

## 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 2021, 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 2021.

### 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 2021, except for the adoption of the following amendments/interpretation to MFRS:

<u>Description</u>	<u>Effective Date</u>
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 <i>Leases</i> )	1 April 2021
Annual Improvements to MFRS Standards 2018 – 2020 (Amendments to MFRS 1, MFRS 9, MFRS 141)	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to MFRS 137 <i>Provisions, Contingent Liabilities and Contingent Assets</i> )	1 January 2022
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to MFRS 116 <i>Property, Plant and Equipment</i> )	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 <i>Business Combinations</i> )	1 January 2022

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 2021.

### 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 31 March 2022.

## **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 31 March 2022, the applicable estimate changes on the above assumptions resulted in lower actuarial liabilities of RM29.6 million (31 March 2021: lower actuarial liabilities of RM71.2 million), with a corresponding increase in unallocated surplus for the participating business of RM12.0 million (31 March 2021: increase in unallocated surplus of RM29.3 million) and increase in net profit before tax of RM17.6 million (31 March 2021: increase in net profit before tax of RM41.9 million).

Other than as disclosed above, there were no changes in the basis used for accounting estimates for the current financial period ended 31 March 2022.

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

There were no other issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current quarter ended 31 March 2022.

### **8. Dividends**

No dividend has been declared in respect of the current financial period ended 31 March 2022.

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

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 ended 31 March 2022.

### **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**

Bank Negara Malaysia (BNM) has kept the Overnight Policy Rate (OPR) unchanged at 1.75% at two consecutive MPC meetings this year i.e. in January and March. The global and local economies are expected to recover this year following the 2-year pandemic and intermittent lockdowns however the outlook remains challenging on account of geo-political tensions and historically high inflation rates globally which have turned out to be more embedded than transient as was initially thought. In addition, Malaysia is expected to face a General Election in less than a year and the US will have its mid-term election in November 2022. Manufacturing PMI has remained stagnant at 50.5 in January 2022, 50.9 in February 2022 and dropped nominally to 49.6 in March 2022. At the release of its 2021 Annual Report at the end of March 2022, BNM had marginally lowered the GDP growth range for Malaysia in 2022 to 5.3% - 6.3% from its earlier 5.5% - 6.5%. Given that risk remains tilted to the downside, any rate hike expectation would only be forthcoming in Q4 2022.

With the government declaring covid as endemic from 1<sup>st</sup> April 2022, business is back to business as usual, we are positive that the insurance industry will accelerate from now onwards, given the realization of the importance of protection. Furthermore, the industry is ensuring that life insurance becomes more digital friendly to cater to the new need. We at Manulife are also fast-tracking the implementation of our strategies via the below:

- Scaling up via organic and inorganic initiatives – Scale Up
- Continue accelerating in our digital arena
- Focusing on value creation for shareholders by efficient expense management and optimising resource utilisation
- Improving free cash flow and in-force management via active persistency and medical business management
- Establishing a strong customer value proposition and improving customer experience – insurer of choice
- Focus on high performing team and culture

We also continually foster a strong risk culture with effective governance in place; and also place importance on Environmental, Social and Governance (ESG) aspect in all our initiatives.

#### Asset Management Business

Looking ahead, we are cautiously optimistic on the prospects of the market, spurred by anticipation of earnings recovery from the Covid pandemic (especially for mid and small cap stocks), reopening of economies, the local market benefiting from high commodity prices, and the attractive dividend yields relative to regional peers. That said, we remain vigilant on the possibility of new pandemic variants derailing economic growth, elevated inflationary pressure, global supply chain bottlenecks and further geopolitical shocks to the financial system and markets.

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

### **13. Profit forecast**

The Group did not issue any profit forecast during the financial period ended 31 March 2022.

### **14. Group borrowings**

The Group did not have any borrowings as at 31 March 2022.

### **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 31 March 2022.

### **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 31 March 2022**

**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 3 months ended 31 March							
	Investment holding		Life insurance business		Asset management services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	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	-	-	272,294	248,861	-	-	272,294	248,861
Premiums ceded to reinsurers	-	-	(19,683)	(24,544)	-	-	(19,683)	(24,544)
Net premiums	-	-	252,611	224,317	-	-	252,611	224,317
(b) Investment income	5,554	5,061	50,800	51,346	71	134	56,425	56,541
(c) Net realised (losses)/gains	(132)	45	20,174	44,306	52	9	20,094	44,360
(d) Net fair value losses	(37)	(134)	(89,609)	(7,684)	-	-	(89,646)	(7,818)
(e) Fee income	-	-	-	-	33,733	38,790	33,733	38,790
(f) Other operating income	-	-	785	855	91	87	876	942
<b>Total external revenue</b>	<b>5,385</b>	<b>4,972</b>	<b>234,761</b>	<b>313,140</b>	<b>33,947</b>	<b>39,020</b>	<b>274,093</b>	<b>357,132</b>
<u>Inter-segment revenue</u>								
(a) Rental income	484	484	196	196	-	-	680	680
(b) Fee income	288	171	881	887	3,363	3,222	4,532	4,280
(c) Dividend income from unit trust funds	-	-	5,305	7,186	-	-	5,305	7,186
(d) Net realised gains/(losses)	-	-	112	(223)	-	-	112	(223)
<b>Total inter-segment revenue</b>	<b>772</b>	<b>655</b>	<b>6,494</b>	<b>8,046</b>	<b>3,363</b>	<b>3,222</b>	<b>10,629</b>	<b>11,923</b>
<b>Total revenue by segment</b>	<b>6,157</b>	<b>5,627</b>	<b>241,255</b>	<b>321,186</b>	<b>37,310</b>	<b>42,242</b>	<b>284,722</b>	<b>369,055</b>
<b>Profit/(loss) before taxation</b>	<b>2,682</b>	<b>2,097</b>	<b>(3,218)</b>	<b>24,708</b>	<b>5,520</b>	<b>5,443</b>	<b>4,984</b>	<b>32,248</b>
<b>Segment assets</b>	<b>1,179,663</b>	<b>1,106,289</b>	<b>6,217,493</b>	<b>6,082,424</b>	<b>194,205</b>	<b>137,232</b>	<b>7,591,361</b>	<b>7,325,945</b>
<b>Segment liabilities</b>	<b>20,534</b>	<b>21,515</b>	<b>5,543,655</b>	<b>5,442,443</b>	<b>114,767</b>	<b>74,042</b>	<b>5,678,956</b>	<b>5,538,000</b>

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

**18. Operating segments (continued)**

**Reconciliation of reportable segments**

	<b>Cumulative 3 months ended</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Total revenue</u></b>		
Total revenue for reportable segments	284,722	369,055
Elimination of inter-segment revenue	(10,629)	(11,923)
<b>Total revenue as per statement of profit or loss</b>	<b>274,093</b>	<b>357,132</b>
	<b>As at</b>	<b>As at</b>
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Segment assets</u></b>		
Total assets for reportable segments	7,591,361	7,325,945
Elimination of inter-segment assets	(972,012)	(880,433)
<b>Total assets as per statement of financial position</b>	<b>6,619,349</b>	<b>6,445,512</b>
<b><u>Segment liabilities</u></b>		
Total liabilities for reportable segments	5,678,956	5,538,000
Elimination of inter-segment liabilities	(7,257)	(3,873)
<b>Total liabilities as per statement of financial position</b>	<b>5,671,699</b>	<b>5,534,127</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 3 months ended</b>		
	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>Increase/ (Decrease)</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>Increase/ (Decrease)</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	5,554	5,061	493	5,554	5,061	493
Life insurance business	323,094	300,207	22,887	323,094	300,207	22,887
Asset management services	33,804	38,924	(5,120)	33,804	38,924	(5,120)
<b>Total</b>	<b>362,452</b>	<b>344,192</b>	<b>18,260</b>	<b>362,452</b>	<b>344,192</b>	<b>18,260</b>
<b><u>Profit/(loss) before taxation</u></b>						
Investment holding	2,682	2,097	585	2,682	2,097	585
Life insurance business	(3,218)	24,708	(27,926)	(3,218)	24,708	(27,926)
Asset management services	5,520	5,443	77	5,520	5,443	77
<b>Total</b>	<b>4,984</b>	<b>32,248</b>	<b>(27,264)</b>	<b>4,984</b>	<b>32,248</b>	<b>(27,264)</b>

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

### **19. Review of performance (continued)**

#### **Financial Period ended 31 March 2022 vs Financial Period ended 31 March 2021**

The Group's operating revenue for the financial period ended 31 March 2022 increased by RM18.3 million or 5.3% compared to the financial period ended 31 March 2021 (2022: RM362.5 million, 2021: RM344.2 million). The Group's profit before tax for YTD March 2022 was RM5.0 million, a decrease of RM27.2 million or 84.5% as compared to the profit before tax for YTD March 2021 of RM32.2 million.

Performance of the respective operating business segments are as follows:

**Investment holding** – Operating revenue and profit before tax increased slightly by RM0.5 million and RM0.6 million respectively due to higher interest income on deposits.

**Life insurance business** – Operating revenue of life insurance business increased by RM22.9 million or 7.6% mainly due to higher premium income collected. Profit before tax fell by RM27.9 million mainly due to unfavourable asset net of insurance contract liability movement as a result of increase in interest rate.

**Asset management services** – Operating revenue fell by RM5.1 million mainly due to lower unit trust sales, offset by higher management fee income from higher assets under management. Profit before tax has remained consistent with the prior year's corresponding period (2022: RM5.5 million; 2021: RM5.4 million) due to lower commission expenses in line with lower sales.

**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>31.03.2022</b>	<b>31.12.2021</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	5,554	5,308	246
Life insurance business	323,094	341,262	(18,168)
Asset management services	33,804	38,411	(4,607)
<b>Total</b>	<b>362,452</b>	<b>384,981</b>	<b>(22,529)</b>
<b><u>Profit/(loss) before taxation</u></b>			
Investment holding	2,682	(570)	3,252
Life insurance business	(3,218)	20,796	(24,014)
Asset management services	5,520	3,627	1,893
<b>Total</b>	<b>4,984</b>	<b>23,853</b>	<b>(18,869)</b>

The Group's operating revenue for the current quarter under review ("Q1 2022") decreased by RM22.5 mil compared with the preceding quarter ended 31 December 2021 ("Q4 2021"). The Group recorded a profit before tax of RM5.0 million in Q1 2022 compared with a profit before tax of RM23.9 million for Q4 2021. The significant decrease in profit before tax by RM18.9 million was contributed by the following segments:

**Investment holding** – Operating revenue consisting of mainly of investment income increased slightly by RM0.2 million since Q4 2021. Profit before tax is higher by RM3.2 million in Q1 2022 due to a revaluation deficit on investment property in Q4 2021.

**Life insurance business** – Operating revenue of life insurance business decreased by RM18.2 million in Q1 2022 compared with Q4 2021 mainly due to lower premium income, while profit before tax fell by RM24.0 million mainly due to higher investment loss from equity in Q1 2022.

**Asset management services** – Operating revenue fell by RM4.6 million in Q1 2022 due to lower upfront fees in Q1 2022 from sales of unit trust funds. However, profit before tax increased by RM1.9 million mainly due to lower operating expenses during the period.



**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 3 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
First year premium	42,388	39,991	42,388	39,991
Renewal year premium	180,235	165,087	180,235	165,087
Single premium	29,988	19,239	29,988	19,239
<b>Total</b>	<b>252,611</b>	<b>224,317</b>	<b>252,611</b>	<b>224,317</b>

**22. Investment income**

	3 months ended		Cumulative 3 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets at FVTPL</u>				
- designated upon initial recognition				
Interest/profit sharing income	10,687	8,099	10,687	8,099
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	8,356	9,749	8,356	9,749
- quoted outside Malaysia	147	104	147	104
- real estate investment trusts				
- quoted in Malaysia	46	-	46	-
- unit trust funds	773	1,141	773	1,141
- mutual funds				
- outside Malaysia	138	176	138	176
Net amortisation of premiums	(1,476)	(758)	(1,476)	(758)
<u>AFS financial assets</u>				
Interest/profit sharing income	26,567	24,279	26,567	24,279
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	8,381	10,531	8,381	10,531
- quoted outside Malaysia	212	270	212	270
- real estate investment trusts				
- quoted in Malaysia	246	131	246	131
- unit trust funds	-	54	-	54
Net amortisation of premiums	(2,176)	(1,650)	(2,176)	(1,650)
<u>Loans and receivables</u>				
Interest/profit sharing income	3,755	3,347	3,755	3,347
<u>Investment properties</u>				
Rental income	703	988	703	988
<u>Cash and cash equivalents</u>				
Interest/profit sharing income	66	80	66	80
	<u>56,425</u>	<u>56,541</u>	<u>56,425</u>	<u>56,541</u>

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

**23. Other operating (income)/expenses**

	<b>3 months ended</b>		<b>Cumulative 3 months ended</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Foreign exchange				
- Realised losses/(gains)	384	(372)	384	(372)
- Unrealised gains	(2,761)	(7,464)	(2,761)	(7,464)
Interest expense on agent's bond withheld	4	4	4	4
Others	1,472	2,258	1,472	2,258
Tax on investment income of Life fund and Investment-linked funds				
- Current tax	4,607	6,356	4,607	6,356
- Deferred tax	(5,584)	605	(5,584)	605
	(977)	6,961	(977)	6,961
	<u>(1,878)</u>	<u>1,387</u>	<u>(1,878)</u>	<u>1,387</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% (2021: 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 3 months ended</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Amortisation of intangible assets	1,724	2,262	1,724	2,262
Depreciation of property and equipment	899	863	899	863
Investment income (Note 22)	(56,425)	(56,541)	(56,425)	(56,541)
Allowance for impairment loss on loans receivable	4	5	4	5
Net foreign exchange gains	(2,377)	(7,836)	(2,377)	(7,836)

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

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

	3 months ended		Cumulative 3 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Net realised gains:				
- realised gains on disposal of AFS investments	(20,094)	(44,360)	(20,094)	(44,360)
	(20,094)	(44,360)	(20,094)	(44,360)
Net fair value losses/(gains):				
- fair value losses/(gains) on FVTPL investments/ derivatives	84,739	(2,841)	84,739	(2,841)
- impairment loss on quoted equities	4,907	10,659	4,907	10,659
	89,646	7,818	89,646	7,818

**25. Taxation**

	3 months ended		Cumulative 3 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
<u>Income tax</u>				
Current financial period	3,732	5,778	3,732	5,778
	3,732	5,778	3,732	5,778
<u>Deferred tax</u>				
Origination of temporary differences	160	174	160	174
	160	174	160	174
	3,892	5,952	3,892	5,952

The income tax for the Group is calculated based on the tax rate of 24% (2021: 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 3 months ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	4,984	32,248	4,984	32,248
Taxation at Malaysian statutory tax rate of 24%	1,196	7,740	1,196	7,740
Effect of different tax rate in respect of Labuan subsidiary	-	(793)	-	(793)
Section 110B tax credit set off	(625)	(1,020)	(625)	(1,020)
Income not subject to tax	(1,753)	(2,496)	(1,753)	(2,496)
Expenses not deductible for tax purposes	4,944	2,479	4,944	2,479
Changes in unrecognised deferred tax assets	130	42	130	42
	<u>3,892</u>	<u>5,952</u>	<u>3,892</u>	<u>5,952</u>

**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.

		3 months ended		Cumulative 3 months ended	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
Net profit attributable to owners of the Company	(RM'000)	<u>1,092</u>	<u>26,296</u>	<u>1,092</u>	<u>26,296</u>
Weighted average number of ordinary shares in issue	('000)	<u>211,559</u>	<u>206,984</u>	<u>211,559</u>	<u>206,984</u>
Basic and diluted earnings per share	(Sen)	<u>0.52</u>	<u>12.70</u>	<u>0.52</u>	<u>12.70</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	As at	As at	As at
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Actuarial liabilities	3,037,927	3,025,200	3,033,929	3,017,648
Unallocated surplus	42,900	26,535	42,900	26,535
Fair value reserve	78,618	123,463	78,618	123,463
Asset revaluation reserve	2,069	2,069	2,069	2,069
Investment-linked policyholders' account	1,355,722	1,397,354	1,355,722	1,397,354
	<u>4,517,236</u>	<u>4,574,621</u>	<u>4,513,238</u>	<u>4,567,069</u>

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

	Gross		Net	
	As at	As at	As at	As at
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
At 1 January	4,574,621	4,538,054	4,567,069	4,535,652
Inforce reserve movement	26,073	88,876	25,445	86,784
New business reserve	12,919	71,128	17,223	68,311
Discount rate and other changes	(29,596)	(39,567)	(29,596)	(39,567)
Unallocated surplus	16,365	36,821	16,365	36,821
Effect of movements in exchange rate	3,331	5,834	3,209	5,593
Fair value reserve, net of tax	(44,845)	(153,789)	(44,845)	(153,789)
Asset revaluation reserve				
- Revaluation adjustment	-	(523)	-	(523)
- Reversal on revaluation	-	231	-	231
	-	(292)	-	(292)
Investment-linked policyholders' account	(41,632)	27,556	(41,632)	27,556
At 31 March/31 December	<u>4,517,236</u>	<u>4,574,621</u>	<u>4,513,238</u>	<u>4,567,069</u>

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

	As at	As at
	31.03.2022	31.12.2021
	RM'000	RM'000
Current tax assets	22,832	22,841
Current tax liabilities	(4,697)	(4,980)
	<u>18,135</u>	<u>17,861</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 Year of Assessment 2017 and 2018, and tax paid in excess to the Inland Revenue Board 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 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 and the letter from Ministry of Finance to Life Insurance Association of Malaysia and Malaysia Takaful Association dated 25<sup>th</sup> February 2022, the Company strongly believes that there are 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 31.03.2022</b>	<b>As at 31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Investment holding	10,955	8,353
Life insurance business:-		
Shareholder's fund	18,398	25,200
Non Investment-linked business	128,763	96,882
Investment-linked business	17,105	18,584
Asset management services	93,201	88,886
	<u>268,422</u>	<u>237,905</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>31.03.2022</b>	<b>Cumulative 3 months ended 31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Expenses/(income):</b>		
<b>Intermediate holding company</b>		
Reimbursement of personnel expenses	1,334	2,372
Reimbursement of software maintenance expenses	1,145	1,393
Capitalised IT development costs	-	128
Provision of IT infrastructure support and maintenance services	3,600	(1,281)
	<u>3,600</u>	<u>(1,281)</u>
<b>Subsidiaries of ultimate holding company</b>		
Rebate income	(3,562)	(2,530)
Management fee expense	1,508	647
Provision of IT infrastructure support and maintenance services	747	3,999
	<u>747</u>	<u>3,999</u>

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

**31. Capital and other commitments**

	<b>As at 31.03.2022 RM'000</b>	<b>As at 31.12.2021 RM'000</b>
<b>Other commitments</b>		
Exclusive bancassurance agreement - Authorised but not provided for	<u>3,750</u>	<u>4,500</u>
Distribution agreement - Authorised but not provided for	<u>5,363</u>	<u>5,363</u>
Investment in Private Equity Funds		
As at 1 January	38,796	-
Capital committed during the financial period/year	-	58,042
Capital called during the financial period/year	(2,360)	(19,246)
Currency movement	<u>969</u>	<u>-</u>
As at 31 March/31 December	<u>37,405</u>	<u>38,796</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”).

Group	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>LAR</u> RM'000	<u>OL</u> RM'000	<u>Total</u> RM'000
<b>31 March 2022</b>					
<b>Financial assets</b>					
AFS financial assets	3,201,683	-	-	-	3,201,683
Financial assets at FVTPL	-	2,328,586	-	-	2,328,586
Loans and receivables	-	-	523,459	-	523,459
Insurance receivables	-	-	7,802	-	7,802
Cash and cash equivalents	-	-	268,422	-	268,422
	<u>3,201,683</u>	<u>2,328,586</u>	<u>799,683</u>	<u>-</u>	<u>6,329,952</u>
<b>Financial liabilities</b>					
Insurance payables	-	-	-	783,355	783,355
Other payables	-	-	-	247,415	247,415
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,030,770</u>	<u>1,030,770</u>
<b>31 December 2021</b>					
<b>Financial assets</b>					
AFS financial assets	3,161,038	-	-	-	3,161,038
Financial assets at FVTPL	-	2,315,985	-	-	2,315,985
Loans and receivables	-	-	622,177	-	622,177
Insurance receivables	-	-	14,797	-	14,797
Cash and cash equivalents	-	-	237,905	-	237,905
	<u>3,161,038</u>	<u>2,315,985</u>	<u>874,879</u>	<u>-</u>	<u>6,351,902</u>
<b>Financial liabilities</b>					
Insurance payables	-	-	-	759,823	759,823
Other payables	-	-	-	227,346	227,346
	<u>-</u>	<u>-</u>	<u>-</u>	<u>987,169</u>	<u>987,169</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 recognised as		Net carrying amount RM'000
		Financial asset RM'000	Financial liability RM'000	
<b>31 March 2022</b>				
<b>Hedging derivative:</b>				
Forward foreign exchange contract				
- Less than 1 year	106,560	233	-	233
	<u>106,560</u>	<u>233</u>	<u>-</u>	<u>233</u>
<b>31 December 2021</b>				
<b>Hedging derivative:</b>				
Forward foreign exchange contract				
- Less than 1 year	119,952	933	-	933
	<u>119,952</u>	<u>933</u>	<u>-</u>	<u>933</u>

There is no change in risks and policies associated with the derivatives and its related accounting policies since the financial year ended 31 December 2021.

## 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 31.03.2022</u>	<u>As at 31.12.2021</u>	<u>As at 31.03.2022</u>	<u>As at 31.12.2021</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Carrying amount	<u>26,277</u>	<u>26,420</u>	<u>73,580</u>	<u>73,580</u>
Fair value as stated in valuation report*	<u>26,420</u>	<u>26,420</u>	<u>73,580</u>	<u>73,580</u>

\* Based on the valuation conducted by an independent qualified valuer on 31 December 2021.

**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:

	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Range</b>
<b>2021</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 RM4.69 psf RM1.70 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:

	<b>Freehold property</b>		<b>Investment property</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January	26,420	27,026	73,580	77,974
Additions	-	557	-	-
Depreciation charge for the period/year	(143)	(587)	-	-
Fair value loss	-	(576)	-	(4,394)
At 31 March/31 December	<u>26,277</u>	<u>26,420</u>	<u>73,580</u>	<u>73,580</u>

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

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

#### **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;
- (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 equity funds are measured based on the private equity funds' net asset value or fair values reported in investees' financial statements as a measure of 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**

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>31 March 2022</b>				
<b>AFS financial assets</b>				
Equity securities				
- Quoted in Malaysia	600,626	600,626	-	-
- Quoted outside Malaysia	133,945	133,945	-	-
Real estate investment trusts	14,120	14,120	-	-
Unit trust funds	1,134	1,134	-	-
Malaysian Government Securities	337,943	-	337,943	-
Government Investment Issues	309,167	-	309,167	-
Corporate debt securities				
- Unquoted	1,775,110	-	1,775,110	-
Accrued interest	27,122	-	27,122	-
	<u>3,199,167</u>	<u>749,825</u>	<u>2,449,342</u>	<u>-</u>
<b>Financial assets at FVTPL</b>				
Equity securities				
- Quoted in Malaysia	805,972	805,972	-	-
- Quoted outside Malaysia	45,241	45,241	-	-
Private equity funds				
- Unquoted outside Malaysia	21,609	-	-	21,609
Real estate investment trusts	9,849	9,849	-	-
Unit trust funds	178,809	178,809	-	-
Malaysian Government Securities	101,502	-	101,502	-
Government Investment Issues	125,017	-	125,017	-
Corporate debt securities				
- Unquoted	654,579	-	654,579	-
- Quoted outside Malaysia	179,874	-	179,874	-
Mutual funds	194,163	194,163	-	-
Forward foreign exchange contract	233	-	233	-
Accrued interest	11,738	-	11,738	-
	<u>2,328,586</u>	<u>1,234,034</u>	<u>1,072,943</u>	<u>21,609</u>
	<u>5,527,753</u>	<u>1,983,859</u>	<u>3,522,285</u>	<u>21,609</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>Level 3 RM'000</b>
<b>31 December 2021</b>				
<b>AFS financial assets</b>				
Equity securities				
- Quoted in Malaysia	633,750	633,750	-	-
- Quoted outside Malaysia	131,774	131,774	-	-
Real estate investment trusts	18,773	18,773	-	-
Unit trust funds	1,206	1,206	-	-
Malaysian Government Securities	314,771	-	314,771	-
Government Investment Issues	283,634	-	283,634	-
Corporate debt securities				
- Unquoted	1,748,511	-	1,748,511	-
Accrued interest	26,103	-	26,103	-
	<u>3,158,522</u>	<u>785,503</u>	<u>2,373,019</u>	<u>-</u>
<b>Financial assets at FVTPL</b>				
Equity securities				
- Quoted in Malaysia	786,964	786,964	-	-
- Quoted outside Malaysia	67,419	67,419	-	-
Private equity funds				
- Unquoted outside Malaysia	19,122	-	-	19,122
Real estate investment trusts	8,478	8,478	-	-
Unit trust funds	180,784	180,784	-	-
Malaysian Government Securities	78,047	-	78,047	-
Government Investment Issues	117,396	-	117,396	-
Corporate debt securities				
- Unquoted	634,838	-	634,838	-
- Quoted outside Malaysia	193,621	-	193,621	-
Mutual funds	217,928	217,928	-	-
Forward foreign exchange contract	933	-	933	-
Accrued interest	10,455	-	10,455	-
	<u>2,315,985</u>	<u>1,261,573</u>	<u>1,035,290</u>	<u>19,122</u>
	<u>5,474,507</u>	<u>2,047,076</u>	<u>3,408,309</u>	<u>19,122</u>

Unquoted equity securities of RM2,516,340 (31 December 2021: RM2,516,340) 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, Level 2 and Level 3 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 Equity Funds RM'000</b>	<b>Total RM'000</b>
At 1 January 2021	-	-
Total loss recognised in profit or loss	(125)	(125)
Capital contributions	19,246	19,246
Currency movement	1	1
At 31 December 2021/1 January 2022	<u>19,122</u>	<u>19,122</u>
Total loss recognised in profit or loss	(175)	(175)
Capital contributions	2,360	2,360
Currency movement	302	302
At 31 March 2022	<u>21,609</u>	<u>21,609</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>2022</b>	<b>RM'000</b>			
Private equities	21,609	Net asset value ("NAV")	NAV	NAV
<b>2021</b>				
Private equities	19,122	Net asset value ("NAV")	NAV	NAV



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**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 31 March 2022	Fair value as at 1 January 2022 RM'000	Change in fair value* RM'000	Fair value as at 31 March 2022 RM'000	Result of the cash flows characteristics test	Classification and measurement under MFRS 9
<b>Financial assets</b>					
Equity securities					
- Quoted in Malaysia	1,420,714	(14,116)	1,406,598	Non-SPPI	FVTPL
- Quoted outside Malaysia	199,193	(20,007)	179,186	Non-SPPI	FVTPL
- Unquoted – local	2,516	-	2,516	Non-SPPI	FVTPL
Private equity funds	19,122	2,487	21,609	Non-SPPI	FVTPL
Real estate investment trusts	27,251	(3,282)	23,969	Non-SPPI	FVTPL
Unit trust funds	181,990	(2,047)	179,943	Non-SPPI	FVTPL
Malaysian Government Securities	392,818	46,627	439,445	SPPI	FVOCI
Government Investment Issues	401,030	33,154	434,184	SPPI	FVOCI
Corporate debt securities					
- Unquoted	2,383,349	46,340	2,429,689	SPPI	FVOCI
- Quoted outside Malaysia	193,621	(13,747)	179,874	SPPI	FVOCI
Mutual funds	217,928	(23,765)	194,163	Non-SPPI	FVTPL
Forward foreign exchange contract	933	(700)	233	Non-SPPI	FVTPL
Accrued interest	36,558	2,302	38,860	SPPI	FVOCI
Loans and receivables	622,177	(98,718)	523,459	SPPI	Amortised cost
Insurance receivables	14,797	(6,995)	7,802	SPPI	Amortised cost
Cash and cash equivalents	237,905	30,517	268,422	SPPI	Amortised cost
	<u>6,351,902</u>	<u>(21,950)</u>	<u>6,329,952</u>		

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

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**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 2021	Fair value as at 1 January 2021 RM'000	Change in fair value* RM'000	Fair value as at 31 December 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	(235,305)	1,420,714	Non-SPPI	FVTPL
- Quoted outside Malaysia	198,282	911	199,193	Non-SPPI	FVTPL
- Unquoted – local	2,516	-	2,516	Non-SPPI	FVTPL
Private equity funds	-	19,122	19,122	Non-SPPI	FVTPL
Real estate investment trusts	20,610	6,641	27,251	Non-SPPI	FVTPL
Unit trust funds	242,271	(60,281)	181,990	Non-SPPI	FVTPL
Malaysian Government Securities	434,877	(42,059)	392,818	SPPI	FVOCI
Government Investment Issues	310,536	90,494	401,030	SPPI	FVOCI
Corporate debt securities					
- Unquoted	2,127,133	256,216	2,383,349	SPPI	FVOCI
- Quoted outside Malaysia	164,344	29,277	193,621	SPPI	FVOCI
Mutual funds	304,436	(86,508)	217,928	Non-SPPI	FVTPL
Forward foreign exchange contract	1,149	(216)	933	Non-SPPI	FVTPL
Accrued interest	31,709	4,849	36,558	SPPI	FVOCI
Loans and receivables	498,605	123,572	622,177	SPPI	Amortised cost
Insurance receivables	16,877	(2,080)	14,797	SPPI	Amortised cost
Cash and cash equivalents	189,492	48,413	237,905	SPPI	Amortised cost
	<u>6,198,856</u>	<u>153,046</u>	<u>6,351,902</u>		

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

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
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**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 31 March 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Financial assets</b>						
Malaysian Government Securities	-	-	-	-	439,445	439,445
Government Investment Issues	-	-	-	-	434,184	434,184
Corporate debt securities						
- Unquoted	1,148,486	841,531	1,027	-	438,645	2,429,689
- Quoted outside Malaysia*	17,465	39,965	63,372	59,072	-	179,874
Accrued interest	11,587	11,436	560	503	14,774	38,860
Loans and receivables	201,424	63,186	-	-	258,849	523,459
Insurance receivables	-	-	-	-	7,802	7,802
Cash and cash equivalents	220,658	13,714	3,165	-	47	237,584
Cash and cash equivalents*	-	15,610	15,228	-	-	30,838
	<u>1,599,620</u>	<u>985,442</u>	<u>83,352</u>	<u>59,575</u>	<u>1,593,746</u>	<u>4,321,735</u>

\* Rated by international rating agencies

**MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))**  
**Interim financial statements for the financial period ended 31 March 2022**

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

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

<b>As at 31 December 2021</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	-	-	-	-	392,818	392,818
Government Investment Issues	-	-	-	-	401,030	401,030
Corporate debt securities						
- Unquoted	1,140,694	783,958	8,554	-	450,143	2,383,349
- Quoted outside Malaysia*	18,843	44,607	69,102	61,069	-	193,621
Accrued interest	14,946	8,487	577	468	12,080	36,558
Loans and receivables	321,910	84,161	-	-	216,106	622,177
Insurance receivables	-	-	-	-	14,797	14,797
Cash and cash equivalents	196,553	8,657	13,417	-	-	218,627
Cash and cash equivalents*	-	19,278	-	-	-	19,278
	<u>1,692,946</u>	<u>949,148</u>	<u>91,650</u>	<u>61,537</u>	<u>1,486,974</u>	<u>4,282,255</u>

\* Rated by international rating agencies

**BY ORDER OF THE BOARD**

Chua Siew Chuan  
**Joint Secretary**  
31 May 2022

Chin Mun Yee  
**Joint Secretary**