



General Insurance

**ETIQA GENERAL INSURANCE BERHAD
197001000276 (9557-T)
(Incorporated in Malaysia)**

**Abridged Audited Financial Statements
31 December 2021**

ETIQA GENERAL INSURANCE BERHAD
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CONTENTS	PAGES
Statement of financial position	1
Income statement	2
Statement of comprehensive income	3
Statement of changes in equity	4
Statement of cash flows	5 - 6
Independent auditors' report	7 - 8

ETIQA GENERAL INSURANCE BERHAD
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	2021	2020
	RM'000	RM'000
<u>Assets</u>		
Property, plant and equipment	12,421	13,576
Investment properties	311,866	287,860
Right-of-use assets	4,991	6,036
Intangible assets	30,574	32,702
Investment in subsidiary	*-	*-
Investment in associate	152	152
Investments	1,657,572	1,560,438
Financing receivables	26,150	27,830
Reinsurance assets	3,871,090	3,930,463
Insurance receivables	246,397	257,723
Other assets	78,038	75,205
Derivative assets	-	6,099
Current tax assets	28,239	41,275
Cash and bank balances	10,724	31,962
Total Assets	<u>6,278,214</u>	<u>6,271,321</u>
<u>Equity</u>		
Share capital	229,879	229,879
Reserves	959,500	931,470
Total Equity	<u>1,189,379</u>	<u>1,161,349</u>
<u>Liabilities</u>		
Insurance contract liabilities	4,595,449	4,595,728
Derivative liabilities	545	-
Deferred tax liabilities, net	33,801	46,516
Insurance payables	360,870	379,265
Other liabilities	86,750	78,870
Current tax liabilities	11,420	9,593
Total Liabilities	<u>5,088,835</u>	<u>5,109,972</u>
Total Equity and Liabilities	<u>6,278,214</u>	<u>6,271,321</u>

* Representing RM 1

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INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	2021	2020
	RM'000	RM'000
Operating revenue	<u>1,506,064</u>	<u>1,358,977</u>
Gross earned premiums	1,436,253	1,345,000
Earned premiums ceded to reinsurers	<u>(984,550)</u>	<u>(849,519)</u>
Net earned premiums	<u>451,703</u>	<u>495,481</u>
Fee and commission income	48,607	60,893
Investment income, net	62,908	59,885
Realised gains, net	14,462	1,982
Fair value gains, net	5,554	21,948
Other operating income/(expenses), net	<u>19,628</u>	<u>(6,321)</u>
Other revenue	<u>151,159</u>	<u>138,387</u>
Gross benefits and claims paid	(1,090,304)	(407,680)
Claims ceded to reinsurers	886,368	181,954
Gross change in contract liabilities	7,182	(1,044,707)
Change in contract liabilities ceded to reinsurers	<u>(43,039)</u>	<u>1,012,648</u>
Net benefits and claims	<u>(239,793)</u>	<u>(257,785)</u>
Management expenses	(120,479)	(128,312)
Fee and commission expenses	<u>(73,471)</u>	<u>(80,466)</u>
Other expenses	<u>(193,950)</u>	<u>(208,778)</u>
Profit before tax	169,119	167,305
Taxation	<u>(44,145)</u>	<u>(43,113)</u>
Net profit for the financial year	<u>124,974</u>	<u>124,192</u>
Basic and diluted earnings per share (sen)	58.91	58.54

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	2021	2020
	RM'000	RM'000
Net profit for the financial year	<u>124,974</u>	<u>124,192</u>
Other comprehensive (loss)/income:		
Items that may be subsequently reclassified to income statement		
Change in fair value of financial assets at Fair Value through Other Comprehensive Income ("FVOCI")		
- Fair value changes	(45,286)	26,424
- Transfer to profit or loss upon disposal	(4,449)	(21,552)
Tax effect relating to financial assets at FVOCI	12,220	(1,169)
	(37,515)	3,703
Currency translation differences	<u>567</u>	<u>(126)</u>
Other comprehensive (loss)/income for the financial year, net of tax	<u>(36,948)</u>	<u>3,577</u>
Total comprehensive income for the financial year	<u>88,026</u>	<u>127,769</u>

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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

←----- Non-distributable ----->

	Share Capital RM'000	FVOCI Reserves RM'000	Revaluation Reserves RM'000	Currency Translation Reserves RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
At 1 January 2021	229,879	32,413	76,391	13,843	808,823	1,161,349
Net profit for the financial year	-	-	-	-	124,974	124,974
Other comprehensive (loss)/income for the financial year	-	(37,515)	-	567	-	(36,948)
Total comprehensive (loss)/income for the financial year	-	(37,515)	-	567	124,974	88,026
Dividend on ordinary shares	-	-	-	-	(59,996)	(59,996)
At 31 December 2021	229,879	(5,102)	76,391	14,410	873,801	1,189,379
At 1 January 2020	229,879	28,710	76,391	13,969	714,629	1,063,578
Net profit for the financial year	-	-	-	-	124,192	124,192
Other comprehensive income/(loss) financial year	-	3,703	-	(126)	-	3,577
Total comprehensive income/(loss) financial year	-	3,703	-	(126)	124,192	127,769
Dividend on ordinary shares	-	-	-	-	(29,998)	(29,998)
At 31 December 2020	229,879	32,413	76,391	13,843	808,823	1,161,349

ETIQA GENERAL INSURANCE BERHAD
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	2021	2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation:	169,119	167,305
Adjustments for:		
Depreciation of property, plant and equipment	3,237	3,027
Amortisation of intangible assets	6,450	6,163
Depreciation of right-of-use assets	2,161	2,259
Interest on lease liabilities	127	178
Fair value gains on financial assets at fair value through profit or loss ("FVTPL")	15,470	(18,008)
Fair value gains on investment properties	(21,024)	(3,940)
Amortisation on premium/(accretion of discount) on investments	1,080	(405)
Gain on disposal of property, plant and equipment	(10)	(9)
Net (gain)/loss on foreign exchange	(7,356)	9,932
(Reversal of)/allowance for impairment losses on reinsurance assets	(2,348)	1,712
(Reversal of)/allowance for impairment losses on insurance receivables	(3,654)	567
Bad debts written off	414	-
(Reversal of)/allowance for impairment losses on financing receivables	(870)	196
Gain on disposal of investments	(14,452)	(1,973)
Interest income	(50,868)	(47,044)
Allowance for impairment losses on investments	83	8
Dividend income	(2,672)	(2,123)
Rental income	(13,762)	(13,383)
Operating cash flows before working capital changes	<u>81,125</u>	<u>104,462</u>
Changes in working capital:		
Decrease/(increase) in reinsurance assets	61,721	(978,947)
Decrease in insurance receivables	14,980	62,309
Decrease/(increase) in other assets	5,195	(2,268)
Decrease/(increase) in financing receivables	2,550	(1,474)
Increase in amounts due from related parties	(4,733)	(3,559)
Increase/(decrease) in other liabilities	9,275	(8,427)
(Decrease)/increase in insurance contract liabilities	(279)	998,800
Decrease in insurance payables	<u>(18,395)</u>	<u>(44,983)</u>
Carried forward	151,439	125,913

ETIQA GENERAL INSURANCE BERHAD
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STATEMENT OF CASH FLOWS (CONTD.)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	2021	2020
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTD.)		
Brought forward	151,439	125,913
Decrease/(increase) in placement of deposits with financial institutions	107,653	(196,234)
Interest income received	48,336	49,345
Dividend received	2,731	2,013
Rental income received	13,656	13,368
Currency translation reserve	568	(126)
Cash generated from/(used in) operations	<u>324,383</u>	<u>(5,721)</u>
Tax paid	(29,778)	(42,925)
Tax refund	-	58,016
Net cash flows generated from operating activities	<u>294,605</u>	<u>9,370</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of investments	618,946	1,402,031
Purchase of investments	(868,169)	(1,354,499)
Proceeds from disposal of property, plant and equipment	272	4,475
Proceeds from disposal of intangible assets	19	-
Proceeds from disposal of derivatives	1,796	454
Purchase of property, plant and equipment	(2,344)	(5,155)
Purchase of intangible assets	(4,341)	(2,162)
Net cash (used in)/generated from investing activities	<u>(253,821)</u>	<u>45,144</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(59,996)	(29,998)
Payment of lease liabilities	(2,026)	(1,997)
Net cash used in financing activities	<u>(62,022)</u>	<u>(31,995)</u>
Net (decrease)/increase in cash and cash equivalents	(21,238)	22,519
Cash and cash equivalents at beginning of financial year	<u>31,962</u>	<u>9,443</u>
Cash and cash equivalents at end of financial year	<u>10,724</u>	<u>31,962</u>
Cash and cash equivalents comprise:		
Cash and bank balances of:		
Shareholder's fund	5	3,566
General insurance fund	10,719	28,396
	<u>10,724</u>	<u>31,962</u>

Notes:

- 1 The full set of these financial statements are available on the Company's website, <http://www.etiqa.com.my>
- 2 A copy of the audited annual financial statements is available at every branch of the Company in Malaysia.

**Independent auditors' report to the member of
Etiqa General Insurance Berhad
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Report on the abridged financial statements

Opinion

The abridged financial statements, which comprise the summary statement of financial position as at 31 December 2021, and the summary income statement, summary statement of comprehensive income, summary statement of changes in equity and summary statement of financial year then ended, are derived from the audited financial statements of Etiqa General the financial year ended 31 December 2021.

In our opinion, the accompanying abridged financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the presentation and disclosure requirements as prescribed by Bank Negara Malaysia.

Abridged financial statements

The abridged financial statements do not contain all the disclosures required by the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. Reading the abridged financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements of Etiqa General Insurance Berhad and the auditors' report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 21 February 2022.

Directors' responsibility for the abridged financial statements

The directors are responsible for the preparation of the abridged financial statements in accordance with the presentation and disclosure requirements as prescribed by Bank Negara Malaysia.

Auditors' responsibility

Our responsibility is to express an opinion on whether the abridged financial statements are material respects, with the audited financial statements based on our procedures, which were accordance with Malaysian Approved Standard on Auditing, ISA 810 (Revised), "Engagements Summary Financial Statements".

**Independent auditors' report to the member of
Etiqa General Insurance Berhad (Contd.)
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Restriction on use

Our report on the abridged financial statements of Etiqa General Insurance Berhad for the financial year ended 31 December 2021 is issued in compliance with Bank Negara Malaysia Guidelines and for no other purpose.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Brandon Bruce Sta Maria
No. 02937/09/2023 J
Chartered Accountant

Kuala Lumpur, Malaysia
21 February 2022