

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the three month period ended 31 March 2021

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.03.2021 RM'000	As at 31.12.2020 RM'000
Assets		
Property and equipment	42,994	43,548
Investment property	77,974	77,974
Intangible assets	133,319	135,389
Available-for-sale financial assets	3,260,874	3,485,271
Financial assets at fair value through profit or loss	2,046,279	2,008,611
Loans and receivables	615,406	506,749
Reinsurance assets	14,056	12,472
Insurance receivables	9,228	16,877
Right-of-use assets	2,584	3,027
Deferred tax assets	108	108
Current tax assets (Note 28)	23,060	24,278
Cash and cash equivalents (Note 29)	219,630	189,492
Total Assets	6,445,512	6,503,796
Equity, Policyholders' Fund and Liabilities		
Share capital	111,974	111,974
Retained earnings	767,721	741,519
Other reserves	31,690	53,784
Equity attributable to the owners of the Company	911,385	907,277
Non-controlling interests	-	78
Total Equity	911,385	907,355
Insurance contract liabilities (Note 27)	4,453,285	4,538,054
Insurance claims liabilities	57,625	56,474
Financial liability at fair value through profit or loss	1,639	21
Deferred tax liabilities	48,639	56,538
Reinsurance liabilities	3,644	4,257
Insurance payables	690,040	672,721
Lease liabilities	2,688	3,136
Current tax liabilities (Note 28)	18,634	22,360
Other payables	257,933	242,880
Total Liabilities	5,534,127	5,596,441
Total Equity, Policyholders' Fund and Liabilities	6,445,512	6,503,796
Net Assets Per Share (RM)	4.40	4.38

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 2021

Unaudited Condensed Consolidated Statement of Profit or Loss

	3 months ended		Cumulative	
	<u>31.03.2021</u>	<u>31.03.2020</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
	RM'000	RM'000	RM'000	RM'000
Premium income				
Gross premiums	248,861	289,218	248,861	289,218
Premiums ceded to reinsurers	(24,544)	(22,130)	(24,544)	(22,130)
Net premiums (<i>Note 21</i>)	<u>224,317</u>	<u>267,088</u>	<u>224,317</u>	<u>267,088</u>
Investment income (<i>Note 22</i>)	56,541	50,663	56,541	50,663
Net realised gains/(losses)	44,360	(31,723)	44,360	(31,723)
Net fair value losses	(7,818)	(294,705)	(7,818)	(294,705)
Fee income	38,790	28,110	38,790	28,110
Other operating income	942	946	942	946
Total revenue	<u>357,132</u>	<u>20,379</u>	<u>357,132</u>	<u>20,379</u>
Gross benefits and claims paid	(211,378)	(223,452)	(211,378)	(223,452)
Claims ceded to reinsurers	7,687	8,755	7,687	8,755
Gross change in insurance contract liabilities	(26,085)	249,289	(26,085)	249,289
Change in insurance contract liabilities ceded to reinsurers	1,326	2,411	1,326	2,411
Net claims	<u>(228,450)</u>	<u>37,003</u>	<u>(228,450)</u>	<u>37,003</u>
Fee and commission expenses	(41,908)	(29,992)	(41,908)	(29,992)
Investment expenses	(1,099)	(1,447)	(1,099)	(1,447)
Management expenses	(52,040)	(51,555)	(52,040)	(51,555)
Other operating (expenses)/income (<i>Note 23</i>)	(1,387)	39,113	(1,387)	39,113
Other expenses	<u>(96,434)</u>	<u>(43,881)</u>	<u>(96,434)</u>	<u>(43,881)</u>
Profit before taxation (<i>Note 24</i>)	32,248	13,501	32,248	13,501
Taxation (<i>Note 25</i>)	(5,952)	(3,658)	(5,952)	(3,658)
Net profit for the financial period	<u>26,296</u>	<u>9,843</u>	<u>26,296</u>	<u>9,843</u>
Net profit attributable to:				
Owners of the Company	26,296	9,835	26,296	9,835
Non-controlling interests	-	8	-	8
	<u>26,296</u>	<u>9,843</u>	<u>26,296</u>	<u>9,843</u>
Basic and diluted earnings per share (sen) (<i>Note 26</i>)	<u>12.70</u>	<u>4.86</u>	<u>12.70</u>	<u>4.86</u>

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 2021

Unaudited Condensed Consolidated Statement of Total Comprehensive Income

	3 months ended		Cumulative 3 months ended	
	<u>31.03.2021</u> RM'000	<u>31.03.2020</u> RM'000	<u>31.03.2021</u> RM'000	<u>31.03.2020</u> RM'000
Net profit for the financial period	26,296	9,843	26,296	9,843
Other comprehensive loss, net of tax:				
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:-				
Net gain on foreign currency translation	375	1,622	375	1,622
Fair value change of available-for-sale financial assets:				
- Gross fair value change	(147,188)	(82,231)	(147,188)	(82,231)
- Deferred tax	8,704	6,517	8,704	6,517
	(138,484)	(75,714)	(138,484)	(75,714)
Changes in insurance contract liabilities arising from unrealised net fair value change	116,015	63,380	116,015	63,380
Net loss	(22,469)	(12,334)	(22,469)	(12,334)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	(22,094)	(10,712)	(22,094)	(10,712)
Other comprehensive loss for the financial period	(22,094)	(10,712)	(22,094)	(10,712)
Total comprehensive income/(loss) for the financial period	<u>4,202</u>	<u>(869)</u>	<u>4,202</u>	<u>(869)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	4,202	(877)	4,202	(877)
Non-controlling interests	-	8	-	8
	<u>4,202</u>	<u>(869)</u>	<u>4,202</u>	<u>(869)</u>

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MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the three month period ended 31 March 2021

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company							
	← 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	Non- controlling interests RM'000	Total RM'000
At 1 January 2021	111,974	6,897	(324)	47,211	741,519	907,277	78	907,355
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	(94)	(94)	(78)	(172)
Net profit for the financial period	-	-	-	-	26,296	26,296	-	26,296
Other comprehensive income/(loss) for the financial period	-	-	375	(22,469)	-	(22,094)	-	(22,094)
Total comprehensive income/(loss) for the financial period	-	-	375	(22,469)	26,296	4,202	-	4,202
At 31 March 2021	<u>111,974</u>	<u>6,897</u>	<u>51</u>	<u>24,742</u>	<u>767,721</u>	<u>911,385</u>	<u>-</u>	<u>911,385</u>
At 1 January 2020	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)
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>

* 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 105,141,000 (1 January 2021: RM 89,831,000 / 31 March 2020: RM 82,570,000 / 1 January 2020: RM 68,835,000). 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 three month period ended 31 March 2021

Unaudited Condensed Consolidated Statement of Cash Flows

	3 months ended <u>31.03.2021</u> RM'000	3 months ended <u>31.03.2020</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	26,296	9,843
Adjustments for non-cash items	(84,449)	241,722
Operating (loss)/profit before changes in operating assets and liabilities	<u>(58,153)</u>	<u>251,565</u>
Purchase of investments	(793,098)	(666,467)
Proceeds from disposal and maturity of investments	879,985	738,816
Interest income received	34,443	33,684
Dividend income received	19,230	7,755
Rental income received	942	1,027
Decrease in insurance receivables	7,649	11,322
Increase in reinsurance assets	(2,197)	(5,580)
Increase in fixed and call deposits	(60,209)	(56,002)
Increase in loan receivables	(8,506)	(546)
Increase in other receivables	(37,786)	(52,930)
Increase/(decrease) in insurance contract liabilities	31,246	(241,645)
Increase in insurance claims liabilities	1,151	8,292
Increase in payables	29,802	17,101
Cash generated from operations	<u>44,499</u>	<u>46,392</u>
Interest paid	(27)	(32)
Income taxes paid	(13,653)	(5,425)
Net cash inflow from operating activities	<u>30,819</u>	<u>40,935</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(307)	(3,489)
Purchase of intangible assets	(209)	(1,139)
Purchase of investments	(5,417)	(8,548)
Proceeds from disposal and maturity of investments	5,879	7,895
Net cash outflow from investing activities	<u>(54)</u>	<u>(5,281)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(455)	(415)
Changes in non-controlling interests	(172)	1,331
Net cash (outflow)/inflow from financing activities	<u>(627)</u>	<u>916</u>
Net increase during the financial period	30,138	36,570
Cash and cash equivalents at 1 January	189,492	207,145
Cash and cash equivalents at 31 March (<i>Note 29</i>)	<u>219,630</u>	<u>243,715</u>

CASH AND CASH EQUIVALENTS

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

	As at <u>31.03.2021</u> RM'000	As at <u>31.03.2020</u> RM'000
Cash and bank balances	216,247	201,202
Short-term deposits	3,383	42,513
Cash and cash equivalents	<u>219,630</u>	<u>243,715</u>

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