

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 2022, 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 year ended 31 December 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 year ended 31 December 2022, the applicable estimate changes on the above assumptions resulted in lower actuarial liabilities of RM69.3 million (31 December 2021: lower actuarial liabilities of RM39.6 million), with a corresponding increase in unallocated surplus for the participating business of RM34.3 million (31 December 2021: decrease in unallocated surplus of RM7.8 million) and increase in net profit before tax of RM35.0 million (31 December 2021: increase in net profit before tax of RM47.4 million).

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

8. Dividends

The Board has recommended a First and Final dividend of 7.0 sen per share for the financial year ended 31 December 2022, subject to the approval of the shareholder at the forthcoming Annual General Meeting. The Board has also determined the dividend reinvestment plan ("DRP"), which provides the shareholders of the Company with the option to elect to reinvest their dividend in new ordinary shares in the Company, would apply to this First and Final dividend.

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

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

10. Changes in composition of the Group

There were no significant changes in the composition of the Group for the current financial year ended 31 December 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. Future financial year prospects

Malaysia's economy grew cumulatively at 8.7% in 2022 surpassing full year official gross domestic product (GDP) growth forecast of 6.5% - 7.0%. This was the highest annual growth in 22 years (2000: 8.9%) In terms of quarterly attainment, GDP growth YoY was Q1 22: +5.0%, Q2 22: +8.9%, Q3 22: +14.2% and Q4 22: +7.0%. This strong GDP growth performance was contributed mainly by domestic and external demand as well as improved labour market conditions. The services sector (YoY Q4 22: +8.9%) was the primary contributor to GDP growth supported by favourable performance in wholesale and retail trade, transportation, food and beverage and hospitality. Manufacturing sector (YoY Q4 22: +3.9%) grew moderately supported by electrical and electronic products, transport equipment and other manufacturing and repair products.

Nevertheless, on a QoQ basis, services, manufacturing, mining, agriculture and construction all showed a decline indicative of more moderate growth outcomes in 2023.

Malaysia's labour market maintained its full employment level with the unemployment rate maintained at 3.6% in December 2022 after attaining that level in November 2022 (2021: 4.6%). Notwithstanding the general robust achievement in the course of 2022, Manufacturing PMI declined to 47.8 in December 2022 from 47.9 in November 2022 in a steady declining trend since September 2022. The external environment appears challenging as we enter 2023 with projected economic slowdowns in our major trading partners such as the US and China. With the OPR currently at 2.75%, we expect that BNM would ensure monetary policy would balance between price stability and ensuring support for economic growth.

The transition to the endemic phase and the reopening of Malaysia's borders have clearly provided a positive impact on the national economy compared to the pandemic phase two years ago. Malaysians are returning to normal lifestyle and regaining their spending power with a boost in morale. The market outlook is positive and promising amidst the rising health awareness post-pandemic. We at Manulife remains committed to deliver our Scale Up agenda to achieve our ambition:

- Strengthen growth via strong growth in productive and professional agency force; expansion in bancassurance and alternative partnerships, and focus on new customer acquisition
- Customer centricity by establishing strong value proposition/offers to suit different segment needs that evolve over time and continue to improve customer experience
- Accelerate digitisation with continuous investment to build a digitally enabled salesforce as well as simple, easy, convenient customer journey
- Level-up talents by building a future-proof high performing teams, and culture with focus on Diversity, Equity and Inclusion (DEI)
- Enhance value creation for shareholders by efficient expense management, inforce management and optimising resource utilisation

We are also aspire to build-to-last by continually fostering a strong risk culture with effective governance in place; and also putting more focus on embedding ESG considerations in all our initiatives.

Asset Management Business

Q4 2022 had been a turbulent quarter for the global economy as prevailing concerns over recession, monetary policies, China's zero-COVID policy and the residual impact of Russia's invasion of Ukraine remained. Moving into 2023, global markets are expected to remain volatile and will be influenced by the direction of US inflation, interest rates and geopolitical developments. Persistent geopolitical tensions in relation to the Russia-Ukraine conflict and US-China tech war add to the continued uncertainty. To this end, we remain cautious on the market and expect a choppy trading environment to persist in the near term.

Notes to the Interim Financial Statements (Continued)

13. Profit forecast

The Group did not issue any profit forecast during the financial year ended 31 December 2022.

14. Group borrowings

The Group did not have any borrowings as at 31 December 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 year ended 31 December 2022.

17. Significant event

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

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial year ended 31 December 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 12 months ended 31 December							
	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	-	-	1,178,639	1,071,038	-	-	1,178,639	1,071,038
Premiums ceded to reinsurers	-	-	(81,406)	(67,896)	-	-	(81,406)	(67,896)
Net premiums	-	-	1,097,233	1,003,142	-	-	1,097,233	1,003,142
(b) Investment income	24,411	21,574	206,831	191,219	475	446	231,717	213,239
(c) Net realised (losses)/gains	(1,023)	956	38,804	138,123	103	94	37,884	139,173
(d) Net fair value (losses)/gains	(274)	(3,535)	(219,913)	1,819	-	-	(220,187)	(1,716)
(e) Fee income	-	-	-	-	119,112	150,274	119,112	150,274
(f) Other operating income	2	1	3,285	3,575	424	356	3,711	3,932
Total external revenue	23,116	18,996	1,126,240	1,337,878	120,114	151,170	1,269,470	1,508,044
<u>Inter-segment revenue</u>								
(a) Rental income	1,741	1,938	779	786	-	-	2,520	2,724
(b) Fee income	1,914	1,552	4,015	3,884	13,625	13,429	19,554	18,865
(c) Dividend income from unit trust funds	-	-	18,330	19,573	-	-	18,330	19,573
(d) Net realised losses	-	-	(691)	(620)	-	-	(691)	(620)
Total inter-segment revenue	3,655	3,490	22,433	23,623	13,625	13,429	39,713	40,542
Total revenue by segment	26,771	22,486	1,148,673	1,361,501	133,739	164,599	1,309,183	1,548,586
Profit before taxation	12,340	9,104	(425)	78,243	17,936	18,163	29,851	105,510
Segment assets	1,180,550	1,263,069	6,340,514	6,288,673	166,889	153,568	7,687,953	7,705,310
Segment liabilities	18,847	19,624	5,659,263	5,607,867	77,298	79,012	5,755,408	5,706,503

Notes to the Interim Financial Statements (Continued)

18. Operating segments (continued)

Reconciliation of reportable segments

	Cumulative 12 months ended	
	31.12.2022	31.12.2021
	RM'000	RM'000
<u>Total revenue</u>		
Total revenue for reportable segments	1,309,183	1,548,586
Elimination of inter-segment revenue	(39,713)	(40,542)
Total revenue as per statement of profit or loss	1,269,470	1,508,044
	As at	As at
	31.12.2022	31.12.2021
	RM'000	RM'000
<u>Segment assets</u>		
Total assets for reportable segments	7,687,953	7,705,310
Elimination of inter-segment assets	(983,814)	(1,056,247)
Total assets as per statement of financial position	6,704,139	6,649,063
<u>Segment liabilities</u>		
Total liabilities for reportable segments	5,755,408	5,706,503
Elimination of inter-segment liabilities	(6,519)	(11,006)
Total liabilities as per statement of financial position	5,748,889	5,695,497

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.

Business Segment	3 months ended			Cumulative 12 months ended		
	31.12.2022	31.12.2021	Increase/ (decrease)	31.12.2022	31.12.2021	Increase/ (decrease)
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Operating revenue</u>						
Investment holding	7,007	5,308	1,699	24,411	21,574	2,837
Life insurance business	375,243	341,262	33,981	1,385,470	1,262,257	123,213
Asset management services	28,559	38,411	(9,852)	119,587	150,720	(31,133)
Total	410,809	384,981	25,828	1,529,468	1,434,551	94,917
<u>(Loss)/profit before taxation</u>						
Investment holding	4,229	(570)	4,799	12,340	9,104	3,236
Life insurance business	(15,805)	20,796	(36,601)	(425)	78,243	(78,668)
Asset management services	4,016	3,627	389	17,936	18,163	(227)
Total	(7,560)	23,853	(31,413)	29,851	105,510	(75,659)

Notes to the Interim Financial Statements (Continued)

19. Review of performance (continued)

Financial Year ended 31 December 2022 vs Financial Year ended 31 December 2021

The Group's operating revenue for the financial year ended 31 December 2022 increased by RM94.9 million or 6.6% compared to the financial year ended 31 December 2021 (2022: RM1,529.5 million, 2021: RM1,434.6 million). The Group's profit before tax for YTD December 2022 was RM29.9 million, a decrease of RM75.7 million or 71.7% as compared to the profit before tax for YTD December 2021 of RM105.5 million.

Performance of the respective operating business segments are as follows:

Investment holding – Operating revenue and profit before tax increased by RM2.8 million and RM3.2 million due to higher interest income on deposits and bonds and lower unrealised fair value losses from investment properties compared to prior year.

Life insurance business – Operating revenue of life insurance business increased by RM123.2 million or 9.8% mainly due to higher premium income collected and higher investment income. However, profit before tax fell by RM78.7 million mainly due to lower realised gains from equity securities compared to prior year and unfavourable asset value net of insurance contract liability movement as a result of increase in interest rate, offset by higher new business gains.

Asset management services – Operating revenue and profit before tax fell by RM31.1 million and RM0.2 million mainly due to lower unit trust sales and lower sales commission and incentives.

4th Quarter 2022 vs 4th Quarter 2021

The Group's operating revenue for the quarter ended 31 December 2022 increased by RM25.8 million compared to the corresponding quarter last year (2022: RM410.8 million, 2021: RM385.0 million). The Group's loss before tax for Q4 2022 was RM7.6 million, a decrease of RM31.4 million compared to Q4 2021, RM23.9 million profit before tax.

Performance of the respective operating business segments are as follows:

Investment holding – Operating revenue increased marginally by RM1.7 million due to higher interest income, while profit before tax increased by RM4.8 million due to higher investment income and lower unrealised fair value losses from investment properties.

Life insurance business – Operating revenue of life insurance business increased by RM34.0 million mainly due to higher premium and investment income. Profit before tax fell by RM36.6 million to a loss of RM15.8 million mainly due to lower realised gains from equity and unfavourable asset net of insurance contract liability movement as a result of increase in interest rate, offset by higher new business gains.

Asset management services – Operating revenue fell by RM9.9 million mainly due to lower unit trust sales and management fee income while profit before tax increased slightly by RM0.4 million compared to Q4 2021 due to lower management expenses.

Notes to the Interim Financial Statements (Continued)

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

Business Segment	3 months ended		
	31.12.2022	30.09.2022	Increase/(decrease)
	RM'000	RM'000	RM'000
<u>Operating Revenue</u>			
Investment holding	7,007	6,277	730
Life insurance business	375,243	361,574	13,669
Asset management services	28,559	27,985	574
Total	410,809	395,836	14,973
<u>Profit/(loss) before taxation</u>			
Investment holding	4,229	2,857	1,372
Life insurance business	(15,805)	23,268	(39,073)
Asset management services	4,016	5,090	(1,074)
Total	(7,560)	31,215	(38,775)

The Group's operating revenue for the current quarter under review ("Q4 2022") increased by RM15.0 million compared with the preceding quarter ended 30 September 2022 ("Q3 2022"). The Group recorded a loss before tax of RM7.6 million in Q4 2022 compared with a profit before tax of RM31.2 million for Q3 2022. The increase in loss before tax of RM38.8 million was contributed by the following segments:

Investment holding – Operating revenue and profit before tax increased by RM0.7 million and RM1.4 million due to higher interest income from bonds.

Life insurance business – Operating revenue of life insurance business increased by RM13.7 million mainly due to higher premium income and dividend income. The RM39.1 million fall in loss before tax from Q3 2022 mainly due to higher medical claim experience and reserve strengthening to favourable equity movement during Q4 2022.

Asset management services – Operating revenue improved slightly by RM0.6 million in Q4 2022 due to higher upfront fees from sales of unit trust funds and higher management fee income, while profit before tax decreased by RM1.1 million due to lower unrealised foreign exchange gains.

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 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
First year premium	47,428	61,882	181,318	178,962
Renewal year premium	213,198	221,596	759,811	723,862
Single premium	41,351	16,982	156,104	100,318
Total	301,977	300,460	1,097,233	1,003,142

22. Investment income

	3 months ended		Cumulative 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets at FVTPL</u>				
- <u>designated upon initial recognition</u>				
Interest/profit sharing income	13,948	10,535	49,647	37,489
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	4,818	4,676	26,042	18,111
- quoted outside Malaysia	122	192	682	729
- unquoted outside Malaysia	5	-	37	-
- unit trust funds	1,199	2,055	8,452	16,472
- real estate investment trusts				
- quoted in Malaysia	192	11	497	28
- mutual funds				
- outside Malaysia	1,463	1,612	1,955	2,145
Net amortisation of premiums	(1,032)	(1,485)	(5,247)	(4,623)
<u>AFS financial assets</u>				
Interest/profit sharing income	28,082	26,581	109,773	102,415
Dividend/distribution income				
- equity securities				
- quoted in Malaysia	3,872	3,808	23,259	26,491
- quoted outside Malaysia	1,642	1,342	2,058	2,065
- unquoted in Malaysia	1,244	292	1,314	432
- real estate investment trusts				
- quoted in Malaysia	58	225	606	645
- unit trust funds	-	-	-	54
Net amortisation of premiums	(1,406)	(2,166)	(7,736)	(7,790)
<u>Loans and receivables</u>				
Interest/profit sharing income	4,629	3,909	16,387	15,097
<u>Investment properties</u>				
Rental income	1,058	394	3,411	3,207
<u>Cash and cash equivalents</u>				
Interest/profit sharing income	247	78	580	272
	<u>60,141</u>	<u>52,059</u>	<u>231,717</u>	<u>213,239</u>

Notes to the Interim Financial Statements (Continued)

23. Other operating (income)/expenses

	3 months ended		Cumulative 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Foreign exchange				
- Realised (gains)/losses	(2,905)	640	(4,718)	488
- Unrealised losses/(gains)	14,598	764	(9,168)	(8,483)
Interest expense on agent's bond withheld	4	4	15	16
Others	2,013	2,570	8,417	9,015
Tax on investment income of Life fund and Investment-linked funds				
- Current tax	1,420	3,993	14,105	20,358
- Deferred tax	8,497	(2,325)	(10,280)	(2,874)
	9,917	1,668	3,825	17,484
	<u>23,627</u>	<u>5,646</u>	<u>(1,629)</u>	<u>18,520</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):

	3 months ended		Cumulative 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets	569	2,109	3,696	8,415
Depreciation of property and equipment	917	898	3,606	3,510
Investment income (Note 22)	(60,141)	(52,059)	(231,717)	(213,239)
(Reversal)/allowance for impairment loss on loans receivable	(6)	7	4	3
Allowance for impairment loss on insurance receivable	-	-	5	-
Allowance for impairment loss on agency receivables	872	-	872	-
Net foreign exchange (gains)/loss	(11,693)	1,404	(13,886)	(7,995)

Notes to the Interim Financial Statements (Continued)

24. Profit before taxation (continued)

	3 months ended		Cumulative 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Net realised gains:				
- realised gains on disposal of AFS investments	(3,637)	(13,706)	(37,884)	(139,173)
	(3,637)	(13,706)	(37,884)	(139,173)
Net fair value losses/(gains):				
- investment property	(492)	4,394	(492)	4,394
- fair value (gains)/ losses on FVTPL investments/ Derivatives	(92,397)	8,581	195,452	(24,147)
- impairment loss on quoted equities	1,579	7,447	25,227	21,469
	(91,310)	20,422	220,187	1,716

25. Taxation

	3 months ended		Cumulative 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
<u>Income tax</u>				
Current financial year	(4,972)	(3,580)	6,879	9,200
Underprovision in prior financial years	970	(211)	1,212	466
	(4,002)	(3,791)	8,091	9,666
<u>Deferred tax</u>				
Origination of/(reversal of) temporary differences	2,941	8,587	2,848	8,884
	2,941	8,587	2,848	8,884
	(1,061)	4,796	10,939	18,550

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 year.

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 12 months ended	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit before taxation	(7,560)	23,853	29,851	105,510
Taxation at Malaysian statutory tax rate of 24%	(1,815)	5,724	7,164	25,322
Effect of different tax rate in respect of Labuan subsidiary	-	(1,192)	-	(4,110)
Section 110B tax credit set off	108	(393)	(1,942)	(3,336)
Income not subject to tax	(1,718)	(1,124)	(6,180)	(7,464)
Expenses not deductible for tax purposes	1,311	1,923	10,520	7,541
Changes in unrecognised deferred tax assets	83	68	165	130
	(2,031)	5,006	9,727	18,083
Underprovision in prior financial years				
- Current tax	970	(210)	1,212	467
	(1,061)	4,796	10,939	18,550

26. Basic and diluted (loss)/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/year by the weighted average number of ordinary shares in issue.

		3 months ended		Cumulative 12 months ended	
		31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net (loss)/profit attributable to owners of the Company	(RM'000)	(6,499)	19,057	18,912	86,960
Weighted average number of ordinary shares in issue	('000)	216,262	211,559	213,595	209,040
Basic and diluted (loss)/earnings per share	(Sen)	(3.10)	8.98	8.85	41.60

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 31.12.2022 RM'000	As at 31.12.2021 RM'000	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
Actuarial liabilities	3,129,155	3,025,200	3,124,546	3,017,648
Unallocated surplus	59,545	26,535	59,545	26,535
Fair value reserve	46,295	123,463	46,295	123,463
Asset revaluation reserve	2,310	2,069	2,310	2,069
Investment-linked policyholders' account	1,324,405	1,397,354	1,324,405	1,397,354
	<u>4,561,710</u>	<u>4,574,621</u>	<u>4,557,101</u>	<u>4,567,069</u>

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

	Gross		Net	
	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
At 1 January	4,574,621	4,538,054	4,567,069	4,535,652
Inforce reserve movement	74,411	88,876	72,589	86,784
New business reserve	86,177	71,128	91,278	68,311
Discount rate and other changes	(69,332)	(39,567)	(69,332)	(39,567)
Unallocated surplus	33,010	36,821	33,010	36,821
Effect of movements in exchange rate	12,699	5,834	12,363	5,593
Fair value reserve, net of tax	(77,168)	(153,789)	(77,168)	(153,789)
Asset revaluation reserve				
- Revaluation adjustment	15	(523)	15	(523)
- Reversal on revaluation	226	231	226	231
	241	(292)	241	(292)
Investment-linked policyholders' account	(72,949)	27,556	(72,949)	27,556
31 December	<u>4,561,710</u>	<u>4,574,621</u>	<u>4,557,101</u>	<u>4,567,069</u>

28. Current tax assets/(liabilities)

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
Current tax assets	26,595	22,841
Current tax liabilities	-	(4,980)
	<u>26,595</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 14th July 2021. MIB will not be appealing against the decision of the High Court. The next mention date for MIB's application to the Special Commissioner of Income Tax on the assessments has been fixed on 21st March 2023.

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 25th 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:

	As at 31.12.2022	As at 31.12.2021
	RM'000	RM'000
Investment holding	6,925	8,353
Life insurance business:-		
Shareholder's fund	23,617	25,200
Non Investment-linked business	102,935	96,882
Investment-linked business	13,917	18,584
Asset management services	111,399	88,886
	<u>258,793</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 year between the Group and their related parties are set out as below:

	Cumulative 12 months ended	
	31.12.2022	31.12.2021
	RM'000	RM'000
Expenses/(income):		
Intermediate holding company		
Reimbursement of personnel expenses	2,760	4,792
Reimbursement of software maintenance expenses	5,040	3,497
Provision of IT development services	-	126
Provision of IT infrastructure support and maintenance services		
- Paid and payable	19,840	19,104
- Waiver of prior year's expenses	-	(3,228)
	<u> </u>	<u> </u>
Subsidiaries of ultimate holding company		
Rebate income	(13,172)	(14,825)
Management fee expense	5,434	4,590
Investment consulting services	509	231
Provision of IT infrastructure support and maintenance services	3,536	1,044
	<u> </u>	<u> </u>

Notes to the Interim Financial Statements (Continued)

31. Capital and other commitments

	As at 31.12.2022 RM'000	As at 31.12.2021 RM'000
<i>Other commitments</i>		
Exclusive bancassurance agreement - Authorised but not provided for	<u>1,500</u>	<u>4,500</u>
Distribution agreement - Authorised but not provided for	<u>2,764</u>	<u>5,363</u>
Investment in Private Equity Funds		
As at 1 January	38,796	-
Capital committed	-	58,042
Capital contributions	(11,211)	(19,246)
Capital return	15	-
Expenses incurred	(122)	-
Currency movement	<u>2,871</u>	<u>-</u>
As at 31 December	<u>30,349</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
31 December 2022					
Financial assets					
AFS financial assets	3,126,332	-	-	-	3,126,332
Financial assets at FVTPL	-	2,380,807	-	-	2,380,807
Loans and receivables	-	-	631,564	-	631,564
Insurance receivables	-	-	11,019	-	11,019
Cash and cash equivalents	-	-	258,793	-	258,793
	<u>3,126,332</u>	<u>2,380,807</u>	<u>901,376</u>	<u>-</u>	<u>6,408,515</u>
Financial liabilities					
Financial liability at FVTPL	-	12	-	-	12
Insurance payables	-	-	-	814,306	814,306
Other payables	-	-	-	244,357	244,357
	<u>-</u>	<u>12</u>	<u>-</u>	<u>1,058,663</u>	<u>1,058,675</u>
31 December 2021					
Financial assets					
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>
Financial liabilities					
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/(losses) recognised as		Net carrying amount RM'000
		Financial asset RM'000	Financial liability RM'000	
31 December 2022				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year	3,369	-	(12)	(12)
- Less than 1 year	114,286	2,388	-	2,388
31 December 2021				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year	119,952	933	-	933

There is no change in risks and policies associated with the derivatives and its related accounting policies since the financial year ended 31 December 2022.

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 31.12.2022</u>	<u>As at 31.12.2021</u>	<u>As at 31.12.2022</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>21,098</u>	<u>26,420</u>	<u>78,902</u>	<u>73,580</u>
Fair value as stated in valuation report*	<u>21,098</u>	<u>26,420</u>	<u>78,902</u>	<u>73,580</u>

* Based on the valuation conducted by an independent qualified valuer on 31 December 2022.

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
2022			
Freehold/ investment property	Income method	Term period's net yield	5.00% - 6.50%
		Reversionary period's net yield	6.00%
		Void factor	5.00%
		Average rental for term period	RM4.64 psf
		Average rental for reversionary period	RM4.69 psf
		Outgoings for term period	RM1.70 psf
		Outgoings for reversionary period	RM1.75 psf
2021			
Freehold/ investment property	Income method	Term period's net yield	5.00% - 6.50%
		Reversionary period's net yield	6.00%
		Void factor	5.00%
		Average rental for term period	RM4.55 psf
		Average rental for reversionary period	RM4.69 psf
		Outgoings for term period	RM1.70 psf
		Outgoings for reversionary period	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	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
At 1 January	26,420	27,026	73,580	77,974
Transfer to investment property	(4,830)	557	4,830	-
Depreciation charge for the financial year	(574)	(587)	-	-
Fair value gain/(loss)	82	(576)	492	(4,394)
At 31 December	<u>21,098</u>	<u>26,420</u>	<u>78,902</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.

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
31 December 2022				
AFS financial assets				
Equity securities				
- Quoted in Malaysia	579,762	579,762	-	-
- Quoted outside Malaysia	113,817	113,817	-	-
Real estate investment trusts	11,859	11,859	-	-
Unit trust funds	1,198	1,198	-	-
Malaysian Government Securities	397,385	-	397,385	-
Government Investment Issues	328,271	-	328,271	-
Corporate debt securities				
- Unquoted	1,665,574	-	1,665,574	-
Accrued interest	25,950	-	25,950	-
	<u>3,123,816</u>	<u>706,636</u>	<u>2,417,180</u>	<u>-</u>
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	748,756	748,756	-	-
- Quoted outside Malaysia	49,643	49,643	-	-
Private equity funds				
- Unquoted outside Malaysia	35,639	-	-	35,639
Real estate investment trusts	10,481	10,481	-	-
Unit trust funds	175,735	175,735	-	-
Malaysian Government Securities	122,019	-	122,019	-
Government Investment Issues	105,669	-	105,669	-
Corporate debt securities				
- Unquoted	734,173	-	734,173	-
- Quoted outside Malaysia	233,589	-	233,589	-
Mutual funds	150,990	150,990	-	-
Forward foreign exchange contract	2,388	-	2,388	-
Accrued interest	11,725	-	11,725	-
	<u>2,380,807</u>	<u>1,135,605</u>	<u>1,209,563</u>	<u>35,639</u>
	<u>5,504,623</u>	<u>1,842,241</u>	<u>3,626,743</u>	<u>35,639</u>
Financial liabilities at FVTPL				
Forward foreign exchange contract	12	-	12	-

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)

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
31 December 2021				
AFS financial assets				
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>
Financial assets at FVTPL				
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 year.

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:

	Private Equity Funds RM'000	Total RM'000
At 1 January 2021	-	-
Capital contributions	19,246	19,246
Fair value loss recognised in profit or loss	(125)	(125)
Currency movement	1	1
At 31 December 2021/1 January 2022	<u>19,122</u>	<u>19,122</u>
Capital contributions	11,211	11,211
Capital returns	(15)	(15)
Fair value gain recognised in profit or loss	4,086	4,086
Currency movement	1,235	1,235
At 31 December 2022	<u><u>35,639</u></u>	<u><u>35,639</u></u>

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

	Fair Value RM'000	Valuation Methodology	Unobservable Input	Input Values
2022				
Private equity funds	35,639	Net asset value ("NAV")	NAV	NAV
2021				
Private equity funds	19,122	Net asset value ("NAV")	NAV	NAV

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial year ended 31 December 2022

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 year ended 31 December 2022	Fair value as at 1 January 2022 RM'000	Change in fair value* RM'000	Fair value as at 31 December 2022 RM'000	Result of the cash flows characteristics test	Classification and measurement under MFRS 9
Financial assets					
Equity securities					
- Quoted in Malaysia	1,420,714	(92,196)	1,328,518	Non-SPPI	FVTPL
- Quoted outside Malaysia	199,193	(35,733)	163,460	Non-SPPI	FVTPL
- Unquoted – local	2,516	-	2,516	Non-SPPI	FVTPL
Private equity funds	19,122	16,517	35,639	Non-SPPI	FVTPL
Real estate investment trusts	27,251	(4,911)	22,340	Non-SPPI	FVTPL
Unit trust funds	181,990	(5,057)	176,933	Non-SPPI	FVTPL
Malaysian Government Securities	392,818	126,586	519,404	SPPI	FVOCI
Government Investment Issues	401,030	32,910	433,940	SPPI	FVOCI
Corporate debt securities					
- Unquoted	2,383,349	16,398	2,399,747	SPPI	FVOCI
- Quoted outside Malaysia	193,621	39,968	233,589	SPPI	FVOCI
Mutual funds	217,928	(66,938)	150,990	Non-SPPI	FVTPL
Forward foreign exchange contract	933	1,455	2,388	Non-SPPI	FVTPL
Accrued interest	36,558	1,117	37,675	SPPI	FVOCI
Loans and receivables	622,177	9,387	631,564	SPPI	Amortised cost
Insurance receivables	14,797	(3,778)	11,019	SPPI	Amortised cost
Cash and cash equivalents	237,905	20,888	258,793	SPPI	Amortised cost
	<u>6,351,902</u>	<u>56,613</u>	<u>6,408,515</u>		

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

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial year ended 31 December 2022

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
Financial assets					
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))
Interim financial statements for the financial year ended 31 December 2022

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 December 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets						
Malaysian Government Securities	-	-	-	-	519,404	519,404
Government Investment Issues	-	-	-	-	433,940	433,940
Corporate debt securities						
- Unquoted	1,219,295	768,187	506	-	411,759	2,399,747
- Quoted outside Malaysia*	33,214	56,890	87,877	55,608	-	233,589
Accrued interest	13,349	9,366	716	605	13,639	37,675
Loans and receivables	371,992	63,237	-	-	196,335	631,564
Insurance receivables	-	-	-	-	11,019	11,019
Cash and cash equivalents	220,680	13,268	8,148	-	14	242,110
Cash and cash equivalents*	-	10,547	6,136	-	-	16,683
	<u>1,858,530</u>	<u>921,495</u>	<u>103,383</u>	<u>56,213</u>	<u>1,586,110</u>	<u>4,525,731</u>

* Rated by international rating agencies

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial year ended 31 December 2022

Notes to the Interim Financial Statements (Continued)

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

As at 31 December 2021	AAA RM'000	AA RM'000	A RM'000	BBB RM'000	Non-rated RM'000	Total RM'000
Financial assets						
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
22 February 2023

Chin Mun Yee
Joint Secretary