



**ETIQA GENERAL TAKAFUL BERHAD**  
**201701025031 (1239197-A)**  
**(Incorporated in Malaysia)**

**Abridged Audited Financial Statements**  
**31 December 2020**

**ETIQA GENERAL TAKAFUL BERHAD**  
**201701025031 (1239197-A)**  
**(Incorporated in Malaysia)**

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ETIQA GENERAL TAKAFUL BERHAD  
201701025031 (1239197-A)  
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020

	31.12.2020			31.12.2019			1.1.2019		
	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000 (Restated)	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000 (Restated)
<b>ASSETS</b>									
Property, plant and equipment	78	-	78	-	-	-	-	-	-
Intangible assets	766	-	766	1,012	-	1,012	1,170	-	1,170
Investments	1,448,721	2,228,791	3,677,512	1,355,556	2,003,790	3,359,346	1,123,749	1,697,218	2,820,967
Financing receivables	-	-	-	252	-	252	-	-	-
Retakaful assets	-	312,191	312,191	-	239,075	239,075	-	232,173	232,173
Takaful receivables	-	89,001	89,001	-	83,063	83,063	-	96,596	96,596
Other assets	143,707	17,524	44,529	98,144	21,859	36,699	99,284	19,569	32,350
Deferred tax assets	-	-	-	-	-	-	-	6,983	6,064
Current tax assets	-	3,883	3,883	-	3,883	3,883	-	3,883	3,883
Cash and bank balances	2,559	37,779	40,338	11,578	33,260	44,838	18,115	62,114	80,229
<b>Total assets</b>	<b>1,595,831</b>	<b>2,689,169</b>	<b>4,168,298</b>	<b>1,466,542</b>	<b>2,384,930</b>	<b>3,768,168</b>	<b>1,242,318</b>	<b>2,118,536</b>	<b>3,273,432</b>
<b>EQUITY, LIABILITIES AND PARTICIPANTS' FUNDS</b>									
<b>Equity</b>									
Share capital	870,000	-	870,000	870,000	-	870,000	870,000	-	870,000
Reserves	467,343	-	468,156	356,406	-	357,199	158,386	-	159,020
<b>Total equity</b>	<b>1,337,343</b>	<b>-</b>	<b>1,338,156</b>	<b>1,226,406</b>	<b>-</b>	<b>1,227,199</b>	<b>1,028,386</b>	<b>-</b>	<b>1,029,020</b>
<b>Liabilities and Participants' Funds</b>									
Participants' funds	-	232,337	232,337	-	222,517	222,517	-	163,845	163,845
Takaful certificate liabilities	-	1,905,070	1,905,070	-	1,706,694	1,706,694	-	1,503,563	1,503,563
Expense liabilities	139,797	-	139,797	148,713	-	148,713	127,590	-	127,590
Deferred tax liabilities	12,776	8,629	21,661	14,115	8,412	22,777	919	-	-
Takaful payables	-	145,538	145,538	-	114,642	114,642	-	102,027	102,027
Other liabilities	81,534	397,595	361,358	59,051	332,665	307,369	52,100	349,101	314,064
Current tax liabilities	24,381	-	24,381	18,257	-	18,257	33,323	-	33,323
<b>Total liabilities and participants' funds</b>	<b>258,488</b>	<b>2,689,169</b>	<b>2,830,142</b>	<b>240,136</b>	<b>2,384,930</b>	<b>2,540,969</b>	<b>213,932</b>	<b>2,118,536</b>	<b>2,244,412</b>
<b>Total equity, liabilities and participants' funds</b>	<b>1,595,831</b>	<b>2,689,169</b>	<b>4,168,298</b>	<b>1,466,542</b>	<b>2,384,930</b>	<b>3,768,168</b>	<b>1,242,318</b>	<b>2,118,536</b>	<b>3,273,432</b>

INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	2020			2019		
	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000 (Restated)
<b>Operating revenue</b>	548,290	1,642,506	1,693,430	568,404	1,684,131	1,738,400
Gross earned contributions	-	1,604,993	1,604,993	-	1,513,789	1,513,789
Earned contributions ceded to retakaful	-	(165,811)	(165,811)	-	(133,445)	(133,445)
<b>Net earned contributions</b>	-	1,439,182	1,439,182	-	1,380,344	1,380,344
Fee and commission income	497,366	9,076	9,076	514,135	7,458	7,458
Investment income	50,924	72,789	123,713	54,269	79,338	133,607
Realised gains	29,910	33,946	63,856	7,096	6,254	13,350
Fair value gains	2,838	2,473	5,311	521	2,613	3,134
Other operating income/(expenses), net	3,012	3,311	6,349	301	(2,434)	(1,724)
<b>Other revenue</b>	584,050	121,595	208,305	576,322	93,229	155,825
Gross claims paid	-	(751,735)	(751,735)	-	(789,424)	(789,424)
Claims ceded to retakaful	-	25,745	25,745	-	22,013	22,013
Gross change in certificate liabilities	-	(233,652)	(330,284)	-	(112,127)	(166,856)
Change in certificate liabilities ceded to retakaful	-	75,965	75,965	-	19,837	19,837
<b>Net claims incurred</b>	-	(883,677)	(980,309)	-	(859,701)	(914,430)
Management expenses	(217,712)	-	(217,712)	(234,099)	-	(234,099)
Change in expense liabilities	8,916	-	8,916	(21,123)	-	(21,123)
Fee and commission expenses	(142,208)	(497,557)	(142,399)	(149,344)	(514,345)	(149,554)
Tax borne by participants	-	(2,117)	(2,117)	-	(11)	(11)
<b>Other expenses</b>	(351,004)	(499,674)	(353,312)	(404,566)	(514,356)	(404,787)
<b>Operating profit before surplus transfers</b>	233,046	177,426	313,866	171,756	99,516	216,952
Surplus transferred to participants' funds	-	(96,632)	-	-	(54,729)	-
Surplus attributable to shareholder	80,794	(80,794)	-	44,787	(44,787)	-
<b>Profit before taxation</b>	313,840	-	313,866	216,543	-	216,952
Taxation	(76,419)	-	(76,425)	(58,055)	-	(58,305)
Zakat	(10,840)	-	(10,840)	(2,952)	-	(2,952)
<b>Net profit for the financial year</b>	226,581	-	226,601	155,536	-	155,695
<b>Basic and diluted earnings per share (sen):</b>			26.05			17.90

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	2020			2019		
	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000	Shareholder's fund RM'000	General Takaful fund RM'000	Company RM'000 (Restated)
<b>Net profit for the financial year</b>	226,581	-	226,601	155,536	-	155,695
<b>Other comprehensive income:</b>						
<b>Items that may be subsequently reclassified to income statement:</b>						
Net gains on financial assets at Fair Value through Other Comprehensive Income ("FVOCI"):						
- Fair value changes	30,702	27,151	57,853	63,762	70,999	134,761
- Transfer to profit or loss upon disposal	(38,170)	(35,068)	(73,238)	(7,862)	(6,900)	(14,762)
Other comprehensive income/(loss) attributable to participants	-	6,017	6,017	-	(48,715)	(48,715)
Tax effects relating to components of other comprehensive income	1,792	1,900	3,692	(13,416)	(15,384)	(28,800)
<b>Other comprehensive (loss)/income for the financial year, net of tax</b>	<b>(5,676)</b>	<b>-</b>	<b>(5,676)</b>	<b>42,484</b>	<b>-</b>	<b>42,484</b>
<b>Total comprehensive income for the financial year</b>	<b>220,905</b>	<b>-</b>	<b>220,925</b>	<b>198,020</b>	<b>-</b>	<b>198,179</b>

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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	Attributable to Equity Holder of the Company		Retained Profits RM'000	Total Equity RM'000
	Non-Distributable	Distributable		
	Share Capital RM'000	FVOCI Reserve RM'000		
<b>At 1.1.2020 (as previously stated)</b>	870,000	47,714	308,692	1,226,406
Effect of prior year adjustment	-	-	793	793
<b>At 1.1.2020 (as restated)</b>	870,000	47,714	309,485	1,227,199
Net profit for the financial year	-	-	226,601	226,601
Other comprehensive loss for the financial year	-	(5,676)	-	(5,676)
Total comprehensive (loss)/income for the financial year	-	(5,676)	226,601	220,925
Dividend on ordinary shares	-	-	(109,968)	(109,968)
<b>At 31.12.2020</b>	870,000	42,038	426,118	1,338,156

	Attributable to Equity Holder of the Company		Retained Profits RM'000	Total Equity RM'000
	Non-Distributable	Distributable		
	Share Capital RM'000	FVOCI Reserve RM'000		
<b>At 1.1.2019 (as previously stated)</b>	870,000	5,230	153,156	1,028,386
Effect of prior year adjustment	-	-	634	634
<b>At 1.1.2019 (as restated)</b>	870,000	5,230	153,790	1,029,020
Net profit for the financial year	-	-	155,695	155,695
Other comprehensive income for the financial year	-	42,484	-	42,484
Total comprehensive income for the financial year	-	42,484	155,695	198,179
<b>At 31.12.2019 (as restated)</b>	870,000	47,714	309,485	1,227,199

**ETIQA GENERAL TAKAFUL BERHAD**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>(Restated)</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation and zakat:	313,866	216,952
Adjustments for:		
Depreciation of property, plant and equipment	2	-
Amortisation of intangible assets	246	242
Fair value gains on financial assets at fair value through profit or loss ("FVTPL")	(5,311)	(3,134)
Realised gains on disposal of investments	(63,856)	(13,350)
Realised losses on foreign exchange	70	-
Unrealised losses on foreign exchange	8	-
Reversal of impairment losses on investments	(141)	(159)
Reversal of impairment losses on financing receivables	(3,331)	-
Allowance for impairment losses on takaful receivables	353	3,300
Allowance for impairment losses on other assets	36	362
(Reversal of)/allowance for impairment losses on retakaful assets	(458)	716
Profit income	(124,326)	(135,235)
Dividend income	(1,935)	(1,096)
Net amortisation of premiums	1,818	2,134
Tax borne by participants	2,117	11
Surplus transferred to participants' fund	96,632	54,729
Operating cash flows before working capital changes	215,790	125,472
Changes in working capital:		
(Increase)/decrease in takaful receivables	(6,291)	10,233
(Increase)/decrease in other assets	(14,103)	4,306
Increase in takaful payables	30,896	12,615
Increase/(decrease) in other liabilities	48,123	(5,383)
(Decrease)/increase in expense liabilities	(8,916)	21,123
Decrease/(increase) in financing receivables	3,583	(252)
Operating cash flows after working capital changes, carried forward	269,082	168,114

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
		<b>(Restated)</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>(CONTD.)</b>		
Brought forward	269,082	168,114
Changes in working capital:		
Decrease in placements of deposits with financial institutions	(963,481)	(94,750)
Increase in retakaful assets	(72,658)	(7,618)
Increase in takaful certificate liabilities	198,376	203,131
Operating cash flows after working capital changes	<u>(568,681)</u>	<u>268,877</u>
Profit income received	130,656	126,152
Gross dividend income received	1,843	1,162
Zakat paid	(4,977)	(4,264)
Taxation paid	(69,843)	(73,341)
Surplus paid to participants	(80,795)	(44,772)
Net cash flows generated from/(used in) operating activities	<u>(591,797)</u>	<u>273,814</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of investments	2,865,301	1,466,936
Purchase of investments	(2,167,956)	(1,776,057)
Purchase of intangible assets	-	(84)
Purchase of property, plant and equipment	(80)	-
Net cash flows generated from/(used in) investing activities	<u>697,265</u>	<u>(309,205)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid, representing net cash flow used in financing activities	(109,968)	-
<b>Decrease in cash and cash equivalents</b>	<b>(4,500)</b>	<b>(35,391)</b>
<b>Cash and cash equivalents beginning of financial year</b>	<b>44,838</b>	<b>80,229</b>
<b>Cash and cash equivalents at end of financial year</b>	<b><u>40,338</u></b>	<b><u>44,838</u></b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances of:		
Shareholder's fund	2,559	11,578
General Takaful fund	37,779	33,260
	<u>40,338</u>	<u>44,838</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.



**REPORT OF THE SHARIAH COMMITTEE**

*In the name of Allah, the Most Beneficent, the Most Merciful*

We, Assoc. Prof. Dr. Aznan bin Hasan and Prof. Dato' Dr. Mohd Azmi bin Omar, being two of the members of the Shariah Committee of Etiqa General Takaful Berhad, do hereby report on behalf of the Committee that to the best of our knowledge and belief:

In compliance with our letter of appointment and terms of reference, we have reviewed and approved the principles, policies, products and the contracts relating to the transactions undertaken by the Company during the financial year ended 31 December 2020. We have also conducted our review to form an opinion pursuant to Section 30(1) of Islamic Financial Services Act 2013 ("IFSA"), as to whether the Company has complied with the principles of Shariah, Shariah rulings issued by the Shariah Advisory Council of Bank Negara Malaysia ("BNM"), Shariah standards issued by BNM pursuant to Section 29 of IFSA, relevant guidelines and circulars issued by BNM, Shariah rulings issued by the Shariah Advisory Council of Securities Commission (for capital market related matters), as well as Shariah decisions resolved by us.

The management of the Company has held responsible for ensuring that the Company conducts its business in accordance with Shariah rules and principles. It is our responsibility to express an independent opinion based on our review of the operations of the Company.

We have assessed the work carried out by Shariah review and Shariah audit which included examining, on a test basis, the relevant type of transactions, documentations and procedures adopted by the Company.

We obtained all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company has not violated the rules and principles of Shariah.

In our opinion:

1. the relevant contracts, transactions and dealings entered into by the Company during the financial year ended 31 December 2020 that we have reviewed are in compliance with the Shariah principles;
2. the allocation of profit and charging of losses relating to investment accounts conform to the basis that had been approved by us in accordance with Shariah principles;
3. the sharing of surplus arising from the tabarru' fund (Participants' Risk Fund) conforms with the respective internal policies and approved by us;
4. there is no Shariah non-compliant transactions and earnings encountered by us during the financial year ended 31 December 2020; and
5. the calculation, payment and distribution of business zakat and distribution of Amal Jariah fund is in compliance with the principles of Shariah.

**ETIQA GENERAL TAKAFUL BERHAD**  
**201701025031 (1239197-A)**  
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**REPORT OF THE SHARIAH COMMITTEE (CONTD.)**

This opinion is rendered based on what has been presented to us by the management of the Company and its Shariah Management. All in all, we, the members of the Shariah Committee of Etiqa General Takaful Berhad, do hereby confirm that, in our level best, the operations of the Company for the financial year ended 31 December 2020 have been conducted in conformity with the rules and principles of Shariah.

*They said, "Exalted are You (Allah); we have no knowledge except what You have taught us. Indeed, it is You who is the Knowing, the Wise." (Surah al-Baqarah, chapter 2, verse 32)*

Allah knows best.

Signed on behalf of the Committee.

ASSOC. PROF.  
DR. AZNAN BIN HASAN

PROF. DATO'  
DR. MOHD AZMI BIN OMAR

Kuala Lumpur, Malaysia  
23 February 2021

**Independent auditors' report to the member of  
Etiqa General Takaful Berhad  
201701025031 (1239197-A)  
(Incorporated in Malaysia)**

## **Report on the Abridged Financial Statements**

### *Opinion*

The abridged financial statements, which comprise the summary statement of financial position as at 31 December 2020, and the summary income statement, summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the financial year then ended, are derived from the audited financial statements of Etiqa General Takaful Berhad for the financial year ended 31 December 2020.

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 Takaful 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 23 February 2021.

### *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 consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with Malaysian Approved Standard on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

**Independent auditors' report to the member of  
Etiqa General Takaful Berhad (contd.)  
201701025031 (1239197-A)  
(Incorporated in Malaysia)**

*Restriction on use*

Our report on the abridged financial statements of Etiqa General Takaful Berhad for the financial year ended 31 December 2020 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. 02937/09/2021 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
23 February 2021