

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the six month period ended 30 June 2020**

**Unaudited Condensed Consolidated Statement of Financial Position**

	<b>As at</b> <b>30.06.2020</b> <b>RM'000</b>	<b>As at</b> <b>31.12.2019</b> <b>RM'000</b>
<b>Assets</b>		
Property and equipment	42,774	40,009
Investment property	82,593	82,593
Intangible assets	137,032	132,183
Available-for-sale financial assets	3,372,211	3,340,632
Financial assets at fair value through profit or loss	1,752,381	1,742,001
Loans and receivables	431,680	367,901
Reinsurance assets	14,300	5,938
Insurance receivables	14,801	25,794
Right-of-use assets	2,883	2,707
Deferred tax assets	103	9
Current tax assets	14,201	8,226
Cash and cash equivalents ( <i>Note 28</i> )	204,800	207,145
<b>Total Assets</b>	<b>6,069,759</b>	<b>5,955,138</b>
<b>Equity, Policyholders' Fund and Liabilities</b>		
Share capital	103,069	103,069
Retained earnings	711,441	716,874
Other reserves	37,642	17,424
<b>Equity attributable to the owners of the Company</b>	<b>852,152</b>	<b>837,367</b>
Non-controlling interests	1,039	256
<b>Total Equity</b>	<b>853,191</b>	<b>837,623</b>
Insurance contract liabilities ( <i>Note 27</i> )	4,229,605	4,215,893
Insurance claims liabilities	62,942	53,464
Financial liability at fair value through profit or loss	395	-
Deferred tax liabilities	36,018	34,137
Reinsurance liabilities	-	5,412
Insurance payables	620,508	602,018
Lease liabilities	3,000	2,864
Current tax liabilities	498	370
Other payables	263,602	203,357
<b>Total Liabilities</b>	<b>5,216,568</b>	<b>5,117,515</b>
<b>Total Equity, Policyholders' Fund and Liabilities</b>	<b>6,069,759</b>	<b>5,955,138</b>
<b>Net Assets Per Share (RM)</b>	<b>4.21</b>	<b>4.14</b>

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

**MANULIFE HOLDINGS BERHAD ((197501003360 (24851-H))**  
**Interim financial statements for the six month period ended 30 June 2020**

**Unaudited Condensed Consolidated Statement of Profit or Loss**

	<b>3 months ended</b>		<b>Cumulative</b>	
	<b><u>30.06.2020</u></b>	<b><u>30.06.2019</u></b>	<b><u>30.06.2020</u></b>	<b><u>30.06.2019</u></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Premium income				
Gross premiums	218,365	212,659	507,583	436,671
Premiums ceded to reinsurers	(22,741)	(14,741)	(44,871)	(28,850)
Net premiums ( <i>Note 21</i> )	<u>195,624</u>	<u>197,918</u>	<u>462,712</u>	<u>407,821</u>
Investment income ( <i>Note 22</i> )	43,387	47,422	94,050	94,987
Net realised (losses)/gains	(5,216)	16,225	(36,939)	20,526
Net fair value gains/(losses)	163,144	29,748	(131,561)	86,680
Fee income	23,774	26,926	51,884	51,844
Other operating income	1,081	893	2,027	1,720
<b>Total revenue</b>	<u>421,794</u>	<u>319,132</u>	<u>442,173</u>	<u>663,578</u>
Gross benefits and claims paid	(169,435)	(169,050)	(392,887)	(336,118)
Claims ceded to reinsurers	5,766	2,204	14,521	6,866
Gross change in contract liabilities	(181,527)	(62,129)	67,762	(141,586)
Change in insurance contract liabilities ceded to reinsurers	12,270	848	14,681	1,344
<b>Net claims</b>	<u>(332,926)</u>	<u>(228,127)</u>	<u>(295,923)</u>	<u>(469,494)</u>
Fee and commission expenses	(21,826)	(26,890)	(51,818)	(56,252)
Investment expenses	(978)	(1,034)	(2,425)	(2,419)
Management expenses	(46,023)	(46,141)	(97,578)	(89,767)
Other operating (expenses)/income ( <i>Note 23</i> )	(18,613)	(1,103)	20,500	(19,690)
<b>Other expenses</b>	<u>(87,440)</u>	<u>(75,168)</u>	<u>(131,321)</u>	<u>(168,128)</u>
<b>Profit before taxation</b> ( <i>Note 24</i> )	1,428	15,837	14,929	25,956
Taxation ( <i>Note 25</i> )	(2,528)	(2,961)	(6,186)	(5,592)
<b>Net (loss)/profit for the financial period</b>	<u>(1,100)</u>	<u>12,876</u>	<u>8,743</u>	<u>20,364</u>
<b>Net (loss)/profit attributable to:</b>				
Owners of the Company	(1,103)	12,866	8,732	20,349
Non-controlling interests	3	10	11	15
	<u>(1,100)</u>	<u>12,876</u>	<u>8,743</u>	<u>20,364</u>
Basic and diluted (loss)/earnings per share (sen) ( <i>Note 26</i> )	<u>(0.55)</u>	<u>6.36</u>	<u>4.31</u>	<u>10.06</u>

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**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the six month period ended 30 June 2020**

**Unaudited Condensed Consolidated Statement of Total Comprehensive Income**

	3 months ended		Cumulative 6 months ended	
	<u>30.06.2020</u> RM'000	<u>30.06.2019</u> RM'000	<u>30.06.2020</u> RM'000	<u>30.06.2019</u> RM'000
<b>Net (loss)/profit for the financial period</b>	(1,100)	12,876	8,743	20,364
<b>Other comprehensive income, net of tax:</b>				
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:-				
Net (loss)/gain on foreign currency translation	(107)	124	1,515	(2)
Fair value change of available-for-sale financial assets:				
- Gross fair value change	183,389	55,787	101,158	117,103
- Deferred tax	(13,887)	(5,065)	(7,370)	(10,473)
	169,502	50,722	93,788	106,630
Changes in insurance contract liabilities arising from unrealised net fair value change	(138,465)	(38,448)	(75,085)	(84,297)
Net income	<u>31,037</u>	<u>12,274</u>	<u>18,703</u>	<u>22,333</u>
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	30,930	12,398	20,218	22,331
<b>Other comprehensive income for the financial period</b>	<u>30,930</u>	<u>12,398</u>	<u>20,218</u>	<u>22,331</u>
<b>Total comprehensive income for the financial period</b>	<u>29,830</u>	<u>25,274</u>	<u>28,961</u>	<u>42,695</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	29,827	25,264	28,950	42,680
Non-controlling interests	3	10	11	15
	<u>29,830</u>	<u>25,274</u>	<u>28,961</u>	<u>42,695</u>

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**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the six month period ended 30 June 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					
	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			
<b>At 1 January 2020</b>	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	-	-	-	-	-	-	772	772	
Net profit for the financial period	-	-	-	-	8,732	8,732	11	8,743	
Other comprehensive income for the financial period	-	-	1,515	18,703	-	20,218	-	20,218	
Total comprehensive income for the financial period	-	-	1,515	18,703	8,732	28,950	11	28,961	
Final dividend for the financial year ended 31 December 2019	-	-	-	-	(14,165)	(14,165)	-	(14,165)	
<b>At 30 June 2020</b>	<b>103,069</b>	<b>6,202</b>	<b>264</b>	<b>31,176</b>	<b>711,441</b>	<b>852,152</b>	<b>1,039</b>	<b>853,191</b>	
<b>At 1 January 2019</b>	103,069	5,798	(762)	6,752	704,924	819,781	2,090	821,871	
Effect of adoption of MFRS 16	-	-	-	-	(18)	(18)	-	(18)	
<b>At 1 January 2019 (restated)</b>	<b>103,069</b>	<b>5,798</b>	<b>(762)</b>	<b>6,752</b>	<b>704,906</b>	<b>819,763</b>	<b>2,090</b>	<b>821,853</b>	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	(1,280)	(1,280)	
Net profit for the financial period	-	-	-	-	20,349	20,349	15	20,364	
Other comprehensive (loss)/income for the financial period	-	-	(2)	22,333	-	22,331	-	22,331	
Total comprehensive (loss)/income for the financial period	-	-	(2)	22,333	20,349	42,680	15	42,695	
Final dividend for the financial year ended 31 December 2018	-	-	-	-	(14,166)	(14,166)	-	(14,166)	
<b>At 30 June 2019</b>	<b>103,069</b>	<b>5,798</b>	<b>(764)</b>	<b>29,085</b>	<b>711,089</b>	<b>848,277</b>	<b>825</b>	<b>849,102</b>	

\* 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 106,997,000 (1 January 2020: RM 68,835,000 / 30 June 2019: RM 86,278,000 / 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.

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**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the six month period ended 30 June 2020**

**Unaudited Condensed Consolidated Statement of Cash Flows**

	<b>6 months ended 30.06.2020 RM'000</b>	<b>6 months ended 30.06.2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the financial period	8,743	20,364
Adjustments for non-cash items	62,734	(175,697)
Operating profit/(loss) before changes in operating assets and liabilities	<u>71,477</u>	<u>(155,333)</u>
Purchase of investments	(1,499,709)	(861,680)
Proceeds from disposal and maturity of investments	1,408,094	721,192
Interest income received	71,081	69,884
Dividend income received	23,653	23,258
Rental income received	1,669	2,569
Decrease in insurance receivables	10,993	9,324
Increase in reinsurance assets	(13,774)	(2,384)
(Increase)/decrease in fixed and call deposits	(35,274)	84,288
Decrease in loan receivables	1,070	318
Increase in other receivables	(29,279)	(6,801)
(Decrease)/increase in insurance contract liabilities	(61,373)	141,616
Increase in insurance claims liabilities	9,478	12,808
Increase in payables	67,008	51,675
Cash generated from operations	<u>25,114</u>	<u>90,734</u>
Interest paid	(58)	(24)
Income taxes paid	(10,829)	(14,822)
Net cash inflow from operating activities	<u>14,227</u>	<u>75,888</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(4,399)	(1,062)
Purchase of intangible assets	(8,516)	(584)
Purchase of investments	(12,543)	(29,284)
Proceeds from disposal and maturity of investments	10,711	30,317
Proceeds from disposal of property and equipment	-	33
Net cash outflow from investing activities	<u>(14,747)</u>	<u>(580)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of lease liabilities	(2,597)	(431)
Changes in non-controlling interests	772	(1,280)
Net cash outflow from financing activities	<u>(1,825)</u>	<u>(1,711)</u>
Net (decrease)/increase during the financial period	(2,345)	73,597
Cash and cash equivalents at 1 January	207,145	130,893
Cash and cash equivalents at 30 June (Note 28)	<u>204,800</u>	<u>204,490</u>

**CASH AND CASH EQUIVALENTS**

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

	<b>As at 30.06.2020 RM'000</b>	<b>As at 30.06.2019 RM'000</b>
Cash and bank balances	188,220	170,365
Short-term deposits	16,580	34,125
Cash and cash equivalents	<u>204,800</u>	<u>204,490</u>

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