

## Notes to the Interim Financial Statements

### 1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting, International Accounting Standard ("IAS") 34: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2020, which were prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

### 2. Significant accounting policies

The accounting policies adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group's consolidated audited financial statements for the financial year ended 31 December 2020, except for the adoption of the following amendments/interpretation to MFRS:

<u>Description</u>	<u>Effective Date</u>
Covid-19-Related Rent Concessions (Amendment to MFRS 16 <i>Leases</i> )	1 June 2020
Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021

Other than as discussed above, the adoption of the above amendments/interpretation to standards issued by Malaysian Accounting Standards Board ("MASB") in the current financial year do not have any material impact to the financial statements of the Group.

### 3. Status of audit qualification

There was no audit qualification in the annual financial statements for the preceding financial year ended 31 December 2020.

### 4. Seasonal/cyclical factors

The business operations of the Group are subject to the sales cycle of the life insurance business and asset management services.

### 5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period ended 30 September 2021.

## **Notes to the Interim Financial Statements (Continued)**

### **6. Change in estimates**

The Group's insurance subsidiaries, Manulife Insurance Berhad and Manulife Insurance Labuan Limited value policy liabilities using a prospective actuarial valuation. The expected future liabilities are determined using best estimate assumptions with the appropriate allowance for provision of risk charge for adverse deviation from expected experience. Valuation assumptions used includes mortality, morbidity, lapse, expense, participating life fund expected long term yield, Malaysian Government Securities (MGS) risk-free interest rate and USD treasury yields.

For the current financial period ended 30 September 2021, the applicable estimate changes on the above assumptions resulted in lower actuarial liabilities of RM39.5 million (30 September 2020: higher actuarial liabilities of RM46.0 million), with a corresponding increase in unallocated surplus for the participating business of RM0.3 million (30 September 2020: decrease in unallocated surplus of RM30.0 million) and increase in net profit before tax of RM39.2 million (30 September 2020: decrease in net profit before tax of RM16.0 million).

Other than as disclosed above, there were no changes in the basis used for accounting estimates for the current financial period ended 30 September 2021.

### **7. Debt and equity securities**

During the current financial quarter, 4,575,259 new ordinary shares of Manulife Holdings Berhad ("the Company") were issued at the conversion price of RM2.05 per ordinary share for a total of RM9,379,281 in relation to the Dividend Reinvestment Plan exercise undertaken by the Company as per Note 8. The said shares were listed and quoted on the Main Market of Bursa Malaysia Berhad on 22 July 2021.

Besides the above, there were no other issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period ended 30 September 2021.

### **8. Dividends**

On 21 July 2021, the Company paid a final dividend of 7.0 sen per share equivalent to RM14,488,878 in respect of the financial year ended 31 December 2020. Out of the total dividend payout, a total of RM5,109,597 was paid in cash. The remaining RM9,379,281 was converted into new ordinary shares of the Company as per Note 7.

No dividend has been declared in respect of the current financial period ended 30 September 2021.

### **9. Material events subsequent to the end of the financial period**

There is no material event subsequent to the end of the financial period under review that has not been reported in the interim financial statements for the current financial period to date.

### **10. Changes in composition of the Group**

There were no significant changes in the composition of the Group for the current financial period to date.

### **11. Contingent liabilities**

There are no contingent liabilities as at the date of this report since the date of the last annual statement of financial position.

## **Notes to the Interim Financial Statements (Continued)**

### **12. Current financial year prospects**

With the government reopening of interstate travel from 11th October 2021 onwards, the economy is now back on track to recovery. Nevertheless, Bank Negara Malaysia (BNM) cut its 2021 GDP growth forecast from 6.0%-7.5% to 3%-4%, given the severity of Covid-19 infections in 3Q 2021. Also, BNM maintained the Overnight Policy Rate (OPR) unchanged at 1.75%. We foresee a gradual rate normalization path as BNM had pledged to maintain an accommodative monetary policy to support economic recovery.

#### Life Insurance Business

With the reopening of the economy and heightened consumer realization on the importance of health and life insurance, life insurance demand is on the increase, however the affordability is a concern. Also, as we settle into the new norm (post-covid life), acceleration of digital and technology ideas has become a necessity, and the industry is ensuring that life insurance becomes more digital friendly to cater to the new need.

At Manulife, our focus remain as below:

- Growing new business and scale via inorganic opportunities and business expansion
- Continue digitizing our business
- Focusing on value creation for shareholders by actively managing expenditure and optimizing resource utilisation
- Improving free cash flow and in force management via active persistency and medical business management
- Establishing a strong customer value proposition based on customers' needs
- Enhancing high performing team and culture

#### Asset Management Business

Malaysia's Covid-19 crisis appears to have peaked in August and has since improved as vaccination efforts made great strides. This, in turn, paved the way for more segments of the local economy to reopen fully. The global economy, while continuing to reopen, is faced with some risk factors which hold back recovery in the near term, namely rising inflation as a result of the rebound in global demand, higher commodity prices, component shortages and higher shipping costs. Nevertheless, we remain positive on the prospects of the markets over the longer term, thanks to anticipation of a recovery from the Covid pandemic and reopening of the economy in 4Q 2021.

## **Notes to the Interim Financial Statements (Continued)**

### **13. Profit forecast**

The Group did not issue any profit forecast during the financial period ended 30 September 2021.

### **14. Group borrowings**

The Group did not have any borrowings as at 30 September 2021.

### **15. Material litigation**

There is no material litigation as at the date of this report and since the date of the last annual statement of financial position.

### **16. Status of corporate proposal**

There are no corporate proposals announced but not completed during the financial period ended 30 September 2021.

### **17. Significant event**

There is no significant event during the financial period to date.

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the financial period ended 30 September 2021**

**Notes to the Interim Financial Statements (Continued)**

**18. Operating segments**

The core businesses of the Group are that of life insurance business, management of unit trust funds, private retirement scheme funds, investment and fund management. Segment information is presented in respect of the Group's business segments, which are as follows:

Investment holding : Investment holding operations and other segments (including trust funds over which the Company have significant control)  
 Life insurance : Underwriting of Participating life and Non-participating life insurance and unit-linked products  
 Asset management services : Asset management, unit trust and private retirement scheme funds

	Cumulative 9 months ended 30 September							
	Investment holding		Life insurance business		Asset management services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>External revenue</u>								
(a) Premium Income								
Gross premiums	-	-	776,437	747,452	-	-	776,437	747,452
Premiums ceded to reinsurers	-	-	(73,755)	(68,662)	-	-	(73,755)	(68,662)
Net premiums	-	-	702,682	678,790	-	-	702,682	678,790
(b) Investment income	16,266	17,505	144,558	121,708	356	356	161,180	139,569
(c) Net realised gains/(losses)	639	2,501	124,820	(3,498)	8	(68)	125,467	(1,065)
(d) Net fair value (losses)/gains	(189)	(811)	18,895	(51,432)	-	-	18,706	(52,243)
(e) Fee income	-	-	-	-	111,953	80,655	111,953	80,655
(f) Other operating income	-	1	2,686	2,106	263	1,183	2,949	3,290
<b>Total external revenue</b>	<b>16,716</b>	<b>19,196</b>	<b>993,641</b>	<b>747,674</b>	<b>112,580</b>	<b>82,126</b>	<b>1,122,937</b>	<b>848,996</b>
<u>Inter-segment revenue</u>								
(a) Rental income	1,452	1,452	590	590	-	-	2,042	2,042
(b) Fee income	719	804	2,633	2,710	9,990	9,019	13,342	12,533
(c) Dividend income from unit trust funds	-	-	15,780	9,074	-	-	15,780	9,074
(d) Net realised (losses)/gains	-	-	(624)	2,713	-	-	(624)	2,713
<b>Total inter-segment revenue</b>	<b>2,171</b>	<b>2,256</b>	<b>18,379</b>	<b>15,087</b>	<b>9,990</b>	<b>9,019</b>	<b>30,540</b>	<b>26,362</b>
<b>Total revenue by segment</b>	<b>18,887</b>	<b>21,452</b>	<b>1,012,020</b>	<b>762,761</b>	<b>122,570</b>	<b>91,145</b>	<b>1,153,477</b>	<b>875,358</b>
<b>Profit before taxation</b>	<b>9,674</b>	<b>12,818</b>	<b>57,447</b>	<b>2,212</b>	<b>14,536</b>	<b>6,609</b>	<b>81,657</b>	<b>21,639</b>
<b>Segment assets</b>	<b>1,199,625</b>	<b>1,109,671</b>	<b>6,231,489</b>	<b>5,854,103</b>	<b>166,653</b>	<b>137,328</b>	<b>7,597,767</b>	<b>7,101,102</b>
<b>Segment liabilities</b>	<b>16,837</b>	<b>21,728</b>	<b>5,566,876</b>	<b>5,250,075</b>	<b>95,987</b>	<b>81,344</b>	<b>5,679,700</b>	<b>5,353,147</b>

**Notes to the Interim Financial Statements (Continued)**

**18. Operating segments (continued)**

**Reconciliation of reportable segments**

	<b>Cumulative 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Total revenue</u></b>		
Total revenue for reportable segments	1,153,477	875,358
Elimination of inter-segment revenue	(30,540)	(26,362)
<b>Total revenue as per statement of profit or loss</b>	<b>1,122,937</b>	<b>848,996</b>
	<b>As at</b>	<b>As at</b>
	<b>30.09.2021</b>	<b>30.09.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Segment assets</u></b>		
Total assets for reportable segments	7,597,767	7,101,102
Elimination of inter-segment assets	(983,027)	(880,939)
<b>Total assets as per statement of financial position</b>	<b>6,614,740</b>	<b>6,220,163</b>
<b><u>Segment liabilities</u></b>		
Total liabilities for reportable segments	5,679,700	5,353,147
Elimination of inter-segment liabilities	(4,188)	(12,695)
<b>Total liabilities as per statement of financial position</b>	<b>5,675,512</b>	<b>5,340,452</b>

**19. Review of performance**

The management uses **operating revenue** as a measure of performance for each operating segment. Operating revenue for each reportable segment consists of gross premiums, investment income and fee income.

<b>Business Segment</b>	<b>3 months ended</b>			<b>Cumulative 9 months ended</b>		
	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>Increase/ (Decrease)</b>	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>(Decrease)/ Increase</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Operating Revenue</u></b>						
Investment holding	5,822	5,599	223	16,266	17,505	(1,239)
Life insurance business	317,688	279,711	37,977	920,995	869,160	51,835
Asset management services	39,745	28,849	10,896	112,309	81,011	31,298
<b>Total</b>	<b>363,255</b>	<b>314,159</b>	<b>49,096</b>	<b>1,049,570</b>	<b>967,676</b>	<b>81,894</b>
<b><u>Profit/(loss) before taxation</u></b>						
Investment holding	4,577	6,203	(1,626)	9,674	12,818	(3,144)
Life insurance business	15,374	(2,770)	18,144	57,447	2,212	55,235
Asset management services	5,137	3,277	1,860	14,536	6,609	7,927
<b>Total</b>	<b>25,088</b>	<b>6,710</b>	<b>18,378</b>	<b>81,657</b>	<b>21,639</b>	<b>60,018</b>

## Notes to the Interim Financial Statements (Continued)

### 19. Review of performance (continued)

#### **Financial Period ended 30 September 2021 vs Financial Period ended 30 September 2020**

The Group's operating revenue for the financial period ended 30 September 2021 increased by RM81.9 million or 8.5% compared to the corresponding financial period ended 30 September 2020 (2021: RM1,049.6 million, 2020: RM967.7 million). The Group's profit before tax for YTD September 2021 was RM81.6 million, an increase of RM60.0 million or 277.4% as compared to the profit before tax for YTD September 2020 of RM21.6 million.

Performance of the respective operating business segments are as follows:

**Investment holding** – Operating revenue fell by RM1.2 million compared with the previous year mainly due to lower interest income from bonds, while profit before tax fell by RM3.1 million due to realised losses on disposal of bonds, compared with realised gains in the prior year.

**Life insurance business** – Operating revenue of life insurance business increased by RM51.8 million or 6.0% mainly due to higher premium income collected and higher dividend income. Profit before tax rose by RM55.2 million mainly due to favourable asset net of insurance contract liability movement as a result of increase in interest rate and higher gains from equity investments offset by change in actuarial assumptions.

**Asset management services** – Operating revenue and profit before tax increased by RM31.3 million and RM7.9 million respectively mainly due to higher unit trust sales and higher management fee income from higher Asset-under-Management ("AUM").

#### **3rd Quarter 2021 vs 3rd Quarter 2020**

The Group's operating revenue for the quarter ended 30 September 2021 increased by RM49.1 million compared to the corresponding quarter last year (2021: RM363.3 million, 2020: RM314.2 million). The Group's profit before tax was RM25.1 million for the current quarter, which represents an increase of RM18.4 million compared to the profit before tax for the quarter ended 30 September 2020 of RM6.7 million.

Performance of the respective operating business segments are as follows:

**Investment holding** – Operating revenue increased marginally by RM0.2 million due to higher interest income, while profit before tax decreased by RM1.6 million due to lower realised gains on disposal of investments in Q3 2021.

**Life insurance business** – Operating revenue of life insurance business increased by RM38.0 million mainly due to higher premium income and dividend income compared to corresponding quarter in the prior year. Profit before tax increased by RM18.1 million in the current quarter due to lower reserving of insurance contract liabilities from higher interest rates.

**Asset management services** – Operating revenue and profit before tax increased by RM10.9 million and RM1.9 million respectively mainly due to higher unit trust sales and higher management fee income on higher AUM.

**Notes to the Interim Financial Statements (Continued)**

**20. Commentary on the quarterly results compared to the results of preceding quarter**

<b>Business Segment</b>	<b>3 months ended</b>		
	<b>30.09.2021</b>	<b>30.06.2021</b>	<b>Increase/(Decrease)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Operating Revenue</u></b>			
Investment holding	5,822	5,383	439
Life insurance business	317,688	303,100	14,588
Asset management services	39,745	33,640	6,105
<b>Total</b>	<b>363,255</b>	<b>342,123</b>	<b>21,132</b>
<b><u>Profit before taxation</u></b>			
Investment holding	4,577	3,000	1,577
Life insurance business	15,374	17,365	(1,991)
Asset management services	5,137	3,956	1,181
<b>Total</b>	<b>25,088</b>	<b>24,321</b>	<b>767</b>

The Group's operating revenue for the current quarter under review ("Q3 2021") increased by RM21.1 mil compared with the preceding quarter ended 30 June 2021 ("Q2 2021"). The Group recorded a profit before tax of RM25.1 million in Q3 2021 compared with a profit before tax of RM24.3 million in Q2 2021. The slight increase in profit before tax by RM0.8 million was contributed by the following segments:

**Investment holding** – Operating revenue arising mainly from investment income increased marginally by RM0.4 million since Q2 2021. Profit before tax increased by RM1.6 million mainly due to higher realised gains on disposal of investments.

**Life insurance business** – Operating revenue of life insurance business increased by RM14.6 million in Q3 2021 compared with Q2 2021 mainly due to higher dividend and interest income. However, profit before tax fell by RM2.0 million mainly due to change in actuarial assumptions.

**Asset management services** – Operating revenue and profit before tax increased by RM6.1 million and RM1.2 million respectively due to higher fee income from sales of unit trust funds in Q3 2021 compared with Q2 2021.



**Notes to the Interim Financial Statements (Continued)**

**21. Net premiums**

Net premiums which are stated net of reinsurance expenses comprise the following:-

	3 months ended		Cumulative 9 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
First year premium	37,648	44,503	117,080	115,219
Renewal year premium	176,704	157,337	502,266	450,408
Single premium	25,805	14,238	83,336	113,163
<b>Total</b>	<b>240,157</b>	<b>216,078</b>	<b>702,682</b>	<b>678,790</b>

**22. Investment income**

	3 months ended		Cumulative 9 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets at FVTPL</u>				
- designated upon initial recognition				
Interest/profit sharing income	10,152	6,961	26,954	19,685
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	10,614	6,086	23,985	12,682
- quoted outside Malaysia	240	4	537	33
- real estate investment trusts				
- quoted in Malaysia	17	148	17	1,168
- unit trust funds	1,905	379	3,867	1,346
- mutual funds				
- outside Malaysia	215	166	533	641
Net amortisation of premiums	(1,401)	(346)	(3,138)	(1,028)
<u>AFS financial assets</u>				
Interest/profit sharing income	26,277	25,476	75,834	76,829
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	7,051	3,606	22,683	18,117
- quoted outside Malaysia	221	245	723	538
- unquoted in Malaysia	140	140	140	220
- real estate investment trusts				
- quoted in Malaysia	184	179	420	530
- unit trust funds	-	-	54	-
Net amortisation of premiums	(2,106)	(1,547)	(5,624)	(4,838)
<u>Loans and receivables</u>				
Interest/profit sharing income	3,867	3,103	11,188	10,406
Net amortisation of premiums	-	-	-	(1)
<u>Investment properties</u>				
Rental income	945	854	2,813	2,887
<u>Cash and cash equivalents</u>				
Interest/profit sharing income	53	65	194	354
	<u>58,374</u>	<u>45,519</u>	<u>161,180</u>	<u>139,569</u>

**Notes to the Interim Financial Statements (Continued)**

**23. Other operating expenses**

	<b>3 months ended</b>		<b>Cumulative 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>30.09.2021</b>	<b>30.09.2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Foreign exchange				
- Realised gains	(8,842)	(2,981)	(9,247)	(7,124)
- Unrealised losses/(gains)	7,594	13,117	(152)	29
Interest expense on agent's bond withheld	4	4	12	12
Others	2,295	1,944	6,445	5,524
Tax on investment income of Life fund and Investment-linked funds				
- Current tax	1,667	6,438	16,365	4,707
- Deferred tax	660	5,691	(549)	565
	2,327	12,129	15,816	5,272
	<u>3,378</u>	<u>24,213</u>	<u>12,874</u>	<u>3,713</u>

The income tax for the Life fund and Investment-linked funds of Manulife Insurance Berhad is calculated based on the tax rate of 8% (2020: 8%) of the assessable investment income, net of allowable deductions for the financial period.

**24. Profit before taxation**

Profit before taxation is arrived at after charging/(crediting):

	<b>3 months ended</b>		<b>Cumulative 9 months ended</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>30.09.2021</b>	<b>30.09.2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Amortisation of intangible assets	2,227	2,398	6,306	6,132
Depreciation of property and equipment	874	843	2,612	2,476
Investment income (Note 22)	(58,374)	(45,519)	(161,180)	(139,569)
(Reversal of)/allowance for impairment loss on loans receivable	(12)	12	(4)	21
Net foreign exchange (gains)/losses	(1,248)	10,136	(9,399)	(7,095)

**Notes to the Interim Financial Statements (Continued)**

**24. Profit before taxation (continued)**

	3 months ended		Cumulative 9 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Net realised (gains)/losses:				
- realised (gains)/losses on disposal of AFS investments	(24,674)	(35,874)	(125,467)	1,065
	(24,674)	(35,874)	(125,467)	1,065
Net fair value (gains)/losses:				
- fair value gains on FVTPL investments/derivatives	(25,266)	(90,946)	(32,728)	(27,401)
- impairment loss on quoted equities	938	11,628	14,022	79,644
	(24,328)	(79,318)	(18,706)	52,243

**25. Taxation**

	3 months ended		Cumulative 9 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
<u>Income tax</u>				
Current financial year	3,608	762	12,780	7,455
Under/(over) provision in prior financial years	677	(759)	677	(759)
	4,285	3	13,457	6,696
<u>Deferred tax</u>				
Origination/(reversal) of temporary differences	87	30	297	(477)
	87	30	297	(477)
	4,372	33	13,754	6,219

The income tax for the Group is calculated based on the tax rate of 24% (2020: 24%) of the estimated assessable profit for the financial period.

**Notes to the Interim Financial Statements (Continued)**

**25. Taxation (continued)**

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as below.

	3 months ended		Cumulative 9 months ended	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	25,088	6,710	81,657	21,639
Taxation at Malaysian statutory tax rate of 24%	6,021	1,610	19,598	5,193
Effect of different tax rate in respect of Labuan subsidiary	(1,072)	(872)	(2,918)	1,288
Section 110B tax credit set off	(666)	(846)	(2,943)	(1,331)
Income not subject to tax	(2,218)	(769)	(6,340)	(3,162)
Expenses not deductible for tax purposes	1,630	1,644	5,618	4,870
Changes in unrecognised deferred tax assets	-	25	62	120
	3,695	792	13,077	6,978
Under/(over) provision in prior financial years				
- Current tax	677	(759)	677	(759)
	4,372	33	13,754	6,219

**Notes to the Interim Financial Statements (Continued)**

**26. Basic and diluted earnings per share**

Basic earnings per share of the Group are calculated by dividing the net profit attributable to owners of the Company for the financial period by the weighted average number of ordinary shares in issue.

	<b>3 months ended</b>		<b>Cumulative 9 months ended</b>	
	<u>30.09.2021</u>	<u>30.09.2020</u>	<u>30.09.2021</u>	<u>30.09.2020</u>
Net profit attributable to owners of the Company (RM'000)	<u>20,716</u>	<u>6,672</u>	<u>67,903</u>	<u>15,404</u>
Weighted average number of ordinary shares in issue ('000)				
- Balance b/f	206,984	202,370	206,984	202,370
- Weighted average number of shares arising from effect of Dividend Reinvestment Plan	<u>3,531</u>	<u>2,508</u>	<u>1,190</u>	<u>842</u>
- Balance c/f	<u>210,515</u>	<u>204,878</u>	<u>208,174</u>	<u>203,212</u>
Basic and diluted earnings per share (Sen)	<u>9.82</u>	<u>3.27</u>	<u>32.62</u>	<u>7.58</u>

The Company has no potential dilutive ordinary shares in issue as at the date of the statement of financial position and therefore, diluted earnings per share have not been presented.

**Notes to the Interim Financial Statements (Continued)**

**27. Insurance contract liabilities**

The insurance contract liabilities as at the date of the statement of financial position comprise the following:

	Gross		Net	
	As at 30.09.2021 RM'000	As at 31.12.2020 RM'000	As at 30.09.2021 RM'000	As at 31.12.2020 RM'000
Actuarial liabilities	3,002,668	2,898,929	2,995,352	2,896,527
Unallocated surplus/(deficit)	44,830	(10,286)	44,830	(10,286)
Fair value reserve	128,206	277,252	128,206	277,252
Asset revaluation reserve	2,361	2,361	2,361	2,361
Investment-linked policyholders' account	1,395,305	1,369,798	1,395,305	1,369,798
	<u>4,573,370</u>	<u>4,538,054</u>	<u>4,566,054</u>	<u>4,535,652</u>

The insurance contract liabilities and its movements are further analysed as follows:

	Gross		Net	
	As at 30.09.2021 RM'000	As at 31.12.2020 RM'000	As at 30.09.2021 RM'000	As at 31.12.2020 RM'000
At 1 January	4,538,054	4,215,893	4,535,652	4,218,769
Inforce reserve movement	77,490	64,397	75,669	63,622
New business reserve	58,139	92,181	55,360	87,587
Discount rate and other changes	(39,463)	(70,548)	(39,463)	(70,548)
Unallocated surplus	55,116	60,999	55,116	60,999
Effect of movements in exchange rate	7,573	(6,190)	7,259	(6,099)
Fair value reserve, net of tax	(149,046)	156,790	(149,046)	156,790
Asset revaluation reserve				
- Revaluation adjustment	-	259	-	259
- Reversal on revaluation	-	215	-	215
	-	474	-	474
Investment-linked policyholders' account	25,507	24,058	25,507	24,058
At 30 September/31 December	<u>4,573,370</u>	<u>4,538,054</u>	<u>4,566,054</u>	<u>4,535,652</u>

**28. Current tax assets/(liabilities)**

	As at 30.09.2021 RM'000	As at 31.12.2020 RM'000
Current tax assets	23,137	24,278
Current tax liabilities	(16,942)	(22,360)
	<u>6,195</u>	<u>1,918</u>

Included in the current tax assets are a pending appeal case arising from two notices of additional assessment ("Forms JA") of RM22.2 million for years of assessment ("YA") 2017 and 2018, and tax paid in excess to the Inland Revenue Board ("IRB") in relation to the Company's subsidiary, Manulife Insurance Berhad ("MIB"). The High Court rejected MIB's application for leave to apply for judicial review in a decision delivered on 14<sup>th</sup> July 2021. MIB will not be appealing against the decision of the High Court. A hearing date for MIB's application to the Special Commissioner of Income Tax ("SCIT") on the assessments has yet to be fixed.

## Notes to the Interim Financial Statements (Continued)

### 28. Current tax assets/(liabilities) (continued)

MIB has made the above tax payment in 2021. In line with the opinion by the external advisor, the Group believes strongly that MIB has good grounds to contest the additional assessment and hence has treated the above tax payment as tax recoverable.

### 29. Cash and cash equivalents

Cash and cash equivalents as at the date of statement of financial position are held in the following business segments:

	<b>As at 30.09.2021</b>	<b>As at 31.12.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Investment holding	6,180	6,365
Life insurance business:-		
Shareholder's fund	23,620	36,378
Non Investment-linked business	78,781	65,586
Investment-linked business	18,759	8,878
Asset management services	90,486	72,285
	<u>217,826</u>	<u>189,492</u>

### 30. Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms with the respective parties. The significant related party transactions during the financial period between the Group and their related parties are set out as below:

	<b>30.09.2021</b>	<b>Cumulative 9 months ended 30.09.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Expenses/(income):</b>		
<b>Intermediate holding company</b>		
Reimbursement of personnel expenses	3,036	3,251
Reimbursement of software maintenance expenses	3,952	3,688
Provision of IT development services	129	2,720
Provision of IT infrastructure support and maintenance services		
- Paid and payable	8,860	4,614
- Waiver of prior year's expenses	(3,228)	-
	<u>          </u>	<u>          </u>
<b>Subsidiaries of ultimate holding company</b>		
Rebate income	(9,933)	(6,137)
Fund management expenses	2,269	2,007
Provision of IT infrastructure support and maintenance services	384	-
	<u>          </u>	<u>          </u>

**Notes to the Interim Financial Statements (Continued)**

**31. Capital and other commitments**

	<b>As at 30.09.2021 RM'000</b>	<b>As at 31.12.2020 RM'000</b>
<b>Other commitments</b>		
Exclusive bancassurance agreement		
- Authorised but not provided for	<u>5,250</u>	<u>7,500</u>
Distribution agreement		
- Authorised but not provided for	<u>5,363</u>	<u>5,363</u>
Investment in Private Equities		
As at 1 January	-	-
Capital committed during the financial period	50,148	-
Capital called during the financial period	<u>(18,403)</u>	<u>-</u>
As at 30 September/31 December	<u>31,745</u>	<u>-</u>



**Notes to the Interim Financial Statements (Continued)**

**32. Financial instruments**

**Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as follows:

- i) Available-for-sale (“AFS”);
- ii) Fair value through profit or loss - designated upon initial recognition (“FVTPL”);
- iii) Loans and receivables excluding prepayments (“LAR”); and
- iv) Other financial liabilities measured at amortised cost (“OL”).

<b>Group</b>	<b>AFS</b> <b>RM'000</b>	<b>FVTPL</b> <b>RM'000</b>	<b>LAR</b> <b>RM'000</b>	<b>OL</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
<b>30 September 2021</b>					
<b>Financial assets</b>					
AFS financial assets	3,178,287	-	-	-	3,178,287
Financial assets at FVTPL	-	2,294,312	-	-	2,294,312
Loans and receivables	-	-	608,517	-	608,517
Insurance receivables	-	-	9,585	-	9,585
Cash and cash equivalents	-	-	217,826	-	217,826
	<u>3,178,287</u>	<u>2,294,312</u>	<u>835,928</u>	<u>-</u>	<u>6,308,527</u>
<b>Financial liabilities</b>					
Insurance payables	-	-	-	730,160	730,160
Other payables	-	-	-	230,967	230,967
	<u>-</u>	<u>-</u>	<u>-</u>	<u>961,127</u>	<u>961,127</u>
<b>31 December 2020</b>					
<b>Financial assets</b>					
AFS financial assets	3,485,271	-	-	-	3,485,271
Financial assets at FVTPL	-	2,008,611	-	-	2,008,611
Loans and receivables	-	-	498,605	-	498,605
Insurance receivables	-	-	16,877	-	16,877
Cash and cash equivalents	-	-	189,492	-	189,492
	<u>3,485,271</u>	<u>2,008,611</u>	<u>704,974</u>	<u>-</u>	<u>6,198,856</u>
<b>Financial liabilities</b>					
Financial liability at FVTPL	-	21	-	-	21
Insurance payables	-	-	-	672,721	672,721
Other payables	-	-	-	242,880	242,880
	<u>-</u>	<u>21</u>	<u>-</u>	<u>915,601</u>	<u>915,622</u>

**Notes to the Interim Financial Statements (Continued)**

**33. Financial asset/(liability) at fair value through profit or loss**

Derivatives

The table below shows the fair value of derivative financial instruments, recorded as asset or liability, together with their notional amounts. The notional amount, recorded at gross, is the amount of the derivative's underlying asset and is the basis upon which changes in the value of derivatives are measured. Derivative financial instruments held by the Group are forward foreign exchange contract to hedge its currency risk, any fair value gains/losses on this financial instrument are recognised as financial asset/liability.

	Notional amount RM'000	Fair value gains/(losses) recognised as		Net carrying amount RM'000
		Financial asset RM'000	Financial liability RM'000	
<b>30 September 2021</b>				
<b>Hedging derivative:</b>				
Forward foreign exchange contract				
- Less than 1 year	137,537	128	-	128
<b>31 December 2020</b>				
<b>Hedging derivative:</b>				
Forward foreign exchange contract				
- Less than 1 year	196,038	1,149	-	1,149
- Less than 1 year	4,368	-	(21)	(21)

There is no change in risks and policies associated with the derivatives and its related accounting policies since the financial year ended 31 December 2020.

## Notes to the Interim Financial Statements (Continued)

### 34. Determination of fair values and fair value hierarchy

#### a) Freehold property and investment property

The fair value of the Group's freehold property and investment property is determined based on the income method conducted by an independent qualified valuer.

Under the income method, the market value of the properties is determined based on the net annual income which is derived by deducting the annual outgoings from the gross annual income and capitalising the net income by a suitable rate of return consistent with the type and quality of the investment.

#### Fair value hierarchy

A level is assigned to each fair value measurement based on the lowest level input significant to the fair value measurement in its entirety. The three-level hierarchy is defined as follows:-

Level 1 – Fair value is derived from unadjusted quoted price in active markets for identical properties that the entity can access at the measurement date.

Level 2 – Fair value is estimated using inputs that are observable for the properties, either directly or indirectly.

Level 3 – Fair value is estimated using unobservable inputs for the properties.

The fair value of freehold property and investment property is classified within Level 3 of the fair value hierarchy. The fair value of the property is as follows:

	<u>Freehold property</u>		<u>Investment property</u>	
	<u>As at 30.09.2021</u>	<u>As at 31.12.2020</u>	<u>As at 30.09.2021</u>	<u>As at 31.12.2020</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Carrying amount	<u>27,143</u>	<u>27,026</u>	<u>77,974</u>	<u>77,974</u>
Fair value as stated in valuation report*	<u>27,026</u>	<u>27,026</u>	<u>77,974</u>	<u>77,974</u>

\* Based on the valuation conducted by an independent qualified valuer on 31 December 2020.

## Notes to the Interim Financial Statements (Continued)

### 34. Determination of fair values and fair value hierarchy (continued)

#### a) Freehold property and investment property (continued)

Description of valuation techniques used and significant unobservable inputs to valuation of freehold property and investment property:

	Valuation technique	Significant unobservable inputs	Range
<b>2020</b>			
Freehold/ investment property	Income method	Term period's net yield Reversionary period's net yield Void factor Average rental for term period Average rental for reversionary period Outgoings for term period Outgoings for reversionary period	5.00% - 6.50% 6.00% 5.00% RM4.55 psf RM4.76 psf RM1.75 psf RM1.75 psf

Significant increase or decrease in each of the unobservable inputs used in the valuation would result in a correspondingly higher or lower fair value of the properties.

The reconciliation from beginning to ending balances for the freehold property and investment property are as follows:

	Freehold property		Investment property	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
At 1 January	27,026	26,407	77,974	82,593
Additions	557	-	-	-
Depreciation charge for the period/year	(440)	(550)	-	-
Fair value gain/(loss)	-	1,169	-	(4,619)
At 30 September/31December	<u>27,143</u>	<u>27,026</u>	<u>77,974</u>	<u>77,974</u>

#### b) Financial assets and financial liabilities

##### (i) Determination of fair values

The fair values of the Group's financial assets and financial liabilities are determined as follows:

- (i) The carrying amounts of financial assets and financial liabilities, such as loans and receivables, insurance receivables, cash and bank balances, insurance payables and other payables (other than the amount payable under Distribution Agreement), are reasonable approximations of their fair values due to the relatively short term maturity of these balances and the immaterial impact of discounting;
- (ii) The carrying amount of amount payable under Distribution Agreement which is the remaining present value of the expected future cash flow discounted using the discount rate that reflects the current market assessment of the time value of money, are reasonable approximations of their fair values;
- (iii) The fair values of quoted equities and investments in real estate investment trusts are based on quoted market prices as at the reporting date;
- (iv) The fair values of Malaysian Government Securities, Government Investment Issues and both quoted and unquoted corporate debt securities are based on indicative market prices;

## Notes to the Interim Financial Statements (Continued)

### 34. Determination of fair values and fair value hierarchy (continued)

#### b) Financial assets and financial liabilities (continued)

##### (i) Determination of fair values (continued)

The fair values of the Group's financial assets and financial liabilities are determined as follows:  
(continued)

- (v) The fair values of negotiable instruments of deposit are calculated using the discounted cash flow method based on the maturity of the instruments at discount rates representing the average market rates quoted by at least two licensed banks;
- (vi) The fair values of investments in mutual funds and unit trust funds are valued based on the net asset values of the underlying funds as at the reporting date;
- (vii) The fair values of foreign exchange forward contracts are based on valuations provided by the financial institutions making reference to quoted market prices; and
- (viii) The fair values of private equities are measured based on private equities' net asset value or fair values reported in investees' financial statements as a measure of fair value.

##### (ii) Fair value hierarchy

The Group categorises its fair value measurements according to a three-level hierarchy. The hierarchy prioritises the inputs used by the Group's valuation techniques for determining the fair value of the financial instruments.

A level is assigned to each fair value measurement based on the lowest level input significant to the fair value measurement in its entirety. The three-level hierarchy is defined as follows:

Level 1 –Fair value measurements that reflect unadjusted, quoted prices in active markets for identical assets and liabilities that the Group has the ability to access at the measurement date. Valuations are based on quoted prices reflecting market transactions involving assets or liabilities identical to those being measured.

Level 2 –Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in inactive markets, inputs that are observable that are not prices (such as interest rates, credit risks, etc) and inputs that are derived from or corroborated by observable market data.

Level 3 –Fair value measurements using significant non market observable inputs. These include valuations for assets and liabilities that are derived using data, some or all of which is not market observable, including assumptions about risk.

In determining the fair value of its financial instruments, the Group uses observable market data, when available, and minimises the use of unobservable inputs to the extent possible when determining fair value.

**Notes to the Interim Financial Statements (Continued)**

**34. Determination of fair values and fair value hierarchy (continued)**

**b) Financial assets and financial liabilities (continued)**

**(ii) Fair value hierarchy (continued)**

The following table presents the Group's financial assets and financial liabilities that are carried at fair value as at reporting date.

	<b>Carrying amount RM'000</b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>	<b>Level 3 RM'000</b>
<b>30 September 2021</b>				
<b>AFS financial assets</b>				
Equity securities				
- Quoted in Malaysia	653,443	653,443	-	-
- Quoted outside Malaysia	142,243	142,243	-	-
Real estate investment trusts	15,569	15,569	-	-
Unit trust funds	1,894	1,894	-	-
Malaysian Government Securities	315,236	-	315,236	-
Government Investment Issues	261,709	-	261,709	-
Corporate debt securities				
- Unquoted	1,759,435	-	1,759,435	-
Accrued interest	26,242	-	26,242	-
	<u>3,175,771</u>	<u>813,149</u>	<u>2,362,622</u>	<u>-</u>
<b>Financial assets at FVTPL</b>				
Equity securities				
- Quoted in Malaysia	773,996	773,996	-	-
- Quoted outside Malaysia	65,473	65,473	-	-
Private equities				
- Unquoted outside Malaysia	18,403	-	-	18,403
Real estate investment trusts	1,533	1,533	-	-
Unit trust funds	182,793	182,793	-	-
Malaysian Government Securities	78,436	-	78,436	-
Government Investment Issues	119,013	-	119,013	-
Corporate debt securities				
- Unquoted	629,991	-	629,991	-
- Quoted outside Malaysia	194,753	-	194,753	-
Mutual funds	218,817	218,817	-	-
Forward foreign exchange contract	128	-	128	-
Accrued interest	10,976	-	10,976	-
	<u>2,294,312</u>	<u>1,242,612</u>	<u>1,033,297</u>	<u>18,403</u>
	<u>5,470,083</u>	<u>2,055,761</u>	<u>3,395,919</u>	<u>18,403</u>

## Notes to the Interim Financial Statements (Continued)

### 34. Determination of fair values and fair value hierarchy (continued)

#### b) Financial assets and financial liabilities (continued)

##### (ii) Fair value hierarchy (continued)

The following table presents the Group's financial assets and financial liabilities that are carried at fair value as at reporting date. (continued)

	<b>Carrying amount RM'000</b>	<b>Level 1 RM'000</b>	<b>Level 2 RM'000</b>
<b>31 December 2020</b>			
<b>AFS financial assets</b>			
Equity securities			
- Quoted in Malaysia	943,507	943,507	-
- Quoted outside Malaysia	169,407	169,407	-
Real estate investment trusts	14,863	14,863	-
Unit trust funds	80,379	80,379	-
Malaysian Government Securities	368,505	-	368,505
Government Investment Issues	247,705	-	247,705
Corporate debt securities			
- Unquoted	1,634,516	-	1,634,516
Accrued interest	23,873	-	23,873
	<u>3,482,755</u>	<u>1,208,156</u>	<u>2,274,599</u>
<b>Financial assets at FVTPL</b>			
Equity securities			
- Quoted in Malaysia	712,512	712,512	-
- Quoted outside Malaysia	28,875	28,875	-
Real estate investment trusts	5,747	5,747	-
Unit trust funds	161,892	161,892	-
Malaysian Government Securities	66,372	-	66,372
Government Investment Issues	62,831	-	62,831
Corporate debt securities			
- Unquoted	492,617	-	492,617
- Quoted outside Malaysia	164,344	-	164,344
Mutual funds	304,436	304,436	-
Forward foreign exchange contract	1,149	-	1,149
Accrued interest	7,836	-	7,836
	<u>2,008,611</u>	<u>1,213,462</u>	<u>795,149</u>
	<u>5,491,366</u>	<u>2,421,618</u>	<u>3,069,748</u>
<b>Financial liabilities at FVTPL</b>			
Forward foreign exchange contract	<u>21</u>	<u>-</u>	<u>21</u>

Unquoted equity securities of RM2,516,340 (31 December 2020: RM2,516,566) are not disclosed in the fair value hierarchy above as they are measured at cost as fair value is not readily available.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the current and previous financial periods.

**Notes to the Interim Financial Statements (Continued)**

**34. Determination of fair values and fair value hierarchy (continued)**

**b) Financial assets and financial liabilities (continued)**

**(iii) Financial assets which are measured at fair value using significant unobservable inputs (Level 3)**

The reconciliation from beginning to ending balance for the investment in private equities:

	<b>Private Equities RM'000</b>	<b>Total RM'000</b>
At 1 January 2021	-	-
Total loss recognised in profit or loss	(2)	(2)
Capital contributions	18,256	18,256
Currency movement	149	149
At 30 September 2021	<u>18,403</u>	<u>18,403</u>

Description of valuation methodology and significant unobservable inputs to valuation of private equities:

	<b>Fair Value</b>	<b>Valuation Methodology</b>	<b>Unobservable Input</b>	<b>Input Values</b>
<b>2021</b>	<b>RM'000</b>			
Private equities	18,403	Net asset value ("NAV")	NAV	NAV



**Notes to the Interim Financial Statements (Continued)**

**35. Additional disclosures under Amendments to MFRS 4 Insurance Contracts**

In order to compare with entities applying MFRS 9, the amendments require deferring entities to disclose additional information including contractual cash flows characteristics and credit exposure of the financial assets. The following table presents the Group's financial assets by their contractual cash flows characteristics, which indicate if they are solely payments of principal and interest on the principal outstanding ("SPPI"):

For the financial period ended 30 September 2021	Fair value as at 1 January 2021 RM'000	Change in fair value* RM'000	Fair value as at 30 September 2021 RM'000	Result of the cash flows characteristics test	Classification and measurement under MFRS 9
<b>Financial assets</b>					
Equity securities					
- Quoted in Malaysia	1,656,019	(228,580)	1,427,439	Non-SPPI	FVTPL
- Quoted outside Malaysia	198,282	9,434	207,716	Non-SPPI	FVTPL
- Unquoted – local	2,516	-	2,516	Non-SPPI	FVTPL
Private equities	-	18,403	18,403	Non-SPPI	FVTPL
Real estate investment trusts	20,610	(3,508)	17,102	Non-SPPI	FVTPL
Unit trust funds	242,271	(57,584)	184,687	Non-SPPI	FVTPL
Malaysian Government Securities	434,877	(41,205)	393,672	SPPI	FVOCI
Government Investment Issues	310,536	70,186	380,722	SPPI	FVOCI
Corporate debt securities					
- Unquoted	2,127,133	262,293	2,389,426	SPPI	FVOCI
- Quoted outside Malaysia	164,344	30,409	194,753	SPPI	FVOCI
Mutual funds	304,436	(85,619)	218,817	Non-SPPI	FVTPL
Forward foreign exchange contract	1,149	(1,021)	128	Non-SPPI	FVTPL
Accrued interest	31,709	5,509	37,218	SPPI	FVOCI
Loans and receivables	498,605	109,912	608,517	SPPI	Amortised cost
Insurance receivables	16,877	(7,292)	9,585	SPPI	Amortised cost
Cash and cash equivalents	189,492	28,334	217,826	SPPI	Amortised cost
	<u>6,198,856</u>	<u>109,671</u>	<u>6,308,527</u>		

\* Includes purchases, disposals, maturities and realised/unrealised gains/(losses).

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**

Interim financial statements for the financial period ended 30 September 2021

**Notes to the Interim Financial Statements (Continued)**

**35. Additional disclosures under Amendments to MFRS 4 *Insurance Contracts* (continued)**

For the financial year ended 31 December 2020	Fair value as at 1 January 2020 RM'000	Change in fair value* RM'000	Fair value as at 31 December 2020 RM'000	Result of the cash flows characteristics test	Classification and measurement under MFRS 9
<b>Financial assets</b>					
Equity securities					
- Quoted in Malaysia	1,408,368	247,651	1,656,019	Non-SPPI	FVTPL
- Quoted outside Malaysia	103,793	94,489	198,282	Non-SPPI	FVTPL
- Unquoted	2,516	-	2,516	Non-SPPI	FVTPL
Real estate investment trusts	23,883	(3,273)	20,610	Non-SPPI	FVTPL
Unit trust funds	245,384	(3,113)	242,271	Non-SPPI	FVTPL
Malaysian Government Securities	423,111	11,766	434,877	SPPI	FVOCI
Government Investment Issues	276,996	33,540	310,536	SPPI	FVOCI
Corporate debt securities					
- Unquoted	2,085,462	41,671	2,127,133	SPPI	FVOCI
- Quoted outside Malaysia	40,735	123,609	164,344	SPPI	FVOCI
Mutual funds	438,118	(133,682)	304,436	Non-SPPI	FVTPL
Forward foreign exchange contract	3,802	(2,653)	1,149	Non-SPPI	FVTPL
Accrued interest	30,465	1,244	31,709	SPPI	FVOCI
Loans and receivables	358,730	139,875	498,605	SPPI	Amortised cost
Insurance receivables	25,794	(8,917)	16,877	SPPI	Amortised cost
Cash and cash equivalents	207,145	(17,653)	189,492	SPPI	Amortised cost
	<u>5,674,302</u>	<u>524,554</u>	<u>6,198,856</u>		

\* Includes purchases, disposals, maturities and realised/unrealised gains/(losses).

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the financial period ended 30 September 2021**

**Notes to the Interim Financial Statements (Continued)**

**35. Additional disclosures under Amendments to MFRS 4 *Insurance Contracts* (continued)**

The following table shows the fair value of financial assets by credit quality:

	AAA	AA	A	BBB	Non-rated	Total
As at 30 September 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Financial assets</b>						
Malaysian Government						
Securities	-	-	-	-	393,672	393,672
Government Investment Issues	-	-	-	-	380,722	380,722
Corporate debt securities						
- Unquoted	1,143,767	782,945	8,596	-	454,118	2,389,426
- Quoted outside Malaysia*	24,266	37,827	71,967	60,693	-	194,753
Accrued interest	11,458	10,841	603	456	13,860	37,218
Loans and receivables	307,524	69,151	-	-	231,842	608,517
Insurance receivables	-	-	-	-	9,585	9,585
Cash and cash equivalents	178,092	14,041	7,183	-	50	199,366
Cash and cash equivalents*	-	18,460	-	-	-	18,460
	<u>1,665,107</u>	<u>933,265</u>	<u>88,349</u>	<u>61,149</u>	<u>1,483,849</u>	<u>4,231,719</u>

\* Rated by international rating agencies

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the financial period ended 30 September 2021**

**Notes to the Interim Financial Statements (Continued)**

**35. Additional disclosures under Amendments to MFRS 4 *Insurance Contracts* (continued)**

<b>As at 31 December 2020</b>	<b>AAA RM'000</b>	<b>AA RM'000</b>	<b>A RM'000</b>	<b>BBB RM'000</b>	<b>Non-rated RM'000</b>	<b>Total RM'000</b>
<b>Financial assets</b>						
Malaysian Government						
Securities	-	-	-	-	434,877	434,877
Government Investment Issues	-	-	-	-	310,536	310,536
Corporate debt securities						
- Unquoted	930,972	710,011	4,112	-	482,038	2,127,133
- Quoted outside Malaysia*	18,802	29,574	56,091	59,877	-	164,344
Accrued interest	11,301	7,591	465	406	11,946	31,709
Loans and receivables	252,160	21,029	-	-	225,416	498,605
Insurance receivables	-	-	-	-	16,877	16,877
Cash and cash equivalents	163,632	8,345	6,359	-	160	178,496
Cash and cash equivalents*	-	10,996	-	-	-	10,996
	<u>1,376,867</u>	<u>787,546</u>	<u>67,027</u>	<u>60,283</u>	<u>1,481,850</u>	<u>3,773,573</u>

\* Rated by international rating agencies

**BY ORDER OF THE BOARD**

Chua Siew Chuan  
**Joint Secretary**  
 29 November 2021

Chin Mun Yee  
**Joint Secretary**