

Company No.

935955	M
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AIA PUBLIC TAKAFUL BHD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016

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Company No.

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AIA PUBLIC TAKAFUL BHD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016

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AIA PUBLIC TAKAFUL BHD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2016

	Note	31.05.2016			30.11.2015		
		Shareholders'	Family takaful	Company	Shareholders'	Family takaful	Company
		fund	fund	RM'000	fund	fund	RM'000
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS							
Property and equipment		614	-	614	794	-	794
Intangible assets		2,407	-	2,407	2,312	-	2,312
Financial Assets - available-for-sale	11(a)	54,434	31,293	85,727	53,560	32,973	86,533
Financial Assets - fair value through profit or loss	11(b)	8,091	340,390	348,481	7,873	283,070	290,943
Loan and receivables	12	550	52,224	52,774	530	59,151	59,681
Qard receivable		5,170	-	-	5,170	-	-
Other receivables	13	40,839	7,055	15,028	20,456	5,109	15,604
Retakaful assets	15	-	7,395	7,395	-	10,364	10,364
Takaful certificates receivables	14	-	27,443	27,443	-	21,783	21,783
Deferred tax assets		1,573	277	1,850	1,666	129	1,795
Cash and bank balances		2,563	53,759	56,322	31,090	26,284	57,374
Total assets		<u>116,241</u>	<u>519,836</u>	<u>598,041</u>	<u>123,451</u>	<u>438,863</u>	<u>547,183</u>
EQUITY							
Share capital		133,333	-	133,333	133,333	-	133,333
General reserves		(33,333)	-	(33,333)	(33,333)	-	(33,333)
Accumulated losses		(37,045)	(5,170)	(42,215)	(33,492)	(5,170)	(38,662)
Available-for-sale fair value reserves		295	(183)	112	(504)	(589)	(1,093)
Total equity		<u>63,250</u>	<u>(5,353)</u>	<u>57,897</u>	<u>66,004</u>	<u>(5,759)</u>	<u>60,245</u>

These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 November 2015 and the accompanying notes attached to the interim financial statements.

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AIA PUBLIC TAKAFUL BHD
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UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2016 (CONTINUED)

	Note	31.05.2016			30.11.2015		
		Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000
LIABILITIES							
Expense liabilities		11,936	-	11,936	10,765	-	10,765
Takaful contract liabilities	15	-	448,603	448,603	-	373,331	373,331
Takaful certificates payables		-	11,415	11,415	-	7,134	7,134
Qard payable		-	5,170	-	-	5,170	-
Other payables	16	40,121	59,508	66,763	46,428	58,515	94,982
Taxation		934	493	1,427	254	472	726
Total liabilities		<u>52,991</u>	<u>525,189</u>	<u>540,144</u>	<u>57,447</u>	<u>444,622</u>	<u>486,938</u>
Total equity and liabilities		<u>116,241</u>	<u>519,836</u>	<u>598,041</u>	<u>123,451</u>	<u>438,863</u>	<u>547,183</u>

These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 November 2015 and the accompanying notes attached to the interim financial statements.

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AIA PUBLIC TAKAFUL BHD
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**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 MAY 2016**

	6 months ended 31.05.2016			6 months ended 31.05.2015		
	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000
Gross earned contributions	-	213,153	213,153	-	128,974	128,974
Contributions ceded to retakaful	-	(3,482)	(3,482)	-	(3,238)	(3,238)
Net earned contributions	-	209,671	209,671	-	125,736	125,736
Investment income	1,394	7,666	9,060	1,683	5,699	7,382
Fees and commission income	72,745	7	7	42,904	-	-
Surplus sharing from Family Takaful funds	5,764	-	-	-	-	-
Fair value gains and losses	219	1,934	2,153	471	2,130	2,601
Other operating income	1,751	-	1,751	1,158	-	1,158
Total revenue	81,873	219,278	222,642	46,216	133,565	136,877
Gross benefits and claims paid	-	(63,222)	(63,222)	-	(46,669)	(46,669)
Claims ceded to retakaful operator	-	2,129	2,129	-	275	275
Gross change to certificate liabilities	-	(78,211)	(78,211)	-	(43,070)	(43,070)
Net benefits and claims	-	(139,304)	(139,304)	-	(89,464)	(89,464)

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AIA PUBLIC TAKAFUL BHD
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UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

	6 months ended 31.05.2016			6 months ended 31.05.2015		
	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000
Fees and commission expenses	(43,454)	(72,745)	(43,454)	(25,528)	(42,904)	(25,528)
Surplus attributable to Takaful operator	-	(5,764)	-	-	-	-
Management expenses	(38,589)	-	(38,589)	(29,720)	-	(29,720)
Other operating expenses	(1,266)	(1,592)	(2,858)	(435)	(1,144)	(1,579)
Other expenses	(83,309)	(80,101)	(84,901)	(55,683)	(44,048)	(56,827)
(Loss)/profit before taxation	(1,436)	(127)	(1,563)	(9,467)	53	(9,414)
Tax expense attributable to participants	-	127	127	-	(53)	(53)
Loss before taxation attributable to Shareholders	(1,436)	-	(1,436)	(9,467)	-	(9,467)
Taxation	-	127	127	-	(53)	(53)
Tax expense attributable to Participants	-	(127)	(127)	-	53	53
Tax expense attributable to Shareholders	(2,117)	-	(2,117)	-	-	-
Net loss for the period	(3,553)	-	(3,553)	(9,467)	-	(9,467)
Loss per share (sen)						
Basic and diluted	-	-	(2.66)	-	-	(7.10)

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UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

	6 months ended 31.05.2016			6 months ended 31.05.2015			
	Note	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000	Shareholders' fund RM'000	Family takaful fund RM'000	Company RM'000
Net loss for the period		(3,553)	-	(3,553)	(9,467)	-	(9,467)
Other comprehensive income / (loss):							
<u>Items that may be subsequently reclassified to profit or loss</u>							
Fair value change of available-for-sale financial assets, net of tax		295	(1)	294	357	315	672
Change in Takaful contract liabilities arising from unrealised net fair value changes		-	406	406	-	-	-
Other comprehensive income for the period		295	405	700	357	315	672
Total comprehensive (loss)/income for the period		(3,258)	405	(2,853)	(9,110)	315	(8,795)

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AIA PUBLIC TAKAFUL BHD
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UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MAY 2016

	Share capital RM'000	General reserves RM'000	Non- distributable available- for-sale fair value reserves RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 December 2015	133,333	(33,333)	(1,093)	(38,662)	60,245
Total comprehensive loss for the financial period	-	-	1,205	(3,553)	(2,348)
At 31 May 2016	<u>133,333</u>	<u>(33,333)</u>	<u>112</u>	<u>(42,215)</u>	<u>57,897</u>
At 1 December 2014	133,333	(33,333)	(628)	(28,131)	71,241
Total comprehensive loss for the financial period	-	-	672	(9,467)	(8,795)
At 31 May 2015	<u>133,333</u>	<u>(33,333)</u>	<u>44</u>	<u>(37,598)</u>	<u>62,446</u>

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AIA PUBLIC TAKAFUL BHD
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**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MAY 2016**

	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
Cash flows from operating activities		
Loss before taxation for the financial period	(1,563)	(9,414)
Adjustments for:		
Depreciation of property, plant and equipment	180	380
Amortisation of intangible assets	725	879
Net accretion of discounts on investments	176	-
Profit Income	(8,407)	(7,382)
Dividend Income	(851)	-
Fair value loss/(gain) on FVTPL financial assets	1,205	(2,601)
Operating loss before working capital changes	<u>(8,535)</u>	<u>(18,138)</u>
Decrease in other receivables	576	18,317
(Increase)/decrease in takaful certificates receivables	(2,691)	857
Increase in net takaful contract liabilities	75,272	43,417
Increase in takaful certificates payables	4,281	9,855
(Increase)/decrease in financial assets	(46,571)	64,649
Net decrease in other payables & expense liabilities	(27,048)	(212,270)
Net change in balance with related companies	(1,977)	116,113
Cash generated from operating activities	<u>(6,693)</u>	<u>22,800</u>
Income tax paid	633	95
Profit income received	5,261	5,765
Dividend received	567	917
Net cash used in operating activities	<u>(232)</u>	<u>29,577</u>
Cash flow from investing activities		
Purchase of intangible assets	(820)	-
Purchase of property and equipment	-	(585)
Net cash used in investing activities	<u>(820)</u>	<u>(585)</u>

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AIA PUBLIC TAKAFUL BHD
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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
Net (decrease)/increase in cash and cash equivalents	(1,052)	28,992
Cash and cash equivalents at the beginning of the period	<u>57,374</u>	<u>28,132</u>
Cash and cash equivalents at the end of the period	<u><u>56,322</u></u>	<u><u>57,124</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances of:		
Shareholders' fund	2,563	11,564
Family takaful fund	<u>53,759</u>	<u>45,560</u>
Company	<u><u>56,322</u></u>	<u><u>57,124</u></u>

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AIA PUBLIC TAKAFUL BHD
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016

1 CORPORATE INFORMATION

The Company is principally engaged in managing family takaful business including investment linked business. There has been no significant change in the principal activity during the financial period.

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The address of principal place of business and registered office of the Company are as follows:

Principal place of business

Level 14, Menara AIA
99 Jalan Ampang
50450 Kuala Lumpur

Registered office

Level 29, Menara AIA
99 Jalan Ampang
50450 Kuala Lumpur

The ultimate holding company of the Company is AIA Group Limited, a Corporation incorporated in Hong Kong and listed on The Stock Exchange of Hong Kong Limited.

2 BASIS OF PREPARATION

The condensed interim financial statements of the Company are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting*.

The Company have adopted the MFRS framework issued by the Malaysian Accounting Standards Board ("MASB") and Revised Guidelines on Financial Reporting for Takaful Operators issued by Bank Negara Malaysia ("BNM").

The unaudited condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited financial statements for the financial year ended 30 November 2015.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

3 SIGNIFICANT CHANGE IN ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted by the Company's audited financial statements for the financial year ended 30 November 2015, except for the adoption of the following:

3.1 Standards effective for financial year beginning of 1 December 2015

There are no new amendments to published standards and interpretations to existing standards issued by MASB effective for financial period subsequent to 1 December 2015.

3.2 Financial year beginning on/after 1 January 2018

MFRS 9, 'Financial Instruments - Classification and Measurement of Financial Assets and Financial Liabilities' (effective from 1 January 2018)

The adoption of the above revised standards, amendments and interpretations issued by MASB which are effective in the current financial year do not have any significant impact to the condensed interim financial statements of the Company.

As at the date of authorization of these condensed interim financial statements, the revised MFRS, amendments to MFRSs and IC interpretations but not yet effective issued by MASB in the current financial year is not expected to have any material impact on the financial statements of the Company.

4 SEASONALITY OF OPERATIONS

The business and operations of the Company was not materially affected by any seasonal or cyclical fluctuations during the interim financial period.

5 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the interim financial period ended 31 May 2016.

6 CHANGES IN ESTIMATES

There were no change in estimates of amounts reported in prior interim period or financial year that has a material effect in the interim financial period.

7 ISSUANCE FOR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayment of debt and equity securities by the Company during the interim financial period.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

8 DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period.

9 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the interim reporting period that have not been reflected in the condensed interim financial statements.

10 SIGNIFICANT EVENTS

There were no significant events subsequent to the end of the interim reporting period that require disclosure or adjustments to the condensed interim financial statements.

11 FINANCIAL ASSETS

(a) AFS

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	<u>Company</u> <u>RM'000</u>
<u>As at 31 May 2016</u>			
Financial assets - available-for-sale (AFS):			
Government Investment Issues	28,470	21,425	49,895
Unquoted Corporate Sukuks	25,479	9,685	35,164
Accrued profit	485	183	668
	<u>54,434</u>	<u>31,293</u>	<u>85,727</u>
<u>As at 30 November 2015</u>			
Financial assets - available-for-sale (AFS):			
Government Investment Issues	27,897	23,181	51,078
Unquoted Corporate Sukuks	25,178	9,603	34,781
Accrued profit	485	189	674
	<u>53,560</u>	<u>32,973</u>	<u>86,533</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

11 FINANCIAL ASSETS (CONTINUED)

(a) AFS (continued)

Movement in carrying values

	Shareholders' <u>fund</u> RM'000	Family Takaful <u>fund</u> RM'000	<u>Company</u> RM'000
At 1 December 2014	68,503	45,107	113,610
Purchases	21,989	-	21,989
Disposals at amortised cost	(37,481)	(11,926)	(49,407)
Fair value gains/(losses) recorded in:			
Other comprehensive income	503	(39)	464
Amortisation of premiums – net	(80)	(80)	(160)
Movement of investment income due and accrued	126	(89)	37
	<u>53,560</u>	<u>32,973</u>	<u>86,533</u>
At 30 November 2015/ 1 December 2015	53,560	32,973	86,533
Purchases	-	-	-
Disposals at amortised cost	-	(2,045)	(2,045)
Fair value gains recorded in:			
Other comprehensive income	892	407	1,299
Amortisation of premiums – net	(18)	(36)	(54)
Movement of investment income due and accrued	-	(6)	(6)
	<u>54,434</u>	<u>31,293</u>	<u>85,727</u>
At 31 May 2016	<u>54,434</u>	<u>31,293</u>	<u>85,727</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

11 FINANCIAL ASSETS (CONTINUED)

(b) FVTPL

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	<u>Company</u> <u>RM'000</u>
<u>As at 31 May 2016</u>			
Financial assets at FVTPL:			
Government Investment Issues	-	41,283	41,283
Unquoted Corporate Sukuks	-	215,720	215,720
Shariah approved shares	8,091	74,354	82,445
Shariah approved unit trusts	-	5,590	5,590
Accrued profit	-	3,443	3,443
	<u>8,091</u>	<u>340,390</u>	<u>348,481</u>
<u>As at 30 November 2015</u>			
Financial assets at FVTPL:			
Government Investment Issues	-	51,945	51,945
Unquoted Corporate Sukuks	-	163,995	163,995
Shariah approved shares	7,873	59,561	67,434
Shariah approved unit trusts	-	4,849	4,849
Accrued profit	-	2,720	2,720
	<u>7,873</u>	<u>283,070</u>	<u>290,943</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

11 FINANCIAL ASSETS (CONTINUED)

(b) FVTPL (continued)

Movement in carrying values

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	Company <u>RM'000</u>
<u>FVTPL</u>			
At 1 December 2014	-	178,297	178,297
Purchases	7,500	157,134	164,634
Disposals at amortised cost	-	(52,529)	(52,529)
Fair value gains/(losses) recorded in:			
Profit or loss	51	(941)	(890)
Accretion at discounts – net	322	(141)	181
Movement of investment income due and accrued	-	1,250	1,250
	<u>7,873</u>	<u>283,070</u>	<u>290,943</u>
At 30 November 2015/ 1 December 2015	7,873	283,070	290,943
Purchases	-	88,602	88,602
Disposals at amortised cost	-	(33,908)	(33,908)
Fair value gains recorded in:			
Profit or loss	218	2,004	2,222
Accretion at discounts – net	-	(101)	(101)
Movement of investment income due and accrued	-	723	723
	<u>8,091</u>	<u>340,390</u>	<u>348,481</u>
At 31 May 2016	<u>8,091</u>	<u>340,390</u>	<u>348,481</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

11 FINANCIAL ASSETS (CONTINUED)

(c) Fair value hierarchy

The following table show financial investments recorded at fair value analysed by the different basis of fair value as follows:

	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000
AFS		
<u>SHF</u>		
Valuation techniques – market observable inputs (Level 2)	54,434	53,560
	<u>54,434</u>	<u>53,560</u>
<u>Family Takaful fund</u>		
Valuation techniques – market observable inputs (Level 2)	31,293	32,973
	<u>31,293</u>	<u>32,973</u>
<u>Company</u>		
Valuation techniques – market observable inputs (Level 2)	85,727	86,533
	<u>85,727</u>	<u>86,533</u>
FVTPL		
<u>SHF</u>		
Quoted market price (Level 1)	8,091	7,873
Valuation techniques – market observable inputs (Level 2)	-	-
	<u>8,091</u>	<u>7,873</u>
<u>Family Takaful fund</u>		
Quoted market price (Level 1)	74,354	59,561
Valuation techniques – market observable inputs (Level 2)	266,036	223,509
	<u>340,390</u>	<u>283,070</u>
<u>Company</u>		
Quoted market price (Level 1)	82,445	67,434
Valuation techniques – market observable inputs (Level 2)	266,036	223,509
	<u>348,481</u>	<u>290,943</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

11 FINANCIAL ASSETS (CONTINUED)

(c) Fair value hierarchy (continued)

A level is assigned to each fair value measurement based on the significance of the input to the fair value measurement in its entity. The three-level hierarchy is defined as follows:

Level 1:

Financial instruments measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, secondary market via dealer and broker, pricing services or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2:

Financial instruments measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are instruments for which pricing is obtained via pricing services. However, where prices have not been determined in active market, instruments with fair values based on broker quotes, investment in unit and property trusts with fair values obtained via fund managers and instruments that are valued using the Company's own models where majority of assumptions are market observable.

Level 3:

Financial instruments measured in whole or in part using a valuation technique based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main asset class in this category is unquoted equity securities. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the instrument at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Company. Therefore, unobservable inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the instrument (including assumptions about risk). These inputs are developed based on the best information available, which might include the Company's own data.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

11 FINANCIAL ASSETS (CONTINUED)

(d) Interests in structured entities

The Company has determined that the investment funds and structured securities, such as mortgage backed securities, mutual funds and real estate investment trust that the Company has interest are structured entities.

The following table summarises the Company's interest in unconsolidated structured entities as at 31 May 2016:

	Investment funds <u>RM'000</u>	Structured securities(1) <u>RM'000</u>
Available for sale debt securities	-	35,164
Debt securities at fair value through profit or loss	21,835	193,885
Equity securities at fair value through profit or loss	5,590	-
Total	<u>27,425</u>	<u>229,049</u>

Notes:

(1) Structured securities include mortgage-backed securities.

(2) Balance represents the Company's interests in mutual funds and real estate investment trusts.

The Company's maximum exposure to loss arising from its interests in these unconsolidated structured entities is limited to the carrying amount of the assets. Dividend income and interest income are received during the reporting period from these interests in unconsolidated structured entities.

In addition, the Company receives management fees and trustee fees in respect of providing trustee, management and administrative services to certain retirement scheme funds and investment funds. These funds are not held and the associated investment risks are not borne by the Company. The Company does not have exposure to loss in these funds.

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12 LOAN AND RECEIVABLES

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	Company <u>RM'000</u>
<u>As at 31 May 2016</u>			
Loans and receivables:			
Islamic investment accounts	550	52,010	52,560
Accrued profit	-	214	214
	<u>550</u>	<u>52,224</u>	<u>52,774</u>
<u>As at 30 November 2015</u>			
Loans and receivables:			
Islamic investment accounts	530	58,990	59,520
Accrued profit	-	161	161
	<u>530</u>	<u>59,151</u>	<u>59,681</u>

The weighted average effective profit rate of Islamic investment accounts as at the end of the financial period are as follows:

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	Company <u>RM'000</u>
<u>As at 31 May 2016</u>			
Loans and receivables:			
Islamic investment accounts	<u>3.20</u>	<u>3.69</u>	<u>3.69</u>
<u>As at 30 November 2015</u>			
Loans and receivables:			
Islamic investment accounts	<u>3.40</u>	<u>3.78</u>	<u>3.78</u>

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13 OTHER RECEIVABLES

Receivables of the Company are classified as loans and receivables and are as follows:

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	Company <u>RM'000</u>
<u>As at 31 May 2016</u>			
Due from Family Takaful fund (Note 16)	32,866	-	-
Other receivables and deposits	7,973	7,055	15,028
	<u>40,839</u>	<u>7,055</u>	<u>15,028</u>
<u>As at 30 November 2015</u>			
Due from Family Takaful fund (Note 16)	9,961	-	-
Other receivables and deposits	10,495	5,109	15,604
	<u>20,456</u>	<u>5,109</u>	<u>15,604</u>

14 TAKAFUL CERTIFICATES RECEIVABLES

	<u>31.05.2016</u> <u>RM'000</u>	<u>30.11.2015</u> <u>RM'000</u>
<u>Family Takaful fund/Company</u>		
Outstanding contribution	27,443	21,783
Amount due from retakaful operator	-	-
	<u>27,443</u>	<u>21,783</u>
Gross amount of recognized financial assets	27,443	21,783
Less: Gross amount of recognized financial liabilities set off in the statement of financial position	-	-
Net amount of financial assets presented in the statement of financial position	<u>27,443</u>	<u>21,783</u>

There are no financial liabilities subjected to an enforceable master netting arrangement or similar agreement, financial instrument received as collateral, nor any cash collateral pledged or received as at 31 May 2016 (2015 : Nil).

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15 TAKAFUL CONTRACT LIABILITIES

Family Takaful fund/Company

	<u>Gross</u> RM'000	<u>Retakaful</u> RM'000	<u>Net</u> RM'000
<u>As at 31 May 2016</u>			
Participants' Risk Fund			
Claims liabilities	22,450	(4,438)	18,012
Actuarial Liabilities	116,577	(2,957)	113,620
Net asset value attributable to certificate holders	241,431	-	241,431
AFS fair value adjustment	(183)	-	(183)
Underwriting profit attributable to participants	-	-	-
Unallocated surplus	68,328	-	68,328
	<u>448,603</u>	<u>(7,395)</u>	<u>441,208</u>
<u>As at 30 November 2015</u>			
Participants' Risk Fund			
Claims liabilities	18,714	(4,438)	14,276
Actuarial Liabilities	110,618	(5,926)	104,692
Net asset value attributable to certificate holders	197,556	-	197,556
AFS fair value adjustment	(589)	-	(589)
Underwriting profit attributable to participants	6,408	-	6,408
Unallocated surplus	40,624	-	40,624
	<u>373,331</u>	<u>(10,364)</u>	<u>362,967</u>

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15 TAKAFUL CONTRACT LIABILITIES (CONTINUED)

As at 31 May 2016

<u>Family Takaful fund/Company</u>	<u>Gross</u> RM'000	<u>Retakaful</u> RM'000	<u>Net</u> RM'000
Movement of Takaful contract liabilities:			
At 1 December 2015	373,331	(10,364)	362,967
Increase in claims liabilities	3,736	-	3,736
Policy movement	5,959	2,969	8,928
Increase in net asset value			
attributable to certificate holders	43,875	-	43,875
Decrease in AFS fair value adjustment	406	-	406
Decrease in underwriting profit			
distributable to participants	(6,408)	-	(6,408)
Unallocated surplus	27,704	-	27,704
	<u> </u>	<u> </u>	<u> </u>
At 31 May 2016	<u>448,603</u>	<u>(7,395)</u>	<u>441,208</u>

As at 30 November 2015

<u>Family Takaful fund/Company</u>	<u>Gross</u> RM'000	<u>Retakaful</u> RM'000	<u>Net</u> RM'000
Movement of Takaful contract liabilities:			
At 1 December 2014	289,941	(2,442)	287,499
Increase/(decrease) in claims liabilities	10,222	(1,996)	8,226
Policy movement	(1,961)	(5,926)	(7,887)
Increase in net asset value			
attributable to certificate holders	61,914	-	61,914
Decrease in AFS fair value adjustment	(138)	-	(138)
Increase in underwriting profit			
distributable to participants	4,404	-	4,404
Unallocated surplus	8,949	-	8,949
	<u> </u>	<u> </u>	<u> </u>
At 30 November 2015	<u>373,331</u>	<u>(10,364)</u>	<u>362,967</u>

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16 OTHER PAYABLES

	Shareholders' fund <u>RM'000</u>	Family Takaful fund <u>RM'000</u>	Company <u>RM'000</u>
<u>As at 31 May 2016</u>			
Sundry payables	9,188	12,618	21,806
Accruals and provisions	206	13,830	14,036
Due to shareholders' fund (Note 13)	-	32,866	-
Due to fellow subsidiary	30,727	194	30,921
	<u>40,121</u>	<u>59,508</u>	<u>66,763</u>
<u>As at 30 November 2015</u>			
Sundry payables	2,837	29,144	31,981
Accruals and provisions	13,942	19,070	33,012
Due to shareholders' fund (Note 13)	-	9,961	-
Due to fellow subsidiary	29,649	340	29,989
	<u>46,428</u>	<u>58,515</u>	<u>94,982</u>

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17 REGULATORY CAPITAL REQUIREMENTS

The capital structure of the Company as at 31 May 2016, as prescribed under RBC Framework:

Company	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000
<u>Eligible Tier 1 Capital</u>		
Share capital	133,333	133,333
Retained profits/ (accumulated losses)	(37,045)	(33,492)
Valuation surplus maintained in the takaful funds	48,693	38,751
	<u>144,981</u>	<u>138,592</u>
<u>Tier 2 Capital</u>		
General Reserves	(33,333)	(33,333)
Available for sale reserves	112	(1,093)
Qard Hassan	5,170	5,170
	<u>(28,051)</u>	<u>(29,256)</u>
Total capital available	<u>(28,051)</u>	<u>(29,256)</u>
Amount deducted from Capital	7,576	5,169
Total Capital Available	<u>111,423</u>	<u>104,322</u>

18 CAPITAL COMMITMENTS

The capital commitments of the Company as at 31 May 2016 are as follows:

	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000
Capital expenditure:		
Approved and contracted for:		
Intangible assets	<u>1,132</u>	<u>2,099</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
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19 INVESTMENT-LINKED TAKAFUL BUSINESS

(a) Unaudited Condensed Statement of Financial Position as at 31 May 2016

	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000
Assets		
Fair value through profit or loss financial assets	73,705	64,566
Receivables	1,590	970
Deferred tax assets	19	-
Cash and cash equivalents	10,111	8,303
Total assets	<u>85,425</u>	<u>73,839</u>
Liabilities		
Payables	2,482	1,772
Deferred tax liabilities	-	129
Current tax liabilities	310	289
Total liabilities	<u>2,792</u>	<u>2,190</u>
Represented by:		
Net assets value funds	<u>82,633</u>	<u>71,649</u>
Value of units	80,569	68,639
Undistributed income carried forward	2,064	3,010
Net asset value of funds	<u>82,633</u>	<u>71,649</u>

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19 INVESTMENT-LINKED TAKAFUL BUSINESS (CONTINUED)

(b) Unaudited Condensed Statement of Comprehensive Income for Investment-linked Takaful Funds for the half-year ended 31 May 2016

	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
Investment income	1,126	957
Net fair value gain/(loss)	(1,757)	555
	<u>(631)</u>	<u>1,512</u>
Other expenses	(442)	(314)
	<u>(1,073)</u>	<u>1,198</u>
(Loss)/profit before taxation	(1,073)	1,198
Taxation	127	(53)
	<u>(946)</u>	<u>1,145</u>
(Loss)/profit after taxation	(946)	1,145
Undistributed income brought forward	3,010	2,327
	<u>2,064</u>	<u>3,472</u>
Undistributed income carried forward	2,064	3,472