



Bursa Announcement

Third Quarter Ended 31 December 2018



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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2018

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 December 2018	3 months ended 31 December 2017	9 months ended 31 December 2018	9 months ended 31 December 2017
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	500,114	541,788	1,457,304	1,673,863
Premiums/contributions ceded to reinsurers and retakaful operators	(74,846)	(80,160)	(210,980)	(229,004)
Net earned premiums/contributions	425,268	461,628	1,246,324	1,444,859
Investment income	69,198	63,290	199,680	183,128
Realised gains	149	2,118	3,763	4,259
Fair value (losses)/gains	(7,763)	1,279	(20,058)	15,295
Fee and commission income	12,265	19,630	28,967	27,716
Other operating revenue	(17,076)	(7,465)	10,150	17,725
Other revenue	56,773	78,852	222,502	248,123
Gross claims and benefits paid	(310,161)	(325,460)	(948,703)	(879,654)
Claims ceded to reinsurers/retakaful operators	55,514	27,080	103,063	78,189
Gross change in contract liabilities	(23,967)	(18,771)	(155,329)	(166,081)
Change in contract liabilities ceded to reinsurers/retakaful operators	4,565	20,956	117,914	(28,495)
Net claims and benefits	(274,049)	(296,195)	(883,055)	(996,041)
Fee and commission expense	(104,757)	(131,244)	(293,175)	(313,532)
Management expenses	(58,472)	(36,182)	(161,732)	(171,110)
Finance cost	(4,070)	(3,749)	(12,193)	(11,154)
Other operating expenses	(2,387)	(8,076)	(9,802)	(18,706)
Change in expenses liabilities	(613)	4,051	3,780	5,372
Tax borne by participants	423	(2,458)	(5,498)	(7,614)
Other expenses	(169,876)	(177,658)	(478,620)	(516,744)
Share of results of associates	(20,346)	(1,672)	(23,284)	4,537
Operating profit before surplus attributable to takaful participants, zakat and taxation	17,770	64,955	83,867	184,734
Surplus attributable to takaful participants	(41,228)	(7,640)	(40,348)	(33,008)
Operating (loss)/profit before zakat and taxation	(23,458)	57,315	43,519	151,726
Zakat	(232)	-	(445)	-
Taxation	11,186	(21,091)	(7,602)	(44,343)
Net (loss)/profit for the period attributable to equity holders of the Company	(12,504)	36,224	35,472	107,383
Basic and diluted (loss)/earnings per share attributable to equity holders of the Company (sen):	(3.2)	11.3	8.9	33.6

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



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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2018

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 December 2018	3 months ended 31 December 2017	9 months ended 31 December 2018	9 months ended 31 December 2017
	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit for the period	(12,504)	36,224	35,472	107,383
Other comprehensive income/(losses):				
Other comprehensive (losses)/income to be reclassified to income statement in subsequent years:				
Effects of post acquisition foreign exchange translation reserve on investment in associate	(5)	(5,391)	10,640	(13,547)
Effects of foreign exchange translation reserve on investment in subsidiary	(11)	(394)	733	(924)
Net gain/(loss) on financial assets at FVOCI:				
Net gain/ (loss) on fair value changes	(23,719)	-	20,577	-
Realised (loss)/gain transferred to income statement	(168)	-	(616)	-
Deferred tax relating to net (gain)/loss on financial assets at FVOCI	(9,385)	-	(9,674)	-
Other comprehensive(loss)/income attributable to participants.	(229)	-	(898)	-
Items that may be subsequently reclassified to profit or loss:				
Net gain/ (loss) on fair value changes	-	(4,214)	-	(1,024)
Realised gain/(loss) transferred to income statement	-	659	-	(1,482)
Deferred tax on fair value changes	-	56	-	740
Other comprehensive losses attributable to participants	-	2,642	-	2,212
Other comprehensive income not to be reclassified to income statement in subsequent years:				
Revaluation of land and buildings	691	674	2,072	2,023
Deferred tax relating to revaluation of land and buildings	(346)	(54)	(167)	(162)
Other comprehensive income attributable to participants	(635)	(620)	(1,905)	(1,861)
Total comprehensive (losses)/income for the period	(46,311)	29,581	56,234	93,358

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



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	GROUP	
	Unaudited 31 December 2018 RM'000	Audited 31 March 2018 RM'000
Assets		
Property, plant and equipment	240,126	240,744
Intangible assets	38,134	32,131
Deferred tax assets	11,990	18,343
Investment in associates	128,094	139,009
Financial assets:		
Financial assets at fair value through profit or loss ("FVTPL")	2,811,311	116,127
Financial assets at fair value through other comprehensive income ("FVOCI")	2,062,793	-
Financial assets at amortised costs ("AC")	2,219,562	-
Held-to-maturity ("HTM") investments	-	644,254
Available-for-sale ("AFS") financial assets	-	3,741,196
Loans and receivables ("LAR")	-	1,937,263
Reinsurance/retakaful assets	502,690	478,253
Insurance/takaful receivables	338,961	418,304
Tax recoverable	40,682	27,277
Cash and bank balances	134,666	142,099
Total assets	8,529,009	7,935,000
Liabilities and Participants' funds		
Participants' funds	298,169	247,862
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	5,374,213	5,319,945
Insurance/takaful payables	182,632	270,444
Other payables	305,396	225,745
Deferred tax liabilities	-	10,684
Provision for taxation	13,335	1,709
Provision for zakat	1,038	610
Total liabilities and participants' funds	6,494,783	6,396,999
Equity		
Share capital	722,306	319,605
Reserves	1,311,920	1,218,396
Total equity attributable to equity holders of the Company	2,034,226	1,538,001
Total liabilities, participants' funds and equity	8,529,009	7,935,000
Net assets per share (RM)	2.81	4.81

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



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

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2018**

	GROUP							
	Attributable to Equity Holders of the Company							
	Share capital RM'000	Reserves				Retained profits brought forward RM'000	Net profit RM'000	Total RM'000
		Non-distributable		Distributable				
Foreign exchange translation reserve RM'000		Fair value reserve RM'000	Revaluation reserve RM'000					
At 1 April 2018, as previously stated	319,605	34,898	1,205	43,652	1,138,641	-	1,538,001	
Impact of adopting MFRS 9	-	-	29,592	-	-	7,698	37,290	
At 1 April 2018, as restated	319,605	34,898	30,797	43,652	1,138,641	7,698	1,575,291	
Issuance of rights share	402,701	-	-	-	-	-	402,701	
Total comprehensive income/(loss) for the year	-	11,373	9,389	-	-	35,472	56,234	
At 31 December 2018	722,306	46,271	40,186	43,652	1,138,641	43,170	2,034,226	

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2017**

	GROUP							
	Attributable to Equity Holders of the Company							
	Share capital RM'000	Reserves				Retained profits brought forward RM'000	Net profit RM'000	Total RM'000
		Non-distributable		Distributable				
Foreign exchange translation reserve RM'000		AFS reserve RM'000	Revaluation reserve 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	-	(14,470)	446	-	-	107,383	93,358	
At 31 December 2017	319,605	41,226	4,105	42,730	997,776	107,383	1,512,824	

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



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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2018

	GROUP	
	9 months ended 31 December 2018	9 months ended 31 December 2017
	RM'000	RM'000
Cash flows from operating activities		
Profit before surplus transfer, zakat and tax	43,519	151,726
Adjustments for:		
Net fair value gains on financial assets at FVTPL	(9,852)	(1,859)
Reversal of impairment losses on AFS financial assets	-	(13,436)
Unrealised currency transaction loss	8,029	-
Impairment losses/(reversal of impairment losses) on other receivables	8,098	(10,675)
Depreciation of property, plant and equipment	5,165	5,497
Amortisation of intangible assets	3,904	2,727
Gains on disposal of property, plant and equipment	(31)	-
Increase/(decrease) in gross premium and contribution liabilities	2,709	(28,424)
(Decrease)/increase in reinsurance and retakaful assets	(41,798)	40,910
Interest/profit income	(61,528)	(177,146)
Dividend income	(3,280)	(6,114)
Rental income	(4,108)	(3,831)
Finance cost	12,193	11,156
Net gains on disposal of investments	(2,497)	(4,259)
Net amortisation of premiums on investments	3,975	3,841
Share of results of associates	23,284	(4,537)
Loss from operations before changes in operating assets and liabilities	(12,219)	(34,424)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(271,307)	(129,050)
Net purchase of investments	(365,018)	(198,047)
(Increase)/decrease in staff loans	(852)	1,795
Decrease/(increase) in insurance/takaful receivables	36,540	(94,950)
(Increase)/decrease in other receivables	(55,147)	33,919
Increase in gross claim liabilities, actuarial liabilities and unallocated surplus	82,322	182,112
Decrease in expense liabilities	(3,780)	(5,372)
Increase/(decrease) in participants' funds	55,191	(63,767)
(Decrease)/increase in insurance/takaful payables	(69,070)	99,030
Increase in other payables	151,935	67,000
Taxes and zakat paid	(37,660)	(29,805)
Interest/profit received	94,697	165,425
Dividend received	5,371	6,851
Rental received	3,985	3,735
Net cash (used in)/generated from operating activities	(385,012)	4,452



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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2018 (CONT'D.)

	GROUP	
	9 months ended 31 December 2018	9 months ended 31 December 2017
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,984)	(451)
Purchase of intangible assets	(9,907)	(4,835)
Net cash used in investing activities	(12,891)	(5,286)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	402,701	-
Finance cost paid	(12,231)	(11,384)
Net cash generated from/(used in) financing activities	390,470	(11,384)
Cash and bank balances		
Net decrease during the period	(7,433)	(12,218)
At the beginning of the year	142,099	99,905
At the end of the period	134,666	87,687

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



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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 2018.

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

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

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

MFRS 9 Financial Instruments

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

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

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

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

(i) Classification and measurement

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

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

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

(ii) Impairment

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



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PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation (cont'd.)

MFRS 9 Financial Instruments (cont'd.)

(ii) Impairment (cont'd.)

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

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

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

- Mapping of external credit rating models

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

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

- Derivation of probability of default

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

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

- ECL measurement

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

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

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

Impairment of insurance/takaful receivables

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

(iii) Hedge accounting

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

The Group does not have any significant impact to the financial statements on applying the hedge accounting.



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PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation (cont'd.)

MFRS 9 Financial Instruments (cont'd.)

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

	Classifications			
	31 March 2018	and measurement	Expected credit losses	
	RM '000	RM '000	RM '000	RM '000
Assets				
Property, plant and equipment	240,744	-	-	240,744
Intangible assets	32,131	-	-	32,131
Deferred tax assets	18,343	21	-	18,364
Investments in associates	139,009	-	-	139,009
Financial assets at fair value through profit or loss ("FVTPL")	116,127	2,497,950	-	2,614,077
Financial assets at fair value through other comprehensive income ("FVOCI")	-	1,933,198	(41)	1,933,157
Financial assets at amortised costs ("AC")	-	1,937,263	-	1,937,263
Held-to-maturity ("HTM") investments	644,254	(644,254)	-	-
Available-for-sale ("AFS") financial assets	3,741,196	(3,741,196)	-	-
Loans and receivables ("LAR")	1,937,263	(1,937,263)	-	-
Reinsurance/retakaful assets	478,253	-	-	478,253
Insurance/takaful receivables	418,304	-	(4,964)	413,340
Tax recoverable	27,277	-	-	27,277
Cash and bank balances	142,099	-	-	142,099
Total assets	7,935,000	45,719	(5,005)	7,975,714
Liabilities and Participants' funds				
Participants' funds	247,862	(1,136)	(2,848)	243,878
Borrowings	320,000	-	-	320,000
Insurance/takaful contract liabilities	5,319,945	-	-	5,319,945
Insurance/takaful payables	270,444	-	-	270,444
Other payables	225,745	-	-	225,745
Deferred tax liabilities	10,684	-	-	10,684
Provision for taxation	1,709	-	-	1,709
Provision for zakat	610	-	-	610
Total liabilities and participants' funds	6,396,999	(1,136)	(2,848)	6,393,015
Equity				
Share capital	319,605	-	-	319,605
Reserves	1,218,396	46,855	(2,157)	1,263,094
Total equity attributable to equity holders of the Holding Company	1,538,001	46,855	(2,157)	1,582,699
Total liabilities, participants' funds and equity	7,935,000	45,719	(5,005)	7,975,714



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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 2018 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial period ended 31 December 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 period ended 31 December 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

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

A7. Dividend paid

No dividend was paid during the third quarter ended 31 December 2018.

A8. Segmental reporting

Financial period ended 31 December 2018

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue							
External	1,637	925,072	707,783	30,404	7,076	-	1,671,972
Inter-segment	59,929	1,146	-	40	-	(61,115)	-
	61,566	926,218	707,783	30,444	7,076	(61,115)	1,671,972
Results							
Segment results	24,568	32,509	72,584	2,443	21	(24,974)	107,151
Share of results of associates	244	(23,528)	-	-	-	-	(23,284)
Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation	24,812	8,981	72,584	2,443	21	(24,974)	83,867
Surplus attributable to takaful participants	-	-	(40,348)	-	-	-	(40,348)
Operating profit/ (loss) before zakat and taxation	24,812	8,981	32,236	2,443	21	(24,974)	43,519
Zakat and taxation	(1,691)	(2,914)	(3,197)	(245)	-	-	(8,047)
Net profit/ (loss) for the period attributable to equity holders of the Company	23,121	6,067	29,039	2,198	21	(24,974)	35,472

Financial period ended 31 December 2017

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue							
External	2,843	1,036,790	766,921	27,424	9,010	-	1,842,988
Inter-segment	25,222	954	723	-	-	(26,574)	325
	28,065	1,037,744	767,644	27,424	9,010	(26,574)	1,843,313
Results							
Segment results	(9,684)	99,434	70,185	7,829	40	12,391	180,195
Share of results of associates	573	3,964	-	-	-	-	4,537
Operating (loss)/profit before surplus attributable to takaful participants, zakat and taxation	(9,111)	103,398	70,185	7,829	40	12,391	184,732
Surplus attributable to takaful participants	-	-	(33,008)	-	-	-	(33,008)
Operating (loss)/profit before zakat and taxation	(9,111)	103,398	37,177	7,829	40	12,391	151,724
Zakat and taxation	(1,347)	(28,183)	(5,306)	(8,866)	-	(639)	(44,341)
Net (loss)/profit for the period attributable to equity holders of the Company	(10,458)	75,215	31,871	(1,037)	40	11,752	107,383



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PART A – NOTES TO THE INTERIM 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 2018.

A10. Significant events

(a) As announced on 30 November 2018, MNRB's wholly owned subsidiary, Takaful Ikhlas Berhad ("TIB"), had completed the Business Transfer Scheme to transfer its general takaful business to Takaful Ikhlas General Berhad effective 30 November 2018. This is pursuant to the Court Order granted by the High Court of Malaya on 18 October 2018.

In addition, Bank Negara Malaysia ("BNM"), via its letter dated 28 November 2018 had granted its approval, effective 30 November 2018 for the following:-

- i) TIB would carry on family takaful business under its new name Takaful Ikhlas Family Berhad ("TIFB") and;
- ii) the general takaful business would be carried on by Takaful Ikhlas General Berhad ("TIGB").

(b) With reference to Bursa announcement on 31 October 2018, upon the completion of the rights issue, MNRB's paid capital now stands at RM722,305,476 comprising 767,050,063 units of ordinary shares.

The proceeds from the rights issue had been utilised as follows:

- i) Injection of additional capital into Malaysian Re of RM100 million on 15 November 2018;
- ii) Injection of additional capital into TIFB RM170 million on 30 November 2018;
- iii) Injection of additional capital into TIGB RM130 million on 30 November 2018; and
- iv) RM2.7 million was utilised to defray the costs of the rights issue.

A11. Subsequent events

On 24 January 2019, MNRB had established a Sukuk Mudharabah Programme of RM320 million for the issuance of Senior Sukuk Murabahah and/or Subordinated Sukuk Murabahah. Each Subordinated Sukuk Murabahah to be issued under the Sukuk Programme shall have a tenure of at least five (5) years subject to an early redemption event whereas each Senior Sukuk Murabahah to be issued under the Sukuk Programme shall have a tenure of at least one (1) year.

A12. Changes in the composition of the Group

Consequent to BNM's approval as mentioned in Note A10, on 30 November 2018, TIGB became a direct 100% subsidiary of MNRB with an issued and paid up capital of RM230,000,002 comprising 230,000,002 ordinary shares.

A13. Capital Commitments

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

	RM'000
Authorised and contracted for:	
- Intangible assets*	<u>22</u>
	<u>22</u>
Authorised but not contracted for:	
- Property, plant and equipment	57
- Intangible assets*	<u>10,222</u>
	<u>10,279</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 December 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
Assets							
Property, plant and equipment	124,308	-	-	-	-	115,818	240,126
Investment properties	-	-	115,818	-	-	(115,818)	-
Intangible assets	38,134	-	-	-	-	-	38,134
Deferred tax assets	7,210	2,937	1,324	1,035	-	(516)	11,990
Investment in subsidiaries	1,304,477	-	-	-	-	(1,304,477)	-
Investment in associates	126,807	-	-	-	-	1,287	128,094
Financial assets:							
Financial assets at fair value through profit or loss ("FVTPL")	180,438	19,687	2,624,342	-	-	(13,156)	2,811,311
Financial assets at fair value through other comprehensive income ("FVOCI")	1,758,236	254,385	-	35,050	16,130	(1,008)	2,062,793
Amortised costs ("AC")	1,861,286	169,910	321,645	34,047	(6,318)	(161,008)	2,219,562
Held-to-maturity ("HTM") investments	-	-	-	-	-	-	-
Available-for-sale ("AFS") financial assets	-	-	-	-	-	-	-
Loans and receivables ("LAR")	-	-	-	-	-	-	-
Reinsurance/retakaful assets	314,344	136,851	38,540	6,797	6,158	-	502,690
Insurance/takaful receivables	274,405	20,045	24,954	13,351	6,206	-	338,961
Tax recoverable	41,623	-	-	(1,293)	352	-	40,682
Cash and bank balances	62,252	9,817	57,874	4,210	513	-	134,666
Total assets	6,093,520	613,632	3,184,497	93,197	23,041	(1,478,878)	8,529,009
Liabilities and Participants' funds							
Participants' funds	-	123,942	184,911	7,888	(4,070)	(14,502)	298,169
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,115,167	406,619	2,773,631	72,104	16,692	(10,000)	5,374,213
Insurance/takaful payables	185,492	8,937	(22,028)	5,824	4,407	-	182,632
Other payables	121,461	67,213	241,933	7,381	5,657	(138,249)	305,396
Deferred tax liabilities	(770)	-	-	-	355	415	-
Provision for taxation	364	6,921	6,050	-	-	-	13,335
Provision for zakat	1,038	-	-	-	-	-	1,038
Total liabilities and participants' funds	2,743,752	613,632	3,184,497	93,197	23,041	(163,336)	6,494,783
Equity							
Share capital	2,026,912	-	-	-	-	(1,304,606)	722,306
Reserves	1,322,856	-	-	-	-	(10,936)	1,311,920
Total equity attributable to equity holders of the Parent	3,349,768	-	-	-	-	(1,315,542)	2,034,226
Total liabilities, participants' funds and equity	6,093,520	613,632	3,184,497	93,197	23,041	(1,478,878)	8,529,009

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

(ii) As at 31 March 2018

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Assets							
Property, plant and equipment	124,926	-	-	-	-	115,818	240,744
Investment properties	-	-	115,818	-	-	(115,818)	-
Intangible assets	32,131	-	-	-	-	-	32,131
Deferred tax assets	20,822	2,426	-	66	-	(4,971)	18,343
Investment in subsidiaries	904,477	-	-	-	-	(904,477)	-
Investment in associates	131,833	-	-	-	-	7,176	139,009
Financial assets:							
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	1,539,454	209,299	1,986,079	15,779	4,174	(13,589)	3,741,196
Loans and receivables ("LAR")	1,599,316	154,905	350,281	43,610	(1,550)	(209,299)	1,937,263
Reinsurance/retakaful assets	257,559	149,625	43,127	19,906	8,036	-	478,253
Insurance/takaful receivables	331,267	30,407	44,206	13,995	2,080	(3,651)	418,304
Tax recoverable	27,291	-	-	(21)	7	-	27,277
Cash and bank balances	43,132	27,589	70,175	203	1,000	-	142,099
Total assets	5,252,965	631,593	3,042,096	112,646	25,511	(1,129,811)	7,935,000
Liabilities and Participants' funds							
Participants' funds	-	120,253	129,131	-	-	(1,522)	247,862
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,096,878	403,666	2,730,440	95,828	15,919	(22,786)	5,319,945
Insurance/takaful payables	207,529	18,105	33,287	10,971	4,203	(3,651)	270,444
Other payables	164,961	89,138	146,947	5,847	5,389	(186,537)	225,745
Deferred tax liabilities	13,981	-	1,013	-	-	(4,310)	10,684
Provision for taxation	-	431	1,278	-	-	-	1,709
Provision for zakat	610	-	-	-	-	-	610
Total liabilities and participants' funds	2,804,959	631,593	3,042,096	112,646	25,511	(219,806)	6,396,999
Equity							
Share capital	1,224,211	-	-	-	-	(904,606)	319,605
Retained profit	1,223,795	-	-	-	-	(5,399)	1,218,396
Total equity attributable to equity holders of the Parent	2,448,006	-	-	-	-	(910,005)	1,538,001
Total liabilities, participants' funds and equity	5,252,965	631,593	3,042,096	112,646	25,511	(1,129,811)	7,935,000

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

(i) 9 months ended 31 December 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	831,282	192,042	409,194	18,356	7,030	(600)	1,457,304
Premiums/contributions ceded to reinsurers and retakaful operators	(92,440)	(71,128)	(40,376)	(2,149)	(5,029)	142	(210,980)
Net earned premiums/contributions	738,842	120,914	368,818	16,207	2,001	(458)	1,246,324
Investment income	125,080	12,460	93,309	1,784	583	(33,536)	199,680
Realised gains/(losses)	3,917	703	(857)	-	-	-	3,763
Fair value (losses)/gains	(22,570)	(2,537)	(8,000)	-	(5)	13,054	(20,058)
Fee and commission income	258,010	15,420	3	6	-	(244,472)	28,967
Other operating revenue	18,385	365	-	119	12	(8,731)	10,150
Other revenue	382,822	26,411	84,455	1,909	590	(273,685)	222,502
Gross claims and benefit paid	(593,856)	(108,481)	(221,558)	(18,059)	(8,710)	1,961	(948,703)
Claims ceded to reinsurers/retakaful operators	22,196	41,855	30,650	5,434	4,889	(1,961)	103,063
Gross change in contract liabilities	(16,926)	(95,919)	(61,409)	23,623	(830)	(3,868)	(155,329)
Change in contract liabilities ceded to reinsurers/retakaful operators	56,549	80,845	(4,587)	(13,015)	(1,878)	-	117,914
Net claims and benefits	(532,037)	(81,700)	(256,904)	(2,017)	(6,529)	(3,868)	(883,055)
Fee and commission expenses	(288,318)	(58,514)	(150,812)	(7,448)	(286)	212,203	(293,175)
Management expenses	(195,149)	-	(739)	-	-	34,156	(161,732)
Finance cost	(12,230)	-	-	-	-	37	(12,193)
Other operating expenses	(5,934)	(2,303)	(2,065)	(200)	(2)	702	(9,802)
Changes in expenses liabilities	3,780	-	-	-	-	-	3,780
Tax borne by participants	-	(1,962)	(3,179)	(357)	-	-	(5,498)
Other expenses	(497,851)	(62,779)	(156,795)	(8,005)	(288)	247,098	(478,620)
Share of results of associates	-	-	-	-	-	(23,284)	(23,284)
Operating profit/(loss) before surplus (deficits) attributable to takaful/retakaful participants, zakat and taxation	91,776	2,846	39,574	8,094	(4,226)	(54,197)	83,867
Surplus/(deficits) attributable to takaful/ retakaful participants	-	(2,846)	(39,574)	(8,094)	4,226	5,940	(40,348)
Operating profit/(loss) before zakat and taxation	91,776	-	-	-	-	(48,257)	43,519
Zakat	(445)	-	-	-	-	-	(445)
Taxation	(7,602)	-	-	-	-	-	(7,602)
Net profit/(loss) for the period attributable to equity holders of the Parent	83,729	-	-	-	-	(48,257)	35,472

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

(ii) 9 months ended 31 December 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	971,020	204,350	474,102	17,605	7,410	(624)	1,673,863
Premiums/contributions ceded to reinsurers and retakaful operators	(69,702)	(90,675)	(60,375)	(2,332)	(5,947)	27	(229,004)
Net earned premiums/contributions	901,318	113,675	413,727	15,273	1,463	(597)	1,444,859
Investment income	90,415	12,491	82,587	2,035	696	(5,096)	183,128
Realised (losses)/gains	(1,285)	98	5,446	-	-	-	4,259
Fair value gains/(losses)	12,236	605	4,314	-	-	(1,860)	15,295
Fee and commission income	263,567	20,086	-	3	-	(255,940)	27,716
Other operating revenue	6,038	-	16,074	75	18	(4,480)	17,725
Other revenue	370,971	33,280	108,421	2,113	714	(267,376)	248,123
Gross claims and benefit paid	(554,599)	(118,232)	(189,996)	(10,341)	(8,005)	1,519	(879,654)
Claims ceded to reinsurers/retakaful operators	27,130	50,901	(3,660)	1,072	4,265	(1,519)	78,189
Gross change in contract liabilities	(20,193)	(30,078)	(126,705)	(2,628)	(2,536)	16,059	(166,081)
Change in contract liabilities ceded to reinsurers/retakaful	(42,918)	15,342	368	(2,314)	1,027	-	(28,495)
Net claims and benefits	(590,580)	(82,067)	(319,993)	(14,211)	(5,249)	16,059	(996,041)
Fee and commission expense	(313,341)	(60,307)	(159,597)	(7,448)	(260)	227,421	(313,532)
Management expenses	(202,848)	(14)	-	-	-	31,752	(171,110)
Finance cost	(11,193)	-	-	-	-	39	(11,154)
Other operating expenses	(32,245)	(4,480)	-	(1,110)	-	19,129	(18,706)
Changes in expenses liabilities	5,372	-	-	-	-	-	5,372
Tax borne by participants	-	72	(7,686)	-	-	-	(7,614)
Other expenses	(554,255)	(64,729)	(167,283)	(8,558)	(260)	278,341	(516,744)
Share of results of associates	-	-	-	-	-	4,537	4,537
Operating profit/(loss) before surplus (deficits) attributable to takaful/retakaful participants, zakat and taxation	127,454	159	34,872	(5,383)	(3,332)	30,964	184,734
Surplus/(deficits) attributable to takaful/ retakaful participants	-	(159)	(34,872)	9,903	6,156	(14,036)	(33,008)
Operating profit before zakat and taxation	127,454	-	-	4,520	2,824	16,928	151,726
Zakat	-	-	-	-	-	-	-
Taxation	(36,360)	-	-	(4,520)	(2,824)	(639)	(44,343)
Net profit for the period attributable to equity holders of the Parent	91,094	-	-	-	-	16,289	107,383

A17. Fair values of assets

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

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

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

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

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

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

Description of significant unobservable inputs:

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

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

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

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

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial period ended 31 December 2018				
Assets measured at fair value:				
(a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Buildings	-	-	198,727	198,727
	<u>-</u>	<u>-</u>	<u>235,527</u>	<u>235,527</u>
(b) Financial assets at FVTPL				
Quoted shares in Malaysia	125,859	-	-	125,859
Shariah approved unit trust funds	116,631	-	-	116,631
Unquoted Islamic private debt securities	-	1,323,830	-	1,323,830
Government investment issues	-	1,237,458	-	1,237,458
Unquoted corporate debt securities	-	-	-	-
Property trust funds	7,533	-	-	7,533
	<u>250,023</u>	<u>2,561,288</u>	<u>-</u>	<u>2,811,311</u>
(c) Financial assets at FVOCI				
Malaysian government securities	-	594,006	-	594,006
Unquoted Islamic private debt securities	-	902,990	-	902,990
Quoted shares in Malaysia	106,803	-	-	106,803
Government investment issues	-	458,701	-	458,701
	<u>106,803</u>	<u>1,955,697</u>	<u>-</u>	<u>2,062,500</u>
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial year ended 31 March 2018				
Assets measured at fair value:				
(a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Buildings	-	-	199,277	199,277
	<u>-</u>	<u>-</u>	<u>236,077</u>	<u>236,077</u>
(b) Financial assets at FVTPL				
Shariah approved unit trust funds	116,127	-	-	116,127
	<u>116,127</u>	<u>-</u>	<u>-</u>	<u>116,127</u>
(c) AFS financial assets				
Malaysian government securities	-	131,162	-	131,162
Unquoted corporate debt securities	-	2,292,540	-	2,292,540
Quoted shares in Malaysia	126,228	-	-	126,228
Warrants	273	-	-	273
Real estate investment trusts	13,227	-	-	13,227
Government investment issues	-	1,132,970	-	1,132,970
	<u>139,728</u>	<u>3,556,672</u>	<u>-</u>	<u>3,696,400</u>
Assets for which fair values are disclosed:				
HTM investments				
Malaysian government securities	-	77,404	-	77,404
Unquoted corporate debt securities	-	25,723	-	25,723
Government investment issues	-	539,508	-	539,508
	<u>-</u>	<u>642,635</u>	<u>-</u>	<u>642,635</u>



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(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 period ended 31 December 2018, the Group recorded a revenue of RM1,672.0 million as compared to RM1,843.3 million reported in the previous financial period. The RM171.0 million reduction was due to lower gross premiums/contributions from both the reinsurance and takaful subsidiaries.

The Group's net profit for the financial period ended 31 December 2018 was RM35.5 million, lower by RM71.9 million as compared to RM107.4 million reported in the previous financial period for the reasons stated below.

Investment holding

Revenue for the financial period was RM61.6 million which was higher by RM33.5 million compared to RM28.1 million reported in the corresponding period last year. The higher revenue was due to dividend received from a subsidiary.

Net profit reported for the financial period ended 31 December 2018 was RM23.1 million as compared to a net loss of RM10.5 million for the same period last year. The higher net profit recorded for the period is due to the reason stated above.

Reinsurance business

Revenue for reinsurance business for the financial period ended 31 December 2018 was RM926.2 million as compared to RM1,037.7 million in the previous financial year. The decrease was mainly due to the lower gross premiums from international business as a result of its business rationalisation exercise.

Net profit for the financial period ended 31 December 2018 decreased by 91.9% from RM75.2 million last year to RM6.1 million. The lower profit was due to higher claims due to several large losses incurred during the period.

Takaful business

Revenue for takaful business for the financial period ended 31 December 2018 decreased by 7.8% from RM767.6 million to RM707.8 million. This was mainly due to conscious decision made not to renew some unprofitable business.

Takaful business recorded a lower net profit of RM29.0 million in the financial period ended 31 December 2018 as compared to a net profit of RM31.9 million for the same period last year. This was mainly due to lower wakalah fee received from takaful funds, as a result of lower revenue as mentioned above.

Retakaful business

Revenue for retakaful business for the financial period ended 31 December 2018 was higher by 11.0% from RM27.4 million to RM30.4 million, mainly due higher investment income.

The retakaful business recorded a net profit of RM2.2 million in the financial period ended 31 December 2018 as compared to a net loss of RM1.0 million for previous financial period. This was mainly due to reason stated above.

B2. Review of current quarter profitability against immediate preceding quarter

The Group recorded a net loss of RM12.5 million in the current quarter as compared to net profit of RM19.7 million in the preceding quarter as a result of lower wakalah fees from the takaful business and higher claims incurred from the reinsurance subsidiary and associate.

B3. Current year prospects

The Group's profit for the financial year ending 31 March 2019 is not expected to outperform the previous financial year's result.

B4. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the financial period ended 31 December 2018.



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

B5. Investment income

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 December 2018 RM'000	3 months ended 31 December 2017 RM'000	9 months ended 31 December 2018 RM'000	9 months ended 31 December 2017 RM'000
Financial assets at FVTPL				
Profit income	28,175	-	82,231	-
Dividend income:				
- quoted shares in Malaysia	886	-	2,104	8
- unit trust funds	484	180	1,176	810
HTM investments				
Interest/profit income	-	4,004	-	15,263
Financial assets at FVOCI				
Interest/profit income	21,798	-	66,194	-
Dividend income:				
- unquoted shares in Malaysia	-	-	103	-
AFS financial assets				
Interest/profit income	-	41,396	-	115,693
Dividend income:				
- quoted shares in Malaysia	-	1,863	-	5,296
- unquoted shares in Malaysia	-	-	-	103
Financial assets at AC				
Interest/profit income	17,337	-	48,386	-
Loans and receivables				
Interest/profit income	-	15,939	-	46,206
Rental income	2,139	1,196	4,107	3,831
Net amortisation of premiums	(1,181)	(1,259)	(3,975)	(3,841)
Investment expenses	(440)	(29)	(646)	(241)
	69,198	63,290	199,680	183,128



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
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B6. Taxation

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 December 2018 RM'000	3 months ended 31 December 2017 RM'000	9 months ended 31 December 2018 RM'000	9 months ended 31 December 2017 RM'000
Operating (loss)/profit before zakat and tax	(23,458)	57,315	43,519	151,726
Current tax	9,923	(14,989)	(3,253)	(32,094)
Deferred tax	(2,313)	(6,102)	(4,349)	(12,249)
Zakat	7,610	(21,091)	(7,602)	(44,343)
	(232)	-	(445)	-
	7,378	(21,091)	(8,047)	(44,343)

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 due to the effect of deferred tax on the forex gain and fair value loss on financial assets classified as FVTPL under MFRS 9.

B7. Status of corporate proposal

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

B8. Borrowings and debt securities

The Group borrowings as at 31 December 2018 were as follows:

	GROUP 31 December 2018 RM'000
Unsecured borrowings:	
RM 320.0 million Revolving Credit Facility due in March 2019	320,000

B9. Off balance sheet financial instruments

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

B10. Material litigation

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



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
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B11. (Loss)/earnings per share

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

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 December 2018	3 months ended 31 December 2017	9 months ended 31 December 2018	9 months ended 31 December 2017
Net (loss)/profit for the period (RM'000)	(12,504)	36,224	35,472	107,383
Weighted average/number of ordinary shares in issue ('000)	396,765*	319,605	396,765*	319,605
Basic (loss)/earnings per share (sen)	(3.2)	11.3	8.9	33.6

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

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

B12. Additional disclosures for the income statement

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 December 2018 RM'000	3 months ended 31 December 2017 RM'000	9 months ended 31 December 2018 RM'000	9 months ended 31 December 2017 RM'000
Finance cost	(4,070)	(3,750)	(12,193)	(11,156)
Net gain/(loss) on disposal of investments	144	(452)	3,732	4,259
Depreciation and amortisation	(3,142)	(3,031)	(8,950)	(8,126)
(Allowance for)/writeback of impairment loss on insurance/takaful receivables	(3,689)	(75)	(4,902)	2,449
Writeback of/(Allowance for) impairment loss on investments	1	(732)	1	13,436

There was no gain or loss on derivatives and exceptional items reported during the financial period ended 31 December 2018.

By Order of the Board

LENA BINTI ABD LATIF (LS 8766)
Company Secretary

Kuala Lumpur
Dated: 28 February 2019