

# FINANCIAL STATEMENTS - 31 MARCH 2011

Uni.Asia General Insurance Berhad (16688-K) a DRB-HICOM & UOB company

# UniAsia

General Insurance

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

|   | Note | 31.3.2011<br>RM'000 | (restated)<br>31.3.2010<br>RM'000 | (restated)<br>1.4.2009<br>RM'000 |
|---|------|---------------------|-----------------------------------|----------------------------------|
| <b>ASSETS</b>                                     |      |                     |                                   |                                  |
| Property and equipment                            |      | 60,725              | 60,271                            | 52,221                           |
| Investment properties                             | 1    | 40,388              | 39,764                            | 33,880                           |
| Available-for-sale financial assets               | 2    | 79,275              | 55,805                            | 212,991                          |
| Held-to-maturity financial assets                 | 2    | 148,888             | 117,583                           | 13,349                           |
| Loans and receivables                             |      | 347,762             | 366,646                           | 255,939                          |
| Deferred tax assets                               |      | -                   | -                                 | 3,295                            |
| Reinsurance assets                                |      | 270,290             | 131,801                           | 142,680                          |
| Insurance receivables                             |      | 53,069              | 52,110                            | 41,877                           |
| Deferred acquisition cost                         |      | 18,693              | 19,083                            | 21,097                           |
| Current tax recoverable                           |      | 3,549               | 5,206                             | 4,283                            |
| Cash and cash equivalents                         |      | 35,194              | 60,442                            | 50,547                           |
| <b>Total assets</b>                               |      | <b>1,057,833</b>    | <b>908,711</b>                    | <b>832,159</b>                   |
| <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>       |      |                     |                                   |                                  |
| Share capital                                     |      | 100,000             | 100,000                           | 100,000                          |
| Reserves  |      | 19,415              | 19,518                            | 411                              |
| Retained earnings                                 |      | 130,075             | 93,853                            | 120,965                          |
| <b>Total equity</b>                               |      | <b>249,490</b>      | <b>213,371</b>                    | <b>221,376</b>                   |
| Insurance contract liabilities                    | 3    | 657,341             | 625,869                           | 554,977                          |
| Subordinated loan                                 |      | 30,000              | -                                 | -                                |
| Other financial liabilities                       |      | 46,659              | 182                               | 422                              |
| Deferred tax liabilities                          |      | 1,655               | -                                 | -                                |
| Deferred acquisition cost-reinsurance             |      | 7,732               | 2,655                             | 3,822                            |
| Insurance payables                                |      | 47,360              | 52,557                            | 42,326                           |
| Other payables                                    |      | 16,955              | 13,250                            | 8,346                            |
| Post employment benefit obligations               |      | 641                 | 827                               | 890                              |
| <b>Total liabilities</b>                          |      | <b>808,343</b>      | <b>695,340</b>                    | <b>610,783</b>                   |
| <b>Total shareholders' equity and liabilities</b> |      | <b>1,057,833</b>    | <b>908,711</b>                    | <b>832,159</b>                   |

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

## INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

|  | 31.3.2011<br>RM'000 | 31.3.2010<br>RM'000 |
|--|---------------------|---------------------|
| Operating revenue                                  | 432,106             | 425,266             |
| Gross written premium                              | 412,802             | 397,162             |
| Change in premium liabilities                      | (2,721)             | 6,531               |
| Gross earned premiums                              | 410,081             | 403,693             |
| Gross written premium ceded to reinsurers          | (205,355)           | (62,363)            |
| Change in premium liabilities                      | 66,270              | (3,176)             |
| Premium ceded to reinsurers                        | (139,085)           | (65,539)            |
| Net earned premium                                 | 270,996             | 338,154             |
| Investment income                                  | 22,025              | 21,573              |
| Realised gains and losses                          | 31                  | 4,483               |
| Fair value gains and losses                        | 637                 | 8,633               |
| Commission income                                  | 38,921              | 11,790              |
| Other income                                       | 10,668              | 12,750              |
| Other income                                       | 72,282              | 59,229              |
| Gross claims paid                                  | (290,296)           | (268,192)           |
| Claims ceded to reinsurers                         | 48,925              | 33,196              |
| Gross change to contract liabilities               | (28,751)            | (77,423)            |
| Change in contract liabilities ceded to reinsurers | 72,219              | (7,703)             |
| Net claims incurred                                | (197,903)           | (320,122)           |
| Commission expense                                 | (45,216)            | (44,592)            |
| Management expenses                                | (57,857)            | (56,938)            |
| Other expenses                                     | (103,073)           | (101,530)           |
| Finance costs                                      | (2,036)             | -                   |
| Profit/(loss) before taxation                      | 40,266              | (24,269)            |
| Tax expense  | (4,053)             | (2,843)             |
| Profit/(loss) for the financial year               | 36,213              | (27,112)            |
| Basic earnings/(loss) per share (sen)              | 36.21               | (27.11)             |

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

|   | 31.3.2011<br>RM'000 | 31.3.2010<br>RM'000 |
|---|---------------------|---------------------|
| Profit/(loss) for the financial year  | 36,213              | (27,112)            |
| Other comprehensive income:   |                     |                     |
| Change in revaluation surplus on self-occupied properties   | 79                  | 10,186              |
| Fair value changes on available-for-sale financial assets   | (249)               | 13,907              |
| Loss/(gain) recognised in income statement on disposal of available-for-sale financial assets               | 19                  | (4,533)             |
| Reversal on deferred tax liability on revaluation reserve   | -                   | 1,891               |
|   | (151)               | 21,451              |
| Tax effect on fair value changes in available-for sale financial assets                                     | 62                  | (3,477)             |
| Tax effect on (loss)/gain recognised in income statement on disposal of available-for-sale financial assets | (5)                 | 1,133               |
| Other comprehensive income for the financial year, net of tax   | (94)                | 19,107              |
| <b>Total comprehensive income/(loss) for the financial year</b>   | <b>36,119</b>       | <b>(8,005)</b>      |

## STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

|   | Issued and fully paid ordinary shares of RM1 each |                      | Asset revaluation reserve RM'000 | Non-distributable Available-for-sale reserve RM'000 | Distributable Retained earnings RM'000 | Total RM'000 |
|---|---|----------------------|----------------------------------|---|--|--------------|
|   | Number of shares 000                              | Nominal value RM'000 |                                  |   |  |              |
| At 1 April 2009   |   |                      |                                  |   |  |              |
| - as previously stated  | 100,000   | 100,000              | 7,233                            | (6,822)   | 119,568                                | 219,979      |
| - change in accounting policy   | -   | -                    | -                                | -   | 1,397                                  | 1,397        |
| As restated 1 April 2009  | 100,000   | 100,000              | 7,233                            | (6,822)   | 120,965                                | 221,376      |
| Total comprehensive income/(loss) for the financial year                | -   | -                    | 12,077                           | 7,030   | (27,112)                               | (8,005)      |
| At 31 March 2010  | 100,000   | 100,000              | 19,310                           | 208   | 93,853                                 | 213,371      |
| At 1 April 2010   |   |                      |                                  |   |  |              |
| - as previously stated  | 100,000   | 100,000              | 16,596                           | 208   | 92,456                                 | 209,260      |
| - change in accounting policy   | -   | -                    | 2,714                            | -   | 1,397                                  | 4,111        |
| As restated 1 April 2010  | 100,000   | 100,000              | 19,310                           | 208   | 93,853                                 | 213,371      |
| Reversal of revaluation surplus on disposal of self-occupied properties | -   | -                    | (9)                              | -   | 9                                      | -            |
| Total comprehensive income/(loss) for the financial year                | -   | -                    | 79                               | (173)   | 36,213                                 | 36,119       |
| At 31 March 2011  | 100,000   | 100,000              | 19,380                           | 35  | 130,075                                | 249,490      |

## STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

|  | 31.3.2011<br>RM'000 | 31.3.2010<br>RM'000 |
|--|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                          |                     |                     |
| Profit/(loss) for the financial year                                 | 36,213              | (27,112)            |
| Adjustment for non-cash items:                                       |                     |                     |
| Property and equipment   |                     |                     |
| - depreciation   | 2,484               | 2,852               |
| - loss on disposal   | (5)                 | 25                  |
| - written off  | 3                   | 58                  |
| Gain on disposal of investments                                      | (49)                | (4,533)             |
| Reversal of impairment charge on available-for-sale financial assets | -                   | (2,684)             |
| Investment income  | (22,025)            | (21,573)            |
| Finance cost   | 2,036               | -                   |
| Writeback of impairment allowance                                    | (401)               | (537)               |
| Provision for post-employment benefits                               | 208                 | 162                 |
| Tax expenses   | 4,053               | 2,843               |
| Fair value gain on investment properties                             | (624)               | (5,884)             |
| Reversal of impairment loss on self occupied properties              | (13)                | (65)                |
|  | 21,880              | (56,448)            |
| Purchase of available-for-sale financial assets                      | (49,738)            | (111,364)           |
| Purchase of held-to-maturity financial assets                        | (31,175)            | (120,550)           |
| Proceeds from maturity of available-for-sale financial assets        | 15,000              | 75,000              |
| Proceeds from disposal of available-for-sale financial assets        | 10,704              | 225,588             |
| Interest income received   | 20,332              | 20,175              |
| Dividend income received   | 830                 | 1,243               |
| Other investment income received                                     | 1,116               | 1,030               |
| Payment of staff retirement benefits                                 | (394)               | (225)               |
| Increase/(decrease) in reinsurance assets                            | (138,489)           | 10,879              |
| Increase in insurance receivables                                    | (558)               | (9,695)             |
| Decrease in deferred acquisition cost-gross                          | 390                 | 2,014               |
| (Decrease)/increase in insurance payables                            | (5,197)             | 10,231              |
| Increase/(decrease) in other financial liabilities                   | 46,477              | (240)               |
| Increase in claims liabilities                                       | 31,472              | 70,892              |
| Decrease/(increase) in loan and receivables                          | 18,884              | (110,747)           |
| Increase in other payables   | 3,266               | 4,904               |
| Increase/(decrease) in deferred acquisition cost-reinsurance         | 5,077               | (1,167)             |
| Cash generated from operations                                       | (50,123)            | 11,518              |
| Income tax paid  | (683)               | (889)               |
| Net cash flows from operating activities                             | (50,806)            | 10,629              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                           |                     |                     |
| Purchase of property and equipment                                   | (3,044)             | (808)               |
| Proceeds from disposal of property and equipment                     | 201                 | 74                  |
| Net cash flows from investing activities                             | (2,843)             | (734)               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                           |                     |                     |
| Finance cost   | (1,599)             | -                   |
| Subordinated loan  | 30,000              | -                   |
| Net cash flows from financing activities                             | 28,401              | -                   |
| <b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>          | <b>(25,248)</b>     | <b>9,895</b>        |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>      | <b>60,442</b>       | <b>50,547</b>       |
| <b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>            | <b>35,194</b>       | <b>60,442</b>       |

# FINANCIAL STATEMENTS - 31 MARCH 2011

Uni.Asia General Insurance Berhad (16688-K) a DRB-HICOM & UOB company

# UniAsia

General Insurance

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2011

### 1. INVESTMENTS PROPERTIES

|                    | Freehold land and building | Leasehold land and building | Total  |
|--------------------|----------------------------|-----------------------------|--------|
|                    | RM'000                     | RM'000                      | RM'000 |
| At 1 April 2010    | 10,200                     | 29,564                      | 39,764 |
| Fair value changes | 400                        | 224                         | 624    |
| 31 March 2011      | 10,600                     | 29,788                      | 40,388 |
| At 1 April 2009    | 9,380                      | 24,500                      | 33,880 |
| Fair value changes | 820                        | 5,064                       | 5,884  |
| At 31 March 2010   | 10,200                     | 29,564                      | 39,764 |

The titles to the leasehold land and buildings and freehold land and buildings included in investment properties at carrying value of RM29,788,000 (2010: RM29,564,000) and RM10,600,000 (2010: RM10,200,000) respectively 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 formalisation of this transfer to be completed.

### 2. INVESTMENTS

The Company's investments are summarised by categories as follows:

|   | 31.3.2011 | 31.3.2010 |
|---|-----------|-----------|
|   | RM'000    | RM'000    |
| Available-for-sale financial assets ("AFS") | 78,633    | 55,115    |
| Accrued interest                            | 642       | 690       |
|   | 79,275    | 55,805    |
| Held-to-maturity financial assets ("HTM")   | 147,077   | 116,200   |
| Accrued interest                            | 1,811     | 1,383     |
|   | 148,888   | 117,583   |
| Total investments                           | 228,163   | 173,388   |

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

| (a) AFS  |           |           |
|--|-----------|-----------|
|  | 31.3.2011 | 31.3.2010 |
|  | RM'000    | RM'000    |
| At fair value:   |           |           |
| Unquoted equity securities                             | 93        | 93        |
| Unquoted corporate debt securities                     | 49,640    | 55,022    |
| Quoted unit trusts in Malaysia                         | 28,900    | -         |
| Accrued interest                                       | 642       | 690       |
| Total available-for-sale financial assets              | 79,275    | 55,805    |
| (b) HTM  |           |           |
| At amortised cost:                                     |           |           |
| Unquoted corporate debt securities, at cost            | 147,410   | 116,274   |
| Amortisation of premiums net of accretion of discounts | (333)     | (74)      |
| Accrued interest                                       | 1,811     | 1,383     |
| Total held-to-maturity financial assets                | 148,888   | 117,583   |

### (c) Carrying value of financial assets

|   | AFS       | HTM     | Total     |
|---|-----------|---------|-----------|
|   | RM'000    | RM'000  | RM'000    |
| At 1 April 2009                               | 212,991   | 13,349  | 226,340   |
| Purchases                                     | 43,027    | 100,478 | 143,505   |
| Disposal/maturity/repayment                   | (207,598) | -       | (207,598) |
| Fair value gain recorded in:                  |           |         |           |
| Other comprehensive income                    | 9,374     | -       | 9,374     |
| Amortisation                                  | (162)     | (74)    | (236)     |
| Writeback of provision in diminution in value | -         | 2,635   | 2,635     |
| Accrued interest                              | (1,827)   | 1,195   | (632)     |
| At 31 March 2010/ 1 April 2010                | 55,805    | 117,583 | 173,388   |
| Purchases                                     | 49,738    | 31,176  | 80,914    |
| Disposal/maturity/repayment                   | (25,615)  | (40)    | (25,655)  |
| Fair value gain recorded in:                  |           |         |           |
| Other comprehensive income                    | (230)     | -       | (230)     |
| Amortisation                                  | (375)     | (259)   | (634)     |
| Accrued interest                              | (48)      | 428     | 380       |
| At 31 March 2011                              | 79,275    | 148,888 | 228,163   |

The maturity structure of available-for-sale financial assets is as follows:

|                                       | 31.3.2011 | 31.3.2010 |
|---------------------------------------|-----------|-----------|
|                                       | RM'000    | RM'000    |
| Investments maturing within 12 months | 25,338    | 15,943    |
| Investments maturing after 12 months  | 53,937    | 39,862    |
|                                       | 79,275    | 55,805    |

The maturity structure of held-to-maturity financial asset is as follows:

|                                       | 31.3.2011 | 31.3.2010 |
|---------------------------------------|-----------|-----------|
|                                       | RM'000    | RM'000    |
| Investments maturing within 12 months | 9,811     | 1,383     |
| Investments maturing after 12 months  | 139,077   | 116,200   |
|                                       | 148,888   | 117,583   |

### 3. INSURANCE CONTRACT LIABILITIES

|  | 31.3.2011 |           |         | 31.3.2010 |           |         | 1.4.2009 |           |         |
|--|-----------|-----------|---------|-----------|-----------|---------|----------|-----------|---------|
|  | Gross     | Re-       | Net     | Gross     | Re-       | Net     | Gross    | Re-       | Net     |
|  | RM'000    | insurance | RM'000  | RM'000    | insurance | RM'000  | RM'000   | insurance | RM'000  |
| General insurance  | 657,341   | (270,290) | 387,051 | 625,869   | (131,801) | 494,068 | 554,977  | (142,680) | 412,297 |
| The general insurance contract liabilities and its movement are further analysed as follows: |           |           |         |           |           |         |          |           |         |
| Provision for claims   | 319,315   | (104,064) | 215,251 | 329,408   | (72,496)  | 256,912 | 259,482  | (70,968)  | 188,514 |
| Provision for "IBNR"   | 131,392   | (67,006)  | 64,386  | 92,548    | (26,355)  | 66,193  | 85,051   | (35,587)  | 49,464  |
| Claims liabilities (i)   | 450,707   | (171,070) | 279,637 | 421,956   | (98,851)  | 323,105 | 344,533  | (106,555) | 237,978 |
| Premium liabilities (ii)   | 206,634   | (99,220)  | 107,414 | 203,913   | (32,950)  | 170,963 | 210,444  | (36,126)  | 174,318 |
|  | 657,341   | (270,290) | 387,051 | 625,869   | (131,801) | 494,068 | 554,977  | (142,680) | 412,297 |

### (i) Claims liabilities

|   | 31.3.2011 |           |           | 31.3.2010 |           |           |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
|   | Gross     | Re-       | Net       | Gross     | Re-       | Net       |
|   | RM'000    | insurance | RM'000    | RM'000    | insurance | RM'000    |
| At 1 April  | 421,956   | (98,851)  | 323,105   | 344,533   | (106,554) | 237,979   |
| Claims incurred for the current accident year (direct and facultative)        | 287,389   | (109,617) | 177,772   | 266,161   | (29,007)  | 237,154   |
| Adjustment to claims incurred in prior accident year (direct and facultative) | 6,237     | (5,778)   | 459       | 75,784    | 27        | 75,811    |
| Claims incurred during the financial year (treaty inwards claims)             | 5,190     | (242)     | 4,948     | 3,055     | -         | 3,055     |
| Movement in PRAD of claims liabilities at 75% confidence level                | 12,363    | (1,283)   | 11,080    | (222)     | 3,639     | 3,417     |
| Movement in claims handling expenses  | 7,867     | (4,223)   | 3,644     | 837       | (152)     | 685       |
| Claims paid during the financial year   | (290,295) | 48,924    | (241,371) | (268,192) | 33,196    | (234,996) |
| At 31 March   | 450,707   | (171,070) | 279,637   | 421,956   | (98,851)  | 323,105   |
| Claims liabilities by class of business                                       |           |           |           |           |           |           |
|   | 31.3.2011 |           |           | 31.3.2010 |           |           |
|   | Motor     | Non-motor | Net       | Motor     | Non-motor | Net       |
|   | RM'000    | RM'000    | RM'000    | RM'000    | RM'000    | RM'000    |
| Gross claims liabilities  | 338,762   | 111,945   | 450,707   | 324,519   | 97,437    | 421,956   |
| Reinsurance   | (97,206)  | (73,864)  | (171,070) | (34,017)  | (64,834)  | (98,851)  |
| Net claims liabilities  | 241,556   | 38,081    | 279,637   | 290,502   | 32,603    | 323,105   |

### (ii) Premium liabilities

|  | 31.3.2011 |           |           | 31.3.2010 |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
|  | Gross     | Re-       | Net       | Gross     | Re-       | Net       |
|  | RM'000    | insurance | RM'000    | RM'000    | insurance | RM'000    |
| At 1 April                                 | 203,913   | (32,950)  | 170,963   | 210,444   | (36,126)  | 174,318   |
| Premiums written during the financial year | 412,802   | (205,355) | 207,447   | 397,162   | (62,363)  | 334,799   |
| Premiums earned during the financial year  | (410,081) | 139,085   | (270,996) | (403,693) | 65,539    | (338,154) |
| At 31 March                                | 206,634   | (99,220)  | 107,414   | 203,913   | (32,950)  | 170,963   |

### 4. CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

|                        | 31.3.2011 | 31.3.2010 |
|------------------------|-----------|-----------|
|                        | RM'000    | RM'000    |
| Contingent liabilities | 667       | 834       |

The contingent liabilities consist of guaranteed payment for the Foreign Workers Compensation Scheme and collateral for Bond class of business.

At the date of this report, there is no capital commitment.

### 5. REGULATORY CAPITAL REQUIREMENTS

The Company's capital management policy is to optimise the efficient and effective use of resources to maximise the return on equity and provide an appropriate level of capital to protect policyholders and meet regulatory requirements.

The Company is required to comply with the regulatory capital requirement prescribed in the Risk-Based Capital ("RBC") Framework. Under the RBC Framework guidelines issued by BNM, insurance companies are required to satisfy a minimum capital adequacy ratio of 130%. The Company has a capital adequacy ratio in excess of the minimum requirement.

The capital structure of the Company as at 31 March 2011, and the comparative, as prescribed under the RBC Framework is provided below:

|                          | 31.3.2011 | 31.3.2010 |
|--------------------------|-----------|-----------|
|                          | RM'000    | RM'000    |
| Eligible Tier 1 Capital: |           |           |
| Share capital (paid-up)  | 100,000   | 100,000   |
| Retained earnings        | 130,075   | 92,456    |
|                          | 230,075   | 192,456   |
| Tier 2 Capital:          |           |           |
| Eligible reserves        | 49,415    | 16,804    |
| Total Capital Available  | 279,490   | 209,260   |

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNI.ASIA GENERAL INSURANCE BERHAD

On 22 June 2011, we reported on the statutory financial statements of Uni.Asia General Insurance Berhad for the financial year ended 31 March 2011. In that report we stated that:

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Uni.Asia General Insurance Berhad, which comprise the statement of financial position as at 31 March 2011, and the statement of income, other comprehensive income, changes in equity and cash flow for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 22 to 97.

#### Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of these financial statements that give true and fair view in accordance with the Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the provisions of the Insurance Act 1996 and Companies Act, 1965, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements have been properly drawn up in accordance with MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities, and the provisions of the Companies Act, 1965 and Insurance Act, 1996 so as to give a true and fair view of the financial position of the Company as of 31 March 2011 and of its financial performance and cash flows for the financial year then ended.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that, in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

#### OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Other than the non-publication of all the notes to the financial statements, except for those notes pertaining to investment properties, investments, insurance contract liabilities, capital commitment and contingent liabilities and regulatory capital requirements, the financial statements reproduced herewith are similar in all material respects to those reported on by us.

Accordingly, for a full appreciation of the financial position of the Company as at 31 March 2011 and of its financial performance and cash flows for the financial year ended on that date, reference should be made to the statutory financial statements of the Company for the financial year ended 31 March 2011 in which context of our record of 22 June 2011 was made.

PRICEWATERHOUSECOOPERS  
(No. AF: 1146)  
Chartered Accountants

SRIDHARAN NAIR  
(No. 2656/05/12 (J))  
Chartered Accountant

Kuala Lumpur  
22 June 2011

Visit our website <http://www.uniasia.com.my> for the full version of the Annual Report 2011.