

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2016**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 MARCH 2016

	31 March 2016	31 December 2015 (Audited)
	RM'000	RM'000
ASSETS		
Property, plant and equipment	13,857	14,575
Investment properties	19,356	19,356
Intangible assets	3,446	3,571
Associates	69,634	67,954
Deferred tax assets	1,674	2,334
Tax recoverable	1,948	340
Reinsurance/retakaful assets	251,160	270,408
Investments	611,973	587,382
Financial assets at fair value through profit or loss	339,612	354,855
Available-for-sale financial assets	114,044	144,710
Held-to-maturity financial assets	40,396	40,632
Loans and receivables	117,921	47,185
Insurance/takaful receivables	59,509	81,041
Trade and other receivables	34,683	40,338
Cash and cash equivalents	346,851	357,245
Assets classified as held for sales	-	6,393
TOTAL ASSETS	1,414,091	1,450,937
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES		
LIABILITIES		
Insurance/takaful contract liabilities	835,277	846,792
Deferred tax liabilities	953	1,289
Insurance/takaful payables	81,584	88,321
Trade and other payables	62,100	71,079
Current tax liabilities	3,921	4,334
Liabilities directly associated with assets classified as held for sales	-	1,281
TOTAL LIABILITIES	983,835	1,013,096
EQUITY		
Share capital	292,693	292,693
Treasury shares	(2,478)	(444)
Retained earnings	103,790	112,643
Reserves	7,808	5,160
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	401,813	410,052
Non-controlling interests	28,443	27,789
TOTAL EQUITY	430,256	437,841
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	1,414,091	1,450,937
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.37	1.40

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2016

	3 months ended		3 months ended	
	31 March 2016	31 March 2015 (restated)	31 March 2016	31 March 2015 (restated)
	RM'000	RM'000	RM'000	RM'000
Operating revenue				
- Continuing Operations	136,033	143,689	136,033	143,689
- Discontinued Operations	142	371	142	371
	<u>136,175</u>	<u>144,060</u>	<u>136,175</u>	<u>144,060</u>
CONTINUING OPERATIONS				
Gross earned premiums/contributions	127,549	133,935	127,549	133,935
Premiums/contributions ceded to reinsurers/retakaful operators	(45,385)	(52,675)	(45,385)	(52,675)
Net earned premiums/contributions	<u>82,164</u>	<u>81,260</u>	<u>82,164</u>	<u>81,260</u>
Investment income	6,676	8,075	6,676	8,075
Realised gains and losses - net	(1,326)	5,596	(1,326)	5,596
Fair value gains and losses - net	(7,119)	9,348	(7,119)	9,348
Fee and commission income	8,987	12,657	8,987	12,657
Other operating revenue from non-insurance businesses	1,808	1,679	1,808	1,679
Other operating income - net	4,108	4,797	4,108	4,797
Other revenue	<u>13,134</u>	<u>42,152</u>	<u>13,134</u>	<u>42,152</u>
Total revenue	<u>95,298</u>	<u>123,412</u>	<u>95,298</u>	<u>123,412</u>
Gross benefits and claims paid	(59,468)	(58,156)	(59,468)	(58,156)
Claims ceded to reinsurers/retakaful operators	21,094	24,786	21,094	24,786
Gross change to contract liabilities	(7,488)	(26,184)	(7,488)	(26,184)
Change in contract liabilities ceded to reinsurers/retakaful operators	1,991	(3,682)	1,991	(3,682)
Net insurance/takaful benefits and claims	<u>(43,871)</u>	<u>(63,236)</u>	<u>(43,871)</u>	<u>(63,236)</u>
Fee and commission expense	(22,653)	(28,139)	(22,653)	(28,139)
Management expenses	(26,067)	(27,513)	(26,067)	(27,513)
Expenses liabilities	(215)	(40)	(215)	(40)
Other expenses	<u>(48,935)</u>	<u>(55,692)</u>	<u>(48,935)</u>	<u>(55,692)</u>
Share of profit of associates, net of tax	683	179	683	179
Profit before taxation	<u>3,175</u>	<u>4,663</u>	<u>3,175</u>	<u>4,663</u>
Tax expenses attributable to participants	(1,788)	(1,654)	(1,788)	(1,654)
Profit before taxation for Shareholders' fund	<u>1,387</u>	<u>3,009</u>	<u>1,387</u>	<u>3,009</u>
Taxation	(3,423)	(2,354)	(3,423)	(2,354)
Tax expenses attributable to participants	1,788	1,654	1,788	1,654
Tax expenses attributable to Shareholders' fund	(1,635)	(700)	(1,635)	(700)
(Loss)/profit for the financial quarter/period	<u>(248)</u>	<u>2,309</u>	<u>(248)</u>	<u>2,309</u>
DISCONTINUED OPERATIONS				
Profit/(loss) before taxation	762	(483)	762	(483)
Taxation	-	-	-	-
Profit/(loss) from discontinued operations	<u>762</u>	<u>(483)</u>	<u>762</u>	<u>(483)</u>
Profit for the financial quarter/period	<u>514</u>	<u>1,826</u>	<u>514</u>	<u>1,826</u>
Profit/(loss) for the financial quarter/period attributable to:				
Owners of the Company	(140)	821	(140)	821
Non-controlling interests	654	1,005	654	1,005
	<u>514</u>	<u>1,826</u>	<u>514</u>	<u>1,826</u>
Basic (loss)/earnings per ordinary share (sen) attributable to owners of the Company				
- Continuing Operations	(0.31)	0.43	(0.31)	0.43
- Discontinued Operations	0.26	(0.16)	0.26	(0.16)
	<u>(0.05)</u>	<u>0.27</u>	<u>(0.05)</u>	<u>0.27</u>

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2016

	3 months ended		3 months ended	
	31 March 2016	31 March 2015 (restated)	31 March 2016	31 March 2015 (restated)
	RM'000	RM'000	RM'000	RM'000
Profit for the financial quarter/period	514	1,826	514	1,826
Other comprehensive income/(loss), net of tax :				
<u>Items that may be subsequently reclassified to profit or loss:</u>				
Foreign currency translation differences	1,457	(1,022)	1,457	(1,022)
Fair value changes of available-for-sale financial assets, net of tax	194	527	194	527
Share of fair value changes of available-for-sale financial assets of associate	997	407	997	407
Other comprehensive income/(loss) for the financial quarter/period, net of tax	2,648	(88)	2,648	(88)
Total comprehensive income for the financial quarter/period	3,162	1,738	3,162	1,738
Total comprehensive income for the financial quarter/period attributable to:				
Owners of the Company	2,508	733	2,508	733
Non-controlling interests	654	1,005	654	1,005
	3,162	1,738	3,162	1,738

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2016

	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	Total				
000	RM'000	000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
2016												
As at 1 January 2016	292,693	292,693	(509)	(444)	11,661	(6,246)	(255)	5,160	112,643	410,052	27,789	437,841
Profit/(loss) for the financial period	-	-	-	-	-	-	-	-	(140)	(140)	654	514
Other comprehensive income	-	-	-	-	-	1,457	1,191	2,648	-	2,648	-	2,648
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	1,457	1,191	2,648	(140)	2,508	654	3,162
Interim dividend paid	-	-	-	-	-	-	-	-	(8,713)	(8,713)	-	(8,713)
Share buy-pack	-	-	(2,179)	(2,034)	-	-	-	-	-	(2,034)	-	(2,034)
As at 31 March 2016	292,693	292,693	(2,688)	(2,478)	11,661	(4,789)	936	7,808	103,790	401,813	28,443	430,256
2015												
As at 1 January 2015	304,354	304,354	(2,025)	(1,312)	-	4,360	2,664	7,024	113,845	423,911	20,086	443,997
Profit for the financial period	-	-	-	-	-	-	-	-	821	821	1,005	1,826
Other comprehensive income/(loss)	-	-	-	-	-	(1,022)	934	(88)	-	(88)	-	(88)
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	(1,022)	934	(88)	821	733	1,005	1,738
Share buy-pack	-	-	(2,319)	(1,558)	-	-	-	-	-	(1,558)	-	(1,558)
As at 31 March 2015	304,354	304,354	(4,344)	(2,870)	-	3,338	3,598	6,936	114,666	423,086	21,091	444,177

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 2015.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2016

	3 months ended	
	31 March 2016 RM'000	31 March 2015 RM'000
(Loss)/profit for the financial period	(248)	2,309
Investment income	(6,676)	(8,075)
Realised gains and losses - net	1,326	(5,596)
Fair value gains and losses - net	7,119	(9,348)
Write back of impairment loss on loans and receivables	(3)	(84)
Purchases of financial assets	(42,666)	(42,612)
Proceeds from disposal of financial assets	78,933	210,950
Non-cash items:		
Depreciation of property, plant and equipment	822	823
Amortisation of leases	1	1
Amortisation of intangible assets	331	379
Property, plant and equipment written off	8	-
Intangible assets written off	1	-
Allowance for impairment loss on trade and other receivables	-	7
(Write back of)/allowance for impairment loss on insurance/takaful receivables	(2,075)	2,046
Write back of takaful payables	(4,301)	-
Bad debts recovered	(19)	(19)
Unrealised foreign exchange loss	874	1,586
Share of profit of associates	(683)	(179)
Tax expenses	3,423	2,354
Changes in working capital:		
Decrease in loans and receivables	567	155
Decrease in reinsurance/retakaful assets	19,248	7,958
Decrease/(increase) in insurance/takaful receivables	23,607	(16,957)
Decrease/(increase) in trade and other receivables	11,186	(7,221)
(Decrease)/increase in insurance/contract liabilities	(12,451)	27,963
(Decrease)/increase in insurance/takaful payables	(2,436)	7,784
Decrease in trade and other payables	(8,979)	(1,138)
Cash generated from operating activities	<u>66,909</u>	<u>173,086</u>
Investment income received	6,833	8,075
Income tax paid	(5,479)	(1,366)
Income tax refund	145	-
Dividend paid	(8,713)	-
Net cash inflow from operating activities	<u>59,695</u>	<u>179,795</u>
Net cash outflow from operating activities - discontinued operations	<u>(234)</u>	<u>(493)</u>
Investing activities:		
Purchase of property, plant and equipments	(113)	(202)
Proceeds from disposal of property, plant and equipments	39	-
Purchase of intangible assets	(207)	(29)
(Decrease)/ increase in fixed and call deposits	(71,281)	199
Net cash outflow from disposal of discontinued operations, net of transaction costs, deferred consideration and cash disposed	(56)	-
Net cash (outflow)/inflow from investing activities	<u>(71,618)</u>	<u>(32)</u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2016**

(continued)

	3 months ended	
	31 March 2016 RM'000	31 March 2015 RM'000
Financing activities:		
Purchase of treasury shares	(2,034)	(1,558)
Net cash outflow from financing activities	<u>(2,034)</u>	<u>(1,558)</u>
Net (decrease)/increase in cash and cash equivalents	(13,957)	178,205
Net decrease in cash and cash equivalents - discontinued operations	(234)	(493)
Currency translation difference	3,797	(1,022)
Cash and cash equivalents at beginning of financial year	357,245	342,268
Cash and cash equivalents at end of financial period	<u>346,851</u>	<u>518,958</u>
	-	-
Cash and cash equivalents comprise of:		
Fixed and call deposits with licensed banks	331,154	500,973
Cash and bank balance	<u>15,697</u>	<u>17,985</u>
	<u>346,851</u>	<u>518,958</u>

The Condensed Consolidated Statement of Cash flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.