

MANULIFE HOLDINGS BERHAD (24851-H)
Interim financial statements for the three months period ended 31 March 2019

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.03.2019 RM'000	As at 31.12.2018 RM'000
Assets		
Property and equipment	40,659	41,072
Investment property	82,709	82,709
Intangible assets	108,559	110,040
Available-for-sale financial assets	3,175,323	3,089,541
Financial assets at fair value through profit or loss	1,664,924	1,561,729
Loans and receivables	431,854	479,200
Reinsurance assets	12,231	10,068
Insurance receivables	12,066	24,344
Current tax assets	7,234	5,258
Cash and cash equivalents (Note 28)	182,002	130,893
Total Assets	5,717,561	5,534,854
Equity, Policyholders' Fund and Liabilities		
Share capital	103,069	103,069
Retained earnings	712,389	704,924
Other reserves	21,721	11,788
Equity attributable to the owners of the Company	837,179	819,781
Non-controlling interests	549	2,090
Total Equity	837,728	821,871
Insurance contract liabilities (Note 27)	3,998,387	3,873,195
Insurance claims liabilities	56,999	55,014
Financial liabilities at fair value through profit or loss	371	116
Deferred tax liabilities	26,867	16,802
Insurance payables	560,818	559,159
Current tax liabilities	-	178
Other payables	236,391	208,519
Total Liabilities	4,879,833	4,712,983
Total Equity, Policyholders' Fund and Liabilities	5,717,561	5,534,854
Net Assets Per Share (RM)	4.14	4.05

The accompanying notes form an integrated part of these interim financial statements.

MANULIFE HOLDINGS BERHAD (24851-H)
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Unaudited Condensed Consolidated Statement of Profit or Loss

	3 months ended		Cumulative 3 months ended	
	31.03.2019 RM'000	31.03.2018 RM'000	31.03.2019 RM'000	31.03.2018 RM'000
Premium income				
Gross premiums	224,012	216,685	224,012	216,685
Premiums ceded to reinsurers	(14,109)	(10,759)	(14,109)	(10,759)
Net premiums (<i>Note 21</i>)	209,903	205,926	209,903	205,926
Investment income (<i>Note 22</i>)	47,565	46,525	47,565	46,525
Net realised gains	4,301	17,212	4,301	17,212
Net fair value gains/(losses)	56,932	(10,547)	56,932	(10,547)
Fee income	24,918	31,929	24,918	31,929
Other operating income	827	519	827	519
Total revenue	344,446	291,564	344,446	291,564
Gross benefits and claims paid	(167,068)	(176,871)	(167,068)	(176,871)
Claims ceded to reinsurers	4,662	2,423	4,662	2,423
Gross change in contract liabilities	(79,457)	1,872	(79,457)	1,872
Change in insurance contract liabilities ceded to reinsurers	496	231	496	231
Net claims	(241,367)	(172,345)	(241,367)	(172,345)
Fee and commission expenses	(29,362)	(34,772)	(29,362)	(34,772)
Investment expenses	(1,385)	(1,270)	(1,385)	(1,270)
Management expenses	(43,626)	(43,426)	(43,626)	(43,426)
Other operating expenses (<i>Note 23</i>)	(18,587)	(29,334)	(18,587)	(29,334)
Other expenses	(92,960)	(108,802)	(92,960)	(108,802)
Profit before taxation (<i>Note 24</i>)	10,119	10,417	10,119	10,417
Taxation (<i>Note 25</i>)	(2,631)	(3,193)	(2,631)	(3,193)
Net profit for the financial period	7,488	7,224	7,488	7,224
Net profit attributable to:				
Owners of the Company	7,483	7,224	7,483	7,224
Non-controlling interests	5	-	5	-
	7,488	7,224	7,488	7,224
Basic and diluted earnings per share (sen) (<i>Note 26</i>)	3.70	3.57	3.70	3.57

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MANULIFE HOLDINGS BERHAD (24851-H)
Interim financial statements for the three months period ended 31 March 2019

Unaudited Condensed Consolidated Statement of Total Comprehensive Income

	3 months ended		Cumulative	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	7,488	7,224	7,488	7,224
Other comprehensive income, net of tax:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:-				
Net loss on foreign currency translation	(126)	(471)	(126)	(471)
Fair value change of available-for-sale financial assets:				
- Gross fair value change	61,316	(953)	61,316	(953)
- Deferred tax	(5,408)	(52)	(5,408)	(52)
	55,908	(1,005)	55,908	(1,005)
Changes in insurance contract liabilities arising from unrealised net fair value change	(45,849)	2,751	(45,849)	2,751
Net income	<u>10,059</u>	<u>1,746</u>	<u>10,059</u>	<u>1,746</u>
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	9,933	1,275	9,933	1,275
Other comprehensive income for the financial period, net of tax	<u>9,933</u>	<u>1,275</u>	<u>9,933</u>	<u>1,275</u>
Total comprehensive income for the financial period	<u>17,421</u>	<u>8,499</u>	<u>17,421</u>	<u>8,499</u>
Total comprehensive income attributable to:				
Owners of the Company	17,416	8,499	17,416	8,499
Non-controlling interests	5	-	5	-
	<u>17,421</u>	<u>8,499</u>	<u>17,421</u>	<u>8,499</u>

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MANULIFE HOLDINGS BERHAD (24851-H)
Interim financial statements for the three months period ended 31 March 2019

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company							Non-controlling interests RM'000	Total RM'000
	Non - distributable				Distributable				
	Share capital RM'000	Asset revaluation reserve RM'000	Currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings* RM'000	Total RM'000			
At 1 January 2019	103,069	5,798	(762)	6,752	704,924	819,781	2,090	821,871	
Effect on adoption of MFRS 16 (Note 34)	-	-	-	-	(18)	(18)	-	(18)	
At 1 January 2019 (restated)	103,069	5,798	(762)	6,752	704,906	819,763	2,090	821,853	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	(1,546)	(1,546)	
Net profit for the financial period	-	-	-	-	7,483	7,483	5	7,488	
Other comprehensive (loss)/income for the financial period	-	-	(126)	10,059	-	9,933	-	9,933	
Total comprehensive (loss)/income for the financial period	-	-	(126)	10,059	7,483	17,416	5	17,421	
At 31 March 2019	<u>103,069</u>	<u>5,798</u>	<u>(888)</u>	<u>16,811</u>	<u>712,389</u>	<u>837,179</u>	<u>549</u>	<u>837,728</u>	
At 1 January 2018	103,069	5,548	(786)	11,435	694,863	814,129	1,195	815,324	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	(71)	(71)	(1,195)	(1,266)	
Net profit for the financial period	-	-	-	-	7,224	7,224	-	7,224	
Other comprehensive income for the financial period	-	-	(471)	1,746	-	1,275	-	1,275	
Total comprehensive income for the financial period	-	-	(471)	1,746	7,224	8,499	-	8,499	
At 31 March 2018	<u>103,069</u>	<u>5,548</u>	<u>(1,257)</u>	<u>13,181</u>	<u>702,016</u>	<u>822,557</u>	<u>-</u>	<u>822,557</u>	

* Included in the retained earnings are surplus from Non-participating life fund of the insurance subsidiary of the Group (net of deferred tax) of approximately RM 75,508,000 (1 January 2019: RM 69,495,000 / 31 March 2018: RM75,079,000 / 1 January 2018: RM 68,988,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund of the insurance subsidiary of the Group by the Appointed Actuary.

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MANULIFE HOLDINGS BERHAD (24851-H)
Interim financial statements for the three months period ended 31 March 2019

Unaudited Condensed Consolidated Statement of Cash Flows

	3 months ended 31.03.2019 RM'000	3 months ended 31.03.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	7,488	7,224
Adjustments for non-cash items	(86,542)	(18,719)
Operating losses before changes in operating assets and liabilities	<u>(79,054)</u>	<u>(11,495)</u>
Purchase of investments	(415,243)	(426,192)
Proceeds from disposal and maturity of investments	344,893	416,904
Interest income received	31,521	28,905
Dividend income received	6,999	7,933
Rental income received	1,636	1,678
Decrease in insurance receivables	12,092	8,049
(Increase)/decrease in reinsurance assets	(2,163)	1,193
Decrease in fixed and call deposits	44,753	68,174
(Increase)/decrease in loan receivables	(1,900)	2,883
Decrease/(increase) in other receivables	9,078	(45,329)
Increase/(decrease) in insurance contract liabilities	79,343	(1,871)
Increase in insurance claims liabilities	1,985	338
Increase/(decrease) in payables	29,263	(20,079)
Cash generated from operations	<u>63,203</u>	<u>31,091</u>
Interest paid	(11)	-
Income taxes paid	(8,151)	(7,255)
Net cash inflow from operating activities	<u>55,041</u>	<u>23,836</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(539)	(1,128)
Purchase of intangible assets	(364)	(369)
Purchase of investments	(18,000)	(13,906)
Proceeds from disposal and maturity of investments	16,698	14,219
Proceeds from disposal of property and equipment	6	-
Net cash outflow from investing activities	<u>(2,199)</u>	<u>(1,184)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(186)	-
Changes in Non-controlling interests	(1,547)	(1,266)
Net cash outflow from financing activities	<u>(1,733)</u>	<u>(1,266)</u>
Net increase during the financial period	51,109	21,386
Cash and cash equivalents at 1 January	130,893	148,973
Cash and cash equivalents at 31 March (Note 28)	<u>182,002</u>	<u>170,359</u>

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the unaudited condensed consolidated statement of cash flows comprise the following:

	As at 31.03.2019 RM'000	As at 31.03.2018 RM'000
Cash and bank balances	145,913	142,205
Short-term deposits	36,089	28,154
Cash and cash equivalents	<u>182,002</u>	<u>170,359</u>

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