

**Nest Investments (Holdings) Ltd**



**NEST INVESTMENTS (HOLDINGS) LIMITED**

**INTERIM CONDENSED  
CONSOLIDATED PRIMARY  
FINANCIAL STATEMENTS  
30 JUNE 2017**



# NEST INVESTMENTS (HOLDINGS) LIMITED

## INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2017

	Six month period ended 30 June	
	2017 US\$ '000	2016 US\$ '000
<b>Transfer from consolidated insurance revenue account</b>	<b>7,865</b>	<b>9,231</b>
Interest income - banking operations	13,877	10,548
Interest expense - banking operations	(1,045)	(474)
Fee and commission income - banking operations	4,639	4,911
Fee and commission expense - banking operations	(60)	(9)
Net Income and gains from investments	5,986	3,137
Other income	6,408	5,801
Credit loss expense - banking operations	74	(1,243)
Administrative expenses	(24,883)	(24,249)
Net finance income/ (expense)	4,862	1,178
<b>Loss/ (Profit) from operations</b>	<b>17,722</b>	<b>8,831</b>
Share of profit of associate's	484	6,661
<b>Profit for the year before tax</b>	<b>18,206</b>	<b>15,492</b>
Income tax expenses	(4,473)	(2,750)
<b>Net profit for the year</b>	<b>13,733</b>	<b>12,742</b>
<b>Other comprehensive income</b>		
<i>To be reclassified to profit or loss in subsequent periods:</i>		
Available for sale investments fair value gain, net of tax	(6,020)	3,623
Exchange difference	12,259	(9,174)
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>6,239</b>	<b>(5,551)</b>
<i>Not to be reclassified to profit or loss in subsequent periods:</i>		
Revaluation of property, net of tax	-	-
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income</b>	<b>6,239</b>	<b>(5,551)</b>
<b>Total comprehensive income for the year</b>	<b>19,972</b>	<b>7,191</b>
<b>Total Comprehensive income for the year attributable to:</b>		
Equity holders of the parent	10,598	8,075
Non controlling interest	9,374	(884)
	<b>19,972</b>	<b>7,191</b>



# NEST INVESTMENTS (HOLDINGS) LIMITED

## INTERIM CONSOLIDATED INSURANCE REVENUE ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2017

	Six month period ended 30 June	
	2017 US\$ '000	2016 US\$ '000
Gross written premium	469,954	368,825
Outward reinsurance premium	(162,482)	(119,603)
Retained premium	307,472	249,222
Change in unearned premiums	(90,078)	(71,465)
<b>Net earned premium</b>	<b>217,394</b>	<b>177,757</b>
Gross claims paid	(143,920)	(134,675)
Claims recovered from reinsurers	40,322	42,078
Change in provision for outstanding claims - gross	(187,788)	(4,086)
Change in provision for outstanding claims - reinsurance	151,846	3,653
Change in IBNR	(1,546)	(14,018)
<b>Claims and related expenses</b>	<b>(141,086)</b>	<b>(107,049)</b>
Commissions and taxes paid	(86,706)	(58,973)
Commissions and taxes received from reinsurers	28,117	24,094
Interest on premium reserve	135	-
Interest on premium reserve - reinsurance	79	(14)
Change in deferred acquisition cost – gross	20,525	(915)
Change in deferred acquisition cost – reinsurance	(6,230)	(5,694)
Change in unexpired risk reserves	158	(112)
<b>Acquisition costs, commissions and taxes</b>	<b>(43,923)</b>	<b>(41,614)</b>
<b>Gross underwriting profit</b>	<b>32,386</b>	<b>29,094</b>
Operating expenses	(26,058)	(21,032)
Technical Income	1,537	1,169
<b>Transfer to consolidated statement of comprehensive income</b>	<b>7,865</b>	<b>9,231</b>



# NEST INVESTMENTS (HOLDINGS) LIMITED

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Unaudited 30 June 2017 US\$ '000	Audited 31 December 2016 US\$ '000	Unaudited 30 June 2016 US\$ '000
<b>Assets</b>			
Goodwill	30,050	30,050	19,862
Intangible assets	5,970	5,793	5,562
Property and equipment	287,784	284,177	232,781
Properties Held For Trading	32,643	19,360	21,163
Investment properties	1,954,671	1,923,789	1,913,968
Investment in associates	176,737	503,796	520,626
Loans and advances to banking customers	413,664	338,535	319,134
Other financial assets	236,202	231,323	211,134
Reinsurance assets	611,178	426,077	388,877
Insurance receivables	16,980	22,767	27,548
Gross deferred acquisition cost	93,284	73,140	68,678
Other assets	518,652	209,861	222,265
Accounts receivable	533,357	381,634	406,265
Due from banks - banking operations	28,469	34,389	23,187
Cash and cash equivalents	651,061	589,126	562,970
<b>Total assets</b>	<b>5,590,699</b>	<b>5,073,817</b>	<b>4,944,020</b>
<b>Equity</b>			
Share capital	400,000	400,000	400,000
Reserves	1,479,638	1,469,316	1,458,366
<b>Equity attributable to equity holders of the parent</b>	<b>1,879,638</b>	<b>1,869,316</b>	<b>1,858,366</b>
Non-controlling interest	759,039	753,879	703,407
<b>Total equity</b>	<b>2,638,677</b>	<b>2,623,195</b>	<b>2,561,773</b>
<b>Liabilities</b>			
Bank Loans	630,173	612,718	582,793
Banking customer deposits	273,944	240,088	240,100
Due to banks	9,889	9,477	1,109
Insurance contract liabilities	1,404,800	1,089,942	1,038,562
Reinsurance balances payable	38,455	27,111	31,619
Trade creditors and other liabilities	522,340	425,343	442,995
Bank overdraft	32,434	12,190	17,364
Income received in advance	-	29	-
Reinsurers' share of deferred acquisition costs	39,988	33,724	27,704
<b>Total Liabilities</b>	<b>2,952,022</b>	<b>2,450,622</b>	<b>2,382,247</b>
<b>Total equity and liabilities</b>	<b>5,590,699</b>	<b>5,073,817</b>	<b>4,944,020</b>



# NEST INVESTMENTS (HOLDINGS) LIMITED

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 JUNE 2017

### INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2017

	Share capital	Statutory reserve	Optional reserve	General banking risks reserve	Property revaluation reserve	Investment revaluation reserve	Exchange difference reserve	Retained earnings	Total	Non- controlling interest	Total equity
	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000	US\$ '000
At 1 January 2016	400,000	36,793	8,522	2,647	134,060	(5,467)	(84,661)	1,358,398	1,850,292	708,678	2,558,970
Profit for the year	-	-	-	-	-	-	-	9,775	9,775	2,968	12,742
Other comprehensive income / (loss)	-	-	-	-	-	3,324	(5,023)	-	(1,699)	(3,851)	(5,550)
<b>Total comprehensive income</b>	<b>400,000</b>	<b>36,793</b>	<b>8,522</b>	<b>2,647</b>	<b>134,060</b>	<b>(2,143)</b>	<b>(89,684)</b>	<b>1,368,173</b>	<b>1,858,367</b>	<b>708,021</b>	<b>2,566,388</b>
Increase in subsidiary's share capital	-	-	-	-	-	-	-	-	-	227	227
Dividends paid	-	-	-	-	-	-	-	-	-	(4,613)	(4,613)
Transfer to statutory and optional	-	477	1,017	-	-	-	-	(1,494)	-	-	-
Transfer to general banking risks	-	-	-	81	-	-	-	(81)	-	-	-
Acquisition of share in subsidiary	-	-	-	-	-	-	-	-	-	-	-
<b>At 30 June 2016</b>	<b>400,000</b>	<b>37,270</b>	<b>9,538</b>	<b>2,728</b>	<b>134,060</b>	<b>(2,143)</b>	<b>(89,684)</b>	<b>1,366,598</b>	<b>1,858,365</b>	<b>703,407</b>	<b>2,561,774</b>
At 1 January 2017	400,000	39,229	11,523	2,476	142,171	(5,250)	(92,603)	1,371,769	1,869,316	753,879	2,623,195
Prior year adjustments	-	-	-	-	-	-	-	-	-	-	-
Revised opening balance 1 January	400,000	39,229	11,523	2,476	142,171	(5,250)	(92,603)	1,371,769	1,869,316	753,879	2,623,195
Profit for the year	-	-	-	-	-	-	-	8,331	8,331	5,402	13,733
Other comprehensive income / (loss)	-	-	-	-	-	(5,418)	7,685	-	2,267	3,972	6,239
<b>Total comprehensive income</b>	<b>400,000</b>	<b>39,229</b>	<b>11,523</b>	<b>2,476</b>	<b>142,171</b>	<b>(10,668)</b>	<b>(84,918)</b>	<b>1,380,100</b>	<b>1,879,914</b>	<b>763,254</b>	<b>2,643,167</b>
Increase in subsidiary's share capital	-	-	-	-	-	-	-	(276)	(276)	276	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4,195)	(4,195)
Transfer to statutory and optional	-	560	782	-	617	1,217	-	(3,177)	-	-	-
Transfer to general banking risks	-	-	-	409	-	-	-	(409)	-	-	-
Acquisition of share in subsidiary	-	-	-	-	-	-	-	-	-	(295)	(295)
<b>At 30 June 2017</b>	<b>400,000</b>	<b>39,789</b>	<b>12,305</b>	<b>2,886</b>	<b>142,788</b>	<b>(9,451)</b>	<b>(84,918)</b>	<b>1,376,238</b>	<b>1,879,638</b>	<b>759,039</b>	<b>2,638,677</b>