



Bursa Announcement

Fourth Quarter Ended 31 Mar 2023



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 2023

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2023	3 months ended 31 March 2022	12 months ended 31 March 2023	12 months ended 31 March 2022
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	934,532	850,875	3,321,619	2,901,944
Premiums/contributions ceded to reinsurers and retakaful operators	(159,729)	(209,430)	(483,522)	(510,425)
Net earned premiums/contributions	774,803	641,445	2,838,097	2,391,519
Investment income	93,285	65,531	316,186	265,813
Realised gains	3,389	10,603	3,646	17,093
Fair value gains/(loss)	63,985	(64,880)	25,484	(55,559)
Fee and commission income	3,659	13,332	61,708	46,642
Other operating revenue	32,776	9,134	54,478	34,836
Other revenue	197,094	33,720	461,502	308,825
Gross claims and benefits paid	(476,448)	(362,002)	(1,829,496)	(1,264,065)
Claims ceded to reinsurers/retakaful operators	106,903	45,158	506,426	192,136
Gross change in contract liabilities	(249,523)	(276,763)	(604,982)	(1,047,662)
Change in contract liabilities ceded to reinsurers/retakaful operators	13,957	205,383	(129,281)	480,550
Net claims and benefits	(605,111)	(388,224)	(2,057,333)	(1,639,041)
Fee and commission expense	(199,672)	(163,009)	(638,090)	(574,395)
Management expenses	(74,009)	(96,531)	(353,168)	(297,156)
Finance cost	(6,883)	(4,267)	(21,597)	(16,845)
Other operating expenses	(10,962)	5,891	(15,766)	(5,376)
Change in expenses liabilities	(12,297)	(15,284)	(17,353)	(12,631)
Tax borne by participants	(9,549)	6,661	(16,165)	(12,602)
Other expenses	(313,372)	(266,539)	(1,062,140)	(919,005)
Share of results of associates	(10,153)	2,869	(16,724)	2,769
Operating profits before deficit/(surplus) attributable to takaful participants, zakat and taxation	43,261	23,271	163,402	145,067
Deficit/(surplus) attributable to takaful participants	13,204	23,447	(13,329)	(17,585)
Operating profits before zakat and taxation	56,464	46,718	150,073	127,482
Zakat	(403)	(97)	(1,412)	(1,147)
Taxation	(8,206)	4,499	(28,837)	(11,913)
Net profits for the year attributable to equity holders of the Company	47,856	51,120	119,824	114,422
Basic earnings per share attributable to equity holders of the Company (sen):	6.1	6.5	15.3	14.6

*The Condensed Financial Statements should be read in conjunction with
the Audited Financial Statements for the year ended 31 March 2022*



MNRB HOLDINGS BERHAD

(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 2023**

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2023	3 months ended 31 March 2022	12 months ended 31 March 2023	12 months ended 31 March 2022
	RM'000	RM'000	RM'000	RM'000
Net profits for the year	47,856	51,120	119,824	114,422
Other comprehensive income/(loss):				
Other comprehensive income/(loss) to be reclassified to income statement in subsequent year:				
Effects of post acquisition foreign exchange translation reserve on investment in associate	16,920	2,421	5,722	(1,252)
Effects of foreign exchange translation reserve on investment in subsidiary	126	115	553	131
Net gain/(loss) on financial assets at fair value of comprehensive income ("FVOCI"):				
Net gain/(losses) on fair value changes	8,110	(25,893)	1,877	(34,928)
Realised losses transferred to income statement	(2,009)	(4,293)	(2,548)	(5,766)
Deferred tax relating to net (gain)/loss on financial assets at FVOCI	(2,933)	5,023	(2,392)	4,933
Other comprehensive (loss)/income	(2,669)	2,184	(2,730)	2,252
Other comprehensive income/(loss) not to be reclassified to income statement in subsequent years:				
Net (loss)/gain on fair value changes	(366)	758	(70)	2,584
Revaluation surplus of land and buildings	2,012	4,735	3,625	4,735
Deferred tax relating to revaluation of land and buildings	(278)	(2,308)	(407)	(2,434)
Total comprehensive income for the year	66,769	33,862	123,454	84,677

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022



MNRB HOLDINGS BERHAD

(197201001795 (13487-A))

INTERIM FINANCIAL STATEMENTS

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	GROUP	
	Unaudited	Audited
	31 March 2023 RM'000	31 March 2022 RM'000
Assets		
Property, plant and equipment	225,803	211,213
Intangible assets	124,797	75,136
Right-of-use asset	9,439	5,554
Investment in associates	114,836	134,094
Financial assets	10,064,764	8,975,983
Deferred tax assets	50,021	38,330
Reinsurance/retakaful assets	848,367	952,271
Insurance/takaful receivables	906,455	614,826
Tax recoverable	42,423	50,702
Cash and bank balances	205,458	214,050
Total assets	12,592,363	11,272,159
Liabilities and Participants' funds		
Participants' funds	375,566	394,409
Borrowings	520,000	320,000
Insurance/takaful contract liabilities	8,239,240	7,487,057
Lease liability	9,497	5,476
Insurance/takaful payables	484,206	305,499
Other payables	367,462	277,793
Deferred tax liabilities	11,119	3,178
Provision for taxation	7,465	5,319
Provision for zakat	2,257	1,754
Total liabilities and participants' funds	10,016,812	8,800,485
Equity		
Share capital	738,502	738,502
Reserves	1,837,049	1,733,172
Total equity attributable to equity holders of the Company	2,575,551	2,471,674
Total liabilities, participants' funds and equity	12,592,363	11,272,159
Net assets per share (RM)	3.29	3.16

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2022



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 2023**

	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 2022	738,502	45,966	25,973	49,575	1,611,658	-	2,471,674	
Total comprehensive income/(loss) for the year	-	6,275	(5,863)	3,218	-	119,824	123,454	
Dividend paid during the year	-	-	-	-	(19,577)	-	(19,577)	
At 31 March 2023	738,502	52,241	20,110	52,793	1,592,081	119,824	2,575,551	

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	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 2021	738,502	47,087	53,092	51,082	1,528,557	-	2,418,320	
Total comprehensive (loss)/income for the year	-	(1,121)	(33,359)	4,735	-	114,422	84,677	
Dividend paid during the year	-	-	-	-	(31,323)	-	(31,323)	
At 31 March 2022	738,502	45,966	19,733	55,817	1,497,234	114,422	2,471,674	

*The Condensed Financial Statements should be read in conjunction with
the Audited Financial Statements for the year ended 31 March 2022*



MNRB HOLDINGS BERHAD

(197201001795 (13487-A))

INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	GROUP	
	12 months ended 31 March 2023	12 months ended 31 March 2022
	RM'000	RM'000
Cash flows from operating activities		
Profit before surplus transfer, zakat and tax	150,073	127,482
Adjustments for:		
Net fair value (gains)/losses on financial assets at fair value through profit and loss ("FVTPL")	(22,345)	55,559
Net fair value losses on financial assets at fair value through other comprehensive income ("FVOCI")	3	-
Impairment losses/(reversal of impairment) on:		
- financial assets at FVOCI	1	(678)
- financial assets at amortised cost	5	(630)
- insurance/takaful receivables	(1,661)	(8,108)
- losses on buildings	(72)	(346)
Depreciation of:		
- property, plant and equipment	6,895	7,083
- right-of-use ("ROU") assets	3,779	1,794
Amortisation of intangible assets	20,744	12,335
Tax borne by participants	14,528	12,602
Write-off of intangible assets	2,197	894
Increase in gross premium and contribution liabilities	12	85,774
Interest/profit income	(307,490)	(249,647)
Dividend income	(13,882)	(19,854)
Rental income	(8,190)	(2,683)
Finance cost on borrowing	14,837	16,845
Net gains on disposal of investments	(3,646)	(17,093)
Net amortisation of premiums on investments	4,873	3,303
Share of results of associates	16,724	(2,769)
(Loss)/profit from operations before changes in operating assets and liabilities	(122,614)	21,864
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(1,022,684)	(615,774)
Net purchase of investments	(42,125)	(50,230)
Decrease in staff loans	790	1,457
Increase insurance/takaful receivables	(290,639)	(107,852)
Decrease/(Increase) in other receivables	16,918	(55,026)
Increase/(decrease) in gross claim liabilities, actuarial liabilities and unallocated surplus	682,678	1,047,662
Increase/(decrease) in expense liabilities	17,353	12,631
Increase in participants' funds	9,982	18,937
Decrease/(Increase) in reinsurance and retakaful assets	89,882	(495,036)
Increase in insurance/takaful payables	200,925	103,328
Increase/(decrease) in other payables	106,606	47,111
Taxes and zakat	(30,213)	(29,343)
Interest/profit received	304,628	252,012
Dividend received	17,068	20,210
Rental received	8,169	2,547
Net cash (used in)/generated from operating activities	(53,277)	174,497



MNRB HOLDINGS BERHAD

(197201001795 (13487-A))

INTERIM FINANCIAL STATEMENTS
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONT'D.)

	GROUP	
	12 months ended 31 March 2023	12 months ended 31 March 2022
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(18,619)	(9,810)
Purchase of intangible assets	(96,480)	(16,560)
Proceeds from disposal of property, plant and equipment	-	12
Net cash used in investing activities	(115,099)	(26,358)
Cash flows from financing activities		
Interest/profit paid	(17,045)	(16,663)
Payment of lease liabilities	(3,595)	(1,892)
Dividend paid	(19,577)	(31,323)
Proceed from borrowings	200,000	-
Net cash generated from/(used in) financing activities	159,783	(49,878)
Cash and bank balances		
Net (decrease)/increase during the year	(8,592)	98,261
At the beginning of the year	214,050	115,789
At the end of the year	205,458	214,050

*The Condensed Financial Statements should be read in conjunction with
the Audited Financial Statements for the year ended 31 March 2022*



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

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 2022.

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 2022 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 2022:

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 *Interest Rate Benchmark Reform-Phase 2*
- Amendments to MFRS 16 *Leases Covid-19-Related Rent Concessions beyond 30 June 2021*

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.

Standards issued but not yet effective

The Standards, Amendments to Standards and Annual Improvements to Standards that have been issued but not yet effective up to the date of issuance of the Group's unaudited financial statements are disclosed below. The Group intend to adopt these Standards, Amendments to Standards and Annual Improvements to Standards, if applicable, when they become effective:

Description	Effective for annual periods beginning on or after
• MFRS 17 <i>Insurance Contracts</i>	1 January 2023
• Amendments to MFRS 17 <i>Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
• Amendments to MFRS 112 <i>Income Taxes Deferred Tax related to Assets and Liabilities arising from Single Transaction</i>	1 January 2023
• Amendments to MFRS 16 <i>Lease - Lease Liability in a Sale and Leaseback</i>	1 January 2024
• Amendments to MFRS 101 <i>Presentation of Financial Statements - Non-current Liabilities with Covenants</i>	1 January 2024
• Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investment in Associates and Joint Ventures</i>	To be announced by MASB

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 17 Insurance Contracts ("MFRS 17")

MFRS 17 will replace MFRS 4 Insurance Contracts issued in 2005. MFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.

The main features of the new accounting model for insurance contracts are as follows:

- The measurement of the present value of future cash flows, incorporating an explicit risk adjustment, remeasured at every reporting period (the fulfilment cash flows);
- A Contractual Service Margin ("CSM") that is equal and opposite to any day one gain in the fulfilment cash flows of a group of contracts, representing the unearned profitability of the insurance contracts to be recognised in the income statement over the service period (i.e., coverage period);
- Certain changes in the expected present value of future cash flows are adjusted against the CSM and thereby recognised in the income statement over the remaining contractual service period;
- The effect of changes in discount rates will be reported in either profit or loss or other comprehensive income, determined by an accounting policy choice;
- The presentation of insurance revenue and insurance service expenses in the income statement will be based on the concept of services provided during the period;



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation (cont'd.)

MFRS 17 Insurance Contracts ("MFRS 17") (cont'd.)

- Amounts that the policyholders will always receive, regardless of whether an insured event happens (non-distinct investment components) are not presented in the income statements, but are recognised directly on the statements of financial position;
- Insurance services results (earned revenue less incurred claims and expenses) are presented separately from the insurance finance income or expense; and
- Extensive disclosures to provide information on the recognised amounts from insurance contracts and the nature and extent of risks arising from these contracts.

Based on the Amendments to MFRS 17, the standard is effective for reporting periods beginning on or after 1 January 2023, with the option to apply a full retrospective, modified retrospective or fair value approach on transition. Early application is permitted, as the Group have applied MFRS 9 and MFRS 15 before the date it first applies MFRS 17.

The Malaysian Accounting Standards Board subsequently issued a paper titled MFRS 17 Insurance Contracts: Definition and Scope for Takaful. The paper concluded that MFRS 17 is applicable to a Takaful contract because:

- MFRS 17 applies to those contracts that fall within the 'insurance contract' definition, regardless of their legal form or the legal form of the issuing entity. Accordingly, takaful contracts would fall within the scope of MFRS 17 because a takaful fund or entity is separate from the participants (takaful policyholders) and the fund or entity is accepting significant insurance risk from the participants in the same way that a mutual conventional insurer accepts significant insurance risk from its policyholders. As MFRS 17 deems that a mutual entity accepts insurance risk, it is considered that the mutuality aspect of takaful contracts is consistent with takaful entity also accepting insurance risk;
- In the context of MFRS 17, insurance risk is being transferred from participants (takaful policyholders) to another entity – either represented by the takaful fund or funds or the takaful operator as the entity managing the insurance business as a whole; and
- The acceptance of significant insurance risk need not be a direct, overt acceptance but may result from the presence of factors and circumstances indicating that insurance risk has been transferred. This is consistent with the objective of MFRS 17 that considers an entity's substantive rights and obligations when applying MFRS 17.

As a result of the above, the Group has assessed the takaful and retakaful contracts issued and concluded that MFRS 17 is applicable to the contracts issued and held. Consequently, the Group has established a project team with the assistance from consultants to plan and manage the MNRB Group wide implementation of MFRS 17.

A2. Auditors' Report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 31 March 2022 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial year ended 31 March 2023, 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 2023.

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 2023.



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A7. Dividend paid

No dividend was paid during the fourth quarter ended 31 March 2023.

A8. Segmental reporting

Financial year ended 31 March 2023

	Investment Holding RM'000	Reinsurance Business RM'000	Retakaful Business RM'000	General Takaful Business RM'000	Family Takaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue								
External	3,621	1,928,022	98,365	736,649	921,277	4,029	-	3,691,963
Inter-segment	85,624	48,639	-	580	1,038	4,602	(140,483)	-
	89,245	1,976,661	98,365	737,229	922,315	8,631	(140,483)	3,691,963
Results								
Segment results	14,076	79,822	9,303	64,604	30,924	472	(19,076)	180,125
Share of results of associates	624	(17,348)	-	-	-	-	-	(16,724)
Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation	14,700	62,474	9,303	64,604	30,924	472	(19,076)	163,401
Surplus attributable to takaful participants	-	-	-	(9,107)	(4,222)	-	-	(13,329)
Operating profit/(loss) before zakat and taxation	14,700	62,474	9,303	55,497	26,702	472	(19,076)	150,073
Zakat and taxation	(519)	(6,875)	(903)	(16,065)	(5,887)	-	-	(30,249)
Net profit/(loss) for the year attributable to equity holders of the Company	14,182	55,599	8,400	39,432	20,815	472	(19,076)	119,824

Financial year ended 31 March 2022

	Investment Holding RM'000	Reinsurance Business RM'000	Retakaful Business RM'000	General Takaful Business RM'000	Family Takaful Business RM'000	Others RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue								
External	3,584	1,776,171	78,021	539,992	855,909	3,991	-	3,257,668
Inter-segment	125,802	(13,537)	-	599	936	3,664	(117,619)	(155)
	129,386	1,762,634	78,021	540,591	856,845	7,655	(117,619)	3,257,513
Results								
Segment results	67,471	54,867	16,103	66,259	18,778	643	(81,823)	142,298
Share of results of associates	26	2,743	-	-	-	-	-	2,769
Operating profit before surplus attributable to takaful participants, zakat and taxation	67,497	57,610	16,103	66,259	18,778	643	(81,823)	145,067
Surplus attributable to takaful participants	-	-	-	(22,514)	8,299	-	(3,370)	(17,585)
Operating profit/(loss) before zakat and taxation	67,497	57,610	16,103	43,745	27,077	643	(85,193)	127,482
Zakat and taxation	2,287	(7,376)	(793)	(10,882)	3,708	(4)	-	(13,060)
Net profit/ (loss) for the year attributable to equity holders of the Company	69,784	50,234	15,310	32,863	30,785	639	(85,193)	114,422



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

PART A – NOTES TO THE INTERIM FINANCIAL STATEMENTS

A9. Carrying amount of revalued properties

During the financial year ended 31 March 2023, the Group had revalued all its self-occupied and investment properties. The resultant revaluation surplus of RM3,625,000 was recognised in Other Comprehensive Income and Statement of Equity as revaluation reserve.

A10. Subsequent events

There were no subsequent event of the Group during the financial year ended 31 March 2023.

A11. 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 2023.

A12. Capital Commitments

The amount of capital commitments of the Group as at 31 March 2023 were as follows:

	RM'000
Authorised and contracted for:	
- Property, plant and equipment	12,228
- Tangible assets	3,057
- Intangible assets*	10,326
	<u>25,611</u>
Authorised but not contracted for:	
- Property, plant and equipment	11,393
- Intangible assets*	21,300
	<u>33,032</u>

* Relating to purchases and enhancement of computer systems.

A13. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds

(i) Unaudited as at 31 March 2023

	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	143,666	-	-	-	-	82,137	225,803
Investment properties	-	-	82,085	-	-	(82,085)	-
Intangible assets	124,797	-	-	-	-	-	124,797
Right-of-use asset	13,468	-	-	-	-	(4,029)	9,439
Investment in subsidiaries	1,304,477	-	-	-	-	(1,304,477)	-
Investment in associates	115,769	-	-	-	-	(933)	114,836
Deferred tax assets	42,189	7,834	-	-	-	(2)	50,021
Financial assets	5,471,747	826,779	3,965,928	70,744	11,020	(281,454)	10,064,764
Reinsurance/retakaful assets	406,949	311,842	121,035	10,094	13,595	(15,148)	848,367
Insurance/takaful receivables	683,599	92,583	46,718	75,070	10,472	(1,987)	906,455
Tax recoverable	42,015	-	-	693	(285)	-	42,423
Cash and bank balances	146,726	47,196	9,023	2,389	123	-	205,458
Total assets	8,495,402	1,286,234	4,224,789	158,990	34,925	(1,607,978)	12,592,363
Liabilities and Participants' funds							
Participants' funds	-	177,115	200,258	-	-	(1,807)	375,566
Borrowings	571,000	-	-	-	-	(51,000)	520,000
Insurance/takaful contract liabilities	3,376,576	825,940	3,864,432	148,973	23,528	(209)	8,239,240
Lease liability	13,682	-	-	-	-	(4,185)	9,497
Insurance/takaful payables	372,565	81,473	31,355	-	-	(1,187)	484,206
Other payables	258,427	197,923	122,948	10,012	11,380	(233,228)	367,462
Deferred tax liabilities	4,672	-	5,486	5	17	939	11,119
Provision for taxation	3,681	3,784	-	-	-	-	7,465
Provision for zakat	1,947	-	310	-	-	-	2,257
Total liabilities and participants' funds	4,602,550	1,286,234	4,224,789	158,990	34,925	(290,677)	10,016,812
Equity							
Share capital	2,043,108	-	-	-	-	(1,304,606)	738,502
Reserves	1,849,744	-	-	-	-	(12,695)	1,837,049
Total equity attributable to equity holders of the Parent	3,892,852	-	-	-	-	(1,317,301)	2,575,551
Total liabilities, participants' funds and equity	8,495,402	1,286,234	4,224,789	158,990	34,925	(1,607,978)	12,592,363

A13. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds (Cont'd.)

(ii) Audited as at 31 March 2022

	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	129,542	-	-	-	-	81,671	211,213
Investment properties	-	-	81,620	-	-	(81,620)	-
Intangible assets	75,136	-	-	-	-	-	75,136
Right-of-use asset	11,992	-	-	-	-	(6,438)	5,554
Investment in subsidiaries	1,304,477	-	-	-	-	(1,304,477)	-
Investment in associates	122,326	-	-	-	-	11,768	134,094
Deferred tax assets	35,817	5,836	-	-	-	(3,323)	38,330
Financial assets	4,756,876	670,735	3,744,872	104,401	10,100	(311,001)	8,975,983
Reinsurance/retakaful assets	569,575	259,972	97,802	31,603	9,594	(16,275)	952,271
Insurance/takaful receivables	468,481	68,044	41,048	33,371	5,199	(1,317)	614,826
Tax recoverable	50,431	-	-	560	-	(289)	50,702
Cash and bank balances	195,791	7,167	10,981	46	65	-	214,050
Total assets	7,720,444	1,011,754	3,976,323	169,981	24,958	(1,631,301)	11,272,159
Liabilities and Participants' funds							
Participants' funds	-	170,580	193,445	7,067	138	23,179	394,409
Borrowings	371,000	-	-	-	-	(51,000)	320,000
Insurance/takaful contract liabilities	3,136,298	672,298	3,584,276	108,490	11,970	(26,275)	7,487,057
Lease liabilities	12,011	-	-	-	-	(6,535)	5,476
Insurance/takaful payables	201,478	59,657	34,193	11,487	-	(1,316)	305,499
Other payables	213,276	109,219	161,357	42,754	12,546	(261,359)	277,793
Deferred tax liabilities	2,958	-	2,628	183	15	(2,606)	3,178
Provision for taxation	4,895	-	424	-	289	(289)	5,319
Provision for zakat	1,754	-	-	-	-	-	1,754
Total liabilities and participants' funds	3,943,670	1,011,754	3,976,323	169,981	24,958	(326,201)	8,800,485
Equity							
Share capital	2,043,108	-	-	-	-	(1,304,606)	738,502
Retained profit	1,733,666	-	-	-	-	(494)	1,733,172
Total equity attributable to equity holders of the Parent	3,776,774	-	-	-	-	(1,305,100)	2,471,674
Total liabilities, participants' funds and equity	7,720,444	1,011,754	3,976,323	169,981	24,958	(1,631,301)	11,272,159

A14. Unaudited Condensed Consolidated Income Statement by Reinsurance, Takaful and Retakaful Funds

(i) 12 months ended 31 March 2023

	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	1,845,592	642,551	765,065	73,032	18,753	(23,374)	3,321,619
Premiums/contributions ceded to reinsurers and retakaful operators	(150,442)	(235,533)	(94,722)	(10,400)	(13,242)	20,817	(483,522)
Net earned premiums/contributions	1,695,150	407,018	670,343	62,632	5,511	(2,557)	2,838,097
Investment income	176,250	22,886	146,088	1,878	320	(31,236)	316,186
Realised (losses)/gains	(1,888)	(481)	6,015	-	-	-	3,646
Fair value (losses)/gains	(23,694)	(1,141)	37,969	-	(70)	12,420	25,484
Fee and commission income	607,548	56,545	-	172	-	(602,557)	61,708
Other operating revenue	45,194	6,276	12,747	613	5	(10,357)	54,478
Other revenue	803,410	84,085	202,819	2,663	255	(631,730)	461,502
Gross claims and benefit paid	(1,093,593)	(269,211)	(424,163)	(46,404)	(15,115)	18,990	(1,829,496)
Claims ceded to reinsurers/retakaful operators	277,366	119,036	80,796	36,292	11,926	(18,990)	506,426
Gross change in contract liabilities	(214,342)	(89,262)	(280,156)	(18,783)	(5,658)	3,219	(604,982)
Change in contract liabilities ceded to reinsurers/retakaful operators	(162,141)	27,391	23,233	(21,765)	4,001	-	(129,281)
Net claims and benefits	(1,192,710)	(212,046)	(600,290)	(50,660)	(4,846)	3,219	(2,057,333)
Fee and commission expenses	(639,330)	(268,313)	(247,534)	(17,867)	(1,048)	536,002	(638,090)
Management expenses	(423,932)	-	(3,640)	-	-	74,403	(353,168)
Finance cost	(24,083)	-	-	-	-	2,486	(21,597)
Other operating expenses	(15,582)	-	-	(176)	(3)	(5)	(15,766)
Changes in expenses liabilities	(17,353)	-	-	-	-	-	(17,353)
Tax borne by participants	-	(1,637)	(14,885)	317	3	37	(16,165)
Other expenses	(1,120,280)	(269,950)	(266,059)	(17,726)	(1,048)	612,923	(1,062,140)
Share of results of associates	-	-	-	-	-	(16,724)	(16,724)
Operating profit/(loss) before (surplus)/deficits attributable to takaful/retakaful participants, zakat and taxation	185,570	9,107	6,813	(3,091)	(128)	(34,869)	163,402
(Surplus)/deficits attributable to takaful/retakaful participants	-	(9,107)	(6,813)	3,091	128	(628)	(13,329)
Operating profit/(loss) before zakat and taxation	185,570	-	-	-	-	(35,497)	150,073
Zakat	(1,412)	-	-	-	-	-	(1,412)
Taxation	(28,789)	-	-	-	-	(48)	(28,837)
Net profit/(loss) for the year attributable to equity holders of the Company	155,369	-	-	-	-	(35,545)	119,824

A14. Unaudited Condensed Consolidated Income Statement by Reinsurance, Takaful and Retakaful Funds (Cont'd.)

(ii) 12 months ended 31 March 2022

	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	1,610,115	493,392	714,618	62,657	10,017	11,145	2,901,944
Premiums/contributions ceded to reinsurers and retakaful operators	(196,275)	(186,054)	(96,166)	(9,908)	(8,485)	(13,537)	(510,425)
Net earned premiums/contributions	1,413,840	307,338	618,452	52,749	1,532	(2,392)	2,391,519
Investment income	198,603	16,794	133,244	1,789	366	(84,983)	265,813
Realised gains	7,981	2,860	6,252	-	-	-	17,093
Fair value (losses)/gains	(5,091)	(1,085)	(47,113)	-	(102)	(2,168)	(55,559)
Fee and commission income	504,382	42,513	-	230	-	(500,483)	46,642
Other operating revenue	31,036	7,658	12,883	322	17	(17,080)	34,836
Other revenue	736,911	68,740	105,266	2,341	281	(604,714)	308,825
Gross claims and benefit paid	(660,587)	(214,448)	(398,193)	(18,038)	(7,990)	35,191	(1,264,065)
Claims ceded to reinsurers/retakaful operators	33,322	112,639	71,486	1,688	8,192	(35,191)	192,136
Gross change in contract liabilities	(749,568)	(100,327)	(172,294)	(34,131)	(2,240)	10,898	(1,047,662)
Change in contract liabilities ceded to reinsurers/retakaful	398,689	49,099	13,331	28,293	2,036	(10,898)	480,550
Net claims and benefits	(978,144)	(153,037)	(485,670)	(22,188)	(2)	-	(1,639,041)
Fee and commission expense	(575,715)	(195,153)	(234,717)	(20,413)	(414)	452,017	(574,395)
Management expenses	(352,030)	-	(3,415)	-	-	58,289	(297,156)
Finance cost	(17,239)	-	-	-	-	394	(16,845)
Other operating expenses	(5,323)	-	-	(53)	-	-	(5,376)
Changes in expenses liabilities	(12,631)	-	-	-	-	-	(12,631)
Tax borne by participants	-	(5,374)	(6,120)	(1,004)	(104)	-	(12,602)
Other expenses	(962,938)	(200,527)	(244,252)	(21,470)	(518)	510,700	(919,005)
Share of results of associates	-	-	-	-	-	2,769	2,769
Operating profit/(loss) before (surplus)/deficits attributable to takaful/retakaful participants, zakat and taxation	209,669	22,514	(6,204)	11,432	1,292	(93,637)	145,067
(Surplus)/deficits attributable to takaful/retakaful participants	-	(22,514)	6,204	(11,432)	(1,292)	11,449	(17,585)
Operating profit/(loss) before zakat and taxation	209,669	-	-	-	-	(82,188)	127,482
Zakat	(1,147)	-	-	-	-	-	(1,147)
Taxation	(11,850)	-	-	-	-	(63)	(11,913)
Net profit/(loss) for the year attributable to equity holders of the Company	196,672	-	-	-	-	(82,251)	114,422

A15. 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'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'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) Over-the-counter derivatives comprised of foreign exchange forward contracts are revalued at each reporting date, based on valuations provided by the respective counterparties in accordance with market conventions.
- (v) 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;
- (vi) 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
- (vii) 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	
			2023	2022
<u>Property, plant and equipment</u>				
Office building of Malaysian Reinsurance Berhad ("MRE")	Income approach	Yield	6.0% to 6.25%	6.25%
		Rental per square feet	RM1.40 to RM5.40	RM1.40 to RM4.50
Office buildings of Takaful Ikhlas Family Berhad ("TIFB")	Income approach	Yield	5.5% to 6.0%	N/A
		Rental per square feet	RM4.80 to RM5.20	N/A
	Comparison approach	Sales price per square feet for similar properties	RM721 to RM1,832	RM641 to RM1,511
<u>Unquoted shares in Malaysia</u>				
	Net assets	Net assets	N/A	N/A

A15. Fair values of assets (cont'd)

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 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 2023				
Assets measured at fair value:				
(a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Buildings	-	-	162,585	162,585
	<u>-</u>	<u>-</u>	<u>199,385</u>	<u>199,385</u>
(b) Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Unquoted corporate debt securities	-	10,761	-	10,761
Government investment issues	-	1,414,505	-	1,414,505
Unquoted islamic private debt securities	-	1,436,409	-	1,436,409
<u>Mandatorily measured</u>				
Quoted shares in Malaysia:				
Shariah approved equities	105,663	-	-	105,663
Others	116,925	-	-	116,925
Shariah approved unit trust funds	344,218	-	-	344,218
Real estate investment trusts	14,553	-	-	14,553
Derivatives ⁽ⁱ⁾	-	69	-	69
	<u>581,359</u>	<u>2,861,744</u>	<u>-</u>	<u>3,443,103</u>
(c) Financial assets at FVOCI				
Malaysian government securities	-	89,772	-	89,772
Government investment issues	-	685,736	-	685,736
Unquoted corporate debt securities	-	635,572	-	635,572
Unquoted shares	-	-	87,118	87,118
Unquoted Islamic private debt securities	-	305,469	-	305,469
Golf club memberships	-	-	233	233
	<u>-</u>	<u>1,716,549</u>	<u>87,351</u>	<u>1,803,900</u>

A15. Fair values of assets (cont'd)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial year ended 31 March 2022				
Assets measured at fair value:				
(a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Buildings	-	-	162,017	162,017
	<u>-</u>	<u>-</u>	<u>198,817</u>	<u>198,817</u>
(b) Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Unquoted corporate debt securities	-	1,171,196	-	1,171,196
Unquoted islamic private debt securities	-	1,374,595	-	1,374,595
<u>Mandatorily measured</u>				
Quoted shares in Malaysia:				
Shariah approved equities	188,017	-	-	188,017
Others	66,086	-	-	66,086
Unquoted perpetual bond in Malaysia	-	4,930	-	4,930
Unquoted corporate debt securities	-	7,705	-	7,705
Unquoted islamic private debt securities	-	653	-	653
Shariah approved unit trust funds	358,551	-	-	358,551
Real estate investment trusts	15,720	-	-	15,720
	<u>628,374</u>	<u>2,559,079</u>	<u>-</u>	<u>3,187,453</u>
(c) Financial assets at FVOCI				
Malaysian government securities	-	99,358	-	99,358
Government investment issues	-	612,490	-	612,490
Unquoted corporate debt securities	-	753,640	-	753,640
Unquoted shares	-	-	87,189	87,189
Unquoted Islamic private debt securities	-	420,784	-	420,784
Golf club memberships	-	-	233	233
	<u>-</u>	<u>1,886,272</u>	<u>87,422</u>	<u>1,973,694</u>

- (i) Derivative financial instruments are measured at fair value together with their corresponding contract/notional amounts:

	<----- 2023 ----->		
	Notional Amount RM'000	Asset RM'000	Liability RM'000
<u>Trading derivative</u>			
Forward foreign exchange contracts			
Less than 3 years	195,766	69	-

During the financial period ended 31 March 2023, the Company's wholly-owned subsidiary, Malaysian Reinsurance Berhad ("Malaysian Re"), had entered into a forward foreign exchange contracts for the purpose of hedging part of its USD denominated investment portfolio from changes in fair value.

Derivative financial instruments are initially recognised at fair value, which is normally zero or negligible at inception and subsequently remeasured at their fair value. All derivatives are carried as assets when fair value is positive/net gain position and as liabilities when fair value is negative/net loss position. Changes in the fair value of any derivatives that do not qualify for hedge accounting are recognised immediately in profit or loss.

The notional amount recorded at gross is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the end of the financial year and are neither indicative of the market risk nor the credit risk.

The Group's derivatives are subject to credit risk, market risk and liquidity risk as follow:

Credit Risk

Credit risk is the risk of financial loss resulting from the failure of the Group's counterparties to fulfil their contractual obligations to repay their commitments. As at 31 March 2023, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM69,000 (31 March 2022: Nil). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Market Risk

Market risk on derivatives is the potential loss to the value of these contracts due to changes in foreign exchange rates. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amount at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

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

B1. Review of performance

For the year ended 31 March 2023, the Group recorded a revenue of RM3.7 billion, an increase of 13.3% as compared to RM3.3 billion reported in the previous financial year. The RM0.4 billion increase was generally contributed by higher gross premiums/contributions generated by the reinsurance and takaful subsidiaries.

The Group recorded a profit after tax of RM119.8 million in the financial year ended 31 March 2023 as compared to RM114.4 million profit after tax reported in last year. The increase in the profit after tax by RM5.4 million is mainly due to improved underwriting performance and increased wakalah fee on top of higher investment income and favourable fair value movement of investments but was offset by the adverse impact from share of results of associates. The detailed reasons are as below.

Investment holding

Revenue for the financial year was RM89.2 million as compared to RM129.4 million reported in previous financial year. The lower revenue was mainly due to reduction in dividend income received from the subsidiaries as only RM23.0 million was received in the financial year as compared to RM81.0 million received in the previous financial year.

Consequently, the profit after tax for the financial year was only RM14.2 million as compared to RM69.8 million in the previous financial year.

Reinsurance business

Revenue for the reinsurance business for the financial year increased by 12.1% to RM2.0 billion as compared to RM1.8 billion in the previous financial year. The increase was mainly driven by the improved underwriting performance on the general reinsurance business from both overseas and local portfolios by RM52.2 million and 94.4 million respectively.

The reinsurance business recorded profit after tax of RM55.6 million as compared to RM50.2 million in the previous financial year. The reinsurance subsidiary generated an increase in profit of 49.3% to RM81.9 million attributed by higher gross premium and net investment income. This was however offset by the share of net losses from the associate as a result of increase in net claims incurred and forex losses.

Retakaful business

Revenue for the retakaful business for the financial year ended 31 March 2023 increased by 26.1% from RM78.0 million to RM98.4 million mainly attributed to the reinstatement contribution following the Great Malaysian Flood, East Coast Malaysian Flood and Jakel fire losses.

The retakaful business recorded a net profit of RM8.4 million for the financial year ended 31 March 2023, a decrease of RM6.9 million as compared to RM15.3 million reported in the previous financial year. The decrease was due to higher net claims and benefits incurred mainly due to abovementioned flood and fire losses.

General Takaful business

Revenue for the general takaful business for the financial year ended 31 March 2023 increased by RM196.6 million or 36.4% from RM540.6 million to RM737.2 million. Significant increase in revenue was achieved due to the concerted effort to grow across all classes and channels of business.

General takaful business recorded a net profit of RM39.4 million in the financial year ended 31 March 2023, an increase of 20.0% as compared to a net profit of RM32.9 million reported in the previous financial year due to higher wakalah fee income as a result of the significant growth in revenue as mentioned above.



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

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

B1. Review of performance (cont'd)

Family Takaful business

Revenue for the financial year 31 March 2023 increased by RM65.5 million or 7.6% to RM922.3 million from RM856.8 million in the previous financial year. The growth was derived from the group credit family business consequent to the strategic bancatakaful partnership but mitigated by the decrease in group medical.

Family takaful business recorded a net profit of RM20.8 million in the financial year ended 31 March 2023, lower by RM10.0 million as compared to RM30.8 million reported in previous financial year despite the increase in wakalah fee income. This is mainly due to the benefits from first time recognition of deferred tax assets relating to expense liability in previous financial year.

B2. Review of current quarter profitability against immediate preceding quarter

The Group recorded a net profit of RM47.9 million in the current quarter as compared to a net profit of RM71.2 million in the preceding quarter due to adverse impact from share of results of associates.

B3. Current year prospect

Malaysia's GDP growth is projected to ease between 4% to 5% this year amid the slowing global growth as elevated raw material and living costs is expected to impact the spending patterns of households and businesses.

Despite the slowdown in global economy, the Group expects encouraging revenue growth from all the business segments.

The takaful segments is expected to continue to strengthen both its growth and profitability capturing a wider market share by leveraging on strategic bancatakaful and franchise partnerships as well as initiatives to enhance the customer experience and product offerings supported by investment in digitalisation.

The reinsurance and retakaful segments are anticipated to expand due to a hardening market from the significant price rises and tighter terms and conditions. The segments will continue to focus on improving bottom line through better risk selections whilst optimising capital usage to offset the effects of the rising frequency of climate-related catastrophes.

The Group foresees that the investment environment will remain challenging for 2023 amidst upward inflationary pressure, risk of slower global growth and geopolitical tensions globally. A continuation of the Group's strategic approach to asset allocation of focusing on high yielding securities with strong fundamentals, will continue to be integral to capital preservation and alpha enhancement to support the financial results for the Group in 2023. For further enhancement of the investment portfolio, the Group will continue to consider environmental, social and governance factors in its investment analysis.

The continued increases in the Overnight Policy Rate, the most recent by 25 basis points to 3% in May 2023, would result in higher borrowing costs while offering favourable investment possibilities. Although, the higher yields are expected to have a positive impact on fixed income investments, a decline in financing demand is expected to have an influence on the insurance and takaful products covering property and personal financing portfolios, such as MRTT, Fire Houseowners/Houseowners, and Credit Term.

The Group is committed to achieving a balance between economic performance and social and environmental responsibility and to aiding Malaysians in transitioning to a healthier, greener, and more resilient economy and society.

The Group will continue to incorporate environmental, social, and governance ("ESG") considerations into business and operations, while providing financial protection and risk management solutions to individual and corporate customers to enable them to return to their lives and businesses after any adversity or catastrophe. To this end, the Group has established the Group Sustainability Commitments of Transitioning to Green Economy, Empowering our People and Society and Advancing Good Governance Culture.

B4. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the year ended 31 March 2023.



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

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

B5. Investment income

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2022 RM'000	12 months ended 31 March 2023 RM'000	12 months ended 31 March 2022 RM'000
Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Interest/profit income	31,829	28,167	120,554	114,665
<u>Mandatorily measured:</u>				
Interest/profit income	-	457	11	503
Dividend income:				
- quoted shares in Malaysia	4,360	3,848	11,610	13,698
- unquoted shares in Malaysia	501	96	583	2,410
- unit trust funds	536	1,214	2,576	2,895
- real estate investment trusts	107	642	374	851
Financial assets at FVOCI				
Interest/profit income	16,411	19,642	74,767	80,229
Financial assets at Amortised Cost ("AC")				
Interest/profit income	41,077	12,764	110,943	54,250
Net amortisation of premiums	(1,468)	(1,045)	(4,873)	(3,303)
Investment expenses	(68)	(255)	(360)	(385)
	93,285	65,531	316,186	265,813

B6. Taxation

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2022 RM'000	12 months ended 31 March 2023 RM'000	12 months ended 31 March 2022 RM'000
Operating profit before zakat and tax	56,464	46,718	150,073	127,482
Current tax	(13,702)	(22,095)	(21,613)	(31,920)
Deferred tax	5,496	26,594	(7,224)	20,007
Total tax	(8,206)	4,499	(28,837)	(11,913)
Zakat	(403)	(97)	(1,412)	(1,147)
	(8,609)	4,402	(30,249)	(13,060)
Effective tax rate	14.5%	-9.6%	19.2%	9.3%

The effective tax rate was lower than the statutory tax rate of 24% is due to reinsurance/retakaful operating profit being taxed at 8% and offsetting from higher share of associates loss that is not tax deductible. Negative effective tax rate in the corresponding quarter was mainly due to first time recognition of deferred tax assets relating to expense liability.

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 2023 were as follows:

	RM'000
Unsecured long term borrowings:	
RM 320.0 million Sukuk Murabahah due on 22 March 2029	320,000
RM 200.0 million Subordinated Debt due on 26 October 2032	200,000
	520,000



MNRB HOLDINGS BERHAD
(197201001795 (13487-A))
INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023
(The figures have not been audited)

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

B9. Off balance sheet financial instruments

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

B10. Material litigation

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

B11. Earnings per share

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

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2022 RM'000	12 months ended 31 March 2023 RM'000	12 months ended 31 March 2022 RM'000
Net profit for the year (RM'000)	47,856	51,120	119,824	114,422
Number of ordinary shares in issue ('000)	783,088	783,088	783,088	783,088
Basic earnings per share (sen)	6.1	6.5	15.3	14.6

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

B13. Additional disclosures for the income statement

	GROUP			
	Individual period		Cumulative year	
	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2022 RM'000	12 months ended 31 March 2023 RM'000	12 months ended 31 March 2022 RM'000
Finance cost	(6,883)	(4,267)	(21,597)	(16,845)
Net gain on disposal of investment	3,389	10,603	3,646	17,093
Fair value gain on derivative	69	-	69	-
Depreciation and amortisation	(10,242)	(6,822)	(31,418)	(21,212)
Net foreign exchange gain/(loss)	6,913	6,646	11,726	(3,172)
Writeback of/(allowance for) impairment on insurance/takaful receivables	253	(4,450)	5,532	8,649
Writeback of impairment losses/ (impairment loss) on investments	5	(208)	6	(152)

There was no other exceptional items reported during the financial year ended 31 March 2023.

By Order of the Board

LENA BINTI ABD LATIF (LS 8766)
Company Secretary

Kuala Lumpur
Dated: 30 May 2023