

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))

Interim financial statements for the financial period ended 30 September 2024

Unaudited Condensed Consolidated Statement of Financial Position

	As at 30.09.2024	As at 31.12.2023
	RM'000	RM'000
Assets		
Property and equipment	38,058	36,973
Investment property	82,300	82,300
Intangible assets	228,540	231,047
Financial assets at fair value through other comprehensive income	3,701,220	3,486,756
Financial assets at fair value through profit or loss	1,318,245	1,212,741
Financial assets at amortised cost	447,292	393,366
Right-of-use assets	1,966	2,675
Current tax assets	8,733	28,679
Reinsurance contract assets	1,686	303
Other assets	15,848	14,873
Cash and cash equivalents (<i>Note 12</i>)	238,363	207,877
Segregated funds net asset	1,588,023	1,406,253
Total Assets	7,670,274	7,103,843
Liabilities and Equity		
Liabilities		
Insurance contract liabilities	4,108,224	3,897,957
Segregated funds insurance net liabilities	1,588,023	1,406,253
Total insurance and segregated funds contract liabilities (<i>Note 13</i>)	5,696,247	5,304,210
Reinsurance contract liabilities	22,151	35,108
Current tax liabilities	45	106
Deferred tax liabilities	140,080	120,121
Lease liabilities	2,016	2,717
Other liabilities	459,825	392,400
Total Liabilities	6,320,364	5,854,662
Equity		
Share capital	147,231	136,522
Retained earnings	1,177,048	1,106,893
Other reserves	24,711	26,922
Total shareholders' equity	1,348,990	1,270,337
Participating policyholders' equity	920	(21,156)
Total Equity	1,349,910	1,249,181
Total Liabilities and Equity	7,670,274	7,103,843
Net Assets per share attributable to owners of the Company (RM)	6.00	5.79

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 30 September 2024

Unaudited Condensed Consolidated Statement of Profit or Loss

	3 months ended		Cumulative 9 months ended	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Operating Revenue*	212,813	180,049	612,543	505,744
Insurance service result				
Insurance revenue	112,708	98,463	327,245	262,100
Insurance service expenses	(94,806)	(78,496)	(254,033)	(210,880)
Net income/(expenses) from reinsurance contracts held	1,006	34	(1,204)	2,382
Total insurance service results	18,908	20,001	72,008	53,602
Investment result				
Investment income	58,644	53,371	165,275	152,180
Realised and unrealised gains	22,347	29,410	120,596	26,237
Investment expenses	(2,491)	(2,081)	(7,655)	(6,505)
Net investment income (Note 15)	78,500	80,700	278,216	171,912
Insurance finance expense	(26,377)	(75,593)	(194,990)	(146,454)
Reinsurance finance income/(expense)	322	(3,503)	(5,043)	(4,827)
Segregated fund related investment result				
Investment (expense)/income related to segregated fund net assets	(435)	88,963	261,863	97,680
Financial changes related to segregated fund net liabilities	435	(88,963)	(261,863)	(97,680)
Net segregated fund investment result	-	-	-	-
Total investment results	52,445	1,604	78,183	20,631
Fee income	41,461	28,215	120,023	91,464
General expenses	(8,028)	(11,892)	(43,358)	(47,917)
Commissions related to non-insurance contracts	(25,717)	(14,371)	(74,817)	(52,096)
Interest expense	(22)	(26)	(71)	(84)
Profit before taxation (Note 16)	79,047	23,531	151,968	65,600
Taxation (Note 17)	(19,122)	(12,190)	(44,412)	(20,639)
Net profit for the financial period	59,925	11,341	107,556	44,961
Net profit attributable to:				
Owners of the Company	33,489	13,417	78,143	42,501
Participating policyholders	26,436	(2,076)	29,413	2,460
	59,925	11,341	107,556	44,961
Basic and diluted earnings per share (sen) (Note 18)	15.06	6.15	35.41	19.60

* 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 30 September 2024

Unaudited Condensed Consolidated Statement of Total Comprehensive Income

	3 months ended		Cumulative 9 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	59,925	11,341	107,556	44,961
Other comprehensive (loss)/income, net of tax:				
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:-				
Foreign exchange (losses)/gains	(3,269)	527	(2,774)	1,265
Fair value through OCI investments:				
Net gains/(losses) on fair value changes	37,532	(39,387)	30,189	32,090
Realised losses/(gains) transferred to income statements	1,276	(323)	858	(1,641)
Deferred tax	(6,622)	(8,094)	(6,991)	(13,966)
Fair value through OCI investments, net of deferred tax	<u>32,186</u>	<u>(47,804)</u>	<u>24,056</u>	<u>16,483</u>
Insurance finance (expense)/income	(40,616)	36,409	(29,856)	(20,230)
Deferred tax	5,944	(5,498)	5,871	9,770
Insurance finance (expense)/income, net of deferred tax	<u>(34,672)</u>	<u>30,911</u>	<u>(23,985)</u>	<u>(10,460)</u>
Reinsurance finance income/(expense)	1,580	(1,943)	528	(1,882)
Deferred tax	(18)	230	2	324
Reinsurance finance income/(expense), net of deferred tax	<u>1,562</u>	<u>(1,713)</u>	<u>530</u>	<u>(1,558)</u>
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods	<u>(4,193)</u>	<u>(18,079)</u>	<u>(2,173)</u>	<u>5,730</u>
Other comprehensive (loss)/income for the financial period	<u>(4,193)</u>	<u>(18,079)</u>	<u>(2,173)</u>	<u>5,730</u>
Total comprehensive income/(loss) for the financial period	<u>55,732</u>	<u>(6,738)</u>	<u>105,383</u>	<u>50,691</u>
Other comprehensive (loss)/income attributable to:				
Owners of the Company	(3,973)	(7,784)	(2,211)	7,088
Participating policyholders	(220)	(10,295)	38	(1,358)
	<u>(4,193)</u>	<u>(18,079)</u>	<u>(2,173)</u>	<u>5,730</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	29,516	5,633	75,932	49,589
Participating policyholders	26,216	(12,371)	29,451	1,102
	<u>55,732</u>	<u>(6,738)</u>	<u>105,383</u>	<u>50,691</u>

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

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						Distributable	Total Shareholders' Equity	Participating Policyholders' Equity	Total Equity
	Non-distributable									
	Share Capital	Insurance Finance Reserve	Reinsurance Finance Reserve	Fair Value Reserve	Asset Revaluation Reserve	Currency Translation Reserve	Retained Earnings*	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	136,522	31,512	(5,908)	(7,496)	6,478	2,336	1,106,893	1,270,337	(21,156)	1,249,181
Issuance of 5,224,071 new shares pursuant to Dividend Reinvestment Plan	10,709	-	-	-	-	-	-	10,709	-	10,709
Net profit for the financial period	-	-	-	-	-	-	78,143	78,143	29,413	107,556
Other comprehensive (loss)/income for the financial period	-	(14,496)	530	14,529	-	(2,774)	-	(2,211)	38	(2,173)
Total comprehensive (loss)/income for the financial period	-	(14,496)	530	14,529	-	(2,774)	78,143	75,932	29,451	105,383
Surplus transfer from participating policyholders	-	-	-	-	-	-	7,375	7,375	(7,375)	-
Dividend paid for financial year ended 31 December 2023	-	-	-	-	-	-	(15,363)	(15,363)	-	(15,363)
At 30 September 2024	147,231	17,016	(5,378)	7,033	6,478	(438)	1,177,048	1,348,990	920	1,349,910

* 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 RM401,990,000 (1 January 2024: RM359,278,000). 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 30 September 2024

Unaudited Condensed Consolidated Statement of Changes in Equity (continued)

	Attributable to owners of the Company						Distributable	Total Shareholders' Equity	Participating Policyholders' Equity	Total Equity
	Non-distributable			Distributable						
	Share Capital	Insurance Finance Reserve	Reinsurance Finance Reserve	Fair Value Reserve	Asset Revaluation Reserve	Currency Translation Reserve	Retained Earnings*	Total Shareholders' Equity	Participating Policyholders' Equity	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023 - as previously stated	131,041	-	-	232	6,454	(476)	817,999	955,250	-	955,250
Effect of adoption of MFRS 9 and MFRS 17	-	51,759	(6,007)	(40,243)	-	1,842	217,158	224,509	(13,935)	210,574
At 1 January 2023 - as restated before Expected Credit Loss ("ECL") impact	131,041	51,759	(6,007)	(40,011)	6,454	1,366	1,035,157	1,179,759	(13,935)	1,165,824
Effect of adoption of MFRS 9 on ECL	-	-	-	1,734	-	134	(1,868)	-	-	-
At 1 January 2023 - as restated	131,041	51,759	(6,007)	(38,277)	6,454	1,500	1,033,289	1,179,759	(13,935)	1,165,824
Issuance of 3,205,555 new shares pursuant to Dividend Reinvestment Plan	5,481	-	-	-	-	-	-	5,481	-	5,481
Net profit for the financial period	-	-	-	-	-	-	42,501	42,501	2,460	44,961
Other comprehensive income/(loss) for the financial period	-	11,078	(1,558)	(3,697)	-	1,265	-	7,088	(1,358)	5,730
Total comprehensive income/(loss) for the financial period	-	11,078	(1,558)	(3,697)	-	1,265	42,501	49,589	1,102	50,691
Surplus transfer from participating policyholders	-	-	-	-	-	-	7,689	7,689	(7,689)	-
Dividend paid for financial year ended 31 December 2022	-	-	-	-	-	-	(15,138)	(15,138)	-	(15,138)
At 30 September 2023	136,522	62,837	(7,565)	(41,974)	6,454	2,765	1,068,341	1,227,380	(20,522)	1,206,858

* 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 RM352,647,000 (after ECL impacts on 1 January 2023: RM335,621,000). 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 30 September 2024

Unaudited Condensed Consolidated Statement of Cash Flows

	9 months ended 30.09.2024 RM'000	9 months ended 30.09.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	107,556	44,961
Adjustments for non-cash items	(231,551)	(182,871)
Operating loss before changes in operating assets and liabilities	<u>(123,995)</u>	<u>(137,910)</u>
Purchase of investments	(1,043,715)	(934,327)
Proceeds from disposal and maturity of investments	907,141	776,432
Interest income received	140,986	122,705
Dividend income received	22,675	20,235
Rental income received	3,807	2,833
Increase in other receivables	(20,528)	(24,376)
(Increase)/decrease in fixed and call deposits	(33,908)	129,355
Increase in loans receivables	(327)	(45)
(Increase)/decrease in reinsurance contract assets	(1,383)	315
Increase in insurance contract liabilities	180,411	212,952
Decrease in reinsurance contract liabilities	(12,429)	(23,084)
Increase in other liabilities	100,762	35,430
Cash generated from operations	<u>119,497</u>	<u>180,515</u>
Interest paid	(62)	(73)
Income taxes paid	(5,628)	(18,104)
Net cash inflow from operating activities	<u>113,807</u>	<u>162,338</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(4,030)	(2,617)
Purchase of intangible assets	(2,645)	(108,615)
Purchase of investments	(83,376)	(21,334)
Proceeds from disposal and maturity of investments	12,610	24,996
Net cash outflow from investing activities	<u>(77,441)</u>	<u>(107,570)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net dividends paid to shareholders	(4,653)	(9,657)
Payment of principal portion of lease liabilities	(1,227)	(1,328)
Net cash outflow from financing activities	<u>(5,880)</u>	<u>(10,985)</u>
Net increase during the financial period	30,486	43,783
Cash and cash equivalents at 1 January	207,877	244,876
Cash and cash equivalents at 30 September	<u>238,363</u>	<u>288,659</u>

CASH AND CASH EQUIVALENTS

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

	As at 30.09.2024 RM'000	As at 30.09.2023 RM'000
Cash and bank balances	194,050	204,142
Short-term deposits	44,313	84,517
Cash and cash equivalents	<u>238,363</u>	<u>288,659</u>

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