



## **Bursa Announcement**

Fourth Quarter Ended 31 March 2017



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

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	3 months ended 31 Mar 2017	3 months ended 31 Mar 2016	12 months ended 31 Mar 2017	12 months ended 31 Mar 2016
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	662,899	618,813	2,338,829	2,266,874
Premiums/contributions ceded to reinsurers and retakaful operators	(118,562)	(91,649)	(351,618)	(324,895)
<b>Net earned premiums/contributions</b>	<b>544,337</b>	<b>527,164</b>	<b>1,987,211</b>	<b>1,941,979</b>
Investment income	60,493	55,491	227,181	212,115
Realised (losses)/gains	(3,339)	1,991	1,280	8,223
Fair value gains/(losses)	15,663	(5,970)	155	(25,419)
Fee and commission income	21,071	9,354	55,972	42,234
Other operating revenue	14,408	(15,396)	35,812	13,633
<b>Other revenue</b>	<b>108,296</b>	<b>45,470</b>	<b>320,400</b>	<b>250,786</b>
Gross claims and benefits paid	(328,624)	(325,711)	(1,233,510)	(1,229,755)
Claims ceded to reinsurers/retakaful operators	30,740	61,474	108,407	136,965
Gross change in contract liabilities	(245,001)	(240,418)	(400,297)	(642,282)
Change in contract liabilities ceded to reinsurers/retakaful operators	41,664	37,148	35,319	103,868
<b>Net claims and benefits</b>	<b>(501,221)</b>	<b>(467,507)</b>	<b>(1,490,081)</b>	<b>(1,631,204)</b>
Fee and commission expense	(107,026)	(106,162)	(443,852)	(443,022)
Management expenses	(77,734)	(50,575)	(248,457)	(213,205)
Finance cost	(4,587)	(4,584)	(18,119)	(18,231)
Other operating expenses	(549)	(670)	(3,121)	(6,712)
Change in expenses liabilities	(8,662)	(2,396)	(2,884)	(6,979)
Tax borne by participants	(3,167)	(7,783)	(14,410)	(16,483)
<b>Other expenses</b>	<b>(201,725)</b>	<b>(172,170)</b>	<b>(730,843)</b>	<b>(704,632)</b>
Share of results of associates	(4,036)	5,556	4,190	12,615
<b>Operating (loss)/profit before surplus attributable to takaful participants, zakat and taxation</b>	<b>(54,349)</b>	<b>(61,487)</b>	<b>90,877</b>	<b>(130,456)</b>
Deficit attributable to takaful participants	89,617	69,299	7,488	99,408
<b>Operating profit/(loss) before zakat and taxation</b>	<b>35,268</b>	<b>7,812</b>	<b>98,365</b>	<b>(31,048)</b>
Zakat	-	750	-	-
Taxation	(10,770)	(12,188)	(28,130)	(7,781)
<b>Net profit/(loss) for the year attributable to equity holders of the Company</b>	<b>24,498</b>	<b>(3,626)</b>	<b>70,235</b>	<b>(38,829)</b>
Basic earnings/(loss) per share attributable to equity holders of the Company (sen):	9.5	(1.7)	27.3	(18.2)

*The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2016*



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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	3 months ended 31 Mar 2017	3 months ended 31 Mar 2016	12 months ended 31 Mar 2017	12 months ended 31 Mar 2016
	RM'000	RM'000	RM'000	RM'000
<b>Net profit/(loss) for the year</b>	24,498	(3,626)	70,235	(38,829)
<b><u>Other comprehensive income/(losses):</u></b>				
<b>Other comprehensive income/(losses) to be reclassified to income statement in subsequent periods:</b>				
Effects of post acquisition foreign exchange translation reserve on investment in associate	(1,418)	(2,016)	14,739	5,587
Effects of foreign exchange translation reserve on investment in subsidiary	(349)	(672)	1,445	142
Net gain/(loss) on AFS financial assets:				
Net gain/(loss) on fair value changes	23,147	34,748	(1,150)	21,863
Realised gain transferred to income statement	5,841	(1,989)	1,330	(7,050)
Deferred tax relating to net gain on AFS financial assets	(364)	(5,772)	(128)	(3,056)
Other comprehensive (income)/losses attributable to participants	(12,932)	(13,006)	2,741	(2,418)
<b>Other comprehensive income not to be reclassified to income statement in subsequent periods:</b>				
Revaluation of land and buildings	1,545	14,580	3,521	16,366
Deferred tax relating to revaluation of land and buildings	321	(1,526)	163	(1,669)
Other comprehensive income attributable to participants	(718)	(8,587)	(2,536)	(10,230)
<b>Total comprehensive profit/(loss) for the year</b>	<b>39,571</b>	<b>12,134</b>	<b>90,360</b>	<b>(19,294)</b>

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017**

	<b>GROUP</b>	
	Unaudited 31 Mar 2017 RM'000	Audited 31 Mar 2016 RM'000
<b>Assets</b>		
Property, plant and equipment	243,591	247,497
Investment properties	7,400	7,400
Intangible assets	17,299	14,824
Deferred tax assets	10,910	15,551
Investment in associates	146,242	128,521
Financial assets:		
Financial assets at fair value through profit or loss ("FVTPL")	123,467	129,096
Held-to-maturity ("HTM") investments	695,427	701,430
Available-for-sale ("AFS") financial assets	3,384,744	2,744,399
Loans and receivables ("LAR")	1,929,073	2,060,905
Reinsurance/retakaful assets	592,304	497,180
Insurance/takaful receivables	308,513	357,012
Tax recoverable	28,375	26,592
Cash and bank balances	99,745	177,313
<b>Total assets</b>	<b>7,587,090</b>	<b>7,107,720</b>
<b>Liabilities and Participants' funds</b>		
Participants' funds	188,010	201,186
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	5,277,742	4,847,518
Insurance/takaful payables	136,523	199,285
Other payables	230,901	194,004
Deferred tax liabilities	2,364	10,791
Provision for taxation	10,946	4,614
Provision for zakat	64	142
<b>Total liabilities and participants' funds</b>	<b>6,166,550</b>	<b>5,777,540</b>
<b>Equity</b>		
Share capital	319,605	213,070
Reserves	1,100,935	1,117,110
<b>Total equity attributable to equity holders of the Company</b>	<b>1,420,540</b>	<b>1,330,180</b>
<b>Total liabilities, participants' funds and equity</b>	<b>7,587,090</b>	<b>7,107,720</b>
Net assets per share (RM)	4.44	6.24

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the Annual Financial Statements for the year ended 31 March 2016*



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

**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	Reserves						Net profit for the year RM'000	Total RM'000
		Non-distributable			Distributable				
Share premium RM'000		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	
Issuance of bonus shares	106,535	(105,051)	-	-	-	(1,484)	-	-	
Total comprehensive income for the year	-	-	16,184	2,793	1,148	-	70,235	90,360	
At 31 March 2017	319,605	-	54,960	6,320	42,814	926,606	70,235	1,420,540	

**CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016**

	<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				
Share premium RM'000		Foreign exchange translation reserve RM'000	AFS reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	-			
At 1 April 2015	213,070	105,051	33,047	(5,812)	37,199	966,919	-	1,349,474	
Total comprehensive income/(loss) for the year	-	-	5,729	9,339	4,467	-	(38,829)	(19,294)	
At 31 March 2016	213,070	105,051	38,776	3,527	41,666	966,919	(38,829)	1,330,180	

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the Annual Financial Statements for the year ended 31 March 2016*



**MNRB HOLDINGS BERHAD** (13487-A)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	<b>GROUP</b>	
	12 months ended 31 Mar 2017	12 months ended 31 Mar 2016
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit/(loss) before surplus transfer, zakat and tax	98,365	(31,048)
Adjustments for:		
Net fair value (gains)/losses on financial assets at FVTPL	(3,302)	4,702
Impairment loss on AFS financial assets	3,147	20,879
Reversal of impairment loss on HTM investments	-	(12)
Revaluation deficits on properties	-	150
Impairment loss on insurance/takaful receivables	8,397	3,954
Reversal of impairment loss on other receivables	(246)	(103)
Depreciation of property, plant and equipment	6,710	8,503
Amortisation of intangible assets	3,002	2,571
Gain on fair value adjustment of investment property	-	(300)
(Gains)/losses on disposal of property, plant and equipment	10	(5)
(Decrease)/increase in gross premium and contribution liabilities	(33,760)	38,979
Interest/profit income	(205,733)	(200,387)
Dividend income	(20,164)	(12,189)
Rental income	(5,787)	(5,885)
Finance cost	18,120	18,231
Net gains on disposal of investments	(1,290)	(8,218)
Net amortisation of premiums on investments	4,470	3,977
Share of results of associates	(4,190)	(12,615)
Loss from operations before changes in operating assets and liabilities	(132,251)	(168,816)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(127,612)	(153,706)
Net purchase from disposal of investments	(355,323)	(191,081)
Decrease in staff loans	1,302	1,509
Decrease/(increase) in insurance/takaful receivables	50,323	(57,048)
Decrease in other receivables	415	18,412
Increase in gross claim and actuarial liabilities	400,297	642,282
Increase in expense liabilities	3,698	6,979
Decrease in participants' funds	(7,090)	(99,408)
(Decrease)/increase in insurance/takaful payables	(62,761)	29,861
Increase in other payables	37,381	23,197
Taxes and zakat paid	(34,605)	(20,178)
Interest/profit received	183,060	183,060
Dividend received	19,731	19,731
Rental received	6,591	6,591
Hibah paid to participants	(916)	(916)
Increase in reinsurance/retakaful assets	(34,322)	(122,527)
Net cash (used in)/generated from operating activities	(52,082)	117,942



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017**

	<b>GROUP</b>	
	12 months ended 31 Mar 2017	12 months ended 31 Mar 2016
	RM'000	RM'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,902)	(2,162)
Purchase of intangible assets	(5,480)	(3,198)
Proceeds from disposal of intangible assets	3	114
Proceeds from disposal of property, plant and equipment	13	146
Net cash used in investing activities	<b>(7,366)</b>	<b>(5,100)</b>
<b>Cash flows from financing activities</b>		
Finance cost paid	(18,120)	(18,231)
Net cash used in financing activities	<b>(18,120)</b>	<b>(18,231)</b>
<b>Cash and bank balances</b>		
Net decrease during the year	(77,568)	94,611
At the beginning of the year	177,313	82,702
<b>At the end of the year</b>	<b>99,745</b>	<b>177,313</b>

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

**A1. Basis of preparation**

The interim financial report should be read in conjunction with the Group's most recent audited financial statements for the year ended 31 March 2016.

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 year ended 31 March 2016 except for the adoption of the following accounting standard and amendments/improvements to Malaysian Financial Reporting Standards ("MFRSs") issued by MASB that are effective for the Group's financial year beginning 1 April 2016:

*MFRS 14 Regulatory Deferral Accounts*

*Amendments to MFRS 10, MFRS 12 and MFRS 128 Investment Entities: Applying the Consolidation Exception*

*Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations*

*Amendments to MFRS 101 Disclosure Initiative*

*Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation*

*Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants*

*Amendments to MFRS 127 Equity Method in Separate Financial Statements*

*Annual Improvements to MFRS 2012 - 2014 Cycle*

The adoption of the above accounting standard and amendments/improvements to MFRSs does not have any material impact on the financial statements of the Group and of the Company.

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

The auditors' report on the audited financial statements for the financial year ended 31 March 2016 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

During the financial year ended 31 March 2017, 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 2017.

**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 22 March 2017, the Company made a drawdown of RM200 million from the revolving credit facility obtained from AmBank (M) Berhad. The proceeds from the drawdown were fully utilised towards redeeming the Islamic Commodity Murabahah Facility of the same amount from Standard Chartered Saadiq Berhad.





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

**A7. Dividend paid**

No dividend was paid during the fourth quarter ended 31 March 2017.

**A8. Segmental reporting**

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	1,396,059	1,117,827	28,622		2,543,655
Inter-segment	34,469	2,312	723	264	(37,768)	-
	<b>35,616</b>	<b>1,398,371</b>	<b>1,118,550</b>	<b>28,886</b>	<b>(37,768)</b>	<b>2,543,655</b>
<b>Results</b>						
<b>Segment results</b>	<b>(17,713)</b>	<b>102,491</b>	<b>(5,935)</b>	<b>10,536</b>	<b>(2,692)</b>	<b>86,687</b>
Share of results of associates	369	3,821	-	-	-	4,190
<b>Operating (loss)/profit before surplus attributable to takaful participants, zakat and taxation</b>	<b>(17,344)</b>	<b>106,312</b>	<b>(5,935)</b>	<b>10,536</b>	<b>(2,692)</b>	<b>90,877</b>
Surplus attributable to takaful participants	-	-	7,090	398	-	7,488
<b>Operating (loss)/profit before zakat and taxation</b>	<b>(17,344)</b>	<b>106,312</b>	<b>1,155</b>	<b>10,934</b>	<b>(2,692)</b>	<b>98,365</b>
Zakat and taxation	295	(18,025)	(10,436)	36	-	(28,130)
<b>Net (loss)/profit for the year attributable to equity holders of the Company</b>	<b>(17,049)</b>	<b>88,287</b>	<b>(9,281)</b>	<b>10,970</b>	<b>(2,692)</b>	<b>70,235</b>

Financial year ended 31 March 2016

	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	3,988	1,476,627	1,009,385	26,431	-	2,516,431
Inter-segment	140,960	2,856	927	1,611	(146,354)	-
	<b>144,948</b>	<b>1,479,483</b>	<b>1,010,312</b>	<b>28,042</b>	<b>(146,354)</b>	<b>2,516,431</b>
<b>Results</b>						
<b>Segment results</b>	<b>90,096</b>	<b>7,369</b>	<b>(129,987)</b>	<b>(462)</b>	<b>(110,087)</b>	<b>(143,071)</b>
Share of results of associates	185	12,430	-	-	-	12,615
<b>Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation</b>	<b>90,281</b>	<b>19,799</b>	<b>(129,987)</b>	<b>(462)</b>	<b>(110,087)</b>	<b>(130,456)</b>
Deficit/(surplus) attributable to takaful participants	-	-	99,408	-	-	99,408
<b>Operating profit/(loss) before zakat and taxation</b>	<b>90,281</b>	<b>19,799</b>	<b>(30,579)</b>	<b>(462)</b>	<b>(110,087)</b>	<b>(31,048)</b>
Zakat and taxation	725	(4,255)	(4,251)	-	-	(7,781)
<b>Net profit/(loss) for the year attributable to equity holders of the Company</b>	<b>91,006</b>	<b>15,544</b>	<b>(34,830)</b>	<b>(462)</b>	<b>(110,087)</b>	<b>(38,829)</b>



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

**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 2017, the Group had revalued all of its self-occupied and investment properties. The resultant revaluation surplus of RM1.1 million for self-occupied properties was recognised in other comprehensive income and accumulated in equity as revaluation reserve. There were no changes in the fair value of the Group's investment properties.

**A10. Significant events**

There were no significant events during the financial year ended 31 March 2017.

**A11. Subsequent events**

There were no significant subsequent events from 31 March 2017 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 2017.

**A13. Capital Commitments**

The amount of capital commitments of the Group as at 31 March 2017 were as follows:

Authorised and contracted for:

- Intangible assets\*

\* Relating to purchases and enhancement of computer systems.

**RM'000**

14,923



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

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

**(i) Unaudited 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	127,813	-	-	-	-	115,778	243,591
Investment properties	7,400	-	115,778	-	-	(115,778)	7,400
Intangible assets	17,299	-	-	-	-	-	17,299
Deferred tax assets	9,760	3,097	-	-	-	(1,947)	10,910
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,614	-	-	-	-	68,628	146,242
Financial assets at fair value							
through profit or loss ("FVTPL")	761	898	121,808	-	-	-	123,467
Held-to-maturity ("HTM") investments	261,385	71,746	331,689	19,143	12,464	(1,000)	695,427
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")	1,305,481	118,207	595,431	45,187	7,889	(143,122)	1,929,073
Reinsurance/retakaful assets	350,440	150,955	63,566	20,989	6,354	-	592,304
Insurance/takaful receivables	193,103	37,422	61,810	7,518	8,660	-	308,513
Tax recoverable	28,360	-	-	23	5	(13)	28,375
Cash and bank balances	39,676	10,519	49,364	146	40	-	99,745
<b>Total assets</b>	<b>4,917,279</b>	<b>619,605</b>	<b>2,833,234</b>	<b>110,755</b>	<b>40,583</b>	<b>(934,366)</b>	<b>7,587,090</b>
<b>Liabilities and Participants' funds</b>							
Participants' funds	-	122,496	67,218	3,502	2,808	(8,014)	188,010
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,162,882	403,296	2,621,170	85,653	11,273	(6,532)	5,277,742
Insurance/takaful payables	95,219	27,591	332	8,125	5,256	-	136,523
Other payables	126,258	60,965	140,746	13,475	21,246	(131,789)	230,901
Deferred tax liabilities	2,364	-	1,411	-	-	(1,411)	2,364
Provision for taxation	3,345	5,257	2,357	-	-	(13)	10,946
Provision for zakat	64	-	-	-	-	-	64
<b>Total liabilities and participants' funds</b>	<b>2,711,132</b>	<b>619,605</b>	<b>2,833,234</b>	<b>110,755</b>	<b>40,583</b>	<b>(148,759)</b>	<b>6,166,550</b>
<b>Equity</b>							
Share capital	1,233,105	-	-	-	-	(913,500)	319,605
Reserves	973,042	-	-	-	-	127,893	1,100,935
<b>Total equity attributable to equity holders of the Parent</b>	<b>2,206,147</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(785,607)</b>	<b>1,420,540</b>
<b>Total liabilities, participants' funds and equity</b>	<b>4,917,279</b>	<b>619,605</b>	<b>2,833,234</b>	<b>110,755</b>	<b>40,583</b>	<b>(934,366)</b>	<b>7,587,090</b>



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

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

(ii) As at 31 March 2016

	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	131,839	-	-	-	-	115,658	247,497
Investment properties	7,400	-	115,658	-	-	(115,658)	7,400
Intangible assets	14,824	-	-	-	-	-	14,824
Deferred tax assets	8,664	1,638	-	67	-	5,182	15,551
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,615	-	-	-	-	50,906	128,521
Financial assets at fair value through profit or loss ("FVTPL")	862	773	127,174	279	8	-	129,096
Held-to-maturity ("HTM") investments	261,988	71,845	336,957	19,177	12,463	(1,000)	701,430
Available-for-sale ("AFS") financial assets	1,299,927	196,954	1,223,635	26,199	11,389	(13,705)	2,744,399
Loans and receivables ("LAR")	1,471,651	88,156	504,537	35,750	10,774	(49,963)	2,060,905
Reinsurance/retakaful assets	305,621	127,454	33,098	24,209	6,798	-	497,180
Insurance/takaful receivables	272,925	29,449	45,104	4,779	6,344	(1,589)	357,012
Tax recoverable	26,592	-	-	-	-	-	26,592
Cash and bank balances	32,623	26,846	117,735	74	35	-	177,313
<b>Total assets</b>	<b>4,756,236</b>	<b>543,115</b>	<b>2,503,898</b>	<b>110,534</b>	<b>47,811</b>	<b>(853,874)</b>	<b>7,107,720</b>
<b>Liabilities and Participants' funds</b>							
Participants' funds	-	94,058	108,223	4,149	17,550	(22,794)	201,186
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,098,230	378,049	2,263,314	87,119	12,399	8,407	4,847,518
Insurance/takaful payables	106,185	24,305	48,366	9,473	12,545	(1,589)	199,285
Other payables	89,605	45,841	82,095	9,793	5,298	(38,628)	194,004
Deferred tax liabilities	3,490	-	1,895	-	19	5,387	10,791
Provision for taxation	3,747	862	5	-	-	-	4,614
Provision for zakat	142	-	-	-	-	-	142
<b>Total liabilities and participants' funds</b>	<b>2,622,399</b>	<b>543,115</b>	<b>2,503,898</b>	<b>110,534</b>	<b>47,811</b>	<b>(50,217)</b>	<b>5,777,540</b>
<b>Equity</b>							
Share capital	1,126,570	-	-	-	-	(913,500)	213,070
Reserves	1,007,267	-	-	-	-	109,843	1,117,110
<b>Total equity attributable to equity holders of the Parent</b>	<b>2,133,837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(803,657)</b>	<b>1,330,180</b>
<b>Total liabilities, participants' funds and equity</b>	<b>4,756,236</b>	<b>543,115</b>	<b>2,503,898</b>	<b>110,534</b>	<b>47,811</b>	<b>(853,874)</b>	<b>7,107,720</b>



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

**A15. Unaudited Condensed Consolidated Income Statement by Insurance Funds**

**(i) 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	687,781	10,406	11,102	(4,895)	2,338,829
Premiums/contributions ceded to reinsurers and retakaful operators	(133,829)	(128,412)	(79,518)	(2,724)	(7,874)	739	(351,618)
<b>Net earned premiums/contributions</b>	<b>1,188,736</b>	<b>183,458</b>	<b>608,263</b>	<b>7,682</b>	<b>3,228</b>	<b>(4,156)</b>	<b>1,987,211</b>
Investment income	120,256	14,739	97,666	2,908	1,165	(9,553)	227,181
Realised gains and losses	(866)	(171)	2,578	(217)	(44)	-	1,280
Fair value gains and losses	(346)	(200)	388	322	111	(120)	155
Fee and commission income	368,139	28,541	3,735	485	-	(344,928)	55,972
Other operating revenue	36,027	-	15,160	876	6	(16,257)	35,812
<b>Other revenue</b>	<b>523,210</b>	<b>42,909</b>	<b>119,527</b>	<b>4,374</b>	<b>1,238</b>	<b>(370,858)</b>	<b>320,400</b>
Gross claims and benefit paid	(826,405)	(149,197)	(238,474)	(9,923)	(11,049)	1,538	(1,233,510)
Claims ceded to reinsurers/retakaful operators	46,946	59,707	(5,593)	1,248	7,637	(1,538)	108,407
Gross change in contract liabilities	(40,360)	(21,897)	(357,856)	3,750	1,127	14,939	(400,297)
Change in contract liabilities ceded to reinsurers/retakaful operators	(12,497)	21,158	30,468	(3,365)	(445)	-	35,319
<b>Net claims and benefits</b>	<b>(832,316)</b>	<b>(90,229)</b>	<b>(571,455)</b>	<b>(8,290)</b>	<b>(2,730)</b>	<b>14,939</b>	<b>(1,490,081)</b>
Fee and commission expenses	(441,058)	(102,694)	(205,110)	(3,512)	(459)	308,981	(443,852)
Management expenses	(318,407)	6,905	18,768	-	-	44,277	(248,457)
Finance cost	(18,169)	-	-	-	-	50	(18,119)
Other operating expenses	(2,245)	(250)	-	(876)	-	250	(3,121)
Changes in expenses liabilities	(2,884)	-	-	-	-	-	(2,884)
Tax borne by participants	-	(6,631)	(7,804)	15	-	10	(14,410)
<b>Other expenses</b>	<b>(782,763)</b>	<b>(102,670)</b>	<b>(194,146)</b>	<b>(4,373)</b>	<b>(459)</b>	<b>353,568</b>	<b>(730,843)</b>
Share of results of associates	-	-	-	-	-	4,190	4,190
<b>Operating profit/(loss) before surplus/attributable to takaful participants, zakat and taxation</b>	<b>96,867</b>	<b>33,468</b>	<b>(37,811)</b>	<b>(607)</b>	<b>1,277</b>	<b>(2,317)</b>	<b>90,877</b>
(Surplus)/deficit attributable to takaful participants	-	(33,468)	37,811	607	(1,277)	3,815	7,488
<b>Operating profit/(loss) before zakat and taxation</b>	<b>96,867</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,498</b>	<b>98,365</b>
Zakat	-	-	-	-	-	-	-
Taxation	(28,130)	-	-	-	-	-	(28,130)
<b>Net profit/(loss) for the year attributable to equity holders of the Parent</b>	<b>68,737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,498</b>	<b>70,235</b>



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

**A15. Unaudited Condensed Consolidated Income Statement by Insurance Funds (Cont'd.)**

**(ii) 12 months ended 31 March 2016**

	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	1,341,514	281,963	615,104	12,952	12,093	3,248	2,266,874
Premiums/contributions ceded to reinsurers and retakaful operators	(135,009)	(107,764)	(63,279)	(2,089)	(8,471)	(8,283)	(324,895)
<b>Net earned premiums/contributions</b>	<b>1,206,505</b>	<b>174,199</b>	<b>551,825</b>	<b>10,863</b>	<b>3,622</b>	<b>(5,035)</b>	<b>1,941,979</b>
Investment income	226,318	12,838	85,396	3,126	1,473	(117,036)	212,115
Realised gains and losses	3,549	498	4,119	41	16	-	8,223
Fair value gains and losses	(18,158)	(1,707)	3,341	(68)	(91)	(8,736)	(25,419)
Fee and commission income	267,137	28,370	-	82	74	(253,429)	42,234
Other operating revenue	12,122	-	-	524	32	955	13,633
<b>Other revenue</b>	<b>490,968</b>	<b>39,999</b>	<b>92,856</b>	<b>3,705</b>	<b>1,504</b>	<b>(378,246)</b>	<b>250,786</b>
Gross claims and benefit paid	(773,483)	(140,220)	(271,589)	(28,457)	(7,268)	(8,738)	(1,229,755)
Claims ceded to reinsurers/retakaful operators	50,925	57,164	11,749	3,849	4,540	8,738	136,965
Gross change in contract liabilities	(269,384)	(29,918)	(360,300)	19,356	16,371	(18,407)	(642,282)
Change in contract liabilities ceded to reinsurers/retakaful	95,579	10,486	2,882	(4,617)	(462)	-	103,868
<b>Net claims and benefits</b>	<b>(896,363)</b>	<b>(102,488)</b>	<b>(617,258)</b>	<b>(9,869)</b>	<b>13,181</b>	<b>(18,407)</b>	<b>(1,631,204)</b>
Fee and commission expense	(440,427)	(65,450)	(147,810)	(3,400)	(789)	214,854	(443,022)
Management expenses	(265,936)	3,232	1,353	-	-	48,146	(213,205)
Finance cost	(18,260)	-	-	-	-	29	(18,231)
Other operating expenses	(3,084)	(1,848)	(415)	(409)	(1)	(955)	(6,712)
Changes in expenses liabilities	(6,979)	-	-	-	-	-	(6,979)
Tax borne by participants	-	(10,326)	(6,857)	-	-	700	(16,483)
<b>Other expenses</b>	<b>(734,686)</b>	<b>(74,392)</b>	<b>(153,729)</b>	<b>(3,809)</b>	<b>(790)</b>	<b>262,774</b>	<b>(704,632)</b>
Share of results of associates	-	-	-	-	-	12,615	12,615
<b>Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation</b>	<b>66,424</b>	<b>37,318</b>	<b>(126,306)</b>	<b>890</b>	<b>17,517</b>	<b>(126,299)</b>	<b>(130,456)</b>
(Surplus)/deficit attributable to takaful participants	-	(37,318)	126,306	(890)	(17,517)	28,827	99,408
<b>Operating profit/(loss) before zakat and taxation</b>	<b>66,424</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(97,472)</b>	<b>(31,048)</b>
Zakat	-	-	-	-	-	-	-
Taxation	(7,781)	-	-	-	-	-	(7,781)
<b>Net profit/(loss) for the year attributable to equity holders of the Parent</b>	<b>58,643</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(97,472)</b>	<b>(38,829)</b>



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE  
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**B1. Review of performance**

For the financial year ended 31 March 2017, the Group recorded a revenue of RM2.54 billion as compared to RM2.52 billion reported last year. This was mainly due to higher gross contributions by the Company's takaful subsidiary.

The Group's net profit for the financial year ended 31 March 2017 was RM70.2 million, higher by RM109.0 million as compared to RM38.8 million net loss reported last year. This was mainly attributable to the improvement in the results of the Company's reinsurance subsidiary.

Investment holding

Revenue for the financial year ended 31 March 2017 of RM35.6 million was lower by RM109.3 million or 75.4% as compared to RM144.9 million reported last year.

Net loss reported for the financial year ended 31 March 2017 was RM17.0 million as compared to a net profit of RM91.0 million last year.

The lower revenue and the net loss reported were mainly due to no dividend income received from the Company's subsidiaries.

Reinsurance business

Revenue for reinsurance business for the financial year ended 31 March 2017 decreased by 5.5% from RM1.48 billion to RM1.40 billion. The decrease was mainly due to the lower gross premiums from international business as a result of conscious effort to withdraw from certain business segments.

Net profit for the financial year ended 31 March 2017 improved from a net profit of RM15.5 million to RM88.3 million as a result of higher underwriting surplus.

Takaful business

Revenue for takaful business for the financial year ended 31 March 2017 increased by 10.7% from RM1.01 billion to RM1.12 billion. This was mainly due to higher gross contributions achieved by the takaful subsidiary.

The takaful subsidiary recorded a lower net loss of RM9.3 million in the financial year ended 31 March 2017 as compared to a net loss of RM34.8 million in the previous year. Despite the improvement in business, the takaful subsidiary suffered a net loss due to reclassification of certain expenses of the takaful funds to the shareholder's fund.

Retakaful business

Revenue for retakaful business for the financial year ended 31 March 2017 was higher by 3.0% from RM28.0 million to RM28.9 million, mainly due to the new businesses from retakaful division of reinsurance subsidiary.

The retakaful business recorded a net profit of RM11.0 million in the financial year ended 31 March 2017 as compared to a loss of RM0.5 million in the previous financial year mainly due to the partial writeback of Qard impairment.



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

The Group recorded a higher net profit of RM24.5 million in the current quarter as compared to RM7.6 million in the preceding quarter as a result of improvement in the results of the Company's reinsurance subsidiary.

**B3. Current year prospects**

The Group is expected to achieve better results for the current financial year ending 31 March 2018 as compared to the financial year under review.

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

There was no profit forecast issued by the Group during the financial year ended 31 March 2017.

**B5. Taxation**

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	<b>3 months ended 31 Mar 2017 RM'000</b>	<b>3 months ended 31 Mar 2016 RM'000</b>	<b>12 months ended 31 Mar 2017 RM'000</b>	<b>12 months ended 31 Mar 2016 RM'000</b>
Operating profit before zakat and tax	35,268	7,812	98,365	(31,048)
Current tax	(23,495)	(8,029)	(30,303)	(10,232)
Deferred tax	4,046	(5,807)	2,173	2,451
Zakat	(19,449)	(13,836)	(28,130)	(7,781)
	452	500	-	-
	(18,997)	(13,336)	(28,130)	(7,781)
Net profit	16,271	(5,524)	70,235	(38,829)
Effective tax rate	55.1%	177.1%	28.6%	25.1%

The effective tax rate for the financial year ended 31 March 2017 was higher than the statutory tax rate mainly due to some of the management expenses of the Company's takaful subsidiary, which are not claimable as tax deduction.

**B6. Status of corporate proposals**

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





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**B7. Borrowings and debt securities**

The Group borrowings as at 31 March 2017 were as follows:

	<b>GROUP 31 Mar 2017 RM'000</b>
Unsecured long term borrowings:	
RM200.0 million Revolving Credit Facility due in 2018	200,000
RM120.0 million Sukuk Mudharabah Programme due in 2017	120,000
	<b>320,000</b>

On 17 March 2017, the Company executed a RM320 million revolving credit facility agreement with AmBank (M) Berhad ("AmBank"). The said facility carries a floating interest rate that is reviewed quarterly, is unsecured and has a tenure of 18 months, with the option to extend for another 6 months. The facility shall be fully utilised to refinance the Company's existing borrowings

On 22 March 2017, the Company made a drawdown of RM200 million from the facility. The proceeds from the drawdown were fully utilised towards redeeming the Islamic Commodity Murabahah Facility of the same amount from Standard Chartered Saadiq Berhad.

**B8. Off balance sheet financial instruments**

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

**B9. Material litigation**

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

**B10. Dividends**

No dividends were paid or declared to date for the financial year ended 31 March 2017.



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**B11. Earnings/(loss) per share**

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

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	<b>3 months ended 31 Mar 2017</b>	<b>3 months ended 31 Mar 2016</b>	<b>12 months ended 31 Mar 2017</b>	<b>12 months ended 31 Mar 2016</b>
Net profit/(loss) for the year (RM'000)	24,498	(3,626)	70,235	(38,829)
Number of ordinary shares in issue ('000)	257,460*	213,070	257,460*	213,070
Basic earnings/(loss) per share (sen)	9.5	(1.7)	27.3	(18.2)

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

The Group has no potential dilutive ordinary shares in issue as at the end of the financial year and therefore, diluted earnings per share has not been presented.

**B12. Additional disclosures for the income statement**

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	<b>3 months ended 31 Mar 2017 RM'000</b>	<b>3 months ended 31 Mar 2016 RM'000</b>	<b>12 months ended 31 Mar 2017 RM'000</b>	<b>12 months ended 31 Mar 2016 RM'000</b>
Interest/profit income	54,239	59,058	205,733	200,387
Dividend income	3,518	(2,775)	20,164	12,189
Rental income	73	880	5,787	5,885
Finance cost	(5,390)	(4,584)	(18,922)	(18,231)
Net (loss)/gain on disposal of investments	(3,344)	1,986	1,290	8,218
Depreciation and amortisation	(1,443)	(2,973)	(9,712)	(11,074)
Impairment loss on insurance/takaful receivables	(9,130)	(9,371)	(8,397)	(3,954)
Reversal of impairment loss/(impairment loss) on investments	8,551	(2,613)	(3,147)	(20,879)

Other than the above, there were no gain or loss on derivatives and exceptional items reported during the financial year ended 31 March 2017.

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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE  
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**B13. Disclosure of realised and unrealised profits**

As required by Bursa Securities, the breakdown of the retained profits of the Group as at 31 March 2017, into realised and unrealised profits, was as follows:

	<b>GROUP</b>	
	<b>31 Mar 2017</b>	<b>31 Mar 2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Group:		
Realised	1,062,322	991,375
Unrealised	5,690	6,509
	1,068,012	997,884
Share of realised retained profits from associated companies	13,349	9,159
	1,081,361	1,007,043
Less: Consolidation adjustments	(84,520)	(78,953)
Total retained profits per the statement of changes in equity	996,841	928,090

The determination of realised and unrealised profits is compiled 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 BTE ABD LATIF (LS 8766)**  
**Company Secretaries**

**Kuala Lumpur**  
**Dated: 30 May 2017**