



## **Bursa Announcement**

Fourth Quarter and Twelve Months Ended 31 March 2020



**MNRB HOLDINGS BERHAD**

(197201001795 (13487-A))

**INTERIM FINANCIAL STATEMENTS**

*(The figures have not been audited)*

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	3 months ended 31 March 2020	3 months ended 31 March 2019	Unaudited 12 months ended 31 March 2020	Audited 12 months ended 31 March 2019
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	615,786	518,399	2,168,429	1,975,703
Premiums/contributions ceded to reinsurers and retakaful operators	(80,434)	(92,024)	(283,754)	(303,004)
<b>Net earned premiums/contributions</b>	<b>535,352</b>	<b>426,375</b>	<b>1,884,675</b>	<b>1,672,699</b>
Investment income	72,107	67,254	284,327	266,934
Realised gains	13,214	4,057	95,251	7,820
Fair value (losses)/gains	(96,542)	92,830	(18,848)	72,772
Fee and commission income	21,215	5,554	49,437	34,521
Other operating revenue	9,839	2,501	18,815	12,651
<b>Other revenue</b>	<b>19,833</b>	<b>172,196</b>	<b>428,982</b>	<b>394,698</b>
Gross claims and benefits paid	(333,596)	(366,494)	(1,324,341)	(1,315,197)
Claims ceded to reinsurers/retakaful operators	58,042	79,755	243,906	182,818
Gross change in contract liabilities	(48,725)	2,762	(267,292)	(152,567)
Change in contract liabilities ceded to reinsurers/retakaful operators	28,860	(57,258)	(20,932)	60,656
<b>Net claims and benefits</b>	<b>(295,419)</b>	<b>(341,235)</b>	<b>(1,368,659)</b>	<b>(1,224,290)</b>
Fee and commission expense	(128,155)	(91,164)	(453,522)	(384,339)
Management expenses	(71,106)	(86,209)	(256,084)	(247,941)
Finance cost	(4,363)	(4,051)	(16,955)	(16,244)
Other operating expenses	7,852	8,131	(3,112)	(1,671)
Change in expenses liabilities	(8,597)	(8,894)	(7,731)	(5,114)
Tax borne by participants	(1,925)	(16,639)	(20,889)	(22,137)
<b>Other expenses</b>	<b>(206,294)</b>	<b>(198,826)</b>	<b>(758,293)</b>	<b>(677,446)</b>
Share of results of associates	(11,286)	10,163	(9,719)	(13,121)
<b>Operating profit before (surplus)/deficit attributable to takaful participants, zakat and taxation</b>	<b>42,186</b>	<b>68,673</b>	<b>176,986</b>	<b>152,540</b>
(Surplus)/deficit attributable to takaful participants	(1,749)	7,207	(26,010)	(33,141)
<b>Operating profit before zakat and taxation</b>	<b>40,437</b>	<b>75,880</b>	<b>150,976</b>	<b>119,399</b>
Zakat	(244)	(236)	(1,309)	(681)
Taxation	(1,904)	(6,709)	(17,005)	(14,311)
<b>Net profit for the year attributable to equity holders of the Company</b>	<b>38,289</b>	<b>68,935</b>	<b>132,662</b>	<b>104,407</b>
Basic earnings per share attributable to equity holders of the Company (sen):	5.0	13.4	17.0	20.3

*The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2019*



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(197201001795 (13487-A))  
**INTERIM FINANCIAL STATEMENTS**  
*(The figures have not been audited)*

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	3 months ended 31 March 2020  RM'000	3 months ended 31 March 2019  RM'000	Unaudited 12 months ended 31 March 2020  RM'000	Audited 12 months ended 31 March 2019  RM'000
<b>Net profit for the year</b>	38,289	68,935	132,662	104,407
<b>Other comprehensive income/(loss):</b>				
<b>Other comprehensive income to be reclassified to income statement in subsequent periods:</b>				
Effects of post acquisition foreign exchange translation reserve on investment in associate	5,093	(2,770)	9,663	7,870
Effects of foreign exchange translation reserve on investment in subsidiary	706	(172)	804	561
Net (loss)/gain on financial assets at fair value of comprehensive income ("FVOCI"):				
Net gain/(loss) on fair value changes	38,521	16,243	49,359	36,820
Realised loss transferred to income statement	(45,158)	(4,473)	(34,348)	(5,089)
Deferred tax relating to net (gain)/loss on financial assets at FVOCI	(2,839)	6,184	(2,485)	(3,490)
Other comprehensive income/(loss) attributable to participants	1,074	(2,228)	(4,133)	(3,126)
<b>Other comprehensive (loss)/income not to be reclassified to income statement in subsequent years:</b>				
Net (loss)/gain on fair value changes	(1,273)	(214)	224	(214)
Deferred tax on fair value changes	120	-	-	-
Revaluation (deficits)/ surplus of land and buildings	3,038	12,173	3,038	14,245
Deferred tax relating to revaluation of land and buildings	(243)	2,867	(243)	2,700
Other comprehensive loss attributable to participants	-	(11,633)	-	(13,538)
<b>Total comprehensive income for the year</b>	<b>37,328</b>	<b>84,912</b>	<b>154,541</b>	<b>141,146</b>

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020**

	<b>GROUP</b>	
	Unaudited 31 March 2020 RM'000	Audited 31 March 2019 RM'000
<b>Assets</b>		
Property, plant and equipment	204,328	204,187
Right-of-use asset	4,509	-
Intangible assets	36,580	37,206
Deferred tax assets	14,270	13,247
Investment in associates	133,402	133,741
Financial assets	7,752,655	7,289,554
Reinsurance/retakaful assets	497,390	539,853
Insurance/takaful receivables	380,764	337,351
Tax recoverable	65,548	54,674
Non-current assets held for sale	-	45,875
Cash and bank balances	118,179	51,675
<b>Total assets</b>	<b>9,207,625</b>	<b>8,707,363</b>
<b>Liabilities and Participants' funds</b>		
Participants' funds	328,524	295,294
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	5,832,952	5,489,890
Insurance/takaful payables	167,358	224,032
Other payables	256,727	232,532
Lease liability	4,406	-
Deferred tax liabilities	11,428	16,365
Provision for taxation	13,315	8,321
Provision for zakat	1,487	1,277
<b>Total liabilities and participants' funds</b>	<b>6,936,197</b>	<b>6,587,711</b>
<b>Equity</b>		
Share capital	738,502	722,306
Reserves	1,532,926	1,397,346
<b>Total equity attributable to equity holders of the Company</b>	<b>2,271,428</b>	<b>2,119,652</b>
<b>Total liabilities, participants' funds and equity</b>	<b>9,207,625</b>	<b>8,707,363</b>
Net assets per share (RM)	3.08	2.93

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**MNRB HOLDINGS BERHAD**  
(197201001795 (13487-A))

**INTERIM FINANCIAL STATEMENTS**  
*(The figures have not been audited)*

**CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>GROUP</b>						
	Attributable to Equity Holders of the Company						
	Share capital RM'000	Reserves					Total RM'000
		Non-distributable			Distributable		
Foreign exchange translation reserve RM'000		Fair value reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	Net profit RM'000		
At 1 April 2019, as previously stated	722,306	43,329	58,457	47,059	1,248,501	-	2,119,652
Impact of adopting MFRS 16	-	-	-	-	214	-	214
At 1 April 2019, as restated	722,306	43,329	58,457	47,059	1,248,715	-	2,119,866
Issuance of share capital	16,197	-	-	-	-	-	16,197
Total comprehensive income for the year	-	10,467	8,617	2,795	-	132,662	154,541
Dividend paid during the year	-	-	-	-	(19,176)	-	(19,176)
At 31 March 2020	738,503	53,796	67,074	49,854	1,229,539	132,662	2,271,428

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

	<b>GROUP</b>						
	Attributable to Equity Holders of the Company						
	Share capital RM'000	Reserves					Total RM'000
		Non-distributable			Distributable		
Foreign exchange translation reserve RM'000		Fair value reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	Net profit RM'000		
At 1 April 2018	319,605	34,898	1,205	43,652	1,138,641	-	1,538,001
Impact of adopting MFRS 9	-	-	32,351	-	-	5,453	37,804
At 1 April 2018, as restated	319,605	34,898	33,556	43,652	1,138,641	5,453	1,575,805
Issuance of rights share	402,701	-	-	-	-	-	402,701
Total comprehensive income for the year	-	8,431	24,901	3,407	-	104,407	141,146
At 31 March 2019	722,306	43,329	58,457	47,059	1,138,641	109,860	2,119,652

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**MNRB HOLDINGS BERHAD**

(197201001795 (13487-A))

**INTERIM FINANCIAL STATEMENTS**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>GROUP</b>	
	Unaudited 12 months ended 31 March 2020 RM'000	Audited 12 months ended 31 March 2019 RM'000
<b>Cash flows from operating activities</b>		
Profit before surplus transfer, zakat and tax	150,976	119,399
Adjustments for:		
Net fair value losses/(gains) on financial assets at fair value through profit and loss ("FVTPL")	12,024	(72,769)
Impairment losses/(reversal of impairment losses) on FVOCI financial assets	68	(3)
Impairment losses/(reversal of impairment losses) on other receivables	6,756	(27)
Net impairment losses/(reversal of impairment losses) on insurance/takaful receivables	106	(852)
Depreciation of property, plant and equipment	3,024	6,799
Amortisation of intangible assets	6,600	6,181
Tax borne by participants	1,442	22,137
Gains on disposal of property, plant and equipment	(21)	(160)
Impairment losses on property	7,585	216
Disposal cost for non-current asset held for sale	-	125
Increase in gross premium and contribution liabilities	27,813	17,478
Interest/profit income	(271,920)	(261,966)
Dividend income	(16,662)	(8,051)
Rental income	(304)	(3,066)
Finance cost	16,603	16,244
Net gains on disposal of investments	(95,230)	(7,660)
Net amortisation of premiums on investments	6,285	5,094
Share of results of associates	9,720	13,121
Loss from operations before changes in operating assets and liabilities	(135,135)	(147,760)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(338,618)	(191,002)
Purchase of investments	(10,814)	(492,746)
Decrease in staff loans	259	154
(Increase)/decrease in insurance/takaful receivables	(51,234)	79,169
Increase in other receivables	(7,910)	(22,550)
Increase in gross claim liabilities, actuarial liabilities and unallocated surplus	336,404	152,567
Increase in expense liabilities	8,217	5,114
Increase in participants' funds	39,742	27,177
Decrease/(increase) in reinsurance and retakaful assets	15,065	(61,600)
Decrease in insurance/takaful payables	(70,540)	(46,412)
Increase in other payables	82,037	6,787
Decrease in lease liabilities	(2,147)	-
Taxes and zakat	(52,415)	(46,721)
Interest/profit received	263,103	263,127
Dividend received	16,024	7,910
Rental received	2,974	2,983
Net cash generated from/(used in) operating activities	95,012	(463,803)



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020 (CONT'D.)**

	<b>GROUP</b>	
	Unaudited 12 months ended 31 March 2020 RM'000	Audited 12 months ended 31 March 2019 RM'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,281)	(2,225)
Purchase of intangible assets	(6,009)	(11,256)
Proceeds from disposal of property, plant and equipment	33	403
Net cash used in investing activities	<b>(10,257)</b>	<b>(13,078)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of ordinary shares	16,195	402,701
Interest/profit paid	(16,840)	(16,244)
Payment of lease liabilities	1,570	-
Dividend paid	(19,176)	-
Net cash (used in)/generated from financing activities	<b>(18,251)</b>	<b>386,457</b>
<b>Cash and bank balances</b>		
Net increase/(decrease) during the period	66,504	(90,424)
At the beginning of the year	51,675	142,099
<b>At the end of the period</b>	<b>118,179</b>	<b>51,675</b>

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

**A1. Basis of preparation**

The interim financial statements should be read in conjunction with the Group's most recent audited financial statements for the financial year ended 31 March 2019.

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 2019 except for the adoption of the following accounting standards, Interpretations Committee ("IC") Interpretations and amendments/improvements to Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the Group's financial year beginning 1 April 2019:

- IC Interpretation 23 *Uncertainty over Income Tax Treatments to MFRS Standards*
- Annual improvements to MFRS Standards 2015-2017 Cycle
- MFRS 16 *Leases*
- Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*
- Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*
- Amendments to MFRS 9 *Prepayment Features with Negative Compensations*

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 16 Leases**

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

(i) Lessee

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

(ii) Lessor

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

The standard is effective for annual periods beginning on or after 1 January 2019. A lessee can choose to apply the Standards using either a full retrospective or a modified retrospective approach.

The Group and the Company have adopted MFRS 16 for the first time as of 1 April 2019, using the modified retrospective approach, whereby comparative information is not required to be restated. In line with the practical expedient allowed under MFRS 16, the Group and the Company will elect to apply the Standard to contracts that were previously identified as leases applying MFRS 117 and IC Interpretation 4. The Group and the Company will therefore not apply the standard to contracts that were not previously identified as containing a lease when applying MFRS 117 and IC Interpretation 4.

The Group and the Company will elect to use the exemptions proposed by the standard on lease contracts for which the lease terms ends within 12 months as of the date of the initial application, and lease contracts for which the underlying asset is of low value. The Group and the Company have lease contracts for certain office equipments that are considered low in value.





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

**A1. Basis of preparation (cont'd.)**

The following table set out the financial impact arising from the adoption the MFRS 16:

	<b>RM'000</b>
Retained profits at 1 April 2019	1,248,501
Effect on adoption of MFRS 16:	
- Recognition of rights-of-use assets	12,426
- Recognition of lease liabilities	(12,303)
	123
- Deferred tax	19
	142
Elimination	72
Retained profits as at 1 April 2019, as restated	1,248,715

The day-one financial impact of the adoption of MFRS 16 on the statement of financial position of the Group were as follows:

	<b>Carrying value 1 April 2019 RM '000</b>	<b>Classifications RM '000</b>	<b>Carrying value after reclassification 1 April 2019 RM '000</b>
<b>Assets</b>			
Property, plant and equipment	204,187	-	204,187
Right-of-use asset	-	7,707	7,707
Intangible assets	37,206	-	37,206
Deferred tax assets	13,247	(4)	13,243
Investment in associates	133,741	-	133,741
Financial assets	7,289,554	-	7,289,554
Reinsurance/retakaful assets	539,853	-	539,853
Insurance/takaful receivables	337,351	-	337,351
Tax recoverable	54,674	-	54,674
Non-current assets held for sale	45,875	-	45,875
Cash and bank balances	51,675	-	51,675
<b>Total assets</b>	8,707,363	7,703	8,715,066
<b>Liabilities and Participants' funds</b>			
Participants' funds	295,294	-	295,294
Borrowings	320,000	-	320,000
Insurance/takaful contract liabilities	5,489,890	-	5,489,890
Insurance/takaful payables	224,032	-	224,032
Other payables	232,532	-	232,532
Lease liability	-	7,489	7,489
Deferred tax liabilities	16,365	-	16,365
Provision for taxation	8,321	-	8,321
Provision for zakat	1,277	-	1,277
<b>Total liabilities and participants' funds</b>	6,587,711	7,489	6,595,200
<b>Equity</b>			
Share capital	722,306	-	722,306
Reserves	1,397,346	214	1,397,560
<b>Total equity attributable to equity holders of the Company</b>	2,119,652	214	2,119,866
<b>Total liabilities, participants' funds and equity</b>	8,707,363	7,703	8,715,066



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**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 2019 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

During the financial year ended 31 March 2020, 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 2020.

**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 fourth quarter ended 31 March 2020.

**A7. Dividend paid**

No dividend was paid during the fourth quarter ended 31 March 2020.



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

**A8. Segmental reporting**

Unaudited financial year ended 31 March 2020

	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
<b>Revenue</b>							
External	2,158	1,377,435	1,131,791	39,315	8,211	-	2,558,910
Inter-segment	78,044	1,766	2,988	-	3,568	(86,366)	-
	<b>80,202</b>	<b>1,379,201</b>	<b>1,134,779</b>	<b>39,315</b>	<b>11,779</b>	<b>(86,366)</b>	<b>2,558,910</b>
<b>Results</b>							
<b>Segment results</b>	<b>26,709</b>	<b>89,096</b>	<b>103,059</b>	<b>14,983</b>	<b>(178)</b>	<b>(46,964)</b>	<b>186,705</b>
Share of results of associates	411	(10,130)	-	-	-	-	(9,719)
<b>Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation</b>	<b>27,120</b>	<b>78,966</b>	<b>103,059</b>	<b>14,983</b>	<b>(178)</b>	<b>(46,964)</b>	<b>176,986</b>
Surplus attributable to takaful participants	-	-	(26,010)	-	-	-	(26,010)
<b>Operating profit/(loss) before zakat and taxation</b>	<b>27,120</b>	<b>78,966</b>	<b>77,049</b>	<b>14,983</b>	<b>(178)</b>	<b>(46,964)</b>	<b>150,976</b>
Zakat and taxation	1,897	(7,603)	(12,496)	(106)	(6)	-	(18,314)
<b>Net profit/(loss) for the period attributable to equity holders of the Company</b>	<b>29,017</b>	<b>71,363</b>	<b>64,553</b>	<b>14,877</b>	<b>(184)</b>	<b>(46,964)</b>	<b>132,662</b>

Audited financial year ended 31 March 2019

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
<b>Revenue</b>							
External	2,045	1,218,623	1,129,889	36,453	12,293	-	2,399,303
Inter-segment	68,950	1,705	-	40	-	(70,695)	-
	<b>70,995</b>	<b>1,220,328</b>	<b>1,129,889</b>	<b>36,493</b>	<b>12,293</b>	<b>(70,695)</b>	<b>2,399,303</b>
<b>Results</b>							
<b>Segment results</b>	<b>15,233</b>	<b>91,430</b>	<b>62,569</b>	<b>2,368</b>	<b>109</b>	<b>(6,048)</b>	<b>165,661</b>
Share of results of associates	348	(13,469)	-	-	-	-	(13,121)
<b>Operating profit/ (loss) before surplus attributable to takaful participants, zakat and taxation</b>	<b>15,581</b>	<b>77,961</b>	<b>62,569</b>	<b>2,368</b>	<b>109</b>	<b>(6,048)</b>	<b>152,540</b>
Surplus attributable to takaful participants	-	-	(23,497)	-	-	(9,644)	(33,141)
<b>Operating profit/ (loss) before zakat and taxation</b>	<b>15,581</b>	<b>77,961</b>	<b>39,072</b>	<b>2,368</b>	<b>109</b>	<b>(15,692)</b>	<b>119,399</b>
Zakat and taxation	(1,317)	(8,397)	(3,677)	(1,595)	(6)	-	(14,992)
<b>Net profit/ (loss) for the period attributable to equity holders of the Company</b>	<b>14,264</b>	<b>69,564</b>	<b>35,395</b>	<b>773</b>	<b>103</b>	<b>(15,692)</b>	<b>104,407</b>



**MNRB HOLDINGS BERHAD**  
(197201001795 (13487-A))  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**  
*(The figures have not been audited)*

**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 2019.

During the financial year ended 31 March 2020, the Group had revalued all its self-occupied and investment properties. The resultant revaluation surplus of RM2,795,000 was recognised in other comprehensive income and statement of equity as revaluation reserve.

**A10. Significant events**

The Coronavirus Pandemic (Covid-19) has significantly affected many business operations around the world. Measures taken by the Government of Malaysia to contain the pandemic, including imposition of Movement Control Order resulting in temporary closure of business operations have affected economic activity.

As at financial year ended 31 March 2020, the combined effect of the ongoing trade war between US and China, low oil prices and the Covid-19 pandemic has impacted the investment portfolio of the Group towards the end of March 2020.

**A11. Subsequent events**

Subsequent to the financial year ended 31 March 2020 up to the date of this report, the conditions stated under A10 above continue to affect the results of the Group as below:

- (i) The reinsurance business had seen some reduction in premiums and contribution due to the overall slowdown in the economy resulting in lower gross premiums ceded and marginally higher attritional losses.
- (ii) The general takaful business had seen a reduction of new Motor business due to lower sales of new motor vehicles, and
- (iii) The family takaful business is affected from the 3 months contribution deferment from selected certificate holders and lower new business.

**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 2020.

**A13. Capital Commitments**

The amount of capital commitments of the Group as at 31 March 2020 were as follows:

	<b>RM'000</b>
Authorised and contracted for:	
- Intangible assets*	<u>4,688</u>
Authorised but not contracted for:	
- Property, plant and equipment	2,965
- Intangible assets*	<u>24,490</u>
	<u>27,455</u>

\* Relating to purchases and enhancement of computer systems.

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

(i) Unaudited as at 31 March 2020

	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	122,413	-	-	-	-	81,915	204,328
Right-of-use asset	9,804	-	-	-	-	(5,295)	4,509
Investment properties	-	-	81,760	-	-	(81,760)	-
Intangible assets	36,580	-	-	-	-	-	36,580
Deferred tax assets	11,498	2,772	-	-	-	-	14,270
Investment in subsidiaries	1,304,476	-	-	-	-	(1,304,476)	-
Investment in associates	123,889	-	-	-	-	9,513	133,402
Financial assets	4,110,829	495,372	3,315,709	54,679	5,511	(229,445)	7,752,655
Reinsurance/retakaful assets	240,204	189,456	56,628	3,712	7,390	-	497,390
Insurance/takaful receivables	297,174	44,302	27,798	8,036	3,454	-	380,764
Tax recoverable	65,548	-	-	-	-	-	65,548
Cash and bank balances	38,444	20,741	58,705	239	50	-	118,179
<b>Total assets</b>	<b>6,360,859</b>	<b>752,643</b>	<b>3,540,600</b>	<b>66,666</b>	<b>16,405</b>	<b>(1,529,548)</b>	<b>9,207,625</b>
<b>Liabilities and Participants' funds</b>							
Participants' funds	-	149,798	167,834	1,814	154	8,924	328,524
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,126,723	477,419	3,168,975	56,343	13,492	(10,000)	5,832,952
Insurance/takaful payables	104,545	31,836	22,544	5,858	2,575	-	167,358
Other payables	210,542	92,865	168,743	314	-	(215,737)	256,727
Lease liability	9,794	-	-	-	-	(5,388)	4,406
Deferred tax liabilities	1,662	-	9,064	70	15	617	11,428
Provision for taxation	6,714	725	3,440	2,267	169	-	13,315
Provision for zakat	1,487	-	-	-	-	-	1,487
<b>Total liabilities and participants' funds</b>	<b>2,782,467</b>	<b>752,643</b>	<b>3,540,600</b>	<b>66,666</b>	<b>16,405</b>	<b>(222,584)</b>	<b>6,936,197</b>
<b>Equity</b>							
Share capital	2,043,108	-	-	-	-	(1,304,606)	738,502
Reserves	1,535,284	-	-	-	-	(2,358)	1,532,926
<b>Total equity attributable to equity holders of the Parent</b>	<b>3,578,392</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,306,964)</b>	<b>2,271,428</b>
<b>Total liabilities, participants' funds and equity</b>	<b>6,360,859</b>	<b>752,643</b>	<b>3,540,600</b>	<b>66,666</b>	<b>16,405</b>	<b>(1,529,548)</b>	<b>9,207,625</b>

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

(ii) As at 31 March 2019

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
<b>Assets</b>							
Property, plant and equipment	122,427	-	-	-	-	81,760	204,187
Investment properties	-	-	81,760	-	-	(81,760)	-
Intangible assets	37,206	-	-	-	-	-	37,206
Deferred tax assets	9,538	1,423	-	-	-	2,286	13,247
Investment in subsidiaries	1,304,476	-	-	-	-	(1,304,476)	-
Investment in associates	117,526	-	-	-	-	16,215	133,741
Financial assets	3,948,575	461,430	3,095,850	74,662	9,822	(300,785)	7,289,554
Reinsurance/retakaful assets	305,037	164,941	57,756	5,694	6,425	-	539,853
Insurance/takaful receivables	276,110	23,031	25,433	9,299	3,478	-	337,351
Tax recoverable	55,753	-	-	(1,079)	-	-	54,674
Non-current asset held for sale	-	-	45,875	-	-	-	45,875
Cash and bank balances	17,442	460	32,486	715	572	-	51,675
<b>Total assets</b>	<b>6,194,090</b>	<b>651,285</b>	<b>3,339,160</b>	<b>89,291</b>	<b>20,297</b>	<b>(1,586,760)</b>	<b>8,707,363</b>
<b>Liabilities and Participants' funds</b>							
Participants' funds	-	132,821	167,334	13,229	11	(18,101)	295,294
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,037,954	432,995	2,947,235	65,161	16,544	(9,999)	5,489,890
Insurance/takaful payables	180,723	8,707	27,132	5,903	1,567	-	224,032
Other payables	224,331	72,211	188,952	4,998	2,175	(260,135)	232,532
Deferred tax liabilities	4,625	-	8,507	-	-	3,233	16,365
Provision for taxation	3,770	4,551	-	-	-	-	8,321
Provision for zakat	1,277	-	-	-	-	-	1,277
<b>Total liabilities and participants' funds</b>	<b>2,773,680</b>	<b>651,285</b>	<b>3,339,160</b>	<b>89,291</b>	<b>20,297</b>	<b>(286,002)</b>	<b>6,587,711</b>
<b>Equity</b>							
Share capital	2,026,912	-	-	-	-	(1,304,606)	722,306
Retained profit	1,393,498	-	-	-	-	3,848	1,397,346
<b>Total equity attributable to equity holders of the Parent</b>	<b>3,420,410</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,300,758)</b>	<b>2,119,652</b>
<b>Total liabilities, participants' funds and equity</b>	<b>6,194,090</b>	<b>651,285</b>	<b>3,339,160</b>	<b>89,291</b>	<b>20,297</b>	<b>(1,586,760)</b>	<b>8,707,363</b>

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

(i) 12 months ended 31 March 2020

	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	1,200,829	320,198	618,594	22,287	8,818	(2,297)	2,168,429
Premiums/contributions ceded to reinsurers and retakaful operators	(94,147)	(104,603)	(78,542)	(1,778)	(6,390)	1,706	(283,754)
<b>Net earned premiums/contributions</b>	<b>1,106,682</b>	<b>215,595</b>	<b>540,052</b>	<b>20,509</b>	<b>2,428</b>	<b>(591)</b>	<b>1,884,675</b>
Investment income	179,014	18,215	130,552	2,537	862	(46,853)	284,327
Realised gains	36,808	3,926	54,517	-	-	-	95,251
Fair value (losses)/gains	(45,716)	(4,855)	31,257	-	73	393	(18,848)
Fee and commission income	442,503	26,899	10	302	-	(420,277)	49,437
Other operating revenue	33,913	1,364	-	16	17	(16,495)	18,815
<b>Other revenue</b>	<b>646,522</b>	<b>45,549</b>	<b>216,336</b>	<b>2,855</b>	<b>952</b>	<b>(483,232)</b>	<b>428,982</b>
Gross claims and benefit paid	(772,253)	(188,976)	(343,840)	(9,680)	(9,686)	94	(1,324,341)
Claims ceded to reinsurers/retakaful operators	87,611	90,484	59,516	209	6,180	(94)	243,906
Gross change in contract liabilities	(9,395)	(45,238)	(219,518)	9,705	3,052	(5,898)	(267,292)
Change in contract liabilities ceded to reinsurers/retakaful operators	(62,162)	43,365	(1,128)	(1,972)	965	-	(20,932)
<b>Net claims and benefits</b>	<b>(756,199)</b>	<b>(100,365)</b>	<b>(504,970)</b>	<b>(1,738)</b>	<b>511</b>	<b>(5,898)</b>	<b>(1,368,659)</b>
Fee and commission expenses	(453,538)	(137,312)	(232,720)	(8,931)	(336)	379,315	(453,522)
Management expenses	(307,815)	-	(1,350)	-	-	53,081	(256,084)
Finance cost	(17,178)	-	-	-	-	223	(16,955)
Other operating expenses	(3,084)	-	(203)	(28)	-	203	(3,112)
Changes in expenses liabilities	(7,731)	-	-	-	-	-	(7,731)
Tax borne by participants	-	(1,555)	(16,645)	(1,258)	(184)	(1,247)	(20,889)
<b>Other expenses</b>	<b>(789,346)</b>	<b>(138,867)</b>	<b>(250,918)</b>	<b>(10,217)</b>	<b>(520)</b>	<b>431,575</b>	<b>(758,293)</b>
Share of results of associates	-	-	-	-	-	(9,719)	(9,719)
<b>Operating profit/(loss) before surplus/(deficits) attributable to takaful/retakaful participants, zakat and taxation</b>	<b>207,659</b>	<b>21,912</b>	<b>500</b>	<b>11,409</b>	<b>3,371</b>	<b>(67,865)</b>	<b>176,986</b>
(Surplus)/deficits attributable to takaful/retakaful participants	-	(21,912)	(500)	(11,409)	(3,371)	11,182	(26,010)
<b>Operating profit/(loss) before zakat and taxation</b>	<b>207,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(56,683)</b>	<b>150,976</b>
Zakat	(1,309)	-	-	-	-	-	(1,309)
Taxation	(17,005)	-	-	-	-	-	(17,005)
<b>Net profit/(loss) for the period attributable to equity holders of the Company</b>	<b>189,345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(56,683)</b>	<b>132,662</b>

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

(ii) 12 months ended 31 March 2019

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Gross earned premiums/contributions	1,092,728	272,808	581,321	20,651	9,409	(1,214)	1,975,703
Premiums/contributions ceded to reinsurers and retakaful operators	(124,667)	(97,181)	(71,594)	(3,056)	(6,725)	219	(303,004)
<b>Net earned premiums/contributions</b>	<b>968,061</b>	<b>175,627</b>	<b>509,727</b>	<b>17,595</b>	<b>2,684</b>	<b>(995)</b>	<b>1,672,699</b>
Investment income	158,162	16,777	125,241	2,396	781	(36,423)	266,934
Realised gains/(losses)	6,990	1,451	(621)	-	-	-	7,820
Fair value (losses)/gains	(28,496)	(1,074)	93,668	-	15	8,659	72,772
Fee and commission income	374,590	23,614	3	-	-	(363,686)	34,521
Other operating revenue	13,614	2,347	5,203	154	14	(8,681)	12,651
<b>Other revenue</b>	<b>524,860</b>	<b>43,115</b>	<b>223,494</b>	<b>2,550</b>	<b>810</b>	<b>(400,131)</b>	<b>394,698</b>
Gross claims and benefit paid	(822,109)	(156,890)	(309,022)	(18,263)	(10,950)	2,037	(1,315,197)
Claims ceded to reinsurers/retakaful operators	59,198	61,477	52,185	5,435	6,560	(2,037)	182,818
Gross change in contract liabilities	72,981	(20,039)	(235,013)	30,186	(682)	-	(152,567)
Change in contract liabilities ceded to reinsurers/retakaful	45,048	16,708	14,629	(14,118)	(1,611)	-	60,656
<b>Net claims and benefits</b>	<b>(644,882)</b>	<b>(98,744)</b>	<b>(477,221)</b>	<b>3,240</b>	<b>(6,683)</b>	<b>-</b>	<b>(1,224,290)</b>
Fee and commission expense	(384,372)	(96,792)	(215,592)	(8,589)	(382)	321,388	(384,339)
Management expenses	(292,696)	-	(2,137)	-	-	46,892	(247,941)
Finance cost	(16,295)	-	-	-	-	51	(16,244)
Other operating expenses	(1,350)	(2,303)	-	(403)	(3)	2,388	(1,671)
Changes in expenses liabilities	(5,114)	-	-	-	-	-	(5,114)
Tax borne by participants	-	(5,643)	(16,274)	(1,178)	3	955	(22,137)
<b>Other expenses</b>	<b>(699,827)</b>	<b>(104,738)</b>	<b>(234,003)</b>	<b>(10,170)</b>	<b>(382)</b>	<b>371,674</b>	<b>(677,446)</b>
Share of results of associates	-	-	-	-	-	(13,121)	(13,121)
<b>Operating profit/(loss) before surplus/(deficits) attributable to takaful/retakaful participants, zakat and taxation</b>	<b>148,212</b>	<b>15,260</b>	<b>21,997</b>	<b>13,215</b>	<b>(3,571)</b>	<b>(42,573)</b>	<b>152,540</b>
(Surplus)/deficits attributable to takaful/retakaful participants	-	(15,260)	(21,997)	(13,215)	3,571	13,760	(33,141)
<b>Operating profit/(loss) before zakat and taxation</b>	<b>148,212</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,813)</b>	<b>119,399</b>
Zakat	(681)	-	-	-	-	-	(681)
Taxation	(14,311)	-	-	-	-	-	(14,311)
<b>Net profit/(loss) for the period attributable to equity holders of the Company</b>	<b>133,220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,813)</b>	<b>104,407</b>



## A17. Fair values of assets

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

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

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

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

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

- (i) The carrying amounts of financial assets, such as loans and receivables, insurance/takaful receivables and cash and bank balances, are reasonable approximation of their fair values due to the relatively short term maturity of these balances;
- (ii) The fair values of quoted equities are based on quoted market prices as at the reporting date;
- (iii) The fair values of Malaysian government securities, government investment issues and unquoted corporate debt securities are based on indicative market prices from the Bond Pricing Agency of Malaysia ("BPAM");
- (iv) The fair values of investments in mutual funds, unit trust funds and real estate investment trusts are valued based on the net asset values of the underlying funds as at the reporting date;
- (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; and
- (vi) Fair value of unquoted shares in Malaysia are derived using the net assets of the invested companies.

### Description of significant unobservable inputs:

	Valuation technique	Significant unobservable inputs	Range
<b>31 March 2020</b>			
<u>Property, plant and equipment</u>			
Office building of Malaysian Reinsurance Berhad ("MRE")	Income approach	Yield Rental per square foot	6.0% to 6.25% RM4.00 to RM4.50
Office buildings of Takaful Ikhlas Family Berhad ("TIFB")	Comparison approach	Sales price per square feet for similar properties	RM509 to RM1,511
Unquoted shares in Malaysia	Net assets	Net assets	Not applicable

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

**Description of significant unobservable inputs (cont'd):**

	Valuation technique	Significant unobservable inputs	Range
<b>31 March 2019</b>			
<u>Property, plant and equipment</u>			
Office building of MRE	Income approach	Yield Rental per square foot	6.0% to 6.25% RM4.50
Office buildings of TIFB	Comparison approach	Sales price per square feet for similar properties	RM833 to RM1,545
Unquoted shares in Malaysia	Net assets	Net assets	Not applicable

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.

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial year ended 31 March 2020				
<b>Assets measured at fair value:</b>				
<b>(a) Property, plant and equipment</b>				
Freehold land	-	-	36,800	36,800
Buildings	-	-	166,036	166,036
	<u>-</u>	<u>-</u>	<u>202,836</u>	<u>202,836</u>
<b>(b) Financial assets at FVTPL</b>				
<u>Designated upon initial recognition</u>				
Government investment issues	-	1,262,018	-	1,262,018
Unquoted islamic private debt securities:				
Government guaranteed	-	659,865	-	659,865
Unsecured	-	596,028	-	596,028
<u>Mandatorily measured</u>				
Quoted shares in Malaysia:				
Shariah approved equities	199,056	-	-	199,056
Others	96,581	-	-	96,581
Unquoted islamic private debt securities	-	17,928	-	17,928
Shariah approved unit trust funds	116,684	-	-	116,684
Real estate investment trusts	20,440	-	-	20,440
	<u>432,761</u>	<u>2,535,839</u>	<u>-</u>	<u>2,968,600</u>

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>(c) Financial assets at FVOCI</b>				
Malaysian government securities	-	145,670	-	145,670
Government investment issues	-	601,240	-	601,240
Unquoted corporate debt securities	-	291,820	-	291,820
Unquoted shares	-	-	84,382	84,382
Unquoted Islamic private debt securities:	-	-	-	-
Government guaranteed	-	393,956	-	393,956
Unsecured	-	736,802	-	736,802
Golf club memberships	-	-	293	293
	-	2,169,488	84,675	2,254,163

Financial year ended 31 March 2019

**Assets measured at fair value:**

**(a) Property, plant and equipment**

Freehold land	-	-	36,800	36,800
Buildings	-	-	163,312	163,312
	-	-	200,112	200,112

**(b) Financial assets at FVTPL**

Designated upon initial recognition

Unquoted corporate debt securities	-	4,178	-	4,178
Government investment issues	-	1,306,506	-	1,306,506
Unquoted Islamic private debt securities:	-	-	-	-
Government guaranteed	-	702,381	-	702,381
Unsecured	-	507,833	-	507,833

Mandatorily measured

<u>Quoted shares in Malaysia:</u>				
Shariah approved equities	184,207	-	-	184,207
Warrants	43	-	-	43
Others	82,914	-	-	82,914
Unquoted corporate debt securities	-	15,142	-	15,142
Unquoted Islamic private debt securities	-	739	-	739
Shariah approved unit trust funds	168,589	-	-	168,589
Real estate investment trusts	16,299	-	-	16,299
	452,052	2,536,779	-	2,988,831

**(c) Financial assets at FVOCI**

Malaysian government securities	-	183,878	-	183,878
Government investment issues	-	519,843	-	519,843
Unquoted corporate debt securities	-	1,031,242	-	1,031,242
Unquoted shares	-	-	84,158	84,158
Unquoted Islamic private debt securities:	-	-	-	-
Government guaranteed	-	105,860	-	105,860
Unsecured	-	230,462	-	230,462
Golf club memberships	-	-	293	293
	-	2,071,285	84,451	2,155,736



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

**B1. Review of performance**

For the financial year ended 31 March 2020, the Group recorded a revenue of RM2.559 billion, an increase of 6.7% as compared to RM2.399 billion reported in the previous financial year. The RM159.6 million increase was mainly attributable to higher gross premiums/contributions and investment income generated by the reinsurance and takaful subsidiaries.

The Group recorded a 27.1% growth of net profit for the financial year ended 31 March 2020 of RM132.7 million, as compared to RM104.4 million reported in the previous financial year for the reasons stated below.

Investment holding

Revenue for the financial year was RM80.2 million as compared to RM71.0 million reported in the previous financial year. The higher revenue was due to higher dividend received from the subsidiaries.

A higher net profit amounting to RM29.0 million was recorded for the financial year ended 31 March 2020, as compared to a profit of RM14.3 million in the previous financial year. This was contributed by the lower management expenses and higher revenue as explained above.

Reinsurance business

Revenue for the reinsurance business for the financial year ended 31 March 2020 was RM1.4 billion as compared to RM1.2 billion in the previous financial year. The increase was due to the higher gross premiums from domestic and international portfolios and investment income.

Net profit for the financial year ended 31 March 2020 increased slightly by RM1.8 million from RM69.6 million last year to RM71.4 million.

Takaful business

Revenue for the takaful business for the financial year ended 31 March 2020 increased by RM4.89 million from RM1,129.9 million to RM1,134.8 million in the previous financial year. This was mainly due to higher gross contribution and investment income.

Takaful business recorded a net profit of RM64.6 million in the financial year ended 31 March 2020, an increase of 82.4% as compared to a net profit of RM35.4 million for the same period last year due to higher revenue and lower management expenses.

Retakaful business

Revenue for the retakaful business for the financial year ended 31 March 2020 increased from RM36.5 million to RM39.3 million, mainly due to higher gross contribution received.

The retakaful business recorded higher net profit of RM14.9 million in the financial year ended 31 March 2020, an increase of RM14.1 million as compared to RM0.8 million reported in the previous financial year. This increase was mainly due to lower management expenses and write-back of Qard impairment of the General Retakaful business.

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

The Group recorded a net profit of RM38.3 million in the current quarter as compared to net profit of RM7.9 million in the preceding quarter as a result of lower claims incurred for reinsurance business, write-back of impairment on Qard of the General Retakaful business and improved performance of the General Takaful business.



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**B3. Current year prospects**

The current economic downturn and market uncertainty arising from COVID-19 pandemic might have negative impact to the current year results of the Group. We therefore, maintain a cautious outlook but expect to still remain profitable for the current financial year ending 31 March 2021.

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

There was no profit forecast issued by the Group during the financial period ended 31 March 2020.

**B5. Investment income**

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2020 RM'000	3 months ended 31 March 2019 RM'000	Unaudited 12 months ended 31 March 2020 RM'000	Audited 12 months ended 31 March 2019 RM'000
<b>Financial assets at FVTPL</b>				
<u>Designated upon initial recognition</u>				
Interest/profit income	26,414	26,458	106,533	108,689
<u>Mandatorily measured:</u>				
Interest/profit income	217	1,263	267	1,263
Dividend income:				
- quoted shares in Malaysia	5,517	4,271	13,210	6,375
- unquoted shares in Malaysia	-	-	1,523	-
- unit trust funds	247	397	1,931	1,573
<b>Financial assets at FVOCI</b>				
Interest/profit income	22,910	19,851	91,717	86,045
Dividend income:				
- unquoted shares in Malaysia	-	-	-	103
<b>Financial assets at Amortised Cost ("AC")</b>				
Interest/profit income	19,199	17,583	73,495	65,969
Rental income	(263)	(1,041)	2,972	3,066
Net amortisation of premiums	(1,958)	(1,119)	(6,286)	(5,094)
Investment expenses	(176)	(409)	(1,035)	(1,055)
	<b>72,107</b>	<b>67,254</b>	<b>284,327</b>	<b>266,934</b>



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**B6. Taxation**

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2020 RM'000	3 months ended 31 March 2019 RM'000	Unaudited 12 months ended 31 March 2020 RM'000	Audited 12 months ended 31 March 2019 RM'000
Operating profit before zakat and tax	40,437	75,880	150,976	119,399
Current tax	(9,515)	(7,268)	(24,627)	(10,521)
Deferred tax	7,611	559	7,622	(3,790)
Total tax	(1,904)	(6,709)	(17,005)	(14,311)
Zakat	(244)	(236)	(1,309)	(681)
	(2,148)	(6,945)	(18,314)	(14,992)
Effective tax rate	4.7%	8.8%	11.3%	12.0%

The effective tax rate for the cumulative period was lower than the statutory tax rate mainly due to the reduction in tax rate from 24% to 8% for reinsurance/retakaful business which came into effect from Year of Assessment 2019. This had also affected the corresponding individual period due to the reversal for over tax provision for previous period.

**B7. Status of corporate proposal**

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

**B8. Borrowings and debt securities**

The Group borrowings as at 31 March 2020 were as follows:

	GROUP 31 March 2020 RM'000
Unsecured long term borrowings:	
RM 320.0 million Sukuk Murabahah due on 22 March 2029	320,000

**B9. Off balance sheet financial instruments**

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

**B10. Material litigation**

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



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE  
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**B11. Earnings per share**

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

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	<b>3 months ended 31 March 2020 RM'000</b>	<b>3 months ended 31 March 2019 RM'000</b>	<b>Unaudited 12 months ended 31 March 2020 RM'000</b>	<b>Audited 12 months ended 31 March 2019 RM'000</b>
Net profit for the period (RM'000)	38,289	68,935	132,662	104,407
Weighted average number of ordinary shares in issue ('000)	772,812	514,134	772,812	514,134
Basic earnings per share (sen)	5.0	13.4	17.0	20.3

The basic EPS of the Group is calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares in issue which has been adjusted for the number of ordinary shares issued under the Dividend Repayment Plan ("DRP").

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

	<b>GROUP</b>			
	<b>Individual period</b>		<b>Cumulative year</b>	
	<b>3 months ended 31 March 2020 RM'000</b>	<b>3 months ended 31 March 2019 RM'000</b>	<b>Unaudited 12 months ended 31 March 2020 RM'000</b>	<b>Audited 12 months ended 31 March 2019 RM'000</b>
Finance cost	(4,118)	(4,051)	(16,710)	(16,244)
Net gain on disposal of investments	13,214	4,088	95,251	7,820
Depreciation and amortisation	(505)	(4,030)	(10,915)	(12,980)
Writeback of/(allowance for) impairment on insurance/takaful receivables (Impairment loss)/writeback for impairment loss on investments	5,969	5,754	(106)	852
	(1,972)	2	440	3

There was no gain or loss on derivatives and exceptional items reported during the financial year ended 31 March 2020.

**By Order of the Board**

**LENA BINTI ABD LATIF (LS 8766)**  
**Company Secretary**

**Kuala Lumpur**  
**Dated: 29 June 2020**