



## **Bursa Announcement**

Fourth Quarter and Twelve Months Ended 31 March 2018



**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 2018**

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 Mar 2018  RM'000	3 months ended 31 Mar 2017  RM'000	12 months ended 31 Mar 2018  RM'000	12 months ended 31 Mar 2017  RM'000
Gross earned premiums/contributions	577,726	651,406	2,251,588	2,327,336
Premiums/contributions ceded to reinsurers and retakaful operators	(93,722)	(115,776)	(322,726)	(348,832)
<b>Net earned premiums/contributions</b>	<b>484,004</b>	<b>535,630</b>	<b>1,928,862</b>	<b>1,978,504</b>
Investment income	62,801	60,470	245,929	227,158
Realised gains/(losses)	(2,302)	(3,269)	1,957	1,350
Fair value gains/(losses)	(4,592)	15,434	10,703	(74)
Fee and commission income	12,243	20,480	39,959	55,381
Other operating revenue	1,357	35,934	19,082	57,338
<b>Other revenue</b>	<b>69,507</b>	<b>129,049</b>	<b>317,630</b>	<b>341,153</b>
Gross claims and benefits paid	(310,829)	(351,229)	(1,190,483)	(1,256,115)
Claims ceded to reinsurers/retakaful operators	32,670	30,060	110,859	107,727
Gross change in contract liabilities	(18,878)	(200,897)	(184,959)	(356,193)
Change in contract liabilities ceded to reinsurers/retakaful operators	(1,977)	24,415	(30,472)	18,070
<b>Net claims and benefits</b>	<b>(299,014)</b>	<b>(497,651)</b>	<b>(1,295,055)</b>	<b>(1,486,511)</b>
Fee and commission expense	(112,997)	(106,481)	(426,529)	(443,307)
Management expenses	(66,864)	(81,747)	(237,975)	(252,470)
Finance cost	(4,687)	(4,588)	(15,841)	(18,120)
Other operating expenses	(6,013)	(1,019)	(24,719)	(3,592)
Change in expenses liabilities	(1,524)	(8,661)	3,848	(2,883)
Tax borne by participants	(3,648)	(4,168)	(11,262)	(15,411)
<b>Other expenses</b>	<b>(195,733)</b>	<b>(206,664)</b>	<b>(712,478)</b>	<b>(735,783)</b>
Share of results of associates	2,246	(2,598)	6,783	5,628
<b>Operating profit/(loss) before deficit/(surplus) attributable to takaful participants, zakat and taxation</b>	<b>61,010</b>	<b>(42,234)</b>	<b>245,742</b>	<b>102,991</b>
Deficit/ (Surplus) attributable to takaful participants	(23,974)	78,065	(56,982)	(4,064)
<b>Operating profit before zakat and taxation</b>	<b>37,036</b>	<b>35,831</b>	<b>188,760</b>	<b>98,927</b>
Zakat	(563)	-	(563)	-
Taxation	(7,067)	(10,397)	(51,410)	(27,757)
<b>Net profit for the year attributable to equity holders of the Company</b>	<b>29,406</b>	<b>25,434</b>	<b>136,787</b>	<b>71,170</b>
Basic and diluted earnings per share attributable to equity holders of the Company (sen):	9.2	9.9	42.8	27.6

*The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017*



**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 2018**

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	3 months ended 31 Mar 2018	3 months ended 31 Mar 2017	12 months ended 31 Mar 2018	12 months ended 31 Mar 2017
	RM'000	RM'000	RM'000	RM'000
<b>Net profit for the year</b>	29,406	25,434	136,787	71,170
<b><u>Other comprehensive income/(losses):</u></b>				
<b>Other comprehensive income/(losses) to be reclassified to income statement in subsequent years:</b>				
Effects of post acquisition foreign exchange translation reserve on investment in associate	(7,464)	(937)	(21,011)	15,220
Effects of foreign exchange translation reserve on investment in subsidiary	(548)	(94)	(1,472)	1,700
Net gain/(loss) on AFS financial assets:				
Net gain/ (loss) on fair value changes	(9,624)	20,425	(10,648)	(3,871)
Realised gain transferred to income statement	4,574	5,457	3,092	946
Deferred tax relating to net loss on AFS financial assets	80	80	820	316
Other comprehensive losses/(income) attributable to participants	1,843	(12,932)	4,055	2,741
<b>Other comprehensive income not to be reclassified to income statement in subsequent years:</b>				
Revaluation of land and buildings	1,927	1,929	3,950	3,905
Deferred tax relating to revaluation of land and buildings	(57)	(147)	(219)	(305)
Other comprehensive income attributable to participants	(658)	(718)	(2,519)	(2,536)
<b>Total comprehensive income for the year</b>	<b>19,479</b>	<b>38,497</b>	<b>112,835</b>	<b>89,286</b>

*The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017*



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018**

	<b>GROUP</b>	
	Unaudited 31 Mar 2018 RM'000	Audited 31 Mar 2017 RM'000
<b>Assets</b>		
Property, plant and equipment	240,995	243,732
Investment properties	-	7,400
Intangible assets	31,883	23,040
Deferred tax assets	12,129	19,518
Investment in associates	134,791	145,420
Financial assets:		
Financial assets at fair value through profit or loss ("FVTPL")	116,127	123,467
Held-to-maturity ("HTM") investments	644,254	695,426
Available-for-sale ("AFS") financial assets	3,741,196	3,384,744
Loans and receivables ("LAR")	1,939,665	1,934,933
Reinsurance/retakaful assets	478,853	514,230
Insurance/takaful receivables	399,389	336,190
Tax recoverable	27,708	28,575
Cash and bank balances	159,388	99,905
<b>Total assets</b>	<b>7,926,378</b>	<b>7,556,580</b>
<b>Liabilities and Participants' funds</b>		
Participants' funds	243,671	199,561
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	5,332,743	5,172,813
Insurance/takaful payables	261,480	210,174
Other payables	226,523	212,186
Deferred tax liabilities	7,837	10,780
Provision for taxation	1,213	11,536
Provision for zakat	610	64
<b>Total liabilities and participants' funds</b>	<b>6,394,077</b>	<b>6,137,114</b>
<b>Equity</b>		
Share capital	319,605	319,605
Reserves	1,212,696	1,099,861
<b>Total equity attributable to equity holders of the Company</b>	<b>1,532,301</b>	<b>1,419,466</b>
<b>Total liabilities, participants' funds and equity</b>	<b>7,926,378</b>	<b>7,556,580</b>
Net assets per share (RM)	4.79	4.44

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Statements for the year ended 31 March 2017*



**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 2018**

	<b>GROUP</b>							
	Attributable to Equity Holders of the Company							
	Share capital RM'000	Reserves					Net profit for the year RM'000	Total RM'000
		Non-distributable			Distributable			
Foreign exchange translation reserve RM'000		AFS reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward 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	-	(22,483)	(2,681)	1,212	-	136,787	112,835	
At 31 March 2018	319,605	33,213	978	43,942	997,776	136,787	1,532,301	

**CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	<b>GROUP</b>								
	Attributable to Equity Holders of the Company								
	Share capital RM'000	Share premium RM'000	Reserves					Net profit for the year RM'000	Total RM'000
			Non-distributable			Distributable			
Foreign exchange translation reserve RM'000			AFS reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000				
At 1 April 2016	213,070	105,051	38,776	3,527	41,666	928,090	-	1,330,180	
Total comprehensive income for the year	-	-	16,921	132	1,064	-	71,170	89,286	
Issuance of bonus share	106,535	(105,051)	-	-	-	-	(1,484)	-	
At 31 March 2017	319,605	-	55,697	3,659	42,730	928,090	69,686	1,419,466	

*The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017*



**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 2018**

	<b>GROUP</b>	
	12 months ended 31 Mar 2018	12 months ended 31 Mar 2017
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before surplus transfer, zakat and tax	188,760	98,927
Adjustments for:		
Net fair value losses/(gains) on financial assets at FVTPL	2,029	(3,302)
Net fair value losses/(gains) on AFS financial assets	(13,534)	3,147
Reversal of impairment losses on at AFS financial assets	-	-
Reversal of impairment losses on insurance/takaful receivables	-	(246)
Impairment losses/(Reversal of impairment losses) on other receivables	(8,863)	6,710
Depreciation of property, plant and equipment	7,258	3,002
Amortisation of intangible assets	4,271	-
Gains on disposal of non-current asset held for sale	-	-
Revaluation deficits on properties	1,212	-
Fair value losses on investment property	-	10
Gains on disposal of property, plant and equipment	(100)	(33,760)
Decrease in gross premium and contribution liabilities	(34,908)	-
Increase/(decrease) in reinsurance and retakaful assets	35,377	(205,733)
Interest/profit income	(238,479)	(20,164)
Dividend income	(8,494)	(5,787)
Rental income	(3,954)	18,120
Finance cost	15,841	(1,290)
Net losses/(gains) on disposal of investments	(1,857)	4,470
Net amortisation of premiums/(accretion of discounts) on investments	5,094	(4,190)
Share of results of associates	(6,783)	-
Loss from operations before changes in operating assets and liabilities	(57,130)	(131,689)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(19,432)	(355,323)
Net proceeds/(purchase) from disposal of investments	(288,300)	1,302
Decrease in staff loans	1,622	50,323
Decrease/(Increase) in insurance/takaful receivables	(52,223)	415
Decrease in other receivables	118,325	400,297
Increase in gross claim liabilities, actuarial liabilities and unallocated surplus	200,321	3,698
Decrease in expense liabilities	(3,849)	(7,090)
Decrease in participants' funds	(39,019)	(62,761)
Increase in insurance/takaful payables	49,194	37,381
Decrease in other payables	(321)	(34,605)
Taxes and zakat paid	(56,594)	183,060
Interest/profit received	223,662	19,731
Dividend received	8,981	6,591
Rental received	(2,872)	(916)
Net cash generated from operating activities	82,365	76,092



**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 2018 (CONT'D.)**

	<b>GROUP</b>	
	12 months ended 31 Mar 2018	12 months ended 31 Mar 2017
	RM'000	RM'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,566)	(5,480)
Purchase of intangible assets	(13,362)	3
Proceeds from disposal of property, plant and equipment	7,500	-
Net cash generated from investing activities	(7,428)	(5,464)
<b>Cash flows from financing activities</b>		
Finance cost paid	(15,454)	-
Net cash generated from financing activities	(15,454)	-
<b>Cash and bank balances</b>		
Net increase during the year	59,483	70,628
At the beginning of the year	99,905	99,745
<b>At the end of the year</b>	<b>159,388</b>	<b>170,373</b>

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Statements for the year ended 31 March 2017*



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(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 2017.

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 2017 except for the adoption of the following accounting standards 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 2017:

- Amendment to MFRS 12 Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)
- MFRS 107 *Statement of Cash Flows* - Disclosures Initiatives (Amendments to MFRS 107)
- MFRS 112 *Income Taxes* - Recognition of Deferred Tax for Unrealised Losses (Amendments to MFRS 112)

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 and of the Group.

**Standards issued but not yet effective**

The standards, amendments/improvements to the existing accounting standards and Issues Committee ("IC") Interpretations that are issued but not yet effective up to the date of issuance of the Group's unaudited interim financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendment to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i> (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)	1 January 2018
MFRS 2 <i>Share-based Payment</i> - Classification and Measurement of Share-based Payment Transactions (Amendments to MFRS 2)	1 January 2018
MFRS 9 <i>Financial Instruments</i> (IFRS 9 issued by IASB in July 2014)	1 January 2018
Applying MFRS 9 <i>Financial Instruments</i> with MFRS 4 <i>Insurance Contracts</i> (Amendments to MFRS 4)	1 January 2018
Amendment to MFRS 128 <i>Investments in Associates and Joint Ventures</i> (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)	1 January 2018
Transfer to <i>Investment Property</i> (Amendments to MFRS 140)	1 January 2018
IC Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
MFRS 17 <i>Insurance Contract</i>	1 January 2021
MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an investor and its Associate or Joint Venture</i> (Amendments to MFRS 10 and MFRS 128)	To be announced by MASB

The Directors expect that the adoption of the above standards, amendments/ improvements to the existing accounting standards and IC Interpretations are not expected to have a material impact on the financial statements in the period of initial application except for as discussed below:





**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

**PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**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 IAS3 9 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.

The Group plans to adopt the new standard on the required effective date. The Group had performed a preliminary assessment on the gaps under all three aspects of MFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information being made available to the Group. Overall, the Group does not anticipate significant impact to the financial statements except for the effect of potentially higher impairment losses under the expected credit loss model. The Group will perform a detailed assessment to determine the extent of the anticipated impacts.

The areas with expected 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 will be removed;
- A new asset category measured at fair value through other comprehensive income ("FVOCI") is 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 is introduced; 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 fair value through profit or loss ("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.

The Group does not expect a significant impact to the financial statements on applying the classification and measurement requirements.

Loans and receivables ("LAR") are held to collect contractual cash flows and are representing solely payments of principal and interest. Thus, the Group expects that these will continue to be measured at amortised cost under MFRS 9. However, the Group will analyse the contractual cash flow characteristics of those instruments in more detail before concluding whether all those instruments meet the criteria for amortised cost measurement under MFRS 9.

**(ii) Impairment**

The MFRS 9 impairment requirements are based on an Expected Credit Loss ("ECL") model that replaces the Incurred Loss model under the current accounting standard. The Group expects to 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 will 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 will be adopted for calculating allowances for impairment losses.

The Group is currently in the process of finalising the financial impacts of applying the ECL requirements of MFRS 9.

**(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.

The Group does not expect a significant impact to the financial statements on applying the hedge accounting.



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

**PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**MFRS 15 Revenue from Contracts with Customers**

MFRS 15 was issued in 2014 and 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 expects to apply MFRS 15 fully retrospective. Given that takaful contracts are scoped out of MFRS 15, the Group thus, does not expect the impact to be significant.

**MFRS 16 Leases**

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on balance sheet model, similar to the accounting for finance leases under MFRS 117. The standard will supersede MFRS 117 *Leases*, IC Interpretation 4 *Determining whether an Arrangement contains a Lease*, IC Interpretation 115 *Operating Lease-Incentives* and IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

(i) Lessee

At the commencement date of a lease, a lessee will recognise a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. Subsequently, lessees will be required to recognise interest expense on the lease liability and the depreciation expense on the right-of-use asset.

(ii) Lessor

Lessor accounting under MFRS 16 is substantially the same as the accounting under MFRS 117. Lessors will continue to classify all leases using the same classification principle as in MFRS 117 and distinguish between two types of leases: operating and finance leases.

The standard is effective for annual periods beginning on or after 1 January 2019. Early application is permitted but not before an entity applies MFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group plans to assess the potential effect of MFRS 16 on its financial statement in the near future.

**Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts**  
**(Amendments to MFRS 4)**

In December 2016, the MASB issued amendments to MFRS 4 to address issues arising from the different effective dates of MFRS 9 and the upcoming new insurance contracts standard (IFRS 17) to be issued by the International Accounting Standards Board.

The amendments introduce two alternative options for entities issuing contracts within the scope of MFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of MFRS 9 for annual periods beginning before 1 January 2021 at the latest whilst the overlay approach allows an entity applying MFRS 9 to reclassify between profit or loss and other comprehensive income an amount that results in the profit or loss at the end of the reporting period for the designated financial assets being the same as if an entity had applied MFRS 139 to these designated financial assets.

The Group has opted not to utilise the exemptions permitted under this Amendment and will fully adopt MFRS 9 effective from 1 January 2018.



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

**PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A2. Auditors' Report on preceding annual financial statements**

The auditors' report on the audited financial statements for the financial year ended 31 March 2017 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

During the financial year ended 31 March 2018, 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 year ended 31 March 2018.

**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**

On 9 June 2017, the Company made a drawdown of RM120 million from the revolving credit facility obtained from AmBank (M) Berhad. The proceeds from the drawdown were fully utilised towards redeeming the Sukuk Mudharabah Programme of the same amount from MIDF Amanah Investment Bank Berhad.

**A7. Dividend paid**

No dividend was paid during the fourth quarter ended 31 March 2018.

**A8. Segmental reporting**

Financial year ended 31 March 2018

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
<b>Revenue</b>						
External	3,171	1,369,377	1,058,965	42,004	-	2,473,517
Inter-segment	35,075	1,576	723	64	(37,116)	322
	38,246	1,370,953	1,059,688	42,068	(37,116)	2,473,839
<b>Results</b>						
<b>Segment results</b>	<b>7,576</b>	<b>122,242</b>	<b>106,365</b>	<b>3,967</b>	<b>(1,191)</b>	<b>238,959</b>
Share of results of associates	592	6,192	-	-	-	6,784
<b>Operating profit/(loss) before surplus/(deficit) attributable to takaful participants, zakat and taxation</b>	<b>8,168</b>	<b>128,434</b>	<b>106,365</b>	<b>3,967</b>	<b>(1,191)</b>	<b>245,743</b>
Surplus attributable to takaful participants	-	-	(56,982)	-	-	(56,982)
<b>Operating profit/ (loss) before zakat and taxation</b>	<b>8,168</b>	<b>128,434</b>	<b>49,383</b>	<b>3,967</b>	<b>(1,191)</b>	<b>188,761</b>
Zakat and taxation	(703)	(39,289)	(11,619)	636	(999)	(51,974)
<b>Net profit/(loss) for the year attributable to equity holders of the Company</b>	<b>7,465</b>	<b>89,145</b>	<b>37,764</b>	<b>4,603</b>	<b>(2,190)</b>	<b>136,787</b>



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

**PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**A8. Segmental reporting (Cont'd)**

Financial year ended 31 March 2017

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
<b>Revenue</b>						
External	1,147	1,395,715	1,107,278	28,218	-	2,532,358
Inter-segment	34,469	2,211	723	669	(38,634)	(562)
	35,616	1,397,926	1,108,001	28,887	(38,634)	2,531,796
<b>Results</b>						
<b>Segment results</b>	<b>(17,796)</b>	<b>102,290</b>	<b>4,625</b>	<b>10,934</b>	<b>(2,692)</b>	<b>97,361</b>
Share of results of associates	369	5,260	-	-	-	5,629
<b>Operating profit/(loss) before surplus/(deficit) attributable to takaful participants, zakat and taxation</b>	<b>(17,427)</b>	<b>107,550</b>	<b>4,625</b>	<b>10,934</b>	<b>(2,692)</b>	<b>102,990</b>
Surplus attributable to takaful participants	-	-	(4,064)	-	-	(4,064)
<b>Operating profit/ (loss) before zakat and taxation</b>	<b>(17,427)</b>	<b>107,550</b>	<b>561</b>	<b>10,934</b>	<b>(2,692)</b>	<b>98,926</b>
Zakat and taxation	(405)	(18,241)	(9,147)	37	-	(27,756)
<b>Net profit/(loss) for the year attributable to equity holders of the Company</b>	<b>(17,832)</b>	<b>89,309</b>	<b>(8,586)</b>	<b>10,971</b>	<b>(2,692)</b>	<b>71,170</b>

**A9. Carrying amount of revalued properties**

During the financial year ended 31 March 2018, the Group had revalued all of its self-occupied and investment properties. The resultant revaluation surplus of RM1.2 million was recognised in other comprehensive income and accumulated in equity as revaluation reserve.

**A10. Significant events**

- (i) As announced on 30 November 2017, MNRB Retakaful Berhad ("MRT") had, on 1 December 2017, transferred its family retakaful and general retakaful businesses to Malaysian Reinsurance Berhad ("MRE"), both wholly-owned subsidiaries of the Company ("Business Transfer"). The retakaful business of the Group are now carried out by MRE through its Retakaful Division.

The Business Transfer does not have any material effect on the earnings and net assets of the Company for the financial year ended 31 March 2018.

Arising from the Business Transfer, MRT's Retakaful licence was surrendered to Bank Negara Malaysia and as announced on 4 December 2017, MRT changed its name to Sinar Seroja Berhad ("SSB") with effect from the same date.

- (ii) On 22 December 2017, the Company subscribed to 20,000,000 new ordinary shares in its wholly owned subsidiary, Takaful IKHLAS Berhad ("TIB") at a total consideration of RM20 million.
- (iii) On 25 January 2018, the Company further subscribed to 20,000,000 new ordinary shares in TIB at a total consideration of RM20million. With the above subscription, the total issued and paid-up capital of TIB now stands at RM335,000,000.
- (iv) On 5 February 2018, SSB implemented a share capital reduction exercise and reduced its paid-up capital to RM2 from RM102,000,000.
- (v) On 12 February 2018, the Company increased its investment in MRE by subscribing to 53,106,421 new ordinary shares at a total consideration of RM53,106,421. With the new subscription, the total issued and paid-up capital of MRE now stands at RM563,106,421.

**A11. Subsequent events**

There were no significant subsequent events from 31 March 2018 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 year ended 31 March 2018.

### A13. Capital Commitments

The amount of capital commitments of the Group as at 31 March 2018 is as follows:

	<b>RM'000</b>
Authorised and contracted for:	
- Intangible assets*	24,281
	<u>24,281</u>

\* 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 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
<b>Assets</b>							
Property, plant and equipment	125,177	-	-	-	-	115,818	240,995
Investment properties	-	-	115,818	-	-	(115,818)	-
Intangible assets	31,883	-	-	-	-	-	31,883
Deferred tax assets	10,363	3,374	-	66	-	(1,674)	12,129
Investment in subsidiaries	904,477	-	-	-	-	(904,477)	-
Investment in associates	131,833	-	-	-	-	2,958	134,791
Financial assets at fair value through profit or loss ("FVTPL")	-	-	116,127	-	-	-	116,127
Held-to-maturity ("HTM") investments	240,757	57,342	316,283	19,108	11,764	(1,000)	644,254
Available-for-sale ("AFS") financial assets	1,539,453	209,299	1,986,079	15,779	4,175	(13,589)	3,741,196
Loans and receivables ("LAR")	1,598,315	154,905	350,302	38,074	(5,560)	(196,371)	1,939,665
Reinsurance/takaful assets	256,096	153,997	43,127	17,596	8,037	-	478,853
Insurance/takaful receivables	314,767	26,460	38,202	16,288	3,672	-	399,389
Tax recoverable	27,696	-	-	8	4	-	27,708
Cash and bank balances	43,134	44,876	70,175	203	1,000	-	159,388
<b>Total assets</b>	<b>5,223,951</b>	<b>650,253</b>	<b>3,036,113</b>	<b>107,122</b>	<b>23,092</b>	<b>(1,114,153)</b>	<b>7,926,378</b>
<b>Liabilities and Participants' funds</b>							
Participants' funds	-	130,535	124,422	(5,813)	(3,951)	(1,522)	243,671
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,095,417	407,993	2,729,681	93,790	15,862	(10,000)	5,332,743
Insurance/takaful payables	191,029	18,105	33,287	13,264	5,795	-	261,480
Other payables	163,492	93,177	146,970	5,852	5,386	(188,354)	226,523
Deferred tax liabilities	7,837	-	1,013	-	-	(1,013)	7,837
Provision for taxation	1	443	740	29	-	-	1,213
Provision for zakat	610	-	-	-	-	-	610
<b>Total liabilities and participants' funds</b>	<b>2,779,386</b>	<b>650,253</b>	<b>3,036,113</b>	<b>107,122</b>	<b>23,092</b>	<b>(201,889)</b>	<b>6,394,077</b>
<b>Equity</b>							
Share capital	1,224,211	-	-	-	-	(904,606)	319,605
Reserves	1,220,354	-	-	-	-	(7,658)	1,212,696
<b>Total equity attributable to equity holders of the Parent</b>	<b>2,444,565</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(912,264)</b>	<b>1,532,301</b>
<b>Total liabilities, participants' funds and equity</b>	<b>5,223,951</b>	<b>650,253</b>	<b>3,036,113</b>	<b>107,122</b>	<b>23,092</b>	<b>(1,114,153)</b>	<b>7,926,378</b>

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

(ii) As at 31 March 2017

	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
<b>Assets</b>							
Property, plant and equipment	127,954	-	-	-	-	115,778	243,732
Investment properties	7,400	-	115,778	-	-	(115,778)	7,400
Intangible assets	23,040	-	-	-	-	-	23,040
Deferred tax assets	9,742	3,098	-	-	-	6,678	19,518
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,924	-	-	-	-	67,496	145,420
Financial assets at fair value through profit or loss ("FVTPL")	761	898	121,808	-	-	-	123,467
Held-to-maturity ("HTM") investments	261,384	71,746	331,689	19,143	12,464	(1,000)	695,426
Available-for-sale ("AFS") financial assets	1,654,482	226,761	1,493,788	17,749	5,171	(13,207)	3,384,744
Loans and receivables ("LAR")	1,297,622	118,383	607,278	45,585	7,890	(141,825)	1,934,933
Reinsurance/retakaful assets	291,969	149,868	45,072	20,967	6,354	-	514,230
Insurance/takaful receivables	224,824	37,422	60,865	7,597	7,594	(2,112)	336,190
Tax recoverable	28,575	-	-	8	5	(13)	28,575
Cash and bank balances	39,837	10,519	49,364	146	39	-	99,905
<b>Total assets</b>	<b>4,889,219</b>	<b>618,695</b>	<b>2,825,642</b>	<b>111,195</b>	<b>39,517</b>	<b>(927,688)</b>	<b>7,556,580</b>
<b>Liabilities and Participants' funds</b>							
Participants' funds	-	119,327	81,541	3,900	1,373	(6,580)	199,561
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,104,412	401,012	2,578,850	85,632	11,272	(8,365)	5,172,813
Insurance/takaful payables	124,969	30,710	42,780	8,203	5,624	(2,112)	210,174
Other payables	127,467	60,965	119,124	13,475	21,248	(130,093)	212,186
Deferred tax liabilities	2,169	-	1,412	(15)	-	7,214	10,780
Provision for taxation	2,933	6,681	1,935	-	-	(13)	11,536
Provision for zakat	64	-	-	-	-	-	64
<b>Total liabilities and participants' funds</b>	<b>2,683,014</b>	<b>618,695</b>	<b>2,825,642</b>	<b>111,195</b>	<b>39,517</b>	<b>(140,949)</b>	<b>6,137,114</b>
<b>Equity</b>							
Share capital	1,233,105	-	-	-	-	(913,500)	319,605
Reserves	973,100	-	-	-	-	126,761	1,099,861
<b>Total equity attributable to equity holders of the Parent</b>	<b>2,206,205</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(786,739)</b>	<b>1,419,466</b>
<b>Total liabilities, participants' funds and equity</b>	<b>4,889,219</b>	<b>618,695</b>	<b>2,825,642</b>	<b>111,195</b>	<b>39,517</b>	<b>(927,688)</b>	<b>7,556,580</b>

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

(i) **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	1,288,444	281,073	647,776	25,635	9,896	(1,236)	2,251,588
Premiums/contributions ceded to reinsurers and retakaful operators	(119,494)	(118,031)	(74,328)	(3,358)	(7,751)	236	(322,726)
<b>Net earned premiums/contributions</b>	<b>1,168,950</b>	<b>163,042</b>	<b>573,448</b>	<b>22,277</b>	<b>2,145</b>	<b>(1,000)</b>	<b>1,928,862</b>
Investment income	119,733	16,609	112,903	2,628	886	(6,830)	245,929
Realised gains/(losses)	(51,651)	(317)	5,031	-	-	48,894	1,957
Fair value gains/(losses)	10,002	905	204	-	-	(408)	10,703
Fee and commission income	384,013	27,778	114	3	-	(371,949)	39,959
Other operating revenue	76,710	-	12,656	777	27	(71,088)	19,082
<b>Other revenue</b>	<b>538,807</b>	<b>44,975</b>	<b>130,908</b>	<b>3,408</b>	<b>913</b>	<b>(401,381)</b>	<b>317,630</b>
Gross claims and benefit paid	(737,182)	(169,673)	(262,906)	(13,203)	(11,305)	3,786	(1,190,483)
Claims ceded to reinsurers/retakaful operators	37,193	73,995	(1,914)	(625)	5,996	(3,786)	110,859
Gross change in contract liabilities	(27,740)	(9,653)	(150,831)	(7,535)	(4,589)	15,389	(184,959)
Change in contract liabilities ceded to reinsurers/retakaful operators	(32,991)	6,042	(1,945)	(3,261)	1,683	-	(30,472)
<b>Net claims and benefits</b>	<b>(760,720)</b>	<b>(99,289)</b>	<b>(417,596)</b>	<b>(24,624)</b>	<b>(8,215)</b>	<b>15,389</b>	<b>(1,295,055)</b>
Fee and commission expenses	(426,362)	(91,683)	(231,391)	(9,903)	(322)	333,132	(426,529)
Management expenses	(281,466)	(9)	-	-	-	43,500	(237,975)
Finance cost	(15,891)	-	-	-	-	50	(15,841)
Other operating expenses	(43,934)	(1,423)	-	(1,134)	-	21,772	(24,719)
Changes in expenses liabilities	3,848	-	-	-	-	-	3,848
Tax borne by participants	-	(1,889)	(9,376)	-	-	3	(11,262)
<b>Other expenses</b>	<b>(763,805)</b>	<b>(95,004)</b>	<b>(240,767)</b>	<b>(11,037)</b>	<b>(322)</b>	<b>398,457</b>	<b>(712,478)</b>
Share of results of associates	-	-	-	-	-	6,783	6,783
<b>Operating profit before surplus/ (deficit) attributable to takaful participants, zakat and taxation</b>	<b>183,232</b>	<b>13,724</b>	<b>45,993</b>	<b>(9,976)</b>	<b>(5,479)</b>	<b>18,248</b>	<b>245,742</b>
Deficit/ (Surplus) attributable to takaful participants	-	(13,724)	(45,993)	9,899	5,490	(12,654)	(56,982)
<b>Operating profit before zakat and taxation</b>	<b>183,232</b>	<b>-</b>	<b>-</b>	<b>(77)</b>	<b>11</b>	<b>5,594</b>	<b>188,760</b>
Zakat	(563)	-	-	-	-	-	(563)
Taxation	(50,477)	-	-	77	(11)	(999)	(51,410)
<b>Net profit for the year attributable to equity holders of the Parent</b>	<b>132,192</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,595</b>	<b>136,787</b>

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

(ii) 12 months ended 31 March 2017

	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	1,322,565	311,870	677,233	10,428	11,102	(5,862)	2,327,336
Premiums/contributions ceded to reinsurers and retakaful operators	(133,829)	(131,354)	(74,735)	(2,746)	(7,874)	1,706	(348,832)
<b>Net earned premiums/contributions</b>	<b>1,188,736</b>	<b>180,516</b>	<b>602,498</b>	<b>7,682</b>	<b>3,228</b>	<b>(4,156)</b>	<b>1,978,504</b>
Investment income	120,133	14,739	97,665	2,908	1,165	(9,452)	227,158
Realised gains/(losses)	(740)	(171)	2,522	(217)	(44)	-	1,350
Fair value gains/(losses)	(260)	(200)	73	322	111	(120)	(74)
Fee and commission income	365,960	28,541	3,735	485	-	(343,340)	55,381
Other operating revenue	36,049	-	36,666	876	4	(16,257)	57,338
<b>Other revenue</b>	<b>521,142</b>	<b>42,909</b>	<b>140,661</b>	<b>4,374</b>	<b>1,236</b>	<b>(369,169)</b>	<b>341,153</b>
Gross claims and benefit paid	(826,405)	(149,197)	(259,980)	(9,923)	(11,049)	439	(1,256,115)
Claims ceded to reinsurers/retakaful operators	46,946	59,707	(5,938)	1,248	7,637	(1,873)	107,727
Gross change in contract liabilities	(42,693)	(19,613)	(315,536)	3,750	1,127	16,772	(356,193)
Change in contract liabilities ceded to reinsurers/retakaful	(10,166)	20,071	11,974	(3,365)	(444)	-	18,070
<b>Net claims and benefits</b>	<b>(832,318)</b>	<b>(89,032)</b>	<b>(569,480)</b>	<b>(8,290)</b>	<b>(2,729)</b>	<b>15,338</b>	<b>(1,486,511)</b>
Fee and commission expense	(442,282)	(102,694)	(201,716)	(3,512)	(459)	307,356	(443,307)
Management expenses	(315,519)	6,905	11,930	-	-	44,214	(252,470)
Finance cost	(18,170)	-	-	-	-	50	(18,120)
Other operating expenses	(2,716)	(250)	-	(876)	(1,434)	1,684	(3,592)
Changes in expenses liabilities	(2,883)	-	-	-	-	-	(2,883)
Tax borne by participants	-	(8,055)	(7,381)	15	-	10	(15,411)
<b>Other expenses</b>	<b>(781,570)</b>	<b>(104,094)</b>	<b>(197,167)</b>	<b>(4,373)</b>	<b>(1,893)</b>	<b>353,314</b>	<b>(735,783)</b>
Share of results of associates	-	-	-	-	-	5,628	5,628
<b>Operating profit before surplus/ (deficit) attributable to takaful participants, zakat and taxation</b>	<b>95,990</b>	<b>30,299</b>	<b>(23,488)</b>	<b>(607)</b>	<b>(158)</b>	<b>955</b>	<b>102,991</b>
Deficit/ (Surplus) attributable to takaful participants	-	(30,299)	23,488	607	158	1,982	(4,064)
<b>Operating profit before zakat and taxation</b>	<b>95,990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,937</b>	<b>98,927</b>
Zakat	-	-	-	-	-	-	-
Taxation	(27,757)	-	-	-	-	-	(27,757)
<b>Net profit for the year attributable to equity holders of the Parent</b>	<b>68,233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,937</b>	<b>71,170</b>



## 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
<b>31 March 2018</b>			
<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

### **31 March 2017**

<u>Property, plant and equipment</u>			
Office building	Income approach	Yield Rental per square foot	6.0% to 6.25% RM4.60
	Comparison approach	Sales price per square feet for similar properties	RM641 to RM1,150

### Investment property

Shoplots	Income approach	Rental per square metre	RM2.00
----------	-----------------	-------------------------	--------

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 year ended 31 March 2018				
<b>Assets measured at fair value:</b>				
<b>(a) Property, plant and equipment</b>				
Freehold land	-	-	36,000	36,000
Buildings	-	-	199,984	199,984
	<u>-</u>	<u>-</u>	<u>235,984</u>	<u>235,984</u>
<b>(b) Financial assets at FVTPL</b>				
Shariah approved unit trust funds	116,127	-	-	116,127
	<u>116,127</u>	<u>-</u>	<u>-</u>	<u>116,127</u>
<b>(c) AFS financial assets</b>				
Malaysian government securities	-	445,802	-	445,802
Unquoted corporate debt securities	-	1,754,339	-	1,754,339
Quoted shares in Malaysia	357,292	-	-	357,292
Warrants	273	-	-	273
Real estate investment trusts	5,725	-	-	5,725
Government investment issues	-	1,132,970	-	1,132,970
	<u>363,290</u>	<u>3,333,111</u>	<u>-</u>	<u>3,696,400</u>
Financial year ended 31 March 2017				
<b>Assets measured at fair value:</b>				
<b>(a) Property, plant and equipment</b>				
Freehold land	-	-	36,800	36,800
Buildings	-	-	201,419	201,419
	<u>-</u>	<u>-</u>	<u>238,219</u>	<u>238,219</u>
<b>(b) Investment property</b>				
	<u>-</u>	<u>-</u>	<u>7,400</u>	<u>7,400</u>
<b>(c) Financial assets at FVTPL</b>				
Quoted shares in Malaysia	3,790	-	-	3,790
Warrants	85	-	-	85
Shariah approved unit trust funds	119,592	-	-	119,592
	<u>123,467</u>	<u>-</u>	<u>-</u>	<u>123,467</u>
<b>(d) AFS financial assets</b>				
Malaysian government securities	-	128,006	-	128,006
Unquoted corporate debt securities	-	2,258,038	-	2,258,038
Quoted shares in Malaysia	245,241	-	-	245,241
Warrants	346	-	-	346
Real estate investment trusts	20,217	-	-	20,217
Government investment issues	-	688,100	-	688,100
	<u>265,804</u>	<u>3,074,144</u>	<u>-</u>	<u>3,339,948</u>



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

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

**B1. Review of performance**

For the financial year ended 31 March 2018, the Group recorded a revenue of RM2,473.8 million as compared to RM2,531.8 million reported for previous financial year. This was contributed by the decrease in revenue of both the reinsurance and takaful subsidiaries.

The Group's net profit for the financial year ended 31 March 2018 was RM136.8 million, higher by RM65.6 million or 92.1% as compared to RM71.2 million reported in previous financial year for the reasons stated below.

Investment holding

Revenue for the financial year ended 31 March 2018 was RM38.2 million which was higher by RM2.63 million compared to RM35.6 million reported in the corresponding year last year.

Net profit of RM7.5 million reported for the financial year ended 31 March 2018 was higher as compared to a net loss of RM17.8 million for previous financial year. The higher profit during the year was due to the net gains from the capital reduction exercise in Sinar Seroja Berhad ("SSB").

Reinsurance business

Revenue for reinsurance business for the financial year ended 31 March 2018 decreased to RM1,371.0 million as compared to RM1,397.9 million for the previous financial year.

Net profit for the financial year ended 31 March 2018 increased by 0.2% from RM89.3 million last year to RM89.1 million. The higher profit was due to the business rationalization exercise and termination of unprofitable

Takaful business

Revenue for takaful business for the financial year ended 31 March 2018 decreased by 4.4% from RM1,108.0 million to RM1,059.7 million. This was mainly due to lower gross contributions received.

The takaful subsidiary recorded a higher net profit of RM37.8 million in the financial year ended 31 March 2018 as compared to a net loss of RM8.6 million for the same period last year. This was mainly due to lower management expenses and higher wakalah fee received from participant funds.

Retakaful business

Revenue for retakaful business for the financial year ended 31 March 2018 was higher by 45.6% from RM28.9 million to RM42.1 million, mainly due to the new businesses from the retakaful division of the reinsurance subsidiary.

The retakaful business recorded a net profit of RM4.6 million in the financial year ended 31 March 2018 as compared to a net profit of RM11.0 million for previous year. The higher net profit in previous year was mainly due to the partial writeback of Qard impairment.



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

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

**B2. Review of current quarter profitability against immediate preceding quarter**

The Group recorded a net profit of RM29.4 million in the current quarter as compared to RM36.2 million in the preceding quarter as a result of lower net profits from the Company's reinsurance subsidiary.

**B3. Current year prospects**

Barring any unforeseen circumstances, the Group is expected to achieve satisfactory results for the current financial year ending 31 March 2019.

**B4. Explanatory note for variance from profit forecast**

There was no profit forecast issued by the Group during the financial year ended 31 March 2018.

**B5. Investment income**

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	<b>3 months ended 31 Mar 2018 RM'000</b>	<b>3 months ended 31 Mar 2017 RM'000</b>	<b>12 months ended 31 Mar 2018 RM'000</b>	<b>12 months ended 31 Mar 2017 RM'000</b>
<b>Financial assets at FVTPL</b>				
Dividend income:				
- quoted shares in Malaysia	3	23	11	63
- unit trust funds	892	612	1,702	2,409
<b>HTM investments</b>				
Interest/profit income	2,639	3,018	17,903	27,722
<b>AFS financial assets</b>				
Interest/profit income	42,593	35,252	158,285	113,851
Dividend income:				
- quoted shares in Malaysia	1,485	754	6,781	9,255
- unquoted shares in Malaysia	-	-	103	123
- unit and real estate investment trusts in Malaysia	-	4,492	-	8,188
<b>Loans and receivables</b>				
Interest/profit income	16,058	15,962	62,264	64,164
Dividend income from associate	400	-	400	-
Rental income	123	1,417	3,954	5,887
Net amortisation of premiums	(1,253)	(1,163)	(5,094)	(4,470)
Investment expenses	212	1,346	(28)	(34)
	<b>63,153</b>	<b>61,713</b>	<b>246,280</b>	<b>227,158</b>



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

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

**B6. Taxation**

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	<b>3 months ended 31 Mar 2018 RM'000</b>	<b>3 months ended 31 Mar 2017 RM'000</b>	<b>12 months ended 31 Mar 2018 RM'000</b>	<b>12 months ended 31 Mar 2017 RM'000</b>
Operating profit before zakat and tax	37,036	35,831	188,760	98,927
Current tax	(17,923)	(14,502)	(50,017)	(29,894)
Deferred tax	10,855	4,104	(1,394)	2,136
Zakat	(7,068)	(10,398)	(51,411)	(27,758)
	(563)	-	(563)	-
	(7,631)	(10,398)	(51,974)	(27,758)

The effective tax rate for the cumulative period was higher than the statutory tax rate mainly due to some of the management expenses of the Company's takaful subsidiary, that are not claimable as tax deduction and also effect of deferred tax on the forex loss.

**B7. Status of corporate proposal**

There was 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 2018 were as follows:

	<b>GROUP 31 Mar 2018 RM'000</b>
Unsecured borrowings:	
RM 200.0 million Revolving Credit Facility due in September 2018	200,000
RM 120.0 million Revolving Credit Facility due in December 2018	120,000
	<u>320,000</u>



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

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

**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.

**B11. Dividends**

No dividends were paid or declared to date for the financial year ended 31 March 2018.

**B12. Earnings per share**

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

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	<b>3 months ended 31 Mar 2018</b>	<b>3 months ended 31 Mar 2017</b>	<b>12 months ended 31 Mar 2018</b>	<b>12 months ended 31 Mar 2017</b>
Net profit for the year (RM'000)	29,406	25,434	136,787	71,170
Number/weighted average number of ordinary shares in issue ('000)	319,605	257,460*	319,605	257,460*
Basic and diluted earnings per share (sen)	9.2	9.9	42.8	27.6

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

**B13. Additional disclosures for the income statement**

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	<b>3 months ended 31 Mar 2018 RM'000</b>	<b>3 months ended 31 Mar 2017 RM'000</b>	<b>12 months ended 31 Mar 2018 RM'000</b>	<b>12 months ended 31 Mar 2017 RM'000</b>
Finance cost	(4,686)	(4,589)	(15,841)	(18,120)
Net gain/(loss) on disposal of investments	86	(3,399)	4,345	1,235
Depreciation and amortisation	(2,557)	(9,008)	(10,683)	(17,270)
Writeback of/(allowance for) impairment loss on insurance/takaful receivables	8,245	(1,617)	10,694	(884)
Writeback of/(Allowance for) impairment loss on investments	(9,807)	11,177	3,629	(521)

Other than the above, there was no gain or loss on derivatives and exceptional items reported during the financial year ended 31 March 2018.



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**  
*(The figures have not been audited)*

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

**B14. Disclosure of realised and unrealised profits**

As required by Bursa Securities, the breakdown of the retained profits of the Group as at 31 March 2018, into realised and unrealised profits, was as follows:

	GROUP	
	31 Mar 2018 RM'000	31 March 2017 RM'000
Total retained profits of the Group:		
Realised	1,057,690	1,061,880
Unrealised	24,370	5,690
	1,082,059	1,067,570
Share of realised retained profits from associated companies	21,571	14,787
	1,103,630	1,082,357
Less: Consolidation adjustments	30,933	(84,581)
Total retained profits per the statement of changes in equity	1,134,563	997,776

The determination of realised and unrealised profits is computed based on Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

**By Order of the Board**

**NORAZMAN BIN HASHIM (MIA 5817)**  
**LENA BINTI ABD LATIF (LS 8766)**  
**Company Secretaries**

**Kuala Lumpur**  
**Dated: 30 May 2018**