

Company No

LL10563

CAGAMAS GLOBAL P.L.C.

(Incorporated in Labuan, Malaysia, under the Labuan Companies Act, 1990)

STATUTORY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Lodged by:

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STATUTORY FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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CAGAMAS GLOBAL P.L.C.

(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	2015 RM'000	2014 RM'000
ASSETS			
Cash and bank balances	4	123	1
Loans to immediate holding company	5	4,737,807	3,057,980
Deposit and prepayment		43	38
TOTAL ASSETS		4,737,973	3,058,019
LIABILITIES			
Unsecured bearer bonds and notes	6	4,729,817	3,048,469
Other payables		1,243	3,238
Amount due to immediate holding company	7	3,814	6,233
Provision for taxation		20	2
TOTAL LIABILITIES		4,734,894	3,057,942
Share capital	8	-*	-*
Retained profits		3,079	77
SHAREHOLDER'S FUNDS		3,079	77
TOTAL LIABILITIES AND SHAREHOLDER'S FUNDS		4,737,973	3,058,019

* Denotes RM7.

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

Company No

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CAGAMAS GLOBAL P.L.C.

(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	Note	2015 RM'000	Financial period from 4 April 2014 (date of incorporation) to 31 December 2014 RM'000
Interest income	9	112,005	13,338
Interest expense	10	(108,320)	(13,173)
Non-interest expense		(30)	(42)
OPERATING PROFIT		3,655	123
Administrative and general expenses		(633)	(44)
PROFIT BEFORE TAXATION	11	3,022	79
Taxation	12	(20)	(2)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD		3,002	77

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

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(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	<u>Share capital</u> RM'000	<u>Retained profits</u> RM'000	<u>Total</u> RM'000
At 1 January 2015	-*	77	77
Profit and total comprehensive income for the financial year	-	3,002	3,002
At 31 December 2015	-*	3,079	3,079
At date of incorporation	-*	-	-*
Profit and total comprehensive income for the financial period	-	77	77
At 31 December 2014	-*	77	77

* Denotes RM7.

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

CAGAMAS GLOBAL P.L.C.

(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	Note	2015 RM'000	Financial period from 4 April 2014 (date of incorporation) to 31 December 2014 RM'000
OPERATING ACTIVITIES			
Profit for the financial period year/period		3,002	77
Adjustments for items not involving the movement in cash and cash equivalents:			
Interest income		(112,005)	(13,338)
Interest expense		108,320	13,173
Taxation		20	2
Operating loss before working capital changes		(663)	(86)
Increase in loans to immediate holding company		(960,000)	(2,927,000)
Increase in unsecured bearer bonds and notes		958,666	2,917,654
Increase in deposit and prepayment		(5)	(38)
(Decrease)/Increase in other payables		(1,995)	3,238
(Decrease)/Increase in amount due to immediate holding company		(2,419)	6,233
Interest received		109,818	-
Interest paid		(103,642)	-
Tax paid		(2)	-
Gain on unrealised foreign exchange		369	-
Net cash utilised in operating activities		127	1
NET INCREASE IN CASH AND CASH EQUIVALENTS		127	-
EFFECT OF FOREIGN EXCHANGE TRANSLATION		(5)	-
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY / AT THE DATE OF INCORPORATION		1	-*
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	4	123	1

* Denotes RM7.

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

CAGAMAS GLOBAL P.L.C.

(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Cagamas Global P.L.C ("CGP") is a conventional fund raising vehicle incorporated in Labuan. Its main principal activity is to undertake the issuance of bonds and notes in foreign currency.

The Company is a public limited liability company, incorporated and domiciled in Malaysia.

The address of the registered office and principal place of business of the Company are as follows:

Registered office

Level 15(A2), Main Office Tower,
Financial Park Labuan, Jalan Merdeka,
87000 Labuan FT, Malaysia.

Principal place of business

Level 32, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur.

The immediate and ultimate holding companies are Cagamas Berhad ("Cagamas") and Cagamas Holdings Berhad ("CHB") respectively, both companies incorporated in Malaysia.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. These policies have been consistently applied to the year presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the Labuan Companies Act, 1990 in Malaysia.

The financial statements of the Company have been prepared under the historical cost convention unless otherwise indicated in this summary of significant accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial year. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgements are based on the Directors' best knowledge of current events and actions, actual results may differ.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.1 Basis of preparation (continued)**

- (a) Standards, amendments to published standards and interpretations that are effective:

The new accounting standards, amendments and improvements to published standards and interpretations that are effective for the Company's financial year beginning on or after 1 January 2015 are as follows:

- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle
- Amendments to MFRS 119 "Defined Benefit Plans: Employees Contributions"

The adoption of these amendments did not have any impact on the current or any prior year and are not likely to affect future periods

- (b) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Company but not yet effective:

The Company will apply the new standards, amendments to standards and interpretation in the following periods:

(i) *Financial year beginning on/after 1 January 2018*

- MFRS 15 "Revenue from contracts with customers". The adoption of MFRS 15 is not expected to have any impact to the Company.
- MFRS 9 "Financial Instruments" will replace MFRS 139 "Financial Instruments: Recognition and Measurement". The complete version of MFRS 9 was issued in November 2014.
- MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.1 Basis of preparation (continued)**

- (b) Standards, amendments to published standards and interpretations to existing standards that are applicable to the Company but not yet effective (continued):

The Company will apply the new standards, amendments to standards and interpretation in the following periods (continued):

(i) *Financial year beginning on/after 1 January 2018 (continued)*

- For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.
- There is now a new expected credit losses model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.
- The adoption of MFRS 9 may result in a change in accounting policy. The Company is currently assessing the financial impact of adopting MFRS 9.

2.2 Financial assets

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company's loans and receivables comprise of loans to immediate holding company as disclosed in Note 5.

2.3 Impairment of financial assets

(i) Assets carried at amortised cost

- The Company assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred, if and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Impairment of financial assets (continued)

(i) Assets carried at amortised cost (continued)

- The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income.
- If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the statement of comprehensive income.

2.4 Income recognition

Interest income for loans to immediate holding company is recognised using the effective interest rate method.

2.5 Current and deferred tax

Current tax expense represents taxation at the current rate based on taxable income earned during the financial year.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

2.6 Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalent comprise cash and bank balances.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.7 Offsetting financial instrument**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

2.8 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2.9 Share capital**(a) Classification**

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

(b) Dividends to the shareholder of the Company

Dividends on ordinary shares are recognised as liabilities when declared before the statement of financial position date. A dividend proposed or declared after the statement of financial position date, but before the financial statements are authorised for issue, is not recognised as a liability at the statement of financial position date. Upon the dividend becoming payable, it will be accounted for as a liability.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.10 Currency translation***(a) Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(b) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.11 Unsecured bearer bonds and notes and deferred financing fees

Unsecured bearer bonds and notes cost are recognised initially at cost, net of transaction costs incurred. All other cost that are not directly attributable to the issuance of unsecured bearer bonds and notes are recognised in statement of comprehensive income in the period in which they are incurred.

Fees paid on the establishment of unsecured bearer bonds and notes are recognised as transaction costs of the unsecured bearer bonds and notes and amortised using the effective interest rate method.

2.12 Financial instruments*(a) Description*

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another entity, a contractual right to exchange financial instruments with another entity under conditions that are potentially favourable, or an equity instrument of another entity.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.12 Financial instruments (continued)***(a) Description (continued)*

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial instruments with another entity under conditions that are potentially unfavourable.

(b) Fair value estimation for disclosure purpose

Please refer to Note 18 for the detailed methods and assumptions needed to estimate the fair value for each type of financial instruments.

2.13 Contingent liabilities and contingent assets

The Company does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably.

The Company does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain. A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company.

3 RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk management is a process which encompasses identification, measurement, analysing, controlling, monitoring and reporting of risks. It forms an integral part of the Company's business and operations and is independent from the risk taking activities.

The Company's risk management function is undertaken centrally by its immediate holding company and is overseen by the Management Executive Committee and the Board of Directors of the Company.

4 CASH AND BANK BALANCES

Cash and bank balances with licensed banks are denominated in US Dollar ("USD") and Chinese Renminbi ("CNY").

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**5 LOANS TO IMMEDIATE HOLDING COMPANY**

Loans to immediate holding company are unsecured, with interest rates ranging from 1.880% to 3.860% (2014: 1.880% to 3.860%) per annum.

The maturity structure of loans to immediate holding company are as follows:

	2015 RM'000	2014 RM'000
Maturing within one year	19,693	13,522
One year to three years	2,571,364	843,445
Three years to five years	2,146,750	2,201,013
	<u>4,737,807</u>	<u>3,057,980</u>

Loans to immediate holding company outstanding at financial year ended that are not in the functional currencies of the company are as follows:

	2015 RM'000	2014 RM'000
CNY	990,575	852,427
HKD	555,600	452,538
USD	2,580,140	1,753,015
SGD	611,492	-
	<u>4,737,807</u>	<u>3,057,980</u>

6 UNSECURED BEARER BONDS AND NOTES

The EMTN are issued by the Company and are conditionally and irrevocably guaranteed by the immediate holding company.

	Year of maturity	Amount outstanding RM'000	2015 Effective interest rate %	Amount outstanding RM'000	2014 Effective interest rate %
Multicurrency medium-term notes	2017	1,284,124	2.370-3.700	843,445	3.700
	2018	1,287,241	1.880-2.230	451,213	1.880
	2019	2,146,750	2.745	1,749,800	2.745
		<u>4,718,115</u>		<u>3,044,458</u>	
Add: Interest payable		18,957		12,863	
Less: Deferred financing fee		(7,255)		(8,852)	
		<u>4,729,817</u>		<u>3,048,469</u>	

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**6 UNSECURED BEARER BONDS AND NOTES (CONTINUED)**

The maturity structure of unsecured bearer bonds and notes are as follows:

	2015 RM'000	2014 RM'000
Maturing within one year	15,646	10,113
One year to three years	2,567,997	838,636
Three years to five years	2,146,174	2,199,720
	<u>4,729,817</u>	<u>3,048,469</u>

The multicurrency medium-term notes are redeemable at par on the due dates, unless previously redeemed, together with the accrued interest where applicable.

The unsecured bearer bonds and notes outstanding at financial year ended that are not in the functional currencies of the company and series of notes issued are as follows:

	2015 RM'000	2014 RM'000
CNY	986,794	846,547
HKD	555,600	452,538
USD	2,576,862	1,749,384
SGD	610,561	-
	<u>4,729,817</u>	<u>3,048,469</u>

7 AMOUNT DUE TO IMMEDIATE HOLDING COMPANY

The amount due to immediate holding company is non-trade in nature, denominated in Ringgit Malaysia, unsecured, non-interest bearing and has no fixed term of repayment.

8 SHARE CAPITAL

	2015 RM'000	2014 RM'000
Ordinary shares of USD 1 each:		
Authorised:		
As at 31 December	<u>-*</u>	<u>-*</u>
Issued and fully paid:		
As at 31 December	<u>-*</u>	<u>-*</u>

* Denotes RM7.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**9 INTEREST INCOME**

This amount represents interest income from loans to immediate holding company.

10 INTEREST EXPENSE

	2015 RM'000	Financial period from 4 April 2014 (date of incorporation) to 31 December 2014 RM'000
Unsecured bearer bonds and notes	105,388	12,679
Amortisation of deferred financing fees	2,932	494
	<u>108,320</u>	<u>13,173</u>

11 PROFIT BEFORE TAXATION

Profit before taxation is stated after charging:

	2015 RM'000	Financial period from 4 April 2014 (date of incorporation) to 31 December 2014 RM'000
Auditors' remuneration		
- Audit fees	13	13
- Non-audit fees	5	483
	<u>18</u>	<u>496</u>

12 TAXATION

The Company is governed under the Labuan Business Activity Act, 1990. The tax charge for such company is based on 3% of net audited profit or at a fixed rate of RM20,000. The Company has elected to pay RM20,000 (2014: 3% on net audited profit) as tax charge for the current financial year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**13 RELATED PARTIES AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES****(a) Related parties and relationships**

The related parties and their relationships with the Company are as follows:

<u>Related parties</u>	<u>Relationships</u>
Cagamas Holdings Berhad ("CHB")	Ultimate holding company
Cagamas Berhad ("Cagamas")	Immediate holding company
Bank Negara Malaysia ("BNM")	Other related party
Government of Malaysia ("GOM")	Other related party
Key management personnel	Other related party
Entities in which key management personnel have control	Other related party

BNM is regarded as a related party on the basis of having significant influence over the ultimate holding company.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel of the Company include all the Directors of the Company and its immediate and ultimate holding companies, certain members of senior management and their close family members.

The Company has no key management personnel compensation during the financial year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 RELATED PARTIES AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Significant related party transactions and balances

Set out below are significant related party transactions and balances which were conducted in the normal course of business.

	<u>Immediate holding company</u>	
	Financial period	
	from 4 April 2014	
	(date of	
	incorporation) to	
	2015	31 December 2014
	RM'000	RM'000
<u>Income</u>		
Interest income	112,005	13,338
	<u> </u>	<u> </u>
<u>Amount due from/(to)</u>		
Loans to immediate holding company	4,737,807	3,057,980
Deferred financing fees paid on behalf	(3,814)	(6,233)
	<u> </u>	<u> </u>

(c) Transaction with the GOM and its related parties

As BNM has significant influence over the ultimate holding company, the GOM and entities controlled, jointly controlled or has significant influence by the GOM are related parties of the Company. However, there is no transaction entered by the Company with the GOM and its related parties.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**14 INTEREST RATE RISK**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks.

The following tables summarise the Company's exposure to interest rate risks. Included in the tables are the Company's assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

2015	Within one year RM'000	One year to three years RM'000	Three years to five years RM'000	More than five years RM'000	Non-interest bearing RM'000	Total RM'000
Financial assets						
Cash and bank balances	-	-	-	-	123	123
Loans to immediate holding company	19,693	2,571,364	2,146,750	-	-	4,737,807
Deposit	-	-	-	-	43	43
	<u>19,693</u>	<u>2,571,364</u>	<u>2,146,750</u>	<u>-</u>	<u>166</u>	<u>4,737,973</u>
Financial liabilities						
Unsecured bearer bonds and notes	15,646	2,567,997	2,146,174	-	-	4,729,817
Other payables	-	-	-	-	1,243	1,243
Amount due to immediate holding company	-	-	-	-	3,814	3,814
	<u>15,646</u>	<u>2,567,997</u>	<u>2,146,174</u>	<u>-</u>	<u>5,057</u>	<u>4,734,874</u>
Total interest sensitivity gap	<u>4,047</u>	<u>3,367</u>	<u>576</u>	<u>-</u>		
Cumulative gap	<u>4,047</u>	<u>7,414</u>	<u>7,990</u>	<u>7,990</u>		

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**14 INTEREST RATE RISK (CONTINUED)**

2014	Within one year RM'000	One year to three years RM'000	Three years to five years RM'000	More than five years RM'000	Non-interest bearing RM'000	Total RM'000
Financial assets						
Cash and bank balances	-	-	-	-	1	1
Loans to immediate holding company	13,522	843,445	2,201,013	-	-	3,057,980
Deposit	-	-	-	-	38	38
	<u>13,522</u>	<u>843,445</u>	<u>2,201,013</u>	<u>-</u>	<u>39</u>	<u>3,058,019</u>
Financial liabilities						
Unsecured bearer bonds and notes	10,113	838,636	2,199,720	-	-	3,048,469
Other payables	-	-	-	-	3,238	3,238
Amount due to immediate holding company	-	-	-	-	6,233	6,233
	<u>10,113</u>	<u>838,636</u>	<u>2,199,720</u>	<u>-</u>	<u>9,471</u>	<u>3,057,940</u>
Total interest sensitivity gap	<u>3,409</u>	<u>4,809</u>	<u>1,293</u>	<u>-</u>		
Cumulative gap	<u>3,409</u>	<u>8,218</u>	<u>9,511</u>	<u>9,511</u>		

The Company does not carry any interest/profit rate sensitive assets or liabilities in the financial position as at 31 December 2015 and as at 31 December 2014.

CAGAMAS GLOBAL P.L.C.

(Incorporated in Labuan, Malaysia, under the Labuan Companies Act, 1990)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**15 CREDIT RISK**

The Company's exposure to credit risk as at the date of statement of financial position mainly arises from interest bearing cash and bank balances which are placed in a AAA and AA2 rated financial institutions and loans provided to its immediate holding company. None of these loans are impaired nor past due but not impaired.

16 LIQUIDITY RISK**Contractual maturity of financial liabilities**

The table below presents the cash flow payable by the Company under the non-derivative financial liabilities and asset held for managing liquidity risk by remaining contractual maturities at the date of the statement of financial position. The amounts disclosed in the table are contractual undiscounted cash flows.

	On demand up to one month RM'000	One to three months RM'000	Three to twelve months RM'000	Contractual maturity dates		
				One to five years RM'000	Over five years RM'000	Total RM'000
2015						
Financial liabilities						
Unsecured bearer bonds and notes	3,398	20,709	104,104	4,980,472	-	5,108,683
Assets held for managing liquidity risk	3,468	21,341	110,544	4,998,129	-	5,133,482
2014						
Financial liabilities						
Unsecured bearer bonds and notes	-	17,699	70,023	3,320,608	-	3,408,330
Assets held for managing liquidity risk	-	18,325	75,827	3,343,835	-	3,437,987

CAGAMAS GLOBAL P.L.C.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**17 FOREIGN EXCHANGE RISK**

The Company is exposed to translation foreign exchange rate on its other receivable and payable balances denominated in currencies other than the functional currency of the Company. The Company's exposure to receivables and payables balances denominated in foreign currencies are disclose in Note 5 and Note 6.

The Company has minimal exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The table below shows the sensitivity of the Company's profit and reserves to movement in foreign exchange rates:

	1% <u>depreciation</u> RM'000	1% <u>appreciation</u> RM'000
2015		
Impact to: Equity	6	(6)
	<u> </u>	<u> </u>
2014		
Impact to: Equity	18	(18)
	<u> </u>	<u> </u>

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

18.1 Fair value of financial instrument carried other than fair value.

The fair value of the Company's financial instruments, which are cash in hand, amount due to immediate holding company and accruals at the date of the statement of financial position is estimated at their carrying amount due to the short tenure of less than one year. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

CAGAMAS GLOBAL P.L.C.

(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**18 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

	2015		2014	
	Carrying value RM'000	Fair value RM'000	Carrying value RM'000	Fair value RM'000
Financial assets				
Mortgage assets	<u>4,737,807</u>	<u>4,591,603</u>	<u>3,057,980</u>	<u>2,927,269</u>
Financial liabilities				
Unsecured bearer bonds and notes	<u>4,729,817</u>	<u>4,566,068</u>	<u>3,048,469</u>	<u>3,038,258</u>

The fair value of the loans to immediate holding company is derived at using the present value of the cash flows discounted based on the interest rate at the statement of financial position date and is therefore within Level 3 of the fair value hierarchy.

The fair value of the unsecured bearer bonds and notes are derived at using the present value of future cash flows discounted based on the coupon rate at the statement of financial position date and is therefore within Level 3 of the fair value hierarchy.

19 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors.

CAGAMAS GLOBAL P.L.C.

(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)

STATEMENT BY DIRECTORS

We, Chung Chee Leong and Azizi bin Ali, the two Directors of Cagamas Global P.L.C., state that, in the opinion of the Directors, the financial statements set out on pages 1 to 21 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2015 and of the results and cash flows of the Company for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the Labuan Companies Act, 1990 in Malaysia.

Signed in accordance with their resolution.



CHUNG CHEE LEONG
CHAIRMAN



AZIZI BIN ALI
DIRECTOR



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF CAGAMAS GLOBAL P.L.C.
(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)
(Company No. LL10563)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Cagamas Global P.L.C. on pages 1 to 21 which comprise the statement of financial position as at 31 December 2015 of the Company, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 19.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Labuan Companies Act, 1990 in Malaysia. The directors are also responsible 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 entity's preparation of the 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 entity'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.



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF CAGAMAS GLOBAL P.L.C. (CONTINUED)
(Incorporated In Labuan, Malaysia, under the Labuan Companies Act, 1990)
(Company No. LL10563)

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2015 and of its financial performance and cash flows for the financial year then year in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Labuan Companies Act, 1990 in Malaysia.

OTHER MATTERS

This report is made solely to the member of the Company, as a body, in accordance with Section 117 of the Labuan Companies Act, 1990 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A stylized signature in black ink, likely belonging to a representative of Price Waterhouse Coopers.

PRICEWATERHOUSECOOPERS
(No. AAL-0017)
Chartered Accountants

A stylized signature in black ink, likely belonging to Soo Hoo Khoon Yeap.

SOO HOO KHOON YEAP
(No. 2682/10/17 (J))
Chartered Accountant

Labuan
21 March 2016