



Bursa Announcement

Fourth Quarter and Twelve Months Ended 31 March 2019



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2019	3 months ended 31 March 2018	12 months ended 31 March 2019	12 months ended 31 March 2018
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	518,400	577,800	1,975,704	2,251,663
Premiums/contributions ceded to reinsurers and retakaful operators	(92,025)	(93,795)	(303,005)	(322,799)
Net earned premiums/contributions	426,375	484,005	1,672,699	1,928,864
Investment income	44,378	62,803	242,863	245,931
Realised gains/(losses)	21,659	(2,302)	25,422	1,957
Fair value gains/(losses)	99,245	(3,855)	79,187	11,440
Fee and commission income	5,420	12,426	34,387	40,142
Other operating revenue	4,944	20,346	15,094	38,071
Other revenue	175,646	89,418	396,953	337,541
Gross claims and benefits paid	(370,018)	(322,165)	(1,318,721)	(1,201,819)
Claims ceded to reinsurers/retakaful operators	83,565	34,006	186,628	112,195
Gross change in contract liabilities	(71,496)	(21,494)	(226,825)	(187,575)
Change in contract liabilities ceded to reinsurers/retakaful operators	1,071	(2,551)	118,985	(31,046)
Net claims and benefits	(356,878)	(312,204)	(1,239,933)	(1,308,245)
Fee and commission expense	(91,156)	(113,993)	(384,331)	(427,525)
Management expenses	(86,760)	(66,879)	(247,297)	(237,989)
Finance cost	(4,051)	(4,687)	(16,244)	(15,841)
Other operating expenses	6,691	(4,188)	(3,111)	(22,894)
Change in expenses liabilities	(8,894)	(1,524)	(5,114)	3,848
Tax borne by participants	(16,765)	(5,059)	(22,263)	(12,673)
Other expenses	(200,935)	(196,330)	(678,360)	(713,074)
Share of results of associates	9,273	5,175	(14,011)	9,712
Operating profit before deficit/(surplus) attributable to takaful participants, zakat and taxation	53,481	70,064	137,348	254,798
Deficit/(surplus) attributable to takaful participants	22,460	(29,266)	(17,888)	(62,274)
Operating profit before zakat and taxation	75,941	40,798	119,460	192,524
Zakat	(236)	(563)	(681)	(563)
Taxation	(14,903)	(6,753)	(22,505)	(51,096)
Net profit for the year attributable to equity holders of the Company	60,802	33,482	96,274	140,865
Basic and diluted earnings per share attributable to equity holders of the Company (sen):	12.5	10.5	19.8	44.1

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2019	3 months ended 31 March 2018	12 months ended 31 March 2019	12 months ended 31 March 2018
	RM'000	RM'000	RM'000	RM'000
Net profit for the year	60,802	33,482	96,274	140,865
<u>Other comprehensive income/(losses):</u>				
Other comprehensive (losses)/income to be reclassified to income statement in subsequent years:				
Effects of post acquisition foreign exchange translation reserve on investment in associate	(4,597)	(5,782)	6,043	(19,329)
Effects of foreign exchange translation reserve on investment in subsidiary	(172)	(545)	561	(1,469)
Net gain on financial assets at FVOCI:				
Net gain/ (loss) on fair value changes	13,817	-	34,394	-
Realised loss transferred to income statement	(925)	-	(1,541)	-
Deferred tax relating to net gain on financial assets at FVOCI	8,937	-	(737)	-
Other comprehensive income/(loss) attributable to participants.	(14,097)	-	(16,900)	-
Items that may be subsequently reclassified to profit or loss:				
Net loss on AFS financial assets:				
Net loss on fair value changes	-	(9,134)	-	(10,158)
Realised gain transferred to income statement	-	4,574	-	3,092
Deferred tax on fair value changes	-	566	-	1,306
Other comprehensive losses attributable to participants	-	1,094	-	3,306
Other comprehensive income not to be reclassified to income statement in subsequent years:				
Revaluation of land and buildings	12,173	1,927	14,245	3,950
Deferred tax relating to revaluation of land and buildings	(1,011)	(347)	(1,178)	(509)
Other comprehensive income attributable to participants	-	(658)	-	(2,519)
Total comprehensive income for the year	74,927	25,177	131,161	118,535

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	GROUP	
	Unaudited 31 March 2019 RM'000	Audited 31 March 2018 RM'000
Assets		
Property, plant and equipment	250,181	240,744
Intangible assets	37,205	32,131
Deferred tax assets	11,054	18,343
Investment in associates	131,024	139,009
Investments	7,222,074	6,330,566
Reinsurance/retakaful assets	537,715	478,253
Insurance/takaful receivables	342,659	418,304
Tax recoverable	45,756	27,277
Other receivables	95,761	110,461
Cash and bank balances	54,614	139,912
Total assets	8,728,043	7,935,000
Liabilities and Participants' funds		
Participants' funds	290,723	247,862
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	5,493,796	5,319,945
Insurance/takaful payables	220,671	270,444
Other payables	269,328	225,745
Deferred tax liabilities	13,434	10,684
Provision for taxation	12,301	1,709
Provision for zakat	1,274	610
Total liabilities and participants' funds	6,621,527	6,396,999
Equity		
Share capital	722,306	319,605
Reserves	1,384,210	1,218,396
Total equity attributable to equity holders of the Company	2,106,516	1,538,001
Total liabilities, participants' funds and equity	8,728,043	7,935,000
Net assets per share (RM)	2.91	4.81

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019**

	GROUP						
	Attributable to Equity Holders of the Company						
	Share capital RM'000	Reserves			Reserves		Total RM'000
		Non-distributable		Revaluation reserve RM'000	Distributable		
Foreign exchange translation reserve RM'000		Fair value reserve RM'000	Retained profits brought forward RM'000		Net profit RM'000		
At 1 April 2018, as previously stated	319,605	34,898	1,205	43,652	1,138,641	-	1,538,001
Impact of adopting MFRS 9	-	-	26,445	-	-	8,208	34,653
At 1 April 2018, as restated	319,605	34,898	27,650	43,652	1,138,641	8,208	1,572,654
Issuance of rights share	402,701	-	-	-	-	-	402,701
Total comprehensive income/(loss) for the year	-	6,604	28,753	(470)	-	96,274	131,161
At 31 March 2019	722,306	41,502	56,403	43,182	1,138,641	104,482	2,106,516

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	GROUP						
	Attributable to Equity Holders of the Company						
	Share capital RM'000	Reserves			Reserves		Total RM'000
		Non-distributable		Revaluation reserve RM'000	Distributable		
Foreign exchange translation reserve RM'000		AFS reserve RM'000	Retained profits brought forward RM'000		Net profit RM'000		
At 1 April 2017	319,605	55,696	3,659	42,730	997,776	-	1,419,466
Total comprehensive (loss)/income for the year	-	(20,798)	(2,454)	922	-	140,865	118,535
At 31 March 2018	319,605	34,898	1,205	43,652	997,776	140,865	1,538,001

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2018



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	GROUP	
	12 months ended 31 March 2019	12 months ended 31 March 2018
	RM'000	RM'000
Cash flows from operating activities		
Profit before surplus transfer, zakat and tax	119,460	192,524
Adjustments for:		
Net fair value (gains)/losses on financial assets at FVTPL	(20,435)	487
Net fair value losses/(gains) on AFS financial assets	-	(12,178)
Reversal of impairment losses on AFS financial assets	(88,147)	-
Unrealised currency transaction loss	6,294	-
(Reversal of impairment loss)/impairment loss on property	215	-
Net impairment losses/(reversal of impairment losses) on insurance/takaful receivables	359	(20,565)
(Reversal of impairment losses)/impairment losses on other receivables	-	254
Depreciation of property, plant and equipment	6,805	7,272
Amortisation of intangible assets	6,180	4,312
Revaluation deficits on properties	(470)	-
Net gains on investment property	-	(100)
Gains on disposal of property, plant and equipment	(31)	-
Decrease in gross premium and contribution liabilities	(114,965)	(34,960)
(Decrease)/increase in reinsurance and retakaful assets	(34,500)	35,977
Intangible asset written off	-	613
Interest/profit income	(83,788)	(238,502)
Dividend income	(3,140)	(8,597)
Rental income	(3,066)	(3,954)
Finance cost	16,244	15,841
Net gains on disposal of investments	(25,391)	(1,857)
Translation reserve	561	-
Net amortisation of premiums on investments	5,094	5,094
Share of results of associates	14,011	(9,712)
Loss from operations before changes in operating assets and liabilities	(198,710)	(68,051)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(23,298)	(19,431)
Net purchase of investments	(293,495)	(299,671)
(Increase)/decrease in staff loans	(1,568)	1,674
Decrease/(increase) in insurance/takaful receivables	151,037	(61,549)
(Increase)/decrease in other receivables	(52,608)	32,412
Increase in gross claim liabilities, actuarial liabilities and unallocated surplus	83,319	187,575
Increase/(decrease) in expense liabilities	5,114	(3,848)
(Decrease)/increase in participants' funds	(222,033)	47,453
(Decrease)/increase in insurance/takaful payables	(68,363)	60,270
Increase in other payables	85,847	13,123
Taxes and zakat paid/(refunded)	(55,168)	(58,404)
Interest/profit received	123,229	220,720
Dividend received	5,333	8,868
Rental received	2,946	4,228
Net cash (used in)/generated from operating activities	(458,418)	65,369



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 (CONT'D.)

	GROUP	
	12 months ended 31 March 2019	12 months ended 31 March 2018
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,979)	(1,255)
Purchase of intangible assets	(11,255)	(14,016)
Proceeds from disposal of investment property	-	7,500
Proceeds from disposal of property, plant and equipment	(123)	-
Net cash used in investing activities	(13,357)	(7,771)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	402,701	-
Finance cost paid	(16,224)	(15,404)
Net cash generated from/(used in) financing activities	386,477	(15,404)
Cash and bank balances		
Net (decrease)/increase during the period	(85,298)	42,194
At the beginning of the year	139,912	97,718
At the end of the period	54,614	139,912

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2018*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

The interim financial statement report should be read in conjunction with the Group's most recent audited financial statements for the financial year ended 31 March 2018.

The significant accounting policies and methods of computation adopted in the unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2018 except for the adoption of the following accounting standards, Interpretations Committee (IC) Interpretations and amendments/improvements to Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the Group's financial year beginning 1 April 2018:

- Amendment to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)
- MFRS 2 *Share-based Payment - Classification and Measurement of Share-based Payment Transactions* (Amendments to MFRS 2)
- MFRS 9 *Financial Instruments* (IFRS 9 issued by IASB in July 2014)
- Applying MFRS 9 *Financial Instruments* with MFRS 4 *Insurance Contracts* (Amendments to MFRS 4)
- Amendment to MFRS 128 *Investments in Associates and Joint Ventures* (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)
- Transfer to Investment Property (Amendments to MFRS 140)
- IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*
- MFRS 15 *Revenue from Contracts with Customers*

The adoption of the above accounting standards and amendments/improvements to MFRSs does not have any material impact on the financial statements of the Group except as discussed below:

MFRS 9 *Financial Instruments*

The International Accounting Standards Board ("IASB") issued the final version of IFRS 9 *Financial Instruments* which reflects all phases of the financial instruments project and replaces IAS39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but restatement of comparative information is not compulsory.

MFRS 9 was issued by the MASB in respect of its application in Malaysia. It is equivalent to IFRS 9 as issued by IASB, including the effective and issuance dates.

The adoption of this standard resulted in changes in accounting policies and adjustments to the financial statements. In accordance with the transition provisions in the standard, comparatives are not restated and the financial impact of the adoption of the standard is recognised in retained profits and fair value reserves at 1 April 2018.

The areas with significant impact from application of MFRS 9 are summarised below:

(i) Classification and measurement

The classification and measurement of financial assets is determined on the basis of the contractual cash flow characteristics and the objective of the business model associated with holding the asset. Key changes include the following:

- The held-to-maturity ("HTM") and available-for-sale ("AFS") asset categories were removed;
- Financial assets will be measured at amortised cost ("AC") if the assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows which represent solely payments of principal and interest;
- A new asset category measured at fair value through other comprehensive income ("FVOCI") was introduced. This applies to debt instruments with contractual cash flow characteristics that are solely payments of principle and interest and held in a model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- A new asset category for non-traded equity investments measured at FVOCI was introduced. Equity instruments where an election has not been made to measure those assets at FVOCI, will be measured at Fair value to profit or loss ("FVTPL");
- Financial assets will be measured at FVTPL if the assets are held for trading or financial assets do not qualify to be measured at AC or at FVOCI; and
- Classification of financial liabilities will remain largely unchanged, other than the fair value gains and losses attributable to changes in 'own credit risk' for financial liabilities designated and measured at FVTPL to be presented in other comprehensive income ("OCI"). The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss.

Loans and receivables ("LAR") are held to collect contractual cash flows and are representing solely payments of principal and interest. Thus, the Group will continue to measure these at amortised cost under MFRS 9.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation (cont'd.)

MFRS 9 Financial Instruments (cont'd.)

(ii) Impairment

The MFRS 9 impairment requirements are based on an Expected Credit Loss ("ECL") model that replaces the Incurred Loss model under the previous MFRS 139. The Group recognise either a 12-month (Stage 1) or lifetime ECL (Stage 2 and 3), depending on whether there has been a significant increase in credit risk since initial recognition. The ECL model applies to financial assets measured at amortised cost or at FVOCI, irrevocable loan commitments and financial guarantee contracts, which include loans, advances and financing and debt instruments held by the Group. The ECL model also applies to contract assets under MFRS 15 *Revenue from Contracts with Customers* and lease receivables under MFRS 117 *Leases*. Appropriate impairment methodology were adopted for calculating allowances for impairment losses.

The measurement of expected loss will involve increased complexity and judgement that include:

- Determining a significant increase in credit risk ("SICR") since initial recognition.

The Group recognised either a 12-month (Stage 1) or lifetime ECL (Stage 2 and 3), depending on whether there has been an SICR since initial recognition. When making the assessment of a SICR, the Group uses the change in the risk of default occurring over the expected life of the financial instrument instead of the change in amount of expected credit losses. To make the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

- Mapping of external credit rating models

The Group utilises its existing external credit rating models to assign credit ratings to the individual instruments in its investment portfolio. Based on the Group's review and testing, the following key features of the models that are consistent with and therefore comply with MFRS 9 requirements for the assessment of credit risk are as follows:

- (a) The ratings represent individual assessment of the credit risk of the financial instrument in question (as opposed to collective)
- (b) The models cover fixed income instruments regardless of whether or not they are externally rated;
- (c) A wide range of current and historical information is considered, including published financial statements, qualitative information about
- (d) In addition, forward-looking information is incorporated into the credit rating process.

- Derivation of probability of default

The Group's current definition of default for debt instruments is when the borrower is unlikely to fulfil its credit obligations to the Group on the scheduled payment dates. The Group assessed the definition of default by considering the MFRS 9 definition of "credit impaired" which

- (a) Significant financial difficulty of the issuer or the borrower;
- (b) A breach of contract, such as a default or a past due event;
- (c) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) The disappearance of an active market for the financial asset because of financial difficulties; or
- (f) The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

- ECL measurement

MFRS 9 does not distinguish between individual assessment and collective assessment. Therefore, the Group decided to continue measuring the impairment on an individual transaction basis for financial assets that are deemed to be individually significant.

There are three main components to measure ECL which are probability of default ("PD"), loss given default model ("LGD") and the exposure at default ("EAD").



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation (cont'd.)

MFRS 9 Financial Instruments (cont'd.)

(ii) Impairment (cont'd)

The Group relies on professional services provided by a credit rating agency to provide the default rate for all its debts instruments which incorporates all the requirements above.

Impairment of insurance/takaful receivables

The approach for impairment model for insurance/takaful receivables are more simplified as compared to the impairment model for financial assets. MFRS 9 includes the requirement or policy choice to apply the simplified approach that does not require entities to track changes in credit risk and the practical expedient to calculate ECLs on insurance/takaful receivables using a provision matrix with the usage of forward-looking information in determining expected credit losses, including the use of macroeconomic information.

(iii) Hedge accounting

The requirements for general hedge accounting have been simplified for hedge effectiveness testing and may result in more designations of hedged items for accounting purposes.

There is no significant impact to the Group's financial statements on applying the hedge accounting.

The day-one financial impact of the adoption of MFRS 9 on the statement of financial position of the Group were as follows:

	31 March 2018 RM '000	Classification and measurement RM '000	Expected credit losses RM '000	1 April 2018 RM '000
Assets				
Property, plant and equipment	240,744	-	-	240,744
Intangible assets	32,131	-	-	32,131
Deferred tax assets	18,343	21	-	18,364
Investments in associates	139,009	-	-	139,009
Financial assets at fair value through profit or loss ("FVTPL")	116,127	2,485,905	-	2,602,032
Financial assets at fair value through other comprehensive income ("FVOCI")	-	1,935,198	(41)	1,935,157
Financial assets at amortised costs ("AC")	-	1,826,803	-	1,826,803
Held-to-maturity ("HTM") investments	644,254	(644,254)	-	-
Available-for-sale ("AFS") financial assets	3,741,196	(3,741,196)	-	-
Loans and receivables ("LAR")	1,826,802	(1,826,802)	-	-
Reinsurance/retakaful assets	478,253	-	-	478,253
Insurance/takaful receivables	418,304	-	(4,964)	413,340
Tax recoverable	27,277	-	-	27,277
Other receivables	110,461	-	-	110,461
Cash and bank balances	142,099	-	-	142,099
Total assets	7,935,000	35,675	(5,005)	7,965,670
Liabilities and Participants' funds				
Participants' funds	247,862	(1,135)	(2,848)	243,879
Borrowings	320,000	-	-	320,000
Insurance/takaful contract liabilities	5,319,945	-	-	5,319,945
Insurance/takaful payables	270,444	-	-	270,444
Other payables	225,745	-	-	225,745
Deferred tax liabilities	10,684	-	-	10,684
Provision for taxation	1,709	-	-	1,709
Provision for zakat	610	-	-	610
Total liabilities and participants' funds	6,396,999	(1,135)	(2,848)	6,393,016
Equity				
Share capital	319,605	-	-	319,605
Reserves	1,218,396	36,810	(2,157)	1,253,049
Total equity attributable to equity holders of the Holding Company	1,538,001	36,810	(2,157)	1,572,654
Total liabilities, participants' funds and equity	7,935,000	35,675	(5,005)	7,965,670



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation (cont'd.)

MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under MFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted. The Group and the Company had applied MFRS 15 fully retrospective. Given that reinsurance, retakaful and takaful contracts are scoped out of MFRS 15, the Group and the Company expects the main impact of the new standard to be on the accounting for income from administrative and investment management services to related corporations. The Group and the Company does not expect the impact to be significant.

A2. Auditors' Report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 31 March 2018 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial period ended 31 March 2019, the operations of the Group were not materially affected by any seasonal factors. With regard to cyclical factors, the performance of the Group is directly correlated with the industry cycle and the economic performance of the countries in which the Group has business dealings with.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period ended 31 March 2019.

A5. Changes in estimates

There were no material changes in estimates used in the preparation of this interim financial report.

A6. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current financial period under review other than those disclosed in note A10.

A7. Dividend paid

No dividend was paid during the fourth quarter ended 31 March 2019.

A8. Segmental reporting

Financial year ended 31 March 2019

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue							
External	2,045	1,218,524	991,057	36,454	8,723	-	2,256,803
Inter-segment	68,950	1,705	-	40	-	(70,695)	-
	70,995	1,220,229	991,057	36,494	8,723	(70,695)	2,256,803
Results							
Segment results	15,232	91,521	57,911	2,369	18	(15,692)	151,359
Share of results of associates	348	(14,359)	-	-	-	-	(14,011)
Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation	15,580	77,162	57,911	2,369	18	(15,692)	137,348
Surplus attributable to takaful participants	-	-	(17,888)	-	-	-	(17,888)
Operating profit/ (loss) before zakat and taxation	15,580	77,162	40,023	2,369	18	(15,692)	119,460
Zakat and taxation	(1,316)	(15,287)	(5,321)	(1,256)	(6)	-	(23,186)
Net profit/ (loss) for the period attributable to equity holders of the Company	14,264	61,875	34,702	1,113	12	(15,692)	96,274



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PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A8. Segmental reporting (cont'd)

Financial year ended 31 March 2018

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue							
External	3,171	1,369,381	1,058,965	42,005		-	2,473,522
Inter-segment	35,075	1,576	723	64		(37,116)	322
	38,246	1,370,957	1,059,688	42,069	-	(37,116)	2,473,844
Results							
Segment results	8,076	116,905	127,045	(6,485)		(455)	245,086
Share of results of associates	592	9,120	-	-		-	9,712
Operating (loss)/profit before (deficits)/surplus attributable to takaful participants, zakat and taxation	8,668	126,025	127,045	(6,485)	-	(455)	254,798
(Deficits)/Surplus attributable to takaful participants	-	-	(77,662)	15,388		-	(62,274)
Operating profit/ (loss) before zakat and taxation	8,668	126,025	49,383	8,903	-	(455)	192,524
Zakat and taxation	(703)	(39,908)	(11,619)	571		-	(51,659)
Net profit/ (loss) for the period attributable to equity holders of the Company	7,965	86,117	37,764	9,474	-	(455)	140,865

A9. Carrying amount of revalued properties

The valuation of property, plant and equipment and investment properties have been brought forward, without any change, from the financial statements for the financial year ended 31 March 2016 except for the Group's self-occupied properties.

During the financial year ended 31 March 2019, the Group had revalued all its self-occupied and investment properties. The resultant revaluation surplus of RM14.2 million was recognised in other comprehensive income and statement of equity as revaluation reserve.

A10. Significant events

Pursuant to our earlier announcement on 25 January 2019, MNRB had, on 22 March 2019, issued RM320 million subordinated Sukuk Murabahah with a tenure of 10 years but non-callable for the first 5 years.

A11 Subsequent events

There were no significant subsequent events from 31 March 2019 to the date of this report.

A12. Changes in the composition of the Group

There were no significant changes in the composition of the Group during the financial period ended 31 March 2019.

A13. Capital Commitments

The amount of capital commitments of the Group as at 31 March 2019 is as follows:

	RM'000
Authorised and contracted for:	
- Intangible assets*	1,123
	1,123
Authorised but not contracted for:	
- Property, plant and equipment	1,650
- Intangible assets*	11,061
	12,711

* Relating to purchases and enhancement of computer systems.

A14. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds

(i) Unaudited as at 31 March 2019

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Assets							
Property, plant and equipment	122,421	-	-	-	-	127,760	250,181
Investment properties	-	-	127,760	-	-	(127,760)	-
Intangible assets	37,205	-	-	-	-	-	37,205
Deferred tax assets	9,121	1,813	-	120	-	-	11,054
Investment in subsidiaries	1,304,477	-	-	-	-	(1,304,477)	-
Investment in associates	117,526	-	-	-	-	13,498	131,024
Investments	3,620,865	461,361	3,063,165	70,140	19,860	(13,317)	7,222,074
Reinsurance/retakaful assets	306,791	160,252	57,463	6,784	6,425	-	537,715
Insurance/takaful receivables	276,110	23,031	30,741	9,299	3,478	-	342,659
Tax recoverable	45,755	-	-	-	1	-	45,756
Other receivables	254,142	-	32,207	7,280	(9,886)	(187,982)	95,761
Cash and bank balances	17,442	460	35,425	715	572	-	54,614
Total assets	6,111,855	646,917	3,346,761	94,338	20,450	(1,492,278)	8,728,043
Liabilities and Participants' funds							
Participants' funds	-	132,448	162,098	13,440	(3,424)	(13,839)	290,723
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,039,708	428,309	2,952,984	66,251	16,544	(10,000)	5,493,796
Insurance/takaful payables	180,723	8,707	23,771	5,903	1,567	-	220,671
Other payables	150,547	71,438	198,702	7,797	5,755	(164,911)	269,328
Deferred tax liabilities	3,972	-	8,506	-	8	948	13,434
Provision for taxation	4,639	6,015	700	947	-	-	12,301
Provision for zakat	1,274	-	-	-	-	-	1,274
Total liabilities and participants' funds	2,701,863	646,917	3,346,761	94,338	20,450	(188,802)	6,621,527
Equity							
Share capital	2,026,912	-	-	-	-	(1,304,606)	722,306
Reserves	1,383,080	-	-	-	-	1,130	1,384,210
Total equity attributable to equity holders of the Parent	3,409,992	-	-	-	-	(1,303,476)	2,106,516
Total liabilities, participants' funds and equity	6,111,855	646,917	3,346,761	94,338	20,450	(1,492,278)	8,728,043

A14. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds (Cont'd.)

(ii) As at 31 March 2018

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund and adjustment RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Assets							
Property, plant and equipment	124,926	-	-	-	-	115,818	240,744
Investment properties	-	-	115,818	-	-	(115,818)	-
Intangible assets	32,131	-	-	-	-	-	32,131
Deferred tax assets	20,822	2,426	-	66	-	(4,971)	18,343
Investment in subsidiaries	904,477	-	-	-	-	(904,477)	-
Investment in associates	131,833	-	-	-	-	7,176	139,009
Investments	3,120,851	397,993	2,737,227	68,972	20,112	(14,589)	6,330,566
Reinsurance/retakaful assets	257,559	149,625	43,127	19,906	8,036	-	478,253
Insurance/takaful receivables	331,267	30,407	44,206	13,995	2,080	(3,651)	418,304
Tax recoverable	27,291	-	-	(21)	7	-	27,277
Other receivables	260,863	23,553	31,543	9,525	(5,724)	(209,299)	110,461
Cash and bank balances	40,945	27,589	70,175	203	1,000	-	139,912
Total assets	5,252,965	631,593	3,042,096	112,646	25,511	(1,129,811)	7,935,000
Liabilities and Participants' funds							
Participants' funds	-	120,253	129,131	-	-	(1,522)	247,862
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,096,878	403,666	2,730,440	95,828	15,919	(22,786)	5,319,945
Insurance/takaful payables	207,529	18,105	33,287	10,971	4,203	(3,651)	270,444
Other payables	164,961	89,138	146,947	5,847	5,389	(186,537)	225,745
Deferred tax liabilities	13,981	-	1,013	-	-	(4,310)	10,684
Provision for taxation	-	431	1,278	-	-	-	1,709
Provision for zakat	610	-	-	-	-	-	610
Total liabilities and participants' funds	2,804,959	631,593	3,042,096	112,646	25,511	(219,806)	6,396,999
Equity							
Share capital	1,224,211	-	-	-	-	(904,606)	319,605
Retained profit	1,223,795	-	-	-	-	(5,399)	1,218,396
Total equity attributable to equity holders of the Parent	2,448,006	-	-	-	-	(910,005)	1,538,001
Total liabilities, participants' funds and equity	5,252,965	631,593	3,042,096	112,646	25,511	(1,129,811)	7,935,000

A15. Unaudited Condensed Consolidated Income Statement by Reinsurance, Takaful and Retakaful Funds

(i) 12 months ended 31 March 2019

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination fund and adjustment RM'000	Consolidated RM'000
Gross earned premiums/contributions	1,092,728	272,809	581,321	20,651	9,409	(1,214)	1,975,704
Premiums/contributions ceded to reinsurers and retakaful operators	(124,667)	(97,182)	(71,594)	(3,056)	(6,725)	219	(303,005)
Net earned premiums/contributions	968,061	175,627	509,727	17,595	2,684	(995)	1,672,699
Investment income	158,160	16,779	101,169	2,396	782	(36,423)	242,863
Realised gains	6,861	1,451	17,110	-	-	-	25,422
Fair value (losses)/gains	(28,495)	(1,075)	100,083	-	15	8,659	79,187
Fee and commission income	374,456	23,614	3	8	-	(363,694)	34,387
Other operating revenue	15,876	2,347	5,741	(199)	11	(8,682)	15,094
Other revenue	526,858	43,116	224,106	2,205	808	(400,140)	396,953
Gross claims and benefit paid	(825,627)	(156,891)	(309,027)	(18,263)	(10,950)	2,037	(1,318,721)
Claims ceded to reinsurers/retakaful operators	62,716	61,476	52,478	5,435	6,560	(2,037)	186,628
Gross change in contract liabilities	71,226	(75,818)	(240,761)	29,097	(683)	(9,886)	(226,825)
Change in contract liabilities ceded to reinsurers/retakaful operators	46,802	72,486	14,336	(13,028)	(1,611)	-	118,985
Net claims and benefits	(644,883)	(98,747)	(482,974)	3,241	(6,684)	(9,886)	(1,239,933)
Fee and commission expenses	(384,372)	(96,792)	(215,592)	(8,589)	(382)	321,396	(384,331)
Management expenses	(291,958)	-	(2,232)	-	-	46,893	(247,297)
Finance cost	(16,295)	-	-	-	-	51	(16,244)
Other operating expenses	(3,134)	(2,303)	-	(60)	(2)	2,388	(3,111)
Changes in expenses liabilities	(5,114)	-	-	-	-	-	(5,114)
Tax borne by participants	-	(6,014)	(16,274)	(926)	(4)	955	(22,263)
Other expenses	(700,873)	(105,109)	(234,098)	(9,575)	(388)	371,683	(678,360)
Share of results of associates	-	-	-	-	-	(14,011)	(14,011)
Operating profit/(loss) before surplus (deficits) attributable to takaful/retakaful participants, zakat and taxation	149,163	14,887	16,761	13,466	(3,580)	(53,349)	137,348
Surplus/(deficits) attributable to takaful/ retakaful participants	-	(14,887)	(16,761)	(13,466)	3,580	23,646	(17,888)
Operating profit/(loss) before zakat and taxation	149,163	-	-	-	-	(29,703)	119,460
Zakat	(681)	-	-	-	-	-	(681)
Taxation	(22,505)	-	-	-	-	-	(22,505)
Net profit/(loss) for the period attributable to equity holders of the Parent	125,977	-	-	-	-	(29,703)	96,274

A15. Unaudited Condensed Consolidated Income Statement by Reinsurance, Takaful and Retakaful Funds (Cont'd.)

(ii) 12 months ended 31 March 2018

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Gross earned premiums/contributions	1,288,445	281,073	647,776	25,709	9,896	(1,236)	2,251,663
Premiums/contributions ceded to reinsurers and retakaful operators	(119,494)	(118,031)	(74,328)	(3,431)	(7,751)	236	(322,799)
Net earned premiums/contributions	1,168,951	163,042	573,448	22,278	2,145	(1,000)	1,928,864
Investment income	119,735	16,609	112,903	2,629	885	(6,830)	245,931
Realised (losses)/gains	(51,651)	(317)	5,031	-	-	48,894	1,957
Fair value gains/(losses)	10,003	905	204	-	-	328	11,440
Fee and commission income	384,137	27,778	114	3	-	(371,890)	40,142
Other operating revenue	76,302	2,517	28,914	181	22	(69,865)	38,071
Other revenue	538,526	47,492	147,166	2,813	907	(399,363)	337,541
Gross claims and benefit paid	(737,182)	(169,673)	(274,242)	(13,203)	(11,305)	3,786	(1,201,819)
Claims ceded to reinsurers/retakaful operators	37,193	73,995	(578)	(625)	5,996	(3,786)	112,195
Gross change in contract liabilities	(29,203)	(5,326)	(138,585)	(19,769)	(10,079)	15,387	(187,575)
Change in contract liabilities ceded to reinsurers/retakaful	(31,527)	1,670	(1,945)	(926)	1,682	-	(31,046)
Net claims and benefits	(760,719)	(99,334)	(415,350)	(34,523)	(13,706)	15,387	(1,308,245)
Fee and commission expense	(427,358)	(91,683)	(231,391)	(10,026)	(322)	333,255	(427,525)
Management expenses	(281,507)	-	-	-	-	43,518	(237,989)
Finance cost	(15,891)	-	-	-	-	50	(15,841)
Other operating expenses	(42,586)	-	(253)	(412)	7	20,350	(22,894)
Changes in expenses liabilities	3,848	-	-	-	-	-	3,848
Tax borne by participants	-	(2,826)	(9,914)	75	(11)	3	(12,673)
Other expenses	(763,494)	(94,509)	(241,558)	(10,363)	(326)	397,176	(713,074)
Share of results of associates	-	-	-	-	-	9,712	9,712
Operating profit/(loss) before surplus (deficits) attributable to takaful/retakaful participants, zakat and taxation	183,264	16,691	63,706	(19,795)	(10,980)	21,912	254,798
Surplus/(deficits) attributable to takaful/ retakaful participants	-	(16,691)	(63,706)	19,795	10,980	(12,652)	(62,274)
Operating profit before zakat and taxation	183,264	-	-	-	-	9,260	192,524
Zakat	(563)	-	-	-	-	-	(563)
Taxation	(51,096)	-	-	-	-	-	(51,096)
Net profit for the period attributable to equity holders of the Parent	131,605	-	-	-	-	9,260	140,865

A17. Fair values of assets

MFRS 7 *Financial Instruments: Disclosures* ("MFRS 7") requires the classification of financial instruments measured at fair value according to a hierarchy that reflects the significance of inputs used in making the measurements, in particular, whether the inputs used are observable or unobservable. MFRS 13 *Fair Value Measurement* requires similar disclosure requirements as MFRS 7, but extends to include all assets and liabilities measured at fair value and/or for which fair values are disclosed. The following levels of hierarchy are used for determining and disclosing the fair value of the Group and the Company's assets:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs that are based on observable market data, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

The fair values of the Group and Company's assets are determined as follows:

- (i) The carrying amounts of financial assets, such as loans and receivables, insurance/takaful receivables and cash and bank balances, are reasonable approximation of their fair values due to the relatively short term maturity of these balances;
- (ii) The fair values of quoted equities are based on quoted market prices as at the reporting date;
- (iii) The fair values of Malaysian government securities, government investment issues and unquoted corporate debt securities are based on indicative market prices from the Bond Pricing Agency of Malaysia ("BPAM");
- (iv) The fair values of investments in mutual funds, unit trust funds and real estate investment trusts are valued based on the net asset values of the underlying funds as at the reporting date; and
- (v) Freehold land and buildings and investment property have been revalued based on valuations performed by accredited independent valuers having appropriate recognised professional qualification. The valuations are based on the income and comparison approaches. In arriving at the fair value of the assets, the valuers had also taken into consideration the future developments in terms of infrastructure in the vicinity of the properties.

Description of significant unobservable inputs:

	Valuation technique	Significant unobservable inputs	Range
31 March 2019			
<u>Property, plant and equipment</u>			
Office building	Income approach	Yield Rental per square foot	6.0% to 6.25% RM4.50
	Comparison approach	Sales price per square feet for similar properties	RM833 to RM1,545
31 March 2018			
<u>Property, plant and equipment</u>			
Office building	Income approach	Yield Rental per square foot	6.0% to 6.25% RM4.30 to RM4.96
	Comparison approach	Sales price per square feet for similar properties	RM512 to RM1,175

A significant increase or decrease in the unobservable inputs used in the valuation would result in a correspondingly higher or lower fair value.

There has been no transfer between Level 1 and Level 2 of the fair value hierarchy during the financial year.

A17. Fair values of assets (cont'd.)

As at the reporting date, the Group and the Company held the following assets that are measured at fair value and/or for which fair values are disclosed under Levels 1, 2 and 3 of the fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial period ended 31 March 2019				
Assets measured at fair value:				
(a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Buildings	-	-	209,309	209,309
	<u>-</u>	<u>-</u>	<u>246,109</u>	<u>246,109</u>
(b) Financial assets at FVTPL				
Quoted shares in Malaysia	278,231	-	-	278,231
Shariah approved unit trust funds	128,589	-	-	128,589
Unquoted Islamic private debt securities	-	1,210,953	-	1,210,953
Government investment issues	-	1,306,506	-	1,306,506
Unquoted corporate debt securities	-	19,321	-	19,321
Property trust funds	45,232	-	-	45,232
	<u>452,052</u>	<u>2,536,780</u>	<u>-</u>	<u>2,988,832</u>
(c) Financial assets at FVOCI				
Malaysian government securities	-	183,880	-	183,880
Unquoted corporate debt securities	-	1,031,240	-	1,031,240
Unquoted Islamic private debt securities	-	336,322	-	336,322
Quoted shares in Malaysia	-	-	-	-
Government investment issues	-	519,843	-	519,843
Unquoted shares	-	84,223	-	84,223
	<u>-</u>	<u>2,155,508</u>	<u>-</u>	<u>2,155,508</u>
Financial year ended 31 March 2018				
Assets measured at fair value:				
(a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Buildings	-	-	199,277	199,277
	<u>-</u>	<u>-</u>	<u>236,077</u>	<u>236,077</u>
(b) Financial assets at FVTPL				
Shariah approved unit trust funds	116,127	-	-	116,127
	<u>116,127</u>	<u>-</u>	<u>-</u>	<u>116,127</u>
(c) AFS financial assets				
Malaysian government securities	-	131,162	-	131,162
Unquoted corporate debt securities	-	2,292,540	-	2,292,540
Quoted shares in Malaysia	126,228	-	-	126,228
Warrants	273	-	-	273
Real estate investment trusts	13,227	-	-	13,227
Government investment issues	-	1,132,970	-	1,132,970
	<u>139,728</u>	<u>3,556,672</u>	<u>-</u>	<u>3,696,400</u>
Assets for which fair values are disclosed:				
HTM investments				
Malaysian government securities	-	77,404	-	77,404
Unquoted corporate debt securities	-	25,723	-	25,723
Government investment issues	-	539,508	-	539,508
	<u>-</u>	<u>642,635</u>	<u>-</u>	<u>642,635</u>



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B1. Review of performance

For the financial year ended 31 March 2019, the Group recorded a revenue of RM2,256.8 million as compared to RM2,473.8 million reported in the previous financial year. The RM217.0 million reduction was due to lower gross premiums/contributions from both the reinsurance and takaful subsidiaries.

The Group's net profit for the financial year ended 31 March 2019 was RM96.3 million, lower by RM44.6 million as compared to RM140.9 million reported in the previous financial year for the reasons stated below.

Investment holding

Revenue for the financial year was RM71.0 million which was higher by RM32.7 million compared to RM38.2 million reported in the corresponding period last year. The higher revenue was due to dividend received from a subsidiary.

As a result of the above, higher net profit amounting to RM14.3 million was recorded for the financial year ended 31 March 2019, as compared to RM8.0 million for the same period last year.

Reinsurance business

Revenue for reinsurance business for the financial year ended 31 March 2019 was RM1,220.2 million as compared to RM1,371.0 million in the previous financial year. The decrease was mainly due to the lower gross premiums from international business as a result of its business rationalisation exercise.

Net profit for the financial year ended 31 March 2019 decreased by 28.2% from RM86.1 million last year to RM61.9 million. The lower profit was due to higher claims from several large losses incurred during the year.

Takaful business

Revenue for takaful business for the financial year ended 31 March 2019 decreased by 6.5% from RM1,059.7 million to RM991.1 million. This was mainly due to conscious decision made not to renew some unprofitable business.

Consequently, takaful business recorded a lower net profit of RM34.7 million in the financial year ended 31 March 2019 as compared to a net profit of RM37.8 million for the same period last year.

Retakaful business

Revenue for retakaful business for the financial year ended 31 March 2019 was lower by 13.3% from RM42.1 million to RM36.5 million, mainly due to lower gross contribution received .

As a result mentioned above, the retakaful business recorded a net profit of RM1.1 million in the financial year ended 31 March 2019 as compared to a net profit of RM9.5 million for previous financial period.

B2. Review of current quarter profitability against immediate preceding quarter

The Group recorded a net profit of RM60.8 million in the current quarter as compared to net profit of RM33.5 million in the preceding quarter as a result of higher underwriting surplus from the reinsurance business segment.

B3. Current year prospects

Barring any unforeseen circumstances, the Group's profit is expected to be satisfactory for the current financial year ending 31 March 2020.

B4. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the financial period ended 31 March 2019.



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(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B5. Investment income

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2019 RM'000	3 months ended 31 March 2018 RM'000	12 months ended 31 March 2019 RM'000	12 months ended 31 March 2018 RM'000
Financial assets at FVTPL				
Profit income	2,602	-	84,833	-
Dividend income:				
- quoted shares in Malaysia	4,271	53	6,375	61
- unquoted shares in Malaysia	119	-	119	
- unit trust funds	(1,176)	892	-	1,702
HTM investments				
Interest/profit income	-	12,283	-	27,546
Financial assets at FVOCI				
Interest/profit income	20,876	-	87,070	-
Dividend income:				
- unquoted shares in Malaysia	(103)	-	-	-
AFS financial assets				
Interest/profit income	-	32,930	-	148,623
Dividend income:				
- quoted shares in Malaysia	-	1,435	-	6,731
- unquoted shares in Malaysia	-	-	-	103
Financial assets at AC				
Interest/profit income	19,088	-	67,474	-
Loans and receivables				
Interest/profit income	-	16,127	-	62,333
Rental income	154	123	3,066	3,954
Net amortisation of premiums	(1,119)	(1,253)	(5,094)	(5,094)
Investment expenses	(334)	213	(980)	(28)
	44,378	62,803	242,863	245,931



MNRB HOLDINGS BERHAD ^(13487-A)
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(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B6. Taxation

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2019 RM'000	3 months ended 31 March 2018 RM'000	12 months ended 31 March 2019 RM'000	12 months ended 31 March 2018 RM'000
Operating profit before zakat and tax	75,941	40,798	119,460	192,524
Current tax	(17,695)	(17,763)	(20,948)	(49,857)
Deferred tax	2,792	11,010	(1,557)	(1,239)
Zakat	(14,903)	(6,753)	(22,505)	(51,096)
	(236)	(563)	(681)	(563)
	(15,139)	(7,316)	(23,186)	(51,659)

The effective tax rate for the cumulative period was lower than the statutory tax rate mainly due to lower tax rate from 24% to 8% for reinsurance/retakaful business which was gazetted on 27 December 2018 .

B7. Status of corporate proposal

There is no corporate proposal announced but not completed as at the date of this announcement.

B8. Borrowings and debt securities

The Group borrowings as at 31 March 2019 were as follows:

	GROUP 31 March 2019 RM'000
Unsecured long term borrowings:	
RM 320.0 million Sukuk Murabahah due in 22 March 2029	320,000

B9. Off balance sheet financial instruments

There were no financial instruments with material off balance sheet risk as at the date of this report.

B10. Material litigation

There was no pending material litigation as at the date of this report.



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B11. Earnings per share

The basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2019	3 months ended 31 March 2018	12 months ended 31 March 2019	12 months ended 31 March 2018
Net profit for the period (RM'000)	60,802	33,482	96,274	140,865
Weighted average/number of ordinary shares in issue ('000)	487,304*	319,605	487,304*	319,605
Basic earnings per share (sen)	12.5	10.5	19.8	44.1

* Calculated based on weighted average number of shares in issue during the year.

The Group has no dilution in its earnings per share in the current and previous financial year as there are no potential dilution to its ordinary shares.

B12. Additional disclosures for the income statement

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2019 RM'000	3 months ended 31 March 2018 RM'000	12 months ended 31 March 2019 RM'000	12 months ended 31 March 2018 RM'000
Finance cost	(4,051)	(4,685)	(16,244)	(15,841)
Net gain on disposal of investments	21,659	86	25,391	4,345
Depreciation and amortisation	(6,685)	(2,557)	(15,635)	(10,683)
Writeback of impairment loss on insurance/takaful receivables	27,264	8,245	22,362	10,694
Writeback of/(Allowance for) impairment loss on investments	89,131	(9,807)	89,132	3,629

There was no gain or loss on derivatives and exceptional items reported during the financial year ended 31 March 2019.

By Order of the Board

LENA BINTI ABD LATIF (LS 8766)
Company Secretary

Kuala Lumpur
Dated: 28 May 2019