

# MANULIFE HOLDINGS BERHAD

Interim financial statements for the nine months period ended 30 September 2013

## Notes to the Interim Financial Statements

### 1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, “Interim Financial Reporting” and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2012, which were prepared in accordance with the Malaysian Financial Reporting Standards.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2012.

### 2. Significant accounting policies

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group’s consolidated audited financial statements for the financial year ended 31 December 2012, except for the adoption of the following:

<u>MFRSs/Interpretations</u>	<u>Effective Date</u>
MFRS 3 “Business Combinations”	1 January 2013
MFRS 7 “Financial instruments: Disclosures”	1 January 2013
MFRS 10 “Consolidated financial statements”	1 January 2013
MFRS 12 “Disclosure of interest in other entities”	1 January 2013
MFRS 13 “Fair value measurement”	1 January 2013
MFRS 101 “Presentation of items of other comprehensive income”	1 January 2013
MFRS 119 “Employee benefits”	1 January 2013
MFRS 127 “Separate financial statements”	1 January 2013

The adoption of the revised standards, amendments and interpretations issued by Malaysian Accounting Standards Board (“MASB”) in the current financial year do not have any material impact to the financial statements of the Group.

As at the date of authorisation of these interim financial statements, the revised MFRSs, amendments to MFRSs and IC Interpretations but not yet effective issued by MASB in the current year is not expected to have any material impact on the financial statements of the Group.

### 3. Status of audit qualification

There was no audit qualification in the annual financial statements for the preceding financial year ended 31 December 2012.

### 4. Seasonal/cyclical factors

The business operations of the Group are subject to the sales cycle of the insurance business and wealth business.

## **MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2013

### **Notes to the Interim Financial Statements (Continued)**

#### **5. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period ended 30 September 2013.

#### **6. Change in estimates**

The Group's insurance subsidiary, Manulife Insurance Berhad revised certain assumptions used for the actuarial liabilities valuation during the current quarter ended 30 September 2013. The change resulted in lower actuarial liabilities of RM45.5 million for the current quarter ended, with a corresponding increase in unallocated surplus for the participating business and net profit before tax of RM43.9 million and RM1.6 million, respectively.

Other than as disclosed above, there were no changes in the basis used for accounting estimates for the current financial period ended 30 September 2013.

#### **7. Debt and equity securities**

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period ended 30 September 2013.

#### **8. Dividends**

A first and final dividend of 15 sen per share, less 25% tax, amounting to RM22,766,625 for the financial year ended 31 December 2012, was approved at the Annual General Meeting held on 26 June 2013 and the dividend was paid on 16 July 2013.

No dividend has been declared in respect of the current financial period ended 30 September 2013.

#### **9. Material events subsequent to the end of the financial period**

On 13 November 2013, Manulife Holdings Berhad ("MHB") has entered into a conditional share purchase agreement to acquire 6,000,000 ordinary shares of RM1 each in MAAKL Mutual Berhad, representing the entire issued and paid up ordinary share capital of MAAKL Mutual Berhad, for a total cash consideration of RM96,475,000. The acquisition of shares is expected to be completed within 90 days from 13 November 2013.

Other than the above, there is no material event subsequent to the end of the financial period under review that has not been reported in the interim financial statements for the current financial period to date.

#### **10. Changes in composition of the Group**

There is no change in the Group's composition for the current financial period ended 30 September 2013, pending the completion of the acquisition of shares as disclosed in Note 9.

#### **11. Contingent liabilities**

There are no contingent liabilities as at the date of this report since the date of the last annual statement of financial position.

## **MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2013

### **Notes to the Interim Financial Statements (Continued)**

#### **12. Current year prospects**

Although there is still uncertainty about the global economic growth and the continuation of Quantitative Easing on the back of mixed economic indicators, the economic growth trend in Malaysia is expected to persist at a moderate rate. We will execute our business expansion per plan which rides on various initiatives undertaken by the Government. The Group takes a holistic customer-centric approach when offering forward thinking solutions that will help our customers' most significant financial decisions. Nevertheless, the Group will remain prudent in its utilisation and management of resources along the growth journey.

With the new 10-year strategic bancassurance relationship with Alliance Bank Malaysia Berhad ("ABMB"), we will market, promote and sell life insurance products to ABMB's customers. It also broadens the existing distribution which will enhance the economies of scale and profitability. We launched a suite of new products that are tailor made for ABMB's customers.

Manulife Malaysia celebrates its 50th anniversary in 2013. As a total financial solutions provider offering a range of innovative products from living benefits to retirement solutions, our strategic plans will enhance the Group's competitiveness in the insurance, unit trust and asset management industries.

Barring any unforeseen circumstances, the Directors expect the Group's performance to remain satisfactory in the current financial year ending 31 December 2013 as the Group embarks on its business expansion.

#### **13. Profit forecast**

The Group did not issue any profit forecast during the financial period to date.

#### **14. Group borrowings**

The Group does not have any borrowings as at 30 September 2013.

#### **15. Material litigation**

There is no material litigation as at the date of this report since the date of the last annual statement of financial position.

#### **16. Status of corporate proposal**

As at the date of this report, other than as disclosed in Note 9, there are no corporate proposals that have been announced but not completed.

#### **17. Significant event**

On 13 June 2013, the insurance subsidiary of the Group signed a 10-year strategic bancassurance agreement with ABMB.

Total consideration under this exclusive agreement amounts up to RM70 million. As of 30 September 2013, RM30 million was paid and was capitalised. The amount capitalised will be amortised over the duration of the agreement.

# MANULIFE HOLDINGS BERHAD

Interim financial statements for the nine months period ended 30 September 2013

## Notes to the Interim Financial Statements (Continued)

### 18. Operating segments

The core businesses of the Group are the life insurance business, management of unit trust funds, private retirement scheme funds, investments and fund management. Segment information is presented in respect of the Group's business segments which are as follows:

Investment holding : Investment holding operations  
 Life insurance : Underwriting of Participating and Non-participating life insurance and unit-linked products  
 Others : Asset management, unit trust, private retirement scheme funds and other segments

	Cumulative 9 months ended 30 September							
	Investment holding		Life insurance business		Others		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>External revenue</u>								
(a) Premium Income								
Gross premiums	-	-	464,365	363,993	-	-	464,365	363,993
Premiums ceded to reinsurers	-	-	(7,809)	(7,435)	-	-	(7,809)	(7,435)
Net premiums	-	-	456,556	356,558	-	-	456,556	356,558
(b) Investment income	9,184	7,710	108,718	110,602	1,933	552	119,835	118,864
(c) Net realised gains	1,752	1,903	69,336	42,735	-	-	71,088	44,638
(d) Net fair value (losses)/gains	(96)	(137)	34,344	32,961	-	-	34,248	32,824
(e) Fee income	-	-	-	-	4,994	1,317	4,994	1,317
(f) Other operating income	-	19	799	725	(3)	(10)	796	734
<b>Total external revenue</b>	<b>10,840</b>	<b>9,495</b>	<b>669,753</b>	<b>543,581</b>	<b>6,924</b>	<b>1,859</b>	<b>687,517</b>	<b>554,935</b>
<u>Inter-segment revenue</u>								
(a) Rental income	580	557	289	278	-	-	869	835
(b) Fee income	271	969	-	-	5,165	5,028	5,436	5,997
(c) Dividend Income	200,010	-	-	-	-	-	200,010	-
(d) Net realised gains	107	-	442	-	-	-	549	-
(e) Fair value gains	-	-	19	-	-	-	19	-
<b>Total inter-segment revenue</b>	<b>200,968</b>	<b>1,526</b>	<b>750</b>	<b>278</b>	<b>5,165</b>	<b>5,028</b>	<b>206,883</b>	<b>6,832</b>
<b>Total revenue by segment</b>	<b>211,808</b>	<b>11,021</b>	<b>670,503</b>	<b>543,859</b>	<b>12,089</b>	<b>6,887</b>	<b>894,400</b>	<b>561,767</b>
<b>Profit/(loss) before taxation</b>	<b>3,740</b>	<b>4,686</b>	<b>49,830</b>	<b>44,392</b>	<b>(4,710)</b>	<b>(1,025)</b>	<b>48,860</b>	<b>48,053</b>
<b>Segment assets</b>	<b>558,598</b>	<b>381,575</b>	<b>3,856,918</b>	<b>3,740,533</b>	<b>236,974</b>	<b>67,373</b>	<b>4,652,490</b>	<b>4,189,481</b>
<b>Segment liabilities</b>	<b>12,536</b>	<b>12,860</b>	<b>3,503,722</b>	<b>3,235,042</b>	<b>46,788</b>	<b>7,672</b>	<b>3,563,046</b>	<b>3,255,574</b>

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Interim financial statements for the nine months period ended 30 September 2013

## Notes to the Interim Financial Statements (Continued)

### 18. Operating segments (continued)

#### Reconciliation of reportable segments

	Cumulative 9 months ended	
	30.09.2013	30.09.2012
	RM'000	RM'000
<b>Total revenue</b>		
Total revenue for reportable segments	894,400	561,767
Elimination of inter-segment revenue	(206,883)	(6,832)
<b>Total revenue as per statement of comprehensive income</b>	<b>687,517</b>	<b>554,935</b>
	<b>As at</b>	<b>As at</b>
	<b>30.09.2013</b>	<b>30.09.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment assets</b>		
Total assets for reportable segments	4,652,490	4,189,481
Elimination of inter-segment assets	(377,813)	(212,645)
<b>Total assets as per statement of financial position</b>	<b>4,274,677</b>	<b>3,976,836</b>
<b>Segment liabilities</b>		
Total liabilities for reportable segments	3,563,046	3,255,574
Elimination of inter-segment liabilities	(33,155)	(6,448)
<b>Total liabilities as per statement of financial position</b>	<b>3,529,891</b>	<b>3,249,126</b>

### 19. Review of performance

The management uses operating revenue as a measure of performance for each operating segment. Operating revenue for each reportable segment consists of gross premiums, investment income and fee income.

#### ***Financial Period ended September 2013 vs Financial Period ended September 2012***

The Group achieved operating revenue of RM589.2 million for the period ended 30 September 2013 (YTD September 2013), an increase of 21.7% or RM105.0 million compared to the corresponding financial period ended 30 September 2012 (YTD September 2012) of RM484.2 million. The Group's profit before tax was RM48.9 million for the YTD September 2013, RM0.8 million higher as compared to the profit before tax in the corresponding YTD September 2012 of RM48.1 million.

Performance of the respective operating business segments are as follows:

**Investment holding** – Operating revenue of the investment holding increased by RM1.5 million as compared to YTD September 2012 mainly due to higher interest income from fixed income securities. However, profit before tax decreased by RM0.1 million mainly caused by higher management expenses incurred in IT infrastructure enhancement and staff related expenses.

**Life insurance business** – Operating revenue of the life insurance business increased by RM98.5 million (2013: RM573.1 million, 2012: RM474.6 million) mainly due to higher gross premiums from investment-linked business during the current quarter as a result of new funds launched which were distributed via our new bancassurance partner. Profit before tax was higher in the current period due to higher investment income and higher realised gains on disposal of available-for-sale fixed income and equity securities, despite the increase from management expenses in IT infrastructure enhancement and business expansion initiatives.

**Other business** – Operating revenue improved in the current quarter (2013: RM6.9 million) as compared to the corresponding period in the preceding year (2012: RM1.9 million) mainly contributed by higher sales charge and management fee income earned on new fund launched and higher interest income. However, there was a loss before tax of RM4.7 million in the YTD September 2013 as compared to loss before tax of RM1.0 million in YTD September 2012. This was mainly attributable to the higher management expenses driven by increase in staff force to support the PRS business launched in November 2012.

## MANULIFE HOLDINGS BERHAD

Interim financial statements for the nine months period ended 30 September 2013

### Notes to the Interim Financial Statements (Continued)

#### 19. Review of performance (continued)

##### 3rd Quarter 2013 vs 3rd Quarter 2012

The Group recorded operating revenue of RM259.2 million for the quarter ended 30 September 2013, an increase of 52.2% or RM88.9 million compared to the corresponding quarter ended 30 September 2012 of RM170.3 million. The Group's profit before tax was RM22.9 million for the current quarter, RM4.7 million higher as compared to the profit before tax in the corresponding quarter ended 30 September 2012 of RM18.2 million.

Performance of the respective operating business segments are as follows:

**Investment holding** – Operating revenue of the investment holding was higher in current quarter (2013: RM3.9 million) as compared to the preceding year's corresponding quarter (2012: RM2.5 million) due to higher interest income from fixed income securities. Profit before tax improved by RM0.5 million as compared to corresponding quarter ended 30 September 2012 mainly attributable to higher investment income and realised gains on disposal of equity securities, partially offset by higher management expenses incurred in IT infrastructure enhancement and staff related expenses.

**Life insurance business** – Operating revenue of the life insurance business increased by RM83.2 million (2013: RM250.2 million, 2012: RM167.0 million) mainly due to higher gross premiums during the current quarter. Profit before tax was higher in the current quarter mainly due to higher interest rate contributing to reduction in actuarial liabilities.

**Other business** – Operating revenue increased in the current quarter (2013: RM5.1 million) as compared to the corresponding quarter in the preceding year (2012: RM0.9 million) mainly contributed by higher sales charge and management fee income earned on new fund launched and higher interest income. In tandem with the higher sales charge and management fee income earned in the current quarter, the loss before tax reduced by RM0.7 million to RM0.3 million as compared to third quarter 2012.

#### 20. Material changes in the quarterly results compared to the results of preceding quarter

The Group attained higher profit before tax of RM22.9 million for the current quarter under review as compared to the profit before tax of RM20.0 million in preceding quarter ended 30 June 2013. The increase of RM2.9 million was mainly attributable to the reduction in actuarial liabilities due to higher interest rate.

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Interim financial statements for the nine months period ended 30 September 2013

**Notes to the Interim Financial Statements (Continued)****21. Net premiums**

Net premiums which are stated net of reinsurance expenses comprise the following:-

	<b>3 months ended</b>		<b>Cumulative 9 months ended</b>	
	<b>30.09.2013</b>	<b>30.09.2012</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
First year premium	22,790	17,721	56,447	47,945
Renewal year premium	112,188	106,416	319,921	303,175
Single premium	76,318	1,980	80,188	5,438
<b>Total</b>	<b>211,296</b>	<b>126,117</b>	<b>456,556</b>	<b>356,558</b>

**22. Investment income**

	<b>3 months ended</b>		<b>Cumulative 9 months ended</b>	
	<b>30.09.2013</b>	<b>30.09.2012</b>	<b>30.09.2013</b>	<b>30.09.2012</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Financial assets at FVTPL</u>				
- designated upon initial recognition				
Interest/profit income	3,318	3,858	10,781	11,517
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	2,573	1,893	6,490	5,035
- quoted outside Malaysia	4	-	40	-
Accretion of discounts, net of amortisation of premiums	(42)	152	170	338
<u>AFS financial assets</u>				
Interest/profit income	18,403	17,692	54,373	52,056
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	7,678	7,523	20,600	20,397
- unquoted	70	-	133	35
Accretion of discounts, net of amortisation of premiums	622	801	2,099	2,445
<u>Loans and receivables</u>				
Interest/profit income	6,047	6,123	17,179	18,854
Accretion of discounts, net of amortisation of premiums	610	582	1,809	1,723
<u>Investment properties</u>				
Rental income	1,769	1,834	5,321	5,232
<u>Cash and cash equivalents</u>				
Interest/profit sharing income	68	463	840	1,232
	<b>41,120</b>	<b>40,921</b>	<b>119,835</b>	<b>118,864</b>

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Interim financial statements for the nine months period ended 30 September 2013

## Notes to the Interim Financial Statements (Continued)

### 23. Other operating expenses

	3 months ended		Cumulative 9 months ended	
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
	RM'000	RM'000	RM'000	RM'000
Net foreign exchange (gains)/losses	(5,657)	3,783	(6,582)	3,535
Interest expense on agent's bond withheld	6	8	20	24
Others	146	-	1,285	-
Tax on investment income of Life fund and Investment-linked funds				
- Current tax	4,652	4,082	9,555	10,931
- Deferred tax	(276)	39	362	1,090
	4,376	4,121	9,917	12,021
	<u>(1,129)</u>	<u>7,912</u>	<u>4,640</u>	<u>15,580</u>

The income tax for the Life fund and Investment-linked funds of the Group's insurance subsidiary is calculated based on the tax rate of 8% (2012: 8%) of the assessable investment income, net of allowable deductions for the financial period.

### 24. Profit before taxation

	3 months ended		Cumulative 9 months ended	
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
	RM'000	RM'000	RM'000	RM'000
<b>Profit before taxation is arrived at after charging/(crediting):</b>				
Amortisation of intangible assets	1,174	229	1,860	665
Depreciation of property and equipment	519	474	1,580	1,434
Investment income (Note 22)	(41,120)	(40,921)	(119,835)	(118,864)
(Recovery)/allowance of impairment loss on insurance receivables	-	(1)	6	(19)
Net foreign exchange (gains)/losses	(5,657)	3,783	(6,582)	3,535
Net realised gains				
- realised gains on disposal of property and equipments	-	(15)	-	(15)
- realised gains on disposal of AFS investments	(29,379)	(15,993)	(71,088)	(44,390)
- realised gains on disposal of loans and receivables	-	-	-	(233)
	<u>(29,379)</u>	<u>(16,008)</u>	<u>(71,088)</u>	<u>(44,638)</u>



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Interim financial statements for the nine months period ended 30 September 2013

**Notes to the Interim Financial Statements (Continued)****24. Profit before taxation (continued)**

	3 months ended		Cumulative 9 months ended	
	30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
<b>Profit before taxation is arrived at after charging/(crediting):</b>				
Net fair value gains				
- fair value gains on FVTPL investments	(5,482)	(14,006)	(34,821)	(38,042)
- impairment loss on quoted equities	-	4,333	573	5,218
	(5,482)	(9,673)	(34,248)	(32,824)

Other than the above, there was no gain or loss on derivatives for the current quarter and period ended 30 September 2013.

**25. Taxation**

	3 months ended		Cumulative 9 months ended	
	30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
<u>Income tax</u>				
Current financial year	4,822	4,746	12,079	10,707
Over provision in prior financial year	(2,892)	-	(2,892)	-
	1,930	4,746	9,187	10,707
<u>Deferred tax</u>				
Origination and reversal of temporary differences	(40)	(74)	50	(89)
Under/(over) provision in prior financial year	3	(122)	(10)	(3,102)
	(37)	(196)	40	(3,191)
	1,893	4,550	9,227	7,516

The income tax for the Group is calculated based on the tax rate of 25% (2012: 25%) of the estimated assessable profit for the financial year.

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Interim financial statements for the nine months period ended 30 September 2013

**Notes to the Interim Financial Statements (Continued)****25. Taxation (continued)**

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as below.

	3 months ended		Cumulative 9 months ended	
	30.09.2013 RM'000	30.09.2012 RM'000	30.09.2013 RM'000	30.09.2012 RM'000
Profit before taxation	22,880	18,166	48,860	48,053
Taxation at Malaysian statutory tax rate of 25%	5,720	4,541	12,215	12,013
Section 110B tax credit set off	(669)	82	(1,764)	(1,335)
Income not subject to tax	(864)	(1,058)	(1,564)	(1,955)
Expenses not deductible for tax purposes	1,147	1,107	2,630	1,895
Unrecognised deferred tax assets	(552)	-	612	-
	4,782	4,672	12,129	10,618
(Over)/under provision in prior financial year				
- Current tax**	(2,892)	-	(2,892)	-
- Deferred tax	3	(122)	(10)	(3,102)
	1,893	4,550	9,227	7,516

\*\* Included in the Current tax is the one off tax adjustment in respect of 2012 utilisation of group relief in holding company and higher single tier dividend exemption in insurance subsidiary of the Group.

**26. Earnings per share****(a) Basic earnings per share**

Basic earnings per share of the Group are calculated by dividing the net profit attributable to owners of the parent for the financial period by the weighted average number of ordinary shares in issue.

		3 months ended		Cumulative 9 months ended	
		30.09.2013	30.09.2012	30.09.2013	30.09.2012
Net profit attributable to owners of the Parent	(RM'000)	20,985	13,616	39,621	40,537
Weighted average number of ordinary shares in issue	('000)	202,370	202,370	202,370	202,370
Basic earnings per share	(Sen)	10.37	6.73	19.58	20.03

**(b) Diluted earnings per share**

There is no dilution in earnings per share as there are no dilutive potential ordinary shares as at 30 September 2013.

**MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2013

**Notes to the Interim Financial Statements (Continued)****27. Insurance contract liabilities**

The insurance contract liabilities as at the date of the statement of financial position comprise the following:

	<b>As at 30.09.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
Actuarial liabilities	2,097,937	2,138,525
Unallocated surplus	166,317	63,224
Fair value reserve	127,886	169,522
Investment-linked policyholders' account	565,955	432,416
	<u>2,958,095</u>	<u>2,803,687</u>

**28. Cash and cash equivalents**

Cash and cash equivalents as at the date of statement of financial position comprise the following:

	<b>As at 30.09.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
Shareholders and others	87,658	20,553
Non Investment-linked business	24,967	23,714
Investment-linked business	20,463	2,512
	<u>133,088</u>	<u>46,779</u>

**29. Capital commitment**

	<b>As at 30.09.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
<u>Exclusive bancassurance agreement</u>		
Contracted but not provided for	<u>40,000</u>	<u>-</u>

**MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2013

**Notes to the Interim Financial Statements (Continued)****30. Disclosure of realised and unrealised earnings**

Pursuant to the directives and guidance issued by Bursa Malaysia on 20 December 2010, the breakdown of the Group's retained earnings into realised and unrealised earnings is analysed as follows:

	<b>As at 30.09.2013</b>	<b>As at 31.12.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings of the Group:		
- Realised	507,209	481,113
- Unrealised	84,255	93,497
	<u>591,464</u>	<u>574,610</u>
Consolidation adjustments	24,124	24,124
Total retained earnings as per statement of financial position	<u><u>615,588</u></u>	<u><u>598,734</u></u>

The analysis of realised and unrealised earnings is made reference to the Guidance On Special Matter No. 1 "*Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*" issued by the Malaysian Institute of Accountants on 20 December 2010.

This note should be read in conjunction with the Consolidated Statement of Changes in Equity.

**BY ORDER OF THE BOARD**

Chua Siew Chuan  
**Joint Secretary**  
21 November 2013

Chin Mun Yee  
**Joint Secretary**