

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial period ended 31 March 2023

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.03.2023	Restated As at 31.12.2022
	RM'000	RM'000
Assets		
Property and equipment	35,852	36,085
Investment property	78,902	78,902
Intangible assets	127,693	126,244
Financial assets at fair value through other comprehensive income	3,315,175	3,073,251
Financial assets at fair value through profit or loss	1,230,998	1,236,952
Financial assets at amortised cost	329,196	401,786
Reinsurance contract assets	647	315
Right-of-use assets	3,239	3,478
Current tax assets (<i>Note 11</i>)	22,746	28,087
Other assets	13,211	11,657
Cash and cash equivalents (<i>Note 12</i>)	189,042	244,875
Segregated funds net asset	1,335,083	1,324,405
Total Assets	6,681,784	6,566,037
Liabilities and Equity		
Liabilities		
Insurance contract liabilities	3,654,024	3,551,524
Segregated funds insurance net liabilities	1,335,083	1,324,405
Total insurance and segregated funds contract liabilities (<i>Note 13</i>)	4,989,107	4,875,929
Reinsurance contract liabilities	45,614	54,980
Deferred tax liabilities	95,788	110,556
Lease liabilities	3,272	3,506
Other liabilities	346,351	350,818
Total Liabilities	5,480,132	5,395,789
Equity		
Share capital	131,041	131,041
Retained earnings	1,048,162	1,034,176
Other reserves	30,557	20,740
Total shareholders' equity	1,209,760	1,185,957
Participating policyholders' equity	(8,108)	(15,709)
Total Equity	1,201,652	1,170,248
Total Liabilities and Equity	6,681,784	6,566,037
Net Assets per share attributable to owners of the Company (RM)	5.59	5.48

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

MANULIFE HOLDINGS BERHAD ((197501003360 (24851-H))
Interim financial statements for the financial period ended 31 March 2023

Unaudited Condensed Consolidated Statement of Profit or Loss

	3 months ended		Cumulative 3 months ended	
	31.03.2023	Restated 31.03.2022	31.03.2023	Restated 31.03.2022
	RM'000	RM'000	RM'000	RM'000
Operating Revenue*	161,562	151,189	161,562	151,189
Insurance service result				
Insurance revenue	80,964	73,397	80,964	73,397
Insurance service expenses	(66,310)	(57,572)	(66,310)	(57,572)
Net expenses from reinsurance contracts held	2,978	(2,922)	2,978	(2,922)
Total insurance service results	17,632	12,903	17,632	12,903
Investment result				
Investment income				
Investment income	50,428	44,059	50,428	44,059
Realised and unrealised losses on assets supporting insurance	(6,789)	(8,567)	(6,789)	(8,567)
Investment expenses	(2,221)	(1,622)	(2,221)	(1,622)
Net investment income (<i>Note 15</i>)	41,418	33,870	41,418	33,870
Insurance finance expense	(39,940)	(38,387)	(39,940)	(38,387)
Reinsurance finance income	5,128	511	5,128	511
Segregated fund related investment result				
Investment income related to segregated fund net assets	28,167	(42,611)	28,167	(42,611)
Financial changes related to segregated fund net liabilities	(28,167)	42,611	(28,167)	42,611
Net segregated fund investment result	-	-	-	-
Total investment results	6,606	(4,006)	6,606	(4,006)
Fee income	30,170	33,733	30,170	33,733
General expenses	(15,925)	(19,141)	(15,925)	(19,141)
Commissions related to non-insurance contracts	(17,370)	(19,893)	(17,370)	(19,893)
Interest expense	(30)	(29)	(30)	(29)
Profit before taxation (<i>Note 16</i>)	21,083	3,567	21,083	3,567
Taxation (<i>Note 17</i>)	(3,400)	(4,173)	(3,400)	(4,173)
Net profit/(loss) for the financial period	17,683	(606)	17,683	(606)
Net profit/(loss) attributable to:				
Owners of the Company	13,554	110	13,554	110
Participating policyholders	4,129	(716)	4,129	(716)
	17,683	(606)	17,683	(606)
Basic and diluted earnings per share (sen) (<i>Note 18</i>)	6.27	0.05	6.27	0.05

* Operating revenue consists of insurance revenue, investment income and fee income.

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MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial period ended 31 March 2023

Unaudited Condensed Consolidated Statement of Total Comprehensive Income

	3 months ended		Cumulative	
	Restated		Restated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) for the financial period	17,683	(606)	17,683	(606)
Other comprehensive income/(loss), net of tax:				
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:-				
Foreign exchange gains	73	335	73	335
Fair value through OCI investments:				
Net gains/(losses) on fair value changes	52,997	(62,572)	52,997	(62,572)
Realised (gains)/losses transferred to income statements	(657)	928	(657)	928
Deferred tax	(3,645)	3,576	(3,645)	3,576
Fair value through OCI investments, net of deferred tax	48,695	(58,068)	48,695	(58,068)
Insurance finance (expense)/income	(40,314)	63,576	(40,314)	63,576
Deferred tax	10,224	(11,021)	10,224	(11,021)
Insurance finance income/(expense), net of deferred tax	(30,090)	52,555	(30,090)	52,555
Reinsurance finance expense	(5,154)	(825)	(5,154)	(825)
Deferred tax	197	(87)	197	(87)
Insurance finance expense, net of deferred tax	(4,957)	(912)	(4,957)	(912)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	13,721	(6,090)	13,721	(6,090)
Other comprehensive income/(loss) for the financial period	13,721	(6,090)	13,721	(6,090)
Total comprehensive income/(loss) for the financial period	31,404	(6,696)	31,404	(6,696)
Other comprehensive income/(loss) attributable to:				
Owners of the Company	7,949	(353)	7,949	(353)
Participating policyholders	5,772	(5,737)	5,772	(5,737)
	13,721	(6,090)	13,721	(6,090)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	21,503	(243)	21,503	(243)
Participating policyholders	9,901	(6,453)	9,901	(6,453)
	31,404	(6,696)	31,404	(6,696)

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

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial period ended 31 March 2023

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						Retained Earnings* RM'000	Total Shareholders' Equity RM'000	Participating Policyholders' Equity RM'000	Total Equity RM'000
	<=====Non-distributable=====>									
	Share Capital RM'000	Insurance Reserve RM'000	Reinsurance Finance Reserve RM'000	Fair Value Reserve RM'000	Asset Revaluation Reserve RM'000	Currency Translation Reserve RM'000				
At 1 January 2023 - as previously reported	131,041	-	-	232	6,454	(476)	817,999	955,250	-	955,250
Effect of adopting MFRS 9 and MFRS 17	-	51,760	2,042	(41,415)	-	2,143	216,177	230,707	(15,709)	214,998
	131,041	51,760	2,042	(41,183)	6,454	1,667	1,034,176	1,185,957	(15,709)	1,170,248
Effect of adopting MFRS 9 classification overlay	-	-	-	1,734	-	134	(1,868)	-	-	-
At 1 January 2023 - as restated	131,041	51,760	2,042	(39,449)	6,454	1,801	1,032,308	1,185,957	(15,709)	1,170,248
Net profit for the financial period	-	-	-	-	-	-	13,554	13,554	4,129	17,683
Other comprehensive (loss)/income for the financial period	-	(8,644)	(4,957)	21,477	-	73	-	7,949	5,772	13,721
Total comprehensive (loss)/income for the financial period	-	(8,644)	(4,957)	21,477	-	73	13,554	21,503	9,901	31,404
Surplus transfer from participating policyholders	-	-	-	-	-	-	2,300	2,300	(2,300)	-
At 31 March 2023	131,041	43,116	(2,915)	(17,972)	6,454	1,874	1,048,162	1,209,760	(8,108)	1,201,652

* Included in the retained earnings are surplus from Non-participating life fund of the insurance subsidiaries of the Group (net of deferred tax) of approximately RM338,286,000 (1 January 2023-restated: RM333,979,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund of the insurance subsidiary of the Group by the Appointed Actuary.

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial period ended 31 March 2023

Unaudited Condensed Consolidated Statement of Changes in Equity (continued)

	Attributable to owners of the Company						Distributable	Total Shareholders' Equity RM'000	Participating Policyholders' Equity RM'000	Total Equity RM'000
	<=====Non-distributable=====>					Retained Earnings*				
	Share Capital RM'000	Insurance Reserve RM'000	Reinsurance Finance Reserve RM'000	Fair Value Reserve RM'000	Asset Revaluation Reserve RM'000	Currency Translation Reserve RM'000	Retained Earnings* RM'000	Total Shareholders' Equity RM'000	Participating Policyholders' Equity RM'000	Total Equity RM'000
At 1 January 2022 - as previously stated	121,353	-	-	11,500	6,613	204	813,896	953,566	-	953,566
Effect of adopting MFRS 17	-	(2,147)	(93)	5,792	-	-	183,045	186,597	(8,083)	178,514
Effect of adopting MFRS 9	-	-	-	(8,169)	-	-	25,992	17,823	-	17,823
At 1 January 2022 - as restated	121,353	(2,147)	(93)	9,123	6,613	204	1,022,933	1,157,986	(8,083)	1,149,903
Net profit for the financial period	-	-	-	-	-	-	110	110	(716)	(606)
Other comprehensive income/(loss) for the financial period	-	27,298	(912)	(27,074)	-	335	-	(353)	(5,737)	(6,090)
Total comprehensive income/(loss) for the financial period	-	27,298	(912)	(27,074)	-	335	110	(243)	(6,453)	(6,696)
Surplus transfer from participating policyholders	-	-	-	-	-	-	2,431	2,431	(2,431)	-
At 31 March 2022	121,353	25,151	(1,005)	(17,951)	6,613	539	1,025,474	1,160,174	(16,967)	1,143,207

* Included in the retained earnings are surplus from Non-participating life fund of the insurance subsidiaries of the Group (net of deferred tax) of approximately RM335,850,000 (1 January 2022-restated: RM345,059,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund of the insurance subsidiary of the Group by the Appointed Actuary.

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

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial period ended 31 March 2023

Unaudited Condensed Consolidated Statement of Cash Flows

	3 months ended <u>31.03.2023</u> RM'000	3 months ended <u>31.03.2022</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) for the financial period	17,683	(606)
Adjustments for non-cash items	(78,237)	23,137
Operating (loss)/gains before changes in operating assets and liabilities	<u>(60,554)</u>	<u>22,531</u>
Purchase of investments	(455,423)	(357,908)
Proceeds from disposal and maturity of investments	252,100	214,679
Interest income received	50,495	38,453
Dividend income received	8,517	1,621
Rental income received	792	664
(Increase)/decrease in reinsurance assets	(9,698)	6,116
Increase in other receivables	(32,115)	(33,435)
Decrease in fixed and call deposits	103,868	119,656
Increase in loans receivables	(708)	(784)
Increase in insurance contract liabilities	102,500	1,927
(Decrease)/increase in other liabilities	(4,258)	29,304
Cash (used in)/generated from operations	<u>(44,484)</u>	<u>42,824</u>
Interest paid	(27)	(26)
Income taxes paid	(6,241)	(8,630)
Net cash (outflow)/inflow from operating activities	<u>(50,752)</u>	<u>34,168</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(655)	(498)
Purchase of intangible assets	(1,978)	(343)
Purchase of investments	(2,000)	(2,528)
Proceeds from disposal and maturity of investments	-	1,795
Net cash outflow from investing activities	<u>(4,633)</u>	<u>(1,574)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of principal portion of lease liabilities	(448)	(605)
Net cash outflow from financing activities	<u>(448)</u>	<u>(605)</u>
Net (decrease)/increase during the financial period	(55,833)	31,989
Cash and cash equivalents at 1 January	244,875	219,323
Cash and cash equivalents at 31 March	<u>189,042</u>	<u>251,312</u>

CASH AND CASH EQUIVALENTS

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

	As at <u>31.03.2023</u> RM'000	As at <u>31.03.2022</u> RM'000
Cash and bank balances	140,239	201,123
Short-term deposits	48,802	50,189
Cash and cash equivalents	<u>189,042</u>	<u>251,312</u>

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