

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

CONTENTS	PAGE
UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION	1
UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS	2
UNAUDITED CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME	3
UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY	4 - 5
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS	6
NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS	7 - 28

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	As at 30.06.2024 RM'000	As at 31.12.2023 RM'000
Assets			
Property and equipment		22,568	21,999
Investment property		46,942	46,942
Intangible assets	12	141,672	143,426
Financial assets at fair value through other comprehensive income	13(a)	3,345,246	3,187,286
Financial assets at fair value through profit or loss	13(b)	1,396,160	1,372,225
Financial assets at amortised cost		56,810	33,495
Right-of-use assets		1,588	1,805
Current tax assets		10,262	27,515
Reinsurance contract assets	14(b)	1,127	303
Other assets		12,728	14,251
Cash and cash equivalents		114,788	88,321
Segregated funds net asset		1,622,798	1,406,253
Total Assets		6,772,689	6,343,821
Liabilities and Equity			
Liabilities			
Insurance contract liabilities		3,764,735	3,577,265
Segregated funds insurance net liabilities		1,622,798	1,406,253
Total insurance and segregated funds contract liabilities	14(a)	5,387,533	4,983,518
Reinsurance contract liabilities	14(b)	28,575	32,905
Deferred tax liabilities		125,943	120,249
Lease liabilities		1,659	1,884
Other liabilities		300,861	266,976
Total Liabilities		5,844,571	5,405,532
Equity			
Share capital		200,000	200,000
Retained earnings		739,068	749,490
Other reserves		11,655	9,955
Total Shareholders' Equity		950,723	959,445
Participating policyholders' equity		(22,605)	(21,156)
Total Equity		928,118	938,289
Total Liabilities and Equity		6,772,689	6,343,821

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Cumulative 6 months ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Insurance service result		
Insurance revenue	210,787	160,471
Insurance service expenses	(165,569)	(138,627)
Net (expenses)/gain from reinsurance contracts held	(1,531)	2,845
Total insurance service results	43,687	24,689
Investment result		
Investment income	95,240	90,419
Realised and unrealised gains/(losses) on assets supporting insurance contract liabilities	91,891	(10,089)
Investment expenses	(4,046)	(3,256)
Net investment income	183,085	77,074
Insurance finance expense	(158,873)	(59,490)
Reinsurance finance expense	(5,052)	(992)
Segregated fund related investment result		
Investment income related to segregated fund net assets	262,298	8,717
Financial changes related to segregated fund net liabilities	(262,298)	(8,717)
Net segregated fund investment result	-	-
Total investment results	19,160	16,592
General expenses	(1,262)	(1,058)
Interest expense	(38)	(40)
Profit before taxation	61,547	40,183
Taxation	(23,676)	(10,001)
Net profit for the financial period	37,871	30,182
Net profit attributable to:		
Equity holder of the Company	34,895	25,646
Participating policyholders	2,976	4,536
	37,871	30,182
Basic and diluted earnings per share (sen)	9.97	7.33

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Cumulative 6 months ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Net profit for the financial period	37,871	30,182
Other comprehensive income, net of tax:		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:-		
Fair value through OCI investments:		
Net gains on fair value changes	4,236	69,448
Realised gains transferred to income statements	(173)	(1,296)
Deferred tax	(702)	(4,622)
Fair value through OCI investments, net of deferred tax	3,361	63,530
Insurance finance expense	(1,746)	(60,824)
Deferred tax	303	15,427
Insurance finance expense, net of deferred tax	(1,443)	(45,397)
Reinsurance finance income/(expense)	53	(245)
Deferred tax	(13)	59
Reinsurance finance income/(expense), net of deferred tax	40	(186)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	1,958	17,947
Other comprehensive income for the financial period	1,958	17,947
Total comprehensive income for the financial period	39,829	48,129
Other comprehensive income attributable to:		
Equity holder of the Company	1,700	9,010
Participating policyholders	258	8,937
	1,958	17,947
Total comprehensive income/(loss) attributable to:		
Equity holder of the Company	36,595	34,656
Participating policyholders	3,234	13,473
	39,829	48,129

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Attributable to Equity holder of the Company							
	<=====Non-distributable=====>				Distributable			
	Share Capital	Insurance Finance Reserve	Reinsurance Finance Reserve	Fair Value 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
At 1 January 2024	200,000	(8,666)	380	18,241	749,490	959,445	(21,156)	938,289
Net profit/(loss) for the financial period	-	-	-	-	34,895	34,895	2,976	37,871
Other comprehensive income for the financial period	-	493	40	1,167	-	1,700	258	1,958
Total comprehensive income/(loss) for the financial period	-	493	40	1,167	34,895	36,595	3,234	39,829
Surplus transfer from participating policyholders	-	-	-	-	4,683	4,683	(4,683)	-
Final dividend for the financial year ended 2023	-	-	-	-	(50,000)	(50,000)	-	(50,000)
At 30 June 2024	200,000	(8,173)	420	19,408	739,068	950,723	(22,605)	928,118

* Included in the retained earnings are surplus from Non-participating life fund (net of deferred tax) of approximately RM347,776,000 (1 January 2024: RM349,539,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund by the Appointed Actuary.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

	Attributable to Equity holder of the Company						
	<=====Non-distributable=====>			Distributable			
	Share Capital	Insurance Finance Reserve	Reinsurance Finance Reserve	Fair Value Reserve	Retained Earnings*	Total Shareholders' Equity	Participating Policyholders' Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023 - as previously stated	200,000	-	-	2,276	445,797	648,073	-
Effect of adoption of MFRS 9 and MFRS 17	-	8,475	606	(5,979)	235,011	238,113	(13,935)
At 1 January 2023 - as restated before Expected Credit Loss ("ECL") impact	200,000	8,475	606	(3,703)	680,808	886,186	(13,935)
Effect of adoption of MFRS 9 on ECL	-	-	-	1,344	(1,344)	-	-
At 1 January 2023 - as restated	200,000	8,475	606	(2,359)	679,464	886,186	(13,935)
Net profit for the financial period	-	-	-	-	25,646	25,646	4,536
Other comprehensive (loss)/income for the financial period	-	(11,612)	(186)	20,808	-	9,010	8,937
Total comprehensive (loss)/income for the financial period	-	(11,612)	(186)	20,808	25,646	34,656	13,473
Surplus transfer from participating policyholders	-	-	-	-	5,013	5,013	(5,013)
At 30 June 2023	200,000	(3,137)	420	18,449	710,123	925,855	(5,475)

* Included in the retained earnings are surplus from Non-participating life fund (net of deferred tax) of approximately RM340,003,000 (after ECL impacts on 1 January 2023: RM328,898,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund by the Appointed Actuary.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024**

	6 months ended 30.06.2024 RM'000	6 months ended 30.06.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	37,871	30,182
Adjustments for non-cash items	(160,364)	(67,209)
Operating loss before changes in operating assets and liabilities	(122,493)	(37,027)
Purchase of investments	(1,146,217)	(1,186,564)
Proceeds from disposal and maturity of investments	1,058,133	978,466
Interest income received	71,712	64,309
Dividend income received	25,214	23,148
Rental income received	2,056	1,162
Increase in other receivables	(1,185)	(5,830)
(Increase)/decrease in fixed and call deposits	(20,272)	121,906
Increase in loans receivables	(607)	(446)
(Increase)/decrease in reinsurance contract assets	(824)	217
Increase in insurance contract liabilities	185,725	73,899
Decrease in reinsurance contract liabilities	(4,277)	(21,085)
Increase/(decrease) in other liabilities	34,219	(15,108)
Cash generated from/(used in) operations	81,184	(2,953)
Interest paid	(32)	(33)
Income taxes paid	(1,163)	(10,565)
Net cash inflow/(outflow) from operating activities	79,989	(13,551)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(1,750)	(1,383)
Purchase of intangible assets	(1,238)	(2,552)
Net cash outflow from investing activities	(2,988)	(3,935)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net dividends paid to shareholders	(50,000)	-
Payment of principal portion of lease liabilities	(534)	(590)
Net cash outflow from financing activities	(50,534)	(590)
Net increase/(decrease) during the financial period	26,467	(18,076)
Cash and cash equivalents at 1 January	88,321	97,872
Cash and cash equivalents at 30 June	114,788	79,796

CASH AND CASH EQUIVALENTS

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

	As at 30.06.2024 RM'000	As at 30.06.2023 RM'000
Cash and bank balances	77,565	54,278
Short-term deposits	37,223	25,518
Cash and cash equivalents	114,788	79,796

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

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting and International Accounting Standard (“IAS”) 34: Interim Financial Reporting and should be read in conjunction with the Company’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 Company since the financial year ended 31 December 2023.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted by the Company in the unaudited condensed interim financial statements are consistent with those adopted in the Company’s audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following amendments/interpretation to MFRS:

<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 pronouncements issued by Malaysian Accounting Standards Board (“MASB”) in the current financial period do not have any material impact to the financial statements of the Company.

3. SEASONAL/CYCLICAL FACTORS

The business operations of the Company are subject to the sales cycle of the life insurance business.

4. UNUSUAL ITEMS

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

5. CHANGE IN ESTIMATES

The Company measures 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 June 2024.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

6. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period ended 30 June 2024.

7. DIVIDENDS

A first and final dividend of 14 sen per share, amounting to RM50,000,000 for the financial year ended 31 December 2023, was approved at the Annual General Meeting held on 27 May 2024 and the dividend was paid on 10 June 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 COMPANY

There is no change in the Company's composition for the current financial period to date.

10. CONTINGENT LIABILITIES

There were no contingent liabilities as at the date of this report since the last annual statement of financial position date.

11. SIGNIFICANT EVENTS

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

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12. INTANGIBLE ASSETS

	Exclusive right RM'000	Computer software RM'000	Computer software in progress RM'000	Distribution agreement RM'000	Total RM'000
Cost					
At 1 January 2023	43,000	15,513	5,434	28,739	92,686
Additions	106,637	216	3,384	-	110,237
Transfer from computer software	-	3,606	(3,606)	-	-
Write-off	-	(1)	(1,957)	-	(1,958)
At 31 December 2023/1 January 2024	149,637	19,334	3,255	28,739	200,965
Additions	-	-	1,238	-	1,238
Transfer from computer software in progress	-	231	(231)	-	-
At 30 June 2024	149,637	19,565	4,262	28,739	202,203
Accumulated amortisation					
At 1 January 2023	43,000	11,030	-	118	54,148
Amortisation during the financial year	1,199	2,154	-	39	3,392
Write-off	-	(1)	-	-	(1)
At 31 December 2023/1 January 2024	44,199	13,183	-	157	57,539
Amortisation during the financial period	1,734	1,229	-	29	2,992
At 30 June 2024	45,933	14,412	-	186	60,531
Net carrying amount					
At 30 June 2024	103,704	5,153	4,262	28,553	141,672
At 31 December 2023	105,438	6,151	3,255	28,582	143,426

The Exclusive Right is a definite life intangible asset and relates to a 10-year exclusive bancassurance agreement entered between the Company and Alliance Bank Malaysia Berhad ("ABMB") on 13 June 2013. The Exclusive right was extended for a further 15 years on 28 July 2023. The Exclusive Right is amortised over the duration of the agreement and the annual amortisation amount is calculated with reference to the benefits generated from the partnership (which is defined as the annualized premium equivalent) in which the Company expects to recognise the related revenue.

The Distribution Agreement relates to a 20-year distribution right entered between the Company and an agency leadership corporation on 23 September 2019. The Distribution Agreement is amortised over the duration of the agreement and the annual amortisation amount is calculated based on the consumption pattern of the distribution, which is the contracted number of agents.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

13. FINANCIAL ASSETS

(a) Fair value through other comprehensive income

	As at 30.06.2024	As at 31.12.2023
	RM'000	RM'000
Malaysian Government Securities	570,384	473,348
Government Investment Issues	520,538	476,257
Corporate debt securities		
- Unquoted	2,217,257	2,201,730
Accrued interest	37,067	35,951
	3,345,246	3,187,286
Current	209,324	264,963
Non-current	3,135,922	2,922,323
	3,345,246	3,187,286

(b) Fair value through profit or loss

	As at 30.06.2024	As at 31.12.2023
	RM'000	RM'000
Equity securities		
- Quoted in Malaysia	602,306	592,647
- Quoted outside Malaysia	54,980	58,359
- Unquoted in Malaysia	11,667	10,928
Private Equity Funds		
- Unquoted outside Malaysia	64,733	55,492
Structured Product	72,970	66,146
Real estate investment trusts	6,983	13,513
Unit trust funds – Investment in subsidiaries* (i)	581,379	572,871
Forward foreign exchange contract	641	1,153
Accrued interest	501	1,116
	1,396,160	1,372,225
Current	1,388,624	1,372,225
Non-current	7,536	-
	1,396,160	1,372,225

* Being investment in unit trust funds managed by a related company.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

13. FINANCIAL ASSETS

(b) Fair value through profit or loss (continued)

(i) Unit trust funds – investment in subsidiaries

	As at 30.06.2024 RM'000	As at 31.12.2023 RM'000
At fair value	<u>581,379</u>	<u>572,871</u>

Details of the Company's unit trust funds – investment in subsidiaries in Malaysia are as follows:

Name of wholesale unit trust fund	Principal activities	% of ownership held by the Company	
		30.06.2024	31.12.2023
Manulife Cash Management Fund	Investment in money market fund	80.8	91.0
Manulife Wholesale Corporate Bond Fund	Investment in corporate bonds	78.2	90.9
Manulife Wholesale Government Bond Fund	Investment in sovereign bonds	78.2	90.7

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES

(a) Insurance contract liabilities

	Liabilities for remaining coverage		Liability for incurred claims		
	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	Total RM'000
At 1 January 2024					
Insurance contract liabilities	3,333,506	46,783	196,725	251	3,577,265
Segregated fund insurance net liabilities	1,406,253	-	-	-	1,406,253
	<u>4,739,759</u>	<u>46,783</u>	<u>196,725</u>	<u>251</u>	<u>4,983,518</u>
Insurance revenue					
Expected incurred claims and other insurance service expenses	(126,637)	-	-	-	(126,637)
Change in risk adjustment for non-financial risk expired	(14,590)	-	-	-	(14,590)
CSM recognised for service provided	(35,357)	-	-	-	(35,357)
Recovery of insurance acquisition cashflows	(30,322)	-	-	-	(30,322)
Contracts under PAA	(3,881)	-	-	-	(3,881)
	<u>(210,787)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(210,787)</u>
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	136,716	(195)	136,521
Losses and reversal of losses on onerous contracts (future service)	-	(1,847)	-	-	(1,847)
Amortisation of insurance acquisition cashflow	30,895	-	-	-	30,895
	<u>30,895</u>	<u>(1,847)</u>	<u>136,716</u>	<u>(195)</u>	<u>165,569</u>
Investment components and premium refunds	(153,373)	-	153,373	-	-
Insurance service result	(333,265)	(1,847)	290,089	(195)	(45,218)
Insurance finance expense	155,605	184	4,829	1	160,619
Total changes in the statement of profit or loss and other comprehensive income	<u>(177,660)</u>	<u>(1,663)</u>	<u>294,918</u>	<u>(194)</u>	<u>115,401</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

(a) Insurance contract liabilities (continued)

	Liabilities for remaining coverage		Liability 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	
(Continued)					
Cash flows and other movements					
Premiums and premium tax received	475,887	-	-	-	475,887
Claims and other insurance service expenses paid, including investment components	-	-	(278,231)	444	(277,787)
Insurance acquisition cash flows	(126,031)	-	-	-	(126,031)
Total cash flows and other movements	349,856	-	(278,231)	444	72,069
Movements related to segregated fund insurance net liabilities	216,545	-	-	-	216,545
At 30 June 2024					
Insurance contract liabilities	3,505,702	45,120	213,412	501	3,764,735
Segregated fund insurance net liabilities	1,622,798	-	-	-	1,622,798
	<u>5,128,500</u>	<u>45,120</u>	<u>213,412</u>	<u>501</u>	<u>5,387,533</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

(a) Insurance contract liabilities (continued)

	Liabilities for remaining coverage		Liability for incurred claims		
	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	Total RM'000
At 1 January 2023					
Insurance contract liabilities	3,070,613	45,752	165,730	1	3,282,096
Segregated fund insurance net liabilities	1,324,405	-	-	-	1,324,405
	<u>4,395,018</u>	<u>45,752</u>	<u>165,730</u>	<u>1</u>	<u>4,606,501</u>
Insurance revenue					
Expected incurred claims and other insurance service expenses	(225,539)	-	-	-	(225,539)
Change in risk adjustment for non-financial risk expired	(35,048)	-	-	-	(35,048)
CSM recognised for service provided	(46,741)	-	-	-	(46,741)
Recovery of insurance acquisition cashflows	(40,761)	-	-	-	(40,761)
Contracts under PAA	(5,380)	-	-	-	(5,380)
	<u>(353,469)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(353,469)</u>
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	250,617	(690)	249,927
Losses and reversal of losses on onerous contracts (future service)	-	650	-	-	650
Amortisation of insurance acquisition cashflow	41,656	-	-	-	41,656
	<u>41,656</u>	<u>650</u>	<u>250,617</u>	<u>(690)</u>	<u>292,233</u>
Investment components and premium refunds	(318,899)	-	318,899	-	-
Insurance service result	(630,712)	650	569,516	(690)	(61,236)
Insurance finance expense	250,290	381	9,788	-	260,459
Total changes in the statement of profit or loss and other comprehensive income	<u>(380,422)</u>	<u>1,031</u>	<u>579,304</u>	<u>(690)</u>	<u>199,223</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

(a) Insurance contract liabilities (continued)

	Liabilities for remaining coverage		Liability 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	
(Continued)					
Cash flows and other movements					
Premiums and premium tax received	879,588	-	-	-	879,588
Claims and other insurance service expenses paid, including investment components	-	-	(548,309)	940	(547,369)
Insurance acquisition cash flows	(236,273)	-	-	-	(236,273)
Total cash flows and other movements	643,315	-	(548,309)	940	95,946
Movements related to segregated fund insurance net liabilities	81,848	-	-	-	81,848
At 31 December 2023					
Insurance contract liabilities	3,333,506	46,783	196,725	251	3,577,265
Segregated fund insurance net liabilities	1,406,253	-	-	-	1,406,253
	<u>4,739,759</u>	<u>46,783</u>	<u>196,725</u>	<u>251</u>	<u>4,983,518</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

(b) Reinsurance contract liabilities

	Liabilities for remaining coverage		Amount recoverable : incurred claims	Total
	Excluding loss recovery component RM'000	Loss recovery component RM'000	RM'000	RM'000
At 1 January 2024				
Reinsurance contract assets	787	-	(1,090)	(303)
Reinsurance contract liabilities	61,123	(1,939)	(26,279)	32,905
	<u>61,910</u>	<u>(1,939)</u>	<u>(27,369)</u>	<u>32,602</u>
Allocation of reinsurance premiums paid				
Expected recovery for claims and other expenses	22,495	-	-	22,495
Change in risk adjustment for non-financial risk expired	1,407	-	-	1,407
Net cost recognised	4,901	-	-	4,901
Experience refunds	(3,920)	-	-	(3,920)
	<u>24,883</u>	<u>-</u>	<u>-</u>	<u>24,883</u>
Amounts recoverable from reinsurers				
Recoveries of incurred claims and expenses	-	368	(23,486)	(23,118)
Change in risk adjustment for non-financial risk expired	-	33	-	33
Recoveries of losses and reversal of loss recovery on onerous contracts (future service)	-	(267)	-	(267)
	<u>-</u>	<u>134</u>	<u>(23,486)</u>	<u>(23,352)</u>
Net expenses from reinsurance contracts	24,883	134	(23,486)	1,531
Reinsurance finance expense/(income)	5,054	(40)	-	5,014
Effect of changes in non-performance risk of reinsurers	(15)	-	-	(15)
Total changes in the statement of profit or loss and other comprehensive income	<u>29,922</u>	<u>94</u>	<u>(23,486)</u>	<u>6,530</u>
Cash flows				
Premiums paid	(28,370)	-	-	(28,370)
Amounts received	-	-	16,686	16,686
Total cash flows	<u>(28,370)</u>	<u>-</u>	<u>16,686</u>	<u>(11,684)</u>
At 30 June 2024				
Reinsurance contract assets	1,223	-	(2,350)	(1,127)
Reinsurance contract liabilities	62,239	(1,845)	(31,819)	28,575
	<u>63,462</u>	<u>(1,845)</u>	<u>(34,169)</u>	<u>27,448</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

(b) Reinsurance contract liabilities (continued)

	Liabilities for remaining coverage		Amount recoverable : incurred claims	Total
	Excluding loss recovery component RM'000	Loss recovery component RM'000	RM'000	RM'000
At 1 January 2023				
Reinsurance contract assets	844	-	(1,159)	(315)
Reinsurance contract liabilities	83,611	(74)	(30,687)	52,850
	<u>84,455</u>	<u>(74)</u>	<u>(31,846)</u>	<u>52,535</u>
Allocation of reinsurance premiums paid				
Expected recovery for claims and other expenses	44,556	-	-	44,556
Change in risk adjustment for non-financial risk expired	1,854	-	-	1,854
Net cost recognised	9,836	-	-	9,836
Experience refunds	(3,833)	-	-	(3,833)
	<u>52,413</u>	<u>-</u>	<u>-</u>	<u>52,413</u>
Amounts recoverable from reinsurers				
Recoveries of incurred claims and expenses	-	449	(47,809)	(47,360)
Change in risk adjustment for non-financial risk expired	-	45	-	45
Recoveries of losses and reversal of loss recovery on onerous contracts (future service)	-	(2,315)	-	(2,315)
	<u>-</u>	<u>(1,821)</u>	<u>(47,809)</u>	<u>(49,630)</u>
Net expenses from reinsurance contracts	52,413	(1,821)	(47,809)	2,783
Reinsurance finance expense/(income)	4,092	(44)	-	4,048
Effect of changes in non-performance risk of reinsurers	(103)	-	-	(103)
Total changes in the statement of profit or loss and other comprehensive income	<u>56,402</u>	<u>(1,865)</u>	<u>(47,809)</u>	<u>6,728</u>
Cash flows				
Premiums paid	(78,947)	-	-	(78,947)
Amounts received	-	-	52,286	52,286
Total cash flows	<u>(78,947)</u>	<u>-</u>	<u>52,286</u>	<u>(26,661)</u>
At 31 December 2023				
Reinsurance contract assets	787	-	(1,090)	(303)
Reinsurance contract liabilities	61,123	(1,939)	(26,279)	32,905
	<u>61,910</u>	<u>(1,939)</u>	<u>(27,369)</u>	<u>32,602</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

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 Company 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.

		Fair value gain recognised as		
	Notional amount RM'000	Financial asset RM'000	Financial liability RM'000	Net carrying amount RM'000
30 June 2024				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year	64,701	641	-	641
31 December 2023				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year	54,018	1,153	-	1,153

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.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

16. 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 Company and their related parties are set out as below:

	Cumulative 6 months ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Expenses/(income):		
Intermediate holding company		
Reimbursement of personnel expenses	2,742	1,175
Reimbursement of software maintenance expenses	7,509	3,469
Reimbursement of consultation fee	26	16
Reimbursement of overhead expense	(782)	(565)
Reimbursement of travelling expense	12	-
Regional office overhead expense	1,245	1,163
Provision of IT development services	170	1,700
Provision of IT infrastructure support and maintenance services	7,983	4,915
Provision of finance support	475	447
Provision of HR support	377	354
Provision of staff claims system	18	17
Provision of compliance support	75	27
Subsidiaries of ultimate holding company		
Provision of IT infrastructure support and maintenance services	1,597	1,616
Investment consulting services	497	671
Subsidiaries of immediate holding company		
Outsourcing fee income	(2,115)	(2,084)
Outsourcing fee expense	198	279
Fund management expenses	7,842	6,138
Rental of office premises	(343)	(343)
Management fees and maintenance charges	50	50
Immediate holding company		
Outsourcing fee income	(661)	(547)
Outsourcing fee expense	983	618
Rental income	(39)	(38)
Rental expenses	671	693

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

17. 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")

	FVTPL	FVOCI	AC	Total
	RM'000	RM'000	RM'000	RM'000
30 June 2024				
Financial assets				
Financial assets at FVOCI	-	3,346,246	-	3,346,246
Financial assets at FVTPL	1,396,160	-	-	1,396,160
Financial assets at amortised cost	-	-	56,810	56,810
Cash and cash equivalents	-	-	114,788	114,788
	<u>1,396,160</u>	<u>3,346,246</u>	<u>171,598</u>	<u>4,913,004</u>
Financial liabilities				
Lease liabilities	-	-	1,659	1,659
Other liabilities	-	-	300,861	300,861
	<u>-</u>	<u>-</u>	<u>302,520</u>	<u>302,520</u>
31 December 2023				
Financial assets				
Financial assets at FVOCI	-	3,187,286	-	3,187,286
Financial assets at FVTPL	1,372,225	-	-	1,372,225
Financial assets at amortised cost	-	-	33,495	33,495
Cash and cash equivalents	-	-	88,321	88,321
	<u>1,372,225</u>	<u>3,187,286</u>	<u>121,816</u>	<u>4,681,327</u>
Financial liabilities				
Lease liabilities	-	-	1,884	1,884
Other liabilities	-	-	266,976	266,976
	<u>-</u>	<u>-</u>	<u>268,860</u>	<u>268,860</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. DETERMINATION OF FAIR VALUES AND FAIR VALUE HIERARCHY

(a) Freehold property and investment property

The fair value of the Company's freehold property and investment property is determined based on the income method conducted by an independent qualified valuer.

Under the income approach by discounted cash flow method, the market value of the property 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:

	Freehold property		Investment property	
	As at 30.06.2024	As at 31.12.2023	As at 30.06.2024	As at 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Carrying amount	10,087	10,200	46,942	46,942
Fair value as stated in valuation report*	10,200	10,200	46,942	46,942

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

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. 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	10 years
		Projected occupancy	92.08% to 94.73%
		Projected gross revenue (office and retail)	RM4.79 psf to RM5.84 psf
		Compounded annual growth rate ("CAGR") on revenue	2.22%
		Projected outgoings (office and retail)	RM1.80 psf to RM2.07 psf
		CAGR on outgoings (office and retail)	1.55%
		Discount rate	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	10,200	10,384	46,942	46,318
Depreciation charge for the period/year	(113)	-	-	-
Fair value (loss)/gain	-	(184)	-	624
At 30 June/31 December	10,087	10,200	46,942	46,942

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. 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 Company's financial assets and financial liabilities are determined as follows:

- (i) The carrying amounts of financial assets and financial liabilities, such as loans and other 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 values of unquoted equities are determined with reference to market comparable inputs (price to book ratio of publicly-listed benchmarks) 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; 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.
- (ix) 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.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. DETERMINATION OF FAIR VALUES AND FAIR VALUE HIERARCHY (CONTINUED)

(b) Financial assets and financial liabilities

(ii) Fair value hierarchy

The Company categorises its fair value measurements according to a three-level hierarchy. The hierarchy prioritises the inputs used by the Company'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 Company 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 Company uses observable market data, when available, and minimises the use of unobservable inputs to the extent possible when determining fair value.

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. DETERMINATION OF FAIR VALUES AND FAIR VALUE HIERARCHY (CONTINUED)

(b) Financial assets and financial liabilities

(ii) Fair value hierarchy

The following table presents the Company'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 June 2024				
Financial assets at FVOCI				
Malaysian Government Securities	570,384	-	570,384	-
Government Investment Issues	520,538	-	520,538	-
Corporate debt securities				
- Unquoted	2,217,257	-	2,217,257	-
Accrued interest	37,067	-	37,067	-
	<u>3,345,246</u>	<u>-</u>	<u>3,345,246</u>	<u>-</u>
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	602,306	602,306	-	-
- Quoted outside Malaysia	54,980	54,980	-	-
- Unquoted in Malaysia	11,667	-	-	11,667
Private equity funds				
- Unquoted outside Malaysia	64,733	-	-	64,733
Structured product	72,970	-	72,970	-
Real estate investment trusts	6,983	6,983	-	-
Unit trust funds	581,379	581,379	-	-
Forward foreign exchange contract	641	-	641	-
Accrued interest	501	-	501	-
	<u>1,396,160</u>	<u>1,245,648</u>	<u>74,112</u>	<u>76,400</u>
	<u>4,741,406</u>	<u>1,245,648</u>	<u>3,419,358</u>	<u>76,400</u>

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. DETERMINATION OF FAIR VALUES AND FAIR VALUE HIERARCHY (CONTINUED)

(b) Financial assets and financial liabilities

(ii) Fair value hierarchy

The following table presents the Company'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	-
Accrued interest	35,951	-	35,951	-
	<u>3,187,286</u>	<u>-</u>	<u>3,187,286</u>	<u>-</u>
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	592,647	592,647	-	-
- Quoted outside Malaysia	58,359	58,359	-	-
- Unquoted in Malaysia	10,928	-	-	10,928
Private equity funds				
- Unquoted outside Malaysia	55,492	-	-	55,492
Structured product	66,146	-	66,146	-
Real estate investment trusts	13,513	13,513	-	-
Unit trust funds	572,871	572,871	-	-
Forward foreign exchange contract	1,153	-	1,153	-
Accrued interest	1,116	-	1,116	-
	<u>1,372,225</u>	<u>1,237,390</u>	<u>68,415</u>	<u>66,420</u>
	<u>4,559,511</u>	<u>1,237,390</u>	<u>3,255,701</u>	<u>66,420</u>

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

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. 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 – Unquoted outside Malaysia		
At 1 January	55,492	35,639
Capital contributions	6,835	10,911
Capital returns	(1,122)	(21)
Fair value gain recognised in profit or loss	2,075	7,444
Currency movement	1,453	1,519
At 30 June/31 December	<u>64,733</u>	<u>55,492</u>
Equity securities – Unquoted in Malaysia		
At 1 January	10,928	9,761
Fair value gain recognised in profit or loss	739	1,167
At 30 June/31 December	<u>11,667</u>	<u>10,928</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				
- Unquoted outside Malaysia	64,733	NAV	NAV	NAV
Equity securities				
- Unquoted in Malaysia	11,667	Market comparables	P/B ratio	RM 0.26 – RM 2.14
2023				
Private equity funds				
- Unquoted outside Malaysia	55,492	NAV	NAV	NAV
Equity securities				
- Unquoted in Malaysia	10,928	Market comparables	P/B ratio	RM 0.28 – RM 2.22

* Net asset value (“NAV”)

** Price/book ratio (“P/B ratio”)

Company No.

200801013654 (814942-M)

MANULIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS (CONTINUED)

19. TOTAL CAPITAL ASSETS

The capital structure of the Company as prescribed under the Risk-Based Capital Framework is as below:

	As at 30.06.2024 RM'000	As at 31.12.2023 RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	200,000	200,000
Retained earnings of the Company*	315,464	364,242
Eligible contract liabilities	622,862	553,863
	<u>1,138,326</u>	<u>1,118,105</u>
Eligible Tier 2 Capital		
Eligible reserves	73,241	69,604
Amounts deducted from capital	(140,662)	(140,180)
Total Capital Available	<u>1,070,905</u>	<u>1,047,529</u>

* Only distributable retained earnings of the Company are included in the determination of Total Capital Available.

20. CAPITAL AND OTHER COMMITMENTS

	As at 30.06.2024 RM'000	As at 31.12.2023 RM'000
Other commitments		
Exclusive bancassurance agreement		
- Authorised but not provided for	(i) <u>62,000</u>	<u>62,000</u>
Investment in Private Equity Funds		
As at 1 January	52,659	21,539
Capital committed	-	41,355
Capital called	(6,835)	(10,911)
Capital return	1,122	21
Expenses incurred	(218)	(247)
Currency movement	1,078	902
At 30 June/31 December	(ii) <u>47,806</u>	<u>52,659</u>

(i) The Company is committed to pay annual fees under the terms of the exclusive bancassurance agreement. The annual fees will be expensed off to the profit or loss in the year of settlement.

(ii) The Company is committed to deliver the capital contributions pursuant to the terms of the Limited Partnership Agreements.