

**LPI CAPITAL BHD**
**Condensed Consolidated Statement of Profit or Loss for the Quarter Ended 31 March 2021 - Unaudited**

	Individual Period		Cumulative Period	
	Current Year Quarter Ended <b>31.03.2021</b> RM'000	Preceding Year Corresponding Quarter Ended <b>31.03.2020</b> RM'000	Current Year To Date Ended <b>31.03.2021</b> RM'000	Preceding Year Corresponding Period Ended <b>31.03.2020</b> RM'000
<b>Operating revenue</b>	440,786	403,908	440,786	403,908
Gross written premiums	470,711	485,995	470,711	485,995
Change in unearned premiums provision	(73,209)	(118,456)	(73,209)	(118,456)
Gross earned premiums	397,502	367,539	397,502	367,539
Gross written premiums ceded to reinsurers	(175,289)	(191,446)	(175,289)	(191,446)
Change in unearned premiums provision	30,278	61,017	30,278	61,017
Premiums ceded to reinsurers	(145,011)	(130,429)	(145,011)	(130,429)
<b>Net earned premiums</b>	252,491	237,110	252,491	237,110
Investment income	43,284	36,369	43,284	36,369
Fair value gains	679	-	679	-
Commission income	30,210	37,174	30,210	37,174
Other operating income	754	1,446	754	1,446
<b>Other income</b>	74,927	74,989	74,927	74,989
Gross claims paid	(159,286)	(139,821)	(159,286)	(139,821)
Claims ceded to reinsurers	63,563	42,770	63,563	42,770
Gross change in claims liabilities	(115,014)	6,132	(115,014)	6,132
Change in claims liabilities ceded to reinsurers	112,277	(18,778)	112,277	(18,778)
<b>Net claims incurred</b>	(98,460)	(109,697)	(98,460)	(109,697)
Fair value losses	(38,134)	(7,953)	(38,134)	(7,953)
Commission expense	(42,243)	(43,522)	(42,243)	(43,522)
Management expenses	(50,048)	(53,164)	(50,048)	(53,164)
Net impairment loss on insurance receivables	(1,204)	(868)	(1,204)	(868)
Net impairment loss on investments carried at amortised cost	-	(1)	-	(1)
<b>Other expenses</b>	(131,629)	(105,508)	(131,629)	(105,508)
<b>Operating profit</b>	97,329	96,894	97,329	96,894
Finance cost	(431)	(471)	(431)	(471)
Share of profit after tax of equity accounted associated company	1,250	1,493	1,250	1,493
<b>Profit before tax</b>	98,148	97,916	98,148	97,916
Tax expense	(15,838)	(19,999)	(15,838)	(19,999)
<b>Profit for the period</b>	82,310	77,917	82,310	77,917
<b>Profit attributable to:</b>				
Owners of the Company	82,310	77,917	82,310	77,917
Earnings per ordinary share (sen)				
- Basic	20.66	19.56	20.66	19.56
- Diluted	N/A	N/A	N/A	N/A

N/A - *Not Applicable.*

**Note :** The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.

**LPI CAPITAL BHD**

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Quarter Ended 31 March 2021 - Unaudited**

	Individual Period		Cumulative Period	
	Current Year Quarter Ended <b>31.03.2021</b> RM'000	Preceding Year Corresponding Quarter Ended <b>31.03.2020</b> RM'000	Current Year To Date Ended <b>31.03.2021</b> RM'000	Preceding Year Corresponding Period Ended <b>31.03.2020</b> RM'000
<b>Profit for the period</b>	82,310	77,917	82,310	77,917
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operation	1,089	1,580	1,089	1,580
<b>Items that will not be reclassified to profit or loss</b>				
Net gains/(losses) on investments in equity instruments designated at fair value through other comprehensive income	17,612	(155,944)	17,612	(155,944)
Income tax relating to these items	(102)	963	(102)	963
<b>Total other comprehensive income/(loss) for the period, net of tax</b>	18,599	(153,401)	18,599	(153,401)
<b>Total comprehensive income/(loss) for the period attributable to owners of the Company</b>	100,909	(75,484)	100,909	(75,484)

**Note : The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.**

## LPI CAPITAL BHD

### Condensed Consolidated Statement of Financial Position As At 31 March 2021 - Unaudited

	As At <b><u>31.03.2021</u></b>	As At <b><u>31.12.2020</u></b>
	RM'000	RM'000
<b>Assets</b>		
Plant and equipment	5,778	6,423
Right-of-use assets	40,667	42,227
Investment properties	27,662	27,572
Intangible assets	8,261	8,950
Investment in an associated company	37,266	35,321
Other investments	2,003,845	1,851,962
Fair value through other comprehensive income	925,237	907,613
Fair value through profit or loss	1,020,650	891,405
Amortised cost	57,958	52,944
Reinsurance assets	1,162,717	1,020,006
Loans and receivables, excluding insurance receivables	1,005,292	1,169,054
Insurance receivables	253,716	163,647
Deferred acquisition costs	41,406	43,756
Deferred tax assets	5,309	-
Cash and cash equivalents	60,237	150,788
<b>Total assets</b>	<b><u>4,652,156</u></b>	<b><u>4,519,706</u></b>
<b>Equity</b>		
Share capital	398,383	398,383
Reserves	1,602,705	1,677,085
<b>Total equity</b>	<b><u>2,001,088</u></b>	<b><u>2,075,468</u></b>
<b>Liabilities</b>		
Insurance contract liabilities	2,356,837	2,168,123
Deferred tax liabilities	-	3,905
Lease liabilities	42,155	43,571
Insurance payables	130,504	100,457
Other payables	92,894	103,302
Current tax payables	28,678	24,880
<b>Total liabilities</b>	<b><u>2,651,068</u></b>	<b><u>2,444,238</u></b>
<b>Total equity and liabilities</b>	<b><u>4,652,156</u></b>	<b><u>4,519,706</u></b>

**Note : The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.**

## LPI CAPITAL BHD

### Condensed Consolidated Statement of Changes in Equity for the Period Ended 31 March 2021 - Unaudited

	← Non-distributable	→	Distributable		
	Share capital RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000
<b><u>3 Months Period Ended 31 March 2021</u></b>					
At 1 January 2021	398,383	22,753	748,242	906,090	2,075,468
Foreign currency translation differences for foreign operation	-	1,089	-	-	1,089
Net gains on investments in equity instruments designated at fair value through other comprehensive income	-	-	17,510	-	17,510
Total other comprehensive income for the period	-	1,089	17,510	-	18,599
Profit for the period	-	-	-	82,310	82,310
Total comprehensive income for the period	-	1,089	17,510	82,310	100,909
Distributions to owners of the Company					
Dividends to owners of the Company	-	-	-	(175,289)	(175,289)
Total transaction with owners of the Company	-	-	-	(175,289)	(175,289)
At 31 March 2021	398,383	23,842	765,752	813,111	2,001,088

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### Condensed Consolidated Statement of Changes in Equity for the Period Ended 31 March 2021 - Unaudited (continued)

	←——— Non-distributable ———→		Distributable		
	Share capital	Foreign currency translation reserve	Fair value reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>3 Months Period Ended 31 March 2020</b>					
At 1 January 2020	398,383	23,852	697,450	852,214	1,971,899
Foreign currency translation differences for foreign operation	-	1,580	-	-	1,580
Net losses on investments in equity instruments designated at fair value through other comprehensive income	-	-	(154,981)	-	(154,981)
Total other comprehensive income/(loss) for the period	-	1,580	(154,981)	-	(153,401)
Profit for the period	-	-	-	77,917	77,917
Total comprehensive income/(loss) for the period	-	1,580	(154,981)	77,917	(75,484)
Distributions to owners of the Company					
Dividends to owners of the Company	-	-	-	(171,305)	(171,305)
Total transaction with owners of the Company	-	-	-	(171,305)	(171,305)
At 31 March 2020	398,383	25,432	542,469	758,826	1,725,110

**Notes :** The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.

**LPI CAPITAL BHD****Condensed Consolidated Statement of Cash Flow  
for the Period Ended 31 March 2021 - Unaudited**

	Current Year To Date Ended <b><u>31.03.2021</u></b> RM'000	Preceding Year Corresponding Period Ended <b><u>31.03.2020</u></b> RM'000
<b>Operating activities</b>		
Profit before tax	98,148	97,916
Investment income	(43,284)	(36,369)
Net fair value losses recorded in profit or loss	37,455	7,953
Share of profit of equity accounted associated company	(1,250)	(1,493)
Proceeds from disposal of financial assets carried at fair value through profit or loss	30,000	-
Purchase of financial assets carried at fair value through profit or loss	(196,673)	(238,469)
Purchase of financial assets carried at amortised cost	(9,972)	-
Maturity of financial assets carried at amortised cost	5,000	5,000
Interest on lease liabilities	431	471
<b>Non-cash items:</b>		
Depreciation of plant and equipment	830	750
Depreciation of right-of-use assets	1,652	1,637
Amortisation of intangible assets	840	702
Unrealised foreign exchange gain	(97)	(530)
Net impairment loss on insurance receivables	1,204	868
Net impairment loss on investments carried at amortised cost	-	1
<b>Changes in working capital:</b>		
Decrease in loans and receivables	163,959	196,896
Increase in reinsurance assets	(142,555)	(42,238)
Increase in insurance receivables	(91,233)	(107,061)
Decrease in deferred acquisition costs	2,356	3,965
Increase in insurance contract liabilities	188,223	112,324
Increase in insurance payables	30,027	78,811
Decrease in other payables	(10,476)	(3,487)
Cash generated from operating activities	64,585	77,647
Dividend income received	35,635	20,997
Interest income received	7,560	15,216
Rental income on investment property received	98	200
Interest paid	(431)	(471)
Income tax paid	(21,360)	(20,288)
<b>Net cash flows generated from operating activities</b>	<b>86,087</b>	<b>93,301</b>

## LPI CAPITAL BHD

### Condensed Consolidated Statement of Cash Flow for the Period Ended 31 March 2021 - Unaudited (continued)

	Current Year To Date Ended <b>31.03.2021</b> RM'000	Preceding Year Corresponding Period Ended <b>31.03.2020</b> RM'000
<b>Investing activities</b>		
Purchase of plant and equipment	(182)	(755)
Purchase of intangible assets	(150)	(307)
<b>Net cash flows used in investing activities</b>	<b>(332)</b>	<b>(1,062)</b>
<b>Financing activities</b>		
Dividends paid to owners of the Company	(175,289)	(171,305)
Payment of lease liabilities	(1,508)	(1,438)
<b>Net cash flows used in financing activities</b>	<b>(176,797)</b>	<b>(172,743)</b>
Net decrease in cash and cash equivalents	(91,042)	(80,504)
Cash and cash equivalents at 1 January	150,788	186,188
Effect of movement in exchange rates	491	(213)
<b>Cash and cash equivalents at 31 March</b>	<b>60,237</b>	<b>105,471</b>

**Note : The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2020.**

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS  
PURSUANT TO MALAYSIAN FINANCIAL REPORTING  
STANDARD (“MFRS”) 134**

**A1. BASIS OF PREPARATION**

The condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting in Malaysia and with IAS 34, Interim Financial Reporting, and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. They do not include all of the information required for a complete set of MFRS/IFRS financial statements, and should be read in conjunction with the Group’s last annual consolidated audited financial statements as at and for the year ended 31 December 2020 (“last annual consolidated audited financial statements”). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated audited financial statements.

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

<b>MFRSs/Interpretations/Amendments</b>	<b>Effective date</b>
Amendment to MFRS 16, <i>Leases – Covid-19-Related Rent Concessions</i>	1 June 2020
Amendments to MFRS 9, <i>Financial Instruments</i> , MFRS 139, <i>Financial Instruments: Recognition and Measurement</i> , MFRS 7, <i>Financial Instruments: Disclosures</i> , MFRS 4, <i>Insurance Contracts</i> and MFRS 16, <i>Leases – Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021

The initial application of the abovementioned accounting standards, interpretations and amendments did not have any material impact to the current and prior periods financial statements upon their first adoption.



## A2. COMMENTS ON SEASONALITY OR CYCLICALITY

The Group's insurance business operations were not significantly affected by seasonality or cyclical factors for the period under review.

However, for the investment holding segment, the dividend income generated from the dividend stocks are subject to timing of the payment of dividend which may fluctuate when comparing quarter to quarter. The Group's investment income is seasonally stronger in 1<sup>st</sup> Quarter and 3<sup>rd</sup> Quarter.

## A3. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no items affecting assets, liabilities, equity, net income, or cash flows which are unusual because of their nature, size, or incidence in the current interim period ended 31 March 2021.

## A4. CHANGES IN ESTIMATES

The preparation of these condensed consolidated interim financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual consolidated audited financial statements.

## A5. ISSUES, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities by LPI Capital Bhd ("LPI") in the current interim period ended 31 March 2021.

## A6. DIVIDEND PAID

In the current interim period ended 31 March 2021, the Company paid a second interim single tier dividend of 44.00 sen per ordinary share amounting to RM175,288,411 in respect of the financial year ended 31 December 2020 on 1 March 2021.

## A7. OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units are managed separately based on the Group's management and internal reporting structure. For each of the strategic business units, the Group Chief Executive Officer (the chief operating decision maker) reviews internal management reports on a monthly basis. Inter-segment pricing, if any, is determined based on negotiated terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal management reports that are reviewed by the Group Chief Executive Officer. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

### Business segments

The Group comprises the following main business segments:

General insurance - Underwriting of all classes of general insurance business, mainly carried out by Lonpac Insurance Bhd

Investment holding - Investment holding operations, mainly carried out by LPI Capital Bhd

Segment reporting:

RM'000	← 3 Months Ended →					
	General insurance		Investment holding		Total	
	2021	2020	2021	2020	2021	2020
External revenue	412,616	385,659	28,170	18,249	440,786	403,908
Inter-segment revenue	-	-	130,000	130,000	130,000	130,000
Segment profit before tax	71,926	81,606	156,222	146,310	228,148	227,916
Segment assets	3,677,732	3,191,598	1,174,424	991,828	4,852,156	4,183,426
Segment liabilities	2,648,202	2,255,740	2,866	2,576	2,651,068	2,258,316

## A7. OPERATING SEGMENTS (CONTINUED)

### Business segments (continued)

#### i) Reconciliation of reportable segment profit:

RM'000	← 3 Months Ended →	
	<u>2021</u>	<u>2020</u>
Total profit for reportable segments	228,148	227,916
Elimination of inter-segment profit	(130,000)	(130,000)
Consolidated profit before tax	<u>98,148</u>	<u>97,916</u>

#### ii) Reconciliation of reportable segment assets:

RM'000	← 3 Months Ended →	
	<u>2021</u>	<u>2020</u>
Total assets for reportable segments	4,852,156	4,183,426
Elimination of inter-segment assets	(200,000)	(200,000)
Consolidated assets	<u>4,652,156</u>	<u>3,983,426</u>

## A8. EVENTS AFTER THE INTERIM PERIOD

There were no material events after the interim period that have not been reflected in the financial statements for the interim period.

## A9. EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the quarterly period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinued operations.

## A10. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

On 22 February 2017, Lonpac Insurance Bhd (“Lonpac”), a wholly-owned subsidiary of LPI Capital Bhd (“LPI”), received a Notice of Proposed Decision by the Malaysia Competition Commission (“MyCC”) under Section 36 of the Competition Act 2010 (“the Act”).

MyCC informed that pursuant to its investigation, the commission on the preliminary basis finds that Lonpac together with the other 21 members of Persatuan Insurans Am Malaysia (“PIAM”) have infringed the prohibition under Section 4(2)(a) of the Act for fixing parts trade discounts and labour rates for repair workshops and are therefore liable for an infringement under Section 4(3) of the Act.

Lonpac has on 25 September 2020 received a Notice of Finding of An Infringement (“Notice”) by MyCC under Section 40 of the Act. MyCC determined that Lonpac has infringed Section 4 prohibition of the Act.

In the view of the impact of the Covid-19 pandemic, MyCC has granted a reduction of 25% of the financial penalties imposed on the 22 general insurers. The financial penalty imposed on Lonpac after taking into account the 25% reduction amounts to RM5,914,779.57. MyCC also granted a moratorium period up to 6 months from the date of the Notice. At the end of the moratorium period, Lonpac is allowed to make the payment of the financial penalty by equal monthly instalment for up to 6 months.

Lonpac believes that it has always conducted its business in full compliance with all relevant laws and regulations and had filed an appeal to the Competition Appeal Tribunal (“CAT”) on 13 October 2020. CAT has granted a stay on the financial penalty to Lonpac on 23 March 2021 pending the disposal of the appeal.

Save as disclosed above, the Group does not have any contingent assets and liabilities since the last annual balance sheet date.

## A11. FINANCIAL INSTRUMENTS

Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

## A11. FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the condensed consolidated statement of financial position.

<b>RM'000</b>	<b>Fair value of financial instruments carried at fair value</b>				<b>Fair value of financial instruments not carried at fair value</b>				<b>Total fair value</b>	<b>Carrying amount</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>		
<b>31.03.2021</b>										
<b>Financial assets</b>										
<i>Designated at fair value through other comprehensive income</i>										
- Quoted shares	925,237	-	-	925,237	-	-	-	-	925,237	925,237
<i>Mandatorily at fair value through profit or loss</i>										
- Unit trust	913,377	-	-	913,377	-	-	-	-	913,377	913,377
- Real estate investment trusts ("REITs")	3,288	-	-	3,288	-	-	-	-	3,288	3,288
- Exchange-traded fund ("ETF")	668	-	-	668	-	-	-	-	668	668
- Quoted shares	4,403	-	-	4,403	-	-	-	-	4,403	4,403
- Unquoted shares	-	-	1,375	1,375	-	-	-	-	1,375	1,375
- Corporate bonds and sukuk	-	97,539	-	97,539	-	-	-	-	97,539	97,539
<i>Amortised cost</i>										
- Government investment issues	-	-	-	-	-	10,061	-	10,061	10,061	9,972
- Malaysian government guaranteed loans	-	-	-	-	-	20,683	-	20,683	20,683	20,000
- Corporate bonds and sukuk	-	-	-	-	-	28,554	-	28,554	28,554	27,986
	<b>1,846,973</b>	<b>97,539</b>	<b>1,375</b>	<b>1,945,887</b>	<b>-</b>	<b>59,298</b>	<b>-</b>	<b>59,298</b>	<b>2,005,185</b>	<b>2,003,845</b>

A11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value information (continued)

**31.12.2020**

RM'000	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
<b>Financial assets</b>										
<i>Designated at fair value through other comprehensive income</i>										
- Quoted shares	907,613	-	-	907,613	-	-	-	-	907,613	907,613
<i>Mandatorily at fair value through profit or loss</i>										
- Unit trust	791,262	-	-	791,262	-	-	-	-	791,262	791,262
- Real estate investment trusts ("REITs")	3,321	-	-	3,321	-	-	-	-	3,321	3,321
- Exchange-traded fund ("ETF")	670	-	-	670	-	-	-	-	670	670
- Quoted shares	3,712	-	-	3,712	-	-	-	-	3,712	3,712
- Unquoted shares	-	-	1,375	1,375	-	-	-	-	1,375	1,375
- Corporate bonds and sukuk	-	91,065	-	91,065	-	-	-	-	91,065	91,065
<i>Amortised cost</i>										
- Malaysian government guaranteed loans	-	-	-	-	-	20,967	-	20,967	20,967	20,000
- Corporate bonds and sukuk	-	-	-	-	-	33,929	-	33,929	33,929	32,944
	<u>1,706,578</u>	<u>91,065</u>	<u>1,375</u>	<u>1,799,018</u>	<u>-</u>	<u>54,896</u>	<u>-</u>	<u>54,896</u>	<u>1,853,914</u>	<u>1,851,962</u>

## A11. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value information (continued)

### **Policy on transfer between levels**

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

### **Level 1 fair value**

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

### **Level 2 fair value**

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

### ***Transfers between Level 1 and Level 2 fair values***

There has been no transfer between Level 1 and 2 fair values during the current interim period ended 31 March 2021 (31.12.2020: no transfer in either directions).

### **Level 3 fair value**

The following table shows a reconciliation of Level 3 fair values:

	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Unquoted shares</b>		
As at 1 January	1,375	1,312
Fair value gains in profit or loss	-	63
Balance as at 31 March 2021 / 31 December 2020	<u>1,375</u>	<u>1,375</u>

## A11. FINANCIAL INSTRUMENTS (CONTINUED)

### Fair value information (continued)

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

#### Financial instruments carried at fair value

<b>Type</b>	<b>Description of valuation technique and inputs used</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Unquoted shares	The fair value is determined to approximate the net assets value of the investee as it is immaterial in the context of the condensed interim financial statements.	Net assets value	The higher the value of net assets the higher the fair value.



## A12. SIGNIFICANT RELATED PARTY TRANSACTIONS

The significant related party transactions of the Group are as follows:-

	Associated Company		Companies in which a Director has substantial financial interest	
	Current Year To Date Ended	Preceding Year Corresponding Period Ended	Current Year To Date Ended	Preceding Year Corresponding Period Ended
RM'000	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>Income earned:</b>				
Premium income	345	284	28,552	26,636
Dividend income	-	-	28,879	17,864
Fixed deposits income	-	-	1,122	2,953
Corporate bonds and sukuk income	-	-	385	406
Information technology services	9	-	-	-
	<u>354</u>	<u>284</u>	<u>58,938</u>	<u>47,859</u>
<b>Expenditure incurred:</b>				
Rental paid	-	-	(835)	(835)
Insurance commission	(95)	(81)	(13,656)	(12,915)
Stock broking commission	-	-	-	(1)
	<u>(95)</u>	<u>(81)</u>	<u>(14,491)</u>	<u>(13,751)</u>

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**

**B1. REVIEW OF GROUP PERFORMANCE**

Table 1: Financial review for current quarter and financial year to date

RM' mil	Individual Period		Changes		Cumulative Period		Changes	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended			Current Year To Date Ended	Preceding Year Corresponding Period Ended		
	31.03.2021	31.03.2020	Amount	% / ppt (*)	31.03.2021	31.03.2020	Amount	% / ppt (*)
<b>Revenue by segments</b>								
General insurance segment	412.6	385.7	26.9	7.0%	412.6	385.7	26.9	7.0%
Gross earned premiums	397.5	367.5	30.0	8.2%	397.5	367.5	30.0	8.2%
Investment income	15.1	18.2	(3.1)	(17.0)%	15.1	18.2	(3.1)	(17.0)%
Investment holding segment								
Investment income	28.2	18.2	10.0	54.9%	28.2	18.2	10.0	54.9%
Total revenue	440.8	403.9	36.9	9.1%	440.8	403.9	36.9	9.1%
<b>Revenue by geographical locations</b>								
Malaysia	411.4	378.5	32.9	8.7%	411.4	378.5	32.9	8.7%
Singapore	29.4	25.4	4.0	15.7%	29.4	25.4	4.0	15.7%
Total revenue	440.8	403.9	36.9	9.1%	440.8	403.9	36.9	9.1%
Operating profit	97.3	96.9	0.4	0.4%	97.3	96.9	0.4	0.4%

(\* ppt – percentage points)

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 1: Financial review for current quarter and financial year to date (continued)

	Individual Period		Changes		Cumulative Period		Changes	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended			Current Year To Date Ended	Preceding Year Corresponding Period Ended		
	31.03.2021	31.03.2020	Amount	% / ppt (*)	31.03.2021	31.03.2020	Amount	% / ppt (*)
<b>Profit before tax by segments</b>								
General insurance (RM'mil)	71.9	81.6	(9.7)	(11.9)%	71.9	81.6	(9.7)	(11.9)%
Investment holding (RM'mil)	26.2	16.3	9.9	60.7%	26.2	16.3	9.9	60.7%
Total profit before tax	98.1	97.9	0.2	0.2%	98.1	97.9	0.2	0.2%
<b>Profit before tax by geographical locations</b>								
Malaysia (RM'mil)	92.7	94.2	(1.5)	(1.6)%	92.7	94.2	(1.5)	(1.6)%
Singapore (RM'mil)	4.1	2.2	1.9	86.4%	4.1	2.2	1.9	86.4%
Cambodia (RM'mil)	1.3	1.5	(0.2)	(13.3)%	1.3	1.5	(0.2)	(13.3)%
Total profit before tax	98.1	97.9	0.2	0.2%	98.1	97.9	0.2	0.2%
Profit attributable to owners of the Company (RM'mil)	82.3	77.9	4.4	5.6%	82.3	77.9	4.4	5.6%
Net return on equity (%)	4.1	4.5	-	(0.4) ppt	4.1	4.5	-	(0.4) ppt
Earnings per share (sen)	20.66	19.56	1.10	5.6%	20.66	19.56	1.10	5.6%

(\* ppt – percentage points)

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 1: Financial review for current quarter and financial year to date (continued)

	Individual Period		Changes		Cumulative Period		Changes	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended			Current Year To Date Ended	Preceding Year Corresponding Period Ended		
	31.03.2021	31.03.2020	Amount	% / ppt (*)	31.03.2021	31.03.2020	Amount	% / ppt (*)
General insurance gross written premiums (RM'mil)	470.7	486.0	(15.3)	(3.1)%	470.7	486.0	(15.3)	(3.1)%
General insurance net earned premiums (RM'mil)	252.5	237.1	15.4	6.5%	252.5	237.1	15.4	6.5%
General insurance underwriting profit (RM'mil)	92.2	68.4	23.8	34.8%	92.2	68.4	23.8	34.8%
General insurance claims incurred ratio (%)	39.0	46.3	-	(7.3) ppt	39.0	46.3	-	(7.3) ppt
General insurance management expenses ratio (%)	19.7	22.2	-	(2.5) ppt	19.7	22.2	-	(2.5) ppt
General insurance commission ratio (%)	4.8	2.7	-	2.1 ppt	4.8	2.7	-	2.1 ppt
General insurance combined ratio (%)	63.5	71.2	-	(7.7) ppt	63.5	71.2	-	(7.7) ppt

(\* ppt – percentage points)

## B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 3: Underwriting results of general insurance for the financial period ended 31 March:

RM'000	Fire		Motor		Marine, Aviation & Transit		Miscellaneous		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Gross written premiums	199,056	201,889	92,241	92,157	22,748	21,902	156,666	170,047	470,711	485,995
Change in unearned premiums provision	(42,739)	(56,965)	434	(3,266)	(1,407)	735	(29,497)	(58,960)	(73,209)	(118,456)
Gross earned premiums	156,317	144,924	92,675	88,891	21,341	22,637	127,169	111,087	397,502	367,539
Gross written premiums ceded to reinsurers	(74,078)	(85,286)	(4,267)	(4,208)	(17,728)	(17,373)	(79,216)	(84,579)	(175,289)	(191,446)
Change in unearned premiums provision	20,056	27,492	(103)	841	1,240	(314)	9,085	32,998	30,278	61,017
Premiums ceded to reinsurers	(54,022)	(57,794)	(4,370)	(3,367)	(16,488)	(17,687)	(70,131)	(51,581)	(145,011)	(130,429)
Net earned premiums	102,295	87,130	88,305	85,524	4,853	4,950	57,038	59,506	252,491	237,110
Net claims incurred	(16,027)	(11,792)	(53,974)	(64,326)	(2,818)	(1,076)	(25,641)	(32,503)	(98,460)	(109,697)
Commission income	10,957	19,473	426	406	2,972	2,409	15,855	14,886	30,210	37,174
Commission expense	(17,880)	(18,291)	(8,963)	(8,621)	(1,148)	(1,074)	(14,252)	(15,536)	(42,243)	(43,522)
Net commission	(6,923)	1,182	(8,537)	(8,215)	1,824	1,335	1,603	(650)	(12,033)	(6,348)
Total out-go	(22,950)	(10,610)	(62,511)	(72,541)	(994)	259	(24,038)	(33,153)	(110,493)	(116,045)
Underwriting surplus before management expenses	79,345	76,520	25,794	12,983	3,859	5,209	33,000	26,353	141,998	121,065
Management expenses of the insurance fund									(49,836)	(52,657)
Underwriting surplus after management expenses									92,162	68,408
Net claims incurred ratio (%)	15.7	13.5	61.1	75.2	58.1	21.7	45.0	54.6	39.0	46.3

## B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

### **Revenue**

For the quarter ended 31 March 2021, the Group's revenue grew by RM36.9 million to RM440.8 million from RM403.9 million in the first quarter of 2020, an increase of 9.1% as compared to the corresponding quarter last year. The increase was mainly driven by growth in gross earned premium of 8.2% or RM30.0 million from its general insurance segment. Investment holding segment recorded higher revenue of RM28.2 million as compared to RM18.2 million in the corresponding quarter in 2020 due to higher dividend income received.

### **Profit Before Tax**

Profit before tax of the Group for the first quarter of 2021 grew by 0.2% to RM98.1 million from RM97.9 million in the corresponding quarter in 2020. The growth was contributed by the profit from investment holding segment, which increased by 60.7% to RM26.2 million from RM16.3 million in the first quarter of 2020 mainly due to higher tax-exempt dividends income received from its equity investment. Despite its underwriting surplus increased by 34.8% to RM92.2 million from RM68.4 million reported in the previous corresponding quarter, the general insurance segment was however affected by the recent surge in bond yields which resulted in lower bond valuations. For the current quarter under review, the Group reported a fair value loss of RM34.6 million in its fixed income unit trust investments as compared to RM6.2 million fair value loss registered in the previous corresponding quarter. As a result, its profit before tax from general insurance segment was affected by this provision and closed 11.9% lower at RM71.9 million for the current quarter under review from RM81.6 million achieved in the first quarter of 2020. We believe the fixed income unit trust investment is still a viable investment in the long term and the valuation will be adjusted once the yields return to normal.

Business operation in Malaysia contributed 94.5% of the Group's total profit before tax in the first quarter of 2021.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 4: Other comprehensive income for current quarter and financial year to date

	Individual Period		Cumulative Period	
	Current Year Quarter Ended 31.03.2021	Preceding Year Corresponding Quarter Ended 31.03.2020	Current Year To Date Ended 31.03.2021	Preceding Year Corresponding Period Ended 31.03.2020
RM' mil				
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	1.1	1.6	1.1	1.6
Items that will not be reclassified to profit or loss				
Net gains/(losses) on investments in equity instruments designated at fair value through other comprehensive income	17.6	(155.9)	17.6	(155.9)
Income tax relating to these items	(0.1)	0.9	(0.1)	0.9
Total other comprehensive income/(loss) for the period, net of tax	18.6	(153.4)	18.6	(153.4)

The Group's total other comprehensive income for the three months ended 31 March 2021 recorded a net gain of RM18.6 million as compared to net loss of RM153.4 million in the corresponding quarter in 2020. The net gain recorded was mainly due to unrealised fair value gain on its investment in quoted equities.

## B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 5: Review of assets and liabilities

RM'mil	As at 31.03.2021	As at 31.12.2020	Changes	
			Amount	%
Total assets	4,652.2	4,519.7	132.5	2.9
Total liabilities	2,651.1	2,444.2	206.9	8.5
Total equity	2,001.1	2,075.5	(74.4)	(3.6)

### **Total assets**

As at 31 March 2021, the Group's total assets increased by RM132.5 million to RM4,652.2 million from RM4,519.7 million as at 31 December 2020. The increase was mainly due to additional investment in unit trust (classified as fair value through profit or loss) and the growth in reinsurance assets. The general insurance segment accounted for 79.1% of the Group's total assets as at 31 March 2021.

### **Total liabilities**

As at 31 March 2021, total liabilities of the Group increased by RM206.9 million to RM2,651.1 million from RM2,444.2 million as at 31 December 2020. This mainly consists of RM188.7 million increase in insurance contract liabilities and RM30.0 million in insurance payables of its general insurance segment.

### **Total equity**

The Group's total equity decreased by 3.6% or RM74.4 million to RM2,001.1 million from RM2,075.5 million as at 31 December 2020. The Group's retained earnings recorded a net decrease of RM93.0 million resulted from the current period's net profit of RM82.3 million offset by the payment of dividends of RM175.3 million. The fair value reserves increased by RM17.5 million due to the higher market value of quoted equity investment designated as fair value through other comprehensive income. Therefore, net tangible asset per share also decreased to RM5.00 from RM5.19 as at 31 December 2020.



B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 6: Breakdown of Key Financial Information of Foreign Operation - Lonpac Insurance Bhd (Singapore Branch)

Exchange rate as at 31.03.2021 SGD1.00 = RM3.06	Functional Currency SGD'000	Reporting Currency RM'000
Gross earned premiums	9,130	27,938
Investment income	473	1,446
<b>Total revenue</b>	<b>9,603</b>	<b>29,384</b>
Profit before tax	1,358	4,154
Profit after tax	1,327	4,062
Total assets	66,337	202,991
Total liabilities	56,639	173,314

For consolidation purpose, the financial statements of Singapore Branch of its subsidiary, Lonpac Insurance Bhd are translated from SGD to RM at exchange rate at the end of the reporting period.

B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

Table 7: Review of statement of cash flow

RM'mil	Current Year To Date Ended 31.03.2021	Preceding Year Corresponding Period Ended 31.03.2020
Profit after tax	82.3	77.9
Net cash flows generated from operating activities	86.1	93.3
Net cash flows used in investing activities	(0.3)	(1.1)
Net cash flows used in financing activities	(176.8)	(172.7)
Net decrease in cash and cash equivalents	(91.0)	(80.5)
Cash and cash equivalents at 1 January	150.8	186.2
Effect of movement in exchange rates	0.4	(0.2)
Cash and cash equivalents at 31 March	60.2	105.5

For the three months period ended 31 March 2021, the operating cash flow of the Group remains healthy at RM86.1 million. The ratio of cash flow from operating activities to net income was 104.6% (RM86.1 million / RM82.3 million). The ratio indicates the ability of the Group to generate sufficient positive cash flow to maintain and grow its operation. It is worth to note that for the current financial period under review, the Group has increased its investment in unit trusts (classified as fair value through profit or loss) by RM156.7 million.

## B1. REVIEW OF GROUP PERFORMANCE (CONTINUED)

### Review of statement of cash flow (continued)

The Group had relatively low spending on plant and equipment and intangible assets as its core business of underwriting of general insurance. The Group's capital expenditure for the current financial period under review was RM0.3 million. The Group's main investing activities are in information technology and purchase of computer equipment.

The Group's balance sheet does not carry any debts other than insurance contract liabilities which increased by RM188.7 million to RM2,356.8 million for the three months period ended 31 March 2021. The Group had generated sufficient cash flow to pay a second interim dividend of 44.0 sen per share amounting to RM175.3 million on 1 March 2021 in respect of the financial year ended 31 December 2020.

B2. MATERIAL CHANGES IN THE PROFIT BEFORE TAX FOR THE QUARTER REPORTED ON WITH THE IMMEDIATE PRECEDING QUARTER

	Current Year Quarter Ended 31.03.2021	Immediate Preceding Quarter Ended 31.12.2020	Changes	
			Amount	% / ppt
Gross earned premiums (RM'mil)	397.5	405.0	(7.5)	(1.9)%
Investment income (RM'mil)	43.3	17.4	25.9	148.9%
<b>Total revenue (RM'mil)</b>	<b>440.8</b>	<b>422.4</b>	<b>18.4</b>	<b>4.4%</b>
Operating profit (RM'mil)	97.3	123.3	(26.0)	(21.1)%
Profit before tax (RM'mil)	98.1	123.3	(25.2)	(20.4)%
Profit attributable to owners of the Company (RM'mil)	82.3	95.2	(12.9)	(13.6)%
Net return on equity (%)	4.1	4.6	-	(0.5) ppt
Earnings per share (sen)	20.66	23.90	(3.24)	(13.6)%
General insurance gross written premiums (RM'mil)	470.7	343.1	127.6	37.2%
General insurance net earned premiums (RM'mil)	252.5	273.0	(20.5)	(7.5)%
General insurance underwriting profit (RM'mil)	92.2	112.7	(20.5)	(18.2)%
General insurance claims incurred ratio (%)	39.0	34.4	-	4.6 ppt
General insurance management expenses ratio (%)	19.7	17.2	-	2.5 ppt
General insurance commission ratio (%)	4.8	7.1	-	(2.3) ppt
General insurance combined ratio (%)	63.5	58.7	-	4.8 ppt

For the first quarter ended 31 March 2021, the Group recorded a lower profit before tax of RM98.1 million as compared to RM123.3 million in the preceding quarter ended 31 December 2020. The decrease in the profit before tax for the said quarter was mainly due to lower net earned premiums, higher net claims incurred and higher management expenses.

### B3. CURRENT YEAR PROSPECTS

- a) The number of new COVID-19 cases has begun to subside, after reaching its peak in end of January 2021. Correspondingly, the easing of MCO, improving global demand and better business and consumer sentiments, a gradual return to normalisation is set to boost demand for insurance. The implementation of Budget 2021 with the various stimulus measures, the launching of digital infrastructure and connectivity and the continuation of large-scale government projects will also provide the necessary uplift for investment and growth.

However, a delay in the mass vaccination programme may result in another resurgence of infection cases and a further delay in opening of borders may limit the potential for a full recovery.

- b) Commentary on the Company's progress to achieve the financial estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document and steps taken or proposed to be taken to achieve the financial estimate, forecast, projection or internal targets. – Not Applicable.

### B4. STATEMENT ON FINANCIAL ESTIMATE, FORECAST, PROJECTION OR INTERNAL TARGETS PREVIOUSLY ANNOUNCED OR DISCLOSED IN A PUBLIC DOCUMENT

A statement of the Board of Directors' opinion as to whether the financial estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved. – Not Applicable.

B5. EXPLANATORY NOTE FOR VARIANCE FROM A FINANCIAL ESTIMATE, FORECAST OR PROJECTION OR PROFIT GUARANTEE PREVIOUSLY ANNOUNCED OR DISCLOSED IN A PUBLIC DOCUMENT

- a) Any variance of actual profit after tax and minority interest and the profit after tax and minority interest stated in the financial estimate, forecast or projection (where the variance exceeds 10%). – Not Applicable.
- b) Any shortfall in the profit guarantee received by the Company and steps to recover the shortfall. – Not Applicable.

B6. TAXATION

RM'000	Individual Period		Cumulative Period	
	Current Year Quarter Ended <b><u>31.03.2021</u></b>	Preceding Year Corresponding Quarter Ended <b><u>31.03.2020</u></b>	Current Year To Date Ended <b><u>31.03.2021</u></b>	Preceding Year Corresponding Period Ended <b><u>31.03.2020</u></b>
Profit before tax	98,148	97,916	98,148	97,916
Income tax:				
Current tax charge	25,154	22,041	25,154	22,041
Deferred taxation	(9,316)	(2,042)	(9,316)	(2,042)
Total tax expense	15,838	19,999	15,838	19,999
Effective tax rate on current tax charge	16%	20%	16%	20%

The effective tax rate on the current tax charge of the Group for the current quarter and financial period ended 31 March 2021 is lower than the statutory tax rate mainly due to tax-exempt dividends received and certain income being taxed at a reduced rate.

**B7. STATUS OF CORPORATE PROPOSALS**

- a) There was no corporate proposal announced but not completed as at 8 April 2021, the latest practicable date which is not earlier than 7 days from the date of the issue of this quarterly report.
- b) Brief explanation of the status of utilisation of proceeds raised from any corporate proposal – Not Applicable.

**B8. GROUP BORROWINGS AND DEBT SECURITIES**

The Group has no outstanding borrowings and debt securities for the current interim period ended 31 March 2021.

**B9. DISCLOSURE OF DERIVATIVES**

A disclosure on outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 March 2021. – Not Applicable.

**B10. GAINS/ LOSSES ARISING FROM FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

There were no gains/ losses arising from fair value changes of the financial liabilities for the current quarter and financial period ended 31 March 2021.

**B11. CHANGES IN MATERIAL LITIGATION**

There were no pending material litigations since the last annual balance sheet date up to 8 April 2021, which is not earlier than 7 days from date of issue of this quarterly report.

## B12. DIVIDEND

No interim ordinary dividend has been recommended in this quarter.

## B13. EARNINGS PER SHARE

### a) Basic earnings per share

	Individual Period		Cumulative Period	
	Current Year Quarter Ended <b><u>31.03.2021</u></b>	Preceding Year Corresponding Quarter Ended <b><u>31.03.2020</u></b>	Current Year To Date Ended <b><u>31.03.2021</u></b>	Preceding Year Corresponding Period Ended <b><u>31.03.2020</u></b>
Profit after tax (RM'000)	82,310	77,917	82,310	77,917
Weighted average no. of ordinary shares in issue (‘000)	398,383	398,383	398,383	398,383
Basic earnings per share (sen)	20.66	19.56	20.66	19.56

### b) Diluted earnings per share. – Not Applicable.



## B14. PROFIT FOR THE PERIOD

	Individual Period		Cumulative Period	
	Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year To Date Ended	Preceding Year Corresponding Period Ended
	<u>31.03.2021</u>	<u>31.03.2020</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period is arrived at after charging:</b>				
Finance costs	431	471	431	471
Depreciation of plant and equipment (NI)	830	750	830	750
Depreciation of right-of-use assets (NI)	1,652	1,637	1,652	1,637
Amortisation of intangible assets (NI)	840	702	840	702
Net impairment loss on insurance receivables	1,204	868	1,204	868
Net impairment loss on investments carried at amortised cost	-	1	-	1
<b>and after crediting:</b>				
Interest income (N2)	7,551	15,172	7,551	15,172
Dividend income (N2)	35,635	20,997	35,635	20,997
Rental income (N2)	98	200	98	200
Net foreign exchange gain (NI)	112	578	112	578

#### B14. PROFIT FOR THE PERIOD (CONTINUED)

Other than the items above which have been included in the Condensed Consolidated Statement of Profit or Loss, there were no impairment of assets, gain or loss on derivatives and exceptional items for the current financial period ended 31 March 2021.

(N1) Depreciation of plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and net foreign exchange gain/(loss) are reported under item management expenses in the Condensed Consolidated Statement of Profit or Loss.

(N2) Interest income, dividend income and rental income are reported under item investment income in the Condensed Consolidated Statement of Profit or Loss.

#### B15. ADDITIONAL DISCLOSURE INFORMATION

##### Trade receivables

The credit terms of trade receivables granted to related parties are no different from those granted to non-related parties.

A trade receivable is deemed past due when the counterparty has failed to make payment when the outstanding amount is contractually due.

Age analysis of trade receivables past due but not impaired:

	<b>&lt;30 Days RM'000</b>	<b>31 - 60 days RM'000</b>	<b>61 - 90 days RM'000</b>	<b>91 - 180 days RM'000</b>	<b>&gt;180 days RM'000</b>	<b>Total RM'000</b>
<b>31.03.2021</b>						
Insurance receivables	11,147	6,216	3,303	329	-	20,995
<b>31.12.2020</b>						
Insurance receivables	11,082	2,995	3,731	2,048	-	19,856

The past due trade receivables above are collectable.

The following table show reconciliations from the opening balance to the closing balance of the allowance for impairment by class of financial instrument.

B15. ADDITIONAL DISCLOSURE INFORMATION (CONTINUED)

Trade receivables (continued)

RM'000

	31.03.2021				31.12.2020			
	12-months ECL Due from Corporate bonds and sukuk	12-months ECL Due from reinsurers and cedants	Lifetime ECL Due premiums including agents and brokers and co-insurers	Total	12-months ECL Due from Corporate bonds and sukuk	12-months ECL Due from reinsurers and cedants	Lifetime ECL Due premiums including agents and brokers and co-insurers	Total
As at 1 January	5	51	2,586	2,642	4	148	1,902	2,054
Net remeasurement of allowance for impairment	-	23	1,181	1,204	1	(97)	684	588
As at 31 March 2021 / 31 December 2020	5	74	3,767	3,846	5	51	2,586	2,642

B16. DISCLOSURE ON QUALIFICATION OF AUDIT REPORT

The audit report of the Group's preceding annual financial statements was not qualified.