

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
Interim financial statements for the financial period ended 30 September 2024

Part A: 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 2023, 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 2023.

2. Summary of material accounting policy information

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 2023, except for the adoption of the following amendments to MFRSs:

<u>Description</u>	<u>Effective Date</u>
Non-current Liabilities with Covenants (Amendments to MFRS 101)	1 January 2024
Lease Liability in a Sale and Leaseback (Amendments to MFRS 16)	1 January 2024
Supplier Finance Arrangements (Amendments to MFRS 107 and MFRS 7)	1 January 2024

The adoption of the above new pronouncements in the current financial period do not have any material impact to the financial statements of the Group.

3. Seasonal/cyclical factors

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

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period ended 30 September 2024.

5. 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 risk adjustment to reflect the uncertainty of adverse deviation from expected experience. Valuation assumptions used includes mortality, morbidity, lapse, expense, risk-free interest rate plus illiquidity premium, and participating life funds’ yield derived based on asset liability method. For calculating the contractual service margin (“CSM”), the fair value approach is used for all in-force policies sold before 2021, and the full retrospective approach is used for all policies sold in 2021 onwards.

There were no material changes in the basis used for accounting estimates for the current financial period ended 30 September 2024.

6. Debt and equity securities

During the current financial quarter, 5,224,071 new ordinary shares of Manulife Holdings Berhad (“the Company”) were issued at the conversion price of RM2.05 per ordinary share for a total of RM10,709,346 in relation to the Dividend Reinvestment Plan exercise undertaken by the Company as per Note 7. The said shares were listed and quoted on the Main Market of Bursa Malaysia Berhad on 31 July 2024.

Besides the above, there were no other issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current quarter ended 30 September 2024.

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7. Dividend Paid

On 30 July 2024, the Company paid a final dividend of 7.0 sen per share equivalent to RM15,362,720 in respect of the financial year ended 31 December 2023. Out of the total dividend payout, a total of RM4,653,374 was paid in cash. The remaining RM10,709,346 was converted into new ordinary shares of the Company as per Note 6.

No dividend has been declared in respect of the current financial period ended 30 September 2024.

8. Material events subsequent to the end of the financial period

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

9. Changes in composition of the Group

There were no significant changes in the composition of the Group for the current financial period ended 30 September 2024.

10. 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.

11. Significant event

There is no significant event as at the date of this report since the date of the last annual statement of financial position.

12. Cash and cash equivalents

	As at 30.09.2024	As at 31.12.2023
	RM'000	RM'000
Investment holding	4,813	6,029
Life insurance business:-		
Shareholder's fund	13,240	13,008
Life insurance business	137,979	91,001
Asset management services	82,331	97,839
	<u>238,363</u>	<u>207,877</u>

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Part A: Notes to the Interim Financial Statements (Continued)

13. Insurance and reinsurance contract assets and liabilities

(a) Insurance contract liabilities

	<u>Liabilities for remaining coverage</u>		<u>Liabilities for incurred claims</u>		<u>Total RM'000</u>
	<u>Exclude loss component RM'000</u>	<u>Loss component RM'000</u>	<u>Products not under PAA RM'000</u>	<u>PAA estimates of PV of future cash flows and risk adjustment for non-financial risk RM'000</u>	
At 1 January 2024					
Insurance contract liabilities	3,653,197	47,096	197,413	251	3,897,957
Segregated fund insurance net liabilities	1,406,253	-	-	-	1,406,253
	<u>5,059,450</u>	<u>47,096</u>	<u>197,413</u>	<u>251</u>	<u>5,304,210</u>
Insurance revenue					
Expected incurred claims and other insurance service expenses	(192,548)	-	-	-	(192,548)
Change in risk adjustment for non-financial risk expired	(22,986)	-	-	-	(22,986)
CSM recognised for service provided	(55,866)	-	-	-	(55,866)
Recovery of insurance acquisition cashflows	(50,510)	-	-	-	(50,510)
Contracts under PAA	(5,335)	-	-	-	(5,335)
	<u>(327,245)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(327,245)</u>
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	201,742	382	202,124
Losses and reversal of losses on onerous contracts (future service)	-	442	-	-	442
Amortisation of insurance acquisition cashflow	51,467	-	-	-	51,467
	<u>51,467</u>	<u>442</u>	<u>201,742</u>	<u>382</u>	<u>254,033</u>
Investment components and premium refunds	(248,302)	-	248,302	-	-
Insurance service results	(524,080)	442	450,044	382	(73,212)
Insurance finance expenses	217,219	445	7,180	2	224,846
Effects of exchange rates upon consolidation	(37,681)	(196)	(48)	-	(37,925)
Total changes in the statements of profit or loss and other comprehensive income	<u>(344,542)</u>	<u>691</u>	<u>457,176</u>	<u>384</u>	<u>113,709</u>
Cash flows and other movements					
Premiums and premium tax received	734,819	-	-	-	734,819
Claims and other insurance service expenses paid, including investment components	-	-	(439,580)	167	(439,413)
Insurance acquisition cash flows	(198,848)	-	-	-	(198,848)
Total cash flows and other movements	<u>535,971</u>	<u>-</u>	<u>(439,580)</u>	<u>167</u>	<u>96,558</u>
Movements related to segregated fund insurance net liabilities	181,770	-	-	-	181,770
At 30 September 2024					
Insurance contract liabilities	3,844,626	47,787	215,009	802	4,108,224
Segregated fund insurance net liabilities	1,588,023	-	-	-	1,588,023
	<u>5,432,649</u>	<u>47,787</u>	<u>215,009</u>	<u>802</u>	<u>5,696,247</u>

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Part A: Notes to the Interim Financial Statements (Continued)

13. Insurance and reinsurance contract assets and liabilities (continued)

(a) Insurance contract liabilities (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total RM'000
	Exclude loss component RM'000	Loss component RM'000	Products not under PAA RM'000	PAA estimates of PV of future cash flows and risk adjustment for non-financial risk RM'000	
At 1 January 2023					
Insurance contract liabilities	3,339,709	45,752	166,062	1	3,551,524
Segregated fund insurance net liabilities	<u>1,324,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,324,405</u>
	<u>4,664,114</u>	<u>45,752</u>	<u>166,062</u>	<u>1</u>	<u>4,875,929</u>
Insurance revenue					
Expected incurred claims and other insurance service expenses	(228,876)	-	-	-	(228,876)
Change in risk adjustment for non-financial risk expired	(35,416)	-	-	-	(35,416)
CSM recognised for service provided	(48,470)	-	-	-	(48,470)
Recovery of insurance acquisition cashflows	(42,072)	-	-	-	(42,072)
Contracts under PAA	<u>(5,380)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,380)</u>
	<u>(360,214)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(360,214)</u>
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	236,089	(690)	235,399
Losses and reversal of losses on onerous contracts (future service)	-	970	-	-	970
Amortisation of insurance acquisition cashflow	<u>42,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,967</u>
	<u>42,967</u>	<u>970</u>	<u>236,089</u>	<u>(690)</u>	<u>279,336</u>
Investment components and premium refunds	(325,465)	-	325,465	-	-
Insurance service results	(642,712)	970	561,554	(690)	(80,878)
Insurance finance expenses	275,223	381	7,497	-	283,101
Effects of exchange rates upon consolidation	<u>12,202</u>	<u>(7)</u>	<u>17</u>	<u>-</u>	<u>12,212</u>
Total changes in the statements of profit or loss and other comprehensive income	<u>(355,287)</u>	<u>1,344</u>	<u>569,068</u>	<u>(690)</u>	<u>214,435</u>
Cash flows and other movements					
Premiums and premium tax received	913,867	-	-	-	913,867
Claims and other insurance service expenses paid, including investment components	-	-	(537,717)	940	(536,777)
Insurance acquisition cash flows	<u>(245,092)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(245,092)</u>
Total cash flows and other movements	<u>668,775</u>	<u>-</u>	<u>(537,717)</u>	<u>940</u>	<u>131,998</u>
Movements related to segregated fund insurance net liabilities	81,848	-	-	-	81,848
At 31 December 2023					
Insurance contract liabilities	3,653,197	47,096	197,413	251	3,897,957
Segregated fund insurance net liabilities	<u>1,406,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,406,253</u>
	<u>5,059,450</u>	<u>47,096</u>	<u>197,413</u>	<u>251</u>	<u>5,304,210</u>

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Part A: Notes to the Interim Financial Statements (Continued)

13. Insurance and reinsurance contract assets and liabilities (continued)

(b) Reinsurance contract liabilities

	Liabilities for remaining coverage		Amount recoverable:	Total
	Excluding loss recovery component RM'000	Loss recovery component RM'000	incurred claims RM'000	RM'000
At 1 January 2024				
Reinsurance contract assets	787	-	(1,090)	(303)
Reinsurance contract liabilities	63,567	(1,940)	(26,519)	35,108
	<u>64,354</u>	<u>(1,940)</u>	<u>(27,609)</u>	<u>34,805</u>
Allocation of reinsurance premiums paid				
Expected recovery for claims and other expenses	35,837	-	-	35,837
Change in risk adjustment for non-financial risk expired	2,003	-	-	2,003
Net cost/gain recognised	6,564	-	-	6,564
Experience refunds	(3,919)	-	-	(3,919)
	<u>40,485</u>	<u>-</u>	<u>-</u>	<u>40,485</u>
Amounts recoverable from reinsurers				
Recoveries of incurred claims and expenses	-	412	(39,303)	(38,891)
Change in risk adjustment for non-financial risk expired	-	36	7	43
Recoveries of losses and reversal of loss recovery on onerous contracts (future service)	-	(433)	-	(433)
	<u>-</u>	<u>15</u>	<u>(39,296)</u>	<u>(39,281)</u>
Net expenses from reinsurance contracts	40,485	15	(39,296)	1,204
Reinsurance finance expenses/(income)	4,409	(58)	-	4,351
Effect of changes in non-performance risk of reinsurers	164	-	-	164
Effects of exchange rates upon consolidation	496	5	24	525
Total changes in the statements of profit or loss and other comprehensive income	<u>45,554</u>	<u>(38)</u>	<u>(39,272)</u>	<u>6,244</u>
Cash flows				
Premiums paid	(46,641)	-	-	(46,641)
Amounts received	-	-	26,057	26,057
Total cash flows	<u>(46,641)</u>	<u>-</u>	<u>26,057</u>	<u>(20,584)</u>
At 30 September 2024				
Reinsurance contract assets	1,624	-	(3,310)	(1,686)
Reinsurance contract liabilities	61,643	(1,978)	(37,514)	22,151
	<u>63,267</u>	<u>(1,978)</u>	<u>(40,824)</u>	<u>20,465</u>

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Part A: Notes to the Interim Financial Statements (Continued)

13. Insurance and reinsurance contract assets and liabilities (continued)

(b) Reinsurance contract liabilities (continued)

	Liabilities for remaining coverage		Amount recoverable:	Total
	Excluding loss recovery component RM'000	Loss recovery component RM'000	incurred claims RM'000	RM'000
At 1 January 2023				
Reinsurance contract assets	844	-	(1,159)	(315)
Reinsurance contract liabilities	85,937	(74)	(30,883)	54,980
	<u>86,781</u>	<u>(74)</u>	<u>(32,042)</u>	<u>54,665</u>
Allocation of reinsurance premiums paid				
Expected recovery for claims and other expenses	45,965	-	-	45,965
Change in risk adjustment for non-financial risk expired	2,012	-	-	2,012
Net cost/gain recognised	9,110	-	-	9,110
Experience refunds	(3,833)	-	-	(3,833)
Other	282	-	-	282
	<u>53,536</u>	<u>-</u>	<u>-</u>	<u>53,536</u>
Amounts recoverable from reinsurers				
Recoveries of incurred claims and expenses	-	475	(47,844)	(47,369)
Change in risk adjustment for non-financial risk expired	-	49	-	49
Recoveries of losses and reversal of loss recovery on onerous contracts (future service)	-	(2,337)	-	(2,337)
	<u>-</u>	<u>(1,813)</u>	<u>(47,844)</u>	<u>(49,657)</u>
Net expenses from reinsurance contracts	53,536	(1,813)	(47,844)	3,879
Reinsurance finance expenses/(income)	4,662	(53)	-	4,609
Effect of changes in non-performance risk of reinsurers	(125)	-	-	(125)
Effects of exchange rates upon consolidation	(392)	-	(9)	(401)
Total changes in the statements of profit or loss and other comprehensive income	<u>57,681</u>	<u>(1,866)</u>	<u>(47,853)</u>	<u>7,962</u>
Cash flows				
Premiums paid	(80,108)	-	-	(80,108)
Amounts received	-	-	52,286	52,286
Total cash flows	<u>(80,108)</u>	<u>-</u>	<u>52,286</u>	<u>(27,822)</u>
At 31 December 2023				
Reinsurance contract assets	787	-	(1,090)	(303)
Reinsurance contract liabilities	63,567	(1,940)	(26,519)	35,108
	<u>64,354</u>	<u>(1,940)</u>	<u>(27,609)</u>	<u>34,805</u>

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14. Derivatives

The table below shows the fair value of derivative financial instruments, recorded as financial asset at fair value through profit or loss or financial liability at fair value through profit or loss, 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 and equity index option to hedge its market risk, and any fair value gains/losses on the financial instruments are recognised as financial asset/liability.

	Notional amount RM'000	Fair value gain/(loss) recognised as		Net carrying amount RM'000
		Financial asset RM'000	Financial liability RM'000	
30 September 2024				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year	<u>63,343</u>	<u>6,971</u>	<u>-</u>	<u>6,971</u>
Equity index option				
- Net short position				
- Less than 1 year	<u>38</u>	<u>2</u>	<u>-</u>	<u>2</u>
31 December 2023				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year	<u>54,018</u>	<u>1,153</u>	<u>-</u>	<u>1,153</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 2023.

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15. Investment 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
Investment income:				
<u>Financial assets at FVTPL</u>				
Interest income:				
Debt securities	3,996	3,536	11,481	12,100
Structured product	2,251	412	1,458	752
Dividend/distribution income:				
Equity securities				
- quoted in Malaysia	7,164	9,058	21,962	21,567
- quoted outside Malaysia	96	135	344	470
- unquoted in Malaysia	35	6	35	6
Real estate investment trusts				
- quoted in Malaysia	95	213	313	507
Private equity funds outside Malaysia	(2)	-	810	35
Net amortisation of premiums	-	-	(22)	-
<u>Financial assets at FVOCI</u>				
Interest income:				
Debt securities	41,323	37,880	119,375	110,951
Private debt securities	318	124	817	198
Net amortisation of premiums	(2,119)	(2,023)	(5,916)	(5,467)
<u>Financial assets at amortised cost</u>				
Interest income	4,090	2,622	10,732	7,747
<u>Investment property</u>				
Rental income	1,352	1,359	3,739	3,151
Other income	45	49	147	163
	<u>58,644</u>	<u>53,371</u>	<u>165,275</u>	<u>152,180</u>
Realised and unrealised gains/(losses):				
Net realised gains/(losses)				
Equity securities	3,586	4,855	34,888	16,926
Debt securities	(1,195)	265	(1,080)	1,728
Structured product	3,151	-	3,151	-
Derivatives	1,189	(431)	(340)	1,326
	<u>6,731</u>	<u>4,689</u>	<u>36,619</u>	<u>19,980</u>
Net fair value gains/(losses)				
Equity securities	5,028	18,842	72,433	(17,319)
Unquoted equity securities	6,022	960	7,050	960
Private equity funds	1,529	5,531	3,594	6,509
Debt securities	2,344	(1,232)	3,664	9,699
Structured product	6,003	601	(1,183)	4,693
Derivatives	6,332	(138)	5,820	(4,336)
Foreign exchange (losses)/gains	(11,730)	(40)	(9,046)	5,473
	<u>15,528</u>	<u>24,524</u>	<u>82,332</u>	<u>5,679</u>

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15. Investment income (continued)

	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
Reversal of expected credit loss				
<u>Financial assets at FVOCI</u>				
Debt securities	88	197	1,645	578
	<u>22,347</u>	<u>29,410</u>	<u>120,596</u>	<u>26,237</u>
Investment expenses	(2,491)	(2,081)	(7,655)	(6,505)
Net investment income	<u>78,500</u>	<u>80,700</u>	<u>278,216</u>	<u>171,912</u>

16. Profit before taxation

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

	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
Amortisation of intangible assets	1,999	1,083	4,997	2,097
Depreciation of property and equipment	965	1,206	2,879	2,782
Net investment income (Note 15)	(78,500)	(80,700)	(278,216)	(171,912)

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17. Taxation

	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
<u>Income tax</u>				
Current financial period	5,256	5,956	25,572	14,966
	<u>5,256</u>	<u>5,956</u>	<u>25,572</u>	<u>14,966</u>
<u>Deferred tax</u>				
Current financial period	13,866	6,234	18,840	5,673
	<u>13,866</u>	<u>6,234</u>	<u>18,840</u>	<u>5,673</u>
	<u>19,122</u>	<u>12,190</u>	<u>44,412</u>	<u>20,639</u>

The income tax for the Group is calculated based on the tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial period.

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

	3 months ended		Cumulative 9 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	79,047	23,531	151,968	65,600
Taxation at Malaysian statutory tax rate of 24%	18,971	5,648	36,472	15,744
Effect of different in tax rate	4,214	3,558	12,749	3,864
Section 110B tax credit set off	(2,846)	(345)	(4,559)	(1,409)
Income not subject to tax	(3,222)	637	(5,111)	(2,447)
Expenses not deductible for tax purposes	1,934	2,741	4,747	4,974
Changes in unrecognised deferred tax assets	71	(49)	114	(87)
	<u>19,122</u>	<u>12,190</u>	<u>44,412</u>	<u>20,639</u>

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Part A: Notes to the Interim Financial Statements (Continued)

18. Basic and diluted earnings per share

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

		3 months ended		Cumulative 9 months ended	
		30.09.2024	30.09.2023	30.09.2024	30.09.2023
Net profit attributable to owners of the Company	(RM'000)	<u>33,489</u>	<u>13,417</u>	<u>78,143</u>	<u>42,501</u>
Weighted average number of ordinary shares in issue	('000)	<u>223,045</u>	<u>219,467</u>	<u>220,669</u>	<u>216,884</u>
Basic and diluted earnings per share	(Sen)	<u>15.06</u>	<u>6.15</u>	<u>35.41</u>	<u>19.60</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.

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19. 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:

	Cumulative 9 months ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
Expenses/(income):		
Penultimate holding company		
Information technology outsourcing expenses	685	948
Outsourcing fee income	(1,397)	(700)
	<u>(712)</u>	<u>248</u>
Intermediate holding company		
Reimbursement of personnel expenses	4,964	3,030
Reimbursement of director fees	271	126
Reimbursement of software maintenance expenses	10,821	4,430
Reimbursement of consultation fee	35	24
Reimbursement of overhead expense	(1,552)	(1,131)
Reimbursement of education and training expenses	12	33
Reimbursement of travelling expense	12	-
Regional office functional services and support	785	1,751
Provision of IT development services	170	1,700
Provision of IT infrastructure support and maintenance services	16,194	8,991
Provision of accounting and finance support	699	678
Provision of HR support	554	537
Provision of staff claims system	26	25
Provision of compliance support	168	27
	<u>33,159</u>	<u>20,221</u>
Subsidiaries of ultimate holding company		
Rebate income	(447)	(7,188)
Outsourcing fee income	(700)	(2,567)
Outsourcing fee expense	45	218
Management fee expense	7,221	5,934
Investment consulting services	816	861
Reinsurance premium ceded	227	201
Information technology outsourcing expenses	352	360
Provision of IT infrastructure support and maintenance services	1,598	2,556
	<u>9,112</u>	<u>375</u>

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Interim financial statements for the financial period ended 30 September 2024

Part A: Notes to the Interim Financial Statements (Continued)

20. Financial instruments

Categories of financial instruments

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

- (i) Fair value through profit or loss (“FVTPL”);
- (ii) Fair value through other comprehensive income (“FVOCI”);
- (iii) Amortised cost (“AC”)

Group	FVTPL RM'000	FVOCI RM'000	AC RM'000	Total RM'000
30 September 2024				
Financial assets				
Financial assets at FVOCI	-	3,701,220	-	3,701,220
Financial assets at FVTPL	1,318,245	-	-	1,318,245
Financial assets at amortised cost	-	-	447,292	447,292
Cash and cash equivalents	-	-	238,363	238,363
	<u>1,318,245</u>	<u>3,701,220</u>	<u>685,655</u>	<u>5,705,120</u>
Financial liabilities				
Lease liabilities	-	-	2,016	2,016
Other liabilities	-	-	459,825	459,825
	<u>-</u>	<u>-</u>	<u>461,841</u>	<u>461,841</u>
31 December 2023				
Financial assets				
Financial assets at FVOCI	-	3,486,756	-	3,486,756
Financial assets at FVTPL	1,212,741	-	-	1,212,741
Financial assets at amortised cost	-	-	393,366	393,366
Cash and cash equivalents	-	-	207,877	207,877
	<u>1,212,741</u>	<u>3,486,756</u>	<u>601,243</u>	<u>5,300,740</u>
Financial liabilities				
Lease liabilities	-	-	2,717	2,717
Other liabilities	-	-	392,400	392,400
	<u>-</u>	<u>-</u>	<u>395,117</u>	<u>395,117</u>

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Part A: Notes to the Interim Financial Statements (Continued)

21. 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 approach by discounted cash flow method ("DCF method").

Under the income approach by discounted cash flow method, the market value of the properties is determined based on estimation of future annual cash flows over an investment horizon from valuation date by reference to expected revenue growth rates, operating expenses and terminal value. The present value of future cash flow is then determined by the application of an appropriate discount rate to derive a net present value of the property as at the valuation date.

Fair value hierarchy

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

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

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

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

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

	<u>Freehold property</u>		<u>Investment property</u>	
	<u>As at 30.09.2024</u>	<u>As at 31.12.2023</u>	<u>As at 30.09.2024</u>	<u>As at 31.12.2023</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Carrying amount	<u>20,351</u>	<u>20,700</u>	<u>82,300</u>	<u>82,300</u>
Fair value as stated in valuation report*	<u>20,700</u>	<u>20,700</u>	<u>82,300</u>	<u>82,300</u>

* Based on the valuation conducted by an independent qualified valuer on 31 December 2023.

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Part A: Notes to the Interim Financial Statements (Continued)

21. 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
2023			
Freehold/ investment property	Income approach DCF Method	Projected period Projected occupancy Projected gross revenue (office and retail) Compounded annual growth rate ("CAGR") on revenue Projected outgoings (office and retail) CAGR on outgoings (office and retail) Discount rate	10 years 92.08% to 94.73% RM4.79 psf to RM5.84 psf 2.22% RM1.80 psf to RM2.07 psf 1.55% 8.00%

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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At 1 January	20,700	21,098	82,300	78,902
Depreciation charge for the period/year	(349)	(469)	-	-
Fair value gain	-	71	-	3,398
At 30 September/31 December	20,351	20,700	82,300	82,300

Part A: Notes to the Interim Financial Statements (Continued)

21. 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, cash and bank balances 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 value of unquoted equity securities is determined with reference to market comparable inputs which are adjusted against the net assets of the investee and takes into consideration discount for lack of marketability;
- (v) The fair values of Malaysian Government Securities, Government Investment Issues and both quoted and unquoted corporate debt securities are based on indicative market prices;
- (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;
- (viii) The fair values of equity index options is determined based on the Black-Scholes formula;
- (ix) 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;
- (x) The fair value of structure product is based on the mark-to-market value of the principal amount and fixed coupon which is calculated by discounting these amounts at the prevailing funding rate of the counterparty bank. The funding rate of the counterparty bank is typically a market observable input such as the swap rate or KLIBOR or its equivalent; and
- (xi) The fair value of private debt securities is based on market observable inputs such as the prevailing yield/price for comparable tenure and rating of the security.

Part A: Notes to the Interim Financial Statements (Continued)

21. Determination of fair values and fair value hierarchy (continued)

(b) Financial assets and financial liabilities

(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.

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Part A: Notes to the Interim Financial Statements (Continued)

21. Determination of fair values and fair value hierarchy (continued)

(b) Financial assets and financial liabilities

(ii) Fair value hierarchy

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
30 September 2024				
Financial assets at FVOCI				
Malaysian Government Securities	597,695	-	597,695	-
Government Investment Issues	559,634	-	559,634	-
Corporate debt securities				
- Unquoted	2,240,942	-	2,240,942	-
- Quoted outside Malaysia	238,724	-	238,724	-
Private debt securities				
- Unquoted outside Malaysia	21,306	-	21,306	-
Accrued interest	42,919	-	42,919	-
	<u>3,701,220</u>	<u>-</u>	<u>3,701,220</u>	<u>-</u>
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	628,885	628,885	-	-
- Quoted outside Malaysia	18,986	18,986	-	-
- Unquoted in Malaysia	19,732	-	-	19,732
Private equity funds				
- Unquoted outside Malaysia	64,969	-	-	64,969
Structured product	148,973	-	148,973	-
Real estate investment trusts	4,852	4,852	-	-
Unit trust funds	2,594	2,594	-	-
Malaysian Government Securities	46,823	-	46,823	-
Government Investment Issues	47,921	-	47,921	-
Corporate debt securities				
- Unquoted	321,758	-	321,758	-
Derivatives	6,973	-	6,973	-
Accrued interest	5,779	-	5,779	-
	<u>1,318,245</u>	<u>655,317</u>	<u>578,227</u>	<u>84,701</u>
	<u>5,019,465</u>	<u>655,317</u>	<u>4,279,447</u>	<u>84,701</u>

MANULIFE HOLDINGS BERHAD (197501003360 (24851-H))
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Part A: Notes to the Interim Financial Statements (Continued)

21. Determination of fair values and fair value hierarchy (continued)

(b) Financial assets and financial liabilities

(ii) Fair value hierarchy

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 2023				
Financial assets at FVOCI				
Malaysian Government Securities	473,348	-	473,348	-
Government Investment Issues	476,257	-	476,257	-
Corporate debt securities				
- Unquoted	2,201,730	-	2,201,730	-
- Quoted outside Malaysia	282,122	-	282,122	-
Private debt securities				
- Unquoted outside Malaysia	14,186	-	14,186	-
Accrued interest	39,113	-	39,113	-
	<u>3,486,756</u>	<u>-</u>	<u>3,486,756</u>	<u>-</u>
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	592,647	592,647	-	-
- Quoted outside Malaysia	100,944	100,944	-	-
- Unquoted in Malaysia	12,682	-	-	12,682
Private equity funds				
- Unquoted outside Malaysia	56,985	-	-	56,985
Structured product	66,146	-	66,146	-
Real estate investment trusts	13,513	13,513	-	-
Unit trust funds	1,641	1,641	-	-
Derivatives	1,153	-	1,153	-
Malaysian Government Securities	24,018	-	24,018	-
Government Investment Issues	31,848	-	31,848	-
Corporate debt securities				
- Unquoted	305,650	-	305,650	-
Accrued interest	5,514	-	5,514	-
	<u>1,212,741</u>	<u>708,745</u>	<u>434,329</u>	<u>69,667</u>
	<u>4,699,497</u>	<u>708,745</u>	<u>3,921,085</u>	<u>69,667</u>

There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the current and previous financial year.

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Part A: Notes to the Interim Financial Statements (Continued)

21. Determination of fair values and fair value hierarchy (continued)

(b) Financial assets and financial liabilities

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

The reconciliation from beginning to ending balance for the investments classified in Level 3 fair value hierarchy:

	2024	2023
	RM'000	RM'000
Private Equity Funds		
At 1 January	56,985	35,639
Capital contributions	12,893	12,084
Capital returns	(1,144)	(21)
Fair value gain recognised in profit or loss	3,594	7,738
Currency movement	(7,359)	1,545
At 30 September/31 December	<u>64,969</u>	<u>56,985</u>
	2024	2023
	RM'000	RM'000
Equity securities – Unquoted in Malaysia		
At 1 January	12,682	11,476
Fair value gain recognised in profit or loss	7,050	1,206
At 30 September/31 December	<u>19,732</u>	<u>12,682</u>

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

	Fair Value	Valuation Methodology	Unobservable Input	Input Values
2024	RM'000			
Private equity funds	64,969	Net asset value (“NAV”)	NAV	NAV
Equity securities				
- Unquoted in Malaysia	18,213	Market comparables	P/B ratio	RM 0.20 – RM 2.29
- Unquoted in Malaysia	1,519	Market comparables	EV/EBITDA multiple	4.22x – 28.31x
2023				
Private equity funds	56,985	Net asset value (“NAV”)	NAV	NAV
Equity securities				
- Unquoted in Malaysia	11,037	Market comparables	P/B ratio	RM 0.28 – RM 2.22
- Unquoted in Malaysia	1,645	Market comparables	EV/EBITDA multiple	3.53x – 16.38x

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Part A: Notes to the Interim Financial Statements (Continued)

22. Capital and other commitments

	As at 30.09.2024	As at 31.12.2023
	RM'000	RM'000
Other commitments		
Exclusive bancassurance agreement - Authorised but not provided for	<u>59,000</u>	<u>62,000</u>
Investment in Private Equity Funds		
As at 1 January	60,551	30,349
Capital committed	20,618	41,355
Capital called	(12,893)	(12,084)
Capital return	1,144	21
Expenses incurred	(347)	(344)
Currency movement	<u>(6,056)</u>	<u>1,254</u>
At 30 September/31 December	<u>63,017</u>	<u>60,551</u>

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia

B1. Current financial year prospects

Analyst and market observers expect Malaysia's Q3 2024 GDP growth to come in at 5.2% on the back of strong industrial Production Index performance of 5.3% in July 2024 and 4.1% in August 2024. However, Malaysia's manufacturing sector conditions were subdued at the end of the third quarter of 2024 with purchasing activity scaling back in September. The seasonally adjusted S&P Global Malaysia Manufacturing Purchasing Managers' Index (PMI) dipped from 49.7 in August to 49.5 in September to signal a sustained, albeit marginal softening in the health of the manufacturing sector. Operating conditions have now moderated in each of the last four months.

Malaysia's inflation rate for August 2024 had declined to 1.9%, attributed to restaurant and accommodation services (3.2%), personal care social protection, and miscellaneous goods and services (3.2%), housing, water, electricity, gas and other fuels (3.1%), and recreation, sports and culture (2.0%).

August's unemployment rate fell to 3.2%, registering 558,500 unemployed persons after 9-months of unemployment rate staying at 3.3%.

The World Bank has raised its forecast for Malaysia's economic growth for 2024 to 4.9%, up 0.6% from its previous forecast of 4.3% in April 2024, following the country's stronger-than-anticipated performance in the first half of the year that reflected robust growth in consumption, investment, and trade activity. The robust economic growth, driven by strong domestic demand, export expansion, and a tight labour market, along with a strengthening ringgit, creates a favourable environment for the life insurance sector.

In addition, the ageing population with improved life expectancy but widespread concern about rising private healthcare costs, have shifted Malaysians' family financial dynamics, with many Malaysians not expecting their children to provide for them in old age and delaying retirement due to financial responsibilities. This indicates a growing need for comprehensive financial planning including retirement planning and health protection coverage. Thus, insurance products becomes even more critical, positioning the life insurance industry for sustained growth in the coming years.

To seize these emerging opportunities, we have steadfastly advanced our Scale Up agenda by:

- Strengthening growth through a robust expansion of our productive and professional agency force, driving growth in bancassurance, and cultivating alternative partnerships with a primary focus on new customer acquisition.
- Embracing customer-centricity by establishing a compelling value proposition to cater to evolving segment needs and continually improving the customer experience, prioritising a digital-first approach and convenience.
- Accelerating digitisation through ongoing investment, to be the Digital Customer Leader in the market, building a digitally enabled salesforce, and enhancing automation for operational efficiency.
- Elevating talents by building future-proof, high-performing teams within a workplace culture that strongly emphasises Diversity, Equity, and Inclusion (DEI).
- Enhancing value creation for shareholders by driving the desired product mix, efficient expense management, effective inforce management, and optimising resource utilisation.

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia (Continued)

B1. Current financial year prospects (continued)

Asset Management Business

In Q3 2024, Malaysia's FBMKLCI registered a modest gain, driven primarily by the performance of its top sectors, namely the financial services and construction sectors. The announcement of highly lucrative jobs, particularly for building data centres, further boosted shares of select companies, enhancing overall positive sentiment within the local equity market.

As we move into the final quarter of 2024, we believe that the local equity market will continue to outperform its regional peers. Ongoing infrastructure and data centre investments, coupled with effective domestic policy reforms, are expected to play a significant role. Additionally, the market's performance is likely to be supported by attractive dividend yields, the stronger MYR, and a rebound in domestic consumption. These combined elements are poised to create a robust and dynamic market outlook for the remainder of the year. Nevertheless, ongoing geopolitical tensions and the upcoming US elections could pose a risk to our outlook. We will be closely monitoring global developments.

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia (Continued)

B2. Operating segments

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

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

	Cumulative 9 months ended 30 September							
	Investment holding		Life insurance business		Asset management services		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>External revenue</u>								
(a) Insurance revenue	-	-	327,245	262,100	-	-	327,245	262,100
(b) Investment income	21,395	18,460	142,652	132,776	1,228	944	165,275	152,180
(c) Fee income	-	-	-	-	120,023	91,464	120,023	91,464
Total external revenue	21,395	18,460	469,897	394,876	121,251	92,408	612,543	505,744
<u>Inter-segment revenue</u>								
(a) Rental income	1,240	1,253	573	571	-	-	1,813	1,824
(b) Fee income	1,970	1,310	4,186	4,020	13,050	11,045	19,206	16,375
(c) Dividend income from unit trust funds	-	-	12,883	13,817	-	-	12,883	13,817
Total inter-segment revenue	3,210	2,563	17,642	18,408	13,050	11,045	33,902	32,016
Total revenue by segment	24,605	21,023	487,539	413,284	134,301	103,453	646,445	537,760
Profit before taxation	16,902	18,937	114,166	33,735	20,900	12,928	151,968	65,600
Segment assets	1,321,169	1,048,417	7,191,395	6,527,587	203,498	208,932	8,716,062	7,784,936
Segment liabilities	31,714	20,226	6,186,674	5,595,154	99,701	108,720	6,318,089	5,724,100

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia (Continued)

B2. Operating segments (continued)

Reconciliation of reportable segments

	Cumulative 9 months ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
<u>Total revenue</u>		
Total revenue for reportable segments	646,445	537,760
Elimination of inter-segment revenue	(33,902)	(32,016)
Total revenue as per statement of profit or loss	612,543	505,744
	As at	As at
	30.09.2024	30.09.2023
	RM'000	RM'000
<u>Segment assets</u>		
Total assets for reportable segments	8,716,062	7,784,936
Elimination of inter-segment assets	(1,045,788)	(871,710)
Total assets as per statement of financial position	7,670,274	6,913,226
<u>Segment liabilities</u>		
Total liabilities for reportable segments	6,318,089	5,724,100
Elimination of inter-segment liabilities	2,275	(17,732)
Total liabilities as per statement of financial position	6,320,364	5,706,368

B3. 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 insurance revenue, investment income and fee income.

Business Segment	3 months ended			Cumulative 9 months ended		
	30.09.2024	30.09.2023	Increase/ (decrease)	30.09.2024	30.09.2023	Increase/ (decrease)
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Operating Revenue</u>						
Investment holding	7,880	5,831	2,049	21,395	18,460	2,935
Life insurance business	162,995	145,652	17,343	469,897	394,876	75,021
Asset management services	41,938	28,566	13,372	121,251	92,408	28,843
Total	212,813	180,049	32,764	612,543	505,744	106,799
<u>Profit before taxation</u>						
Investment holding	8,539	2,557	5,982	16,902	18,937	(2,035)
Life insurance business	60,069	12,644	47,425	114,166	33,735	80,431
Asset management services	10,439	8,330	2,109	20,900	12,928	7,972
Total	79,047	23,531	55,516	151,968	65,600	86,368

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia (Continued)

B3. Review of performance (continued)

Financial period ended 30 September 2024 vs Financial period ended 30 September 2023

The Group's operating revenue for the financial period ended 30 September 2024 increased by RM106.8 million compared to the financial period ended 30 September 2023 (2024: RM612.5 million, 2023: RM505.7 million). The Group's profit before tax for YTD September 2024 was RM152.0 million, an increase of RM86.4 million as compared to the profit before tax for YTD September 2023 of RM65.6 million.

Performance of the respective operating business segments are as follows:

Investment holding – Operating revenue improved by RM2.9 million mainly due to higher interest income arising from deposit investments, while profit before tax reduced RM2.0 million mainly due to lower unrealised fair value gain arising from bonds.

Life insurance business – Operating revenue and profit before tax of life insurance business increased by RM75.0 million and RM80.4 million respectively mainly contributed by higher contractual service margin ("CSM") amortisation and higher unrealised fair value gains from equity investments.

Asset management services – Operating revenue increased by RM28.8 million while profit before tax increased by RM 8.0 million due to higher unit trust sales and higher fee income earned on asset under management.

3rd Quarter 2024 vs 3rd Quarter 2023

The Group's operating revenue for the quarter ended 30 September 2024 increased by RM32.8 million compared to the corresponding quarter last year (2024: RM212.8 million, 2023: RM180.0 million). The Group's profit before tax for Q3 2024 was RM79.0 million, an increase of RM55.5 million compared to Q3 2023 of RM23.5 million.

Performance of the respective operating business segments are as follows:

Investment holding – Operating revenue improved by RM2.0 million mainly due to higher interest income arising from deposit investments, while profit before tax increased RM6.0 million mainly due to higher unrealised gain from bonds.

Life insurance business – Operating revenue of life insurance business increased by RM17.3 million mainly due to higher contractual service margin ("CSM") amortisation. Profit before tax increased by RM47.4 million mainly due to improvement in investment results offset against unfavourable claims experience..

Asset management services – Operating revenue increased by RM13.4 million while profit before tax increased by RM2.1 million due to higher unit trust sales and higher fee income earned on asset under management, offset by higher expenses incurred.

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia (Continued)

B4. Commentary on the quarterly results compared to the results of preceding quarter

Business Segment	3 months ended		
	30.09.2024	30.06.2024	Increase/(decrease)
	RM'000	RM'000	RM'000
<u>Operating Revenue</u>			
Investment holding	7,880	6,902	978
Life insurance business	162,995	152,536	10,459
Asset management services	41,938	41,323	615
Total	212,813	200,761	12,052
<u>Profit before taxation</u>			
Investment holding	8,539	4,338	4,201
Life insurance business	60,069	20,190	39,879
Asset management services	10,439	6,434	4,005
Total	79,047	30,962	48,085

The Group's operating revenue for the current financial period under review ("Q3 2024") increased by RM12.1 mil compared with the preceding quarter ended 30 June 2024 ("Q2 2024"). The Group recorded a profit before tax of RM79.0 million in Q3 2024 compared with a profit before tax of RM31.0 million for Q2 2024. The increase in profit before tax by RM48.0 million was contributed by the following segments:

Investment holding – Operating revenue increased by RM1.0 million as compared to Q2 2024 mainly due to higher interest income arising from deposit investment and profit before tax increased RM4.2 million as compared to Q2 2024 mainly due to higher unrealised fair value gains from bonds.

Life insurance business – Operating revenue of life insurance business increased by RM10.5 million as compared to Q2 2024 mainly due to higher dividend income from equity investment offset by unfavourable claims experience. Profit before tax increased by RM39.9 million mainly due to improvement in investment results.

Asset management services – Operating revenue slightly increased by RM0.6 million and profit before tax increased by RM4.0 million due to higher initial service fee and higher foreign exchange gains during the quarter.

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Part B: Notes pursuant to Main Market Listing Requirements of Bursa Malaysia (Continued)

B5. Profit forecast

The Group did not issue any profit forecast during the financial period ended 30 September 2024.

B6. Status of corporate proposal

There are no corporate proposals announced but not completed during the financial period ended 30 September 2024.

B7. Group borrowings

The Group did not have any borrowings as at 30 September 2024.

B8. 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.

B9. Dividends

No dividend has been declared in respect of the current financial period ended 30 September 2024.

B10. Status of audit qualification

There was no audit qualification in the annual financial statements for the preceding financial year ended 31 December 2023.

BY ORDER OF THE BOARD

Cynthia Gloria Louis
Joint Secretary
25 November 2024

Chew Mei Ling
Joint Secretary