

ANNUAL REPORT 2024

Knowledge
Forward

Future
Ready

CREATING VALUE FOR ALL IN 2024

Membership

27,577 Total Aii Members

- **113** - Institutional Members
- **42** - Fellow
- **212** - Senior Associate
- **92** - Associate
- **85** - Certificate
- **385** - Ordinary
- **26,761** - Affiliates (Individual & Institutional)

AITRI

Secretariat for the ASEAN Insurance
Training & Research Institute (AITRI)

E-Learning

44,014 - Total E-Learning Users in 2024

Agents

30,378 - Completed Aii's Agent's
Licensing Examination in 2024

Graduates

- **1** - Fellowship of the Asian Institute of Insurance (FAii)
- **209** - Associateship of the Asian Institute of Insurance (AAii Level 1 & Level 2)
- **401** - Certificate of the Asian Institute of Insurance (CAii)
- **29** - Programme Certification Underwriting Course (PCUC)
- **15** - Certificate in General Insurance Underwriting (PCGIU)

We Empower Industry Professionals Across the Globe

- Malaysia
- Brunei
- Maldives
- Cambodia
- Myanmar
- Indonesia
- Singapore
- India
- Thailand

International Recognition

Recognised by:

- The Australian and New Zealand Institute of Insurance and Finance (ANZIIF)
- Chartered Insurance Institute (CII)

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Overview

ABOUT **THIS REPORT**



Reporting Philosophy

Aligned with our core value of *Onward, by Knowing*, the Asian Institute of Insurance (Aii) is committed to advancing the transformation of the insurance industry through comprehensive talent development initiatives. Our reporting approach reflects a strong commitment to transparency, relevance, and integration ensuring stakeholders receive meaningful information to support informed decision-making. The 2024 Annual Report has been thoughtfully developed to align with our stakeholders' expectations for long-term value creation and impact.

Scope and Boundary

Our 2024 Annual Report covers the strategic business activities and outcomes of our initiatives. It spans the period of 1 January 2024 to 31 December 2024.

Forward-Looking Statements

Within this Annual Report, certain elements may constitute forward-looking statements concerning our financial position, future priorities, strategies, and growth opportunities – part and parcel of Aii's brand revitalisation initiative. They are formed based on reasonable assumptions and are not intended to guarantee future results. Actual results could differ materially from those projected in any forward-looking statements throughout this Annual Report due to various events, risks, uncertainties, and other factors.

Assurance

Our Audited Financial Statements (AFS) are disclosed in the Governance and Audited Financial Statements 2024 and have been fully audited.

Board Approval

The Board of Directors (Board) applied its collective mind to ensure the integrity of this Annual Report as guided by Aii's constitution:



THIS IS **Aii**

Asian Institute of Insurance, Aii is the foremost professional organisation for insurance professionals in Aisa, dedicated to upholding the highest standards of professionalism, ethical conduct, and expertise within the insurance industry.


We are committed to fostering your personal and career development through Aii's membership offerings and the multitude of advantages they bring. Our focus is on enhancing your knowledge and expertise through our comprehensive insurance qualifications while equipping you with the essential skills required to thrive in a competitive industry.

Whether you aspire to attain a prestigious designation in insurance, expand your professional network, or advance your career within the insurance sector, Aii empowers you to excel by providing the guidance and resources necessary to pave your way to success.

Accreditation & Recognition

Aii's Professional Qualifications are recognised by the Chartered Insurance Institute (CII), UK, and the Australian New Zealand Institute of Insurance and Finance (ANZIIF).

OUR VALUE CREATION MODEL



VISION

The Pre-Eminent Insurance Institute for Knowledge, Professionalism, & Leadership in Asia-Pacific



MISSION

Inspiring excellence through Thought Leadership

Driving the professional development of future-ready talent

Building a trusted and sought after brand



CORE VALUES

Resourceful Blending bold imagination with a future-oriented vision to deliver impactful products and services

Integrity Consistently demonstrating honesty, trustworthiness, and ethical behaviour in all decisions and actions

Teamwork Actively collaborating to translate our vision into concrete achievements

Excellence Unwavering dedication to delivering best-in-class results through continuous improvements





Corporate Information



CORPORATE INFORMATION

Board of Directors

- Antony Lee Fook Weng (Chairman)
- Raymond Lew Yung Chow
- Tan Kok Guan
- T. Sivapalan Tharmapalan
- Ezamshah bin Ismail
- Tapan Kumar Rangam Bir
- Vicknesaratnam Kathirasu Rajaratnam
- Saw Lip Kong Benildus
- Lee Thim Fook

Chief Executive Officer

- Paul Low Hong Ceong

Aii Website & Contact

- aiiasia.org
- customercare@aiiasia.org

Bankers

- Malayan Banking Berhad
- RHB Bank Berhad

Auditors

- Messrs Ernst & Young PLT
Chartered Accountants

Company Secretaries

- Datuk Tan Leh Kiah (MAICSA: 0719692)
- Suzana Binti Ahmad (BC/S/356)

Registered Office and Business Address

Level 6, Bangunan AICB,
No. 10 Jalan Dato' Onn,
50480 Kuala Lumpur, Malaysia
197701004772 (35445-H)



COUNCILS & COMMITTEES

Academic Council

- Ezamshah bin Ismail (Chairman)
- Rangam Bir
- Arumugam A/L Kannusamy
- Azitadoly binti Mohd Arifin
- Prof. Dr. Hajjah Zuriah binti Abdul Rahman
- Vincent Kwo Shih Kang
- Wong Ah Kow
- Zainal Abidin bin Mohd Noor (Resigned on 11.12.2024)

Audit Committee

- Ezamshah bin Ismail (Chairman)
- Rangam Bir
- Tan Kok Guan
- Lee Thim Fook

Board Risk Management Committee

- T. Sivapalan Tharmapalan (Chairman)
- Vicknesaratnam A/L Kathirasu Rajaratnam
- Saw Lip Kong Benildus

Nomination & Remuneration Committee

- Rangam Bir (Chairman)
- Tan Kok Guan
- T. Sivapalan Tharmapalan

Academic Quality Assurance Council

- William Tan
- Mark O'Dell
- Sharala Axyrd

Professional Membership Council

- Ahmad Subri Abdullah (Chairman)
- Maizon Omar
- Mark O'Dell
- Mohamad Salihuddin Ahmad
- Vincent Kwo Shih Kang
- Zainudin Ishak



BOARD OF **DIRECTORS**



Antony Lee Fook Weng

Aii Chairman
Chairman, General Insurance
Association of Malaysia (PIAM)
CEO, AIG Insurance Malaysia Berhad



Raymond Lew Yung Chow

Aii Director
President, Life Insurance Association of
Malaysia (LIAM)
CEO & President, Sun Life Malaysia



**Vickneseratnam A/L
Kathirasu Rajaratnam**

Aii Director
Chairman, Insurance & Takaful Brokers
Association (MITBA)
Advisor, Howden Insurance Brokers Sdn
Bhd



Lee Thim Fook

Aii Director
Chairman, Association of Malaysian Loss
Adjusters (1981)
Director/CEO, MCR Adjusters Sdn Bhd



Rangam Bir, FAii

Aii Director
CEO & Managing Director, AmMetLife



Saw Lip Kong Benildus, FAii

Aii Director
Managing Director & CEO, Justicia
Adjusters Sdn Bhd

BOARD OF **DIRECTORS**



Ezamshah Ismail

Aii Director
Senior Teaching Fellow, International
Centre for Education in Islamic Finance
(INCEIF)



**T. Sivapalan Tharmapalan,
SnrAAii, Chartered Insurer**

Aii Director
Marketing Director, HDI Global SE,
Labuan



**Tan Kok Guan, SnrAAii,
Chartered Insurer**

Aii Director
CEO/Executive Director, LPI Capital
Berhad

MANAGEMENT TEAM



Paul Low Hong Ceong
Chief Executive Officer



Fiona Chew
Chief Business Officer



Haslindah Atan
Director
Corporate Services



Ching Sau Ken
Director
Professional Standards



Patricia Ong
Director
Digital & Marketing

Leadership Insights



Asian
Institute of
Insurance

CHAIRMAN'S MESSAGE

Aii IS SET UP BY THE INDUSTRY, FOR THE INDUSTRY



Dear Esteemed Members and Stakeholders,

As the Chairman of the Asian Institute of Insurance (Aii), it is my privilege to present the 2024 Annual Report for what is now known as the Asian Institute of Insurance (Aii). This past year has been transformative for us, as we rebranded from the Malaysia Insurance Institute (MII), marking our evolution into a truly regional entity committed to serving the needs of the insurance industry across Asia.

This strategic rebranding to the Asian Institute of Insurance reflects our broadened vision and commitment to enhancing insurance professionals' development across the continent. We are now positioned not just as a national leader, but as a pivotal Asian institution, poised to influence and elevate the standards of insurance education and training region-wide.

In 2024, Aii made significant strides in fulfilling its mission. Key among our achievements was the implementation of the Future Skill Framework. This initiative is designed to prepare industry professionals with the critical skills necessary to meet the evolving demands of the insurance landscape. By fostering innovation and proficiency, we aim to equip our industry with the tools needed to thrive in a competitive environment..

Antony Lee Fook Weng

Chairman
Asian Institute of Insurance

Since the name change, Aii has demonstrated its leadership in advancing training and development in emerging areas such as electric vehicles (EV) and battery management. Aii led a senior delegation from the general insurance industry on a study tour to China — a productive and fruitful trip that deepened our insights into EV technologies and best practices. Building on this, Aii will curate a comprehensive EV Certification course tailored to the needs of the industry.

Aii also made its presence felt by actively participating in key meetings and industry events throughout Asia, reinforcing our regional footprint and fostering deeper collaboration with partners across the continent.

Aii's establishment was driven by the industry, for the industry. As we continue to expand our reach and impact, your support remains essential for our sustainability and success. Together, we can ensure that the Aii not only meets the challenges of today but anticipates the needs of tomorrow.

We are grateful for your ongoing commitment and engagement and look forward to another year of progress and collaboration with all our partners.

CEO'S MESSAGE

NAVIGATING A TRANSFORMATIVE ERA FOR THE INSURANCE INDUSTRY



Dear Valued Stakeholders,

I am delighted to share the 2024 milestones that have defined our journey at the Asian Institute of Insurance (Aii). This year has been filled with groundbreaking progress and initiatives that have set new standards for our industry and expanded our reach across Asia.

Aii is set up by the industry, for the industry. We have been making significant progress in transforming Aii into a reputable insurance institute in the region — one that elevates professionalism and drives sustainable growth. We have demonstrated leadership in the electric vehicle (EV) and battery management space and will continue to develop future-skills programmes to benefit the industry. Ultimately, we aim to be the Oxford of the insurance industry. The support of both the industry and Bank Negara Malaysia (BNM) is vital for us to achieve this aspiration.

One of the significant highlights of 2024 was the successful realization of the inaugural Asian Quality Business Awards (AQBA). This landmark event, officially launched by Ms. Lim Hsin Ying, Former Director of the Consumer and Market Conduct Department, Bank Negara Malaysia, on October 5th, 2024, marks a pivotal step forward in recognizing excellence within our industry. We are immensely proud to celebrate the accomplishments of our first AQBA qualifiers, whose dedication and excellence set a benchmark for others to follow.

Paul Low Hong Ceong

Chief Executive Officer
Asian Institute of Insurance

Looking to the future, we are excited to announce the upcoming Life Administration and Management Programme (LAMP), scheduled for launch in 3rd Quarter 2025. This initiative embodies our commitment to fostering career excellence in the life insurance and family takaful sectors, providing professionals with the essential knowledge and skills to advance their careers.

In line with the national agenda on the motor digitalisation ecosystem, as outlined in Bank Negara Malaysia's Financial Sector Blueprint 2022–2026, Aii has embarked on a strategic collaboration with Beijiao Asia Tech (Beijing) Energy Technology Co. Ltd. Together, we are developing a comprehensive three-level certification programme in partnership with the School of Electrical Engineering New Energy Institute at Beijing Jiaotong University, China. This programme is designed to prepare our industry for the transformative shift towards electric vehicles (EVs), ensuring our professionals are equipped to navigate and lead in the automotive industry's evolution.

The initiatives mentioned above are key highlights, but they represent just a part of our broader efforts. Aii has also conducted numerous other programmes and events throughout the year, all aimed at benefiting the industry. We remain committed to developing and delivering programmes that meet the evolving needs of our industry, and we sincerely hope for the industry's active participation and support in our future initiatives.

We extend our heartfelt gratitude to all members and partners for your unwavering support and collaboration throughout this remarkable year. Thank you for being part of our journey.

Strategy In Action



ACADEMIC PERFORMANCE

Aii’s professional programmes are strategically developed to address the evolving needs of the insurance industry, covering key sectors such as General Insurance, Life Insurance, Reinsurance, Takaful, Broking, and Loss Adjusting. In 2023 and 2024, the Professional Qualification Programme demonstrated diverse participation trends across its various categories. Notable shifts were observed between classroom-based and self-study formats, reflecting changing learner preferences and the dynamic nature of professional development in the industry.

	Classroom Based (Participant)	Self-Study (Participant)	Total Participants
Associateship of Asian Institute of Insurance (AAii) Level 1	Increased from 447 to 571 (+27.7%)	Increased from 109 to 185 (+69.7%)	Increased from 556 to 756 (+36.0%)
Associateship of Asian Institute of Insurance (AAii) Level 2	Decreased from 118 to 83 (-29.7%)	Increased from 78 to 96 (+23.1%)	Decreased from 196 to 179 (-8.7%)
Fellowship of Asian Institute of Insurance (FAii) - Qualification	Remained at 0	Remained at 1	Remained at 1
Fellowship of Asian Institute of Insurance (FAii) - Senior	Not offering in 2024		

The AAii Level 1 programme recorded significant growth, with a 36% increase in total participation, highlighting strong and rising interest in this qualification, particularly through flexible self-study option. While AAii Level 2 saw a slight overall decrease of 8.7%, the notable increase in self-study enrolment reflects a positive shift towards more adaptable learning preferences among advanced learners. Participation in the FAii Qualification Route remained unchanged at a minimal level. Meanwhile, the drop in the FAii Senior Route was due to no intake for the year. This route is offered by special invitation to selected experienced leaders within the insurance industry based on board nomination and does not follow an annual intake cycle.

	Classroom Based (Participant)	Self-Study (Participant)	All Programmes
Overall Trend	Increased from 578 to 655 (+13.3%)	Increased from 188 to 281 (+49.5%)	Increased from 766 to 936 (+22.2%)

Overall, the programmes achieved healthy growth with total participation increasing by 22.2%, rising from 766 to 936 participants. This positive trend was driven by a significant 49.5% increase in self-study enrolment, reflecting a strong preference for flexible learning, alongside a 13.3% rise in classroom-based participation. The growth was further supported by the robust performance of the AAii Level 1 programme.

The Professional Certificate programme continues to play a vital role in supporting industry development, with 2024 reflecting encouraging trends in learner engagement and adaptability. The CAii programme showed strong and steady growth with a 13.2% increase in total participants, reinforcing its value and growing popularity, especially among those seeking flexible self-study option. The introduction of a self-study format for the PCGIU programme was a positive development, attracting 32 new participants and showcasing the programme’s potential to evolve with changing learner preferences. While BCCITB maintained stable participation, opportunities remain for further growth. Although BCCILA saw a decline, this presents a valuable opportunity to revisit and enhance its delivery to better meet market needs. Overall, the shift toward more flexible and accessible learning format highlights the programme’s commitment to continuous improvement and industry relevance.

	Classroom Based (Participant)	Self-Study (Participant)	Total Participants
Certificate of Asian Institute of Insurance (CAii)	Increased from 434 to 483 participants (+11.3%)	Increased from 105 to 127 participants (+21.0%)	Increased from 539 to 610 (+13.2%)
Basic Certificate in Customer Insurance Life Assurance (BCCILA)	Decreased from 196 to 97 participants (-50.5%)	Nil	Decreased from 196 to 97 (-50.5%)
Basic Certificate in Customer Insurance Takaful Business (BCCITB)	Slight decreased from 111 to 108 (-2.7%)	Nil	Decreased from 111 to 108 (-2.7%)
Professional Certificate in General Insurance Underwriting (PCGIU)	Decreased from 194 to 78 (-59.8%)	Increased from 0 to 32 (new enrolments introduced this year)	Decreased from 194 to 110 (-43.3%)

In 2024, a total of 626 individuals graduated from various professional programmes, reflecting the Aii strong role in developing industry-ready talent. The CAii General programme stood out as the top contributor, producing 320 graduates over half of the total, demonstrating its continued relevance. Other programmes also made meaningful contributions, including AAii Level 1 (12.46%), AAii Level 2 Core and PCUC (each at 4.63%), and CAii General – Myanmar (4.95%), showcasing the diversity and regional reach of the Aii offerings.

Programme	No. of Graduates
FAii (Qualification Route)	1
AAii Level 2	27
AAii Level 1	78
AAii Level 2 Core	29
CAii Level 1 Core	46
CAii General	320
CAii General - Cambodia	6
CAii General - Maldives	6

Programme	No. of Graduates
CAii General - Myanmar	31
CAii Life	37
CAii Life - Myanmar	1
PCGIU - AmGeneral	1
PCGIU - Cambodia	1
PCGIU - Myanmar	13
PCUC	29
Total	626

In 2024, the Short Courses showed strong growth, especially in face-to-face learning, as more participants returned to in-person training. Total participation increased by 47.5%, from 6,534 to 9,636, despite a drop in virtual sessions. Public Premier Programmes saw a big jump in participation, growing by over 400%, while face-to-face Public Short Courses also increased significantly. These trends highlight the growing preference for in-person learning experiences that offer more interaction and engagement.

In-house programmes performed exceptionally well, with a 52.6% increase in participants and growth in both virtual and face-to-face formats. This shows that customised training for companies remains in high demand. Although collaboration programmes had fewer participants this year, they offer a good opportunity to review and improve the approach. Overall, the results reflect the Institute’s ability to meet changing learning needs while continuing to deliver valuable and effective training.

	2023			2024		
	No. of Virtual Programmes	No. of F2F Programmes	Total No. of Participants	No. of Virtual Programmes	No. of F2F Programmes	Total No. of Participants
Public Short Courses	31	4	455	8	17	345
Public Premier Programmes	0	1	16	0	5	81
Programmes in Collaboration	0	1	32	1	0	10
In-House Programmes	67	30	6,031	72	35	9,210
Total	98	36	6,534	81	57	9,646



LEARNING & DEVELOPMENT

In 2024, Aii continued its strong collaboration with the insurance industry to support talent development through comprehensive and targeted training initiatives. Our programmes are designed to address a broad spectrum of learning needs ranging from technical and non-technical to professional and specialised topics that are often not covered within respective organisation.

These initiatives aim to strengthen the capabilities of professionals across the industry, including those from general and life insurance companies, brokers, loss adjusters, insurance agents, financial planners, risk managers, and other key stakeholders. We remain committed to delivering structured and consistent learning experiences that enhance understanding of insurance products, processes, policies, and procedures which critical components of industry excellence. By enabling professionals to upskill, reskill, and stay current with industry best practices and developments, our training efforts contribute to improved individual performance, better customer experiences, and stronger business outcomes.

a. Knowledge Management

In 2024, Aii continued to strengthen its knowledge-sharing ecosystem under the Knowledge Management pillar by maintaining both **digital and physical libraries** to support the learning and professional development needs of the insurance industry.

A total of **303 eBooks** are available through the digital library, covering key areas such as insurance, risk management, leadership, and business practices. To enhance accessibility, the digital library was successfully migrated into the Integrated Learning Management System (ILMS), allowing users to access learning materials and references more seamlessly via a single login platform.

In parallel, the **physical library collection** remains a vital resource for members and learners, with **over 5,000 titles** available for on-site reference and borrowing. The collection spans a wide range of subjects including insurance, business management, finance, law, and communication — supporting both exam preparation and professional knowledge building.

This dual-library strategy reflects Aii's commitment to providing reliable, on-demand, and diverse resources that complement its structured learning programmes, while promoting a culture of continuous learning across the industry.

b. Content Development

In 2024, the Content Development unit was responsible for preparing and producing all core learning materials that support the delivery of Aii's programmes. This included the development of new content, full programme revisions, and updates aligned with evolving assessment structures. Whether in the form of **textbooks, slides, or eLearning modules**, the department ensures that each learning intervention is backed by high-quality, structured, and pedagogically sound content.

From entry-level certifications to advanced professional qualifications, content is developed with a focus on industry relevance, compliance with regulatory requirements, and learner accessibility. The following key initiatives demonstrate this commitment:

i. ASEAN Professional Insurance Diploma (APID)

Developed as a new regional flagship programme, the ASEAN Professional Insurance Diploma (APID) aims to build regional insurance talent equipped with ASEAN acumen to operate and lead within ASEAN-based organisations. The qualification is benchmarked to the ASEAN Qualifications Reference Framework (AQRF) and aligns with the ASEAN Economic Community's (AEC) vision of a single market with free movement of goods, services, investment, and skilled labour. To support the rollout of APID, the Content Development unit created two key country-based modules (Malaysia):

- **Module 1:** ASEAN Insurance Market Practices (Underwriting and Claims) (Malaysia)
- **Module 2:** Climate Risk Management and Environmental Risk Management in ASEAN (Malaysia)

These modules form the regional foundation of the programme, addressing cross-border practices and emerging risks relevant to ASEAN markets from a Malaysian perspective. Under the programme's exemption structure, candidates holding a recognised local insurance diploma are exempted from their country's Micro-Cert modules — except Module 2, which remains mandatory for all.

ii. Basic Certificate Course in Insurance and Loss Adjusting (BCCILA)

In partnership with the Association of Malaysian Loss Adjusters (AMLA) and aligned with Bank Negara Malaysia (BNM) guidelines, the **Basic Certificate Course in Insurance and Loss Adjusting (BCCILA)** underwent a comprehensive revision in 2024. This initiative marked a significant upgrade to the programme's relevance, technical depth, and delivery approach.

The revised BCCILA syllabus now provides a stronger balance between theoretical knowledge and applied technical expertise, tailored to meet the evolving competency standards of Malaysia's loss adjusting profession. The course is structured into three main parts:

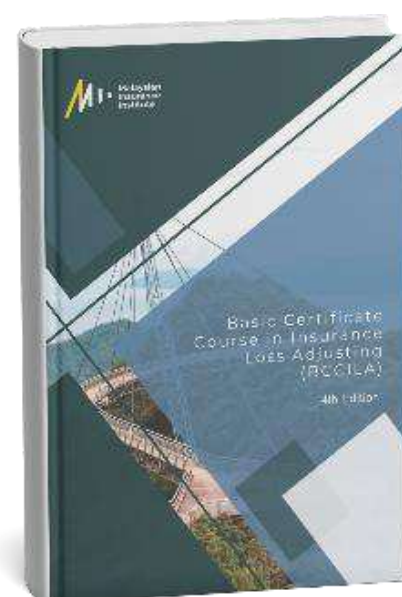
- **Part A – Introduction:** Fundamentals of insurance, legislation, loss adjusting principles, customer service, and professional ethics.
- **Part B – Motor Insurance:** Documentation, vehicle identification, damage assessment, and claims investigation — enhanced with a practical, face-to-face session delivered by Motordata Research Consortium (MRC) at their training facility.
- **Part C – Non-Motor Insurance:** Non-motor documentation, claims verification, and reporting.

New topics were also introduced under Part A, including:

- Planning, Organising, and Problem-Solving Skills
- Evidence and Data Analysis Techniques and Procedures

In support of diverse learner needs, the revised programme now adopts a **blended learning model**, combining virtual classes with targeted in-person practical sessions. Assessment is modular and delivered through virtual or computer-based formats, offering flexibility while ensuring rigour.

The Content Development unit was responsible for **revising the syllabus, course materials, and developing new eLearning content** to support the updated curriculum. These enhancements ensure that candidates benefit from a more engaging, accessible, and industry-aligned learning experience.



iii. Pre-Contract Examination for Insurance Agents (PCEIA) & Certificate Examination in Investment-Linked Life Insurance (CEILLI)

In 2024, the Content Development unit successfully **revised and published the 10th Edition (English)** of the **PCEIA** textbook and the **8th Edition (English)** of the **CEILLI** textbook. These updated editions ensure continued alignment with current regulatory guidelines, examination standards, and industry best practices for life and investment-linked insurance professionals.

Both textbooks serve as essential preparatory references for new agents pursuing certification under regulatory and institutional frameworks. In addition to the published editions, the team also initiated the development of the following resources, with estimated rollout in 2025:

- **Malay and Chinese language versions** of both PCEIA and CEILLI textbooks
- **eLearning modules** to support flexible, self-paced learning
- **Practice Exam materials** designed to help learners familiarise themselves with exam structure and question formats

These upcoming developments aim to expand accessibility, accommodate diverse learner needs, and provide comprehensive learning support beyond the textbook alone. Together, these initiatives affirm Aii's commitment to delivering inclusive, high-quality, and examination-ready resources for Malaysia's insurance certification pathways.



iv. Certificate and Associateship of the Asian Institute of Insurance (AAii) – Core Subjects

In 2024, the Content Development unit initiated a critical revision of selected core modules under the **Associateship of the Asian Institute of Insurance (AAii)** programme, in response to a major change in the assessment format. The revised examination structure now adopts a **100% multiple-choice (objective) format**, requiring textbooks and supporting materials to be realigned accordingly.

The AAii textbooks were last revised in 2018, and the update was long overdue to reflect current industry practices, regulatory expectations, and emerging trends. The team undertook this revision to ensure content accuracy, improve instructional flow, and strengthen alignment with the new objective-based assessments. The following six subjects were prioritised for revision:

- **301: Insurance Principles & Market Practice (General)** (CAii General)
- **310: Insurance Principles & Market Practice (Life)** – (CAii Life)
Completed and scheduled for publication in January 2025
- **302: Insurance Operations and Finance** (AAii Level 1)
- **303: Legal Principles** (AAii Level 1)
- **401: Insurance Law** (AAii Level 2)
- **402: Insurance Business and Economics** (AAii Level 2)

In support of this transition, the department also began developing **Practice Exams** for each revised subject, targeted for **release in 2025**. These are designed to provide learners with structured practice opportunities that reflect the new objective format, compensating for the previous classroom practice of reviewing past exam papers.

This initiative ensures that the AAll programme remains a rigorous, updated, and assessment-aligned qualification for professionals progressing into advanced roles within the insurance industry.



c. Bespoke eLearning Development

In 2024, the Content Development unit successfully completed the design and delivery of **one bespoke eLearning module** for an industry client. The module was tailored to specific learning objectives and operational context, demonstrating Aii's ability to provide **customised digital learning solutions** beyond its standard qualification offerings.

This project reflects the department's growing role in supporting **targeted capability-building initiatives** for organisations seeking structured yet flexible learning interventions.



In total, the department completed **11 major content development projects** in 2024, reinforcing its strategic role in delivering high-quality academic and professional resources that underpin Aii's learning delivery. Looking ahead, the team has in the pipeline the development of **10 new subjects** for an upcoming **professional qualification dedicated to the life insurance industry**, further expanding Aii's specialised offerings and future-readiness.

EXAMINATION PERFORMANCE

In 2024, a total of 32,361 candidates sat for examinations across all categories, reflecting a 19.7% decrease compared to 40,306 candidates in 2023. While this decline in participation may indicate shifting priorities or market conditions, it also presents an opportunity to re-engage potential candidates through enhanced outreach and support initiatives. Encouragingly, the overall pass rate rose slightly from 59% in 2023 to 60% in 2024. This improvement, despite lower candidate numbers, suggests better exam readiness and more effective preparation strategies. The focus moving forward will be on sustaining this positive momentum in performance while strategically increasing participation to support the continued growth and professional development of the industry workforce.

Overall Exam Performance	2024	2023
Total Sat	32,361	40,306
Pass Rate	60%	59%

Professional Qualification examination performance across all programmes demonstrated positive participation and promising outcomes, with a total of 1,567 registrations and 1,520 candidates sitting for their exams. Out of these, 884 candidates successfully passed, resulting in an overall pass rate of 58%. These figures reflect a positive trend in candidate performance, particularly in the AAii Level 2 and CAii programmes.

Type of Examination		Total Registration	Total		
			Sat	Pass	% Pass
Professional Qualification	CAii General	490	465	283	61%
	CAii Life	72	68	44	65%
	AAii Level 1	789	772	382	49%
	AAii Level 2	216	215	175	81%
Total Professional Qualification		1,567	1,520	884	58%
Professional Certification	BCCILA	308	271	232	86%
	BCCITB	165	161	103	64%
	PCGIU	145	122	51	42%
	PCGI	73	70	59	84%
	BAMC	1,024	908	819	90%
	RFP	514	463	213	46%
Total Professional Certification		2,229	1,995	1,477	74%

Professional Certification programmes continued to play a vital role in upskilling industry talent across various segments of the insurance and financial services sectors. A total of 2,229 candidates registered for professional certification exams, with 1,995 sitting for the exams and 1,477 successfully passing resulting in an overall pass rate of 74%, which is a strong indicator of both candidate readiness and programme effectiveness.

2024	Category	Grand Total
CEILI	Total Registration	2,037
	Total Sat	1,786
	Total Pass	1,305
	Pass Rate	73%
GENERAL	Total Registration	6,703
	Total Sat	5,879
	Total Pass	3,535
	Pass Rate	60%
LIFE	Total Registration	3,788
	Total Sat	3,262
	Total Pass	1,612
	Pass Rate	49%
PCIL	Total Registration	22,287
	Total Sat	19,451
	Total Pass	11,937
	Pass Rate	61%
Overall Registration		34,815
Overall Sat		30,378
Overall Pass		18,389
Overall Pass Rate		61%

A total of 34,815 candidates registered for agent examinations across four key categories namely CEILI, GENERAL, LIFE, and PCIL. Out of these, 30,378 candidates sat for their exams, with 18,389 successfully passing with a positive overall pass rate of 61%. This year's results show encouraging levels of participation and success across the insurance and financial services sector, with especially strong performance in the CEILI and PCIL categories.

MEMBERSHIP PERFORMANCE

In 2024, our total membership grew to 27,557 members, showing strong support and trust in the Institute’s role in professional development. The Affiliate category made up the largest group, with 26,652 members from both individual and institutional backgrounds. This reflects the Institute’s wide reach and strong appeal, especially among those starting or exploring a career in insurance and financial services. We are also seeing steady growth in our professional membership tiers. The number of Senior Associates (212) and Ordinary Members (385) remains healthy, showing that many members are committed to advancing their careers through continuous learning. Additionally, we welcomed 92 Associates and 85 Certificate holders, a positive sign of active participation in professional certification pathways. One of the most encouraging developments is the increase in Fellows, rising to 42 members. This shows that more professionals are reaching the highest level of recognition, reflecting not just personal achievement, but also the success of our efforts in supporting long-term career advancement and leadership within the industry.

Membership Tier	2024
Fellows	42
Certificate	85
Associates	92
Senior Associates	212
Ordinary	385
Affiliates (Individual & Institutional)	26,761
Total	27,577

The age profile of our members continues to reflect a well-established and experienced base, with the 36–49 age group forming the largest segment. This indicates a strong presence of mid-career professionals actively contributing to the industry. We also see encouraging signs among younger members aged 18–25, pointing to a growing interest in insurance careers among the next generation. By strengthening outreach and early-career engagement efforts, we are well positioned to nurture future leaders in the industry.

Age	Total
18 – 25 years	176
26 – 35 years	385
36 – 49 years	501
>50 years	256

We are proud of the strong loyalty within our membership, with more than 750 members having been with us for over five years and a remarkable 269 members maintaining over 20 years of continuous membership. This speaks to the continuing value we offer, and the meaningful relationships built over time. While Malaysia remains our largest membership base, growing participation from countries such as Myanmar and Cambodia reflects our expanding regional footprint and presents exciting opportunities to further extend our reach across Southeast Asia.

Members by Country	Total
Malaysia	1,075
Myanmar	75
Cambodia	56
Maldives	15
Indonesia	18
Singapore	3
Brunei	2
Thailand	2
Mauritius	1
Hong Kong	1
India	1

In 2024, our Professional Membership events successfully brought together a wide range of participants through thoughtfully curated sessions. These activities focused on current industry issues, emerging trends, leadership development, compliance, and others highlighting our ongoing commitment to creating valuable learning and networking opportunities for members at all levels.

Among the most notable events was the **“Key Insights on e-Invoicing Session”**, which drew the highest number of participants (205), highlighting strong interest in regulatory readiness. Similarly, our sessions on **“Preparing for a Comfortable Retirement”** (171 participants) and **“The AI Powerful Advisor”** (146 participants) were well-received, reflecting members’ desire to stay informed on financial planning and technological innovation.

Overall, the strong engagement across all events shows our members’ enthusiasm for both personal and professional growth. Looking ahead, we aim to deliver an even more balanced mix of technical, leadership, and lifestyle-focused programmes to meet the evolving needs of our vibrant membership community.

2024 Professional Membership Events	Total Participants
16th Asian Institute of Insurance (Aii) Bowling Tournament 2024	35 Teams
ESG & Insurance: Symbiosis Personified	53
Building Trust for Insurance Industry via Empathy in Claims Management (Collaborate with ANZIIF)	65
Post Budget 2025 Announcement Session: Insurance Industry Outlook	95
Meet in the Middle (Leadership)	31
Introduction to Fast Growth - A Career Acceleration Strategy	89
Key Insights on e-Invoicing Session	205
Preparing For a Comfortable Retirement	171
Compliance in Practice and BNM Responsibility Mapping	63
The AI Powerful Advisor	146



EVENT UPDATES

The year of 2024 marked an impactful calendar of events, with a total of 3,406 participants across a diverse lineup of industry engagements. These events not only reinforced our role as a key driver of thought leadership and professional growth but also showcased our ability to connect and inspire professionals across the insurance and financial services landscape.

Additionally, the Asian Institute of Insurance (Aii) Launch Ceremony and the Asian Quality Business 2024 Symposium & Award Gala Dinner attracted 213 and 260 participants respectively demonstrating our expanding regional influence and the prestige of our flagship programmes.

Other well-received initiatives such as the Leadership Masterclass, Women Empowerment Conference, ESG-focused forums, and specialised technical sessions including EV Car Handling, Liability Insurance, and Marine Claims catered to a wide spectrum of professional needs. The strong participation across these events reflects the trust and engagement of our members and partners and sets a strong foundation for even greater outreach and impact in the coming years.

Events	Total Participants
Appreciation Dinner 2024	50
ESG & Insurance: Symbiosis Personified	53
Asian Institute of Insurance (Aii) Launch Ceremony	213
Graduation Ceremony 2024	55
Malaysia MDRT Day 2024	2,235
Women Empowerment Conference	68
Asian Quality Business 2024: Symposium & Award Gala Dinner	260
Masterclass: The Leader's Speed Sets the Pack's Pace (for Life Agent)	224
Building Trust for Insurance Industry via Empathy in Claims Management (Collaborate with ANZIIF)	65
Marine Machinery: Navigating Through Common Claims & Effective Risk Management	35
EV Car Handling, Underwriting & Claim Workshop (4 Batches) – Local & International Participant	25
Liability Insurance Seminar (Asia Reinsurance Brokers (Labuan) Ltd)	70
TOTAL	3,353



ASEAN INSURANCE TRAINING AND RESEARCH INSTITUTE (AITRI)

Increased Engagement, Improved Scheduling: A Focus on Speakers

In 2024, AITRI successfully delivered 4 Regulator's programmes and 2 Webinars, engaging participants from both ASEAN and non-ASEAN regulatory countries.

Programme #1: Governance and Risk Management for Insurance Supervisors
26 pax across 10 Countries

Programme #2: Supervision of Market Conduct and Insurance Intermediaries
22 pax across 8 Countries

Programme #3: Supervisory Implications of IFRS 17, Insurance Contracts
30 pax across 10 Countries

Programme #4: Capacity Building for Insurance Supervisors: Leveraging Actuarial Skills
25 pax across 15 Countries

Webinar #1: Navigating Climate and Nature Risks: The Crucial Role of Insurance

Webinar #2: Stepping into the shoes of the Undeserved: A Human-Centered Approach to Financial Inclusion







Young ASEAN Insurance Manager Award 2024 (YAMA 2024)

Year 2024, nominations were submitted by Association members of AIC, with each association allowed a maximum of 2 nominees. A total of 18 nominations were received for YAMA 2024. We have four finalists instead of three this year because there was a tie for the second place. AITRI is committed to the mission of highlighting and recognising inspiring young industry leaders. We believe that platforms like YAMA can motivate dynamic individuals to emerge as catalysts for growth in the region's industry and economy.

YAMA - A prestigious platform that honors the visionaries shaping the future of the ASEAN insurance industry. In a remarkable showcase of excellence, Ms. Le Thi Quynh Hoa, Deputy General Director from Vietinbank Insurance Vietnam, has secured victory as the recipient of the prestigious 2024 Young ASEAN Insurance Award (YAMA). This esteemed accolade, organised by The ASEAN Insurance Training and Research Institute (AITRI) under the auspices of the ASEAN Insurance Council (AIC), recognises the exceptional contributions of young managers to the insurance industry within the ASEAN region.

The announcement of Ms. Le Thi Quynh Hoa as the 2024 YAMA winner took place during the 50th ASEAN Insurance Council (AIC) Joint Plenary Meeting at the The Empire Brunei in Brunei.

			
EDITHYA PERMATA SARI	JEAN ANASTASYA	LE THI QUYNH HOA	VANESSA
HEAD OF TALENT DEVELOPMENT AND CULTURE TRANSFORMATION DEPT	HEAD OF FINANCIAL LINES UNDERWRITING DEPARTMENT	DEPUTY GENERAL DIRECTOR	CHIEF ACTUARY
PT. ASURANSI KREDIT INDONESIA	PT AIG INSURANCE INDONESIA	VIETINBANK INSURANCE VIETNAM	PT ALLIANZ LIFE INDONESIA

“As the recipient of the YAMA 2024, I am committed to continuously striving for innovation and creativity to enhance the humanistic value of the industry. Driven by a deep desire to bring human-centered value and provide maximum safety for our customers, I believe that the insurance industry will thrive sustainably through the dedication of professionals combined with digital transformation and relentless creativity. I will continue to contribute and inspire my colleagues and partners to build a safer, more transparent, and more convenient future for the ASEAN community.”



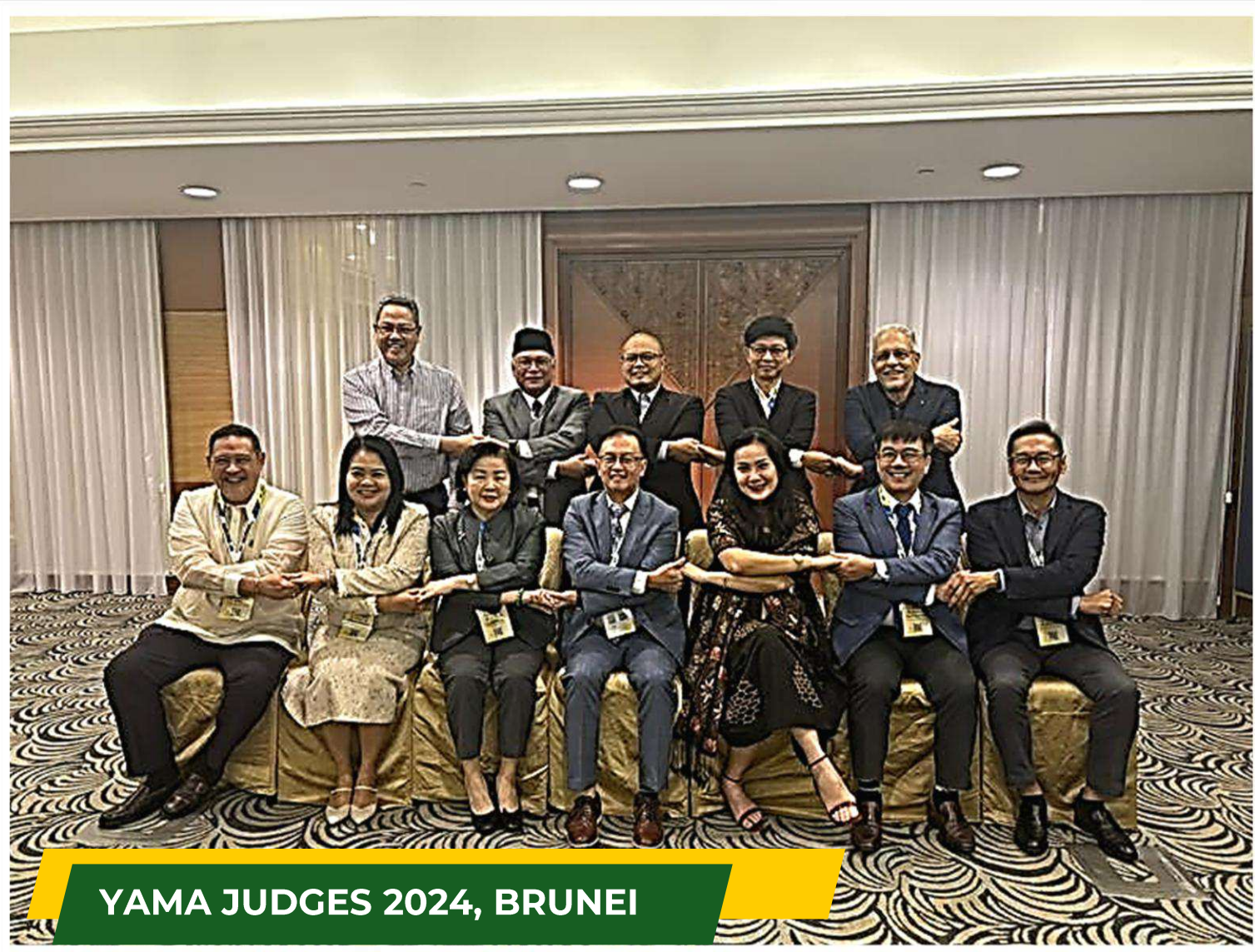
Ms Le Thi Quynh Hoa
Deputy General Director
Vietinbank Insurance Vietnam

YEAR 2024 PRIZES

- ✓ Cash Prize: USD 1,300
- ✓ Trophy: Recognizing excellence and achievement
- ✓ Exclusive access pass to the AQBA (Asian Quality Business Award)
- ✓ Complimentary seat to attend one Aii event of the recipient's choice
- ✓ Complimentary seat to attend the AIC Congress
- ✓ 1-year free Aii Membership
- ✓ Certificate of Award



WINNER of YAMA 2024



YAMA JUDGES 2024, BRUNEI

A distinguished panel of judges, comprising prominent corporate leaders from ASEAN's insurance industry, undertook the challenging task of selecting the winner. In the final round of judging, Ms. Le Thi Quynh Hoa secured the highest score during a rigorous interview process.



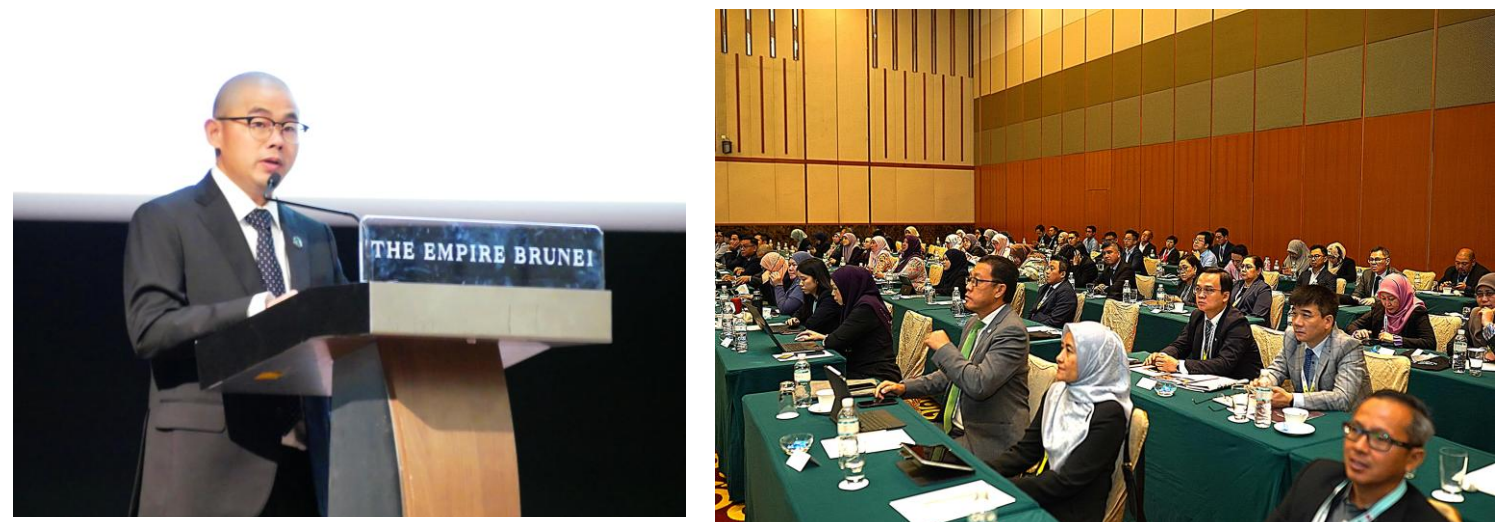
Congress| The 14th ASEAN Insurance Congress: Navigating Disruptions Towards a Sustainable ASEAN Insurance Industry

25th November 2024, The Empire Brunei, Bandar Seri Begawan, Brunei Darussalam

The ASEAN Insurance Congress was initiated by the ASEAN Insurance Council with the intention to attract insurance practitioners / leaders to participate in a regional forum in order for them to establish broader regional perspectives

AITRI (The ASEAN Insurance Training and Research Institute) and AIC (ASEAN Insurance Council) successfully hosted the 14th ASEAN Insurance Congress on 25th November 2024 at The Empire Brunei, attracting over 140 delegates. The event brought together top industry leaders, including Heads of Regulators, Presidents of Associations, C-suite executives, Board Members, and other key stakeholders from across the ASEAN insurance ecosystem. In her special address, guest of honour, Yang Mulia Hajah Rashidah Binti Haji Sabtu, Deputy Managing Director (Regulatory and Supervision) of the Brunei Darussalam Central Bank, outlined four key areas crucial for building a sustainable ASEAN insurance industry: 1) aligning regulatory frameworks with market evolution, 2) leveraging technological advancements, 3) fostering an enabling regulatory environment, and 4) prioritising financial literacy and awareness across the region.

AITRI's CEO, Mr. Paul Low, addressed the need for innovation in response to rapidly evolving market demands, emerging environmental and social issues, and technological advancements. AITRI's 20+ years of fostering regional collaboration through training, research, and capacity building have helped align ASEAN's insurance industry with international standards. Mr. Low underscored AITRI's ongoing commitment to addressing industry challenges, including ESG integration, digitalisation, and AI, with programmes focused on governance, risk management, climate risk, and financial inclusion. AITRI's recent initiatives, in partnership with Asian Institute of Insurance (Aii), such as the Future Skills Framework (FSF) and the Asian Quality Business Award (AQBA), are designed to prepare the workforce for future challenges and recognise excellence in ethical and sustainable business practices. *"Looking ahead, the Asian Institute of Insurance (Aii) remains committed to supporting AITRI's mission as its Secretariat. Together, we aim to elevate the professionalism of the ASEAN insurance sector through close collaboration with all stakeholders and a shared vision for sustainable growth across the region."*



Total Sponsors
7

Total Speakers
23

Total Delegates
144



The Congress concluded with the launch of the ASEAN Insurance Pulse by Malaysia Re, which focuses on the pressing issue of healthcare financing in the region. The report examines healthcare structures and financing mechanisms, highlighting the critical role of insurers in ensuring equitable healthcare access and exploring strategies to balance community health with market growth.

Key Industry Discussions

The Congress featured several in-depth panel discussions, including:

1. Regulatory Transformation: How to create a supportive environment for adaptable insurance business models amidst market dynamics, regulatory changes, and technological disruptions.
2. CEO Perspectives: Forward-looking strategies for growth, market expansion, product innovation, and customer engagement within the ASEAN insurance sector.
3. Technology & Healthcare: Harnessing digitalisation to transform healthcare, exploring both the opportunities and challenges it presents.
4. Sustainability: Integrating sustainable practices for long-term viability, focusing on ESG strategies, climate risk management, and green insurance in Southeast Asia.

The Congress also featured expert insights from the World Bank on flood risk management, the General Insurance Association of Japan on natural disaster response, and the IFC's research on "The Women's Market" as significant opportunities for ASEAN insurers to progress further.

The 14th ASEAN Insurance Congress reaffirmed the region's commitment to navigating disruptions and advancing a sustainable future for the insurance industry across Asia.

Financial Highlights



Asian
Institute of
Insurance

DIRECTOR’S REPORT

ASIAN INSTITUTE OF INSURANCE

(formerly known as The Malaysian Insurance Institute)
(Company Incorporated in Malaysia Limited by Guarantee)

DIRECTORS’ REPORT

The directors of ASIAN INSTITUTE OF INSURANCE (“the Institute”) hereby submit their report and the audited financial statements of the Institute for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Institute is engaged in the provision and promotion of insurance education, training and research in insurance and related disciplines. The Institute is the sole examining body for professional insurance examinations in the country leading to the award of the Associateship of the Asian Institute of Insurance (“AAii”) and Fellowship of the Asian Institute of Insurance (“FAii”). It is also a membership body of insurance professionals. The Institute is affiliated to other insurance examining institutes internationally and works closely with local institutions of higher learning in promoting the development of insurance education in Malaysia.

RESULTS OF OPERATIONS

The results of operations of the Institute for the financial year are as follows:

	RM
Deficit for the year	<u>3,225,589</u>

In the opinion of the directors, the results of operations of the Institute during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

OTHER STATUTORY INFORMATION

Before the financial statements of the Institute were made out, the directors took reasonable steps:

- a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that there were no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
- b) to ensure that any current assets which were unlikely to be realised in the ordinary course of the business including the value of current assets as shown in the accounting records of the Institute had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- a) which would necessitate the writing off of bad debts or render the amount of provision for doubtful debts in the financial statements of the Institute inadequate to any substantial extent;
- b) which would render the values attributed to current assets in the financial statements of the Institute misleading;
- c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Institute misleading or inappropriate; or
- d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Institute misleading.

At the date of this report, there does not exist:

- a) any charge on the assets of the Institute which has arisen since the end of the financial year which secures the liabilities of any other person; and
- b) any contingent liability of the Institute which has arisen since the end of the financial year.

In the opinion of the directors:

- a) No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Institute to meet its obligations as and when they fall due; and
- b) No item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the Institute for the succeeding financial year in which this report is made.

DIRECTORS

The directors of the Institute in office during the financial year and during the period from the end of the financial year to the date of this report are:

Mr Antony Fook Weng Lee (Chairman)
Mr Tan Kok Guan
Mr T. Sivapalan Tharmapalan
Mr Ezamshah bin Ismail
Mr Tapan Kumar Rangam Bir
Mr Vicknesaratnam Kathirasu Rajaratnam
Mr Saw Lip Kong Benildus
Mr Lew Yung Chow
Mr Lee Thim Fook (appointed on 23.2.2024)
Mr Zainal Abidin bin Mohd Noor (resigned on 11.12.2024)

DIRECTORS' BENEFITS

The Institute is a company limited by guarantee and thus has no shares in which the Board of Directors could have an interest. The Institute has also not issued any debentures.

Since the end of the previous financial year, none of the directors of the Institute has received or become entitled to receive any benefit (other than those disclosed as directors' fee in Note 7 to the financial statements) by reason of a contract made by the Institute with a firm of which he is a member, or with a company in which he has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Institute was a party whereby the directors of the Institute might acquire benefits by means of the acquisition of shares in, or debentures of, the Institute or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Institute maintains directors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016, throughout the year, which provides appropriate insurance cover of RM10,000,000 for the directors of the Institute. The amount of insurance premium paid during the year amounted to RM26,983.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during or since the financial year end.


AUDITORS

The auditors, Ernst & Young PLT, have indicated their willingness to continue in office.

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors for the financial year ended 31 December 2024 is disclosed in Note 7 to the financial statements.

Signed on behalf of the Board
in accordance with a resolution of the Directors,


ANTONY FOOK WENG LEE
(CHAIRMAN)


TAPAN KUMAR RANGAM BIR
(DIRECTOR)

Kuala Lumpur,
28 May 2025

**Independent auditors' report to the members of
Asian Institute of Insurance
(Company Incorporated in Malaysia Limited by Guarantee)**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Asian Institute of Insurance ("the Institute") (formerly known as The Malaysian Insurance Institute), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 35 to 56.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Institute in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Directors of the Institute are responsible for the other information. The other information comprises the Directors' Report and Annual Report but does not include the financial statements of the Institute and our auditors' report thereon.

Our opinion on the financial statements of the Institute does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Institute, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Institute or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors of the Institute are responsible for the preparation of financial statements of the Institute that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Institute that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Institute, the directors are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Institute or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Institute as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Institute, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Institute or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Institute, including the disclosures, and whether the financial statements of the Institute represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matters

This report is made solely to the members of the Institute, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
28 May 2025



Ahmad Hammami Muhyidin
No. 03313/07/2025 J
Chartered Accountant

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 (RM)	2023 (RM)
Revenue	6	12,364,759	13,662,758
Other income		493,373	611,826
Employee benefits expense	7	(6,470,616)	(7,546,478)
Depreciation of plant and equipment	9	(795,839)	(778,967)
Depreciation of right-of-use asset	10	(1,294,227)	(1,247,594)
Other expenses		(7,495,992)	(7,945,364)
Operating deficit	7	(3,198,542)	(3,243,819)
Finance cost		(27,047)	(59,566)
Deficit before tax		(3,225,589)	(3,303,385)
Tax expense	8	-	-
Deficit after tax, representing total comprehensive deficit for the year		(3,225,589)	(3,303,385)

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Note	2024 (RM)	2023 (RM)
ASSETS			
Non-Current Assets			
Plant and equipment	9	1,706,687	2,371,575
Right-of-use assets	10	2,197,187	653,515
Total Non-Current Assets		3,903,874	3,025,090
Current Assets			
Inventories	12	46,910	51,979
Trade receivables	13	980,906	1,016,732
Other receivables, deposits and prepaid expenses	14	1,197,261	1,133,468
Fixed deposits	11	12,587,187	17,174,533
Cash and bank balances	16	1,350,997	1,514,422
Total Current Assets		16,163,261	20,891,134
Total Assets		20,067,135	23,916,224

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

**STATEMENT OF FINANCIAL POSITION (CONT'D.)
AS AT 31 DECEMBER 2024**

	Note	2024 (RM)	2023 (RM)
RESERVES AND LIABILITIES			
General reserves	17	6,673,042	6,673,042
Accumulated Surplus		<u>7,704,401</u>	<u>10,929,990</u>
Accumulated Fund		<u>14,377,443</u>	<u>17,603,032</u>
Non-Current Liabilities			
Lease liabilities	21	<u>1,294,326</u>	<u>89,146</u>
Total Non-Current Liabilities		<u>1,294,326</u>	<u>89,146</u>
Current Liabilities			
Trade payables	18	336,842	673,802
Other payables and accrued expenses	18	1,598,572	2,473,145
Capacity Building Fund	15	553,701	1,789,986
Training Credit Scheme	19	274,211	334,445
Contract Liabilities	20	716,205	367,396
Lease liabilities	21	<u>915,835</u>	<u>585,272</u>
Total Current Liabilities		<u>4,395,366</u>	<u>6,224,046</u>
Total Liabilities		<u>5,689,692</u>	<u>6,313,192</u>
Total Reserves and Liabilities		<u>20,067,135</u>	<u>23,916,224</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	General reserves (RM)	Accumulated Surplus (RM)	Total (RM)
As at 1 January 2023	6,673,042	14,233,375	20,906,417
Total comprehensive deficit for the year	-	(3,303,385)	(3,303,385)
As at 31 December 2023	<u>6,673,042</u>	<u>10,929,990</u>	<u>17,603,032</u>
As at 1 January 2024	6,673,042	10,929,990	17,603,032
Total comprehensive deficit for the year	-	(3,225,589)	(3,225,589)
As at 31 December 2024	<u>6,673,042</u>	<u>7,704,401</u>	<u>14,377,443</u>

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

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 (RM)	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before tax		(3,225,589)	(3,303,385)
Adjustments for:			
Depreciation of right-of-use assets	10	1,294,227	1,247,594
Depreciation of plant and equipment	9	795,839	778,967
Increase/(Decrease) in impairment on trade receivables	13	9,926	(14,913)
Plant and equipment written-off	7	-	47,795
Finance cost arising from lease liabilities	21	27,047	59,566
Unrealised loss on foreign exchange	7	15,537	4,039
Interest income from fixed deposits	7	(434,740)	(459,558)
Operating Deficit Before Working Capital Changes		(1,517,753)	(1,639,895)
Decrease/(Increase) in:			
Inventories		5,069	3,093
Trade receivables		25,899	(122,121)
Other receivables, deposits and prepaid expenses		(40,554)	530,692
Training credit scheme		(60,234)	(69,905)
(Decrease)/Increase in:			
Trade payables		(336,960)	(88,802)
Other payables and accrued expenses		(874,572)	688,704
Contract liabilities		348,809	(319,078)
Cash Used In Operating Activities		(2,450,296)	(1,017,312)
Tax paid		-	(912,694)
Net Cash Used In Operating Activities		<u>(2,450,296)</u>	<u>(1,930,006)</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 (RM)	2023 (RM)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		411,501	425,904
Withdrawal of fixed deposits		4,358,320	741,503
Additions to plant and equipment	9	(130,952)	(223,621)
Net Cash Generated From Investing Activities		<u>4,638,869</u>	<u>943,786</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of finance cost	21	(27,047)	(59,566)
Repayment of lease liability	21	(1,302,156)	(1,264,689)
Net Cash Used In Financing Activities		<u>(1,329,203)</u>	<u>(1,324,255)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		859,370	(2,310,575)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		(46,537)	2,267,977
Effect of foreign exchange rate changes		(15,537)	(4,039)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>797,296</u>	<u>(46,537)</u>
Cash and cash equivalents consists of:			
Cash and bank balances	16	1,350,997	1,514,422
Fixed deposits with original maturity period of 3 months and below	11	-	229,027
		<u>1,350,997</u>	<u>1,743,449</u>
Less: Cash restricted in use	15	(553,701)	(1,789,986)
		<u>797,296</u>	<u>(46,537)</u>

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



FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

Asian Institute of Insurance (“the Institute”) (formerly known as The Malaysian Insurance Institute) is a private company limited by guarantee under Companies Act, 2016, incorporated and domiciled in Malaysia. The Institute had changed its name during the financial year to align with its strategic vision to expand its reach beyond Malaysia and position itself as a premier institution in the Asian insurance landscape.

The Institute is engaged in the provision and promotion of insurance education, training and research in insurance and related disciplines. The Institute is the sole examining body for professional insurance examinations in the country leading to the award of the Associateship of the Asian Institute of Insurance (“AAii”) and Fellowship of the Asian Institute of Insurance (“FAii”). It is also a membership body of insurance professionals. The Institute is affiliated to other insurance examining institutes internationally and works closely with local institutions of higher learning in promoting the development of insurance education in Malaysia.

There have been no significant changes in the nature of the activities of the Institute during the financial year.

The principal place of business and registered office of the Institute is located at Level 6, Bangunan AICB, No. 10 Jalan Dato’ Onn, 50480 Kuala Lumpur, Malaysia.

The financial statements of the Institute have been authorised by the Board of Directors for issuance on 28 May 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Institute have been prepared in accordance with MFRS Accounting Standards (“MFRSs”), IFRS Accounting Standards (“IFRS”s) and the requirements of the Companies Act, 2016 in Malaysia.

Statement of compliance

On 1 January 2024, the Institute 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 101: Non-current Liabilities with Covenant
- Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements
- Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

The following are accounting standards and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Institute.

MFRS, interpretation and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

MFRS, interpretation and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments
- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity
- Annual Improvements to MFRS accounting standards – Volume 11

MFRS, interpretation and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18 Presentation and disclosure in financial statements
- MFRS 19 Subsidiaries without Public Accountability: Disclosures

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D.)

Effective date of these amendments to Standards has been indefinitely deferred

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – Sales or Contribution of Assets between an Investor and its Associate or Joint Venture

The Institute plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable. Except for MFRS 18, the Institute expect that the adoption of the above standards and amendments to the Standards will have no material impact on the financial statements of Institute in the period of initial application. The Institute is currently in the process of assessing the impact, if any, upon the application of MFRS 18.

3. FINANCIAL AND CAPITAL RISK MANAGEMENT POLICIES

The Institute's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Institute's business whilst managing their risks. The Institute operates within guidelines that are approved by the Board and the Institute's policy is not to engage in speculative transactions.

The main areas of financial risks faced by the Institute and the policies in respect of the major areas of treasury activities are set out as follows:

a) Foreign currency risk

The Institute is exposed to foreign currency risk as a result of its normal operating activities, where the currency denomination differs from the local currency, Ringgit Malaysia ("RM"). The Institute's policy is to minimise the exposure to foreign currency risk by monitoring and approving requisitions which involves foreign currencies.

No sensitivity analysis is prepared as the Institute does not expect any material effect on the Institute's deficit after tax and reserves arising from the effect of reasonably possible changes to exchange rates on the foreign currency denominated monetary assets and monetary liabilities at the end of the financial year as the balances are immaterial. The Institute did not engage in any transactions involving financial derivative instruments during the financial year.

b) Credit risk

The credit risk is controlled by not granting any credit to individuals and companies with the exception of entities within the insurance industry, which have a special arrangement with the Institute.

The maximum credit risk associated with recognised financial assets is the carrying amount as shown in the statement of financial position.

The Institute has no significant concentration of credit risk with any single counterparty.

c) Liquidity and cash flow risks

The Institute seeks to achieve a balance between certainty of funding even in difficult times for the markets of the Institute and to meet its cash obligation in a timely and cost-effective manner.

FINANCIAL AND CAPITAL RISK MANAGEMENT POLICIES (CONT'D.)

a) Liquidity and cash flow risks (cont'd.)

The following tables detail the Institute's remaining contractual maturity for its financial assets and financial liabilities. The tables have been drawn up based on the undiscounted cash flows for financial assets and financial liabilities based on the earlier date on which the Institute expects to earn or may be required to pay. The tables include both interest and principal cash flows.

	Effective interest rate during the year %	Less than 1 year/ On demand (RM)	More than 1 year (RM)	Total (RM)
2024				
Financial assets:				
Fixed deposits and interest receivables	2.50 to 3.50	12,624,698	-	12,624,698
Cash and bank balances (Note 16)	-	1,350,997	-	1,350,997
Trade receivables (Note 13)	-	980,906	-	980,906
Other receivables and refundable deposits	-	570,692	-	570,692
Financial liabilities:				
Trade payables (Note 18)	-	336,842	-	336,842
Other payables	-	429,189	-	429,189
Lease liabilities	5.00	1,091,266	1,251,720	2,342,986

	Effective interest rate during the year %	Less than 1 year/ On demand (RM)	More than 1 year (RM)	Total (RM)
2023				
Financial assets:				
Fixed deposits and interest receivables	2.05 to 3.50	17,235,283	-	17,235,283
Cash and bank balances (Note 16)	-	1,514,422	-	1,514,422
Trade receivables (Note 13)	-	1,016,732	-	1,016,732
Other receivables and refundable deposits	-	745,288	-	745,288
Financial liabilities:				
Trade payables (Note 18)	-	673,802	-	673,802
Other payables	-	1,074,123	-	1,074,123
Lease liabilities	5.00	601,144	89,890	691,034

3. FINANCIAL AND CAPITAL RISK MANAGEMENT POLICIES (CONT'D.)

c) Liquidity and cash flow risks (cont'd.)

Sensitivity analysis for interest rates

At the end of the financial year, if the interest rates increased or decreased by 25 basis points (2023: 25 basis points), with all other variables held constant, the Institute's surplus for the year will be higher or lower by RM5,812 (2023: RM5,812).

The assumed movement in interest rates for interest rate sensitivity analysis is based on the current observable market environment.

d) Capital risk management

The Institute manages its capital to ensure that the Institute will be able to continue as a going concern, through regular reviews of the capital structure. The capital structure of the Institute consists of general reserves and surplus as disclosed in the statement of changes in equity.

The Institute is not subject to any externally imposed capital requirements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation

The financial statements of the Institute have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy information. The financial statements are presented in Ringgit Malaysia ("RM") which is the Institute's functional currency.

Revenue recognition

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied i.e. when the "control" of the services underlying the particular performance obligation is transferred to the customer.

Revenue recognition (cont'd.)

A performance obligation is a promise to transfer a distinct service (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Institute's customary business practices.

Revenue is measured at the amount of consideration to which the Institute expects to be entitled in exchange for transferring the promised services to the customers, excluding the amounts collected on behalf of third parties such as sales taxes or goods and services taxes. If the amount and consideration vary due to discounts, rebates, refunds or other similar items, the Institute estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices promised in the contract.

Revenue is recognised to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

Where contractual obligations exist for the performance of post placement activities, relevant proportion of the revenue is deferred and recognised over the period during which the activities are performed and is being recognised as contract liabilities.

The Institute offers an extensive range of quality education programmes and training courses for professionals in the insurance and financial services industry. The Institute recognises revenue from the following major source:

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Point-in-time revenue:

a) Examination fees

The Institute conducts examinations with a fee which to be paid by its customer. Revenue is recognised for examination, professional qualification and certification fees when the service is completed as this represents the point in time at which the right to consideration becomes unconditional, as only passage of time is required before the payment is due.

b) Training, seminar and conference fees

The Institute conducts trainings, seminars and conferences for the benefit of the industry and its members and such services are recognised as performance obligations satisfied at the point in time. Revenue is recognised upon the performance of the services. Seminar and conferences fees will be recognised during the month of the programme as the duration of these seminar and conferences are short. Revenue from trainings conducted will be recognised at the point in time.

c) E-learning fees and sale of books

For e-learning and sale of books, revenue is recognised when control of the goods has transferred being at the point the customer purchases the goods from the Institute. Payment of the transaction price is due immediately at the point the customer purchases the goods.

Over-time revenue:

a) Membership fees

Membership fees comprise both corporate and individual memberships. Only subscription which is attributable to the current financial year is recognised as revenue. Subscription relating to periods beyond the current financial year is recognised as subscriptions in advance. Deferred income will be recognised accordingly.

b) Professional qualification and certification fees (Class-based)

For fee relating to the classes, the fee for which the classes are conducted are recognised on the current financial year as revenue. Classes to be conducted beyond the current financial year is recognised as fee in advance. Deferred income will be recognised accordingly.

Foreign currency

The Institute's financial statements are presented in the currency of the primary economic environment in which it operates (its functional currency).

In preparing the financial statements of the Institute, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of the financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transactions.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items are included in statement of comprehensive income for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in statement of comprehensive income for the year except for differences arising on the retranslation of non-monetary items in respect of gains and losses that are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Taxation

a) Current income tax

Current income tax assets and liabilities for the current year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the end of the financial year in the countries where the Institute operates and generates taxable income.

b) Deferred Tax

Deferred tax is provided for, using the liability method, on temporary differences at the end of the financial year between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the end of the financial year. Deferred tax is recognised in statement of comprehensive income, except when it arises from a transaction which is recognised outside statement of comprehensive income (whether in other comprehensive income or directly in equity), in which case the deferred tax is also recognised outside statement of comprehensive income.

The carrying amount of deferred tax assets, if any, is reviewed at the end of the financial year and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

b) Deferred Tax (cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Institute intends to settle its current tax assets and liabilities on a net basis.

Employee benefits

a) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees. Short-term accumulating compensated absences such as paid annual leave is recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

b) Defined contribution plans

The Institute is required by law to make monthly contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all their eligible employees based on certain prescribed rates of the employees' applicable remuneration. Contributions are charged to statement of comprehensive income in the period in which they relate. The Institute's contributions to EPF are disclosed separately and the employees' contributions to EPF are included in employee benefits expense. Once the contributions have been paid, the Institute has no further payment obligations.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Leases - As lessee

The Institute assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee, the Institute applies a single recognition and measurement approach for all lease, except for short-term leases and lease of low-value assets. The Institute recognises lease liability to make lease payment and right-of-use asset representing the right to use the underlying asset.

i. Right-of-use assets

The Institute recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liability. The cost of right-of-use asset includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset.

ii. Lease liabilities

At the commencement date of the lease, the Institute recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease term payment includes fixed payment less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Institute and the payments of penalties for terminating the lease, if the lease term reflects the Institute exercising the option to terminate.

In calculating the present value of lease payments, the Institute uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

ii. Lease liabilities (cont'd)

After the commencement date, the amount of lease liability is increased to reflect the accretion of interest and reduced for the lease payment made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the lease payment or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Institute has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (less than RM20,000 individually). The Institute recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Impairment of non-financial assets

At the end of the financial year, the Institute reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Institute estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Impairment of non-financial assets (cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of comprehensive income.

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment loss.

Subsequent cost is included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Institute and the cost can be measured reliably. The carrying amount of the part of the asset being replaced is derecognised. All other repairs and maintenance costs are charged to statement of comprehensive income in the year in which they are incurred.

Depreciation of plant and equipment are computed on the straight-line method at the following annual rates based on the estimated useful lives of the various plant and equipment:

Furniture and fittings, audio visual and office equipment	10% - 33.33%
Motor vehicles	20%
Computers and peripherals	20% - 33.33%
Renovation	20% - 33.33%

Plant and equipment (cont'd)

At the end of each financial year, the residual values, useful lives and depreciation method of the plant and equipment are reviewed, and the effects of any changes are recognised prospectively.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in statement of comprehensive income.

Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories represent books and publications for sale.

In arriving at net realisable value, impairment is made for obsolete and slow-moving inventories.

Cost includes the cost of purchase plus the cost incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated cost necessary to make the sale.

Provisions

Provisions are made when the Institute has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation. Provisions are reversed if it is no longer probable that the Institute will be required to settle the obligation.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when, and only when, the Institute becomes a party to the contractual provisions of the financial instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Institute changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

i. Amortised cost

Amortised cost category comprises financial assets that are held within the business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding. The financial assets are not designated as at Fair Value Through Profit or Loss ("FVTPL").

a) Financial assets (cont'd.)

i. Amortised cost (cont'd.)

Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Any gains or losses on derecognition is recognised in statement of comprehensive income.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised costs.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments through the expected life of the financial assets, or where appropriate, a shorter period.

All financial assets, except those measured at FVTPL, are subject to impairment assessment.

b) Financial Liabilities

Financial liabilities not categorised as FVTPL are categorised as other financial liabilities, which subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in the statement of comprehensive income. Any gains or losses on derecognition are also recognised in statement of comprehensive income. Other financial liabilities comprising payables and accrued expenses.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Financial instruments (cont'd)

c) Derecognition

The Institute derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expires, or it transfers the financial assets and substantially all of the risks and rewards of ownership of the financial asset to another entity. If the Institute neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred financial asset, the Institute recognises its retained interest in the financial asset and an associated liability for amounts it may have to pay.

If the Institute retains substantially all the risks and rewards of ownership of a transferred financial asset, the Institute continues to recognise the financial asset and also recognises a collateralised borrowing from the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the financial asset's carrying amount and the sum of consideration received and receivable and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in statement of comprehensive income.

A financial liability is derecognised when, and only when the obligation specified in the contract is discharged, cancelled or expires.

A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid is recognised in statement of comprehensive income.

Impairment of financial assets

The Institute recognises estimated credit loss ("ECL") on financial assets measured at amortised cost. ECLs are a probability-weighted estimate of credit losses. The Institute measures loss allowance at an amount equal to lifetime expected credit loss, except for other receivables, capacity building fund, fixed deposits and cash and bank balances that are determined to have low credit risk at the reporting date or the credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowance for trade receivables is always measured at an amount equal to lifetime expected credit loss.

The Institute considers reasonable and supportable information that is relevant and available without undue cost or effort when assessing the ECL. This includes both quantitative and qualitative information and analysis, based on the Institute's historical experience and forward-looking information, where available.

Lifetime ECLs are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month ECLs are the portion of expected credit losses that result from default events that are possible within the 12 months after the end of the financial year.

An impairment loss in respect of financial assets measured at amortised cost is recognised in statement of comprehensive income and the carrying amount of the asset is reduced through the use of an allowance account.

Classification as debt or equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Institute. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participants that would use the asset in its highest and best use.

The Institute uses valuation techniques that are appropriate in the circumstances and for which sufficient data are avail to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which all inputs that are significant to the fair value measurement are directly or indirectly observable.

Fair value measurement (cont'd.)

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Cash and cash equivalents

The Institute adopts the indirect method in the preparation of the statement of cash flows. Cash equivalents are short-term, highly liquid investments and are readily convertible to cash with insignificant risk of changes in value.

Cash and cash equivalent include cash, cash in banks and fixed deposits with licensed financial institutions with original maturity periods of three months or less, which have an insignificant risk of changes in value and are readily convertible to a known amount.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

- a) Critical judgements in applying the Institute's material accounting policy information

In the process of applying the Institute's material accounting policy information as described in Note 4 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

- a) Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the financial year that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

6. REVENUE

	2024 (RM)	2023 (RM)
Revenue recognised at a point-in-time:		
Examination fees	5,607,994	6,096,465
Training, seminar and conference fees	3,161,799	3,470,892
E-learning	686,212	814,622
Sale of books	60,904	71,547
	<u>9,516,909</u>	<u>10,453,526</u>
Revenue recognised over time:		
Professional qualification and certification fees	2,020,570	2,358,479
Membership fees	827,280	850,753
	<u>2,847,850</u>	<u>3,209,232</u>
	<u>12,364,759</u>	<u>13,662,758</u>

crediting/(charging):

	2024 (RM)	2023 (RM)
Other income	79,705	110,299
Interest income from fixed deposits	434,740	459,558
Finance costs (Note 21)	(27,047)	(59,566)
Loss on foreign exchange:		
Realised	(5,534)	(906)
Unrealised	(15,537)	(4,039)
Expenses relating to:		
Short-term leases and leases of low value assets	(583,599)	(737,691)
(Impairment)/reversal of impairment loss on trade receivables (Note 13)	9,926	14,913
Plant and equipment written off	-	(47,795)
Auditors' remuneration	(65,000)	(65,000)
Directors' fees	-	(4,000)

7. OPERATING DEFICIT (CONT'D.)

Employee benefits expense include salaries, contributions to EPF and all other staff related expenses. During the financial year, contributions of EPF made by the Institute amounted to RM720,702 (2023: RM700,673).

Included in other income is Hibah, a voluntary gift on savings account with licenced banks, amounting to RM16,863 (2023: RM20,155).

8. TAX EXPENSE

For tax purposes, the Institute is treated as a "Trade Association" under Section 53(3) of the Income Tax Act 1967 under which its income is taxed at scale rates.

A numerical reconciliation of tax expense applicable to the deficit before tax at the statutory income tax rate to tax credit at the effective tax rate of the Institute is as follows:

	2024 RM	2023 RM
Deficit before tax	<u>(3,225,589)</u>	<u>(3,303,385)</u>
Tax at 24%	774,141	792,812
Tax effects of:		
Expenses not deductible for tax purposes	(460,824)	(449,123)
Impact of differential tax rate	(110,275)	93,364
Income not subject to tax	8,438	28,474
Deferred tax assets not recognised	<u>(432,030)</u>	<u>(465,527)</u>
Tax expense for the year	<u>-</u>	<u>-</u>

8. TAX EXPENSE (CONT'D.)

Deferred tax asset has not been recognised as the Company is uncertain to have sufficient future taxable profits to utilise against the deferred tax asset. With effect from Year of Assessment (“YA”) 2019, unutilised business losses in a year of assessment can only be carried forward for a maximum period of 10 consecutive years of assessment to be utilised against income from any business source.

Year of expiry of unutilised business losses is analysed as follows:

	2024 RM	2023 RM
Expiring in 2034	(1,800,123)	-
Expiring in 2033	(2,245,682)	(2,245,682)
Expiring in 2032	(1,056,907)	(1,056,907)
Expiring in 2031	(187,107)	(187,107)
Expiring in 2030	(161,300)	(161,300)
Expiring in 2029	<u>(1,349,485)</u>	<u>(1,349,485)</u>
	<u>(6,800,604)</u>	<u>(5,000,481)</u>

9. PLANT AND EQUIPMENT

	Furniture and fittings, audio visual and office equipment (RM)	Motor Vehicles (RM)	Computers and peripherals (RM)	Renovation (RM)	Total (RM)
Cost					
At 1 January 2023	1,129,746	217,004	2,003,861	2,638,632	5,989,243
Additions	-	-	219,741	3,880	223,621
Write-offs	(21,458)	(217,004)	-	(2,350)	(240,812)
At 31 December 2023/1 January 2024	1,108,288	-	2,223,602	2,640,162	5,972,052
Additions	1,020	-	127,332	2,600	130,952
At 31 December 2024	1,109,308	-	2,350,934	2,642,762	6,103,004
Accumulated Depreciation					
At 1 January 2023	360,313	192,567	1,933,922	527,726	3,014,528
Charge for the year	182,513	-	67,951	528,503	778,967
Write-offs	-	(192,567)	-	(450)	(193,017)
At 31 December 2023/1 January 2024	542,826	-	2,001,873	1,055,779	3,600,478
Charge for the year	182,122	-	84,695	529,022	795,839
Write-offs	-	-	-	-	-
At 31 December 2024	724,948	-	2,086,568	1,584,801	4,396,317
Net Carrying Amount					
At 31 December 2024	384,360	-	264,366	1,057,961	1,706,687
At 31 December 2023	565,462	-	221,729	1,584,384	2,371,575

Included in plant and equipment of the Institute are fully depreciated assets which are still in use, costing RM2,103,427 (2023: RM2,098,627).

10. RIGHT-OF-USE ASSETS

	2024 (RM)	2023 (RM)
Cost		
At beginning of year	3,080,253	2,954,303
Additions	2,837,899	682,984
Write off	(2,406,794)	(557,034)
At end of year	3,511,358	3,080,253
Accumulated Depreciation		
At beginning of year	2,426,738	1,736,178
Charge for the year	1,294,227	1,247,594
Write off	(2,406,794)	(557,034)
At end of year	1,314,171	2,426,738
Net Carrying Amount	2,197,187	653,515

The Institute has lease arrangements for its office premises and other facilities such as computer labs and training rooms. The contractual lease terms comprise a lease for 3 years for office premises, which has been renewed during the financial year and will be expired on 31 March 2027. The existing lease on other facilities will be expired on 31 March 2025.

11. FIXED DEPOSITS

Fixed deposits placed with licensed banks earn interest at rates ranging from 2.50% to 3.50% (2023: 2.05% to 3.50%). The fixed deposits with original maturity period of 3 months and below and original maturity period of more than 3 months have average maturity periods of 0 days (2023: 91 days) and 203 days (2023: 200 days) respectively. The Institute's fixed deposits placements as at 31 December 2024 are as below:

	2024 (RM)	2023 (RM)
Original maturity period of 3 months and below, classified as cash and cash equivalents (Note 16)	-	229,027
Original maturity period of more than 3 months	12,587,187	16,945,506
At end of year	12,587,187	17,174,533

12. INVENTORIES

	2024 (RM)	2023 (RM)
Bookshop books:		
At cost	46,910	51,979

The cost of inventories recognised as an expense for the year was RM18,465 (2023: RM26,552).

13. TRADE RECEIVABLES

	2024 RM	2023 RM
Third parties	1,007,320	1,033,220
Less: Loss allowances	(26,414)	(16,488)
Net	980,906	1,016,732

Trade receivables comprise amounts receivable from customers for academic and training courses conducted. These are non-interest bearing and recognised at their original invoice amounts which represent their fair values on initial recognition. The Institute allows credit to customers with special arrangements with the Institute, subject to approval. Credit terms of approved trade receivables is 90 days (2023: 90 days). No interest is charged on outstanding trade receivables.

Movements in loss allowance accounts used to record the impairment loss and the analysis of the Institute's trade receivables that are individually and collectively impaired at the reporting date are as follows:

	Individually Impaired (RM)	Collectively Impaired (RM)	Total (RM)
Movement in loss allowance accounts			
At 1 January 2023	-	31,401	31,401
Decrease in impairment for the year	-	(14,913)	(14,913)
At 31 December 2023	-	16,488	16,488
At 1 January 2024	-	16,488	16,488
Increase in impairment for the year	-	9,926	9,926
At 31 December 2024	-	26,414	26,414

13. TRADE RECEIVABLES (CONT'D)

The Institute measures the loss allowance for trade receivables at an amount equal to lifetime Estimated Credit Loss ("ECL").

The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate should there be any and an assessment of both the current as well as the forecast direction of conditions at the end of the financial year.

The Institute writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables based on the Institute's provision matrix. As the Institute's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Institute's different customer bases.

	← Days not past due →			← Days past due →		
	< 30	31 - 60	61 - 90	91 - 120	> 120	Total
	(RM)	(RM)	(RM)	(RM)	(RM)	(RM)
As at 31 December 2024						
Gross carrying amount	494,859	146,134	216,528	18,529	131,270	1,007,320
Lifetime ECL	<u>19,895</u>	<u>5,520</u>	<u>999</u>	<u>-</u>	<u>-</u>	<u>26,414</u>
As at 31 December 2023						
Gross carrying amount	458,230	269,493	298,239	6,738	520	1,033,220
Lifetime ECL	<u>7,641</u>	<u>5,105</u>	<u>2,250</u>	<u>1,492</u>	<u>-</u>	<u>16,488</u>

with the Institute. In determining the recoverability of a trade receivable, the Institute considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the financial year.

14. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	2024 (RM)	2023 (RM)
Other receivables	36,735	175,023
Interest receivable	37,511	60,750
Refundable deposits	533,957	570,265
Prepaid expenses	<u>589,058</u>	<u>327,430</u>
	<u>1,197,261</u>	<u>1,133,468</u>

15. CAPACITY BUILDING FUND

	2024 (RM)	2023 (RM)
At beginning of year	1,789,986	2,722,551
Payments	<u>(1,236,285)</u>	<u>(932,565)</u>
At end of year	<u>553,701</u>	<u>1,789,986</u>

Following the idea of having a permanent funding mechanism from the industry, Bank Negara Malaysia initiated the move to set up a capacity building fund to be jointly funded by Bank Negara Malaysia and the insurance industry. The basis of the contribution is that Bank Negara Malaysia will match Ringgit-for-Ringgit the contribution by the insurance industry. This fund can only be used for expenditure incurred for approved capacity building projects.

During the year, the fund was utilised for Capacity Building Projects (CBP), including the MII Education System (iLMS), the AMII Fast Track Programmes, and the refund of CBP fund surpluses to industry contributors.

16. CASH AND CASH EQUIVALENTS

	2024 (RM)	2023 (RM)
Cash and bank balances	1,350,997	1,514,422
Fixed deposits placements with original maturity period of 3 months and below (Note 11)	-	229,027
	1,350,997	1,743,449
Less: Cash restricted in-use (Note 15)	(553,701)	(1,789,986)
	<u>(797,296)</u>	<u>(46,537)</u>

Cash and bank balances are denominated in the following currencies:

	2024 (RM)	2023 (RM)
Ringgit Malaysia	1,341,268	1,369,236
United States Dollar	9,729	145,186
	<u>1,350,997</u>	<u>1,514,422</u>

17. GENERAL RESERVES

General reserves arose mainly from contributions by insurance companies, brokers, agents and adjusters and the surplus arising on the disposal of a subsidiary company in prior years.

18. TRADE PAYABLES, OTHER PAYABLES AND ACCRUED EXPENSES

Trade payables comprise amounts outstanding for trade purchases and ongoing costs. These payables are non-interest bearing and the credit period granted to the Institute for trade purchases ranges from 30 days to 90 days (2023: 30 days to 90 days).

Other payables and accrued expenses consist of the following:

	2024 (RM)	2023 (RM)
Other payables	429,189	1,074,123
Accrued expenses	1,169,383	1,399,022
	<u>1,598,572</u>	<u>2,473,145</u>

19. TRAINING CREDIT SCHEME

	2024 (RM)	2023 (RM)
At beginning of year	334,445	404,350
Additions	2,160	2,081
Utilisations	<u>(62,394)</u>	<u>(71,986)</u>
At end of year	<u>274,211</u>	<u>334,445</u>

The Aii Training Credit Scheme was mooted during the Extraordinary General Meeting of the bondholders of Zero Coupon Bonds on 14 November 2017 by Bank Negara Malaysia ("BNM") as an initiative to the bondholders to have the redemption sum converted into training credits. The scheme was then established following the redemption of the Zero Coupon Bond on 4 November 2019.

The Training Credit Scheme will be utilised by participating companies to offset against training fees for subscribed courses provided by Aii or an approved training provider.

The objective of the scheme is to promote a lifelong learning culture and to boost investment in talent development and capacity building initiatives by insurance industry players.

20. CONTRACT LIABILITIES

	2024 (RM)	2023 (RM)
As of beginning of year	367,396	686,474
Deferred during the year	11,632,871	189,747
Recognised as revenue during the year	<u>(11,284,062)</u>	<u>(508,825)</u>
At end of year	<u>716,205</u>	<u>367,396</u>

21. LEASE LIABILITIES

	2024 (RM)	2023 (RM)
At beginning of year	674,418	1,256,123
Additions	2,837,899	682,984
Finance costs (Note 7)	27,047	59,566
Repayments of lease liability	(1,302,156)	(1,264,689)
Repayments of finance costs	(27,047)	(59,566)
At end of year	<u>2,210,161</u>	<u>674,418</u>
Non-Current Liabilities	1,294,326	89,146
Current Liabilities	<u>915,835</u>	<u>585,272</u>
At end of year	<u>2,210,161</u>	<u>674,418</u>

The incremental borrowing rate applied to the lease liability recognised in the statement of financial position is 5.00% (2023: 5.00%).

22. CAPITAL COMMITMENTS

As of the end of the financial year, the Institute has the following capital commitments in respect of plant and equipment:

	2024 (RM)	2023 (RM)
Approved but not contracted for	<u>331,980</u>	<u>1,446,500</u>

23. RENTAL COMMITMENTS

As of the end of the financial year, the Institute has the following rental commitments which have been exempted under MFRS 16 as they relate to leases of low-value assets and short-term leases:

	Future Minimum Lease Payments	
	2024 (RM)	2023 (RM)
Financial years ending 31 December,		
2024	-	31,176
2025	35,631	30,588
2026	30,000	30,000
2027 onwards	<u>25,000</u>	<u>25,000</u>
	<u>90,631</u>	<u>116,764</u>

24. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The compensation of key management personnel which comprises key members of senior management of the Institute during the financial year are as follows:

	2024 (RM)	2023 (RM)
Short-term employee benefits	1,890,906	1,967,127
Contributions to EPF	<u>235,807</u>	<u>128,301</u>
	<u>2,126,713</u>	<u>2,095,428</u>

25. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2024 (RM)	2023 (RM)
Financial assets		
Fixed deposits and interest receivables	12,624,698	17,235,283
Cash and bank balances	1,350,997	1,514,422
Trade receivables	980,906	1,016,732
Other receivables and refundable deposits	570,692	745,288
Financial assets at amortised cost	15,527,293	20,511,725
Financial liabilities		
Trade payables	336,842	673,802
Other payables	429,189	1,074,123
Lease liabilities	2,210,161	674,418
Financial liabilities at amortised cost	2,976,192	2,422,343

The carrying amounts of all financial assets and trade payables and other payables of the Institute at the end of the financial year approximate their fair values due to their short term maturity and the immaterial impact of discounting. The carrying amount of the lease liabilities is discounted based on the incremental borrowing rate applied upon the recognition of the lease.




ASIAN INSTITUTE OF INSURANCE
(formerly known as The Malaysian Insurance Institute)
(Company Incorporated in Malaysia Limited by Guarantee)

STATEMENT BY DIRECTORS

The directors of **ASIAN INSTITUTE OF INSURANCE** state that, in their opinion, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2024 and of its financial performance and its cash flows for the year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Signed in accordance with
a resolution of the Directors,


ANTONY FOOK WENG LEE
(CHAIRMAN)


TAPAN KUMAR RANGAM BIR
(DIRECTOR)

Kuala Lumpur,
28 May 2025

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE INSTITUTE

I, **PAUL LOW HONG CEONG** the officer primarily responsible for the financial management of **ASIAN INSTITUTE OF INSURANCE**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.


PAUL LOW HONG CEONG

Subscribed and solemnly declared by the
abovenamed **PAUL LOW HONG CEONG** at
KUALA LUMPUR this 28th day of May, 2025

Before me,

W1015
SHAHRIZAL NASRUL
01.03.2023 - 31.12.2025
COMMISSIONER FOR OATHS
PEPERANGKATAN SUMPAH
NO. 86, JALAN PUTRA,
50350 KUALA LUMPUR

ASIAN INSTITUTE OF INSURANCE

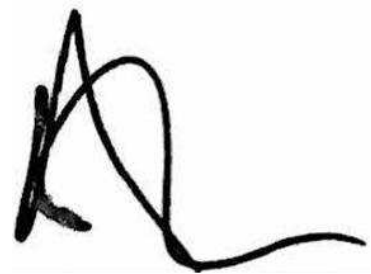
Institute No. 197701004772 (35445 - H)

(Company Incorporated in Malaysia Limited by Guarantee as an Institute limited by guarantee and not having a share capital)

FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2024**

(In Ringgit Malaysia)

These Audited Financial Statements of the Institute with Qualified Auditors' Report for the financial year ended 31 December 2024 were tabled at the Annual General Meeting or Adjourned Annual General Meeting held on 25 June 2025



ANTONY FOOK WENG LEE

AUDIT COMMITTEE REPORT

1. Constitution

The Audit Committee is established by the Board of Directors (the Board) to implement and support the oversight function of the Board relating to:

- adequacy and effectiveness of Aii’s governance, risk management and compliance practices and potential improvements to those practices; and
- provision of a line of communication, through regular scheduled or ad-hoc and private discussion, between the Board and the external as well as the internal auditors.

2. Membership and Composition

The members of the Audit Committee are appointed by the Board. The Audit Committee comprises no fewer than 3 members, all of whom are non-executive directors. The Chairman is either appointed by the Board or elected by members of the Audit Committee from among themselves.

3. Authority

The Audit Committee is authorised by the Board to review or investigate any activity within the authority stipulated in its Terms of Reference. It has full and unrestricted access to any information, records, personnel, and properties of Aii.

The Audit Committee is also authorised to have access to independent professional or external legal advice, and to secure attendance of outsiders with relevant experience and expertise, whenever it is deemed necessary. Aii will meet the cost of such advice or attendance.

4. Meeting and Quorum

The Audit Committee meets at least 3 times each year. The quorum for each meeting is 2 members, which shall include the Chairman.

The Chief Executive Officer and the Head of Internal Audit are required to attend each meeting. Any other directors and employees of Aii or outsiders may attend the meeting upon invitation of the Audit Committee. The Audit Committee meets with the external auditors at least once a year.

In 2024, the Audit Committee met in hybrid mode 3 times on 15 May, 15 August, and 5 December. The record of attendance is as follows:

Members	Attendance
En. Ezamshah Ismail (Chairman)	3/3
Mr. Tan Kok Guan	2/3
Mr. Rangam Bir	3/3
Mr. Lee Thim Fook*	1/1

**Appointed on 15 August 2024*

The number of meetings conducted complied with the minimum requirement of 3 meetings per annum as stipulated in the Terms of Reference.

The Chairman of the Audit Committee or, in his stead, a member of the Audit Committee reported all significant matters deliberated in each meeting to the Board.

5. Duties

The main duties of the Audit Committee are:

- to consider the appointment of a suitable accounting firm to act as external auditors. Among the factors that may be considered are adequacy of experience and resources of the firm, credentials of the persons assigned to the audit, and amount of the audit fee;
- to approve the appointment and termination of the Head of Internal Audit;
- to review the external and internal auditors’ audit plans, nature, and scope;
- to review the external auditors’ evaluation of the quality and the effectiveness of the system of accounting and financial reporting controls;

5. Duties (Cont'd.)

- to review the internal auditors' audit reports and evaluation of the governance, risk management, and compliance processes;
- to review and provide advice on the systems and practices established by Management to monitor compliance with laws, regulations, policies, and standards of ethical conduct, and identify and deal with any legal or ethical violations;
- to review the interim (if any) and the annual audited financial statements;
- to examine the appropriateness of the adopted accounting and business/operating policies and practices;
- to review whether there is a reasonable ground to believe that the external auditors are not independent and/or not suitable for reappointment;
- to review the appointment of external auditors for non-audit works to ensure the independence of the external auditors is not compromised by the non-audit works; and
- to undertake additional duties as may be appropriate and necessary as requested by the Board.

6. Highlight of Activities

The Audit Committee undertook the following duties in 2024:

- reviewed the Audited Financial Statements for the year ended 31 December 2023;
- approved the 2025 Internal Audit plan;
- reviewed the Internal Audit reports pertaining to Examination Question Bank, Programme Management, Agents Examination, and Event Management;
- reviewed the Ad-hoc Internal Audit report concerning controls put in place and implemented by Management to safeguard customer personal data;
- considered and endorsed Internal Audit's recommendations and Management's responses; and
- reviewed the Audit Findings Dashboard and implementation of the agreed corrective actions.

7. Internal Audit Department

Aii has a dedicated Internal Audit department which was established in 2002. The Internal Audit department assists the Audit Committee and Management on matters pertaining to governance, risk management and compliance processes. The department is currently staffed with 2 personnel, including the Head of Internal Audit who reports functionally to the Audit Committee and administratively to the Chief Executive Officer.

Notice of Annual General Meeting



ASIAN INSTITUTE OF INSURANCE
(fka: The Malaysian Insurance Institute)
Registration Number:197701004772 (35445-H)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 47th Annual General Meeting of **ASIAN INSTITUTE OF INSURANCE** (fka: The Malaysian Insurance Institute) ["the Company" or "Aii"] will be held at Hybrid Room 1 & 2, Podium Level 2, South Wing, Bangunan AICB, No. 10 Jalan Dato' Onn, 50480 Kuala Lumpur on Wednesday, 25 June 2025 at 3.00 p.m. to consider the following matters:

AGENDA

AS ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors' and Auditors' thereon.	Explanatory Notes A
2.	To re-elect the following Directors who retire pursuant to Article 72(3)(b) of the Company's Constitution and who being eligible offer themselves for re-election: (i) Mr. Tapan Kumar Rangam Bir (ii) Mr. T. Sivapalan AIL Tharmapalan	Ordinary Resolution 1 Ordinary Resolution 2
3.	To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.	Ordinary Resolution 3

SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolution, with or without modifications:

4.	Proposed Directors' Benefits To approve the payment of directors' meeting allowance of RM500 per meeting, payment of Aii membership fees and subscriptions fees by Aii for its directors effective from the conclusion of the 47th Annual General Meeting until the conclusion of the 48th Annual General Meeting.	Ordinary Resolution 4
5.	Proposed amendments to the Constitution of the Company "THAT subject to Minister of Domestic Trade and Consumer Affairs approval being obtained, the existing Articles 8, 15(2) and 72(5) of the Articles of Association of the Company be amended by deleting the existing articles in its entirety and substituting in place thereof the following new Articles 8, 15(2) and 72(5):- Article 8: Affiliation shall be open to all individuals engaged or employed in an insurance related field or in the financial services sector as approved by the Board, or such other person authorised by the Board.	Special Resolution 1

5.	<p>Proposed amendments to the Constitution of the Company (Cont'd)</p> <p>Article 15(2): The status of an Affiliate, an Honorary Fellow or a Distinguished Honorary Fellow who fails to observe any of the Constitution or pronouncements of the Board under the Article(s) in relation to Prohibition of Certain Acts and Conducts may, upon the recommendations of the Disciplinary Committee be withdrawn by a resolution of not less than two-thirds (2/3) of the Directors present and voting at a meeting of the Board of Directors. Such Affiliate, Honorary Fellow or Distinguished Honorary Fellow may within fourteen (14) days next after notice of the withdrawal of an Affiliate, Honorary Fellow or Distinguished Honorary Fellow appeal from the decision of the Board to a special General Meeting of the Institute which shall be convened by the Board within twenty-eight (28) days of the receipt of notice of such appeal.</p> <p>Article 72(5): No person shall be appointed as Director of the Institute unless his appointment has been approved by the Minister pursuant to the Act.</p> <p>AND THAT the Board of Directors of the Company be and are hereby authorised to assent to any conditions, modification, variation and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing."</p>	Special Resolution 1
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6.	<p>To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.</p>	
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By Order of the Board



SUZANA BINTI AHMAD
Bar Council No. BC/S/356
SSM PC No.: 201908003317
Company Secretary

Kuala Lumpur
Dated: 3 June 2025

NOTES:

- a. A member entitled to attend and vote at this meeting is entitled to appoint one proxy or accredited representative respectively to attend and vote in his stead.
- b. Only an Individual Member shall be a proxy and no proxy shall be a proxy for more than two (2) Individual Members.
- c. The instrument appointing a proxy or accredited representative and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Company's Registered Office at Level 6, Bangunan AICB 10, Jalan Dato' Onn 50480, Kuala Lumpur or send by any electronic means not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment meeting at which the person named in the instrument proposes to vote.

Explanatory Notes A:

1. *Audited Financial Statements for the financial year ended 31st December 2024*

This item of the Agenda is meant for discussion only, as the provision of Section 340(1) (a) of the Companies Act 2016 ["CA 2016"] does not require the shareholders to formally approve the Audited Financial Statements. Hence, this item is not put forward for voting.

The Annual Report and Financial Statements can also be accessed and obtained through our homepage address, <https://aiiasia.org>

2. Ordinary Resolution 4 - Proposed Directors' Benefits

Section 230(1)(a) of the Companies Act 2016 provides that the fees of the directors and any benefits payable to directors of a public company shall be approved at a general meeting. As a matter of policy, All Board members do not receive directors' fees.

The proposed Ordinary Resolution No. 4, if duly passed, is to pay a meeting attendance allowance of RM500 per meeting to all All Directors who are not employed in the insurance industry or by Bank Negara Malaysia (hereinafter referred to as "the Retiree Directors") for all Board and Board Committees' meetings attended by the Retiree Directors and all meetings attended by the Retiree Director(s) in which they/he/she sit(s) in as an official representative(s) of All, and also to allow All to pay the annual membership fees and subscriptions fees for and on behalf of the Directors who are not receiving Directors' fees for their voluntary service to sit and serve on All Board.

THE MALAYSIAN INSURANCE INSTITUTE
[Registration Number:197701004772 (35445-H)]
(Incorporated in Malaysia)

Membership No.

PROXY / ACCREDITED REPRESENTATIVE FORM

I/We
(in block letters)

I/C No. / Passport No. Co. No. of
.....
(Full address)

being an Individual / Institutional Member of **ASIAN INSTITUTE OF INSURANCE** (fka: The Malaysian Insurance Institute) ["the Company" or "Aii"] hereby appoint the following person:

<input type="checkbox"/>	Name of Proxy/ Accredited Representative	NRIC No.	Membership No. (For proxy)	Mobile No.	Email	Address
	or failing him/her					
	Alternate Proxy					

☐ the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 47th Annual General Meeting of the Company, to be held at Hybrid Room 1 & 2, Podium Level 2, South Wing, Bangunan AICB, No. 10 Jalan Dato' Onn, 50480 Kuala Lumpur on Wednesday, 25 June 2025 at 3.00 p.m. or at any adjournment thereof.

My proxy/ our nominee is to vote as indicated below:

Ordinary Business		For	Against
1.	<u>Ordinary Resolution 1</u> To re-elect Mr. Tapan Kumar Rangam Bir as Director of the Company.		
2.	<u>Ordinary Resolution 2</u> To re-elect Mr. T. Sivapalan A/L Tharmapalan as Director of the Company.		

3.	<u>Ordinary Resolution 3</u> To re-appoint Messrs. Ernst & Young PLT as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.		
Special Business		For	Against
4.	<u>Ordinary Resolution 4</u> To approve the payment of directors' meeting allowance of RM500 per meeting, payment of Aii membership fees and subscriptions fees by Aii for its directors effective from the conclusion of the 47th Annual General Meeting until the conclusion of the 48th Annual General Meeting.		
5.	<u>Special Resolution 1</u> To approve the proposed amendments to the Constitution of the Company.		

(Please indicate with a "✓" or "X" in the space provided how you wish your vote to be cast. If no instructions as to voting is given, the proxy(ies) will vote or abstain from voting at his/her discretion.

Dated this ____ day of _____, 2025

Signature(s) of member(s)

**strike out whichever is not desired.*

NOTES:

- A member entitled to attend and vote at this meeting is entitled to appoint one proxy or accredited representative respectively to attend and vote in his stead.
- Only an Individual Member shall be a proxy and no proxy shall be a proxy for more than two (2) Individual Members.
- The instrument appointing a proxy or accredited representative and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the Company's Registered Office at Level 6, Bangunan AICB 10, Jalan Dato' Onn 50480, Kuala Lumpur or send by any electronic means not less than forty-eight (48) hours before the time appointed for holding the meeting or adjournment meeting at which the person named in the instrument proposes to vote.



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Malaysia

aiiasia.org