

MNRB HOLDINGS BERHAD

197201001795 (13487-A)

UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2025

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Current quarter		Cumulative quarters	
	Three months ended		Twelve months ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Insurance/takaful revenue*	809,049	931,753	3,188,780	3,098,154
Insurance/takaful service expenses*	(624,796)	(524,523)	(2,501,852)	(2,433,776)
Insurance contracts/takaful certificates service result before reinsurance contracts/retakaful certificates held	184,253	407,230	686,928	664,378
Allocation of reinsurance/retakaful premiums/contributions	(185,829)	(189,814)	(681,777)	(604,752)
Amounts recoverable from reinsurers/retakaful operators for incurred claims	118,060	160,242	457,500	434,778
Net income/(expense) from reinsurance/retakaful contracts/certificates held	(67,769)	(29,572)	(224,277)	(169,974)
Insurance/takaful service result	116,484	377,658	462,651	494,404
Investment income on financial assets	112,000	105,650	441,436	410,784
Net realised (losses)/gains	(5,208)	8,752	11,070	(3,018)
Net fair value (losses)/gains	(29,961)	50,812	24,204	145,230
Net foreign exchange gains/(losses)	14,157	24,320	(82,437)	48,009
Reversal of impairment loss on financial assets	104	-	104	-
Investment results	91,092	189,534	394,377	601,005
Net insurance/takaful profit/finance income/(expenses) from insurance contracts/takaful certificates issued	(22,905)	(128,561)	(70,063)	(217,830)
Net reinsurance/retakaful profit/finance income/(expenses) from reinsurance contracts/retakaful certificates held	4,793	1,354	19,064	11,518
Unallocated surplus attributable to participants	(57,332)	(137,945)	(207,747)	(331,174)
Net insurance/takaful financial result	(75,444)	(265,152)	(258,746)	(537,486)
Fees and other income	20,556	22,730	35,138	49,354
Management and other expenses	(65,208)	(66,713)	(155,904)	(93,771)
Finance cost	(5,047)	(6,556)	(28,946)	(27,270)
Net other income and expenses	(49,699)	(50,539)	(149,712)	(71,687)
Share of results of associates	(389)	35,580	6,471	44,623
Profit before zakat and taxation	82,044	287,081	455,041	530,859
Tax attributable to the participants	19,717	(14,615)	(786)	(25,078)
Profit before zakat and taxation attributable to equity holders of the Holding Company	101,761	272,466	454,255	505,781
Zakat	(386)	45	(1,638)	(1,334)
Taxation	(7,976)	(34,688)	(58,414)	(70,908)
Net profit for the year attributable to equity holders of the Holding Company	93,399	237,823	394,203	433,539

* 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 2024.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Current quarter		Cumulative quarters	
	Three months ended	Three months ended	Twelve months ended	Twelve months ended
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	RM'000	RM'000	RM'000	RM'000
Net profit for the year attributable to equity holders of the Holding Company	93,399	237,823	394,203	433,539
Other comprehensive income/(losses), net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Effects of post acquisition foreign exchange translation reserve on investment in an associate	6,998	(19,437)	(8,299)	(16,702)
Effects of foreign exchange translation reserve on investment in subsidiary	76	363	(642)	877
Net gains/(losses) on investments in debt securities measured at FVOCI	(4,115)	(12,213)	1,504	9,491
Net realised (losses)/gains transferred to profit or loss	(304)	2,005	2,088	340
Tax effects thereon	(789)	(459)	(964)	101
	<u>1,866</u>	<u>(29,741)</u>	<u>(6,313)</u>	<u>(5,893)</u>
Items that will not be reclassified subsequently to profit or loss				
Net fair value gains/(losses) on equity investments at FVOCI	4,993	284	5,040	548
Revaluation surplus of land and buildings	4,117	3,239	5,829	4,905
Tax effects thereon	(46)	(4,047)	(183)	(3,787)
	<u>9,064</u>	<u>(524)</u>	<u>10,686</u>	<u>1,666</u>
Other comprehensive losses/(income) attributable to participants	1,028	(2,879)	(3,033)	(7,454)
Total other comprehensive (losses)/income for the year, net of tax	11,958	(33,144)	1,340	(11,681)
Total comprehensive income for the year, net of tax	105,357	204,679	395,543	421,858
Total comprehensive income for the year attributable to owners of the Company	105,357	204,679	395,543	421,858
Basic earnings per share attributable to equity holders of the Company (sen)	11.93	30.37	50.34	55.36

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025**

	31.03.2025	31.03.2024
	RM'000	RM'000
Assets		
Property, plant and equipment	235,548	234,972
Intangible assets	120,370	117,118
Right-of-use assets	2,202	2,827
Investments in associates	166,196	174,911
Financial and other assets	12,060,464	11,275,697
Deferred tax assets	45,112	47,391
Insurance contracts/takaful certificates assets	54,254	66,334
Reinsurance contracts/retakaful certificates assets	602,826	511,081
Tax recoverable	49,224	26,698
Cash and bank balances	58,043	115,604
Total assets	13,394,239	12,572,633
Liabilities		
Borrowings	620,000	620,000
Insurance contracts/takaful certificates liabilities	9,034,913	8,493,145
Reinsurance contracts/retakaful certificates liabilities	19,721	31,938
Lease liabilities	2,294	3,016
Other payables	234,811	233,530
Deferred tax liabilities	31,975	37,212
Tax payable	7,269	27,499
Provision for zakat	2,390	2,661
Total liabilities	9,953,373	9,449,001
Equity		
Share capital	738,502	738,502
Reserves	2,702,364	2,385,130
Total equity attributable to owners of the Company	3,440,866	3,123,632
Total liabilities and equity	13,394,239	12,572,633
Net assets per share (RM)	4.39	3.99

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 YEAR ENDED 31 MARCH 2025**

	← Attributable to owners of the Company →					Total RM'000
	← Reserves →				Retained profits RM'000	
	Share capital RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Revaluation reserve RM'000		
At 1 April 2024	738,502	17,443	36,653	53,911	2,277,123	3,123,632
Net profit for the year	-	-	-	-	394,203	394,203
Total other comprehensive (losses)/income for the year	-	(8,941)	4,635	5,646	-	1,340
Total comprehensive (losses)/income for the year	-	(8,941)	4,635	5,646	394,203	395,543
Dividend paid during the year	-	-	-	-	(78,309)	(78,309)
At 31 March 2025	738,502	8,502	41,288	59,557	2,593,017	3,440,866
At 1 April 2023	738,502	33,268	33,627	52,793	1,878,431	2,736,621
Net profit for the year	-	-	-	-	433,539	433,539
Total other comprehensive (losses)/income for the year	-	(15,825)	3,026	1,118	-	(11,681)
Total comprehensive (losses)/income for the year	-	(15,825)	3,026	1,118	433,539	421,858
Dividend paid during the year	-	-	-	-	(34,847)	(34,847)
At 31 March 2024	738,502	17,443	36,653	53,911	2,277,123	3,123,632

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 YEAR ENDED 31 MARCH 2025

	31.03.2025	31.03.2024
	RM '000	RM '000
Cash flows from operating activities		
Profit before zakat and taxation	454,255	505,781
Adjustments for:		
Depreciation of:		
- property, plant and equipment	9,485	9,103
- right-of-use assets	2,824	1,530
Amortisation of intangible assets	15,626	22,469
Finance costs	31,472	27,270
Gain from disposal of:		
- property, plant and equipment	1	67
Realised (gains)/losses on disposal of investments	(11,070)	2,951
Net amortisation of premiums on investments	839	4,977
Interest/profit income	(420,583)	(404,274)
Dividend income	(25,751)	(12,685)
Rental income	(4,971)	(4,992)
Share of results of associates	(6,471)	(44,623)
Net foreign exchange loss/(gains)	82,437	(3,426)
Net fair value gains on financial assets at FVTPL	(24,204)	(26,570)
Loss on lease modification	-	687
Write-off of intangible assets	1	-
Allowance for impairment of other receivables	975	41
Writeback of impairment of financial assets at FVOCI	(1)	(21)
Tax attributable to the participants	786	25,078
Operating cash flows before working capital changes	105,650	103,363
Changes in working capital:		
Net purchase of financial assets	(568,871)	(1,073,686)
Staff financing	(158)	484
Takaful certificate assets	496,429	609,009
Retakaful certificate assets	(106,616)	38,864
Financial assets	(77,122)	(438,572)
Tax, zakat, other payables and lease liabilities	(24,908)	28,097
Right-of-use assets	(625)	(1,018)
Interest/profit received	347,671	681,109
Dividend received	21,541	12,814
Rental received	2,984	4,991
Income tax and zakat paid	(104,580)	(60,516)
Net cash generated from/(used in) operating activities	91,395	(95,061)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	31.03.2025	31.03.2024
	RM '000	RM '000
Net cash generated from/(used in) operating activities	91,395	(95,061)
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,643)	(16,267)
Purchase of intangible assets	(24,053)	(15,003)
Proceeds from disposal of property, plant and equipment	1,428	52
Net cash used in from investing activities	(37,268)	(31,218)
Cash flows from financing activities		
Repayment of borrowing	-	(320,000)
Proceed from borrowing	-	420,000
Payment of lease liabilities	(1,866)	(1,576)
Interest/profit paid	(31,512)	(27,156)
Dividend paid	(78,309)	(34,847)
Net cash (used in)/generated from financing activities	(111,687)	36,421
Cash and bank balances		
Net decrease during the year	(57,560)	(89,858)
Cash and cash equivalents at beginning of the year	115,604	205,462
Cash and cash equivalents at end of the year	58,044	115,604

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 year ended 31 March 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 2024.

The significant accounting policies and methods of computation adopted in condensed consolidated interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2024 except for the adoption of the following amendments 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 2024:

- Amendments to MFRS 101 *Presentation of Financial Statements*
 - Classification of Liabilities as Current or Non-current
 - Non-Current Liabilities with Covenants
- Amendments to MFRS 16 *Leases* - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures* - Supplier Finance Arrangements
- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

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

Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9 and MFRS 7 <i>Financial Instruments: Disclosures</i>	
- Classification and Measurement of Financial Instruments	1 January 2026
Improvements to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i> , MFRS 7 <i>Financial Instruments: Disclosures</i> , MFRS 9 <i>Financial Instruments</i> , MFRS 10 <i>Consolidated Financial Statements</i> , MFRS 107 <i>Statement of Cash Flows</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 28 <i>Investments in Associates and Joint Ventures - Sale or Distribution 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 pronouncements will not have a material impact on the Group's financial statements upon initial application. The Group is currently evaluating the potential impact, if any, arising from the adoption of MFRS 18.

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

A2. Auditors' Report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 31 March 2024 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial year ended 31 March 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 year ended 31 March 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 31 March 2025.

A7. Dividend paid

The Company on 26 September 2024, had declared a final single-tier dividend ("final dividend") of 5.0 sen (2023:4.45 sen) per ordinary share and a final single-tier special dividend ("Special dividend") of 5.0 sen (2023:nil) per ordinary share in respect of the financial year ended 31 March 2024. The entitlement date for the dividend payment was on 11 October 2024 and the said dividend was paid on 24 October 2024.

A8. Carrying amount of revalued properties

During the financial year ended 31 March 2025, the Group has revalued all its self-occupied and investment properties. This resulted in revaluation surplus of RM5,646,000 being recognised in Other Comprehensive Income and Statement of Equity as revaluation reserve.

A9. Significant events

On 21 March 2025, the Board of Directors of the Company announced that Malaysian Re (Dubai) Ltd ("MRDL"), its wholly-owned subsidiary, incorporated in Dubai, the United Arab Emirates ("UAE"), which was placed under Members' Voluntary Winding-up pursuant to the provision of the Dubai International Financial Centre ("DIFC") Law No.5 of 2018, DIFC Companies Law, was dissolved on 19 March 2025. The Company was advised of the same by the appointed liquidator of MRDL, Vishal Manglani of Messrs of United VAT - Feather Tax Consultancy LLC on 19 March 2025. As a result of the dissolution of MRDL, the Company recognised a gain of RM7,316,635 in income statements of the Company.

A10. Changes in the composition of the Group

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

PART A: EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D.)**A11. Capital commitments**

The amount of capital commitments of the Group as at 31 March 2025 were as follows:

	RM'000
Authorised and contracted for:	
Property, plant and equipment	1,790
Software developments	16,722
	<u>18,512</u>
Authorised but not contracted for:	
Property, plant and equipment	6,948
Software developments	34,403
	<u>41,351</u>

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

A12. 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
31 March 2025							
<u>Revenue</u>							
Insurance/takaful revenue	1,792,843	94,952	870,984	470,973	-	(40,972)	3,188,780
Investment income	203,180	8,108	47,195	179,777	165,862	(162,686)	441,436
Fee income	-	-	-	-	78,558	(74,224)	4,334
Total revenue	<u>1,996,023</u>	<u>103,060</u>	<u>918,179</u>	<u>650,750</u>	<u>244,420</u>	<u>(277,882)</u>	<u>3,634,550</u>
Profit/(loss) before zakat and taxation	<u>335,577</u>	<u>17,331</u>	<u>85,705</u>	<u>8,579</u>	<u>146,688</u>	<u>(139,625)</u>	<u>454,255</u>
Profit/(loss) after zakat and taxation	<u>294,146</u>	<u>16,693</u>	<u>60,991</u>	<u>9,761</u>	<u>148,085</u>	<u>(135,473)</u>	<u>394,203</u>
31 March 2024							
<u>Revenue</u>							
Insurance/takaful revenue	1,719,996	143,469	801,376	470,513	-	(37,200)	3,098,154
Investment income	177,697	7,119	41,987	178,978	110,014	(105,011)	410,784
Fee income	-	-	-	-	64,933	(61,082)	3,851
Total revenue	<u>1,897,693</u>	<u>150,588</u>	<u>843,363</u>	<u>649,491</u>	<u>174,947</u>	<u>(203,293)</u>	<u>3,512,789</u>
Profit/(loss) before zakat and taxation	<u>422,453</u>	<u>2,062</u>	<u>82,428</u>	<u>18,518</u>	<u>80,331</u>	<u>(100,011)</u>	<u>505,781</u>
Profit/(loss) after zakat and taxation	<u>386,687</u>	<u>1,738</u>	<u>63,348</u>	<u>7,758</u>	<u>74,005</u>	<u>(99,997)</u>	<u>433,539</u>

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

A13. 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 year ended 31 March 2025

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Insurance/takaful revenue	1,792,843	94,952	870,984	470,973	(40,972)	3,188,780
Insurance/takaful service expenses	(1,370,766)	(81,908)	(734,152)	(424,456)	109,430	(2,501,852)
Insurance contracts/takaful certificates service result before reinsurance/ retakaful certificates held	422,077	13,044	136,832	46,517	68,458	686,928
Allocation of reinsurance/retakaful premiums/contributions	(270,427)	(33,560)	(269,710)	(145,548)	37,468	(681,777)
Amounts recoverable from reinsurers/retakaful operators for incurred claims	177,484	33,063	188,271	112,101	(53,419)	457,500
Net expense from reinsurance/retakaful contracts/certificates held	(92,943)	(497)	(81,439)	(33,447)	(15,951)	(224,277)
Insurance/takaful service result	329,134	12,547	55,393	13,070	52,507	462,651
Investment income on financial assets	203,180	8,108	47,195	179,777	3,176	441,436
Net realised (losses)/gains	(12,028)	5	(1,573)	21,670	2,996	11,070
Net fair value (losses)/gains	4,338	112	(1,906)	13,425	8,236	24,204
Net foreign exchange gains/(losses)	(92,403)	-	-	-	9,966	(82,437)
Reversal of impairment loss on financial assets	104	-	-	-	-	104
Investment results	103,191	8,225	43,716	214,872	24,374	394,377
Net insurance/takaful finance expenses from insurance contracts/takaful certificates issued	(38,179)	146	(25,771)	(2,322)	(3,937)	(70,063)
Net reinsurance/retakaful profit/finance income/(expenses) from reinsurance contracts/ retakaful certificates held	6,340	65	8,722	-	3,937	19,064
Unallocated surplus attributable to participants	-	(11,642)	(1,517)	(194,800)	212	(207,747)
Net insurance/takaful financial result	(31,839)	(11,431)	(18,566)	(197,122)	212	(258,746)
Fees and other income	9,790	10,926	8,137	5,895	390	35,138
Management and other expenses	(62,022)	(2,936)	(5,537)	(24,465)	(60,945)	(155,904)
Finance cost	(12,677)	-	(323)	-	(15,946)	(28,946)
Net other income and expenses	(64,909)	7,990	2,277	(18,570)	(76,501)	(149,712)
Share of results of associates	-	-	-	-	6,471	6,471
Profit before zakat and taxation	335,577	17,331	82,820	12,250	7,063	455,041
Tax attributable to the participants	-	-	2,885	(3,671)	-	(786)
Profit before zakat and taxation attributable to equity holders of the Holding Company	335,577	17,331	85,705	8,579	7,063	454,255
Zakat	-	(148)	(1,324)	(129)	(37)	(1,638)
Taxation	(41,431)	(490)	(23,390)	1,311	5,586	(58,414)
Profit/(loss) after zakat and taxation	294,146	16,693	60,991	9,761	12,612	394,203

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

A13. 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 year ended 31 March 2024

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Insurance/takaful revenue	1,719,996	143,469	801,376	470,513	(37,200)	3,098,154
Insurance/takaful service expenses	(1,308,693)	(127,508)	(677,518)	(393,934)	73,877	(2,433,776)
Insurance contracts/takaful certificates service result before reinsurance/ retakaful certificates held	411,303	15,961	123,858	76,579	36,677	664,378
Allocation of reinsurance/retakaful premiums/contributions	(221,771)	(41,818)	(244,401)	(133,959)	37,197	(604,752)
Amounts recoverable from reinsurers/retakaful operators for incurred claims	135,669	37,616	181,417	105,031	(24,955)	434,778
Net expense from reinsurance/retakaful contracts/certificates held	(86,102)	(4,202)	(62,984)	(28,928)	12,242	(169,974)
Insurance/takaful service result	325,201	11,759	60,874	47,651	48,919	494,404
Investment income on financial assets	177,697	7,119	41,987	178,978	5,003	410,784
Net realised (losses)/gains	(11,595)	-	(4,355)	12,999	(67)	(3,018)
Net fair value (losses)/gains	53,762	87	6,579	118,660	(33,858)	145,230
Net foreign exchange gains/(losses)	48,009	-	-	-	-	48,009
Investment results	267,873	7,206	44,211	310,637	(28,922)	601,005
Net insurance/takaful finance expenses from insurance contracts/takaful certificates issued	(186,170)	(2,262)	(20,808)	(9,103)	513	(217,830)
Net reinsurance/retakaful profit/finance (expenses)/income from reinsurance contracts/ retakaful certificates held	5,641	(75)	6,466	-	(514)	11,518
Unallocated surplus attributable to participants	-	(14,646)	(8,206)	(303,798)	(4,524)	(331,174)
Net insurance/takaful financial result	(180,529)	(16,983)	(22,548)	(312,901)	(4,525)	(537,486)
Fees and other income	44,265	313	7,730	8,521	(11,475)	49,354
Management and other expenses	(21,663)	(219)	(4,248)	(13,605)	(54,036)	(93,771)
Finance cost	(12,694)	-	(311)	-	(14,265)	(27,270)
Net other income and expenses	9,908	94	3,171	(5,084)	(79,776)	(71,687)
Share of results of associates	-	-	-	-	44,623	44,623
Profit/(loss) before zakat and taxation	422,453	2,076	85,708	40,303	(19,681)	530,859
Tax attributable to the participants	-	(13)	(3,280)	(21,785)	-	(25,078)
Profit/(loss) before zakat and taxation attributable to equity holders of the Holding Company	422,453	2,063	82,428	18,518	(19,681)	505,781
Zakat	-	(127)	(837)	(370)	-	(1,334)
Taxation	(35,765)	(198)	(18,243)	(10,390)	(6,312)	(70,908)
Profit/(loss) after zakat and taxation	386,688	1,738	63,348	7,758	(25,993)	433,539

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

A13. 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 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, plant and equipment	143,080	1	891	88,149	3,427	235,548
Intangible assets	1,191	-	58,378	54,801	6,000	120,370
Right-of-use assets	-	-	5,496	200	(3,494)	2,202
Investments in associates	137,254	-	-	-	28,942	166,196
Financial and other assets	5,319,478	193,588	1,394,351	4,856,912	296,135	12,060,464
Deferred tax assets	-	-	39,233	-	5,879	45,112
Insurance contracts/takaful certificates assets	-	-	-	54,254	-	54,254
Reinsurance contracts/retakaful certificates assets	255,616	38,418	305,404	37,411	(34,023)	602,826
Tax recoverable	-	383	3,440	29,165	16,236	49,224
Cash and bank balances	30,846	920	10,276	13,163	2,838	58,043
Total assets	5,887,465	233,310	1,817,469	5,134,055	321,940	13,394,239
Liabilities						
Borrowings	251,000	-	-	-	369,000	620,000
Insurance contracts/takaful certificates liabilities	3,055,854	179,123	1,339,148	4,494,811	(34,023)	9,034,913
Reinsurance contracts/retakaful certificates liabilities	-	-	-	19,721	-	19,721
Lease liabilities	-	-	5,793	204	(3,703)	2,294
Other payables	38,818	1,063	105,495	84,012	5,423	234,811
Deferred tax liabilities	23,243	1,801	-	11,858	(4,927)	31,975
Tax payable	1,929	1,897	-	3,240	203	7,269
Provision for zakat	-	3	2,169	218	-	2,390
Total liabilities	3,370,844	183,887	1,452,605	4,614,064	331,973	9,953,373
Equity						
Share capital	663,106	-	230,000	405,000	(559,604)	738,502
Reserves	1,853,515	49,423	134,864	114,991	549,571	2,702,364
Total equity attributable to owners of the Company	2,516,621	49,423	364,864	519,991	(10,033)	3,440,866
Total liabilities and equity	5,887,465	233,310	1,817,469	5,134,055	321,940	13,394,239

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

A13. Unaudited condensed consolidated statement of profit or loss and consolidated statement of financial position of Reinsurance, Retakaful and Takaful business (cont'd.)

(d) Unaudited condensed consolidated statement of financial position as at 31 March 2024

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
Assets						
Property, plant and equipment	137,244	1	672	85,439	11,616	234,972
Intangible assets	5,432	-	50,432	54,620	6,634	117,118
Right-of-use assets	-	-	6,608	543	(4,324)	2,827
Investments in associates	155,318	-	-	-	19,593	174,911
Financial and other assets	4,930,119	117,997	1,230,645	4,752,457	244,479	11,275,697
Deferred tax assets	-	-	37,096	-	10,295	47,391
Insurance contracts/takaful certificates assets	7,488	-	-	58,846	-	66,334
Reinsurance contracts/retakaful certificates assets	140,375	22,369	317,862	42,306	(11,831)	511,081
Tax recoverable	-	-	1,904	11,285	13,509	26,698
Cash and bank balances	75,424	9,048	12,300	11,615	7,217	115,604
Total assets	5,451,400	149,415	1,657,519	5,017,111	297,188	12,572,633
Liabilities						
Borrowings	251,000	-	-	-	369,000	620,000
Insurance contracts/takaful certificates liabilities	2,808,062	124,526	1,198,380	4,374,006	(11,829)	8,493,145
Reinsurance contracts/retakaful certificates liabilities	5,681	-	-	26,257	-	31,938
Lease liabilities	-	-	6,955	547	(4,486)	3,016
Other payables	44,936	(5,083)	91,488	81,868	20,321	233,530
Deferred tax liabilities	19,404	(220)	-	13,140	4,888	37,212
Tax payable	7,879	-	15,093	4,346	181	27,499
Provision for zakat	-	3	2,365	293	-	2,661
Total liabilities	3,136,962	119,226	1,314,281	4,500,457	378,075	9,449,001
Equity						
Share capital	663,106	-	230,000	405,000	(559,604)	738,502
Reserves	1,651,332	30,189	113,238	111,654	478,717	2,385,130
Total equity attributable to owners of the Company	2,314,438	30,189	343,238	516,654	(80,887)	3,123,632
Total liabilities and equity	5,451,400	149,415	1,657,519	5,017,111	297,188	12,572,633

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

A14. 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;

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.

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

A14. Fair value information (cont'd.)

Description of significant unobservable inputs:

	Valuation technique	Significant Observable inputs	Range
31 March 2025/2024			
<u>Property, plant and equipment</u>			
Freehold land and office building of Malaysian Reinsurance Berhad ("MRE")	Income approach	Yield Rental per square feet	6.00% RM4.70
Office buildings of Takaful Ikhlas Family Berhad ("TIFB")	Income approach	Yield Rental per square feet	4.70% to 6.00% RM5.70 to RM6.00
<u>Unquoted shares in Malaysia</u>	Net assets	Net assets	Not applicable

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

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

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

A14. 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, plant and equipment				
Freehold land	-	-	36,800	36,800
Building	-	-	171,285	171,285
	<u>-</u>	<u>-</u>	<u>208,085</u>	<u>208,085</u>
b) Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Government investment issues	-	1,463,956	-	1,463,956
Unquoted islamic private debt securities	-	1,530,979	-	1,530,979
<u>Mandatorily measured</u>				
Government investment issues	-	750,715	-	750,715
Malaysian Government Securities	-	241,834	-	241,834
<u>Quoted shares in Malaysia:</u>				
Shariah approved equities	330,175	-	-	330,175
Others	261,936	-	-	261,936
Unquoted perpetual bond in Malaysia	-	4,987	-	4,987
Unquoted corporate debt securities	-	768,255	-	768,255
Shariah approved unit trust funds	325,664	-	-	325,664
Real estate investment trusts	17,008	-	-	17,008
	<u>934,783</u>	<u>4,760,726</u>	<u>-</u>	<u>5,695,509</u>
c) Financial assets at FVOCI				
Government investment issues	-	654,061	-	654,061
Unquoted corporate debt securities	28,622	458,042	-	486,664
Unquoted shares in Malaysia	-	-	92,706	92,706
Unquoted Islamic private debt securities	-	502,271	-	502,271
Golf club memberships	-	-	233	233
	<u>28,622</u>	<u>1,614,374</u>	<u>92,939</u>	<u>1,735,935</u>

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

A14. 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 2024

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
a) Property, plant and equipment				
Freehold land	-	-	36,800	36,800
Building	-	-	174,376	174,376
	-	-	211,176	211,176
b) Financial assets at FVTPL				
<u>Designated upon initial recognition</u>				
Government investment issues	-	1,834,143	-	1,834,143
Unquoted islamic private debt securities	-	1,386,861	-	1,386,861
<u>Mandatorily measured</u>				
Government investment issues	-	379,665	-	379,665
Quoted shares in Malaysia:				
Shariah approved equities	221,166	-	-	221,166
Others	12,237	-	-	12,237
Unquoted perpetual bond in Malaysia	-	4,964	-	4,964
Unquoted corporate debt securities	-	740,218	-	740,218
Shariah approved unit trust funds	356,830	-	-	356,830
Real estate investment trusts	23,715	-	-	23,715
Derivatives ⁽ⁱ⁾	-	(320)	-	(320)
	613,948	4,345,531	-	4,959,479
c) Financial assets at FVOCI				
Government investment issues	-	249,969	-	249,969
Unquoted shares in Malaysia	-	-	87,666	87,666
Unquoted Islamic private debt securities	-	288,371	-	288,371
Golf club memberships	-	-	233	233
	-	538,340	87,899	626,239

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

A14. Fair value information (cont'd.)

(i) Derivatives

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

	<----- 31.03.2025 ----->			<----- 31.03.2024 ----->		
	Notional Amount	Asset	Liability	Notional Amount	Asset	Liability
Trading derivative						
Forward foreign exchange contracts, less than 3 years	-	-	-	68,838	-	(320)

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 2025, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was nil (31 March 2024: RM nil).

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.

Given the associated risks mentioned above, the Group maintains a prudent stance and generally refrains from entering into derivatives arrangement.

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

A15. Insurance contracts/takaful certificates assets/liabilities and reinsurance contracts/retakaful certificates assets/liabilities

	31.03.2025			31.03.2024		
	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	52,054	2,200	54,254	71,311	(4,977)	66,334
Reinsurance contracts/retakaful certificates	35,153	567,673	602,826	(85,996)	597,077	511,081
	87,207	569,873	657,080	(14,685)	592,100	577,415
Liabilities						
Insurance contracts/takaful certificates	4,527,080	4,507,833	9,034,913	3,826,344	4,666,801	8,493,145
Reinsurance contracts/retakaful certificates	29,089	(9,368)	19,721	44,427	(12,489)	31,938
	4,556,169	4,498,465	9,054,634	3,870,771	4,654,312	8,525,083

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 year

	Reinsurance RM'000	Retakaful RM'000	General takaful RM'000	Family takaful RM'000	Others RM'000	Group RM'000
31 March 2025						
<u>Revenue</u>						
Insurance/takaful revenue	445,446	40,770	240,336	83,778	(1,281)	809,049
Investment income	49,647	2,226	11,719	45,664	2,744	112,000
Fee income	-	-	-	-	866	866
Total revenue	<u>495,093</u>	<u>42,996</u>	<u>252,055</u>	<u>129,442</u>	<u>2,329</u>	<u>921,915</u>
Profit/(loss) before zakat and taxation	<u>38,718</u>	<u>16,407</u>	<u>27,668</u>	<u>2,190</u>	<u>16,778</u>	<u>101,761</u>
31 March 2024						
<u>Revenue</u>						
Insurance/takaful revenue*	556,349	82,635	248,952	68,040	(24,223)	931,753
Investment income	49,465	1,810	9,253	42,454	2,668	105,650
Fee income	-	-	-	-	1,332	1,332
Total revenue	<u>605,814</u>	<u>84,445</u>	<u>258,205</u>	<u>110,494</u>	<u>(20,223)</u>	<u>1,038,735</u>
Profit/(loss) before zakat and taxation	<u>259,521</u>	<u>(4,505)</u>	<u>27,147</u>	<u>2,709</u>	<u>(12,406)</u>	<u>272,466</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 2024.

The Group

For the current quarter ended 31 March 2025, the Group recorded RM921.9 million total revenue, a decrease from RM1,038.7 million in the corresponding quarter. The decrease was due to the deterioration in insurance/takaful revenue in the reinsurance, retakaful, general takaful business, offset by increase in the family takaful business and investment income.

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 year (Cont'd.)

The Group (Cont'd.)

The Group recorded a lower profit before tax ("PBT") for the quarter ended 31 March 2025 by RM170.7 million or 62.7% from RM272.5 million to RM101.8 million. The decrease was mainly attributable to :

- (i) Lower insurance service results following a more refined and periodic claims reserving review practice in the current year as part of the Group's continuous improvement of its MFRS17 reporting practices as compared to the previous year;
- (ii) Fair value loss on equity in the current quarter as compared to fair value gain in the corresponding quarter and;
- (iii) Lower share of results of associates.

The decrease was mitigated by lower net insurance financial result (IFIE) as a result of the impact of foreign exchange gains on the claims liabilities.

Reinsurance Business

The total revenue of this segment decreased by RM110.7 million or 18.3% mainly attributed to the lower insurance revenue from the foreign risk transfer facilities and MGA businesses.

PBT of this segment decreased by RM220.8 million from RM259.5 million to RM38.7 million. The decrease was due to lower insurance service results following a more refined and periodic claims reserving review practice in the current year as part of the Group's continuous improvement of its MFRS17 reporting practices as compared to the previous year, fair value loss on investment in an associate and foreign exchange loss on foreign investments, offset by lower net insurance financial result (IFIE) as a result of the impact of foreign exchange gains on the claims liabilities.

Retakaful Business

Retakaful business recorded a lower total revenue of RM41.4 million as compared to corresponding quarter. The decrease was predominantly due to lower takaful revenue from family takaful portfolio due to the timing in recognizing the revenue.

However, this segment recorded a PBT of RM16.4 million as compared to loss before tax ("LBT") of RM0.5 million in the corresponding quarter. This was primarily due to the reversal of impairment of Qard in the general takaful portfolio.

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 year (Cont'd.)

General Takaful Business

The general takaful business posted RM252.0 million in total revenue for the quarter ended 31 March 2025, marginally down by 2.4% due to lower takaful revenue as compared to corresponding quarter in prior year offset with an increase in investment income.

This segment reported a PBT of RM27.7 million for the quarter ended 31 March 2025, higher by RM0.5 million against corresponding quarter in prior year due to higher takaful service results.

Family Takaful Business

The total revenue of this segment recorded RM129.2 million, representing an increase of RM18.7 million or 16.9% from RM110.5 million in the same quarter last year mainly contributed by the Group Hospitalisation and Surgical and Group Credit Term Takaful products.

Family takaful business recorded a PBT of RM5.8 million in the quarter, an increase of RM3.1 million from RM2.7 million in the same quarter last year due to net takaful financial results, offset by lower investment results attributed to fair value losses on investments.

B2. Review of current year to date performance against corresponding year to date

The Group

For the year ended 31 March 2025, the Group recorded RM3,634.6 million in revenue, an increase of 3.5% from RM3,512.8 million in the corresponding year. The increase was due to the growth in insurance/takaful revenue contributed by the reinsurance and general takaful business but offset by deterioration in retakaful business. The increase was also due to better investment income.

The Group recorded a decrease in the PBT for the year ended 31 March 2025 by RM51.5 million from RM505.8 million to RM454.3 million. This was mainly due to lower insurance service results, share of results of associates as well as lower investment results attributable to lower fair value gains primarily from equity. However, the decrease was moderated by a favourable net insurance/takaful financial results (IFIE) due to foreign exchange gains on the claims liabilities.

Reinsurance Business

The total revenue of this segment increased by RM98.3 million or 5.2% mainly contributed by the increase in insurance revenue from the VC and domestic treaties portfolios as well as investment income.

PBT for the reinsurance segment of RM335.6 million declined by RM86.9 million as compared to the prior year due to net fair value losses on investments that was offset by improvement in insurance service results.

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

B2. Review of current year to date performance against corresponding year to date

Retakaful Business

Retakaful segment recorded a decrease in revenue of RM47.5 million due to lower contribution from the family takaful portfolio due to the timing in recognizing the revenue.

PBT of the retakaful segment of RM17.3 million increased by RM15.3 million as compared to the prior year. This was predominantly due to the reversal of impairment of Qard in the general takaful portfolio.

General Takaful Business

This segment recorded revenue of RM918.2 million, representing an increase of RM74.8 million or 8.9% due to the growth in takaful revenue from motor and fire portfolios.

The general takaful segment reported a PBT of RM85.7 million, an increase of 4.0% or RM3.3 million compared to the prior year, mainly driven by higher takaful revenue, which was partially offset by increased acquisition costs and management expenses.

Family Takaful Business

Total revenue for family takaful segment recorded RM650.5 million, an increase of RM1.0 million mainly due to better investment income.

Family takaful segment recorded PBT of RM12.2 million, a decrease of RM6.3 million from RM18.5 million in the prior year. This was mainly due to the lower insurance service results attributed by higher claims incurred, offset by higher realised gains on investments.

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

B3. 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,						
31 March 2025	38,718	16,407	27,668	2,190	16,778	101,761
31 December 2024	135,365	1,445	17,735	(921)	(13,528)	140,096

The Group

The Group recorded RM101.7 million PBT in the current quarter, a decrease of 27.4% or RM38.3 million as compared to the immediate preceding quarter ended 31 December 2024 of RM140.1 million. This was mainly due to the following:-

- (i) Decrease in insurance/takaful service results; and
- (ii) Lower unrealised foreign exchange gains on the foreign investments.

The increase was mitigated by increase in net IFIE and share of results of associates.

Reinsurance Business

PBT of this segment has significantly decreased by RM96.7 million from RM135.4 million in quarter ended December 2024 to RM38.7 million in the current quarter. The was mainly due to the foreign exchange losses on assets, fair value loss on investment in an associate and lower insurance service results following higher incurred claims and attributable expenses.

Retakaful Business

This segment recorded a PBT of RM16.4 million as compared to PBT of RM1.4 million in immediate preceding quarter ended 31 December 2024. This improvement was mainly due to the reversal of impairment of Qard in the general takaful portfolio.

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

B3. Review of current quarter profitability against immediate preceding quarter (cont'd.)

General Takaful Business

The PBT for this segment in the current quarter increased by RM9.9 million compared to the RM17.7 million recorded in the immediate preceding quarter ended 31 December 2024. This growth was mainly due to a higher takaful revenue and declaration of surplus performance incentive.

Family Takaful Business

Family Takaful segment recorded PBT of RM5.8 million as compared to LBT of RM0.9 million in the immediate preceding quarter mainly due to improvement in management expenses.

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

B4. Current year prospect

Malaysia's economy is expected to maintain stable growth, driven primarily by resilient domestic demand. However, the ongoing global uncertainties, such as potential trade disruptions from protectionist policies, continues to present external headwinds, which poses residual risks to the economy, including to and the (re)insurance and (re)takaful industry.

In 2025, Malaysia's takaful industry continues to grow, supported by rising demand for Shariah-compliant solutions and strong government initiatives. Key initiatives such as the Financial Sector Blueprint 2022–2026, Madani Economy Framework and digital sandbox programs promote inclusion, innovation, and ESG-aligned offerings. The Group's takaful arm contributes to this momentum through focused distribution and customer-centric strategies. Its digital platforms, such as GO Direct and GO Serve, enhance customer engagement and operational efficiency. These efforts align with national objectives to increase takaful penetration, particularly among underserved communities, while strengthening the overall resilience and inclusivity of Malaysia's Shariah financial ecosystem.

The year also saw a commendable performance of the reinsurance arm, despite the external challenges and competitive environment. These challenges, particularly the softening of the global reinsurance market and occurrence of peril related losses are expected to continue in the next financial year. However the Group is confident that growth opportunities remain abundant and with the ongoing execution of our strategic plan, in particular through a bottom-line driven portfolio diversification approach, the outlook of the reinsurance arm's contribution to the Group continues to be optimistic.

While prolonged tariff uncertainty may dampen Malaysia's growth outlook, the country's relatively lower tariff exposure within ASEAN should help cushion the impact, preserving its export competitiveness and opening up opportunities from trade diversion. In addition, the country's measured, non-confrontational approach is a constructive move as it aims to diversify and deepen trade partnerships to mitigate disruptions and strengthen regional resilience.

Against this backdrop, the Group will maintain a prudent and selective investment strategy. As we remain invested in fixed income, the emphasis will be on high-quality assets for capital preservation. The equity positioning will prioritise domestic benchmark companies that offer high quality attractive yields, exhibit low volatility, and demonstrate strong fundamentals. This disciplined investment strategy positions the Group to remain resilient and agile in navigating near-term uncertainties, while staying committed to delivering long-term value for stakeholders.

The Group also remains committed to achieving Net Zero Carbon status by 2050, balancing our economic performance with environmental, social, and governance (ESG) practices. This will be anchored by our Sustainability Roadmap as well as the relevant regulatory requirements and best practices.

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

B5. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the year ended 31 March 2025.

B6. Status of corporate proposal

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

B7. Off balance sheet financial instruments

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

B8. 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		Current quarter Twelve months ended	
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
Investment income on financial assets				
Interest/profit income	102,227	103,864	412,355	404,274
Dividend income	3,003	4,455	25,000	12,685
Net amortisation of premiums on investments	6,770	(2,669)	4,081	(6,175)
	<u>112,000</u>	<u>105,650</u>	<u>441,436</u>	<u>410,784</u>
Net realised (losses)/gains				
Government investment issues	(8,556)	587	(12,148)	9,841
Malaysian Government Securities	575	-	575	-
Unquoted islamic private debt securities	2,296	95	518	724
Quoted shares in Malaysia	9	5,897	20,521	(11,803)
Shariah approved unit trust funds	479	6,914	(1,741)	(52)
Property, plant and equipment	(11)	(4,741)	3,345	(1,728)
	<u>(5,208)</u>	<u>8,752</u>	<u>11,070</u>	<u>(3,018)</u>
Net fair value (losses)/gains				
Unquoted corporate debt securities	15,060	(6,787)	18,919	(10,699)
Government investment issues	11,400	10,073	14,314	31,912
Unquoted islamic private debt securities	13,697	10,357	963	28,641
Quoted shares in Malaysia	(48,163)	57,933	79	95,376
Shariah approved unit trust funds	(21,960)	(20,764)	(10,818)	-
Malaysian government securities	7	-	749	-
	<u>(29,959)</u>	<u>50,812</u>	<u>24,206</u>	<u>145,230</u>
Net foreign exchange gains/(losses)	<u>14,157</u>	<u>24,320</u>	<u>(82,437)</u>	<u>48,009</u>
Reversal of impairment loss on financial assets	104	-	104	-
Investment results	<u>91,094</u>	<u>189,534</u>	<u>394,379</u>	<u>601,005</u>

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

B10. Taxation

	Current quarter Three months ended		Current quarter Twelve months ended	
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
Profit before zakat and taxation	101,761	272,466	454,255	505,781
Taxation:				
Current tax	(23,532)	(51,178)	(64,637)	(73,787)
Deferred tax	15,556	16,491	6,223	2,879
	<u>(7,976)</u>	<u>(34,688)</u>	<u>(58,414)</u>	<u>(70,908)</u>
Effective tax rate	<u>8%</u>	<u>13%</u>	<u>13%</u>	<u>14%</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:

	31.03.2025 RM'000	31.03.2024 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		Current quarter Twelve months ended	
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
Net profit for the year (RM'000)	93,399	237,823	394,203	433,539
Number of ordinary shares in issue ('000)	783,088	783,088	783,088	783,088
Basic earnings per share (sen)	11.93	30.37	50.34	55.36

B13. Additional disclosures for the income statement

	Current quarter Three months ended		Current quarter Twelve months ended	
	31.03.2025 RM'000	31.03.2024 RM'000	31.03.2025 RM'000	31.03.2024 RM'000
Fair value losses on derivative	-	-	-	(8,700)
Depreciation and amortisation	(2,963)	(14,347)	(27,935)	(33,102)

By Order of the Board

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

Dated: 27 May 2025