

MAA GROUP BERHAD (471403-A)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2015**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2015

	30 December 2015	31 December 2014 (Audited)
	RM'000	RM'000
ASSETS		
Property, plant and equipment	15,241	17,297
Investment properties	19,356	14,846
Intangible assets	2,904	3,584
Associates	67,954	64,866
Deferred tax assets	2,334	3,820
Tax recoverable	2,982	1,258
Reinsurance/retakaful assets	270,408	301,426
Investments	588,584	600,248
Financial assets at fair value through profit or loss	353,905	321,005
Available-for-sale financial assets	146,861	210,714
Held-to-maturity financial assets	40,632	41,002
Loans and receivables	47,186	27,527
Insurance/takaful receivables	81,041	156,895
Trade and other receivables	42,845	52,798
Cash and cash equivalents	350,512	342,268
Assets classified as held for sales	6,393	-
TOTAL ASSETS	1,450,554	1,559,306
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES		
LIABILITIES		
Insurance/takaful contract liabilities	846,608	847,128
Deferred tax liabilities	1,304	911
Insurance/takaful payables	88,322	209,677
Trade and other payables	63,599	57,543
Current tax liabilities	9,569	50
Liabilities directly associated with assets classified as held for sales	1,281	-
TOTAL LIABILITIES	1,010,683	1,115,309
EQUITY		
Share capital	292,692	304,354
Treasury shares	(444)	(1,312)
Retained earnings	112,638	113,845
Reserves	7,196	7,024
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	412,082	423,911
Non-controlling interests	27,789	20,086
TOTAL EQUITY	439,871	443,997
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	1,450,554	1,559,306
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.41	1.39

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014.

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2015

	3 months ended		12 months ended	
	31 December 2015	31 December 2014 (restated)	31 December 2015	31 December 2014 (restated)
	RM'000	RM'000	RM'000	RM'000
Operating revenue				
- Continuing operations	136,348	170,782	565,679	694,731
- Discontinued operations	56	69	417	256
	<u>136,404</u>	<u>170,851</u>	<u>566,096</u>	<u>694,987</u>
Gross earned premiums/contributions	128,813	160,839	528,352	654,480
Premiums/contributions ceded to reinsurers/retakaful operators	(47,349)	(57,288)	(193,995)	(224,839)
Net earned premiums/contributions	<u>81,464</u>	<u>103,551</u>	<u>334,357</u>	<u>429,641</u>
Investment income	6,761	9,126	30,264	33,157
Realised gains and losses - net	(477)	5,688	660	22,191
Fair value gains and losses - net	17,510	(25,355)	15,278	(28,339)
Fee and commission income	11,170	9,426	41,876	43,924
Other operating revenue from non-insurance businesses	774	817	7,063	7,094
Other operating income/(expenses) - net	46,527	(6,249)	54,222	9,685
Other revenue/(expenses)	<u>82,265</u>	<u>(6,547)</u>	<u>149,363</u>	<u>87,712</u>
Gross benefits and claims paid	(78,014)	(100,661)	(290,329)	(331,100)
Claims ceded to reinsurers/retakaful operators	30,776	29,191	98,472	121,556
Gross change to contract liabilities	(17,097)	(15,103)	(11,711)	(132,056)
Change in contract liabilities ceded to reinsurers/retakaful operators	(8,104)	25,587	(29,352)	35,960
Net insurance/takaful benefits and claims	<u>(72,439)</u>	<u>(60,986)</u>	<u>(232,920)</u>	<u>(305,640)</u>
Fee and commission expense	(24,928)	(27,069)	(98,818)	(102,615)
Management expenses	(33,257)	(18,998)	(118,143)	(108,580)
Expenses liabilities	(377)	(750)	(377)	(2,525)
Finance costs	-	(8)	-	(325)
Other expenses	<u>(58,562)</u>	<u>(46,825)</u>	<u>(217,338)</u>	<u>(214,045)</u>
Share of (loss)/profit of associates, net of tax	(22)	1,714	3,790	2,320
Profit/(loss) before taxation	<u>32,706</u>	<u>(9,093)</u>	<u>37,252</u>	<u>(12)</u>
Zakat	(72)	-	(72)	-
Profit/(loss) after zakat	<u>32,634</u>	<u>(9,093)</u>	<u>37,180</u>	<u>(12)</u>
Tax (expenses)/income attributable to participants	(1,190)	5,432	(3,188)	1,782
Profit/(loss) before taxation for Shareholders' fund and General fund	<u>31,444</u>	<u>(3,661)</u>	<u>33,992</u>	<u>1,770</u>
Taxation	(8,320)	6,605	(12,723)	352
Tax expenses/(income) attributable to participants	1,190	(5,432)	3,188	(1,782)
Tax (expenses)/income attributable to Shareholders' fund	(7,130)	1,173	(9,535)	(1,430)
Profit/(loss) for the financial quarter/year	<u>24,314</u>	<u>(2,488)</u>	<u>24,457</u>	<u>340</u>
DISCONTINUED OPERATIONS				
(Loss)/profit before taxation	(137)	7,121	(1,371)	17,474
Taxation	-	(20)	-	(21)
Profit/(loss) from discontinued operations	<u>(137)</u>	<u>7,101</u>	<u>(1,371)</u>	<u>17,453</u>
Profit for the financial quarter/year	<u>24,177</u>	<u>4,613</u>	<u>23,086</u>	<u>17,793</u>
Profit/(loss) for the financial quarter/year attributable to:				
Owners of the Company	25,565	5,413	24,625	16,742
Non-controlling interests	(1,388)	(800)	(1,539)	1,051
	<u>24,177</u>	<u>4,613</u>	<u>23,086</u>	<u>17,793</u>
Basic earnings/(loss) per ordinary share (sen) attributable to owners of the Company				
- Continuing operations	8.55	(0.55)	8.73	(0.23)
- Discontinued operations	(0.05)	2.33	(0.46)	5.74
	<u>8.50</u>	<u>1.78</u>	<u>8.27</u>	<u>5.51</u>

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2015

	3 months ended		12 months ended	
	31 December 2015	31 December 2014 (restated)	31 December 2015	31 December 2014 (restated)
	RM'000	RM'000	RM'000	RM'000
Profit for the financial quarter/year	24,177	4,613	23,086	17,793
Other comprehensive income/(loss), net of tax :				
<u>Items that may be subsequently reclassified to profit or loss:</u>				
Foreign currency translation differences	332	(3,804)	(9,789)	(4,029)
Fair value changes of available-for-sale financial assets, net of tax	(121)	(1,891)	(999)	(2,093)
Share of fair value changes of available-for-sale financial assets of associate	(329)	523	(702)	2,913
Other comprehensive loss for the financial quarter/year, net of tax	(118)	(5,172)	(11,490)	(3,209)
Total comprehensive income/(loss) for the financial quarter/year	24,059	(559)	11,596	14,584
Total comprehensive income/(loss) for the financial quarter/year attributable to:				
Owners of the Company	25,447	241	13,135	13,533
Non-controlling interests	(1,388)	(800)	(1,539)	1,051
	24,059	(559)	11,596	14,584

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2015

	Attributable to owners of the Company												
	Issued and fully paid ordinary shares		Treasury shares		Reserves					Retained earnings	Total	Non-controlling interests	Total equity
	Number of shares	Nominal value	Number of shares		Capital redemption reserves	Foreign exchange reserves	Available-for-sale reserves	Revaluation reserves					
000	RM'000	000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
2015													
As at 1 January 2015	304,354	304,354	(2,025)	(1,312)	-	4,360	2,664	-	113,845	423,911	20,086	443,997	
Profit/(loss) for the financial year	-	-	-	-	-	-	-	-	24,625	24,625	(1,539)	23,086	
Other comprehensive loss	-	-	-	-	-	(9,789)	(1,701)	-	-	(11,490)	-	(11,490)	
Total comprehensive loss for the financial year	-	-	-	-	-	(9,789)	(1,701)	-	24,625	13,135	(1,539)	11,596	
Interim dividend paid during the financial year	-	-	-	-	-	-	-	-	(17,786)	(17,786)	-	(17,786)	
Share buy-back	-	-	(9,128)	(7,178)	-	-	-	-	-	(7,178)	-	(7,178)	
Cancellation of treasury shares	(11,662)	(11,662)	11,662	8,046	11,662	-	-	-	(8,046)	-	-	-	
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	9,242	9,242	
As at 31 December 2015	292,692	292,692	509	(444)	11,662	(5,429)	963	-	112,638	412,082	27,789	439,871	

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE YEAR ENDED 31 DECEMBER 2015
(continued)

	Attributable to owners of the Company												
	Issued and fully paid ordinary shares		Treasury shares		Reserves					Retained earnings	Total	Non-controlling interests	Total equity
	Number of shares	Nominal value	Number of shares		Capital redemption reserves	Foreign exchange reserves	Available-for-sale reserves	Revaluation reserves	RM'000				
000	RM'000	000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
2014 (Audited)													
As at 1 January 2014	304,354	304,354	-	-	-	8,389	1,844	215	116,594	431,396	19,220	450,616	
Profit for the financial year	-	-	-	-	-	-	-	-	16,742	16,742	1,051	17,793	
Transfer of revaluation reserves to retained earnings arising from disposal of subsidiary	-	-	-	-	-	-	-	(215)	215	-	-	-	
Other comprehensive income/(loss)	-	-	-	-	-	(4,029)	820	-	-	(3,209)	-	(3,209)	
Total comprehensive income/(loss) for the financial year	-	-	-	-	-	(4,029)	820	(215)	16,957	13,533	1,051	14,584	
Interim dividend paid during the financial year	-	-	-	-	-	-	-	-	(18,262)	(18,262)	-	(18,262)	
Share buy-back	-	-	(2,025)	(1,312)	-	-	-	-	-	(1,312)	-	(1,312)	
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	(1,444)	(1,444)	(185)	(1,629)	
As at 31 December 2014	304,354	304,354	(2,025)	(1,312)	-	4,360	2,664	-	113,845	423,911	20,086	443,997	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	12 months ended	
	31 December 2015 RM'000	31 December 2014 RM'000
Profit for the financial year	24,457	340
Investment income	(30,264)	(33,157)
Realised gains and losses - net	(660)	(22,191)
Fair value gains and losses - net	(15,278)	28,339
Write back of impairment loss on loans and receivables	(92)	5,174
Finance costs	-	325
Purchases of financial assets	(445,773)	(378,942)
Proceeds from disposal of financial assets	495,427	348,220
Non-cash items:		
Property, plant and equipment		
- depreciation	3,335	3,339
- write off	-	298
- allowance for impairment loss	838	44
Amortisation of intangible assets	1,449	1,204
Amortisation of leases	2	2
(Write back of)/allowance for impairment loss on insurance/takaful receivables	(6,164)	6,737
Allowance for/(write back of) impairment loss on trade and other receivables	8,452	(393)
Bad debts written off/(recovered)	81	(94)
Unrealised foreign exchange gain	(3,952)	(171)
Net gain from deconsolidation	(48,324)	-
Share of profit of associates	(3,790)	(2,320)
Loss on derecognition of an associate	-	108
Tax expenses/(income)	12,723	(352)
Changes in working capital:		
Increase in loans and receivables	(1,636)	(4,980)
Decrease/(increase) in reinsurance/retakaful assets	24,509	(43,602)
Decrease/(increase) in insurance/takaful receivables	25,616	(112,710)
(Increase)/decrease in trade and other receivables	(5,425)	62,944
Increase in insurance/contract liabilities	34,000	169,392
Decrease in investment contract liabilities	-	(4,057)
(Decrease)/increase in insurance/takaful payables	(37,112)	98,607
Increase/(decrease) in trade and other payables	7,653	(42,070)
Cash generated from operating activities	40,072	80,034
Investment income received	29,282	30,765
Finance costs paid	-	(325)
Income tax paid	(6,044)	(8,209)
Income tax refund	578	1,831
Dividend paid	(17,786)	(18,262)
Net cash inflow from operating activities	46,102	85,834
Net cash (outflow)/inflow from operating activities - discontinued operations	(1,371)	14,992

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

(continued)

	12 months ended	
	31 December 2015	31 December 2014
	RM'000	RM'000
Investing activities:		
Purchase of property, plant and equipments	(2,268)	(1,782)
Proceeds from disposal of property, plant and equipments	39	196
Purchase of intangible assets	(817)	(1,817)
Proceeds from disposal of intangible assets	-	15
(Decrease)/ increase in fixed and call deposits	(16,269)	81,310
Net cash inflow from disposal of discontinued operations, net of transaction costs, deferred consideration and cash disposed	-	27
Net cash (outflow)/inflow from investing activities	(19,315)	77,949
Net cash outflow from investing activities - discontinued operations	(205)	-
Financing activities:		
Purchase of treasury shares	(7,178)	(1,312)
Repayment of borrowings	-	(4,715)
Acquisition of additional shares in subsidiaries	-	(1,600)
Net cash outflow from financing activities	(7,178)	(7,627)
Net increase in cash and cash equivalents	19,609	156,156
Net (decrease)/increase in cash and cash equivalents - discontinued opera	(1,576)	14,992
Currency translation difference	(9,789)	(6,005)
Cash and cash equivalents at beginning of financial year	342,268	177,125
Cash and cash equivalents at end of financial year	350,512	342,268
	-	-
Cash and cash equivalents comprise of:		
Fixed and call deposits with licensed banks	336,978	325,601
Cash and bank balance	13,534	16,667
	350,512	342,268

The Condensed Consolidated Statement of Cash flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2014.