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UNI.ASIA GENERAL INSURANCE BERHAD (16688 K)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2014**

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2014**

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UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

| | <u>Note</u> | <u>30.09.2014</u> <u>RM'000</u> | <u>31.03.2014</u> <u>RM'000</u> |
|---|-------------|------------------------------------|------------------------------------|
| ASSETS | | | |
| Property and equipment | | 60,796 | 61,409 |
| Intangible assets – software | | 3,327 | 2,462 |
| Investment properties | 10 | 47,078 | 47,078 |
| Available-for-sale financial assets | 11 | 174,253 | 172,993 |
| Loans and receivables | | 711,237 | 663,416 |
| Reinsurance assets | 12 | 210,016 | 211,478 |
| Insurance receivables | | 62,833 | 36,190 |
| Deferred acquisition cost | | 26,295 | 24,280 |
| Cash and cash equivalents | | 29,360 | 7,413 |
| Total assets | | <u>1,325,195</u> | <u>1,226,719</u> |
| SHAREHOLDERS' EQUITY AND LIABILITIES | | | |
| Share capital | | 100,000 | 100,000 |
| Other reserves | | 16,921 | 16,134 |
| Retained earnings | | 278,453 | 246,683 |
| Total equity | | <u>395,374</u> | <u>362,817</u> |
| Insurance contract liabilities | 13 | 752,902 | 709,781 |
| Subordinated loan | | 30,451 | 30,436 |
| Deferred tax liabilities | | 2,640 | 3,830 |
| Deferred acquisition cost-reinsurance | | 6,100 | 6,114 |
| Insurance payables | | 98,879 | 79,702 |
| Other payables | | 37,280 | 32,887 |
| Post-employment benefit obligations | | 486 | 396 |
| Current tax liabilities | | 1,083 | 756 |
| Total liabilities | | <u>929,821</u> | <u>863,902</u> |
| Total equity and liabilities | | <u>1,325,195</u> | <u>1,226,719</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM INCOME STATEMENT
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2014

| | <u>30.09.2014</u> RM'000 | <u>30.09.2013</u> RM'000 |
|--|-----------------------------|-----------------------------|
| Operating revenue | 284,404 | 264,791 |
| Gross written premium | 284,215 | 280,212 |
| Change in premium liabilities | (15,270) | (30,092) |
| Gross earned premiums | 268,945 | 250,120 |
| Reinsurance premiums ceded | (78,454) | (84,850) |
| Change in premium liabilities | (3,598) | 9,143 |
| Premium ceded to reinsurers | (82,052) | (75,707) |
| Net earned premiums | 186,893 | 174,413 |
| Investment income | 15,459 | 14,671 |
| Realised gains and losses | (19) | 148 |
| Commission income | 18,616 | 18,476 |
| Other income | 6,168 | 10,127 |
| Other income | 40,224 | 43,422 |
| Gross claims paid | (120,160) | (128,966) |
| Claims ceded to reinsurers | 30,381 | 36,733 |
| Gross change to claims liabilities | (27,851) | (24,209) |
| Change in claims liabilities ceded to reinsurers | 2,136 | 3,463 |
| Net claims incurred | (115,494) | (112,979) |
| Commission expense | (29,289) | (27,700) |
| Management expenses | (43,345) | (35,778) |
| Other expenses | (72,634) | (63,478) |
| Finance costs | (1,354) | (1,354) |
| Profit before taxation | 37,635 | 40,025 |
| Tax expense | (5,865) | (9,678) |
| Net profit for the financial period | 31,770 | 30,347 |
| Basic earnings per share (sen) | 31.77 | 30.35 |

The accompanying notes form an integral part of the financial statements.

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 SEPTEMBER 2014**

| | <u>30.09.2014</u> RM'000 | <u>30.09.2013</u> RM'000 |
|---|-----------------------------|-----------------------------|
| Profit for the financial period | 31,770 | 30,347 |
| Other comprehensive income: | | |
| <u>Available for sale ("AFS") reserve</u> | | |
| Fair value gain/(loss) of available for sale financial assets | 1,049 | (1,620) |
| Tax effect on fair value (gain)/loss of available for sale financial assets | (262) | 405 |
| Total comprehensive income for the financial period | <u>32,557</u> | <u>29,132</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2014**

| | Issued and fully paid ordinary shares of RM1 each | | Non- distributable Distributable | | | <u>Total</u> RM'000 |
|--|---|------------------------------------|--|----------------------------------|--|------------------------|
| | <u>Number of shares</u> 000 | <u>Nominal value</u> RM'000 | <u>Asset revaluation reserve</u> RM'000 | <u>AFS reserve</u> RM'000 | <u>Retained earnings</u> RM'000 | |
| At 1 April 2014 | 100,000 | 100,000 | 18,329 | (2,195) | 246,683 | 362,817 |
| Total comprehensive income for the financial period | - | - | - | 787 | 31,770 | 32,557 |
| At 30 September 2014 | <u>100,000</u> | <u>100,000</u> | <u>18,329</u> | <u>(1,408)</u> | <u>278,453</u> | <u>395,374</u> |
| At 1 April 2013 | 100,000 | 100,000 | 23,010 | 825 | 218,300 | 342,135 |
| Total comprehensive income for the financial period | - | - | - | (1,215) | 30,347 | 29,132 |
| Dividend paid | - | - | - | - | (10,100) | (10,100) |
| At 30 September 2013 | <u>100,000</u> | <u>100,000</u> | <u>23,010</u> | <u>(390)</u> | <u>238,547</u> | <u>361,167</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2014**

| | <u>30.09.2014</u> RM'000 | <u>30.09.2013</u> RM'000 |
|---|-----------------------------|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit for the financial period | 31,770 | 30,347 |
| Adjustment for non-cash items: | | |
| Property and equipment | | |
| - depreciation | 1,812 | 1,304 |
| - loss on disposal | - | - |
| - written off | 24 | 5 |
| Amortisation of intangible assets | 30 | 272 |
| Interest income | (14,858) | (13,932) |
| Rental income | (645) | (865) |
| Amortisation of premiums, net of accretion of discounts | 52 | 125 |
| Loss on disposal of available for sale financial assets | - | (110) |
| Finance cost | 1,354 | 1,354 |
| Provision/(write back) of impairment allowance for insurances receivables | 1,753 | (22) |
| Provision for post-employment benefits obligations | 199 | 47 |
| Tax expenses | 5,865 | 9,678 |
| | <hr/> 27,356 | <hr/> 28,203 |
| Purchase of available-for-sale financial assets | - | (10,032) |
| Proceeds from maturity of available-for-sale financial assets | 35 | 23,431 |
| Interest income received | 16,246 | 15,499 |
| Other income received | 645 | 865 |
| Payment of post-employment benefit obligations | (109) | (88) |
| Decrease/(Increase) in reinsurance assets | 1,462 | (12,606) |
| (Increase)/Decrease in insurance receivables | (28,396) | 9,374 |
| Increase in deferred acquisition cost | (2,015) | (3,334) |
| Increase/(Decrease) in insurance payables | 19,177 | (8,394) |
| Increase in insurance contract liabilities | 43,121 | 54,301 |
| Decrease in dividend payable | - | (7,500) |
| Increase in loan and receivables | (49,769) | (53,274) |
| Increase/(Decrease) in other payables | 4,393 | (9,629) |
| (Increase)/Decrease in deferred acquisition cost – reinsurance | (14) | 908 |
| | <hr/> 32,132 | <hr/> 27,724 |
| Cash generated from operating activities | 32,132 | 27,724 |
| Income tax paid | (6,728) | (10,293) |
| | <hr/> 25,404 | <hr/> 17,431 |
| Net cash inflows from operating activities | 25,404 | 17,431 |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOW (CONTINUED)
FOR THE SIX MONTH PERIOD ENDED 30 SEPTEMBER 2014

| | <u>30.09.2014</u> RM'000 | <u>30.09.2013</u> RM'000 |
|---|-----------------------------|-----------------------------|
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (1,673) | (487) |
| Purchase of intangible assets – software | (449) | (177) |
| Proceeds from disposal of property and equipment | 4 | 189 |
| Net cash outflows from investing activities | <u>(2,118)</u> | <u>(475)</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend paid | - | (10,100) |
| Finance cost paid | (1,339) | (1,339) |
| Net cash outflows from financing activities | <u>(1,339)</u> | <u>(11,439)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 21,947 | 5,517 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR | 7,413 | 5,361 |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD | <u>29,360</u> | <u>10,878</u> |
| Cash and cash equivalents comprise: | | |
| Fixed and call deposits | | |
| Licensed financial institutions | 24,692 | 10,428 |
| Cash and bank balances | 4,668 | 450 |
| | <u>29,360</u> | <u>10,878</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014

1. Basis of preparation

The interim financial statements of Uni.Asia General Insurance Bhd (“the Company”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 1965 and the Financial Services Act, 2013 in Malaysia. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company’s annual financial statements for the year ended 31 March 2014.

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

| MFRSs, Interpretations and amendments | Effective date |
|---|-----------------------|
| Amendments to MFRS 136, <i>Impairment of Assets – Recoverable (Amount Disclosures for Non-Financial Assets)</i> | 1 January 2014 |
| IC Interpretation 21, <i>Levies</i> | 1 January 2014 |

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

2. Seasonal/cyclical factors

The business operations of the Company are subject to the sales cycle of the insurance business.

3. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period ended 30 September 2014.

4. Material changes in estimates

There was no material changes in the basis used for accounting estimates for the current financial period ended 30 September 2014.

5. Debts and equity securities

There were no issuances, cancellation, repurchase, resale and repayment of debts and equity securities by the company during the current financial period.

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

6. Dividends

No dividends was paid during the interim period.

7. Material events subsequent to the end of interim financial period

Subsequent to the end of interim financial period, the Company has fully repaid the Subordinated loan amounting RM 30,451,233 on 3 November 2014.

8. Changes in composition of the Company

Except for the business combinations as disclosed in the Note 16, there were no changes in the composition of the Company during the period under review.

9. Changes in contingent liabilities or contingent assets.

The Company does not have any contingent assets or liabilities.

10. Investment properties

| | Freehold land and building RM'000 | Leasehold land and building RM'000 | Total RM'000 |
|-----------------------------------|--|---|-------------------------|
| At 1 April 2014/30 September 2014 | 11,950 | 35,128 | 47,078 |
| At 1 April 2014 | 11,100 | 34,442 | 45,542 |
| Fair value changes | 850 | 686 | 1,536 |
| At 31 March 2014 | 11,950 | 35,128 | 47,078 |

The titles to the freehold land and buildings included in investment properties of the Company at carrying value of RM11,950,000 (31 March 2014: RM11,950,000) are in the process of being transferred to the Company. Risks, rewards and effective titles to these properties have been passed to the Company upon unconditional completion of the acquisition of those properties. The Company has submitted the relevant documents to the land authorities for transfer of legal titles to the Company and is awaiting the process and finalisation of this transfer to be completed.

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

11. Investment

The Company's investments are as follows:

| | <u>30.09.2014</u> | <u>31.03.2014</u> |
|---|-------------------|-------------------|
| | RM'000 | RM'000 |
| Available-for-sale ("AFS") financial assets | 174,253 | 172,993 |
| Total investments | <u>174,253</u> | <u>172,993</u> |

The assets included in the above categories are detailed in the table below:

a) AFS financial assets

At fair value:

| | | |
|---|----------------|----------------|
| Unquoted equity securities in Malaysia | 38 | 38 |
| Unquoted corporate debt securities in Malaysia | 171,712 | 170,750 |
| Accrued interest | 2,503 | 2,205 |
| Total AFS financial assets | <u>174,253</u> | <u>172,993</u> |

b) Carrying value of financial assets

| | <u>AFS</u> | <u>Total</u> |
|-------------------------------|----------------|----------------|
| | RM'000 | RM'000 |
| At 1 April 2013 | 203,466 | 203,466 |
| Purchases | 10,142 | 10,142 |
| Disposal/maturity/repayment | (36,269) | (36,269) |
| Fair value gain recorded in: | | |
| - other comprehensive income | (4,027) | (4,027) |
| Amortisation adjustment | (199) | (199) |
| Movement in accrued interest | (120) | (120) |
| At 31 March 2014/1 April 2014 | <u>172,993</u> | <u>172,993</u> |
| Disposal/maturity/repayment | (35) | (35) |
| Fair value gain recorded in: | | |
| - other comprehensive income | 1,049 | 1,049 |
| Amortisation adjustment | (52) | (52) |
| Movement in accrued interest | 298 | 298 |
| At 30 September 2014 | <u>174,253</u> | <u>174,253</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

11. Investment (Continued)

c) Fair value hierarchy of AFS financial assets

The table below analyses those financial instruments carried at fair value by their valuation method as at 30 September 2014. The different levels have been defined as follows:

| | <u>30.09.2014</u> | <u>31.03.2014</u> |
|---------|-------------------|-------------------|
| | RM'000 | RM'000 |
| Level 1 | - | - |
| Level 2 | 174,215 | 172,955 |
| Level 3 | 38 | 38 |
| | <u>174,253</u> | <u>172,993</u> |

The Company categories its fair value measurement according to a three level hierarchy. The hierarchy priorities the inputs used by the Company's valuation techniques for determining the fair value of the financial instruments.

A level is assigned to each fair value measurement based on the lowest level input significant to the fair value measurement in its entirety. The three level hierarchies are defined as follows:

- Level 1- Fair value measurement that reflect unadjusted, quoted prices in active markets for identical assets and liabilities that the company has the liability to access at the measurement date. Valuations are based on quoted prices reflecting market transaction involving assets or liabilities identical to those being measured.
- Level 2 - Fair value measurement using inputs other than quoted prices included within Level 1 that is observable for the asset or liability, either directly or indirectly. Those for identical assets and liabilities in inactive markets, inputs that are observable that is not prices (such as interest rates, credit risks, etc.) and inputs that are derived from or corroborated by observable market data.
- Level 3 - Fair value measurement using significant non market observable inputs. These includes valuation for assets and liabilities that are derived using data, some or all of which is not market observable, including assumptions about risk.

12. Reinsurance assets

| | <u>30.09.2014</u> | <u>31.03.2014</u> |
|------------------------------------|-------------------|-------------------|
| | RM'000 | RM'000 |
| Reinsurance of insurance contracts | | |
| Claims liabilities | 148,287 | 146,151 |
| Premium liabilities | 61,729 | 65,327 |
| | <u>210,016</u> | <u>211,478</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

13. Insurance contract liabilities

| | <u>30.09.2014</u> | | | <u>31.03.2014</u> | | |
|-------------------|------------------------|-----------|---------|------------------------|-----------|---------|
| | Re- | | Net | Re- | | Net |
| | <u>Gross insurance</u> | | | <u>Gross insurance</u> | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| General insurance | 752,902 | (210,016) | 542,886 | 709,781 | (211,478) | 498,303 |

The general insurance contract liabilities and its movement are further analysed as follows:

| | <u>30.09.2014</u> | | | <u>31.03.2014</u> | | |
|---|------------------------|-----------|---------|------------------------|-----------|---------|
| | Re- | | Net | Re- | | Net |
| | <u>Gross insurance</u> | | | <u>Gross insurance</u> | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Provision for claims | 325,152 | (110,383) | 214,769 | 318,427 | (115,273) | 203,154 |
| Provision for incurred but not reported "IBNR" claims | 156,440 | (37,904) | 118,536 | 135,314 | (30,878) | 104,436 |
| Claims liabilities (i) | 481,592 | (148,287) | 333,305 | 453,741 | (146,151) | 307,590 |
| Premium liabilities (ii) | 271,310 | (61,729) | 209,581 | 256,040 | (65,327) | 190,713 |
| | 752,902 | (210,016) | 542,886 | 709,781 | (211,478) | 498,303 |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

13. Insurance contract liabilities (Continued)

(i) Claims liabilities

| | <u>30.09.2014</u> | | | <u>31.03.2014</u> | | |
|--|------------------------|-----------------------------------|----------------------|------------------------|-----------------------------------|----------------------|
| | <u>Gross</u> RM'000 | Re- <u>insurance</u> RM'000 | <u>Net</u> RM'000 | <u>Gross</u> RM'000 | Re- <u>insurance</u> RM'000 | <u>Net</u> RM'000 |
| At 1 April | 453,741 | (146,151) | 307,590 | 422,523 | (154,151) | 268,372 |
| Claims incurred for the current accident year (direct and facultative) | 151,715 | (38,385) | 113,330 | 286,793 | (73,786) | 213,007 |
| Adjustment to claims incurred in prior accident year (direct and facultative) | (15,303) | 7,045 | (8,258) | (14,660) | 7,002 | (7,658) |
| Claims incurred during the financial period (treaty inwards claims) | 10,342 | - | 10,342 | 18,027 | (23) | 18,004 |
| Movement in PRAD of claims liabilities at 75% confidence level | 94 | (993) | (899) | (3,024) | 3,048 | 24 |
| Movement in claims handling expenses | 1,163 | (186) | 977 | 1,108 | 146 | 1,254 |
| Claims paid during the financial period | (120,160) | 30,383 | (89,777) | (257,026) | 71,613 | (185,413) |
| At 30 September/ 31 March | <u>481,592</u> | <u>(148,287)</u> | <u>333,305</u> | <u>453,741</u> | <u>(146,151)</u> | <u>307,590</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
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NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

13. Insurance contract liabilities (Continued)

(ii) Premium liabilities

| | <u>30.09.2014</u> | | | <u>31.03.2014</u> | | |
|--|-------------------|-----------------|----------------|-------------------|-----------------|----------------|
| | <u>Gross</u> | Re- | <u>Net</u> | <u>Gross</u> | Re- | <u>Net</u> |
| | RM'000 | insurance | RM'000 | RM'000 | insurance | RM'000 |
| | | RM'000 | | | RM'000 | |
| At 1 April | 256,040 | (65,327) | 190,713 | 233,527 | (59,849) | 173,678 |
| Premiums written during the financial period | 284,215 | (78,454) | 205,761 | 529,870 | (155,437) | 374,433 |
| Premiums earned during the financial period | (268,945) | 82,052 | (186,893) | (507,357) | 149,959 | (357,398) |
| At 30 September/31 March | <u>271,310</u> | <u>(61,729)</u> | <u>209,581</u> | <u>256,040</u> | <u>(65,327)</u> | <u>190,713</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
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NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

14. Commitments

(a) Capital commitments

Capital expenditure not provided for in the financial statements is as follows:

| | <u>30.09.2014</u> RM'000 | <u>31.03.2014</u> RM'000 |
|---|-----------------------------|-----------------------------|
| Authorized by the Directors and contracted for: | | |
| - Property and equipment | 2,840 | 1,243 |
| Authorized by the Directors but not contracted for: | | |
| - Property and equipment | 10,335 | 2,325 |
| | <u>13,175</u> | <u>3,568</u> |

(b) Operating lease commitments

The Company has non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

| | <u>30.09.2014</u> RM'000 | <u>31.03.2014</u> RM'000 |
|---|-----------------------------|-----------------------------|
| No later than 1 year | 3,863 | 3,084 |
| Later than 1 year and no later than 5 years | 4,024 | 4,159 |
| Later than 5 years | - | 253 |
| | <u>7,887</u> | <u>7,496</u> |

UNI.ASIA GENERAL INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

15. Regulatory capital requirements

The capital structure of the Company as prescribed under the Risk Based Capital (RBC) Framework is as below:

| | As at 30.09.2014 RM'000 | As at 31.03.2014 RM'000 |
|----------------------------|--|--|
| Eligible Tier 1 Capital: | | |
| Share capital (paid-up) | 100,000 | 100,000 |
| Retained earnings | 278,453 | 246,683 |
| | <u>378,453</u> | <u>346,683</u> |
| Tier 2 Capital: | | |
| Assets revaluation reserve | 18,329 | 18,329 |
| AFS reserve | (1,408) | (2,195) |
| Subordinated loan | 30,000 | 30,000 |
| | <u>46,921</u> | <u>46,134</u> |
| Deduction | - | - |
| Total capital available | <u>425,374</u> | <u>392,817</u> |

16. Significant event

The Minister of Finance ("MoF") had approved (through the letter dated 3 July 2014 from Bank Negara Malaysia ("BNM")) Uni.Asia Capital Sdn. Bhd. ("UAC"), the holding company of Uni.Asia General Insurance Berhad ("UAG") to enter into a sale and purchase agreement ("SPA") with Liberty Seguros, Compania de Seguros y Reaseguros, S.A. ("Liberty Seguros") in relation to the Proposed Disposal on 16 July 2014. The Proposed Disposal was completed on the same day. Information on the Proposed Disposal is set out in sections below.

On 16 July 2014, UAC entered into the SPA with Liberty Seguros for the sale of 68,094,444 ordinary shares of RM1.00 each in UAG ("Sale Shares"), representing approximately 68.09% of the issued and paid-up share capital of UAG.

In August 2014, in accordance with the applicable laws and regulations, the Company held a mandatory general offer issued for the remaining voting shares of the Company. As a result of the general offer, Liberty Seguros increased its ownership to 86.77%.

UNI.ASIA GENERAL INSURANCE BERHAD
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NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

17. Significant related party transaction

The significant changes in related party transaction of the Company since financial period ended 31 March 2014 are as follows:-

| | Period from 01.04.2014 to 16.07.2014 RM'000 | 12 months Period ended 31.03.2014 RM'000 |
|---------------------------------|--|---|
| <u>Premiums</u> | | |
| DRB Hicom Auto Solution Sdn Bhd | 1,888 | 785 |
| Euromobil Sdn Bhd | 23 | 1,488 |
| Proton Holding Bhd | (55) | 3,046 |
| Konsortium Logistik Bhd | 1,346 | - |
| <u>Commissions</u> | | |
| POS Malaysia | 1,802 | 6,465 |
| United Overseas Bank (M) Bhd | 2,266 | 4,584 |
| Proton Edar Sdn Bhd | 525 | 1,628 |
| Edaran Otomobil Nasional Bhd | 560 | 2,187 |

Following the completion of the Proposed Disposal (Note 16), effective 16 July 2014 onwards, transactions with companies of the DRB-HICOM Group and United Overseas Bank (M) Bhd are classified as non-related party transactions.

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NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2014 (CONTINUED)

18. Financial instruments

Carrying amounts versus fair values

The fair values of financial assets and financial liabilities, together with the carrying amounts in the statement of financial position as at 30 September 2014, are as follows:-

| | <u>Carrying Amount</u> <u>RM'000</u> | <u>Fair Value</u> <u>RM'000</u> |
|-------------------------------------|---|------------------------------------|
| Financial assets: | | |
| Other investments | | |
| Available-for-sale financial assets | 174,253 | 174,253 |
| Reinsurance assets | 210,016 | 210,016 |
| Loans and receivables | 711,237 | 711,237 |
| Insurance receivables | 62,833 | 62,833 |
| Cash and cash equivalents | 29,360 | 29,358 |
| | <u> </u> | <u> </u> |
| Total Financial assets | 1,187,699 | 1,187,697 |
| | <u> </u> | <u> </u> |
| Financial liabilities: | | |
| Provision for claims liabilities | 333,305 | 333,305 |
| Insurance payables | 98,879 | 98,879 |
| Other payables | 37,280 | 37,278 |
| | <u> </u> | <u> </u> |
| Total Financial Liabilities | 469,464 | 469,462 |
| | <u> </u> | <u> </u> |