

AVICENNIA CAPITAL SDN. BHD.

(1031978-V)

(Incorporated in Malaysia)

Unaudited Condensed Interim Financial Statements

30 June 2015

1031978-V

**Avicennia Capital Sdn. Bhd.
(Incorporated in Malaysia)**

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Avicennia Capital Sdn. Bhd.
(Incorporated in Malaysia)

Unaudited condensed statements of comprehensive income
For the six months period ended 30 June 2015

	Group 6 months period ended 30.6.2015 RM'000	Group 6 months period ended 30.6.2014 RM'000	Company 6 months period ended 30.6.2015 RM'000	Company 6 months period ended 30.6.2014 RM'000
Gross earned premiums/ contributions	828,667	682,867	-	-
Earned premiums/contributions ceded to reinsurers/ retakaful operators	(73,822)	(73,507)	-	-
Net earned premiums/contributions	<u>754,845</u>	<u>609,360</u>	<u>-</u>	<u>-</u>
Investment income	76,012	60,031	-	-
Net fair value gains	9,493	9,670	-	-
Other operating income	26,802	23,724	25	-
Other income	<u>112,307</u>	<u>93,425</u>	<u>25</u>	<u>-</u>
Gross benefits and claims paid	(479,582)	(377,065)	-	-
Claims ceded to reinsurers and retakaful operators	53,798	32,714	-	-
Gross change in contract liabilities	(155,229)	(110,581)	-	-
Change in contract liabilities ceded to reinsurers and retakaful operators	666	8,313	-	-
Gross change in investment contract liabilities	<u>(3,499)</u>	<u>(2,185)</u>	<u>-</u>	<u>-</u>
Net benefits and claims	<u>(583,846)</u>	<u>(448,804)</u>	<u>-</u>	<u>-</u>
Fee and commission expenses	(77,406)	(66,199)	-	-
Other operating expenses	(163,984)	(130,469)	(9,398)	(2,895)
Other expenses	<u>(241,390)</u>	<u>(196,668)</u>	<u>(9,398)</u>	<u>(2,895)</u>
Profit/(loss) before taxation	41,916	57,313	(9,373)	(2,895)
Taxation	14 (14,371)	(13,937)	-	-
Profit/(loss) for the period	<u>27,545</u>	<u>43,376</u>	<u>(9,373)</u>	<u>(2,895)</u>

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Unaudited condensed statements of comprehensive income
For the six months period ended 30 June 2015 (cont'd.)

	Group 6 months period ended 30.6.2015 RM'000	Group 6 months period ended 30.6.2014 RM'000	Company 6 months period ended 30.6.2015 RM'000	Company 6 months period ended 30.6.2014 RM'000
Other comprehensive income:				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Net fair value changes of AFS financial assets				
- Gain on fair value changes	2,645	1,764	-	-
- Transfer to profit or loss upon disposal	12	201	-	-
Tax effect relating to AFS financial assets	(1,922)	(318)	-	-
Foreign currency translation differences	(17,182)	(3,932)	-	-
Other comprehensive loss for the period	(16,447)	(2,285)	-	-
Total comprehensive income/ (loss) for the period	11,098	41,091	(9,373)	(2,895)
Profit/(loss) attributable to:				
Owners of the Company	4,229	24,548	(9,373)	(2,895)
Non-controlling interests	23,316	18,828	-	-
	27,545	43,376	(9,373)	(2,895)
Total comprehensive income/ (loss) attributable to:				
Owners of the Company	(10,964)	22,461	(9,373)	(2,895)
Non-controlling interests	22,062	18,630	-	-
	11,098	41,091	(9,373)	(2,895)

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

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Unaudited condensed statements of financial position
As at 30 June 2015

		Audited		Audited
	Note	Group	Group	Company
		30.6.2015	31.12.2014	30.6.2015
		RM'000	RM'000	RM'000
				31.12.2014
				RM'000
Assets				
Property and equipment		58,474	53,826	1,348
Intangible assets		719,939	752,304	-
Investment in subsidiaries		-	-	1,781,420
Goodwill on consolidation		838,299	838,299	-
Financial assets		2,906,985	2,832,630	-
Reinsurance and retakaful assets	15	140,363	138,914	-
Other insurance and takaful receivables		206,715	183,499	-
Other receivables		34,141	30,298	495
Cash and bank balances		413,465	334,570	15,088
Total Assets		5,318,381	5,164,340	1,798,351
Equity, Policyholders'				
Funds and Liabilities				
Share capital		1,781,290	1,781,290	1,781,290
Immediate holding and other related companies' advances		32,486	8,678	32,446
Other reserves		(13,151)	76	-
Retained earnings/(accumulated loss)		37,881	35,618	(17,757)
Shareholder's funds		1,838,506	1,825,662	1,795,979
Non-controlling interests		564,434	640,372	-
		2,402,940	2,466,034	1,795,979
Liabilities				
Insurance and takaful contract liabilities	15	2,418,951	2,139,358	-
Other insurance and takaful payables		139,237	128,303	-
Investment contract liabilities		30,565	35,013	-
Financial liabilities		58,317	44,171	-
Provisions and other payables		74,780	154,766	2,372
Deferred tax liabilities		175,030	167,574	-
Current tax liabilities		18,561	29,121	-
Total Liabilities		2,915,441	2,698,306	2,372
Total Equity, Policyholders'		5,318,381	5,164,340	1,798,351
Funds and Liabilities		5,318,381	5,164,340	1,783,014

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

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Unaudited condensed statements of changes in equity
For the six months period ended 30 June 2015

Group	-----> Attributable to Owners of the Company <----->				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Immediate holding and other related companies' advances RM'000	Other reserves RM'000	Accumulated loss RM'000			
At 1 January 2014	1,719,314	538	18,855	(18,776)	1,719,931	567,174	2,287,105
Profit for the year	-	-	-	24,548	24,548	18,828	43,376
Total comprehensive income/(losses) - arising during the period	-	-	14,742	(16,829)	(2,087)	(198)	(2,285)
	-	-	14,742	7,719	22,461	18,630	41,091
Transactions with owners							
Immediate holding company's advances received during the period	-	3,400	-	-	3,400	-	3,400
Other related company's advances received during the period	-	15	-	-	15	-	15
Issuance of ordinary shares	61,976	-	-	-	61,976	6,888	68,864
Total transactions with owners	61,976	3,415	-	-	65,391	6,888	72,279
At 30 June 2014	1,781,290	3,953	33,597	(11,057)	1,807,783	592,692	2,400,475

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Unaudited condensed statements of changes in equity
For the six months period ended 30 June 2015 (cont'd.)

	←----- Attributable to Owners of the Company ----->						
	←----- Non-distributable ----->						
	Share capital RM'000	Immediate holding and other related companies' advances RM'000	Other reserves RM'000	Distributable retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Group							
At 1 January 2015	1,781,290	8,678	76	35,618	1,825,662	640,372	2,466,034
Profit for the period	-	-	-	4,229	4,229	23,316	27,545
Total comprehensive loss - arising during the period	-	-	(13,227)	(1,966)	(15,193)	(1,254)	(16,447)
	-	-	(13,227)	2,263	(10,964)	22,062	11,098
Transactions with owners							
Immediate holding company's advances received during the period	-	23,802	-	-	23,802	-	23,802
Other related company's advances received during the period	-	6	-	-	6	-	6
Dividend to non-controlling interest from subsidiary company	-	-	-	-	-	(98,000)	(98,000)
Total transactions with owners	-	23,808	-	-	23,808	(98,000)	(74,192)
At 30 June 2015	1,781,290	32,486	(13,151)	37,881	1,838,506	564,434	2,402,940

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Unaudited condensed statements of changes in equity
For the six months period ended 30 June 2015

	<---- Non-distributable ---->			
	Share capital RM'000	Immediate holding company's advances RM'000	Accumulated losses RM'000	Total RM'000
Company				
At 1 January 2014	1,719,314	523	(545)	1,719,292
Total comprehensive loss	-	-	(2,895)	(2,895)
Immediate holding company's advances received during the period	-	3,403	-	3,403
Issuance of ordinary shares	61,976	-	-	61,976
At 30 June 2014	<u>1,781,290</u>	<u>3,926</u>	<u>(3,440)</u>	<u>1,781,776</u>
At 1 January 2015	1,781,290	8,643	(8,384)	1,781,549
Total comprehensive loss	-	-	(9,373)	(9,373)
Immediate holding company's advances received during the period	-	23,803	-	23,803
At 30 June 2015	<u>1,781,290</u>	<u>32,446</u>	<u>(17,757)</u>	<u>1,795,979</u>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

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Unaudited condensed statements of cash flows
For the six months period ended 30 June 2015

	Group 6 months period ended 30.6.2015 RM'000	Group 6 months period ended 30.6.2014 RM'000	Company 6 months period ended 30.6.2015 RM'000	Company 6 months period ended 30.6.2014 RM'000
Cash flows from operating activities				
Profit/(loss) before taxation	41,916	57,313	(9,373)	(2,895)
Adjustments for:				
Depreciation of property and equipment	2,669	1,842	178	2
Amortisation of intangible assets	31,320	13,931	-	-
Write-off of property and equipment	-	6	-	-
Net fair value gain	(9,493)	(9,670)	-	-
Realised (gains)/losses on disposal of financial assets	(1,291)	2,354	-	-
Investment income	(76,012)	(60,031)	-	-
Impairment loss on insurance and retakaful receivables	296	1,377	-	-
Operating (loss)/profit before changes in assets and liabilities	(10,595)	7,122	(9,195)	(2,893)
Increase in financial assets	(74,355)	(258,692)	-	-
Increase in reinsurance and retakaful assets	(1,449)	(10,325)	-	-
Increase in insurance and takaful receivables and other receivables	(27,059)	(36,396)	(257)	(193)
Increase in insurance and takaful contract liabilities	279,593	229,316	-	-
Increase/(decrease) in investment contract liabilities and financial liabilities	9,698	(8,659)	-	-
(Decrease)/increase in insurance and takaful payables, provisions and other payables	(69,052)	18,395	907	-
Investment income received	76,012	60,031	-	-
Taxation paid	(20,281)	(8,488)	-	-
Net cash flows generated from/ (used in) operating activities	162,512	(7,696)	(8,545)	(3,086)

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Unaudited condensed statements of cash flows
For the six months period ended 30 June 2015 (cont'd.)

	Group 6 months period ended 30.6.2015 RM'000	Group 6 months period ended 30.6.2014 RM'000	Company 6 months period ended 30.6.2015 RM'000	Company 6 months period ended 30.6.2014 RM'000
Cash flows from investing activities				
Purchase of property and equipment	(7,317)	(2,476)	(124)	(277)
Purchase of intangible assets	(2,108)	(312)	-	-
Acquisition of subsidiaries	-	-	(46)	(62,016)
Net cash flows used in investing activities	<u>(9,425)</u>	<u>(2,788)</u>	<u>(170)</u>	<u>(62,293)</u>
Cash flows from financing activities				
Proceeds from issuance of ordinary shares	-	61,976	-	61,976
Immediate holding and other related companies' advances received	23,808	3,415	23,803	3,403
Dividend paid to a non-controlling interest	<u>(98,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash flows (used in)/generated from financing activities	<u>(74,192)</u>	<u>65,391</u>	<u>23,803</u>	<u>65,379</u>
Net changes in cash and cash equivalents	78,895	54,907	15,088	-
Cash and cash equivalents at beginning of period	<u>334,570</u>	<u>201,049</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of period	<u>413,465</u>	<u>255,956</u>	<u>15,088</u>	<u>-</u>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

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Notes to the unaudited condensed interim financial statements
For the six months period ended 30 June 2015

1. Corporate information

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are the underwriting of life insurance and investment-linked business, managing of family takaful, general takaful and investment-linked takaful business, health insurance business and that of investment holding companies.

There has been no significant change in the nature of the principal activities during the six months period ended 30 June 2015.

The Company is a private limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Suite 2-4, Level 2, Tower Block, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.

The immediate holding company is Tulai Beach Sdn Bhd, a company incorporated and domiciled in Malaysia.

The penultimate holding and ultimate holding companies of the Company are Khazanah Nasional Berhad and Minister of Finance (Incorporated), a company incorporated and domiciled in Malaysia, and a body corporate which was incorporated under the Minister of Finance (Incorporation) Act, 1957, respectively.

The unaudited condensed interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 19 August 2015.

2. Basis of preparation

The unaudited condensed interim financial statements of the Group and Company have been prepared in accordance with the Financial Reporting Guidelines (BNM/RH/STD 032-5) dated 28 January 2015 issued by Bank Negara Malaysia which do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group and Company's audited financial statements for the financial year ended 31 December 2014.

The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to gain an understanding of the change in the financial position and performance of the Group and Company since the financial year ended 31 December 2014.

The unaudited condensed interim financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except where otherwise indicated.

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3. Significant accounting policies

The accounting policies adopted by the Group and the Company for the unaudited condensed interim financial statements are consistent with those adopted by the Group and the Company in the audited financial statements for the financial year ended 31 December 2014, except for the adoption of the following:

MFRSs/Interpretations	Effective Date
Amendments to MFRS 119 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle: Amendments to MFRS 2 <i>Share-based Payment</i>	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle: Amendments to MFRS 3 <i>Business Combinations</i>	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle: Amendments to MFRS 8 <i>Operating Segments</i>	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle: Amendments to MFRS 116 <i>Property, Plant and Equipment</i> and MFRS 138 <i>Intangible Assets</i>	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle: Amendments to MFRS 124 <i>Related Party Disclosures</i>	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle: Amendments to MFRS 3 <i>Business Combinations</i>	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle: Amendments to MFRS 13 <i>Fair Value Measurement</i>	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle: Amendments to MFRS 140 <i>Investment Property</i>	1 July 2014

The adoption of the above amendments and annual improvements issued by MASB which are effective in the current financial period did not have any significant impact on the unaudited condensed interim financial statements of the Group and the Company.

4. Seasonality of operations

The business operations of the Group and of the Company were not significantly affected by seasonal or cyclical fluctuations during the six months period ended 30 June 2015.

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5. 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 during the six months period ended 30 June 2015.

6. Changes in estimates

There were no changes in estimates of amounts reported in the prior financial year that has a material effect for the six months period ended 30 June 2015.

7. Issuance or repayment of debt and equity securities

There were no issuance, cancellation, repurchases and repayment of debt and equity securities during the six months period ended 30 June 2015, other than the equity contribution received by the Group and the Company from its holding company amounting to RM23,802,000 (30 June 2014: RM3,400,000) as disclosed in the Unaudited Condensed Statement of Changes in Equity.

8. Dividends

There were no dividends paid or declared by the Company since the date of the last report for the financial year ended 31 December 2014.

9. Commitments and contingencies

There were no significant commitments or contingencies that have arisen during the six months period ended 30 June 2015.

10. Effect of the changes in composition

There were no changes in the composition of the Group and the Company during the six months period ended 30 June 2015.

11. Significant events and transactions

There were no significant events and transactions that have not been reflected in the unaudited condensed interim financial statements for the six months period ended 30 June 2015.

12. Subsequent events

There were no material events after the interim period that have not been reflected in the unaudited condensed financial statements for the six months period ended 30 June 2015.

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13. Insurance and takaful contract liabilities

The insurance and takaful contract liabilities, reinsurance and retakaful balances are further analysed as follows:

	<----- Group ----->		
	<----- 30.6.2015 ----->		
	Gross RM'000	Reinsurance and retakaful RM'000	Net RM'000
Life and general insurance (Note a)	1,757,529	(114,671)	1,642,858
Family Takaful (Note b)	591,732	(4,214)	587,518
General Takaful (Note c)	69,690	(21,478)	48,212
	<u>2,418,951</u>	<u>(140,363)</u>	<u>2,278,588</u>

	<----- Group ----->		
	<----- 31.12.2014 ----->		
	Gross RM'000	Reinsurance and retakaful RM'000	Net RM'000
Life and general insurance (Note a)	1,548,247	(108,086)	1,440,161
Family Takaful (Note b)	520,181	(4,363)	515,818
General Takaful (Note c)	70,930	(26,465)	44,465
	<u>2,139,358</u>	<u>(138,914)</u>	<u>2,000,444</u>

(a) The life and general insurance contract liabilities and reinsurance balances are further analysed as follows:

	<----- Group ----->		
	<----- 30.6.2015 ----->		
	Gross RM'000	Reinsurance RM'000	Net RM'000
Actuarial liabilities	1,564,965	(100,192)	1,464,773
Claims liabilities	15,925	(8,984)	6,941
Unallocated surplus	25,636	(5,495)	20,141
Net asset value attributable to unitholders	151,003	-	151,003
	<u>1,757,529</u>	<u>(114,671)</u>	<u>1,642,858</u>

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13. Insurance and takaful contract liabilities (cont'd.)

	<----- Group ----->		
	<----- 31.12.2014 ----->		
	Gross RM'000	Reinsurance RM'000	Net RM'000
Actuarial liabilities	1,412,856	(90,825)	1,322,031
Claims liabilities	35,042	(17,261)	17,781
Unallocated surplus	1,013	-	1,013
Net asset value attributable to unitholders	99,336	-	99,336
	<u>1,548,247</u>	<u>(108,086)</u>	<u>1,440,161</u>

- (b) The Family takaful contract liabilities and retakaful balances are further analysed as follows:

	<----- Group ----->		
	<----- 30.6.2015 ----->		
	Gross RM'000	Retakaful RM'000	Net RM'000
Actuarial liabilities	575,968	683	576,651
Claims liabilities	8,822	(4,897)	3,925
Unallocated surplus	9,383	-	9,383
Available-for-sale fair value adjustment	(2,441)	-	(2,441)
	<u>591,732</u>	<u>(4,214)</u>	<u>587,518</u>

	<----- Group ----->		
	<----- 31.12.2014 ----->		
	Gross RM'000	Retakaful RM'000	Net RM'000
Actuarial liabilities	510,052	762	510,814
Claims liabilities	7,484	(5,125)	2,359
Unallocated surplus	2,177	-	2,177
Available-for-sale fair value adjustment	468	-	468
	<u>520,181</u>	<u>(4,363)</u>	<u>515,818</u>

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13. Insurance and takaful contract liabilities (cont'd.)

- (c) The General takaful contract liabilities and retakaful balances are further analysed as follows:

	<----- Group ----->		
	<----- 30.6.2015 ----->		
	Gross RM'000	Retakaful RM'000	Net RM'000
Provision for claims reported by certificate holders	5,976	(3,798)	2,178
Provision for IBNR	34,984	(15,424)	19,560
Provision for outstanding claims	40,960	(19,222)	21,738
Unearned contribution reserve	12,067	(2,256)	9,811
Available-for-sale fair value adjustment	31	-	31
Unallocated surplus	16,632	-	16,632
	<u>69,690</u>	<u>(21,478)</u>	<u>48,212</u>

	<----- Group ----->		
	<----- 31.12.2014 ----->		
	Gross RM'000	Retakaful RM'000	Net RM'000
Provision for claims reported by certificate holders	6,640	(3,776)	2,864
Provision for IBNR	41,628	(21,049)	20,579
Provision for outstanding claims	48,268	(24,825)	23,443
Unearned contribution reserve	10,796	(1,640)	9,156
Available-for-sale fair value adjustment	(105)	-	(105)
Unallocated surplus	11,971	-	11,971
	<u>70,930</u>	<u>(26,465)</u>	<u>44,465</u>

14. Taxation

The effective tax rate of the Group is higher than the statutory tax rate mainly due to non-recognition of deferred tax assets arising from the unused tax losses during the period.

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15. Insurance and takaful funds

The Group's principal activities are organised by funds and segregated into Shareholders, Life, Family Takaful and General Takaful funds in accordance with the Financial Services Act, 2013 and the Islamic Financial Services Act, 2013 ("the Acts") except for the Turkey subsidiary which is not governed by the Acts. However, for the purpose of presentation in these unaudited condensed interim financial statements, the business from the Turkey subsidiary is further segregated into the respective life and general insurance funds.

The Group's Unaudited Condensed Interim Statement of Financial Position and Unaudited Condensed Interim Statement of Comprehensive Income have been further analysed by funds.

The life insurance and family takaful businesses offer a wide range of Whole Life, Term Assurance, Endowment, Mortgage as well as Investment-linked products.

The general insurance and general takaful businesses offer products which include Motor, Fire and Personal Accident.

Individual fund revenue, expense, assets and liabilities are those amounts resulting from the operating activities of the respective funds that are directly attributable to the respective funds and the relevant portion that can be allocated on a reasonable basis to the respective funds. Individual fund revenue, expense, assets and fund liabilities are determined before inter-fund balances and inter-fund transactions are eliminated as part of the consolidation process.

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of financial position by funds
As at 30 June 2015

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Assets								
Property and equipment	159	6,921	49,641	-	-	1,348	405	58,474
Intangible assets	-	2,568	-	-	-	-	717,371	719,939
Investment in subsidiaries	-	-	-	-	-	4,474,804	(4,474,804)	-
Goodwill on consolidation	-	-	-	-	-	-	838,299	838,299
Financial assets	655,081	310,058	1,350,480	52,354	581,902	-	(42,890)	2,906,985
Reinsurance and retakaful assets	-	5,753	108,918	21,478	4,214	-	-	140,363
Other insurance and takaful receivables	-	170,168	8,626	5,678	22,243	-	-	206,715
Advances to other related companies	-	-	-	-	-	309	(309)	-
Qardhul Hasan receivables	204	-	-	-	-	-	(204)	-
Other receivables	82,521	19,907	16,690	2,432	916	495	(88,820)	34,141
Deferred acquisition costs	-	21,128	113	-	-	-	(21,241)	-
Cash and bank balances	9,387	208,927	33,976	9,895	30,111	121,169	-	413,465
Total Assets	747,352	745,430	1,568,444	91,837	639,386	4,598,125	(3,072,193)	5,318,381

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Avicennia Capital Sdn. Bhd.
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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of financial position by funds (cont'd.)

As at 30 June 2015

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Equity, Policyholders' Funds and Liabilities								
Share capital	629,146	-	-	-	-	3,596,645	(2,444,501)	1,781,290
Redeemable convertible preference shares	-	-	-	-	-	8,805	(8,805)	-
Share premium	115,990	-	-	-	-	877,684	(993,674)	-
Immediate holding and other related companies' advances	-	-	-	-	-	32,795	(309)	32,486
Other reserves	49,512	(21,463)	(30)	-	-	1	(41,171)	(13,151)
Retained earnings/ (accumulated loss)	54,852	82,227	-	-	(204)	79,805	(178,799)	37,881
Shareholder's funds	849,500	60,764	(30)	-	(204)	4,595,735	(3,667,259)	1,838,506
Non-controlling interests	-	-	-	-	-	-	564,434	564,434
	849,500	60,764	(30)	-	(204)	4,595,735	(3,102,825)	2,402,940

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of financial position by funds (cont'd.)

As at 30 June 2015

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Liabilities								
Insurance and takaful contract liabilities	-	359,542	1,433,093	69,690	599,516	-	(42,890)	2,418,951
Other insurance and takaful payables	-	110,604	13,416	3,307	11,910	-	-	139,237
Investment contract liabilities	-	-	30,565	-	-	-	-	30,565
Financial liabilities	30,500	15,884	11,933	-	-	-	-	58,317
Qardhul Hasan payable	-	-	-	-	204	-	(204)	-
Provisions and other payables	27,395	16,874	73,778	17,406	25,575	2,390	(88,638)	74,780
Deferred tax liabilities	10,471	(630)	1,484	13	1,327	-	162,365	175,030
Current tax liabilities	16,621	-	(539)	1,421	1,058	-	-	18,561
Total Liabilities	84,987	502,274	1,563,730	91,837	639,590	2,390	30,633	2,915,441
Total Equity, Policyholders' Funds and Liabilities	934,487	563,038	1,563,700	91,837	639,386	4,598,125	(3,072,192)	5,318,381

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Avicennia Capital Sdn. Bhd.
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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of financial position by funds (cont'd.)

As at 31 December 2014

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Assets								
Property and equipment	209	4,786	47,024	-	-	1,402	405	53,826
Intangible assets	-	655	-	-	-	-	751,649	752,304
Investment in subsidiaries	-	-	-	-	-	4,474,804	(4,474,804)	-
Goodwill on consolidation	-	-	-	-	-	-	838,299	838,299
Financial assets	583,590	225,679	1,503,949	50,434	521,339	-	(52,361)	2,832,630
Reinsurance and retakaful assets	-	8,786	99,301	26,465	4,362	-	-	138,914
Other insurance and takaful receivables	-	139,414	5,565	4,327	24,988	-	9,205	183,499
Advances to other related companies	-	-	-	-	-	250	(250)	-
Qardhul Hasan receivables	277	-	-	-	-	-	(277)	-
Other receivables	287,144	12,732	12,357	1,193	4,244	240	(287,612)	30,298
Deferred acquisition costs	-	15,725	54	-	-	-	(15,779)	-
Cash and bank balances	9,096	280,729	20,861	3,592	16,211	4,081	-	334,570
Total Assets	880,316	688,506	1,689,111	86,011	571,144	4,480,777	(3,231,525)	5,164,340

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Avicennia Capital Sdn. Bhd.
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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of financial position by funds (cont'd.)

As at 31 December 2014

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Equity, Policyholders' Funds and Liabilities								
Share capital	629,147	-	-	-	-	3,596,644	(2,444,501)	1,781,290
Redeemable convertible preference shares	-	-	-	-	-	8,805	(8,805)	-
Share premium	115,990	-	-	-	-	877,684	(993,674)	-
Immediate holding and other related companies' advances	-	-	-	-	-	8,928	(250)	8,678
Other reserves	11,495	(6,062)	-	-	-	2	(5,359)	76
Retained earnings/ (accumulated loss)	234,189	73,848	-	-	(285)	(12,784)	(259,350)	35,618
Shareholder's funds	990,821	67,786	-	-	(285)	4,479,279	(3,711,939)	1,825,662
Non-controlling interests	-	-	-	-	-	-	640,372	640,372
	990,821	67,786	-	-	(285)	4,479,279	(3,071,567)	2,466,034

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Avicennia Capital Sdn. Bhd.
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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of financial position by funds (cont'd.)

As at 31 December 2014

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Liabilities								
Insurance and takaful contract liabilities	-	240,221	1,343,435	70,930	527,929	-	(43,157)	2,139,358
Other insurance and takaful payables	-	94,900	13,301	3,377	16,725	-	-	128,303
Investment contract liabilities	-	-	35,013	-	-	-	-	35,013
Financial liabilities	23,504	8,658	12,009	-	-	-	-	44,171
Qardhul Hasan payable	-	-	-	-	285	-	(285)	-
Provisions and other payables	23,521	95,893	283,005	12,042	26,237	1,498	(287,430)	154,766
Deferred tax liabilities	(815)	(3,239)	672	(38)	80	-	170,914	167,574
Current tax liabilities	30,423	2,308	(3,483)	(300)	173	-	-	29,121
Total Liabilities	76,633	438,741	1,683,952	86,011	571,429	1,498	(159,958)	2,698,306
Total Equity, Policyholders' Funds and Liabilities	1,067,454	506,527	1,683,952	86,011	571,144	4,480,777	(3,231,525)	5,164,340

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Avicennia Capital Sdn. Bhd.
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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of comprehensive income by fund (cont'd.)
For the six months period ended 30 June 2015

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Gross earned premiums/ contributions	-	333,786	284,833	32,712	177,336	-	-	828,667
Earned premiums/contributions ceded to reinsurers/ retakaful operators	-	(4,561)	(32,132)	(3,209)	(33,920)	-	-	(73,822)
Net earned premiums/contributions	-	329,225	252,701	29,503	143,416	-	-	754,845
Investment income	13,111	15,367	35,555	877	11,863	102,000	(102,761)	76,012
Net fair value gains/(losses)	2,283	-	8,556	-	(1,647)	-	301	9,493
Wakalah income	79,742	-	-	-	-	-	(79,742)	-
Surplus sharing from General and Family Takaful funds	6,809	-	-	-	-	-	(6,809)	-
Other operating income	1,316	18,848	1,203	76	5,342	25	(8)	26,802
Other income	103,261	34,215	45,314	953	15,558	102,025	(189,019)	112,307
Gross benefits and claims paid	-	(304,395)	(123,423)	(6,219)	(45,545)	-	-	(479,582)
Claims ceded to reinsurers and retakaful operators	-	4,871	26,077	4,219	18,631	-	-	53,798
Gross change in contract liabilities	-	(4,356)	(86,507)	2,648	(66,713)	-	(301)	(155,229)
Change in contract liabilities ceded to reinsurers and retakaful operators	-	(2,663)	9,081	(5,603)	(149)	-	-	666
Gross change in investment contract liabilities	-	-	(3,499)	-	-	-	-	(3,499)
Net benefits and claims	-	(306,543)	(178,271)	(4,955)	(93,776)	-	(301)	(583,846)

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of comprehensive income by fund (cont'd.)
For the six months period ended 30 June 2015

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Fee and commission expenses	(31,524)	(17,395)	(23,025)	-	-	-	(5,462)	(77,406)
Surplus sharing with Takaful Operator	-	-	-	(4,660)	(2,149)	-	6,809	-
Wakalah expenses	-	-	-	(19,095)	(60,647)	-	79,742	-
Other operating expenses	(46,555)	(27,157)	(45,719)	(21)	(1,580)	(9,437)	(33,515)	(163,984)
Other expenses	(78,079)	(44,552)	(68,744)	(23,776)	(64,376)	(9,437)	47,574	(241,390)
Profit before taxation	25,182	12,345	51,000	1,725	822	92,588	(141,746)	41,916
Taxation	(14,373)	(2,906)	(3,175)	(1,725)	(741)	-	8,549	(14,371)
Profit for the period	10,809	9,439	47,825	-	81	92,588	(133,197)	27,545
Other comprehensive income:								
<i>Items that may be reclassified subsequently to profit or loss:</i>								
Net fair value changes of AFS financial assets								
- Gain/(loss) on fair value changes	2,938	(246)	(47)	-	-	-	-	2,645
- Transfer to profit or loss upon disposal	-	10	2	-	-	-	-	12
Tax effect relating to AFS financial assets	(1,987)	56	9	-	-	-	-	(1,922)
Foreign currency translation differences	-	(16,723)	(459)	-	-	-	-	(17,182)
Other comprehensive income/(loss) for the period	951	(16,903)	(495)	-	-	-	-	(16,447)
Total comprehensive income/(loss) for the period	11,760	(7,464)	47,330	-	81	92,588	(133,197)	11,098

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of comprehensive income by fund (cont'd.)
For the six months period ended 30 June 2015

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Owners of the Company	-	-	-	-	-	-	-	4,229
Non-controlling interests	-	-	-	-	-	-	-	23,316
	-	-	-	-	-	-	-	27,545
Total comprehensive income/ (loss) attributable to:								
Owners of the Company	-	-	-	-	-	-	-	(10,964)
Non-controlling interests	-	-	-	-	-	-	-	22,062
	-	-	-	-	-	-	-	11,098

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of comprehensive income by fund (cont'd.)
For the six months period ended 30 June 2014

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Gross earned premiums/ contributions	-	276,616	243,054	25,159	138,038	-	-	682,867
Earned premiums/contributions ceded to reinsurers/ retakaful operators	-	(2,634)	(28,892)	(1,904)	(40,077)	-	-	(73,507)
Net earned premiums/contributions	-	273,982	214,162	23,255	97,961	-	-	609,360
Investment income	12,668	13,505	25,324	1,046	8,428	-	(940)	60,031
Net fair value gains/(losses)	3,968	207	2,798	-	2,697	-	-	9,670
Wakalah income	56,621	-	-	-	-	-	(56,621)	-
Surplus sharing from General and Family Takaful funds	6,321	-	-	-	-	-	(6,321)	-
Other operating income	724	15,316	2,745	99	4,964	-	(124)	23,724
Other income	80,302	29,028	30,867	1,145	16,089	-	(64,006)	93,425
Gross benefits and claims paid	-	(250,051)	(95,999)	(5,558)	(25,457)	-	-	(377,065)
Claims ceded to reinsurers and retakaful operators	-	4,488	17,988	3,297	6,941	-	-	32,714
Gross change in contract liabilities	-	(1,433)	(53,625)	(8,433)	(47,090)	-	-	(110,581)
Change in contract liabilities ceded to reinsurers and retakaful operators	-	(788)	3,025	6,282	(206)	-	-	8,313
Gross change in investment contract liabilities	-	-	(2,185)	-	-	-	-	(2,185)
Net benefits and claims	-	(247,784)	(130,796)	(4,412)	(65,812)	-	-	(448,804)

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of comprehensive income by fund (cont'd.)

For the six months period ended 30 June 2014

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Fee and commission expenses	(23,167)	(15,625)	(22,471)	-	-	-	(4,936)	(66,199)
Surplus sharing with Takaful Operator	-	-	-	(4,282)	(2,039)	-	6,321	-
Wakalah expenses	-	-	-	(13,527)	(43,094)	-	56,621	-
Other operating expenses	(39,659)	(23,570)	(49,162)	(620)	(2,185)	(2,919)	(12,354)	(130,469)
Other expenses	(62,826)	(39,195)	(71,633)	(18,429)	(47,318)	(2,919)	45,652	(196,668)
Profit/(loss) before taxation	17,476	16,031	42,600	1,559	920	(2,919)	(18,354)	57,313
Taxation	(9,200)	(3,454)	(2,233)	(1,559)	(777)	-	3,286	(13,937)
Profit/(loss) for the period	8,276	12,577	40,367	-	143	(2,919)	(15,068)	43,376
Other comprehensive income:								
<i>Items that may be reclassified subsequently to profit or loss:</i>								
Net fair value changes of AFS financial assets								
- Gain/(loss) on fair value changes	(1)	1,480	285	-	-	-	-	1,764
- Transfer to profit or loss upon disposal	-	423	(222)	-	-	-	-	201
Tax effect relating to AFS financial assets	75	(381)	(12)	-	-	-	-	(318)
Foreign currency translation differences	-	(3,809)	(123)	-	-	-	-	(3,932)
Other comprehensive income/(loss) for the period	74	(2,287)	(72)	-	-	-	-	(2,285)
Total comprehensive income/(loss) for the period	8,350	10,290	40,295	-	143	(2,919)	(15,068)	41,091

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15. Insurance and takaful funds (cont'd.)

Unaudited condensed statements of comprehensive income by fund (cont'd.)
For the six months period ended 30 June 2014

Group	Shareholders' fund RM'000	General Insurance Fund RM'000	Life Insurance Fund RM'000	General Takaful Fund RM'000	Family Takaful Fund RM'000	Others RM'000	Elimination and adjustments RM'000	Total RM'000
Profit/(loss) attributable to:								
Owners of the Company	-	-	-	-	-	-	-	24,548
Non-controlling interests	-	-	-	-	-	-	-	18,828
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,376</u>
Total comprehensive income/ (loss) attributable to:								
Owners of the Company	-	-	-	-	-	-	-	22,461
Non-controlling interests	-	-	-	-	-	-	-	18,630
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,091</u>