.00	530,193.00
	<u>3,353,461</u>	<u>3,178,721</u>	<u>-</u>	<u>6,532,182</u>	<u>6,532,182</u>	<u>6,532,182</u>
At 31 December 2023						
Malaysian government investment issue	-	830,097	-	830,097	830,097	830,097
Islamic debt securities	-	2,046,146	-	2,046,146	2,046,146	2,046,146
Equity securities	2,415,821	-	-	2,415,821	2,415,821	2,415,821
Unit trust funds	425,939	-	-	425,939	425,939	425,939
	<u>2,841,760</u>	<u>2,876,243</u>	<u>-</u>	<u>5,718,003</u>	<u>5,718,003</u>	<u>5,718,003</u>

2. Investments (continued)

(c) Fair value information (continued)

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 financial period (2023: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

Financial assets measured at fair value based on Level 3:

	30 June 2024	31 December 2023
	RM'000	RM'000
Islamic debt securities		
As at 1 January 2024/2023	-	5,642
Changes in fair value	-	(5,642)
Balance as at 30 June 2024/31 December 2023	<u>-</u>	<u>-</u>

The following table shows the valuation techniques used in the determination of fair values within level 3, as well as the key observable inputs used in the valuation models.

Financial instruments 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
Islamic debt securities	The fair value of unquoted/defaulted sukuk is based on estimated recovery rates measure against trading prices referenced from a credit rating agency report.	Estimated recovery rate (2023: 0%)	The estimated fair value would increase/decrease if the estimated recovery rate were higher/lower.

3. Investment in subsidiary - controlled structured entity

During the financial period, the Company acquired units in a unit trust fund which is established in Malaysia and managed by an external fund manager. Details of the investment in the unit trust fund is as follows:

<u>Name of fund</u>	<u>Principal activities</u>	<u>% of ownership interest held by the Company</u>	
		<u>30 June 2024</u>	<u>31 December 2023</u>
Principal Islamic Malaysia Government Sukuk Fund	Invest in Government Investment Issue ("GII"), Government Guaranteed Issuances ("GGI"), Islamic deposits and money market instrument.	73.9%	80.5%

The Company has determined that its investment in the above unit trust fund amounting to RM732,949,450 (31 December 2023: RM519,311,168) as an investment in a subsidiary entity ("investee").

The Company holds 73.9% (31 December 2023: 80.5%) of units in the investee and thus has control over it. The Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

This investee is classified as a FVTPL financial asset and the changes in fair value of the investee is included in the statement of comprehensive income in the Company's financial statements.

The Company's exposure to investments in the investee is disclosed below

	30 June 2024	31 December 2023
	RM	RM
Net asset value per unit	1.1057	1.0389
Financial assets at fair value through profit or loss	590,509,193	408,079,700
Deposit with financial institution	-	97,287,252
Cash and cash equivalents	142,526,092	14,017,805
Other payables	(85,835)	(73,589)
	<u>732,949,450</u>	<u>519,311,168</u>
Net profit for the financial period/year	<u>1,738,091</u>	<u>8,155,065</u>

The Company's maximum exposure to loss from its interests in the investee is equal to the fair value of its investment in the investee fund.

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4. Takaful and retakaful certificates

The breakdown of groups of takaful certificates issued and retakaful certificates held, that are in an asset position and those in a liability position is set out in the table below:

	30.6.2024			31.12.2023		
	Assets RM'000	Liabilities RM'000	Net RM'000	Assets RM'000	Liabilities RM'000	Net RM'000
Family Takaful Fund						
Takaful certificates issued	(123,875)	6,762,841	6,638,966	(124,734)	6,118,946	5,994,212
Retakaful certificates held	59,938	(34,912)	25,026	36,093	(34,912)	1,181
Group and Company						
Takaful certificates issued	(480,276)	6,115,893	5,635,617	(494,251)	5,523,667	5,029,416
Retakaful certificates held	59,375	(25,825)	33,550	33,826	(25,863)	7,963

The Group and the Company disaggregates information to provide disclosures in respect of family takaful certificates issued and retakaful certificates held separately. This disaggregation has been determined based on how the Family Takaful Fund and Group and Company is managed.

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, 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:

	Liabilities for remaining coverage		Liabilities for incurred claims			Total
	Excluding Loss Component	Loss Component	Premium Allocation Approach Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	Non-Premium Allocation Approach	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund						
<u>As at 30 June 2024</u>						
Takaful certificate liabilities as at 1 January	9,242,748	-	27,710	-	(3,151,512)	6,118,946
Takaful certificate assets as at 1 January	(237,658)	-	326	-	112,598	(124,734)
Net family takaful certificate liabilities/(assets) as at 1 January	9,005,090	-	28,036	-	(3,038,914)	5,994,212
Takaful revenue	(757,889)	-	-	-	-	(757,889)
Takaful service expense	1,034	-	28,894	-	637,360	667,288
Investment components	(342,207)	-	-	-	342,207	-
Takaful service result	(1,099,062)	-	28,894	-	979,567	(90,601)
Takaful finance expenses	557,271	-	-	-	-	557,271
Total changes in the statement of profit or loss and OCI	(541,791)	-	28,894	-	979,567	466,670

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, 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: (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims			Total
	Excluding Loss Component	Loss Component	Premium Allocation Approach Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	Non-Premium Allocation Approach	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund						
<u>As at 30 June 2024</u>						
Cash flows						
Contributions received	2,184,341	-	-	-	-	2,184,341
Claims and other expenses paid including investment components	-	-	(21,015)	-	(1,968,235)	(1,989,250)
Takaful acquisition cash flows	(23)	-	-	-	-	(23)
Total cash flows	2,184,318	-	(21,015)	-	(1,968,235)	195,068
Other movements	(25,432)	-	(4,592)	-	13,040	(16,984)
Net takaful certificate liabilities/(assets) as at 30 June	10,622,185	-	31,323	-	(4,014,542)	6,638,966
Takaful certificate liabilities as at 30 June	10,864,686	-	29,875	-	(4,131,720)	6,762,841
Takaful certificate assets as at 30 June	(242,501)	-	1,448	-	117,178	(123,875)
Net takaful certificate liabilities/(assets) as at 30 June	10,622,185	-	31,323	-	(4,014,542)	6,638,966

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, 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: (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims			
	Excluding Loss Component RM'000	Loss Component RM'000	Premium Allocation Approach			Total RM'000
Estimates of the Present Value of Future Cash Flows RM'000			Risk Adjustments for Non-Financial Risks RM'000	Non-Premium Allocation Approach RM'000		
Family Takaful Fund						
<u>As at 31 December 2023</u>						
Takaful certificate liabilities as at 1 January	6,965,862	-	9,006	-	(1,476,415)	5,498,453
Takaful certificate assets as at 1 January	(308,207)	-	10	-	152,346	(155,851)
Net family takaful certificate liabilities/(assets) as at 1 January	6,657,655	-	9,016	-	(1,324,069)	5,342,602
Takaful revenue	(1,262,406)	-	-	-	-	(1,262,406)
Takaful service expense	2,607	-	37,061	-	1,181,947	1,221,615
Investment components	(624,782)	-	-	-	624,782	-
Takaful service result	(1,884,581)	-	37,061	-	1,806,729	(40,791)
Takaful finance expenses	231,969	-	-	-	-	231,969
Total changes in the statement of profit or loss and OCI	(1,652,612)	-	37,061	-	1,806,729	191,178

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, 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: (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims			Total
	Excluding Loss Component	Loss Component	Premium Allocation Approach			
RM'000			RM'000	Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	Non-Premium Allocation Approach
Family Takaful Fund						
As at 31 December 2023						
Cash flows						
Contributions received	3,987,335	-	-	-	-	3,987,335
Claims and other expenses paid including investment components	-	-	(3,243)	-	(3,544,256)	(3,547,499)
Takaful acquisition cash flows	(3,254)	-	-	-	-	(3,254)
Total cash flows	3,984,081	-	(3,243)	-	(3,544,256)	436,582
Other movements	15,966	-	(14,798)	-	22,682	23,850
Net takaful certificate liabilities/(assets) as at 31 December	9,005,090	-	28,036	-	(3,038,914)	5,994,212
Takaful certificate liabilities as at 31 December	9,242,748	-	27,710	-	(3,151,512)	6,118,946
Takaful certificate assets as at 31 December	(237,658)	-	326	-	112,598	(124,734)
Net takaful certificate liabilities/(assets) as at 31 December	9,005,090	-	28,036	-	(3,038,914)	5,994,212

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the Group and Company, is disclosed in the table below:

Group and Company	Liabilities for remaining coverage		Liabilities for incurred claims			
	Excluding Loss Component	Loss Component	Premium Allocation Approach			Total
			Estimates of the Present Value of Future Cash Flows	Adjustments for Non-Financial Risks	Non-Premium Allocation Approach	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 30 June 2024						
Takaful certificate liabilities as at 1 January	4,954,748	1,124	18,589	-	549,206	5,523,667
Takaful certificate assets as at 1 January	(539,696)	-	(79)	-	45,524	(494,251)
Net family takaful certificate liabilities/(assets) as at 1 January	4,415,052	1,124	18,510	-	594,730	5,029,416
Takaful revenue	(1,037,276)	-	-	-	-	(1,037,276)
Takaful service expense	220,807	8,015	23,149	-	648,311	900,282
Investment components	(342,207)	-	-	-	342,207	-
Takaful service result	(1,158,676)	8,015	23,149	-	990,518	(136,994)
Takaful finance expenses	535,619	(4,512)	-	-	-	531,107
Total changes in the statement of profit or loss and OCI	(623,057)	3,503	23,149	-	990,518	394,113

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the Group and Company, is disclosed in the table below: (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims			Total
	Excluding Loss Component	Loss Component	Premium Allocation Approach		Non-Premium Allocation Approach	
	RM'000	RM'000	Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	RM'000	RM'000
Group and Company						
<u>As at 30 June 2024</u>						
Cash flows						
Contributions received	1,639,589	-	-	-	-	1,639,589
Claims and other expenses paid including investment components	-	-	746	-	(1,001,175)	(1,000,429)
Takaful acquisition cash flows	(395,742)	-	-	-	-	(395,742)
Total cash flows	1,243,847	-	746	-	(1,001,175)	243,418
Other movements	(3,279)	-	(53,998)	-	25,947	(31,330)
Net takaful certificate liabilities/(assets) as at 30 June	5,032,563	4,627	(11,593)	-	610,020	5,635,617
Takaful certificate liabilities as at 30 June	5,562,950	4,627	(11,565)	-	559,881	6,115,893
Takaful certificate assets as at 30 June	(530,387)	-	(28)	-	50,139	(480,276)
Net takaful certificate liabilities/(assets) as at 30 June	5,032,563	4,627	(11,593)	-	610,020	5,635,617

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the Group and Company, is disclosed in the table below: (continued)

Group and Company	Liabilities for remaining coverage		Liabilities for incurred claims			Total
	Excluding Loss Component	Loss Component	Premium Allocation Approach Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	Non-Premium Allocation Approach	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 31 December 2023						
Takaful certificate liabilities as at 1 January	4,385,523	8,731	15,362	-	527,441	4,937,057
Takaful certificate assets as at 1 January	(559,352)	-	-	-	88,537	(470,815)
Net family takaful certificate liabilities/(assets) as at 1 January	3,826,171	8,731	15,362	-	615,978	4,466,242
Takaful revenue	(1,927,393)	-	-	-	-	(1,927,393)
Takaful service expense	558,656	961	37,031	-	1,208,167	1,804,815
Investment components	(624,782)	-	-	-	624,782	-
Takaful service result	(1,993,519)	961	37,031	-	1,832,949	(122,578)
Takaful finance expenses	146,131	134	-	-	-	146,265
Total changes in the statement of profit or loss and OCI	(1,847,388)	1,095	37,031	-	1,832,949	23,687

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(i) The roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates, showing the liability for remaining coverage and the liability for incurred claims for portfolios included in the Group and Company, is disclosed in the table below: (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims			
			Premium Allocation Approach			Total
	Excluding Loss Component	Loss Component	Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	Non-Premium Allocation Approach	
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group and Company						
As at 31 December 2023						
Cash flows						
Contributions received	3,103,514	-	-	-	-	3,103,514
Claims and other expenses paid including investment components	-	-	770	-	(1,873,544)	(1,872,774)
Takaful acquisition cash flows	(717,568)	-	-	-	-	(717,568)
Total cash flows	2,385,946	-	770	-	(1,873,544)	513,172
Other movements	50,323	(8,702)	(34,653)	-	19,347	26,315
Net takaful certificate liabilities/(assets) as at 31 December	4,415,052	1,124	18,510	-	594,730	5,029,416
Takaful certificate liabilities as at 31 December	4,954,748	1,124	18,589	-	549,206	5,523,667
Takaful certificate assets as at 31 December	(539,696)	-	(79)	-	45,524	(494,251)
Net takaful certificate liabilities/(assets) as at 31 December	4,415,052	1,124	18,510	-	594,730	5,029,416

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued

(ii) The table below presents a roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates 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.

	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Family Takaful Fund								
Takaful certificate liabilities as at 1 January	6,085,145	-	-	6,085,145	5,479,486	-	-	5,479,486
Takaful certificate assets as at 1 January	(122,635)	-	-	(122,635)	(155,425)	-	-	(155,425)
Net takaful certificate liabilities/(assets) as at 1 January	5,962,510	-	-	5,962,510	5,324,061	-	-	5,324,061
Changes that relate to current services								
Contractual service margin recognised for services provided	-	-	-	-	-	-	-	-
Risk adjustment for the risks expired	-	5	-	5	-	10	-	10
Experience adjustments	15,547	-	-	15,547	125,783	-	-	125,783
Changes that relate to future services								
Certificates initially recognised in the period	(1,840)	(2)	1,842	-	(3,385)	22	3,363	-
Changes in estimates that adjust the contractual service margin	(45,449)	13	45,436	-	(300,726)	38	304,114	3,426
Changes in estimates that do not adjust the contractual service margin	-	-	-	-	-	-	-	-
Changes that relate to past services								
Adjustments to liabilities for incurred claims	(118,424)	(69)	-	(118,493)	(172,729)	(506)	-	(173,235)
Takaful service result	(150,166)	(53)	47,278	(102,941)	(351,057)	(436)	307,477	(44,016)
Takaful finance expenses	616,836	53	(47,278)	569,611	545,660	436	(307,477)	238,619
Total changes in the statement of profit or loss and OCI	466,670	-	-	466,670	194,603	-	-	194,603

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(ii) The table below presents a roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates 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. (continued)

	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
Family Takaful Fund	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows								
Contributions received	2,124,516	-	-	2,124,516	3,956,132	-	-	3,956,132
Claims and other expenses paid including investment components	(1,968,235)	-	-	(1,968,235)	(3,544,256)	-	-	(3,544,256)
Takaful acquisition cash flows	(23)	-	-	(23)	(3,254)	-	-	(3,254)
Total cash flows	156,258	-	-	156,258	408,622	-	-	408,622
Other movements	13,039	-	-	13,039	35,224	-	-	35,224
Net takaful certificate liabilities/(assets) as at 30 June/31 December	6,598,477	-	-	6,598,477	5,962,510	-	-	5,962,510
Takaful certificate liabilities as at 30 June/31 December	6,717,456	-	-	6,717,456	6,085,145	-	-	6,085,145
Takaful certificate assets as at 30 June/31 December	(118,979)	-	-	(118,979)	(122,635)	-	-	(122,635)
Net takaful certificate liabilities/(assets) as at 30 June/31 December	6,598,477	-	-	6,598,477	5,962,510	-	-	5,962,510

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(ii) The table below presents a roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the Group and Company.

Group and Company	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Takaful certificate liabilities as at 1 January	4,139,803	401,186	958,898	5,499,887	3,637,317	254,127	1,019,048	4,910,492
Takaful certificate assets as at 1 January	(1,263,454)	41,123	728,135	(494,196)	(1,224,862)	155,581	598,466	(470,815)
Net takaful certificate liabilities/(assets) as at 1 January	2,876,349	442,309	1,687,033	5,005,691	2,412,455	409,708	1,617,514	4,439,677
Changes that relate to current services								
Contractual service margin recognised for services provided	-	-	(71,967)	(71,967)	-	-	(166,414)	(166,414)
Risk adjustment for the risks expired	-	(36,837)	-	(36,837)	-	(44,962)	-	(44,962)
Experience adjustments	84,005	-	-	84,005	257,047	-	-	257,047
Changes that relate to future services								
Certificates initially recognised in the period	(143,626)	25,171	124,292	5,837	(377,002)	64,948	326,143	14,089
Changes in estimates that adjust the contractual service margin	9,483	(3,157)	(6,327)	(1)	(143,498)	(14,980)	155,495	(2,983)
Changes in estimates that do not adjust the contractual service margin	(1,671)	(141)	-	(1,812)	(1,717)	(7,448)	-	(9,165)
Changes that relate to past services								
Adjustments to liabilities for incurred claims	(118,424)	(69)	-	(118,493)	(172,729)	(506)	-	(173,235)
Takaful service result	(170,233)	(15,033)	45,998	(139,268)	(437,899)	(2,948)	315,224	(125,623)
Takaful finance expenses	544,637	18,020	(19,210)	543,447	366,053	32,567	(245,705)	152,915
Total changes in the statement of profit or loss and OCI	374,404	2,987	26,788	404,179	(71,846)	29,619	69,519	27,292

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4. Takaful and retakaful certificates (continued)

Takaful certificates issued (continued)

(ii) The table below presents a roll-forward of the net assets or liabilities for takaful certificates issued for takaful certificates not measured under the PAA, showing estimates of the present value of future cash flows, risk adjustment and CSM for portfolios included in the Group and Company. (continued)

Group and Company	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Cash flows								
Contributions received	1,564,267	-	-	1,564,267	3,063,310	-	-	3,063,310
Claims and other expenses paid including investment components	(1,001,175)	-	-	(1,001,175)	(1,873,544)	-	-	(1,873,544)
Takaful acquisition cash flows	(383,425)	-	-	(383,425)	(712,938)	-	-	(712,938)
Total cash flows	179,667	-	-	179,667	476,828	-	-	476,828
Other movements	25,947	-	-	25,947	58,912	2,982	-	61,894
Net takaful certificate liabilities/(assets) as at 30 June/31 December	3,456,367	445,296	1,713,821	5,615,484	2,876,349	442,309	1,687,033	5,005,691
Takaful certificate liabilities as at 30 June/31 December	4,715,447	403,397	976,863	6,095,707	4,139,803	401,186	958,898	5,499,887
Takaful certificate assets as at 30 June/31 December	(1,259,080)	41,899	736,958	(480,223)	(1,263,454)	41,123	728,135	(494,196)
Net takaful certificate liabilities/(assets) as at 30 June/31 December	3,456,367	445,296	1,713,821	5,615,484	2,876,349	442,309	1,687,033	5,005,691

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held

(v) The roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates, showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Family Takaful Fund is disclosed in the table below:

	Assets for remaining coverage		Amounts recoverable on incurred claims			
			Premium Allocation Approach			Total
	Excluding Loss-recovery Component	Loss-recovery Component	Estimates of the Present Value of Future Cash Flows	Risk Adjustments for Non-Financial Risks	Non-Premium Allocation Approach	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Family Takaful Fund						
As at 30 June 2024						
Retakaful certificate assets as at 1 January	(61,053)	(52)	(37)	-	97,235	36,093
Retakaful certificate liabilities as at 1 January	(36,574)	(1,278)	-	-	2,940	(34,912)
Net retakaful certificate assets/(liabilities) as at 1 January	(97,627)	(1,330)	(37)	-	100,175	1,181
Allocation of retakaful contributions	(57,566)	-	-	-	-	(57,566)
Amounts recoverable from retakaful operators	-	-	5,578	-	58,556	64,134
Net income or expense from retakaful certificates held	(57,566)	-	5,578	-	58,556	6,568
Retakaful finance income	(6,562)	-	-	-	-	(6,562)
Effect of changes in non-performance risk of retakaful operators	(6)	-	-	-	-	(6)
Total changes in the statement of profit or loss and OCI	(64,134)	-	5,578	-	58,556	-
Cash flows						
Contributions paid	78,578	-	-	-	-	78,578
Amounts received	-	-	(5,578)	-	(49,150)	(54,728)
Total cash flows	78,578	-	(5,578)	-	(49,150)	23,850
Other movements	(5)	-	-	-	-	(5)
Net retakaful certificate assets/(liabilities) as at 30 June	(83,188)	(1,330)	(37)	-	109,581	25,026
Retakaful certificate assets as at 30 June	(46,614)	(52)	(37)	-	106,641	59,938
Retakaful certificate liabilities as at 30 June	(36,574)	(1,278)	-	-	2,940	(34,912)
Net retakaful certificate assets/(liabilities) as at 30 June	(83,188)	(1,330)	(37)	-	109,581	25,026

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held (continued)

(v) The roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates, showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Family Takaful Fund is disclosed in the table below: (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims			Total
	Excluding Loss-recovery Component	Loss-recovery Component	Premium Allocation Approach		Non-Premium Allocation Approach	
	RM'000	RM'000	Estimates of the Present Value of Future Cash Flows	Adjustments for Non-Financial Risks	RM'000	RM'000
Family Takaful Fund						
As at 31 December 2023						
Retakaful certificate assets as at 1 January	(18,161)	(52)	(1)	-	27,794	9,580
Retakaful certificate liabilities as at 1 January	(34,368)	(1,278)	-	-	732	(34,914)
Net retakaful certificate assets/(liabilities) as at 1 January	(52,529)	(1,330)	(1)	-	28,526	(25,334)
Allocation of retakaful contributions	(113,645)	-	-	-	-	(113,645)
Amounts recoverable from retakaful operators	-	-	5,260	-	93,509	98,769
Net income or expense from retakaful certificates held	(113,645)	-	5,260	-	93,509	(14,876)
Retakaful finance income	18,001	-	-	-	-	18,001
Effect of changes in non-performance risk of retakaful operators	(3,125)	-	-	-	-	(3,125)
Total changes in the statement of profit or loss and OCI	(98,769)	-	5,260	-	93,509	-
Cash flows						
Contributions paid	53,440	-	-	-	-	53,440
Amounts received	-	-	(5,296)	-	(21,860)	(27,156)
Total cash flows	53,440	-	(5,296)	-	(21,860)	26,284
Other movements	231	-	-	-	-	231
Net retakaful certificate assets/(liabilities) as at 31 December	(97,627)	(1,330)	(37)	-	100,175	1,181
Retakaful certificate assets as at 31 December	(61,053)	(52)	(37)	-	97,235	36,093
Retakaful certificate liabilities as at 31 December	(36,574)	(1,278)	-	-	2,940	(34,912)
Net retakaful certificate assets/(liabilities) as at 31 December	(97,627)	(1,330)	(37)	-	100,175	1,181

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held (continued)

(v) The roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates, showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Group and Company is disclosed in the table below:

	Assets for remaining coverage		Amounts recoverable on incurred claims			Total
	Excluding Loss-recovery Component	Loss-recovery Component	Premium Allocation Approach		Non-Premium Allocation Approach	
	RM'000	RM'000	Estimates of the Present Value of Future Cash Flows	Adjustments for Non-Financial Risks	RM'000	RM'000
Group and Company						
As at 30 June 2024						
Retakaful certificate assets as at 1 January	(67,925)	-	-	-	101,751	33,826
Retakaful certificate liabilities as at 1 January	(28,765)	-	(38)	-	2,940	(25,863)
Net retakaful certificate assets/(liabilities) as at 1 January	(96,690)	-	(38)	-	104,691	7,963
Allocation of retakaful contributions	(58,006)	-	-	-	-	(58,006)
Amounts recoverable from retakaful operators	-	-	5,578	-	58,556	64,134
Net income or expense from retakaful certificates held	(58,006)	-	5,578	-	58,556	6,128
Retakaful finance income	(6,562)	-	-	-	-	(6,562)
Effect of changes in non-performance risk of retakaful operators	(6)	-	-	-	-	(6)
Total changes in the statement of profit or loss and OCI	(64,574)	-	5,578	-	58,556	(440)
Cash flows						
Contributions paid	80,762	-	-	-	-	80,762
Amounts received	-	-	(5,578)	-	(49,149)	(54,727)
Total cash flows	80,762	-	(5,578)	-	(49,149)	26,035
Other movements	(7)	-	-	-	(1)	(8)
Net retakaful certificate assets/(liabilities) as at 30 June	(80,509)	-	(38)	-	114,097	33,550
Retakaful certificate assets as at 30 June	(51,744)	-	(38)	-	111,157	59,375
Retakaful certificate liabilities as at 30 June	(28,765)	-	-	-	2,940	(25,825)
Net retakaful certificate assets/(liabilities) as at 30 June	(80,509)	-	(38)	-	114,097	33,550

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held (continued)

(v) The roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates, showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to retakaful operators in the Group and Company is disclosed in the table below: (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims			Total
	Excluding Loss-recovery Component	Loss-recovery Component	Premium Allocation Approach		Non-Premium Allocation Approach	
	RM'000	RM'000	Estimates of the Present Value of Future Cash Flows	Adjustments for Non-Financial Risks	RM'000	RM'000
			RM'000	RM'000		
Group and Company						
<u>As at 31 December 2023</u>						
Retakaful certificate assets as at 1 January	(20,801)	-	-	-	30,101	9,300
Retakaful certificate liabilities as at 1 January	(28,765)	-	(420)	-	2,941	(26,244)
Net retakaful certificate assets/(liabilities) as at 1 January	(49,566)	-	(420)	-	33,042	(16,944)
Allocation of retakaful contributions	(115,252)	-	-	-	-	(115,252)
Amounts recoverable from retakaful operators	-	-	5,260	-	93,509	98,769
Net income or expense from retakaful certificates held	(115,252)	-	5,260	-	93,509	(16,483)
Retakaful finance income	18,001	-	-	-	-	18,001
Effect of changes in non-performance risk of retakaful operators	(3,125)	-	-	-	-	(3,125)
Total changes in the statement of profit or loss and OCI	(100,376)	-	5,260	-	93,509	(1,607)
Cash flows						
Contributions paid	53,252	-	-	-	-	53,252
Amounts received	-	-	(5,296)	-	(21,860)	(27,156)
Total cash flows	53,252	-	(5,296)	-	(21,860)	26,096
Other movements	-	-	418	-	-	418
Net retakaful certificate assets/(liabilities) as at 31 December	(96,690)	-	(38)	-	104,691	7,963
Retakaful certificate assets as at 31 December	(67,925)	-	-	-	101,751	33,826
Retakaful certificate liabilities as at 31 December	(28,765)	-	(38)	-	2,940	(25,863)
Net retakaful certificate assets/(liabilities) as at 31 December	(96,690)	-	(38)	-	104,691	7,963

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held

(vi) The table below presents a roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates 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.

	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Family Takaful Fund								
Retakaful certificate assets as at 1 January	36,053	-	-	36,053	9,770	-	-	9,770
Retakaful certificate liabilities as at 1 January	(34,912)	-	-	(34,912)	(34,913)	-	-	(34,913)
Net retakaful certificate assets/(liabilities) as at 1 January	1,141	-	-	1,141	(25,143)	-	-	(25,143)
Changes that relate to current services								
Contractual service margin recognised for services received	-	-	-	-	-	-	-	-
Risk adjustment for the risks expired	-	(1,168)	-	(1,168)	-	(4,408)	-	(4,408)
Experience adjustments	(53,517)	-	-	(53,517)	(103,218)	-	-	(103,218)
Changes that relate to future services								
Certificates initially recognised in the period	478	153	(631)	-	14,333	458	(14,791)	-
Changes in estimates that adjust the contractual service margin	(11,015)	322	10,693	-	36,546	(1,854)	(34,692)	-
Changes in estimates that do not adjust the contractual service margin	-	-	-	-	-	-	-	-
Changes that relate to past services								
Changes in amounts recoverable arising from changes in liability for incurred claims	58,268	-	-	58,268	91,615	-	-	91,615
Retakaful finance expenses	5,834	694	(10,105)	(3,577)	(58,354)	7,272	70,218	19,136
Effect of changes in non-performance risk of retakaful operators	(6)	-	-	(6)	(3,125)	-	-	(3,125)
Total changes in the statement of profit or loss and OCI	42	1	(43)	-	(22,203)	1,468	20,735	-

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held (continued)

(vi) The table below presents a roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates 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. (continued)

Family Takaful Fund	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Cash flows								
Contributions paid	69,041	-	-	69,041	48,144	-	-	48,144
Amount received	(49,149)	-	-	(49,149)	(21,860)	-	-	(21,860)
Total cash flows	19,892	-	-	19,892	26,284	-	-	26,284
Other movements	(49)	(1)	43	(7)	22,203	(1,468)	(20,735)	-
Net retakaful certificate assets/(liabilities) as at 30 June/31 December	21,026	-	-	21,026	1,141	-	-	1,141
Retakaful certificate assets as at 30 June/31 December	55,938	-	-	55,938	36,053	-	-	36,053
Retakaful certificate liabilities as at 30 June/31 December	(34,912)	-	-	(34,912)	(34,912)	-	-	(34,912)
Net retakaful certificate assets/(liabilities) as at 30 June/31 December	21,026	-	-	21,026	1,141	-	-	1,141

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held (continued)

(vi) The table below presents a roll-forward of the net assets or liabilities for retakaful certificates held for retakaful certificates 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 Group and Company.

Group and Company	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Retakaful certificate assets as at 1 January	35,899	-	-	35,899	9,802	-	-	9,802
Retakaful certificate liabilities as at 1 January	(25,825)	-	-	(25,825)	(25,824)	-	-	(25,824)
Net retakaful certificate assets/(liabilities) as at 1 January	10,074	-	-	10,074	(16,022)	-	-	(16,022)
Changes that relate to current services								
Contractual service margin recognised for services received	-	-	-	-	-	-	-	-
Risk adjustment for the risks expired	-	(1,168)	-	(1,168)	-	(4,408)	-	(4,408)
Experience adjustments	(53,517)	-	-	(53,517)	(103,218)	-	-	(103,218)
Changes that relate to future services								
Certificates initially recognised in the period	478	153	(631)	-	14,333	458	(14,791)	-
Changes in estimates that adjust the contractual service margin	(11,015)	322	10,693	-	36,546	(1,854)	(34,692)	-
Changes in estimates that do not adjust the contractual service margin	-	-	-	-	-	-	-	-
Changes that relate to past services								
Changes in amounts recoverable arising from changes in liability for incurred claims	58,268	-	-	58,268	91,615	-	-	91,615
Retakaful finance income	5,835	694	(10,105)	(3,576)	(58,354)	7,272	70,218	19,136
Effect of changes in non-performance risk of retakaful operators	(7)	-	-	(7)	(3,125)	-	-	(3,125)
Total changes in the statement of profit or loss and OCI	42	1	(43)	-	(22,203)	1,468	20,735	-

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4. Takaful and retakaful certificates (continued)

Retakaful certificates held (continued)

(vi) The table below presents a roll-forward of the net assets or liabilities for retakaful certificates issued for retakaful certificates 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 Group and Company. (continued)

Group and Company	30 June 2024				31 December 2023			
	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total	Estimates of the 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
Cash flows								
Contributions paid	69,041	-	-	69,041	47,956	-	-	47,956
Amount received	(49,150)	-	-	(49,150)	(21,860)	-	-	(21,860)
Total cash flows	19,891	-	-	19,891	26,096	-	-	26,096
Other movements	(49)	(1)	43	(7)	22,203	(1,468)	(20,735)	-
Net retakaful certificate assets/(liabilities) as at 30 June/31 December	29,958	-	-	29,958	10,074	-	-	10,074
Retakaful certificate assets as at 30 June/31 December	55,783	-	-	55,783	35,899	-	-	35,899
Retakaful certificate liabilities as at 30 June/31 December	(25,825)	-	-	(25,825)	(25,825)	-	-	(25,825)
Net retakaful certificate assets/(liabilities) as at 30 June/31 December	29,958	-	-	29,958	10,074	-	-	10,074

5. Related parties

Identity of related parties

For the purposes of these condensed interim financial statements, parties are considered to be related to the Group and Company if the Group and Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. The related parties of the

(i) Holding company

The holding company is Bank Simpanan Nasional, a bank incorporated under the Bank Simpanan Nasional Act, 1974 and domiciled in Malaysia.

(ii) Affiliated company

The affiliated company is a company having an equity interest of between 20% to 50% in the Company and including other corporations related to the first mentioned corporation.

(iii) Key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel includes all members of the EXCO of the Company and OMRT, namely the Head of New Business & Underwriting and Head of Underwriting Unit New Business Projects.

Significant related party transactions

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

	Transaction amount for the period ended 30 June (Income)/Expense	
	2024	2023
	RM'000	RM'000
Holding company - Malaysia		
Investment income		
(i) Profit from deposit placements	<u>(5,627)</u>	<u>(2,242)</u>
Operating Expenditure		
(i) Commission expenses	12,355	12,540
(ii) Sales related expenses	<u>5,954</u>	<u>8,859</u>
Affiliated companies - Malaysia		
Operating Expenditure		
(i) Other management expenses	11,499	5,968
(ii) Sales related expenses	25,260	37,053
(iii) Information Technology (IT) related expenses and services	6,504	12,518
(iv) Operation and other services	(185)	668
(v) Office rental	517	466
(vi) Fund management fees	4,652	4,552
(vii) Project management	1,695	1,516
(viii) Zakat and donation	<u>1,784</u>	<u>3,500</u>

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5. Related parties (continued)

Significant related party transactions (continued)

	Transaction amount for the period ended 30 June (Income)/Expense	
	2024 RM'000	2023 RM'000
Affiliated companies - Malaysia		
Capital Expenditure		
(i) Hardware and software development	9,149	1,980
	<u>9,149</u>	<u>1,980</u>
	Gross balance outstanding	
	30 June	31 December
	2024	2023
	RM'000	RM'000
Amount due to related companies		
(i) Prudential Assurance Malaysia Berhad	29,523	45,181
(ii) Prudential Singapore Services Pte. Ltd.	4,671	1,171
(iii) Prudential Corporation Asia	2,977	6,172
(iv) Eastspring Al-Wara' Investments Berhad	4,630	2,119
(v) Prudential Services Asia Sdn Bhd	250	1,020
(vi) PruBSN Prihatin	-	-
(vii) Pulse Ecosystem Holding Limited	6,200	13,000
	<u>6,200</u>	<u>13,000</u>
Amount due from related companies		
(i) Eastspring Investments Berhad	4	13
	<u>4</u>	<u>13</u>
Balances with Holding Company		
(i) Cash and cash equivalents	162,781	141,927
(ii) Deposits with financial institutions	132,439	167,656
(iii) Other receivables	141	141
	<u>141</u>	<u>141</u>

6. Investment-linked business

Unaudited statement of financial position as at 30 June 2024

	30 June 2024 RM'000	31 December 2023 RM'000
Assets		
Investments	3,741,610	3,241,657
Income due and accrued	5,648	7,281
Amount due from family takaful fund	21,351	58,781
Other receivables	603	179
Deferred tax assets	-	10,539
Cash and bank balances	17,355	10,277
Total investment-linked business assets	<u>3,786,566</u>	<u>3,328,714</u>
Liabilities		
Other payables	18,654	17,809
Amount due to takaful operator	6,115	6,702
Current tax liabilities	2,157	339
Total investment-linked business liabilities	<u>26,926</u>	<u>24,850</u>
Net asset value of funds	<u>3,759,640</u>	<u>3,303,864</u>
Represented by:		
Unit holders' account	<u>3,759,640</u>	<u>3,303,864</u>

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6. Investment-linked business (continued)

Unaudited statement of profit or loss and other comprehensive income for the period ended 30 June 2024

	30 June 2024 RM'000	30 June 2023 RM'000
Investment income	50,250	64,326
Realised (losses)/gains	23,977	(16,718)
Fair value (losses)/gains	356,667	(144,708)
Investment management fees	(24,312)	(21,053)
Other operating income	4,330	3,049
Deficit before taxation	410,911	(115,104)
Tax (expenses)/income	(1,818)	(239)
Deficit after taxation	409,093	(115,343)

7. 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 below:

	30 June 2024 RM'000	31 December 2023 RM'000
Eligible Tier 1 Capital		
Ordinary share	100,000	100,000
Reserves, including retained earnings	532,730	501,912
	632,730	601,912
Tier 2 Capital		
Revaluation reserves	1,925	1,925
Subordinated sukuk	100,000	100,000
Amounts deducted from capital	(304,182)	(259,249)
Total capital available	430,473	444,588

8. Seasonal or cyclical factors

The Group's and Company's business operations were not materially affected by any seasonal or cyclical factors during the period ended 30 June 2024.

9. Unusual items

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

10. Change in estimates

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

11. Debt and equities securities

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

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12. Dividends

No dividend was declared and paid during the period ended 30 June 2024.

13. Subsequent events

There were no other significant events subsequent to the end of the reporting date that require disclosure or adjustment to the unaudited condensed interim financial statements.

14. Changes in the composition of the Company

There was no change in the composition of the Company during the period ended 30 June 2024.

15. Auditors' report on preceding annual financial statements

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