

MNRB HOLDINGS BERHAD

197201001795 (13487-A)

UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL PERIOD ENDED
30 JUNE 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025**

	Current quarter	
	Three months ended	
	30.06.2025	30.06.2024
	RM'000	RM'000
Insurance/takaful revenue*	866,280	748,354
Insurance/takaful service expenses*	(580,594)	(633,727)
Insurance contracts/takaful certificates service result before reinsurance contracts/retakaful certificates held	285,686	114,627
Allocation of reinsurance/retakaful premiums/contributions	(191,535)	(179,856)
Amounts recoverable from reinsurers/retakaful operators for incurred claims	88,011	121,544
Net expense from reinsurance contracts/retakaful certificates held	(103,524)	(58,312)
Insurance/takaful service results	182,162	56,315
Interest income/profit revenue calculated using the effective interest/profit method	47,741	62,624
Other investment income*	60,802	45,807
Net realised (losses)/gains	(14,454)	3,373
Net fair value gains on financial assets at fair value through profit and loss*	103,950	22,437
Net foreign exchange losses on investments	(33,020)	(590)
Reversal of/(allowance for) impairment on financial assets	24	(13)
Investment results	165,043	133,638
Net insurance/takaful finance/profit expenses from insurance contracts/takaful certificates issued	(140,708)	(64,035)
Net reinsurance/retakaful finance/profit income from reinsurance contracts/retakaful certificates held	1,347	4,097
Unallocated (surplus)/deficit and changes in the value of the underlying items attributable to participants*	(2,427)	2,915
Net insurance/takaful financial results	(141,788)	(57,023)
Fees and other income*	7,298	4,770
Management and other expenses*	(21,520)	(25,911)
Finance cost	(7,866)	(7,962)
Other expenses	(22,088)	(29,103)
Share of results of associates	15,674	8,620
Profit before zakat and taxation	199,003	112,447
Tax attributable to participants	(6,255)	(8,029)
Profit before zakat and taxation attributable to equity holders of the Holding Company	192,748	104,418
Zakat	(638)	(353)
Taxation	(23,684)	(11,861)
Net profit for the period attributable to equity holders of the Holding Company	168,426	92,204

* The comparative figures for the prior period have been restated to conform with the current period presentation following audit validation of financial year ended 31 March 2025.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025**

	Current quarter	
	30.06.2025	30.06.2024
	RM'000	RM'000
Net profit for the period attributable to equity holders of the Holding Company	168,426	92,204
<u>Other comprehensive income/(loss)</u>		
Other comprehensive income/(loss) to be reclassified to income statements in subsequent periods:		
Effects of post acquisition foreign exchange translation reserve on investment in an associate	(9,173)	247
Effects of foreign exchange translation reserve on investment in subsidiary	-	77
Net gains/(loss) on financial assets at fair value through other comprehensive income ("FVOCI"):		
Net gains/(loss) on fair value changes	8,868	(974)
Realised gains transferred to income statements	(52)	2,592
Deferred tax relating to fair value changes on financial assets at FVOCI	(2,202)	(78)
	<u>(2,559)</u>	<u>1,864</u>
Other comprehensive income/(loss) not to be reclassified to income statements in subsequent periods:		
Net gains on fair value changes on financial assets at FVOCI	(526)	3,057
Revaluation of land and buildings	587	525
Deferred tax relating to revaluation of land and buildings	(47)	(1,036)
Other comprehensive income attributable to participants	(4,865)	(135)
	<u>(4,851)</u>	<u>2,411</u>
Other comprehensive (losses)/income for the period, net of tax	(7,410)	4,275
Total comprehensive income for the period, net of tax	161,016	96,479
Total comprehensive income for the period attributable to owners of the Company	161,016	96,479
Basic earnings per share attributable to equity holders of the Company (sen)	21.51	11.77

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	30.06.2025	31.03.2025
	RM'000	RM'000
Assets		
Property and equipment	234,746	237,951
Intangible assets	117,580	114,438
Right-of-use assets	1,086	2,202
Investments in associates	172,296	165,795
Financial and other assets	12,289,945	12,020,752
Deferred tax assets	48,803	42,442
Insurance contracts/takaful certificates assets	55,255	105,830
Reinsurance contracts/retakaful certificates assets	634,619	617,654
Tax recoverable	47,122	48,840
Cash and bank balances	85,878	112,844
Total assets	13,687,330	13,468,748
Liabilities		
Borrowings	620,000	620,000
Insurance contracts/takaful certificates liabilities	9,108,244	9,077,338
Reinsurance contracts/retakaful certificates liabilities	36,081	34,124
Lease liabilities	1,378	2,293
Other payables	266,951	251,747
Deferred tax liabilities	44,312	33,660
Tax payable	5,490	6,366
Provision for zakat	2,992	2,354
Total liabilities	10,085,448	10,027,882
Equity		
Share capital	738,502	738,502
Reserves	2,863,380	2,702,364
Total equity attributable to equity holders of the Holding Company	3,601,882	3,440,866
Total liabilities and equity	13,687,330	13,468,748
Net assets per share (RM)	4.60	4.39

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025**

	← Attributable to owners of the Company →					
	← Reserves →					
	← Non-distributable →			Distributable		
	Share capital RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Retained profits RM'000	Total RM'000
At 1 April 2024	738,502	17,443	36,653	53,911	2,277,123	3,123,632
Net profit for the period	-	-	-	-	92,204	92,204
Total other comprehensive income/(losses) for the period	-	324	4,462	(511)	-	4,275
Total comprehensive income/(losses) for the period	-	324	4,462	(511)	92,204	96,479
At 30 June 2024	738,502	17,767	41,115	53,400	2,369,327	3,220,111
At 1 April 2025	738,502	8,502	41,246	59,557	2,593,059	3,440,866
Net profit for the period	-	-	-	-	168,426	168,426
Total other comprehensive (losses)/income for the period	-	(9,173)	1,223	540	-	(7,410)
Total comprehensive (losses)/income for the period	-	(9,173)	1,223	540	168,426	161,016
At 30 June 2025	738,502	(671)	42,469	60,097	2,761,485	3,601,882

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025**

	30.06.2025	30.06.2024
	RM '000	RM '000
Cash flows from operating activities		
Profit before zakat and taxation	199,003	112,447
Adjustments for:		
Depreciation of:		
- property and equipment	2,494	2,169
- right-of-use assets	987	977
Amortisation of intangible assets	7,594	2,487
Finance costs	8,821	7,962
Realised losses/(gains) on disposal of investments	14,454	(3,373)
Net (accretion)/amortisation of premiums on investments	(457)	372
Interest income/profit revenue	(104,976)	(106,468)
Dividend income	(3,582)	(2,981)
Rental income	(1,255)	973
Share of results of associates	(15,674)	(8,620)
Net fair value gains on financial assets at FVTPL	(51,974)	(23,218)
Allowance for impairment loss of:		
- financial assets and other receivables	354	1,537
Operating cash flows before working capital changes	55,789	(15,736)
Changes in working capital :		
Financial assets	(101,401)	(183,280)
Staff financing	299	4
Insurance contracts/takaful certificates	75,775	189,127
Reinsurance contracts/retakaful certificates	(29,683)	(63,442)
Other payables and lease liabilities	(17,207)	21,830
Operating cash flows before working capital changes	(16,428)	(51,497)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025 (CONT'D.)**

	30.06.2025	30.06.2024
	RM '000	RM '000
Cash flows from operating activities (cont'd.)		
Changes in working capital (cont'd.)		
Interest income/profit revenue received	91,101	84,230
Dividend income received	6,012	2,857
Rental received	1,248	1,138
Income tax and zakat paid	(22,848)	(23,144)
Net cash used in or generated from operating activities	59,085	13,584
Cash flows from investing activities		
Purchase of property and equipment	(1,599)	(1,706)
Purchase of intangible assets	(3,904)	(2,972)
Proceed from disposal of property and equipment	-	404
Dividend received from associate	200	-
Net cash used in from investing activities	(5,303)	(4,274)
Cash flows from financing activities		
Payment of lease liabilities	(1,175)	(1,067)
Interest/profit paid	(3,726)	(5,210)
Net cash used in from financing activities	(4,901)	(6,277)
Net increase during the period	48,881	3,033
Cash and cash equivalents at beginning of the period	112,844	115,604
Cash and cash equivalents at end of the period	161,725	118,637
Cash and cash equivalents comprise:		
Fixed and call deposits (with original maturities of less than three-months) with licensed financials institutions	75,847	-
Cash and bank balances	85,878	118,637
	161,725	118,637

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A1. Basis of preparation

These condensed consolidated interim financial statements of MNRB Holdings Berhad ("MNRB" or "the Company") and its subsidiaries (MNRB and its subsidiaries are collectively referred to as "the Group") as at and for the financial period ended 30 June 2025 have been prepared in accordance with MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB"), the International Accounting Standard ("IAS") 134 *Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and Guidelines/Circulars issued by Bank Negara Malaysia ("BNM") and Shariah rulings and precepts.

The condensed consolidated interim financial statements should be read in conjunction with the Group's most recent audited consolidated financial statements for the financial year ended 31 March 2025.

Changes in accounting policies

(i) Adoption of New MFRS and Amendments to MFRSs

The accounting policies adopted are consistent with those of the previous financial year except with respect to the following Standards and Amendments to Standards which are mandatory for annual financial periods beginning on or after 1 April 2025 and which were adopted by the Group on 1 April 2025.

Amendments to MFRS 16 *Leases Liability in as Sale and Leaseback*

Amendments to MFRS 101 *Non-current Liabilities with Covenants*

Amendments to MFRS 107 *Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures*

The adoption of the above accounting standards and amendments to Standards did not have any material impact on the financial statements of the Group.

(ii) Standards issued but not yet effective

The following are Amendments to Standards issued by the Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of these condensed consolidated interim financial statements. The Group intends to adopt these Amendments to Standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Amendments that are part of Annual Improvements - Volume 11	1 January 2026
- Amendments to MFRS 1 <i>First-time Adoption of MFRS Accounting Standards</i>	
- Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i>	
- Amendments to MFRS 9 <i>Financial Instruments</i>	
- Amendments to MFRS 10 <i>Consolidated Financial Instruments</i>	
- Amendments to MFRS 107 <i>Statement of Cash Flows</i>	

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A1. Basis of preparation (cont'd.)

(ii) Standards issued but not yet effective (cont'd.)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 18 <i>Presentation and Disclosures in Financial Statements</i>	1 January 2027
Amendments to MFRS 19 <i>Subsidiaries without Public Accountability Disclosures</i>	1 January 2027
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investments in Associates and Joint Ventures - Sale or Distributions of Assets between an Investor and its Associate or Joint Venture</i>	To be determined by MASB

Except for MFRS 18, the directors expect that the adoption of the above Amendments to Standards will not have a material impact on the Group's condensed consolidated interim financial statements upon initial application. The Group is currently evaluating the potential impact, if any, arising from the adoption of MFRS 18.

A2. Auditors' Report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 31 March 2025 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial period ended 30 June 2025, the operations of the Group were not materially affected by any seasonal factors. With regard to cyclical factors, the performance of the Group is directly correlated with the industry cycle and the economic performance of the countries in which the Group has business dealings with.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period ended 30 June 2025.

A5. Changes in estimates

There were no material changes in estimates used in the preparation of these condensed consolidated interim financial statements.

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 third quarter ended 30 June 2025.

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A7. Dividend paid

No dividend has been declared for the financial period ended 30 June 2025.

A8. Carrying amount of revalued properties

The valuation of property and equipment and investment properties have been brought forward, without any change, from the audited financial statements for the financial year ended 31 March 2025.

A9. Significant events

There were no significant events of the Group during the financial period ended 30 June 2025.

A10. Subsequent events

There were no subsequent events of the Group during the financial period ended 30 June 2025.

A11. Changes in the composition of the Group

There was no change in the composition of the Group for the current financial quarter under review.

A12. Capital commitments

The amount of capital commitments of the Group as at 30 June 2025 were as follows:

	RM'000
Authorised and contracted for:	
Property and equipment	4,765
Software developments	18,367
	<u>23,132</u>
Authorised but not contracted for:	
Property and equipment	14,295
Software developments	49,885
	<u>64,180</u>

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A13. Segmental reporting

The Group has five business segments as follows:

Segments

Investment holding and others	Investment holding and non-insurance/takaful subsidiaries
Reinsurance	Underwriting of all classes of general reinsurance business
Retakaful	Management of family and general retakaful businesses
General takaful	Management of general takaful business
Family takaful	Management of family and investment-linked takaful businesses

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Investment holding and others RM'000	Adjustments and eliminations RM'000	Group RM'000
30 June 2025							
<u>Revenue</u>							
Insurance/takaful revenue	490,781	48,308	267,545	91,009	-	(31,363)	866,280
Interest income/profit revenue calculated using the effective interest/profit method	18,719	1,684	11,951	12,849	3,094	(556)	47,741
Other investment income	28,530	672	281	30,786	533	-	60,802
Fee income	-	-	-	-	22,595	(21,854)	741
Total revenue	<u>538,030</u>	<u>50,664</u>	<u>279,777</u>	<u>134,644</u>	<u>26,222</u>	<u>(53,773)</u>	<u>975,564</u>
Profit/(loss) before zakat and taxation	<u>126,911</u>	<u>(3,762)</u>	<u>31,483</u>	<u>3,925</u>	<u>6,906</u>	<u>27,285</u>	<u>192,748</u>
Profit/(loss) after zakat and taxation	<u>115,662</u>	<u>(3,518)</u>	<u>23,296</u>	<u>592</u>	<u>6,033</u>	<u>26,361</u>	<u>168,426</u>
30 June 2024							
<u>Revenue</u>							
Insurance/takaful revenue*	477,547	12,048	188,020	80,013	-	(9,274)	748,354
Interest income/profit revenue calculated using the effective interest/profit method	30,744	1,544	10,173	16,903	4,022	(762)	62,624
Other investment income*	17,511	154	398	27,595	149	-	45,807
Fee income	-	-	-	-	21,757	(20,963)	794
Total revenue	<u>525,802</u>	<u>13,746</u>	<u>198,591</u>	<u>124,511</u>	<u>25,928</u>	<u>(30,999)</u>	<u>857,579</u>
Profit/(loss) before zakat and taxation	<u>92,311</u>	<u>319</u>	<u>16,511</u>	<u>5,719</u>	<u>(1,373)</u>	<u>(9,069)</u>	<u>104,418</u>
Profit/(loss) after zakat and taxation	<u>85,791</u>	<u>294</u>	<u>12,263</u>	<u>4,473</u>	<u>(1,548)</u>	<u>(9,069)</u>	<u>92,204</u>

* The comparative figures for the prior period have been restated to conform with the current period presentation following audit validation of financial year ended 31 March 2025.

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A14. Unaudited condensed consolidated statement of profit or loss and consolidated statement of financial position of Reinsurance, Retakaful and Takaful business

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 29 April 2022, the breakdown of Unaudited Statement of Profit or Loss and Statements of Financial Position of Reinsurance Business, Retakaful Business, Family Takaful Business, General Takaful Business are disclosed as follows:

(a) Unaudited condensed consolidated statement of profit or loss for financial period ended 30 June 2025

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Insurance/takaful revenue	490,781	48,308	267,545	91,009	(31,363)	866,280
Insurance/takaful service expenses	(286,612)	(25,284)	(218,282)	(87,939)	37,523	(580,594)
Insurance contracts/takaful certificates service result before reinsurance/ retakaful certificates held	204,169	23,024	49,263	3,070	6,160	285,686
Allocation of reinsurance/retakaful premiums/contributions	(68,470)	(21,257)	(86,211)	(46,960)	31,363	(191,535)
Amounts recoverable from reinsurers/retakaful operators for incurred claims	8,011	13,081	54,320	23,610	(11,011)	88,011
Net expense from reinsurance/retakaful contracts/certificates held	(60,459)	(8,176)	(31,891)	(23,350)	20,352	(103,524)
Insurance/takaful service results	143,710	14,848	17,372	(20,280)	26,512	182,162
Interest income/profit revenue calculated using the effective interest/profit method	18,719	1,684	11,951	12,849	2,538	47,741
Other investment income	28,530	672	281	30,786	533	60,802
Net realised losses	(8,525)	-	(1,722)	(4,207)	-	(14,454)
Net fair value gains on financial assets at fair value through profit and loss	33,659	587	5,528	61,093	3,083	103,950
Net foreign exchange losses on investments	(41,485)	-	-	-	8,465	(33,020)
Reversal of/(allowance for) impairment on financial assets	-	-	(14)	38	-	24
Investment results	30,898	2,943	16,024	100,559	14,619	165,043
Net insurance/takaful finance expenses from insurance contracts/takaful certificates issued	(38,977)	948	(9,432)	(93,397)	150	(140,708)
Net reinsurance/retakaful profit/finance income from reinsurance contracts/retakaful certificates held	(1,361)	(445)	3,303	-	(150)	1,347
Unallocated (surplus)/deficit and changes in the value of the underlying items attributable to participants	-	(20,100)	2,412	22,034	(6,773)	(2,427)
Net insurance/takaful financial results	(40,338)	(19,597)	(3,717)	(71,363)	(6,773)	(141,788)
Fees and other income	1,936	65	2,901	2,740	(344)	7,298
Management and other expenses	(5,569)	(326)	(1,796)	(2,408)	(11,421)	(21,520)
Finance cost	(3,726)	-	(63)	(1)	(4,076)	(7,866)
Net other income and expenses	(7,359)	(261)	1,042	331	(15,841)	(22,088)
Share of results of associates	-	-	-	-	15,674	15,674
Profit before zakat and taxation	126,911	(2,067)	30,721	9,247	34,191	199,003
Tax attributable to participants	-	(1,695)	762	(5,322)	-	(6,255)
Profit before zakat and taxation attributable to equity holders of the Holding Company	126,911	(3,762)	31,483	3,925	34,191	192,748
Zakat	-	-	(653)	15	-	(638)
Taxation	(11,249)	244	(7,534)	(3,348)	(1,797)	(23,684)
Net profit for the period attributable to equity holders of the Holding Company	115,662	(3,518)	23,296	592	32,394	168,426

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.)

A14. Unaudited condensed consolidated statement of profit or loss and consolidated statement of financial position of Reinsurance, Retakaful and Takaful business (cont'd.)

(b) Unaudited condensed consolidated statement of profit or loss for financial period ended 30 June 2024

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Insurance/takaful revenue*	477,547	12,048	188,020	80,013	(9,274)	748,354
Insurance/takaful service expenses*	(451,064)	33,335	(147,675)	(83,181)	14,858	(633,727)
Insurance contracts/takaful certificates service result before reinsurance/ retakaful certificates held	26,483	45,383	40,345	(3,168)	5,584	114,627
Allocation of reinsurance/retakaful premiums/contributions	(94,529)	1,116	(63,087)	(32,629)	9,273	(179,856)
Amounts recoverable from reinsurers/retakaful operators for incurred claims	98,808	(34,777)	38,789	20,820	(2,096)	121,544
Net expense from reinsurance/retakaful contracts/certificates held	4,279	(33,661)	(24,298)	(11,809)	7,177	(58,312)
Insurance/takaful service results	30,762	11,722	16,047	(14,977)	12,761	56,315
Interest income/profit revenue calculated using the effective interest/profit method	30,744	1,544	10,173	16,903	3,260	62,624
Other investment income*	17,511	154	398	27,595	149	45,807
Net realised gains/(losses)	1,378	-	212	1,787	(4)	3,373
Net fair value gains/(losses) on financial assets at fair value through profit and loss*	14,094	88	(340)	26,429	(17,834)	22,437
Net foreign exchange losses on investments	(590)	-	-	-	-	(590)
Reversal of/(allowance for) impairment on financial assets	-	-	(13)	-	-	(13)
Investment results	63,137	1,786	10,430	72,714	(14,429)	133,638
Net insurance/takaful finance/profit expenses from insurance contracts/takaful certificates issued	4,865	-	(5,993)	(62,618)	(289)	(64,035)
Net reinsurance/retakaful profit/finance income from reinsurance contracts/retakaful certificates held	1,753	-	2,055	-	289	4,097
Unallocated (surplus)/deficit and changes in the value of the underlying items attributable to participants*	-	(10,995)	(4,202)	18,112	-	2,915
Net insurance/takaful financial results	6,618	(10,995)	(8,140)	(44,506)	-	(57,023)
Fees and other income*	2,439	94	987	1,305	(55)	4,770
Management and other expenses*	(7,489)	(1,319)	(1,432)	(3,057)	(12,614)	(25,911)
Finance cost	(3,156)	-	(78)	(3)	(4,725)	(7,962)
Net other income and expenses	(8,206)	(1,225)	(523)	(1,755)	(17,394)	(29,103)
Share of results of associates	-	-	-	-	8,620	8,620
Profit/(loss) before zakat and taxation	92,311	1,288	17,814	11,476	(10,442)	112,447
Tax attributable to participants	-	(969)	(1,303)	(5,757)	-	(8,029)
Profit/(loss) before zakat and taxation attributable to equity holders of the Holding Company	92,311	319	16,511	5,719	(10,442)	104,418
Zakat	-	-	(293)	(60)	-	(353)
Taxation	(6,520)	(25)	(3,955)	(1,186)	(175)	(11,861)
Net profit for the period attributable to equity holders of the Holding Company	85,791	294	12,263	4,473	(10,617)	92,204

* The comparative figures for the prior period have been restated to conform with the current period presentation following audit validation of financial year ended 31 March 2025.

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A14. Unaudited condensed consolidated statement of profit or loss and consolidated statement of financial position of Reinsurance, Retakaful and Takaful business (cont'd.)

(c) Unaudited condensed consolidated statement of financial position as at 30 June 2025

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Assets						
Property and equipment	142,601	1	452	88,722	2,970	234,746
Intangible assets	4,970	-	54,215	52,479	5,916	117,580
Right-of-use assets	-	-	5,084	114	(4,112)	1,086
Investments in associates	140,452	-	-	-	31,844	172,296
Financial and other assets	5,410,615	197,669	1,430,218	4,949,025	302,418	12,289,945
Deferred tax assets	-	-	42,916	-	5,887	48,803
Insurance contracts/takaful certificates assets	-	-	-	70,950	(15,695)	55,255
Reinsurance contracts/retakaful certificates assets	228,516	41,807	335,775	43,179	(14,658)	634,619
Tax recoverable	-	-	2,126	29,165	15,831	47,122
Cash and bank balances	34,192	2,402	33,499	15,146	639	85,878
Total assets	5,961,346	241,879	1,904,285	5,248,780	331,040	13,687,330
Liabilities						
Borrowings	251,000	-	-	-	369,000	620,000
Insurance contracts/takaful certificates liabilities	3,001,185	190,776	1,356,704	4,574,237	(14,658)	9,108,244
Reinsurance contracts/retakaful certificates liabilities	-	-	-	51,776	(15,695)	36,081
Lease liabilities	-	-	5,379	117	(4,118)	1,378
Other payables	34,293	3,241	148,743	79,982	692	266,951
Deferred tax liabilities	27,368	3,761	-	18,366	(5,183)	44,312
Tax payable	2,577	-	1,120	1,585	208	5,490
Provision for zakat	-	3	2,822	167	-	2,992
Total liabilities	3,316,423	197,781	1,514,768	4,726,230	330,246	10,085,448
Equity						
Share capital	663,106	-	230,000	405,000	(559,604)	738,502
Reserves	1,981,817	44,098	159,517	117,550	560,398	2,863,380
Total equity attributable to equity holders of the Holding Company	2,644,923	44,098	389,517	522,550	794	3,601,882
Total liabilities and equity	5,961,346	241,879	1,904,285	5,248,780	331,040	13,687,330

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A14. Unaudited condensed consolidated statement of profit or loss and consolidated statement of financial position of Reinsurance, Retakaful and Takaful business (cont'd.)

(d) Audited condensed consolidated statement of financial position as at 31 March 2025

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Assets						
Property and equipment	143,080	1	2,073	89,370	3,427	237,951
Intangible assets	3,732	-	54,604	50,103	5,999	114,438
Right-of-use assets	-	-	5,496	200	(3,494)	2,202
Investments in associates	152,000	-	-	-	13,795	165,795
Financial and other assets	5,319,466	187,363	1,381,930	4,856,910	275,083	12,020,752
Deferred tax assets	-	-	36,149	-	6,293	42,442
Insurance contracts/takaful certificates assets	1,710	4,429	-	110,289	(10,598)	105,830
Reinsurance contracts/retakaful certificates assets	265,095	11,429	316,962	51,491	(27,323)	617,654
Tax recoverable	-	-	3,440	29,165	16,235	48,840
Cash and bank balances	31,914	921	39,001	13,163	27,845	112,844
Total assets	5,916,997	204,143	1,839,655	5,200,691	307,262	13,468,748
Liabilities						
Borrowings	251,000	-	-	-	369,000	620,000
Insurance contracts/takaful certificates liabilities	3,063,449	153,425	1,349,703	4,538,084	(27,323)	9,077,338
Reinsurance contracts/retakaful certificates liabilities	3,594	399	-	40,727	(10,596)	34,124
Lease liabilities	-	-	5,793	204	(3,704)	2,293
Other payables	42,453	1,086	116,839	83,956	7,413	251,747
Deferred tax liabilities	24,671	-	-	15,158	(6,169)	33,660
Tax payable	2,086	1,570	-	2,507	203	6,366
Provision for zakat	-	3	2,169	182	-	2,354
Total liabilities	3,387,253	156,483	1,474,504	4,680,818	328,824	10,027,882
Equity						
Share capital	663,106	-	230,000	405,000	(559,604)	738,502
Reserves	1,866,638	47,660	135,151	114,873	538,042	2,702,364
Total equity attributable to equity holders of the Holding Company	2,529,744	47,660	365,151	519,873	(21,562)	3,440,866
Total liabilities and equity	5,916,997	204,143	1,839,655	5,200,691	307,262	13,468,748

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A15. Fair value information

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 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 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) The fair value of the Group's investments in associate and unquoted equity instruments in Malaysia is determined using the adjusted net assets method, a valuation technique that estimates fair value based on the fair value of the underlying assets and liabilities of the investee entities. In applying this method, each identifiable asset and liability of the investee is remeasured individually to its fair value in accordance with the principles of MFRS 13 *Fair Value Measurement*. The resulting net asset value is then attributed to the investor based on its proportionate equity interest in the investee.

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.)

A15. Fair value information (cont'd.)

Description of significant unobservable inputs:

	Valuation technique	Significant Observable Input	Range
30 June 2025/31 March 2025			
<u>Property and equipment</u>			
Office building of Malaysian Re	Income approach	Yield Rental per square foot	6.00% RM4.70
Office buildings of Takaful IKHLAS Family Berhad - Ikhlas Point	Income approach	Yield Rental per square feet	4.70% to 6.00% RM5.50 to RM6.20
Office buildings of Takaful IKHLAS Family Berhad - Branches	Comparison approach	Sales price per square feet for similar properties	RM289 to RM366
Unquoted equity instruments (Malaysia)	Adjusted net assets method	Net assets of the investee	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 period.

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A15. Fair value information (cont'd.)

Financial instruments that are measured at fair value disclosed under Levels 1, 2 and 3 of the fair value hierarchy as at 30 June 2025

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
a) Property and equipment				
Freehold land	-	-	47,000	47,000
Building	-	-	161,085	161,085
	-	-	208,085	208,085
b) Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Corporate debt securities	-	2,834,007	-	2,834,007
Government investment issues	-	1,491,103	-	1,491,103
Quotes shares in Malaysia:	-	760,511	-	760,511
Unquoted islamic private debt securities	-	1,194,683	-	1,194,683
<u>Mandatorily measured</u>				
Quoted shares in Malaysia:				
Shariah approved equities	303,540	-	-	303,540
Others	176,956	-	-	176,956
Unquoted perpetual bond in Malaysia	-	4,997	-	4,997
Unquoted corporate debt securities	-	119,949	-	119,949
Others	4,789	-	-	4,789
Real estate investment trusts	117,824	-	-	117,824
Derivatives	-	-	-	-
	603,109	6,405,250	-	7,008,359
g) Financial assets at FVOCI				
Malaysian government securities	-	4,985	-	4,985
Government investment issues	-	259,120	-	259,120
Unquoted corporate debt securities	28,803	341,564	-	370,367
Unquoted shares in Malaysia	-	-	92,265	92,265
Unquoted Islamic private debt securities	-	146,505	-	146,505
Golf club memberships	-	-	233	233
	28,803	752,174	92,498	873,475

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.)

A15. Fair value information (cont'd.)

Financial instruments that are measured at fair value disclosed under Levels 1, 2 and 3 of the fair value hierarchy as at 31 March 2025

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
a) Property and equipment				
Freehold land	-	-	47,000	47,000
Building	-	-	161,085	161,085
	-	-	208,085	208,085
b) Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Corporate debt securities	-	1,226,292	-	1,226,292
Government investment issues	-	2,366,432	-	2,366,432
Quotes shares in Malaysia:				
Unquoted islamic private debt securities	-	1,482,048	-	1,482,048
Malaysian government securities unsecured	-	355,091	-	355,091
<u>Mandatorily measured</u>				
Quoted shares in Malaysia:				
Shariah approved equities	508,222	-	-	508,222
Warrants	239	-	-	239
Others	79,312	-	-	79,312
Unquoted perpetual bond in Malaysia	-	4,992	-	4,992
Shariah approved unit trust funds	329,964	-	-	329,964
Real estate investment trusts				
- Shariah approved	14,226	-	-	14,226
- Non-Shariah approved	2,782	-	-	2,782
	934,745	5,434,855	-	6,369,600
c) Financial assets at FVOCI				
Government investment issues	-	475,736	-	475,736
Unquoted shares in Malaysia	-	-	92,706	92,706
Unquoted Islamic private debt securities	-	372,961	-	372,961
Golf club memberships	-	-	233	233
	-	848,697	92,939	941,636

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)

A15. Fair value information (cont'd.)

(i) Derivatives

The Group did not enter into any derivative transactions during the period ended 30 June 2025 or the previous year ended 31 March 2025.

A16. Insurance contracts/takaful certificates assets/liabilities and reinsurance contracts/retakaful certificates assets/liabilities

	30.06.2025			31.03.2025		
	Remaining coverage RM'000	Incurred claims RM'000	Total RM'000	Remaining coverage RM'000	Incurred claims RM'000	Total RM'000
Assets						
Insurance contracts/takaful certificates	72,647	(17,392)	55,255	215,212	(109,382)	105,830
Reinsurance contracts/retakaful certificates	191,298	443,321	634,619	(172,659)	790,313	617,654
	263,945	425,929	689,874	42,553	680,931	723,484
Liabilities						
Insurance contracts/takaful certificates	4,588,185	4,520,059	9,108,244	4,013,590	5,063,748	9,077,338
Reinsurance contracts/retakaful certificates	68,962	(32,881)	36,081	57,140	(23,016)	34,124
	4,657,147	4,487,178	9,144,325	4,070,730	5,040,732	9,111,462

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of 3 months current quarter profitability against 3 months current quarter in prior period

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
30 June 2025						
<u>Revenue</u>						
Insurance/takaful revenue	490,781	48,308	267,545	91,009	(31,363)	866,280
Interest income/profit revenue calculated using the effective interest/profit method	18,719	1,684	11,951	12,849	2,538	47,741
Other investment income	28,530	672	281	30,786	533	60,802
Fee income	-	-	-	-	741	741
Total revenue	<u>538,030</u>	<u>50,664</u>	<u>279,777</u>	<u>134,644</u>	<u>(27,551)</u>	<u>975,564</u>
Profit/(loss) before zakat and taxation	<u>126,911</u>	<u>(3,762)</u>	<u>31,483</u>	<u>3,925</u>	<u>34,191</u>	<u>192,748</u>
30 June 2024						
<u>Revenue</u>						
Insurance/takaful revenue*	477,547	12,048	188,020	80,013	(9,274)	748,354
Interest income/profit revenue calculated using the effective interest/profit method	30,744	1,544	10,173	16,903	3,260	62,624
Other investment income*	17,511	154	398	27,595	149	45,807
Fee income	-	-	-	-	794	794
Total revenue	<u>525,802</u>	<u>13,746</u>	<u>198,591</u>	<u>124,511</u>	<u>(5,071)</u>	<u>857,579</u>
Profit/(loss) before zakat and taxation	<u>92,311</u>	<u>319</u>	<u>16,511</u>	<u>5,719</u>	<u>(10,442)</u>	<u>104,418</u>

* The comparative figures for the prior period have been restated to conform with the current period presentation following audit validation of financial year ended 31 March 2025.

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B1. Review of 3 months current quarter profitability against 3 months current quarter in prior period (cont'd.)

The Group

For the quarter ended 30 June 2025, the Group recorded total revenue of RM975.6 million, an increase of RM118.0 million from RM857.6 million in the corresponding quarter last year. This growth was mainly driven by stronger performance in the reinsurance, retakaful, general takaful, and family takaful segments.

The increase was further supported by higher net investment income, following a rebound in the Malaysian capital markets driven by improved investor sentiment.

The Group's profit before tax rose to RM192.7 million, up RM88.3 million from RM104.4 million in the same quarter last year. This was mainly attributed to higher insurance/takaful service results from revenue growth, improved claims experience, and higher net investment income from favourable fair value gains in equities and bond portfolios.

Additionally, the Group recorded a higher share of profit from associates during the quarter, supported by stronger insurance service results and improved investment returns.

Reinsurance Business

The Reinsurance business recorded total revenue of RM538.0 million, an increase of RM12.2 million from RM525.8 million in the corresponding quarter. The growth was mainly driven by higher gross written premiums, particularly from the MGA and Specialty portfolios.

Profit before zakat and taxation rose by RM34.6 million to RM126.9 million, compared to RM92.3 million in the same quarter last year. This was primarily due to increased insurance revenue and improved claims experience.

Retakaful Business

The Retakaful business recorded total revenue of RM50.7 million, a significant increase of RM37.0 million from RM13.7 million in the corresponding quarter. This growth was mainly driven by higher gross written contributions, particularly from the family retakaful portfolio.

Despite the increase in revenue, the business posted a loss before zakat and taxation of RM3.8 million, compared to a profit of RM0.3 million in the same quarter last year. The loss was primarily due to higher takaful service expenses arising from increased attributable expenses.

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B1. Review of 3 months current quarter profitability against 3 months current quarter in prior period (cont'd.)

General Takaful Business

The General Takaful business recorded total takaful revenue of RM279.8 million, an increase of RM81.2 million from RM198.6 million in the corresponding quarter. This growth was mainly driven by higher gross written contributions from the motor portfolio.

Profit before zakat and taxation rose by RM15.0 million, from RM16.5 million to RM31.5 million. The improvement was supported by higher takaful service results, driven by increased takaful revenue and higher net investment income, particularly from favourable fair value gains in the equities portfolio.

Family Takaful Business

The Family Takaful business recorded total takaful revenue of RM134.6 million, an increase of RM10.1 million from RM124.5 million in the corresponding quarter. This growth was mainly driven by higher gross written contributions from the Group Credit Term (GCTT), Group Term (GTT), and Group Hospitalisation (GHS) portfolios.

Despite the increase in revenue, profit before zakat and taxation declined by RM1.8 million, from RM5.7 million to RM3.9 million. The decrease was primarily due to non-recurring attributable expenses incurred during the quarter. This was partially offset by higher net investment income, mainly from favourable fair value gains in the bonds portfolio.

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B2. Review of current quarter profitability against immediate preceding quarter

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Profit before zakat and taxation,						
3 months ended,						
30 June 2025	126,911	(3,762)	31,483	3,925	34,191	192,748
31 March 2025	53,466	17,320	27,452	5,587	(2,069)	101,756

The Group

For the quarter ended 30 June 2025, the Group recorded a higher profit before zakat and taxation of RM192.7 million, an increase of RM91.0 million compared to RM101.8 million in the preceding quarter.

This improvement was mainly driven by stronger insurance/takaful service results, supported by higher insurance/takaful revenue and lower insurance/takaful service expenses arising from better claims experience in the Reinsurance business.

The performance was further strengthened by higher net investment income, primarily from net fair value gains in equities and bonds following the rebound in Malaysian investment markets. Additionally, share of profit from associates also improved due to stronger insurance service results.

Reinsurance Business

The Reinsurance business recorded a profit before zakat and taxation of RM126.9 million, an increase of RM73.4 million from RM53.5 million in the preceding quarter. This was primarily driven by improved insurance service results, supported by lower insurance service expenses due to better claims experience during the quarter. The performance was further boosted by higher net investment income, mainly from increased net fair value gains in equities and bonds portfolios.

Retakaful Business

The Retakaful business recorded a loss before taxation of RM3.8 million, compared to a profit of RM17.3 million in the preceding quarter. The decline was mainly due to higher takaful service expenses, driven by increased attributable expenses during the period.

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B2. Review of current quarter profitability against immediate preceding quarter (cont'd.)

General Takaful Business

Profit before zakat and taxation for the General Takaful Business increased by RM4.0 million, from RM27.5 million to RM31.5 million. This improvement was mainly driven by higher takaful service results, supported by growth in gross written contributions from the motor portfolio. Additionally, net investment income rose, driven by higher unrealised gains from fair value movements in the equities portfolio.

Family Takaful Business

Profit before zakat and taxation for the Family Takaful Business decreased by RM1.7 million, from RM5.6 million to RM3.9 million. The decline was mainly due to non-recurring attributable expenses during the quarter, partially offset by higher net investment income, driven by increased net fair value gains in the bonds portfolio.

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B3. Current period prospect

Malaysia's economy is expected to maintain stable growth, driven primarily by resilient domestic demand. The cut in the Overnight Policy Rate (OPR) in July is anticipated to stimulate economic activity, sustain consumer spending, and ease the burden of rising living costs. It also supports bond market performance by anchoring yields and reinforces confidence in the ringgit through a pro-growth monetary stance. However, global uncertainties, including potential trade disruptions from protectionist policies, continue to pose external headwinds, presenting residual risks to the economy and the (re)insurance and (re)takaful industry.

Malaysia's (re)insurance and (re)takaful industry is projected to sustain its growth trajectory in 2026, driven by regulatory enhancements, growing demand for financial protection and supportive government frameworks. Key initiatives such as the Financial Sector Blueprint 2022–2026, the Madani Economy Framework and digital sandbox programs promote inclusion, innovation, and sustainability-aligned offerings. Regulatory reforms—including enhanced capital adequacy standards, new entry requirements for digital insurers and takaful operators and the implementation of Hajah and Darurah policy—are expected to enhance resilience, improve transparency, and support sustainable sectoral growth.

The reinsurance and retakaful sector is set to benefit from stable market conditions and favourable pricing dynamics in 2026. Demand remains strong, supported by heightened awareness of climate-related risk and insurers' increasing focus on risk mitigation. Despite pressures from global market softening and climate-related losses, the sector has demonstrated resilience and adaptability, capturing opportunities for product innovation. Rising investment yields and continued underwriting discipline are expected to strengthen financial performance for agile and well-managed players.

The MNRB Group remains confident in the long-term growth prospects of its reinsurance and retakaful operations. Through the ongoing execution of its strategic initiatives—especially its portfolio diversification strategy anchored on sustainable profitability—the segment's outlook remains positive and is expected to continue contributing meaningfully to the Group.

Domestically, the insurance and takaful industry is expected to record modest growth in tandem with the broader economic recovery. As at 2024, takaful penetration stands at approximately 20% of the population. The Malaysian Takaful Association is targeting an increase to 40% by 2028. Amid intensifying competition across both conventional and takaful markets, customer expectations are shifting toward greater transparency, digital convenience, and value-added protection. In this dynamic landscape, product differentiation, personalised service, and operational excellence will be critical success factors.

Contributing to this momentum, The Group's takaful arm continues to support industry growth through focused distribution, customer-centric initiatives, enhanced digital innovation and diversified product offerings. Digital platforms such as GO Serve and GO Direct enhance customer engagement and operational efficiency. These initiatives align with national efforts to boost takaful penetration—particularly among underserved communities—while reinforcing the resilience and inclusivity of Malaysia's Islamic finance ecosystem.

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B3. Current period prospect (cont'd.)

The recent imposition of Services Tax of 8% on financial services will have implications particularly on the family takaful segment as the tax will increase costs related to banca distribution channels and retakaful costs. While family takaful and medical takaful products to individual consumers continue to be exempted from Services Tax, the costs related to distribution and investment management are now taxable. This is anticipated to erode the profitability of family takaful operators marginally as the market adjusts to this new tax impact over the coming months. General takaful segment is largely not impacted by this development as the contributions are already subject to Services Tax.

Malaysia's current tariff exposure and constructive trade policies continue to support its competitiveness amid global trade challenges. Recent ASEAN meetings in Kuala Lumpur reinforced regional cooperation in trade, green transition, and the digital economy—aligning with national priorities and strengthening long-term growth prospects. Rising investments in high-tech manufacturing, EV supply chains, and infrastructure further underpin Malaysia's positive economic outlook. Against this backdrop, the Group maintains a prudent investment strategy—focusing on high-quality fixed income for capital preservation and domestic equities with strong fundamentals, attractive yields, and low volatility. This approach supports resilience amid near-term uncertainty and long-term value creation.

The Group also remains committed to achieving Net Zero Carbon emissions by 2050, balancing economic performance with robust environmental, social, and governance (ESG) practices. This aspiration is guided by the Group's Sustainability Roadmap as well as relevant regulatory frameworks and best practices.

B4. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the period ended 30 June 2025.

B5. Status of corporate proposal

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

B6. Off balance sheet financial instruments

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

B7. Material litigation

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

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B9. Investment results

	Current quarter	
	Three months ended	
	30.06.2025	30.06.2024
	RM'000	RM'000
Interest income/profit revenue calculated using the effective interest/profit method		
Interest income/profit revenue	47,741	62,624
	<u>47,741</u>	<u>62,624</u>
Other investment income		
Interest income/profit revenue	56,384	44,045
Dividend income	4,267	3,088
Net accretion/(amortisation) of premiums on investments	907	(347)
Investment expenses	(756)	(979)
	<u>60,802</u>	<u>45,807</u>
Net realised (losses)/gains		
Government investment issues	655	(7,167)
Malaysian Government Securities	75	-
Unquoted islamic private debt securities	(2,069)	537
Quoted shares in Malaysia	(15,260)	6,359
Shariah approved unit trust funds	384	(327)
Property and equipment	1,761	3,971
	<u>(14,454)</u>	<u>3,373</u>
Net fair value gains on financial assets at fair value through profit and loss*		
Unquoted corporate debt securities	11,162	(541)
Government investment issues	46,296	(1,846)
Unquoted islamic private debt securities	5,927	(9,877)
Quoted shares in Malaysia	28,808	5,518
Shariah approved unit trust funds	5,364	28,634
Malaysian government securities	6,393	549
	<u>103,950</u>	<u>22,437</u>
Net foreign exchange losses on investments	<u>(33,020)</u>	<u>(590)</u>
Reversal of/(allowance for) impairment on financial assets	24	(13)
Investment results	<u>165,043</u>	<u>133,638</u>

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B10. Taxation

	Current quarter	
	Three months ended	
	30.06.2025	30.06.2024
	RM'000	RM'000
Profit before zakat and taxation	199,003	112,447
Taxation:		
Current tax	(19,695)	(10,455)
Deferred tax	(3,989)	(1,406)
	<u>(23,684)</u>	<u>(11,861)</u>
Effective tax rate	<u>12%</u>	<u>11%</u>

The effective tax rate was lower than the statutory tax rate of 24% due to reinsurance/retakaful operating profit being taxed at 8%.

B11. Borrowings and debt securities

The Group borrowings were as follows:

	30.06.2025	31.03.2025
	RM'000	RM'000
Unsecured long term borrowings:		
Sukuk Murabahah due on 22 March 2029	420,000	420,000
Subordinated Debt due on 26 October 2032	200,000	200,000
	<u>620,000</u>	<u>620,000</u>

PART B: EXPLANATORY NOTES PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D.)

B12. Earnings per share

	Current quarter	
	Three months ended	
	30.06.2025	30.06.2024
	RM'000	RM'000
Net profit for the period (RM'000)	168,426	92,204
Number of ordinary shares in issue ('000)	783,088	783,088
Basic earnings per share (sen)	<u>21.51</u>	<u>11.77</u>

B13. Additional disclosures for the income statement

	Current quarter	
	Three months ended	
	30.06.2025	30.06.2024
	RM'000	RM'000
Depreciation and amortisation	<u>(11,075)</u>	<u>(5,633)</u>

By Order of the Board

LENA ABD LATIF
Company Secretary
License No. LS0008766
SSM Practicing Cert. No. 201908002386
Kuala Lumpur

Dated: 14 Aug 2025