

MAA GROUP BERHAD
(Registration No. 199801015274 (471403-A))
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND PERIOD ENDED 30 JUNE 2020**

MAA GROUP BERHAD

Registration No. 199801015274 (471403-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 JUNE 2020**

	As At 30 June 2020	(Audited) As At 31 December 2019
	RM'000	RM'000
ASSETS		
Property, plant and equipment	10,903	9,931
Right-of-use assets	9,834	13,740
Investment properties	52,111	51,373
Intangible assets	912	786
Goodwill on consolidation	26,911	26,911
Deferred tax assets	1,207	2,261
Tax recoverable	171	227
Investments	340,411	285,996
At fair value through profit or loss ("FVTPL")	123,357	95,328
At fair value through other comprehensive income ("FVOCI")	86,108	82,449
At amortised cost ("AC")	130,946	108,219
Loans and receivables	19,344	12,328
Reinsurance assets	77,797	77,552
Insurance receivables	65,358	56,693
Deferred acquisition costs	16,986	19,435
Trade and other receivables	61,512	34,726
Cash and cash equivalents	168,902	247,245
TOTAL ASSETS	852,359	839,204
EQUITY AND LIABILITIES		
LIABILITIES		
Insurance contract liabilities	212,883	216,589
Lease liabilities	9,862	13,718
Deferred tax liabilities	765	831
Insurance payables	20,909	22,676
Deferred reinsurance commissions	1,545	908
Trade and other payables	106,472	91,186
Retirement benefit liability	1,750	1,358
Current tax liabilities	5,581	255
TOTAL LIABILITIES	359,767	347,521
EQUITY		
Share capital	304,354	304,354
Treasury shares	(3,517)	-
Retained earnings	181,070	188,396
Reserves	7,137	(4,481)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	489,044	488,269
Non-controlling interests ("NCI")	3,548	3,414
TOTAL EQUITY	492,592	491,683
TOTAL EQUITY AND LIABILITIES	852,359	839,204
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.79	1.79

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

MAA GROUP BERHAD

Registration No. 199801015274 (471403-A)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 JUNE 2020**

	Individual Period		Cumulative Period	
	Current Year	Preceding Year	Current Year To	Preceding Year
	Quarter	Corresponding	Date	To Date
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	RM'000	RM'000	RM'000	RM'000
Operating revenue *	50,161	47,913	104,493	92,156
Gross earned premiums	37,981	41,094	78,466	80,342
Premiums ceded to reinsurers	(10,408)	(14,428)	(21,943)	(27,302)
Net earned premiums	27,573	26,666	56,523	53,040
Investment income	1,276	1,924	2,174	2,629
Interest income	3,288	3,868	7,077	7,237
Realised gains and losses - net	14,669	363	10,767	2,598
Fair value gains and losses - net	7,820	(5,444)	(13,429)	959
Commission income	539	630	981	1,135
Other operating revenue from non-insurance businesses	7,616	1,027	16,776	1,948
Other operating income/(expenses) - net	295	(976)	(3,320)	(1,317)
Other income - net	35,503	1,392	21,026	15,189
Total revenue	63,076	28,058	77,549	68,229
Gross claims paid	(10,517)	(11,265)	(29,898)	(24,571)
Claims ceded to reinsurers	3,837	1,228	10,889	4,159
Gross change to contract liabilities	3,469	(17,006)	7,125	(16,977)
Change in contract liabilities ceded to reinsurers	(1,108)	15,084	(5,507)	13,340
Net claims incurred	(4,319)	(11,959)	(17,391)	(24,049)
Commission expenses	(9,414)	(10,116)	(19,069)	(19,705)
Management expenses	(20,009)	(12,447)	(40,107)	(23,077)
Finance costs	(174)	(70)	(386)	(150)
Other expenses	(29,597)	(22,633)	(59,562)	(42,932)
Profit/(loss) before taxation	29,160	(6,534)	596	1,248
Taxation	(5,844)	(1,688)	(7,788)	(2,873)
Profit/(loss) for the financial quarter/period	23,316	(8,222)	(7,192)	(1,625)
Profit/(loss) for the financial quarter/period attributable to:				
Owners of the Company	23,171	(8,226)	(7,326)	(1,660)
NCI	145	4	134	35
	23,316	(8,222)	(7,192)	(1,625)
Basic earning/(loss) per ordinary share attributable to owners of the Company (sen)	8.48	(3.01)	(2.69)	(0.61)

* Operating revenue consists of gross earned premiums, investment income, interest income and other operating revenue from non-insurance businesses.

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 JUNE 2020**

	Individual Period		Cumulative Period	
	Current Year	Preceding Year	Current Year To	Preceding Year
	Quarter	Corresponding	Date	To Date
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the financial quarter/period	23,316	(8,222)	(7,192)	(1,625)
<u>Other comprehensive income/(loss)</u>				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Foreign currency translation differences	1,189	5,354	9,994	2,507
Net fair value (losses)/gains on debt securities at FVOCI	2,603	1,114	1,535	3,398
	3,792	6,468	11,529	5,905
<i>Items that will not be reclassified to profit or loss:</i>				
Net fair value gains/(losses) on equity securities at FVOCI	417	38	89	(93)
	417	38	89	(93)
Other comprehensive income for the financial quarter/period	4,209	6,506	11,618	5,812
Total comprehensive income/(loss) for the financial quarter/period	27,525	(1,716)	4,426	4,187
Total comprehensive income/(loss) for the financial quarter/period attributable to:				
Owners of the Company	27,380	(1,720)	4,292	4,152
NCI	145	4	134	35
	27,525	(1,716)	4,426	4,187

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.

MAA GROUP BERHAD

Registration No. 199801015274 (471403-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

	Attributable to owners of the Company								
	Share capital	Treasury shares	Reserves			Retained earnings	Total	NCI	Total equity
			Foreign exchange reserves	FVOCI reserves	Total				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
6 Months Ended 30 June 2020									
At 1 January 2020	304,354	-	(5,824)	1,343	(4,481)	188,396	488,269	3,414	491,683
(Loss)/profit for the financial period	-	-	-	-	-	(7,326)	(7,326)	134	(7,192)
Other comprehensive income	-	-	9,994	1,624	11,618	-	11,618	-	11,618
Total comprehensive income/(loss) for the financial period	-	-	9,994	1,624	11,618	(7,326)	4,292	134	4,426
Shares buy-back	-	(3,517)	-	-	-	-	(3,517)	-	(3,517)
At 30 June 2020	<u>304,354</u>	<u>(3,517)</u>	<u>4,170</u>	<u>2,967</u>	<u>7,137</u>	<u>181,070</u>	<u>489,044</u>	<u>3,548</u>	<u>492,592</u>
	-	-	-	-	-	-	-	-	-
6 Months Ended 30 June 2019									
At 1 January 2019	304,354	-	(7,237)	(3,949)	(11,186)	236,931	530,099	3,419	533,518
(Loss)/profit for the financial period	-	-	-	-	-	(1,660)	(1,660)	35	(1,625)
Other comprehensive income	-	-	2,507	3,305	5,812	-	5,812	-	5,812
Total comprehensive income/(loss) for the financial period	-	-	2,507	3,305	5,812	(1,660)	4,152	35	4,187
At 30 June 2019	<u>304,354</u>	<u>-</u>	<u>(4,730)</u>	<u>(644)</u>	<u>(5,374)</u>	<u>235,271</u>	<u>534,251</u>	<u>3,454</u>	<u>537,705</u>

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 2019.

MAA GROUP BERHAD

Registration No. 199801015274 (471403-A)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

	Current Year To Date 30 June 2020	Preceding Year To Date 30 June 2019
	RM'000	RM'000
Loss for the financial period	(7,192)	(1,625)
Adjustment for:		
Investment income	(2,174)	(2,629)
Interest income	(7,077)	(7,237)
Realised gains and losses	(10,767)	(2,598)
Fair value gains and losses	13,429	(959)
Allowance for/(write back of) impairment loss on:		
- investments at AC	34	352
- loans from money lending, hire purchase and other credit activities	2,213	-
- amounts due from associate companies	2,410	-
- cash and cash equivalents	(7)	(28)
- insurance receivables	657	(77)
- trade receivables	(87)	-
- factoring receivables	4,316	-
Realised foreign exchange (gains)/losses - net	(47)	271
Unrealised foreign exchange gains - net	(794)	589
Property, plant and equipment written off	-	4
Depreciation of property, plant and equipment	1,275	468
Depreciation of right-of-use assets	4,110	913
Amortisation of leasehold lands	1	1
Amortisation of intangible assets	77	36
Finance costs	386	150
Tax expenses	7,788	2,873
Changes in working capital:		
Increase in loans and receivables	(15,987)	(11)
Increase in reinsurance assets	(245)	(17,104)
Increase in insurance receivables	(8,821)	(11,771)
Decrease/(increase) in deferred acquisition costs	2,449	(739)
(Increase)/decrease in trade and other receivables	(34,452)	85,888
(Decrease)/increase in insurance contract liabilities	(3,706)	27,558
(Decrease)/increase in insurance payables	(1,767)	9,212
Increase in deferred reinsurance commission	637	312
Increase in trade and other payables	15,286	12,622
Cash (used in)/generated from operating activities	(38,055)	96,471
Income tax paid	(1,126)	(3,349)
Income tax refund	-	14
Net cash (used in)/generated from operating activities	(39,181)	93,136

MAA GROUP BERHAD

Registration No. 199801015274 (471403-A)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

(continued)

	Current Year To Date 30 June 2020	Preceding Year To Date 30 June 2019
	RM'000	RM'000
Investing activities:		
Purchase of property, plant and equipment	(2,214)	(1,354)
Proceeds from disposal of property, plant and equipment	10	385
Addition from subsequent expenditure of investment properties	-	(372)
Purchase of intangible assets	(125)	(55)
Purchase of investments	(425,993)	(87,328)
Proceeds from disposal of investments	385,755	66,778
Decrease in fixed and call deposits	6,756	(137)
Interest income received	7,077	7,362
Dividend income received	3,269	2,491
Rental income received	142	141
Net cash used in investing activities	(25,323)	(12,089)
Financing activities:		
Purchase of treasury shares	(3,517)	-
Repayment of lease liabilities	(4,043)	(1,152)
Finance costs paid	(384)	(150)
Net cash used in financing activities	(7,944)	(1,302)
Net (decrease)/increase in cash and cash equivalents	(72,448)	79,745
Currency translation difference	(5,895)	(1,834)
Cash and cash equivalents at beginning of financial year	247,245	251,132
Cash and cash equivalents at end of financial period	168,902	329,043
	-	-
Cash and cash equivalents comprise of:		
Fixed and call deposits with licensed banks	96,931	214,807
Cash and bank balance	71,971	114,236
	168,902	329,043

The Condensed Consolidated Statement of Cash flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2019.