

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND PERIOD ENDED 30 JUNE 2019**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT 30 JUNE 2019**

	<b>As At</b>	<b>(Audited)</b>
	<b>30 June 2019</b>	<b>As At</b>
	<b>RM'000</b>	<b>31 December 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
Property, plant and equipment	4,466	4,105
Right-of-use assets	5,630	-
Investment properties	46,257	46,234
Intangible assets	680	658
Deferred tax assets	877	2,045
Tax recoverable	164	177
Investments	271,515	239,473
At fair value through profit or loss ("FVTPL")	94,729	105,273
At fair value through other comprehensive income ("FVOCI")	79,056	64,740
At amortised costs ("AC")	97,730	69,460
Loans and receivables	4,676	4,528
Reinsurance assets	57,127	40,023
Insurance receivables	59,432	47,608
Deferred acquisition costs	18,186	17,447
Trade and other receivables <sup>(N1)</sup>	16,285	103,369
Retirement benefit asset	-	101
Cash and cash equivalents	329,043	251,132
<b>TOTAL ASSETS</b>	<b>814,338</b>	<b>756,900</b>
<b>EQUITY AND LIABILITIES</b>		
<b>LIABILITIES</b>		
Insurance contract liabilities	176,791	149,233
Deferred tax liabilities	731	748
Insurance payables	22,792	13,580
Deferred reinsurance commissions	1,145	833
Trade and other payables	69,058	56,436
Lease liabilities	5,384	-
Retirement benefit liability	176	-
Current tax liabilities	556	2,552
<b>TOTAL LIABILITIES</b>	<b>276,633</b>	<b>223,382</b>
<b>EQUITY</b>		
Share capital	304,354	304,354
Retained earnings	235,271	236,931
Reserves	(5,374)	(11,186)
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>534,251</b>	<b>530,099</b>
Non-controlling interests ("NCI")	3,454	3,419
<b>TOTAL EQUITY</b>	<b>537,705</b>	<b>533,518</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>814,338</b>	<b>756,900</b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.95	1.94

<sup>(N1)</sup> As at 31 December 2018, the Trade and other receivables included the balance sale consideration of RM93.75 million ("Retained Consideration") from the disposal of MAA Takaful Berhad. Further details on this are stated in Note B11(c) of the Interim Reports.

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018.*

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 JUNE 2019**

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30 June 2019 RM'000	30 June 2018 RM'000	30 June 2019 RM'000	30 June 2018 RM'000
<b>Operating revenue</b>	47,913	40,827	92,156	79,991
Gross earned premiums	41,094	35,549	80,342	70,058
Premiums ceded to reinsurers	(14,428)	(10,906)	(27,302)	(19,998)
<b>Net earned premiums</b>	26,666	24,643	53,040	50,060
Investment income	5,792	4,190	9,866	7,836
Realised gains and losses - net	363	(585)	2,598	1,457
Fair value gains and losses - net	(5,444)	(1,708)	959	(14,925)
Commission income	630	654	1,135	1,134
Other operating revenue from non-insurance businesses	1,027	1,088	1,948	2,097
Other operating (expenses)/income - net	(976)	2,154	(1,317)	963
<b>Other revenue/(expenses) - net</b>	1,392	5,793	15,189	(1,438)
<b>Total revenue</b>	28,058	30,436	68,229	48,622
Gross claims paid	(11,265)	(12,915)	(24,571)	(24,788)
Claims ceded to reinsurers	1,228	3,131	4,159	4,011
Gross change to contract liabilities	(17,006)	633	(16,977)	(706)
Change in contract liabilities ceded to reinsurers	15,084	(1,412)	13,340	1,016
<b>Net claims incurred</b>	(11,959)	(10,563)	(24,049)	(20,467)
Commission expense	(10,116)	(8,948)	(19,705)	(17,706)
Management expenses	(12,447)	(11,476)	(23,077)	(22,950)
Finance costs	(70)	(2)	(150)	(5)
<b>Other expenses</b>	(22,633)	(20,426)	(42,932)	(40,661)
<b>Operating (loss)/profit</b>	(6,534)	(553)	1,248	(12,506)
Share of profit of an associate, net of tax	-	923	-	1,680
<b>(Loss)/profit before taxation</b>	(6,534)	370	1,248	(10,826)
Taxation	(1,688)	(1,547)	(2,873)	(2,972)
<b>Loss for the financial quarter/period</b>	(8,222)	(1,177)	(1,625)	(13,798)
<b>(Loss)/profit for the financial quarter/period attributable to:</b>				
Owners of the Company	(8,226)	(1,158)	(1,660)	(13,788)
NCI	4	(19)	35	(10)
	<b>(8,222)</b>	<b>(1,177)</b>	<b>(1,625)</b>	<b>(13,798)</b>
Basic loss per ordinary share (sen) attributable to owners of the Company	(3.01)	(0.42)	(0.61)	(5.04)

*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 2018.*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE FINANCIAL QUARTER AND PERIOD ENDED 30 JUNE 2019

	Individual Period		Cumulative Period	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30 June 2019	30 June 2018	30 June 2019	30 June 2018
	RM'000	RM'000	RM'000	RM'000
<b>Loss for the financial quarter/period</b>	(8,222)	(1,177)	(1,625)	(13,798)
<b><u>Other comprehensive income</u></b>				
<b><i>Items that may be subsequently reclassified to profit or loss:</i></b>				
Foreign currency translation differences	5,354	2,761	2,507	(7,061)
Net fair value gains/(losses) on debt securities at FVOCI	1,114	(132)	3,398	(1,849)
	6,468	2,629	5,905	(8,910)
<b><i>Items that will not be reclassified to profit or loss:</i></b>				
Net fair value gains/(losses) on equity securities at FVOCI	38	(144)	(93)	(506)
Other comprehensive income/(loss) for the financial quarter/period	6,506	2,485	5,812	(9,416)
<b>Total comprehensive (loss)/income for the financial quarter/period</b>	<b>(1,716)</b>	<b>1,308</b>	<b>4,187</b>	<b>(23,214)</b>
<b>Total comprehensive (loss)/income for the financial quarter/period attributable to:</b>				
Owners of the Company	(1,720)	1,327	4,152	(23,204)
NCI	4	(19)	35	(10)
	<b>(1,716)</b>	<b>1,308</b>	<b>4,187</b>	<b>(23,214)</b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**

	Attributable to owners of the Company							
	Share capital	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	
<b><u>6 Months Period Ended 30 June 2019</u></b>								
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>(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>
	-	-	-	-	-	-	-	-

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**  
(continued)

	Attributable to owners of the Company								
	Share capital	Capital redemption reserves	Foreign exchange reserves	Reserves		Retained earnings	Total	NCI	Total equity
				AFS reserves	Total				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>6 Months Period Ended 30 June 2018</b>									
At 1 January 2018									
- as previously stated	304,354	(14,212)	10,044	-	(4,168)	259,140	559,326	3,300	562,626
- effect of change in accounting policy	-	-	(10,044)	4	(10,040)	13,108	3,068	-	3,068
- restated	304,354	(14,212)	-	4	(14,208)	272,248	562,394	3,300	565,694
Loss for the financial period	-	-	-	-	-	(13,788)	(13,788)	(10)	(13,798)
Other comprehensive loss	-	-	(7,061)	(2,355)	(9,416)	-	(9,416)	-	(9,416)
Total comprehensive loss for the financial period	-	-	(7,061)	(2,355)	(9,416)	(13,788)	(23,204)	(10)	(23,214)
Interim dividends paid	-	-	-	-	-	(8,206)	(8,206)	-	(8,206)
At 30 June 2018	304,354	(14,212)	(7,061)	(2,351)	(23,624)	250,254	530,984	3,290	534,274

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**

	<b>Current Year To Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30 June 2019</b>	<b>30 June 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Loss for the financial period</b>	(1,625)	(13,798)
<b>Adjustment for:</b>		
Investment income	(9,866)	(7,836)
Realised gains and losses - net	(2,598)	(1,457)
Fair value gains and losses - net	(959)	14,925
Allowance for/(write back of) impairment loss on:		
- insurance receivables	(77)	16
- investments at AC	352	6
Present value adjustment on Retained Consideration	-	(1,735)
Realised foreign exchange losses - net	33	313
Unrealised foreign exchange (gains)/losses - net	(127)	846
Property, plant and equipment written off	4	1
Depreciation of property, plant and equipment	468	484
Depreciation of right-of-use assets	913	-
Amortisation of leasehold lands	1	1
Amortisation of intangible assets	36	30
Finance costs	150	5
Share of profit of an associate	-	(1,680)
Tax expenses	2,873	2,972
<b>Changes in working capital:</b>		
Increase in loans and receivables	(11)	(27)
Increase in reinsurance assets	(17,104)	(1,783)
Increase in insurance receivables	(11,771)	(3,638)
(Decrease)/increase in deferred acquisition costs	(739)	312
Decrease/(increase) in trade and other receivables	86,814	(391)
Increase/(decrease) in insurance contract liabilities	27,558	(5,320)
Increase in insurance payables	9,212	2,648
Increase in deferred reinsurance commission	312	517
Increase in trade and other payables	12,622	1,319
<b>Cash generated from/(used in) operating activities</b>	96,471	(13,270)
Income tax paid	(3,349)	(21)
Income tax refund	14	14
<b>Net cash generated from/(used in) operating activities</b>	93,136	(13,277)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2019**  
(continued)

	<b>Current Year To Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30 June 2019</b>	<b>30 June 2018</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(1,354)	(312)
Proceeds from disposal of property, plant and equipment	385	31
Addition from subsequent expenditure of investment properties	(372)	(243)
Purchase of intangible assets	(55)	(52)
Purchase of investments	(87,328)	(58,069)
Proceeds from disposal of investments	66,778	40,425
Decrease in fixed and call deposits	(137)	35,229
Investment income received	9,994	8,605
<b>Net cash (used in)/generated from investing activities</b>	<b>(12,089)</b>	<b>25,614</b>
<b>Financing activities:</b>		
Repayment of lease liabilities	(1,152)	-
Finance costs paid	(150)	(5)
Dividends paid	-	(8,206)
<b>Net cash used in financing activities</b>	<b>(1,302)</b>	<b>(8,211)</b>
<b>Net increase in cash and cash equivalents</b>	<b>79,745</b>	<b>4,126</b>
<b>Currency translation difference</b>	<b>(1,834)</b>	<b>2,514</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>251,132</b>	<b>141,226</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>329,043</b>	<b>147,866</b>
	-	-
<b>Cash and cash equivalents comprise of:</b>		
Fixed and call deposits with licensed banks	214,807	133,205
Cash and bank balance	114,236	14,661
	<b>329,043</b>	<b>147,866</b>

*The Condensed Consolidated Statement of Cash flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018.*