

KSK GROUP BERHAD (539435-K)
(Incorporated in Malaysia)

Quarterly Report On Consolidated Results
For The Second Quarter Ended 30 June 2013
(The figures have not been audited)

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				
	Individual Quarter		Cumulative Quarter	
	Current Year 30-Jun-2013 RM'000	Preceding Year 30-Jun-2012 RM'000	Current Year 30-Jun-2013 RM'000	Preceding Year 30-Jun-2012 RM'000
<u>Continuing operations</u>				
Operating revenue	41,436	10,835	69,543	21,797
Gross written premiums	38,097	13,000	57,858	25,400
Change in unearned premiums provision	(3,429)	(2,297)	(1,987)	(3,884)
Gross earned premiums	34,668	10,703	55,871	21,516
Premium ceded to reinsurers	(12,095)	(6,314)	(22,049)	(12,766)
Net earned premiums	22,573	4,389	33,822	8,750
Other income	10,784	1,703	22,107	3,314
Net claims incurred	(14,759)	(3,596)	(33,138)	(5,670)
Other expenses	(25,557)	(12,954)	(39,453)	(23,468)
Operating loss	(6,959)	(10,458)	(16,662)	(17,074)
Share of net loss of equity accounted associate	(0)	1,060	(128)	(691)
Loss before taxation	(6,959)	(9,398)	(16,790)	(17,765)
Tax expense	1,364	(788)	1,035	(1,678)
Net loss for the period from continuing operations	(5,595)	(10,186)	(15,755)	(19,443)
<u>Discontinued operation</u>				
Operating revenue	-	301,113	-	591,444
Profit for the period from discontinued operation, net of tax	-	33,544	-	67,404
Profit/(Loss) for the period	(5,595)	23,358	(15,755)	47,961
<u>Other comprehensive income, net of tax</u>				
Foreign currency translation differences for foreign operations	(717)	158	(717)	158
Fair value change of available-for-sale financial assets	1,300	(1,286)	1,300	(1,286)
Other comprehensive income for the period	583	(1,128)	583	(1,128)
Total comprehensive income for the period	(5,012)	22,230	(15,172)	46,833
Profit/(Loss) attributable to:				
Owners of the Company	(1,892)	23,358	(11,120)	47,961
Non-controlling interests	(3,703)	-	(4,635)	-
Profit/(Loss) for the period	(5,595)	23,358	(15,755)	47,961
Comprehensive income attributable to:				
Owners of the Company	38	22,230	(10,122)	46,833
Non-controlling interests	(5,050)	-	(5,050)	-
Comprehensive income for the period	(5,012)	22,230	(15,172)	46,833
<u>Basic Earnings/(Loss) per share (sen)</u>				
- from continuing operations	(0.13)	(0.68)	(0.74)	(1.30)
- from discontinued operation	-	2.25	-	4.52
Basic Earnings/(Loss) per share (sen) - Total	(0.13)	1.57	(0.74)	3.22

The Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 30-Jun-2013 RM'000	As At 31-Dec-2012 RM'000
<u>Assets</u>		
Property and equipment	14,182	10,157
Goodwill	13,323	-
Investment property	54,713	40,000
Investments in associates	-	942
Investments in debt and equity securities		
- financial assets - HTM	44,019	-
- financial assets - AFS	108,976	106,271
- financial assets - HFT	828,509	808,225
- financial assets - Loans and receivables	1,165	1,151
Reinsurance assets	110,048	30,835
Insurance receivables	40,258	9,829
Other receivables, deposits and prepayments	12,310	3,251
Deferred acquisition costs	7,863	960
Deferred tax assets	13,103	3,242
Current tax assets	2,244	2,244
Cash and cash equivalents	172,277	216,477
Total assets	1,422,990	1,233,584
<u>Shareholders' equity</u>		
Share capital	375,000	375,000
Reserves	8,560	7,562
Retained earnings	776,291	787,411
Equity attributable to Owners of the Company	1,159,851	1,169,973
Minority interest	12,297	-
Total equity	1,172,148	1,169,973
<u>Liabilities</u>		
Insurance contract liabilities	200,103	44,087
Insurance payables	14,415	6,108
Tax payables	84	166
Other payables	32,537	9,784
Staff retirement benefits	3,703	3,466
Total liabilities	250,842	63,611
Total liabilities and shareholders' equity	1,422,990	1,233,584
Net Assets Value per share attributable to Owners of the Company (SEN)	77.32	78.00

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012

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For The Second Quarter Ended 30 June 2013

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the parent					Non-controlling interest RM '000	Total Equity RM '000
	Share Capital RM '000	Share Premium RM '000	Translation Reserve RM '000	Fair value Reserve RM '000	Distributable Retained profit RM '000		
6 Months Ended 30/06/2013							
Balance at 1 January 2013	375,000	7,652	(94)	4	787,411	-	1,169,973
Acquisition of subsidiary	-	-	-	-	-	17,347	17,347
Total comprehensive income for the period	-	-	(302)	1,300	(11,120)	(5,050)	(15,172)
Balance as at 30 June 2013	375,000	7,652	(396)	1,304	776,291	12,297	1,172,148
6 Months Ended 30/06/2012							
Balance at 1 January 2012	375,000	607	463	7,377	5,715	6	389,168
Total comprehensive income for the period	-	-	158	(1,286)	47,961	-	46,833
Disposal of treasury shares	-	7,045	-	-	-	-	7,045
Balance as at 30 June 2012	375,000	7,652	621	6,091	53,676	6	443,046

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012

KSK GROUP BERHAD (539435-K)*(Incorporated in Malaysia)***Quarterly Report On Consolidated Results
For The Second Quarter Ended 30 June 2013***(The figures have not been audited)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	Year-To-Date	
	30-Jun-2013	30-Jun-2012
	RM'000	RM'000
<u>Cash flows from operating activities</u>		
Profit / (Loss) before tax		
- Continuing operation	(16,790)	(17,765)
- Discontinued operation	-	86,980
	(16,790)	69,215
Adjustments for non-cash items	(6,121)	(57,981)
Operating (loss)/ profit before changes in working capital	(22,911)	11,234
Net change in operating assets	(99,748)	82,269
Net change in operating liabilities	102,340	(13,078)
Net cash flows (used in) / from operating activities	(20,319)	80,425
Net cash used in investing activities	(23,608)	(4,075)
Net cash used in financing activities	-	(3,847)
Net increase in cash and cash equivalent	(43,927)	72,503
Effect of exchange rate changes on cash & cash equivalents	(273)	1,491
Cash and cash equivalents at beginning of the period	216,477	130,771
Cash and cash equivalents at end of period	172,277	204,765

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2012