

MAA GROUP BERHAD

(Registration No. 199801015274 (471403-A))

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2020**

MAA GROUP BERHAD

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2020**

	As At 31 December 2020	(Restated) As At 31 December 2019	(Restated) As At 1 January 2019
	RM'000	RM'000	RM'000
ASSETS			
Property, plant and equipment	15,868	9,931	4,105
Right-of-use assets	13,535	13,740	-
Investment properties	51,293	51,373	46,234
Intangible assets	1,344	786	658
Goodwill on consolidation	30,887	26,911	-
Associates	1,225	-	-
Deferred tax assets	4,583	2,261	2,045
Tax recoverable	145	227	177
Investments	416,899	285,996	239,473
At fair value through profit or loss ("FVTPL")	202,377	95,328	105,273
At fair value through other comprehensive income ("FVOCI")	76,853	82,449	64,740
At amortised cost ("AC")	137,669	108,219	69,460
Loans and receivables	27,720	12,328	4,528
Reinsurance assets	62,873	77,552	40,023
Insurance receivables	60,194	56,693	47,608
Deferred acquisition costs	21,085	19,435	17,447
Trade and other receivables	62,418	34,726	103,369
Retirement benefit asset	-	-	101
Cash and cash equivalents	110,462	247,245	251,132
TOTAL ASSETS	880,531	839,204	756,900
EQUITY AND LIABILITIES			
LIABILITIES			
Insurance contract liabilities	200,515	216,589	149,233
Lease liabilities	14,131	13,718	0
Deferred tax liabilities	690	831	748
Insurance payables	20,555	22,676	13,580
Deferred reinsurance commissions	2,062	908	833
Trade and other payables	110,709	74,414	39,664
Retirement benefit liability	1,219	1,358	-
Current tax liabilities	1,632	255	2,552
TOTAL LIABILITIES	351,513	330,749	206,610
EQUITY			
Share capital	304,354	304,354	304,354
Retained earnings	237,508	205,168	253,703
Reserves	(8,855)	(4,481)	(11,186)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	533,007	505,041	546,871
Non-controlling interests ("NCI")	(3,989)	3,414	3,419
TOTAL EQUITY	529,018	508,455	550,290
TOTAL EQUITY AND LIABILITIES	880,531	839,204	756,900
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.02	1.85	2.00

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.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020**

	Individual Period		Cumulative Period	
	Current Year	Preceding Year	Current Year To	Preceding Year
	Quarter	Corresponding Quarter	Date	To Date
	31 December	31 December	31 December	31 December
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Operating revenue *	49,353	54,139	213,621	194,400
Gross earned premiums	36,548	43,959	158,298	166,121
Premiums ceded to reinsurers	(12,506)	(18,298)	(50,501)	(59,193)
Net earned premiums	24,042	25,661	107,797	106,928
Investment income	942	790	4,256	4,408
Interest income	2,917	4,477	12,698	15,967
Realised gains and losses - net	7,303	372	7,351	3,198
Fair value gains and losses - net	19,091	(3,050)	22,002	(398)
Commission income	643	586	2,557	2,284
Other operating revenue from non-insurance businesses	8,946	4,913	38,369	7,904
Other operating income/(expenses) - net	3,635	(14,006)	9,284	(16,660)
Other income/(expenses) - net	43,477	(5,918)	96,517	16,703
Total revenue	67,519	19,743	204,314	123,631
Gross claims paid	(14,864)	(14,584)	(58,670)	(54,430)
Claims ceded to reinsurers	5,041	6,622	19,274	14,318
Gross change to contract liabilities	15,079	(30,902)	23,990	(54,282)
Change in contract liabilities ceded to reinsurers	(17,872)	20,377	(22,163)	35,800
Net claims incurred	(12,616)	(18,487)	(37,569)	(58,594)
Commission expenses	(9,477)	(10,599)	(38,602)	(40,554)
Management expenses	(27,053)	(18,049)	(82,469)	(53,745)
Finance costs	(204)	(87)	(729)	(263)
Other expenses	(36,734)	(28,735)	(121,800)	(94,562)
Operating profit/(loss)	18,169	(27,479)	44,945	(29,525)
Share of loss of an associate, net of tax	(44)	-	(44)	-
Profit/(loss) before taxation	18,125	(27,479)	44,901	(29,525)
Taxation	5,250	1,146	(5,840)	(1,737)
Profit/(loss) for the financial quarter/year	23,375	(26,333)	39,061	(31,262)
Profit/(loss) for the financial quarter/year attributable to:				
Owners of the Company	24,355	(26,258)	39,789	(31,217)
NCI	(980)	(75)	(728)	(45)
	23,375	(26,333)	39,061	(31,262)
Basic earning/(loss) per ordinary share attributable to owners of the Company (sen)	8.94	(9.60)	14.82	(11.42)

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE FINANCIAL QUARTER AND YEAR ENDED 31 DECEMBER 2020**

	Individual Period		Cumulative Period	
	Current Year Quarter 31 December 2020	Preceding Year Corresponding Quarter 31 December 2019	Current Year To Date 31 December 2020	Preceding Year To Date 31 December 2019
	RM'000	RM'000	RM'000	RM'000 (Audited)
Profit/(loss) for the financial quarter/year	23,375	(26,333)	39,061	(31,262)
<u>Other comprehensive income/(loss)</u>				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Foreign currency translation differences	(13,937)	(2,431)	(5,318)	1,413
Net fair value gains on debt securities at FVOCI	1,230	687	1,535	4,758
	(12,707)	(1,744)	(3,783)	6,171
<i>Items that will not be reclassified to profit or loss:</i>				
Net fair value losses on equity securities at FVOCI	(816)	(166)	(591)	534
Remeasurement loss on retirement benefit plan	(434)	(732)	(434)	(732)
	(1,250)	(898)	(1,025)	(198)
Other comprehensive (loss)/income for the financial quarter/year	(13,957)	(2,642)	(4,808)	5,973
Total comprehensive income/(loss) for the financial quarter/year	9,418	(28,975)	34,253	(25,289)
Total comprehensive income/(loss) for the financial quarter/period attributable to:				
Owners of the Company	10,398	(28,900)	34,981	(25,244)
NCI	(980)	(75)	(728)	(45)
	9,418	(28,975)	34,253	(25,289)

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.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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	
12 Months Ended 31 December 2020									
At 1 January 2020									
- as previously stated	304,354	-	(5,824)	1,343	(4,481)	188,396	488,269	3,414	491,683
- prior year adjustment	-	-	-	-	-	16,772	16,772	-	16,772
- restated	304,354	-	(5,824)	1,343	(4,481)	205,168	505,041	3,414	508,455
Profit/(loss) for the financial year	-	-	-	-	-	39,789	39,789	(728)	39,061
Other comprehensive (loss)/income	-	-	(5,318)	944	(4,374)	(434)	(4,808)	-	(4,808)
Total comprehensive income/(loss) for the financial year	-	-	(5,318)	944	(4,374)	39,355	34,981	(728)	34,253
Shares buy-back	-	(7,015)	-	-	-	-	(7,015)	-	(7,015)
Cancellation of treasury shares	-	7,015	-	-	-	(7,015)	-	-	-
Transaction with NCI	-	-	-	-	-	-	-	(6,675)	(6,675)
At 31 December 2020	304,354	-	(11,142)	2,287	(8,855)	237,508	533,007	(3,989)	529,018

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

(continued)

	Attributable to owners of the Company								
	Share capital	Treasury shares	Foreign exchange reserves	FVOCI reserves	Reserves Total	Retained earnings	Total	NCI	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 Months Ended 31 December 2019									
(Audited)									
At 1 January 2019									
- as previously stated	304,354	-	(7,237)	(3,949)	(11,186)	236,931	530,099	3,419	533,518
- prior year adjustment	-	-	-	-	-	16,772	16,772	-	16,772
- restated	304,354	-	(7,237)	(3,949)	(11,186)	253,703	546,871	3,419	550,290
Loss for the financial year	-	-	-	-	-	(31,217)	(31,217)	(45)	(31,262)
Other comprehensive income/(loss)	-	-	1,413	5,292	6,705	(732)	5,973	-	5,973
Total comprehensive income/(loss) for the financial year	-	-	1,413	5,292	6,705	(31,949)	(25,244)	(45)	(25,289)
Shares buy-back	-	(175)	-	-	-	-	(175)	-	(175)
Cancellation of treasury shares	-	175	-	-	-	(175)	-	-	-
Interim dividends paid	-	-	-	-	-	(16,411)	(16,411)	-	(16,411)
Transaction with NCI	-	-	-	-	-	-	-	40	40
At 31 December 2019	304,354	-	(5,824)	1,343	(4,481)	205,168	505,041	3,414	508,455

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.

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Current Year To Date 31 December 2020	Preceding Year To Date 31 December 2019
	RM'000	RM'000
Profit/(loss) for the financial year	39,061	(31,262)
Adjustment for:		
Investment income	(4,256)	(4,408)
Interest income	(12,698)	(15,967)
Realised gains and losses	(7,351)	(3,198)
Fair value gains and losses	(22,002)	398
Property, plant and equipment written off	1	1,036
Allowance for/(write back of) impairment loss on:		
- investments at AC	264	403
- investments at FVOCI	(3)	5
- loans from money lending, hire purchase and other credit activities	392	506
- amounts due from associate companies	(103)	2,998
- cash and cash equivalents	23	(31)
- trade and other receivables	206	385
- insurance receivables	554	(734)
Realised foreign exchange (gains)/losses - net	(8,949)	127
Unrealised foreign exchange losses - net	2,205	1,799
Provision for Zurich's claims	-	5,127
Allowance for impairment loss on goodwill acquired	3,785	4,996
Depreciation of property, plant and equipment	3,139	2,242
Amortisation of leasehold lands	1	1
Depreciation of right-of-use assets	8,565	3,500
Amortisation of intangible assets	179	83
Share of loss of associates	44	-
Finance costs	729	263
Tax expenses	5,840	1,737
Changes in working capital:		
Acquisition of investment properties from claims recovery	-	(4,829)
Increase in loans and receivables	(15,804)	(1,004)
(Decrease)/increase in reinsurance assets	14,679	(37,529)
Increase in insurance receivables	(3,620)	(8,410)
Increase in deferred acquisition costs	(1,650)	(1,988)
(Increase)/decrease in trade and other receivables	(29,773)	66,920
(Decrease)/increase in insurance contract liabilities	(16,074)	67,356
(Decrease)/increase in insurance payables	(2,121)	9,096
Increase in deferred reinsurance commission	1,154	75
Increase in trade and other payables	12,656	13,742
Cash (used in)/generated from operating activities	(30,927)	73,435
Income tax paid	(7,698)	(4,221)
Income tax refund	210	20
Net cash (used in)/generated from operating activities	(38,415)	69,234

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

(continued)

	Current Year To Date 31 December 2020	Preceding Year To Date 31 December 2019
	RM'000	RM'000
Investing activities:		
Purchase of property, plant and equipment	(6,202)	(3,400)
Proceeds from disposal of property, plant and equipment	68	423
Addition from subsequent expenditure of investment properties	(24)	(470)
Purchase of intangible assets	(354)	(170)
Purchase of investments	(847,926)	(208,357)
Proceeds from disposal of investments	753,080	174,685
Investment in an associate	(1,250)	-
Decrease/(increase) in fixed and call deposits	18	(7,304)
Net cash inflow/(outflow) from business combinations	3,248	(26,316)
Interest income received	12,698	15,967
Dividend income received	6,602	4,141
Rental income received	149	267
Net cash used in investing activities	(79,893)	(50,534)
Financing activities:		
Purchase of treasury shares	(7,015)	(175)
Dividends paid	-	(16,411)
Repayment of lease liabilities	(8,396)	(3,183)
Lease interest paid	(674)	(257)
Hire purchase interest paid	(3)	(6)
Other interest paid	(53)	-
Net cash used in financing activities	(16,141)	(20,032)
Net decrease increase in cash and cash equivalents	(134,449)	(1,332)
Currency translation difference	(2,334)	(2,555)
Cash and cash equivalents at beginning of financial year	247,245	251,132
Cash and cash equivalents at end of financial year	110,462	247,245
	-	-
Cash and cash equivalents comprise of:		
Fixed and call deposits with licensed banks	14,074	27,293
Cash and bank balance	96,388	219,952
	110,462	247,245

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.