

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the three month period ended 31 March 2020

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.03.2020 RM'000	As at 31.12.2019 RM'000
Assets		
Property and equipment	42,688	40,009
Investment property	82,593	82,593
Intangible assets	130,346	132,183
Available-for-sale financial assets	3,125,964	3,340,632
Financial assets at fair value through profit or loss	1,500,008	1,742,001
Loans and receivables	486,563	367,901
Reinsurance assets	12,109	5,938
Insurance receivables	14,472	25,794
Right-of-use assets	2,811	2,707
Deferred tax assets	12,644	9
Current tax assets	10,605	8,226
Cash and cash equivalents (Note 28)	243,715	207,145
Total Assets	5,664,518	5,955,138
Equity, Policyholders' Fund and Liabilities		
Share capital	103,069	103,069
Retained earnings	726,709	716,874
Other reserves	6,712	17,424
Equity attributable to the owners of the Company	836,490	837,367
Non-controlling interests	1,595	256
Total Equity	838,085	837,623
Insurance contract liabilities (Note 27)	3,910,868	4,215,893
Insurance claims liabilities	61,756	53,464
Deferred tax liabilities	20,892	34,137
Reinsurance liabilities	6,003	5,412
Insurance payables	613,232	602,018
Lease liabilities	2,932	2,864
Current tax liabilities	478	370
Other payables	210,272	203,357
Total Liabilities	4,826,433	5,117,515
Total Equity, Policyholders' Fund and Liabilities	5,664,518	5,955,138
Net Assets Per Share (RM)	4.13	4.14

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

MANULIFE HOLDINGS BERHAD ((197501003360 (24851-H))
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Unaudited Condensed Consolidated Statement of Profit or Loss

	3 months ended		Cumulative	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	RM'000	RM'000	RM'000	RM'000
Premium income				
Gross premiums	289,218	224,012	289,218	224,012
Premiums ceded to reinsurers	(22,130)	(14,109)	(22,130)	(14,109)
Net premiums <i>(Note 21)</i>	267,088	209,903	267,088	209,903
Investment income <i>(Note 22)</i>	50,663	47,565	50,663	47,565
Net realised (losses)/gains	(31,723)	4,301	(31,723)	4,301
Net fair value (losses)/gains	(294,705)	56,932	(294,705)	56,932
Fee income	28,110	24,918	28,110	24,918
Other operating income	946	827	946	827
Total revenue	20,379	344,446	20,379	344,446
Gross benefits and claims paid	(223,452)	(167,068)	(223,452)	(167,068)
Claims ceded to reinsurers	8,755	4,662	8,755	4,662
Gross change in contract liabilities	249,289	(79,457)	249,289	(79,457)
Change in insurance contract liabilities ceded to reinsurers	2,411	496	2,411	496
Net claims	37,003	(241,367)	37,003	(241,367)
Fee and commission expenses	(29,992)	(29,362)	(29,992)	(29,362)
Investment expenses	(1,447)	(1,385)	(1,447)	(1,385)
Management expenses	(51,555)	(43,626)	(51,555)	(43,626)
Other operating income/(expenses) <i>(Note 23)</i>	39,113	(18,587)	39,113	(18,587)
Other expenses	(43,881)	(92,960)	(43,881)	(92,960)
Profit before taxation <i>(Note 24)</i>	13,501	10,119	13,501	10,119
Taxation <i>(Note 25)</i>	(3,658)	(2,631)	(3,658)	(2,631)
Net profit for the financial period	9,843	7,488	9,843	7,488
Net profit attributable to:				
Owners of the Company	9,835	7,483	9,835	7,483
Non-controlling interests	8	5	8	5
	9,843	7,488	9,843	7,488
Basic and diluted earnings per share (sen) <i>(Note 26)</i>	4.86	3.70	4.86	3.70

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MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the three month period ended 31 March 2020

Unaudited Condensed Consolidated Statement of Total Comprehensive Income

	3 months ended		Cumulative 3 months ended	
	<u>31.03.2020</u>	<u>31.03.2019</u>	<u>31.03.2020</u>	<u>31.03.2019</u>
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	9,843	7,488	9,843	7,488
Other comprehensive (loss)/income, net of tax:				
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:-				
Net gain/(loss) on foreign currency translation	1,622	(126)	1,622	(126)
Fair value change of available-for-sale financial assets:				
- Gross fair value change	(82,231)	61,316	(82,231)	61,316
- Deferred tax	6,517	(5,408)	6,517	(5,408)
	(75,714)	55,908	(75,714)	55,908
Changes in insurance contract liabilities arising from unrealised net fair value change	63,380	(45,849)	63,380	(45,849)
Net (loss)/income	(12,334)	10,059	(12,334)	10,059
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods	(10,712)	9,933	(10,712)	9,933
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:-				
Surplus from revaluation of property:				
- Gross surplus from revaluation	-	-	-	-
- Changes in insurance contract liabilities arising from revaluation of property	-	-	-	-
- Net gains	-	-	-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	-	-
Other comprehensive (loss)/income for the financial period	(10,712)	9,933	(10,712)	9,933
Total comprehensive (loss)/income for the financial period	(869)	17,421	(869)	17,421
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(877)	17,416	(877)	17,416
Non-controlling interests	8	5	8	5
	(869)	17,421	(869)	17,421

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MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the three month period ended 31 March 2020

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		Total RM'000	Non-controlling interests RM'000		
	Share capital RM'000	Asset revaluation reserve RM'000	Currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings* RM'000				
At 1 January 2020	103,069	6,202	(1,251)	12,473	716,874	837,367	256	837,623	
Effect of adoption of MFRS 16 (Note 34)	-	-	-	-	-	-	-	-	
At 1 January 2019 (restated)	103,069	6,202	(1,251)	12,473	716,874	837,367	256	837,623	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	1,331	1,331	
Net profit for the financial period	-	-	-	-	9,835	9,835	8	9,843	
Other comprehensive income/(loss) for the financial period	-	-	1,622	(12,334)	-	(10,712)	-	(10,712)	
Total comprehensive income/(loss) for the financial period	-	-	1,622	(12,334)	9,835	(877)	8	(869)	
Dividend paid	-	-	-	-	-	-	-	-	
At 31 March 2020	<u>103,069</u>	<u>6,202</u>	<u>371</u>	<u>139</u>	<u>726,709</u>	<u>836,490</u>	<u>1,595</u>	<u>838,085</u>	
At 1 January 2019	103,069	5,798	(762)	6,752	704,924	819,781	2,090	821,871	
Effect of 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	
Dividend paid	-	-	-	-	-	-	-	-	
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>	

* Included in the retained earnings are surplus from Non-participating life fund of the insurance subsidiaries of the Group (net of deferred tax) of approximately RM 82,570,000 (1 January 2020: RM 68,835,000 / 31 March 2019: RM 75,508,000 / 1 January 2019: RM 69,495,000). 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.

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

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the three month period ended 31 March 2020

Unaudited Condensed Consolidated Statement of Cash Flows

	3 months ended 31.03.2020 RM'000	3 months ended 31.03.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	9,843	7,488
Adjustments for non-cash items	241,722	(86,542)
Operating profit/(loss) before changes in operating assets and liabilities	<u>251,565</u>	<u>(79,054)</u>
Purchase of investments	(666,467)	(415,243)
Proceeds from disposal and maturity of investments	738,816	344,893
Interest income received	33,684	31,521
Dividend income received	7,755	6,999
Rental income received	1,027	1,636
Decrease in insurance receivables	11,322	12,092
Increase in reinsurance assets	(5,580)	(2,163)
(Increase)/decrease in fixed and call deposits	(56,002)	44,753
Increase in loan receivables	(546)	(1,900)
(Increase)/decrease in other receivables	(52,930)	9,078
(Decrease)/increase in insurance contract liabilities	(241,645)	79,343
Increase in insurance claims liabilities	8,292	1,985
Increase in payables	18,081	29,263
Cash generated from operations	<u>47,372</u>	<u>63,203</u>
Interest paid	(32)	(11)
Income taxes paid	(5,425)	(8,151)
Net cash inflow from operating activities	<u>41,915</u>	<u>55,041</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(3,489)	(539)
Purchase of intangible assets	(1,139)	(364)
Purchase of investments	(8,548)	(18,000)
Proceeds from disposal and maturity of investments	7,895	16,698
Proceeds from disposal of property and equipment	-	6
Net cash outflow from investing activities	<u>(5,281)</u>	<u>(2,199)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(1,395)	(186)
Changes in non-controlling interests	1,331	(1,547)
Net cash outflow from financing activities	<u>(64)</u>	<u>(1,733)</u>
Net increase during the financial period	36,570	51,109
Cash and cash equivalents at 1 January	207,145	130,893
Cash and cash equivalents at 31 March (Note 28)	<u>243,715</u>	<u>182,002</u>

CASH AND CASH EQUIVALENTS

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

	As at 31.03.2020 RM'000	As at 31.03.2019 RM'000
Cash and bank balances	201,202	145,913
Short-term deposits	42,513	36,089
Cash and cash equivalents	<u>243,715</u>	<u>182,002</u>

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