

2024

Annual Report





Where will *better* take you

Decisions made *easier*. Lives made *better*.

That is our mission and we work every day to bring it to life for our more than 35 million customers around the world. Within that is a promise of *Better* that drives our colleagues and gives us purpose. We help customers live longer, healthier, better lives, and we create better investment opportunities to secure financial incomes and futures. *Better* fuels us, inspires us, and is an investment in our shared future, as we push to deliver for our customers, shareholders, colleagues, and communities.

CONTENTS

02	NOTICE OF ANNUAL GENERAL MEETING
08	CORPORATE INFORMATION
09	CORPORATE STRUCTURE
10	GROUP FINANCIAL HIGHLIGHTS
11	DIRECTORS' PROFILE
14	SENIOR KEY MANAGEMENT PROFILE
19	CEO'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS
26	SUSTAINABILITY STATEMENT
74	CORPORATE GOVERNANCE OVERVIEW STATEMENT
88	STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL FOR THE YEAR 2024
92	ADDITIONAL COMPLIANCE INFORMATION
95	GROUP AUDIT COMMITTEE REPORT
97	FINANCIAL STATEMENTS
228	HEAD OFFICE MANAGEMENT
229	LIST OF PROPERTIES
230	ANALYSIS OF SHAREHOLDINGS
	PROXY FORM

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Forty-Ninth Annual General Meeting of Manulife Holdings Berhad (“**the Company**”) will be held at Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Wilayah Persekutuan, Malaysia (“**Meeting Venue**”) on Wednesday, 11 June 2025 at 2:30 p.m. for the following purposes:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 and the Reports of the Directors and Auditors thereon.
2. To approve the declaration of a First and Final Single-Tier Dividend of 8.0 sen per share for the financial year ended 31 December 2024. **(Resolution 1)**
3. To re-elect the following Directors who retire pursuant to Clause 123 of the Company's Constitution:
 - (a) Matthew Edward Lawrence **(Resolution 2)**
 - (b) Vibha Hamsi Coburn **(Resolution 3)**
4. To approve the payment of Directors' fees from 12 June 2025 until the next Annual General Meeting of the Company to be held in year 2026, payable quarterly in arrears after each quarter of completed service of the Directors of the Company to the following Directors:
 - (a) Dato' Dr. Zaha Rina Binti Zahari, Chairman, Independent Non-Executive Director; **(Resolution 4)**
 - (b) Mrs. Vijayam A/P Nadarajah, Independent Non-Executive Director; **(Resolution 5)**
 - (c) Mr. Renzo Christopher Viegas, Independent Non-Executive Director; **(Resolution 6)**
 - (d) Mr. Matthew Edward Lawrence, Non-Independent Non-Executive Director; and **(Resolution 7)**
 - (e) such person(s) to be appointed as Non-Executive Director(s) of the Company, **(Resolution 8)**based on the amount as stated under explanatory note no. 3 of the Notice of Meeting.
5. To approve the payment of Directors' benefits of up to an amount of RM100,000.00 from 12 June 2025 until the next Annual General Meeting of the Company to be held in year 2026. **(Resolution 9)**
6. To re-appoint Ernst & Young PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 10)**

AS SPECIAL BUSINESS

7. To consider and if thought fit, with or without modifications, to pass the following resolutions:
 - (a) **ORDINARY RESOLUTION 1** **(Resolution 11)**
 - **AUTHORITY TO ISSUE SHARES**

“**THAT** subject always to the Companies Act 2016 (“**the Act**”), the Company's Constitution and approvals from Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) and any other governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price to such persons and upon such terms and conditions, for such purposes as the Directors of the Company may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

Notice of Annual General Meeting

THAT pursuant to Section 85 of the Act to be read together with Clause 58 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities;

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

(b) **ORDINARY RESOLUTION 2**

(Resolution 12)

- **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"**THAT** subject always to the provisions of Bursa Malaysia Securities Berhad Main Market Listing Requirements, a renewal of existing shareholders' mandate be and is hereby granted to Manulife Holdings Berhad and its subsidiary companies to enter into the recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") as described in the circular to shareholders dated 30 April 2025 with the related parties mentioned therein provided that the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public;

AND THAT the authority conferred by such mandate shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the Forty-Ninth AGM at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") [but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier;

AND THAT, the Directors of the Company be authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution."

Notice of Annual General Meeting

(c) **ORDINARY RESOLUTION 3**

(Resolution 13)

- **PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

"THAT subject always to the provisions of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, a shareholders' mandate be and is hereby granted to Manulife Holdings Berhad and its subsidiary companies to enter into the recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") as described in the circular to shareholders dated 30 April 2025 with the related parties mentioned therein provided that the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on terms not more favourable than those generally available to the public.

AND THAT the authority conferred by such mandate shall commence immediately upon the passing of this ordinary resolution and continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the Forty-Ninth AGM, at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") [but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act]; or
- (c) revoked or varied by resolution passed by the shareholders of the Company in general meeting;

whichever is the earlier;

AND THAT, the Directors of the Company be authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution."

(d) **ORDINARY RESOLUTION 4**

(Resolution 14)

- **PROPOSED RENEWAL OF AUTHORITY TO ALLOT AND ISSUE NEW ORDINARY SHARES IN MANULIFE HOLDINGS BERHAD ("MANULIFE" OR "THE COMPANY") ("MANULIFE SHARES"), FOR THE PURPOSE OF THE DIVIDEND REINVESTMENT PLAN ("DRP") OF MANULIFE WHICH WILL PROVIDE THE SHAREHOLDERS OF MANULIFE WITH THE OPTION TO ELECT TO REINVEST THEIR DIVIDENDS IN NEW MANULIFE SHARES**

"THAT pursuant to the DRP as approved by the shareholders at the Extraordinary General Meeting of the Company held on 26 June 2020 and renewed at the Annual General Meeting of the Company held on 12 June 2024, and subject to the approval of all relevant regulatory authorities or parties being obtained, where required, approval be and is hereby given to the Directors of the Company to allot and issue such number of new Manulife Shares from time to time as may be required to be allotted and issued pursuant to the DRP ("**New Shares**") until the next Annual General Meeting of the Company, upon such terms and conditions and to such persons as the Directors of the Company may, in their absolute discretion, deem fit and in the best interest of the Company;

Notice of Annual General Meeting

THAT pursuant to Section 85 of the Act to be read together with Clause 58 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered New Shares ranking equally to the existing issued shares arising from the DRP;

THAT the issue price of the New Shares, which will be determined and fixed by the Board of Directors on the price-fixing date to be determined, shall not be at more than ten per centum (10%) discount to the five (5)-day volume weighted average market price ("**VWAP**") of Manulife Shares immediately preceding the price-fixing date, of which the VWAP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price at the material time;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds and undertakings and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to implement, finalise and give full effect to the issuance of New Shares pursuant to the DRP, with full power to assent to any conditions, modifications, variations and/or amendments including amendments, modifications, suspension and termination of the DRP as the Directors of the Company may, in their absolute discretion, deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any other relevant authorities."

(e) **ORDINARY RESOLUTION 5**

(Resolution 15)

- **RETENTION OF DATO' DR. ZAHA RINA BINTI ZAHARI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR**

"**THAT** approval be and is hereby given to Dato' Dr. Zaha Rina Binti Zahari who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to be retained as an Independent Non-Executive Director of the Company until 11 December 2025."

8. To transact any other ordinary business for which due notice has been given.

By Order of the Board

CYNTHIA GLORIA LOUIS (SSM PC NO. 201908003061) (MAICSA 7008306)

CHEW MEI LING (SSM PC NO. 201908003178) (MAICSA 7019175)

Company Secretaries

Kuala Lumpur

Dated: 30 April 2025

Notice of Annual General Meeting

NOTES:

1. The Forty-Ninth AGM of the Company will be held physically at the Meeting Venue.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 4 June 2025 shall be eligible to attend the Meeting.
3. A member, who is entitled to attend, speak and vote at the Meeting, is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
4. A proxy may but does not need to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy and the power of attorney or a certified copy thereof shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or lodged electronically via email at info@sshbsb.com.my not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.

Any notice of termination of authority to act as proxy must be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via email to info@sshbsb.com.my not less than forty-eight (48) hours before the time stipulated for holding the Meeting or any adjournment thereof.

7. The Annual Report 2024 and other accompanying documents are available online on the Company website at www.manulife.com.my. The Notification to Shareholders will be sent by electronic email to shareholders who have maintained e-mail addresses in the Record of Depositors with Bursa Malaysia Depository Sdn. Bhd. Please be advised that any request for hard copies of the Annual Report will be processed and forwarded to the requesting shareholders at the first reasonable opportunity.
8. All resolutions set out in this notice of meeting are to be voted by poll.

EXPLANATORY NOTES

(1) Resolution 1 – Dividend payment

Dividend declaration may be limited in the event the Company's wholly-owned subsidiary, Manulife Insurance Berhad is unable to meet its Internal Capital Adequacy Ratio target set pursuant to regulatory requirements.

(2) Resolutions 2 and 3 – Re-election of Directors who retire by rotation pursuant to Clause 123 of the Company's Constitution

Pursuant to Clause 123 of the Company's Constitution, one-third (1/3) of the Directors [or if the number is not a multiple of three (3), the number nearest to one-third (1/3)] at the time being of whom have been longest in office shall retire from office by rotation at the Annual General Meeting of the Company and be eligible for re-election.

Both Mr. Matthew Edward Lawrence and Ms. Vibha Hamsi Coburn (each referred to as "**retiring Director**") retain the full confidence of the Board of Directors ("**Board**") and both are unanimously recommended by the Board for re-election. Both retiring Directors were able to meet the Board's expectation in terms of experience, expertise, integrity, competency, participation and contribution. Each retiring Director demonstrates commitment to the role and has sufficient time to meet their commitment to the Company. Both retiring Directors have also provided their declaration of fitness and propriety and declared that they have not engaged in any business dealings or actions that could compromise their impartiality or create a conflict of interest with their roles. These two (2) retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the Board and Group Nominating/Remuneration Committee ("**GNRC**") meetings. The profiles of the retiring Directors are available in the Annual Report 2024.

Notice of Annual General Meeting

(3) Resolutions 4 to 8 – Directors’ Fees

The payment of Directors’ fees shall be payable quarterly in arrears after each quarter of completed service of the Directors of the Company as follows:

Chairman of the Board	: RM26,562.50 per quarter
Each Independent Non-Executive Director	: RM21,875.00 per quarter
Each Non-Independent Non-Executive Director	: RM18,375.00 per quarter

Notes:

* Directors’ fees exclude an additional fee of RM5,000.00 per meeting payable to each Independent Non-Executive Directors/Chairman of the Board for attending the Board Strategy Day meeting, and RM1,000.00 per quarter for the role as Chair of the Board Committees. Independent Non-Executive Directors are paid RM21,875.00 per quarter if they serve on all three Board Committees. The amount payable per quarter will be less if they do not serve in all 3 Board Committees.

(4) Resolution 11 – Authority to issue shares

The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the Forty-Ninth Annual General Meeting of the Company (“**General Mandate**”). The Company had been granted a general mandate by its shareholders at the Forty-Eighth Annual General Meeting of the Company held on 12 June 2024 (hereinafter referred to as the “**Previous Mandate**”). The Previous Mandate granted by the shareholders had not been utilised and hence, no proceed was raised therefrom.

The purpose to seek the General Mandate is to provide flexibility to the Company for allotment of shares for any possible fundraising activities in an expeditious manner for the purpose of funding investment(s), working capital and/or acquisitions(s).

(5) Resolutions 12 and 13 – Proposed renewal of shareholders’ mandate and new shareholders’ mandate for recurrent related party transactions of a revenue or trading nature (“**Recurrent Related Party Transactions**”)

The proposed Resolutions 12 and 13, if approved, will enable the Company and its subsidiary companies (“**the Group**”) to enter into the Recurrent Related Party Transactions which are necessary for the Group’s day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. The shareholders’ mandate is subject to annual renewal.

(6) Resolution 14 - Proposed renewal of Dividend Reinvestment Plan (“**DRP**”) authority

The proposed Resolution 14, if approved, will give authority to the Board to allot and issue new ordinary shares in the Company under the DRP, until the conclusion of the next Annual General Meeting of the Company. A renewal of this authority will be sought at the subsequent Annual General Meeting of the Company on an annual basis, where applicable.

(7) Resolution 15 - Retention of Dato’ Dr. Zaha Rina Binti Zahari (“**Dato’ Dr. Zaha Rina**”) as an Independent Non-Executive Director

Dato’ Dr. Zaha Rina has served the Board as an Independent Non-Executive Director and Chairman of the Board of the Company since 12 December 2013 and was retained as an Independent Non-Executive Director by the shareholders at the Annual General Meeting held on 12 June 2024. Dato’ Dr. Zaha Rina’s vast experience and knowledge infuse the Board with a rich blend of skills, expertise, and competencies. Her profound understanding of the Company’s industry and business operations allows her to engage actively and make substantial contributions, all while upholding her independence and objective perspective. She has fulfilled the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board through the GNRC, after having assessed the independence of Dato’ Dr. Zaha Rina, considers her to be independent and recommends her to be retained as an Independent Non-Executive Director of the Company subject to the approval of the shareholders of the Company.

Corporate Information

BOARD OF DIRECTORS

>>

Dato' Dr. Zaha Rina Binti Zahari

Chairman/Independent Non-Executive Director

>>

Mrs. Vijayam A/P Nadarajah

Independent Non-Executive Director

>>

Mr. Matthew Edward Lawrence

Non-Independent Non-Executive Director

>>

Ms. Vibha Hamsi Coburn

Group Chief Executive Officer/Executive Director

>>

Mr. Renzo Christopher Viegas

Independent Non-Executive Director

SECRETARIES

Cynthia Gloria Louis(SSM PC No. 201908003061)
(MAICSA 7008306)**Chew Mei Ling**(SSM PC No. 201908003178)
(MAICSA 7019175)

COMMITTEES OF THE BOARD

- Group Audit Committee**

Mr. Renzo Christopher Viegas
(Chairman)
Mrs. Vijayam A/P Nadarajah
Mr. Matthew Edward Lawrence

- Group Risk Management Committee**

Mrs. Vijayam A/P Nadarajah
(Chairman)
Mr. Matthew Edward Lawrence
Mr. Renzo Christopher Viegas

- Group Nominating/Remuneration Committee**

Mr. Renzo Christopher Viegas
(Chairman)
Mrs. Vijayam A/P Nadarajah
Mr. Matthew Edward Lawrence

REGISTERED OFFICE

16th Floor, Menara Manulife
6 Jalan Gelenggang
Damansara Heights
50490 Kuala Lumpur
Tel: 03 2719 9228
Fax: 03 2095 3804
Email: MY_CG@manulife.com
www.manulife.com.my

REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel: 03 2084 9000
Fax: 03 2094 9940
Email: info@sshsb.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
Public Bank Berhad
OCBC Bank (Malaysia) Berhad
Citibank Berhad
HSBC Bank Malaysia Berhad
Alliance Bank Malaysia Berhad
Standard Chartered Bank Malaysia Berhad
United Overseas Bank Malaysia Berhad
Bank of China (Malaysia) Berhad
CIMB Bank Berhad
DBS Bank Limited

AUDITORS

Ernst & Young PLT (202006000003)
(LLP0022760-LCA & AF0039)
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela, Pusat Bandar
Damansara
50490 Kuala Lumpur

INVESTOR RELATIONS

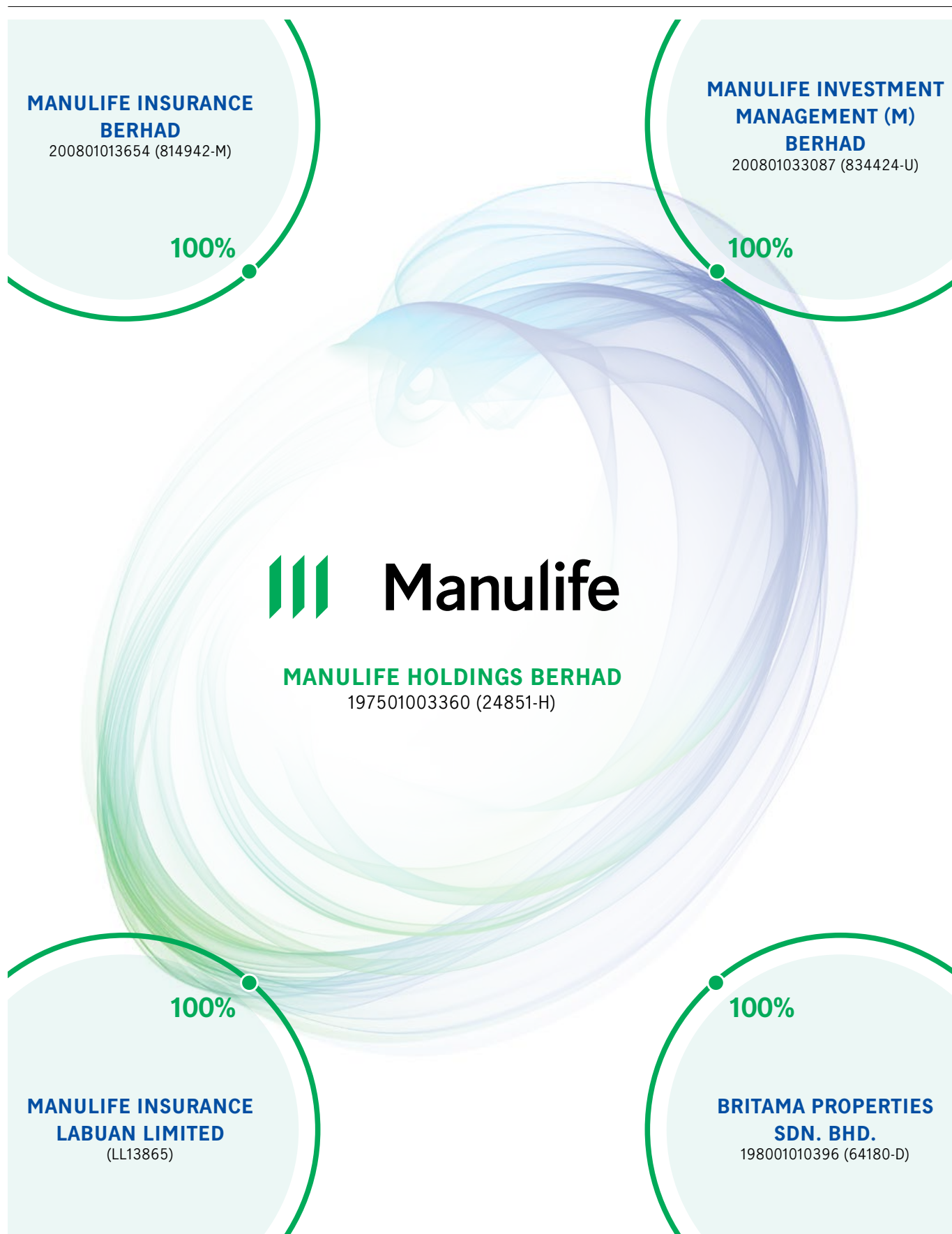
Marilyn Wang

Tel: 03 2719 9228
Email: marilyn_wang@manulife.com

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
– Main Market

Corporate Structure



Group Financial Highlights

	2022 (restated)	2023	2024
OPERATING RESULTS			
For the financial year ended 31 December (RM'million)			
Operating Revenue	616.7	685.2	819.1
Insurance Service Revenue	316.2	360.2	439.4
Fee Income	119.1	123.0	160.8
Investment Income	181.4	202.0	218.8
Group Profit Before Taxation	53.1	113.1	185.4
Group Net Profit	34.1	83.9	131.4
Group Net Profit Attributable To Shareholders	34.4	88.7	108.9
KEY BALANCE SHEET DATA			
As at 31 December (RM'million)			
Life Fund Assets	5,626.5	6,120.7	6,695.1
General/Shareholder Fund Assets	929.3	983.1	1,055.8
Total Assets	6,555.8	7,103.8	7,750.9
Total Liabilities	5,390.0	5,854.7	6,370.6
Shareholders' Equity	1,179.8	1,270.3	1,376.0
SHARE INFORMATION			
Group Basic Earnings Per Share (sen)	16.1	40.8	49.1
Net Dividend Per Share (sen)	7.0	7.0	8.0
Group Net Asset Per Share (RM)	5.46	5.79	6.12
Share Price – High (RM)	2.48	2.09	2.64
Share Price – Low (RM)	1.83	1.84	1.90
Share Price As At 31 December (RM)	2.01	1.91	2.41
Market Capitalisation (RM'million)	434.7	419.2	541.5
FINANCIAL RATIO (%)			
Return on Equity ¹	3.0	7.2	8.2
Return on Assets ²	0.5	1.3	1.5

¹ Return on Equity = Group Net Profit Attributable To Shareholders / Average Shareholder's Equity

² Return on Assets = Group Net Profit Attributable To Shareholders / Average Total Assets

Directors' Profile

>>

Dato' Dr. Zaha Rina Binti Zahari



Chairman/Independent Non-Executive Director

Malaysian

63 years old

Female

Date of Appointment: 12 December 2013**Number of Board Meetings Attended in 2024:** 5/5**Membership of Board Committees:**

- Nil

Academic/Professional Qualification(s)/Membership(s):

- Bachelor of Arts (Hons.) in Accounting and Finance, Leeds Metropolitan University, UK
- Master in Business Administration, University of Hull, UK
- Doctorate in Business Administration (focus on capital markets research and specialising in derivatives), University of Hull, UK

Present Directorship(s) in Other Public Listed Companies:

- Hibiscus Petroleum Bhd.
- IGB Berhad
- Pacific & Orient Berhad
- Keck Seng (Malaysia) Berhad

Present Directorship(s) in Other Public Companies:

- Manulife Investment Management (M) Berhad
- Mizuho Bank (Malaysia) Berhad
- Pacific & Orient Insurance Co. Berhad

Dato' Dr. Zaha Rina Binti Zahari was a Consultant to Financial Technologies Middle East based in Bahrain for the set-up of Bahrain Financial Exchange launched in January 2009. Prior to this, she was with Royal Bank of Scotland Group in Singapore from August 2003 to May 2008. She has more than thirty (30) years of experience in the financial, commodities and securities industry and the development of the Malaysian Capital Market, which includes managing a futures broking company. She was the Chief Executive Officer of RHB Securities Sdn. Bhd. from year 2004 to year 2006. She has previous Board appointments at the Commodity and Monetary Exchange of Malaysia from year 1993 to year 1996, and then as the Chief Operating Officer of Kuala Lumpur Options and Financial Futures Exchange in year 2001, which merged to become Malaysian Derivatives Exchange ("MDEX") in June 2001. She was then appointed Head of Exchanges, managing the operations of Kuala Lumpur Stock Exchange ("KLSE") [now known as Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities")], Malaysia Exchange of Securities Dealings & Automated Quotation (MESDAQ), MDEX and Labuan International Financial Exchanges in September 2003 prior to KLSE's [now known as Bursa Malaysia Securities] demutualisation. She is also a regular speaker at many international conferences and forums. She was a Director of Zurich Insurance Malaysia Bhd. from year 2007 to year 2013 and Hong Leong Industries Bhd. from year 2012 to year 2021. She was a member of Market Participants Committee of Bursa Malaysia Securities. She is currently a member of the Appeals Committee of Bursa Malaysia Securities. Dato' Dr. Zaha Rina is a Divemaster with National Association of Underwater Instructors (NAUI). She was a member of Global Board of Advisers for XBRL until year 2009 and was also on the Board of Trustees for Malaysia AIDS Foundation until May 2010.

>>

Vibha Hamsi Coburn



Group Chief Executive Officer/Executive Director

Australian

60 years old

Female

Date of Appointment: 1 October 2020**Number of Board Meetings Attended in 2024:** 5/5**Membership of Board Committees:**

- Nil

Academic/Professional Qualification(s)/Membership(s):

- Master of Business Administration, University of Western Australia, Australia
- Post graduate diploma from the Securities Institute of Australia [Chartered Financial Analyst (CFA) equivalent]
- Bachelor of Commerce (Hons), Delhi University, India
- Graduate member of Australia Institute of Company Directors (GAICD)

Present Directorship(s) in Other Public Listed Companies:

Nil

Present Directorship(s) in Other Public Companies:

- Manulife Insurance Berhad
- Manulife Investment Management (M) Berhad

Ms. Vibha Hamsi Coburn was formerly the Chief Distribution Officer at Manulife Asia, responsible for developing and executing strategy for Manulife distribution across Asia, including championing the adoption of digital channels. Under her leadership, Manulife's agency force grew significantly and became the world's third best amongst international insurers in terms of Million Dollar Round Table membership. At the same time, she helped to vastly strengthen Manulife's bancassurance capabilities, delivering strong growth to its regional partnerships and, renewing and establishing new partnerships in Vietnam, Indonesia and Myanmar. She also championed the development and adoption of digital tools throughout all channels in distribution. Prior to joining Manulife, Ms. Vibha Coburn had a wide range of senior roles over thirty (30) years in banking, insurance and management consulting across Asia, Europe and Australia. These included roles in e-business, sales, customer acquisition, finance, wealth management, liabilities, mortgages and credit cards. Ms. Vibha Coburn also sits on the Boards of L.I.A.M. Holding Sdn. Bhd. and L.I.A.M. Property Sdn. Bhd.

Directors' Profile

>>

Vijayam A/P Nadarajah



Independent Non-Executive Director

Malaysian

62 years old

Female

Date of Appointment: 19 April 2019**Number of Board Meetings Attended in 2024:** 4/5**Membership of Board Committees:**

- Chairman, Group Risk Management Committee
- Member, Group Audit Committee
- Member, Group Nominating/Remuneration Committee

Academic/Professional Qualification(s)/Membership(s):

- Master in Business Administration, Monash University in Melbourne, Australia
- Bachelor in Economics (with a major in accounting), Monash University in Melbourne, Australia
- Bachelor of Law, University of London, UK
- Fellow Member of CPA Australia
- Chartered Accountant under the Malaysian Institute of Accountants
- Fellow Member of the Institute of Internal Auditors Malaysia ("IIAM")

Present Directorship(s) in Other Public Listed Companies:

Nil

Present Directorship(s) in Other Public Companies:

- Manulife Insurance Berhad ("MIB")

Mrs. Vijayam A/P Nadarajah was the president of the IIAM from year 1996 to year 1997 and was then re-appointed as a governor to the Board of Governors of IIAM in year 2018. She co-chaired the first Taskforce on Guidance for Effective Internal Audit Function. From year 2013 to year 2016, Mrs. Vijayam Nadarajah served as a Specialist for the Research and Development/Corporate Program of the Financial Accreditation Agency, which is an initiative supported by Bank Negara Malaysia and the Securities Commission Malaysia. She also served as Financial Controller at CIMB Aviva Assurance Berhad and CIMB Aviva Takaful Berhad, Assistant General Manager of Finance at Oriental Capital Assurance Berhad, as well as senior manager roles in RHB Bank Berhad and Sime Bank Berhad/UMBC Bank Berhad. Mrs. Vijayam Nadarajah is presently the Independent Non-Executive Director of Monash University Malaysia Sdn. Bhd.; and was the Independent Non-Executive Director of The Bank of Nova Scotia Berhad, MPI Generali Insurans Berhad and BNP Paribas Malaysia Berhad. Prior to her appointment to the Board of The Bank of Nova Scotia Berhad, she was with China Construction Bank Malaysia Berhad and assisted with the licensing of the bank and operational readiness audit. She is a consultant and trainer in topics such as risk management, compliance, internal audit and board governance. She is also the Chairman of the Risk Management Committee, and is a member of Audit Committee and Nominating/Remuneration Committee of MIB.

>>

Renzo Christopher Viegas



Independent Non-Executive Director

Indian

63 years old

Male

Date of Appointment: 1 November 2020**Number of Board Meetings Attended in 2024:** 5/5**Membership of Board Committees:**

- Chairman, Group Audit Committee
- Chairman, Group Nominating/Remuneration Committee
- Member, Group Risk Management Committee

Academic/Professional Qualification(s)/Membership(s):

- Bachelor of Commerce, University of Bombay, India
- Chartered Accountant and Fellow Member of the Institute of Chartered Accountants of India
- Chartered Accountant under the Malaysian Institute of Accountants
- Advance Management Program in Strategic Marketing Planning, Michigan State University, United States of America

Present Directorship(s) in Other Public Listed Companies:

- Astro Malaysia Holdings Bhd.

Present Directorship(s) in Other Public Companies:


- Manulife Insurance Berhad ("MIB")

Mr. Renzo Christopher Viegas started his career with Citibank in year 1985, where he progressively held senior positions in various Asia Pacific countries including regional responsibilities until year 2008. His last held position was Chief Operating Officer and Chief Financial Officer of Citibank Malaysia. In year 2008, Mr. Renzo Viegas joined RHB Bank Berhad as Director of Retail Banking where he managed the consumer, insurance, hire purchase, and small and medium enterprises businesses. In year 2011, he was appointed as the Principal Officer overseeing overall operations of RHB Bank Berhad. His last held position was Deputy Chief Executive Officer ("CEO") of the bank with direct responsibility in the Consumer and International businesses. Mr. Renzo Viegas was the Deputy CEO and Executive Director of CIMB Bank from year 2012 to year 2015 with direct oversight over the Consumer and Commercial businesses and CEO of Group Consumer Banking from year 2015 to year 2016. He was responsible for the development of overall business strategies of consumer banking for the smooth implementation of the strategies and transformed the consumer bank of the Group to become its growth engine by leveraging on the regional platform to better reap synergies and accelerate business delivery. He also served as Advisor to the Group CEO of CIMB Bank where he was responsible for the development of overall Group business strategies until March 2019. He was also the Chairman of the CIMB Group Information and Technology Steering Committee. He was a Non-Independent Director for CIMB Bank (Vietnam) Ltd. from August 2018 to July 2019, and Non-Independent Director for CIMB Cambodia Bank PLC from November 2017 to July 2019. He served as Non-Executive Director of Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad from May 2013 to July 2017. He is currently senior independent director of Astro Malaysia Holdings Bhd. He also sits on the Board of Ujjivan Financial Services Limited, a company listed on the National Stock Exchange of India and the holding company of Ujjivan Small Finance Bank. He is also the Chairman of the Audit Committee and is a member of the Risk Management Committee and Nominating/Remuneration Committee of MIB.

Directors' Profile

>>

Matthew Edward Lawrence



Non-Independent Non-Executive Director

British

48 years old

Male

Date of Appointment:

1 January 2020

Number of Board Meetings Attended in 2024:

5/5

Membership of Board Committees:

• Member, Group Audit Committee

• Member, Group Risk Management Committee

• Member, Group Nominating/Remuneration Committee

Academic/Professional Qualification(s)/Membership(s):

• Bachelor of Science in Economics, London School of Economics and Political Science, UK

• Member and Fellow of the Institute of Chartered Accountants in England and Wales

Present Directorship(s) in Other Public Listed Companies:

Nil

Present Directorship(s) in Other Public Companies:

Nil

Mr. Matthew Edward Lawrence has over twenty five (25) years of experience in the insurance industry, holding leadership positions in both the corporate and professional services fields that span across North America, Europe and Asia. He joined Manulife as Regional Controller, Asia in year 2019. In this role, he is responsible for the Asia regional finance team, overseeing financial planning and analysis, management reporting, expense management and accounting policy. Prior to joining Manulife, Mr. Lawrence worked at Prudential where he held a series of progressive roles; his last held position was Finance Director of Prudential Assurance Company Singapore, where he was responsible for strategic planning and analysis, financial reporting, finance operations, and finance innovation. Prior to his time with Prudential, he spent many years at KPMG and has experience that covers accounting advisory, audit, and transaction services. He speaks frequently at industry events on the subject of accounting change for insurance.

Save as disclosed, none of Directors have any:

• family relationship with any Director and/or major shareholder of the Company;

• conflict of interest with the Company; and

• conviction of offence within the past five (5) years nor public sanctions or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2024 other than traffic offences.

Senior Key Management Profile

>> Ng Chun Nam



Chief Financial Officer, Manulife Insurance Berhad

Date of Appointment: 1 May 2023

Malaysian

47 years old

Male

Academic / Professional Qualification:

- Bachelor of Science in Actuarial Science, London School of Economics, UK
- Master of Science in Actuarial Management, Cass Business School, UK
- Institute of Actuaries, UK (Fellow)

Working Experience:

- Has over 22 years of experience within the financial services sector across Asia. He held various senior positions within Manulife including

Chief Actuary, Chief Product and Pricing Officer, Chief Financial Officer of Manulife Cambodia, and Chief Financial Officer of Manulife Vietnam. He was a VP within the Royal Bank of Scotland Cross Asset Solution Group, serving primarily financial institutions in the SEA region; and the Regional Manager, Asset Liability Management in the Strategic Finance team prior to joining Manulife.

>> Bernard Sia



Chief Information Officer, Manulife Insurance Berhad

Date of Appointment: 1 November 2021

Malaysian

48 years old

Male

Academic / Professional Qualification:

- Bachelor of Information Technology, Universiti Kebangsaan Malaysia
- Master of Business Administration (MBA), University of Nottingham, UK
- Certified Human Centric Design Practitioner, LUMA Institute

Working Experience:

- Has more than 25 years of experience in various sectors. Prior to joining Manulife, he served for

8 years with MetLife, holding various regional leadership roles including Head of Global Product Configuration, MetLife Hong Kong's Chief Information Officer, MetLife Bangladesh's Interim Head of Business Enablement & IT, and Lead Architect for Asia. He was also the Technology Director of Malayan Banking Berhad, Head of Strategy of Mesiniaga Alliances Sdn Bhd and has previously held several managerial positions within iPerintis Sdn. Bhd, a subsidiary of Petrolim Nasional Berhad (PETRONAS).

>> Jاسبندر Kaur



Chief Counsel & Corporate Services Officer, Manulife Holdings Berhad ("MHB")

Date of Appointment: 1 October 2016

Malaysian

54 years old

Female

Academic / Professional Qualification:

- Bachelor of Laws (Hons), University of London, UK
- Certificate of Legal Practice
- Licensed Company Secretary

Working Experience:

- Has over 23 years of work experience in the life insurance industry. She joined Manulife in 2005 and was appointed as the Head of Legal, Compliance and Corporate Secretariat in the year 2011. She was appointed to her current position in 2016, assuming the responsibility of legal matters, including corporate governance, regulatory compliance and risk management

matters of MHB and its subsidiaries excluding Manulife Investment Management (M) Berhad. She also holds the following positions within Manulife: Principal Officer, Manulife Insurance Labuan Limited; Director, Britama Properties Sdn. Bhd; and Company Secretary to several local subsidiaries of MHB. In addition to her role, she has headed up several different departments from time to time in the course of her tenure with Manulife. Prior to joining Manulife, she served a large multinational insurer in Malaysia and a world-leading provider of professional information solutions.

>> Jonathan Yen



Chief Commercial Officer, Manulife Insurance Berhad

Date of Appointment: 1 March 2023

Singaporean

43 years old

Male

Academic / Professional Qualification:

- Bachelor and Master of Actuarial Studies from the Australian National University
- Institute of Actuaries, UK (Fellow)
- Singapore Actuarial Society (Fellow)

Working Experience:

- He joined Manulife as Head of Strategic Partnership, Asia in 2018 and was appointed as Chief Bancassurance Officer, Asia in 2019 before assuming his current position in Malaysia. In his

current position, he is responsible for overseeing and driving key-enterprise-wide priorities as well as leading partnership and High Net-Worth businesses. Prior to joining Manulife, he held various leadership positions in consulting and with insurers, covering Distribution, Actuarial, Product Management, as well as Strategy, Mergers and Acquisitions.

Senior Key Management Profile

>> Lee Tat Fatt



Chief Agency Officer, Manulife Insurance Berhad

Date of Appointment: 1 October 2024

Malaysian

54 years old

Male

Academic / Professional Qualification:

- Bachelor of Social Sciences (Political Science), Universiti Kebangsaan Malaysia
- Life Management Institute (FLMI) (Fellow)

Working Experience:

- Has over 28 years of experience in the insurance industry managing new business underwriting in multi-national companies. He joined Manulife as Head of Customer Solutions in 2019 and was appointed as Chief Operations Officer in 2020.

On 1 October 2024, he was appointed as Chief Agency Officer. Prior to joining Manulife, he was Vice President and Chief Underwriter of Great Eastern Life, and Director and Chief Underwriter of AIA Berhad.

>> Marilyn Wang



Chief Marketing Officer, Manulife Insurance Berhad

Date of Appointment: 15 February 2023

Malaysian

49 years old

Female

Academic / Professional Qualification:

- Post Graduate Diploma in Marketing, The University of Birmingham
- Chartered Marketer with the Chartered Institute of Marketing, UK.

Working Experience:

- Has over 22 years of experience in the consumer goods (FMCG), hospitality and life insurance sectors the insurance industry. She was the

Chief Marketing Officer of Manulife Vietnam before assuming her current role. In her current role, she oversees Brand and Proposition Management, Corporate Communication, Digital Marketing, Customer Experience and Advanced Analytics.

>> Normahida Che Mahmood



Chief Operations Officer, Manulife Insurance Berhad

Date of Appointment: 15 November 2024

Malaysian

52 years old

Female

Academic / Professional Qualification:

- Bachelor of Commerce (Accounting), University of Canberra, Australia

Working Experience:

- Has over 25 years of experience in the insurance industry, where she has honed her expertise across various operational areas, including underwriting, claims, policy servicing, and customer service. She joined Manulife in 2020

as Head of Customer Engagement managing, Policy Servicing, Branches, Collection and Administration Team. She served as the Acting Chief Operations Officer from 1 October 2024 to 14 November 2024 before being appointed as Chief Operations Officer on 15 November 2024. Prior to joining Manulife, she was a Director and Head of Customer Centres in AIA Bhd managing more than 35 branches with team strength of about 300 staff.

>> Ricky Lim Soon Joo



Chief Product Officer, Manulife Insurance Berhad

Date of Appointment: 20 October 2021

Malaysian

52 years old

Male

Academic / Professional Qualification:

- Bachelor of Science in Actuarial Mathematics and Statistics, Heriot-Watt University, Scotland, UK

Working Experience:

- Has over 28 years of experience in the insurance industry (both conventional and takaful), developing innovative products and propositions for agency, bancassurance, direct marketing

and digital channels. Prior to joining Manulife, he was a Director of Business Development for Pacific Life Re, Singapore supporting Malaysia direct insurers.

Senior Key Management Profile

>> Soh Yoon Yee



Chief Human Resources Officer, Manulife Holdings Berhad

Date of Appointment: 8 November 2023

Malaysian

49 years old

Female

Academic / Professional Qualification:

- Bachelor of Business Administration in Business Management, University of Nebraska-Lincoln, US

Working Experience:

- Has over 24 years of experience across all spectrums of HR functions, including business partnering, compensation, employee engagement, recruitment, talent management and succession planning. Her experience spans

multiple industries, such as banking, natural resources, consulting, and retail. Prior to joining Manulife, she served as the Lead HR Business Partner for Consumer Financial Services at OCBC Bank Malaysia.

>> Jason Chong Soon Min



Chief Executive Officer & Executive Director, Manulife Investment Management (M) Berhad

Date of Appointment: 8 February 2010

Malaysian

58 years old

Male

Academic / Professional Qualification:

- Bachelor of Science in Economics and Finance (Honors), University of Southern New Hampshire, USA
- Capital Markets and Services Representative License in Fund Management and Financial Planning in Malaysia.

Working Experience:

- Has more than 36 years of experience in the investment industry. He joined the asset management arm of Manulife Holdings Berhad in February 2010 as Chief Executive Officer/

Executive Director. Following the merger of Manulife Malaysia's asset management and unit trust businesses in July 2012, known today as Manulife Investment Management (M) Berhad, he served as the Chief Investment Officer/Managing Director. He was then promoted to Chief Executive Officer/Executive Director in May 2017. Before joining Manulife, he was the Chief Investment Officer of another asset management company. Prior to that, he spent 15 years as an investment analyst covering both local and foreign equities, with his last position as Head of Research at Merrill Lynch/Smith Zain Securities.

>> Kenneth Kwong Chor Wah



Head of Finance, Manulife Investment Management (M) Berhad

Date of Appointment: 9 April 2018

Malaysian

50 years old

Male

Academic / Professional Qualification:

- Fellow of the Association of Chartered Certified Accountants (ACCA)
- Member of the Malaysian Institute of Accountants (MIA)

Working Experience:

- Has more than 21 years of experience in the banking and financial services industry. Prior to joining the company, he worked for the largest

financial services group in Malaysia where he held key positions in both finance and strategy, serving not only in Malaysia but also regionally.

>> Annie Tan Yen Nee



Head of Agency, Manulife Investment Management (M) Berhad

Date of Appointment: 10 February 2025

Malaysian

53 years old

Female

Academic / Professional Qualification:

- Bachelor of Finance & Banking from The University of Mississippi, USA.
- Associate Certified Coach from Internal Coach Federation (ICF), USA

Working Experience:

- Has more than 28 years of experience in the investment industry. She began her career as a Dealer Representative at TA Securities Bhd, and later joined Public Mutual as a Senior Manager, overseeing 26 branches and leading a

sales force of 30,000. Over the past 6 years, she founded her own training company, serving most Unit Trust Management Companies and insurance companies across Malaysia. She is an HRD Corp-licensed trainer, a student of Tony Robbins' Business Mastery, and an Associate Certified Coach of International Coaching Federation (ICF).

Senior Key Management Profile

>> Cheryl Law Chor Kun



Head of Product, Manulife Investment Management (M) Berhad

Date of Appointment: 13 March 2017

Malaysian

46 years old

Female

Academic / Professional Qualification:

- Bachelor of Science, Universiti Putra Malaysia
- Chartered Financial Analyst (CFA) Charter holder

Working Experience:

- Has over 22 years of experience in the banking and unit trust/asset management industry, including 8 years with Manulife Investment Management (M) Berhad. In her current role,

she is responsible for the overall development and management of investment funds for the retail, institutional and pension business, and supporting the investment-linked funds.

>> Chuah Poh Thye



Head of Information Technology, Manulife Investment Management (M) Berhad

Date of Appointment: 1 March 2024

Malaysian

46 years old

Male

Academic / Professional Qualification:

- Bachelor of Information Technology (Honours), University of Malaya

Working Experience:

- Has over 21 years of experience in the technology sector within the financial institutions, including 16 years in Manulife. He holds extensive expertise in the implementation and integration of transfer agency applications. In September 2023, he was appointed as the Interim Head

of Information Technology before taking up the role of Head of Information Technology in March 2024. Prior to joining Manulife, he was a system engineer in developing group and life insurance core applications at both Etiqa Insurance Berhad and MAA Insurance Berhad.

>> Elsie Lai Ching Tham



Head of Fixed Income & Client Portfolio Manager, Manulife Investment Management (M) Berhad

Date of Appointment: 1 March 2024

Malaysian

43 years old

Female

Academic / Professional Qualification:

- Bachelor of Chemical Engineering with Environmental Protection, Loughborough University, UK
- Capital Markets and Services Representative License in Fund Management

Working Experience:

- Has more than 19 years of experience in the investment industry, including 15 years at Manulife Investment Management (M) Berhad. She joined the firm as a Credit Research

Analyst in December 2009 and was named a Fixed Income Portfolio Manager in 2011. She was redesignated as Senior Fixed Income Portfolio Manager in 2013 and expanded her responsibility as Client Portfolio Manager in 2020. In December 2023, she was appointed as the Acting Head of Fixed Income before taking up the role of Head of Fixed Income and Client Portfolio Manager in March 2024. Before joining Manulife, she was a Senior Credit Analyst in a Malaysia-based credit rating agency.

>> Foong Hing Yooi



Head of Legal & Compliance, Manulife Investment Management (M) Berhad

Date of Appointment: 1 January 2014

Malaysian

57 years old

Female

Academic / Professional Qualification:

- Bachelor of Laws (Hons), University of Malaya
- Admitted to the Malaysian Bar Council in 1993
- Financial Planning Association of Malaysia (FPAM) (Certified Member)

Working Experience:

- Has more than 32 years of experience in legal, corporate and financial services industry. Prior to

joining MIMMB, she was the Head of Compliance of MAAKL Mutual Bhd and Compliance Manager of MBF Unit Trust Management Berhad. Before joining the unit trust industry, she was a practicing lawyer and had also held a managerial position in the Legal and Secretarial Department of a public listed property development company.

Senior Key Management Profile

>> Gan Kong Yik



Head of Equity, Manulife Investment Management (M) Berhad

Date of Appointment: 22 November 2021

Malaysian

47 years old

Male

Academic / Professional Qualification:

- Bachelor of Business in Economics and Finance, RMIT University, Australia
- Capital Markets and Services Representative License in Fund Management.

Working Experience:

- Has more than 24 years of experience in the investment industry. Prior to joining Manulife, he held the following key positions: General Manager, Investment in Pertama Land &

Development; Head of Equity (Senior Vice President), AmFunds Management Berhad; Chief Investment Officer, KAF Investment Funds; Fund Manager, Pheim Asset Management; and Senior Dealer's Representative, Kenanga Investment Bank Berhad.

>> Linda YK Wong



Head of Marketing & Communications, Manulife Investment Management (M) Berhad

Date of Appointment: 1 January 2014

Malaysian

51 years old

Female

Academic / Professional Qualification:

- Postgraduate, Business & Management, University of Swansea, UK
- Postgraduate Diploma in Marketing, The Chartered Institute of Marketing, UK
- Master of Business Administration, University of Lincolnshire & Humberside, UK

Working Experience:

- Has over 26 years of experience in the banking and asset management industry managing marketing, communications, sales campaign,

events management, advertising, branding and social media functions. Prior to joining Manulife, she was the Head of Marketing and Communications of MAAKL Mutual. She also initiated and headed the Digital Marketing unit for the largest private unit trust company in Malaysia. Besides having vast experience in the financial industry, she also has sales and marketing experience in the electronics and chemicals managing sales and business development functions.

>> Reuben Nair



Head of Operations, Manulife Investment Management (M) Berhad

Date of Appointment: 22 May 2023

Malaysian

42 years old

Male

Academic / Professional Qualification:

- Association of Business Executive (ABE) - ABE (UK).
- The Chartered Institute for Securities & Investment (CISI).

Working Experience:

- Has over 18 years of operations experience in custody securities services and the investment industry. Reuben Nair joined Manulife Investment Management as Head of Operations on 22 May 2023. Prior to his current position,

Reuben served as the Senior Vice President, Head of Transaction Management Operations at Citi Group Securities Services, Malaysia. Before that, he held the position of Associate Director at Royal Bank of Canada (RBC) Investor & Treasury Services, Malaysia. Reuben's career began at HSBC Securities Services Malaysia, where he spent 8 years in the APAC & EMEA Operations team, including a short-term assignment in Hong Kong running custody initiatives.

>> Wan Shuhaida Wan Zainal Shukri



Head of Institutional & Pension Sales, Manulife Investment Management (M) Berhad

Date of Appointment: 24 October 2018

Malaysian

50 years old

Female

Academic / Professional Qualification:

- Bachelor of Science in Business Administration from The University of Arizona, USA.
- Capital Markets and Services Representative Licence in Fund Management.

Working Experience:

- She has over 21 years of experience in the banking, unit trust and asset management industry in Malaysia, in sales, and client servicing for corporate and institutional clients.

Prior to joining Manulife, Wan Shuhaida was with BNP Paribas Malaysia Berhad, CIMB-Principal Asset Management and Hwang-DBS asset Management

Saved as disclosed, none of the Senior Management have any directorships in public companies and/or listed issuers; family relationship with any Director and/or major shareholders of the Company; and conviction of offence within the past 5 years nor public sanctions or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2024 other than traffic offences.

CEO's Report & Management Discussion and Analysis

Dear Shareholders,

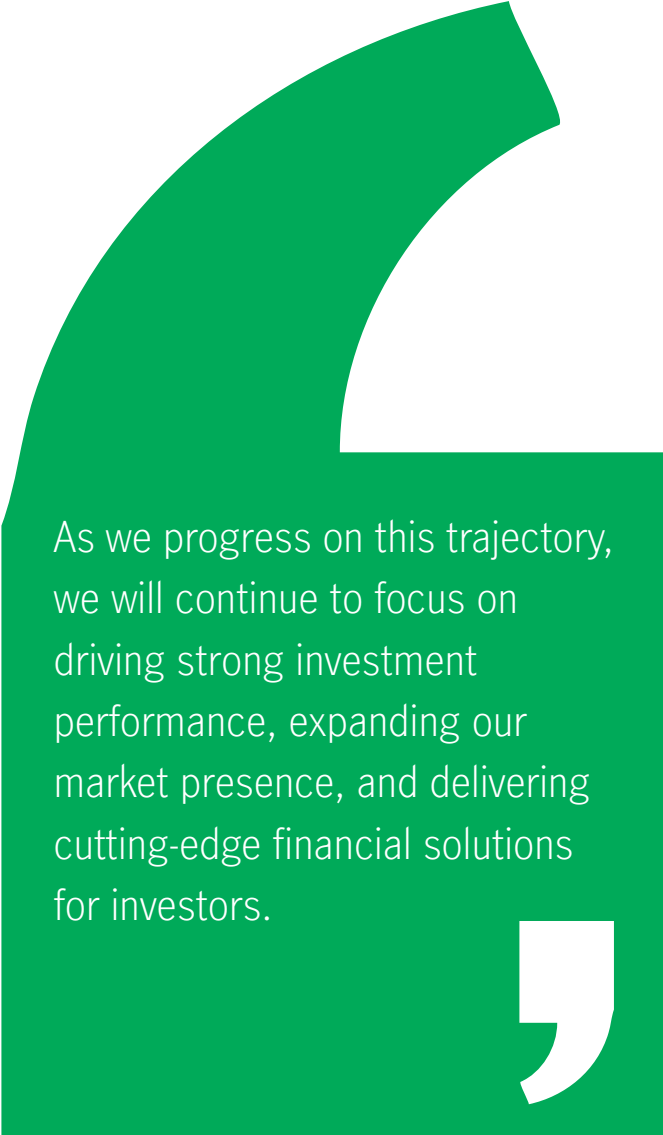
It is with great pleasure that I present an overview of Manulife's performance for 2024. Last year, I emphasised our focus on raising our game to drive expansion and profitability. I am proud to announce that we are now witnessing the positive outcomes of these efforts. The Group recorded a 20% growth in operating revenue to RM819.1 million, mainly contributed by higher contractual service margin amortisation from ongoing insurance business growth, better investment performance from equity market, as well as higher fee income from overall growth in Asset Under Management ("AUM").



Vibha Hamsi Coburn

Group Chief Executive Officer

CEO's Report & Management Discussion and Analysis



As we progress on this trajectory, we will continue to focus on driving strong investment performance, expanding our market presence, and delivering cutting-edge financial solutions for investors.

The Group recorded profit before tax of RM185.4 million in 2024, an increase of RM72.3 million from RM113.1 million in 2023. The profit before tax for the year included a one-off favourable impact from a change in estimate on the Insurance Contract Liabilities, taking into consideration the participating policyholders' cumulative share of Investment Income tax amounting to RM23 million. Set aside this one-off favourable impact, the Group profit before tax increased by RM49.3 million primarily due to better equity market investment performance and higher contractual service margin amortisation from continued insurance business growth.

This success is a testament to the hard work and dedication of our entire team, with guidance and support from the Board of Directors.

ASSET MANAGEMENT: EXPANDING MARKET LEADERSHIP

Manulife Investment Management (M) Berhad ("**Manulife IM (Malaysia)**") continued its growth trajectory, achieving an 18% increase in AUM, rising from RM14.6 billion in 2023 to RM17.2 billion in 2024. This growth saw our investment arm performing relatively better than the industry average for equity and fixed income funds, further strengthening our position in the retail investment market. Importantly, our ability to attract increasing institutional business flows during the year has allowed us to build a more resilient and diversified portfolio.

To further expand our investment offerings, we successfully launched three new funds—spanning local, Asian and global markets, providing investors with broader investment opportunities. These funds are designed to empower both retail and institutional clients with greater flexibility and access to world-class investment strategies, cementing our role as a trusted partner in wealth creation.

In a significant milestone, our Manulife Global REIT Fund broke new ground by entering the retail investment space overseas. Through a strategic collaboration with our Singapore counterpart, the fund is now available in Brunei in partnership with BIBD Securities Sdn Bhd, a wholly owned subsidiary of Bank Islam Brunei Darussalam, the country's largest and most prominent full-service Islamic financial institution.

As we progress on this trajectory, we will continue to focus on driving strong investment performance, expanding our market presence, and delivering cutting-edge financial solutions for investors.

The economic landscape for Manulife IM (Malaysia) in 2024 was influenced by uncertainties, overgrowth inflation paths, the United States presidential elections, and escalating tensions in the Middle East.

As we enter 2025, we are optimistic about the outlook of the local equity market, though we will closely monitor key geopolitical indicators that could impact investor sentiment. The local market is expected to benefit from ongoing infrastructure and data center investments, as well as effective domestic policy reforms. Additionally, factors such as attractive valuations, appealing dividends, a potential strengthening of the local currency, and a recovery in domestic consumption are likely to support market performance. Together, these elements are set to create a positive outlook for the local equity market in 2025.

CEO's Report & Management Discussion and Analysis

To tap into these opportunities, we will continue to focus on key areas this year—strengthening our distribution channels and accelerating agency growth, progressing our digitalisation agenda by reinforcing Manulife iFUNDS as a platform of choice for both investors and advisers, further diversifying our product offerings to meet investor needs, building momentum in the institutional business space, and leveraging Manulife Investments' global presence and expertise.

INSURANCE: STRENGTHENING SERVICE AND VALUE

In 2024, our insurance arm recorded a year of growth and strategic execution. Our Annual Premium Equivalent (“**APE**”) reached RM206 million, growing by 9% year-over-year, largely due to the exceptional performance of the Bancassurance channel.

We also delivered outstanding profitability, with our New Business Value (“**NBV**”) reaching RM16.2 million, growing 30% year-over-year. This growth was driven by stronger sales of Credit Life Products (“**CLPs**”) from Bancassurance and a favourable Investment-Linked Products (“**ILP**”) product mix from Agency.

Our Bancassurance division has demonstrated remarkable performance, achieving a 48% year-on-year growth in APE. This exceptional result underscores our strategic focus and commitment to driving sustainable growth and value creation.

Additionally, Manulife Insurance Labuan Limited (“**MILL**”) business saw a remarkable turnaround, growing by 50% year-over-year.

The agency force delivered RM110 million in new business, reflecting the strength of our distribution network and the trust we have built with policyholders. This success is a testament to driving a greater adoption of ILPs.

Apart from our strong business performance, we remain steadfast in strengthening our quality agency network, now standing at 2,498 insurance advisors. Our focus on quality recruitment and capacity building ensures we attract top talent, enabling us to deliver exceptional value to our customers while maintaining our market momentum.

On the talent front, in 2024, Manulife Malaysia demonstrated a strong commitment to employee development and leadership excellence through innovative training programmes. To future-proof our business, we are committed to upskilling our employees with the skills needed for tomorrow, particularly in the area of analytics and Generative Artificial Intelligence. By investing in continuous learning and development, we ensure our team is equipped to navigate and thrive in an ever-evolving landscape. This dedication to growth not only strengthens our workforce but also drives our long-term success.

On top of that, the Pursuit Leaders Series: Accelerate programme equipped 20 aspiring Manulife leadership team members with the essential skills, knowledge, and mindset needed to excel in their roles. This specialised leadership development programme underscores our commitment to nurturing future leaders who will drive Manulife's success. Together, these programmes highlight our strategic focus on empowering our workforce and ensuring sustained growth and innovation.

RESPONDING TO DEMOGRAPHIC SHIFTS AND PRODUCT SOLUTIONS

Manulife's Asia Care Survey 2024, conducted among 1,038 Malaysians, has pinpointed to a slow-surfacing crisis: a growing number of Malaysians are living longer but lack adequate retirement benefits or protection. The statistics are alarming: 70% of Malaysians feel that their employers are not providing adequate retirement benefits, leaving them vulnerable as they approach the latter stages of life.¹

With the nation's growing economy and population, there is an increasing need for comprehensive health and financial protection. Additionally, with only 42% of Malaysians covered by insurance or takaful plans, there is still a great opportunity for growth in the market.² The rising cost of living and persistent financial vulnerabilities demand that we offer products and services that provide true, lasting security.

We will continue to expand and enhance our product offerings — as such the Manulife Future Shield and our flagship Manulife Health Saver Benefit (“**MHSB**”) — to provide comprehensive coverage that extends well into the later years of life, ensuring our customers remain protected against healthcare inflation and unforeseen financial shocks.

¹ Asia Care Survey 2024 – Health Care Cost | Manulife Malaysia

² PWC, April 2023: Revolutionising financial inclusion through Digital Insurance and Takaful

CEO's Report & Management Discussion and Analysis

LEADING THE DIGITAL CHANGE

In 2024, Manulife achieved an impressive 86% straight-through processing (“STP”) rate, surpassing our target ahead of schedule. This was made possible through advancements in technology and automation, resulting in faster processing times and reduced paperwork for customers. Additionally, Manulife implemented a mandatory cashless payment system at all branch counters, enhancing transaction speed, security, and convenience. This move eliminated cash handling, significantly improving customer experience and service efficiency.

Manulife also automated the issuance of post-hospitalisation Guarantee Letters, ensuring customers receive them automatically upon discharge, which streamlines follow-up appointments. Hospitalisation benefit claims are now processed automatically, reducing manual submissions and accelerating claim processing. As part of our digital transformation, over 75% of our correspondences have now transitioned to digital formats, promoting timely communication and environmental sustainability. Furthermore, Manulife IM (Malaysia) introduced innovative features to Manulife iFUNDS, empowering advisors to manage customer portfolios remotely and efficiently, transforming the way business is conducted.

WINNING CUSTOMER CONFIDENCE

In 2024, Manulife IM (Malaysia) achieved significant progress in enhancing customer satisfaction, evidenced by our transactional Net Promoter Score (“tNPS”). We closed the year with an outstanding score of 21 points in comparison to -3 points in 2023.

On the insurance front, in 2024, we achieved our highest Net Promoter Scores (tNPS and relationship NPS) since their inception in 2016, a testament to our unwavering commitment to excellence. Starting from a modest 9 points, our tNPS soared by 17 points to reach 26 points, driven by significant improvements across all touchpoints, including new business, claims, payment renewal, and customer service (hotline and walk-in). Notably, Q4 marked the peak of our consistent growth throughout the year, with Malaysia leading the uplift within the Asia segment.

These highlights the impact of our customer engagement strategies and reflects our resolute commitment to delivering exceptional customer experience. Looking ahead, we remain focused on elevating customer satisfaction, enhancing customer experiences, and driving sustained growth.

IGNITING OUR BRAND WITH A NEW GLOBAL BRAND STRATEGY

As we celebrate our 61st anniversary, we reflect on our remarkable journey and look forward to a future filled with opportunities, marked by the launch of our Global Brand Strategy, “Where will *better* take you.” This initiative aims to enhance our brand identity and market position by creating a strong connection with customers, employees, and partners. It shifts our narrative to a timely story, guiding our actions and simplifying complexities to help customers make informed decisions and improve their lives.

In 2024, we elevated our brand through strategic communications and public relations, fostering strong relationships with key media partners. This approach increased our brand's visibility and strengthened our industry reputation, highlighting the effectiveness of our PR strategy and our commitment to transparency. Our Offline-to-Online (O2O) Integrated Brand Campaign, our first major outdoor initiative since the pandemic, successfully enhanced brand recognition through a blend of digital and physical touchpoints. This campaign, which generated approximately 1.2 million impressions and reached 382,000 viewers, demonstrates our adaptability and commitment to innovative strategies that connect meaningfully with our audience.

CONSISTENCY IN EXCELLENCE

We are incredibly proud to be recognised as the biggest group winner at the LSEG Lipper Fund Awards 2024 for our asset management arm securing three group awards for the second consecutive year. It is a testament to our rigorous stock selection and dynamic portfolio strategy, and we remain focused on delivering unparalleled value and success to our clients and remain committed to excellence.

For our insurance business, we are proud to receive the prestigious Best Health Insurer in Malaysia, Country Award for Excellence from InsuranceAsia News, benchmarking ourselves against our peers in Asia.

This marks our third significant achievement of the year, following the Parenthood Choice Award 2024 and the Motherhood Choice Award 2024 for our flagship medical plan, MHSB.

Furthermore, Manulife's commitment to talent development and workplace culture earned us industry recognition through several Human Resource industry awards, earned on both national and regional levels.

CEO's Report & Management Discussion and Analysis

Manulife Investment Management (M) Berhad	
LSEG Lipper Fund Awards Malaysia 2024 (Group Award)	<ul style="list-style-type: none"> Best Equity Fund Family Group Over 3 years, Malaysia Best Mixed Assets Fund Family Group Over 3 Years, Malaysia Provident Funds Best Equity Fund Family Group Over 3 Years, Malaysia Islamic Funds
LSEG Lipper Fund Awards Malaysia 2024 (Individual Funds Awards)	<ul style="list-style-type: none"> Best Equity Malaysia Small & Mid Cap Fund Over 10 Years, Malaysia Funds Best Mixed Asset MYR Flexible Fund Over 3 Years, Malaysia Funds Best Equity Asia Pacific ex Japan Fund Over 3 Years, Malaysia Provident Funds Best Mixed Asset MYR Flexible Fund Over 3 Years, Malaysia Provident Funds Best Equity Malaysia Small & Mid Cap Fund Over 3 Years, Malaysia Islamic Funds Best Equity Malaysia Small & Mid Cap Fund Over 5 Years, Malaysia Islamic Funds Best Equity Malaysia Income Fund Over 10 Years, Malaysia Islamic Funds Best Mixed Asset MYR Balance – Malaysia Fund Over 3 Years, Malaysia Islamic Funds
LSEG Lipper Fund Awards Global Islamic 2024 (Individual Funds Awards)	<ul style="list-style-type: none"> Best Equity Malaysia Small & Mid Cap Fund Over 3 Years Best Equity Malaysia Small & Mid Cap Fund Over 5 Years Best Equity Malaysia Income Fund Over 10 Years Best Mixed Asset MYR Balance – Malaysia Fund Over 3 Years <p><i>* The word "Plus" is used in the fund's name as the fund has a similar investment strategy as Manulife Investment Shariah Progress Fund with a wider universe via exposure to the Asia Pacific region.</i></p>
FSMOne Recommended Unit Trusts Awards 2024/25	<p>Core Portfolio (Equity) Core Equity - Asia ex-Japan: Manulife Investment Asia-Pacific ex Japan Fund</p> <p>Supplementary Portfolio</p> <ul style="list-style-type: none"> Single Country Equity - US: Manulife Investment U.S. Equity Fund Sector Equity - Global Healthcare: Manulife Global Healthcare Fund <p>Private Retirement Scheme (PRS)</p> <ul style="list-style-type: none"> Moderate (Islamic): Manulife Shariah PRS-Moderate Fund Growth (Islamic): Manulife Shariah PRS-Growth Fund
Manulife Investment Management (M) Berhad	
PPA "Growing PRS Together 2023" Awards	<ul style="list-style-type: none"> 1st Runner Up in PRS AUM Growth 2nd Runner Up in PRS Member Growth 2nd Runner Up in PRS Market Growth 2nd Runner Up in PRS Individual Top Up
The Edge Malaysia ESG Awards 2024	<p>Best Impact Category Fund: Manulife Global Aqua Fund</p>
Manulife Insurance Berhad	
InsuranceAsia News	<ul style="list-style-type: none"> Country Award for Excellence 2024 – Best Health Insurer, Malaysia
Parenthood Choice Award 2024	<ul style="list-style-type: none"> Best Medical Plan for Families
Motherhood Choice Award 2024	<ul style="list-style-type: none"> Best Medical Plan for Families
HR Asia	<ul style="list-style-type: none"> HR Asia Best Companies to Work for in Asia 2024
HR Asia	<ul style="list-style-type: none"> HR Asia Diversity, Equity, and Inclusion Awards
Human Resources (HR) Excellence Awards 2024 Malaysia	<ul style="list-style-type: none"> Excellence in Leadership Development: Bronze Award

CEO's Report & Management Discussion and Analysis

MASTERING RISK FOR SUSTAINABLE GROWTH

We recognise the vital role of robust risk management in our business operations. Our dedication to enhancing shareholder value involves developing and expanding our business within the risk appetite defined by the Board. We strive for a prudent balance between risk and reward, actively working to enhance our risk management capabilities. This ongoing effort supports the realisation of our growth plans in a carefully controlled environment.

Throughout 2024, the efficacy of our risk management processes has persisted. The Executive Management Team remained closely involved in important risk management initiatives, concentrating notably on preserving appropriate levels of liquidity and capital, and effectively managing various risk areas within the enterprise risk management framework. The commitment to responsibility and accountability for risk management is ingrained at every level within the Group, extending from the Board to each business function within the organisational structure.

For the financial year under review, Manulife highlighted the significance of mitigating strategic, market, credit, product, and operational risks and has implemented tailored action plans to address these concerns, where required. We are also cognisant on the evolving nature of climate-related risks, cybersecurity and data privacy. We strive to continuously monitor and manage these risks in-line with the expectation set forth by Bank Negara Malaysia ("**BNM**").

COMMITMENT TO SUSTAINABILITY

As a responsible licensed insurer under the Financial Services Act 2013 regulated by BNM, we acknowledge the critical role we play in addressing social inequity and achieving sustainable development.

This year, we accelerated our climate agenda to meet the reporting requirements set by BNM and Bursa Malaysia. We have enhanced our climate risk assessment processes and improved our management of the Greenhouse Gas inventory.

As a long-term investor, life insurer, and asset manager, we also seek to manage climate risk in our business lines and investments, and to capitalise on opportunities to participate in the just transition to a global low carbon economy.

Another highlight of our sustainability efforts is the launch of our flagship community investment programme in collaboration with Roots and Shoots Malaysia. This initiative supports the rehabilitation of a nature trail in the Wang Kelian region in Perlis, directly aligning with Manulife's Impact Agenda pillars: empowering sustained health and wellbeing, promoting inclusive economic opportunities and accelerating a sustainable future. Through this initiative, we aim to unlock Perlis' potential for sustainable eco-tourism, thereby fostering regional economic growth.

DIVIDEND

I am pleased to inform that the Board of Directors has recommended, subject to shareholders' approval at the forthcoming Annual General Meeting, a First and Final dividend of 8.0 sen per share, amounting approximately to RM17.98 million for the financial year ended 31 December 2024. A Dividend Reinvestment Plan with relation to this will also be offered subject to approval, hence giving shareholders an option to elect to reinvest cash dividend in new ordinary shares of Manulife Holdings Berhad. The recommendation is made in accordance with the nature of profits arising in 2024.

CEO's Report & Management Discussion and Analysis

MALAYSIA'S ECONOMIC OUTLOOK

Malaysia's GDP growth for 2024 was 5.1%, a notable increase from 3.6% in 2023 contributed primarily by a rebound in exports and domestic demand. This growth comes on the back of a moderation in the fourth quarter, where GDP grew by 5%. This contrast follows stronger performances from previous quarters, with 5.4% in Q3, 5.9% in Q2, and 4.2% in Q1. Overall, for 2024, GDP growth was at the higher end of the official GDP growth forecast range of between 4.8% and 5.3%.³

From a sector perspective, services and construction showed resilient growth whereas manufacturing showed growth albeit at a slower pace and contractions were recorded in agriculture and mining. In October 2024, the World Bank had upgraded Malaysia's economic growth forecast from 4.3% to 4.9% in view of positive domestic and external environment. On the domestic front, positive economic momentum, rising political stability, and an increasingly conducive policy environment were key factors supporting Malaysia's growth attainment.

Looking ahead to 2025, official GDP growth is projected between 4.5% and 5.5%. In tandem with this, inflationary pressures are expected to rise and headline inflation forecast to be between 2.0% and 3.5%, with upward inflationary pressure emanating from domestic policy measures, especially the gradual removal of fuel subsidies.

³ Economic and Financial Developments in Malaysia in the Fourth Quarter of 2024 - Bank Negara Malaysia

APPRECIATION

While the challenges we face in the economic environment may be complex and at times volatile, we are resolute in our mission to not only overcome them but to emerge stronger, more innovative, and more deeply connected to our stakeholders than ever before.

I am reminded every day of the one constant that drives us forward: "Where will *better* take you." At Manulife, *better* means more than just financial success; it means making a tangible, positive impact on the world around us. And in a world where trust is more valuable than ever, we are committed to being transparent, accountable, and ethical in all that we do.

All our achievements are made possible by the trust and support of our customers, shareholders, distribution partners and employees. I want to extend my deepest gratitude for your belief in our mission. Your support fuels our drive to be better, to do more, and to make a meaningful impact in the world.

Together, we will continue to raise the game together to build a better tomorrow.

Thank you for being part of our journey.

Yours sincerely,

Vibha Coburn

Group Chief Executive Officer
Manulife Holdings Berhad

Sustainability Statement

At Manulife, we integrate sustainability into our business to drive positive impact and accountability ensuring our actions benefit both our business and the world. Our commitment is to deliver long-term value by supporting employee wellbeing, enriching communities and minimising environmental impact. Recognising that our success is interconnected with the wellbeing of people and the planet, we advance our Impact Agenda and Environmental, Social and Governance (“**ESG**”) commitments to create a better tomorrow for our business, our communities, and the planet.

ABOUT THIS REPORT

REPORTING PERIOD

This annual report covers Manulife Malaysia’s sustainability-related performance for the calendar year i.e., 1 January to 31 December 2024, unless otherwise specified.

REFERENCE & GUIDELINES

Our sustainability-related disclosures are in accordance with Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”)’s Main Market Listing Requirements relating to the Sustainability Statement in Annual Reports, and have been enhanced this year in accordance with Bursa Sustainability Reporting Guide (3rd Edition), the Bank Negara Malaysia (“**BNM**”) Climate Risk Management and Scenario Analysis (“**CRMSA**”) policy document, and International Financial Reporting Standard (“**IFRS**”) S1 and S2 requirements which focus on sustainability-related financial information and climate-related disclosures, where available and applicable.

We have also reviewed how our sustainability framework aligns with the United Nations Sustainable Development Goals (“**SDGs**”). This widely utilised reporting framework allows the structure of our sustainability report to be presented in a clear and transparent manner. An additional reference we used is the Manulife Financial Corporation (“**MFC**”)’s 2023 Sustainability Report.

COVERAGE

The scope of our sustainability disclosures covers Manulife Holdings Berhad (“**MHB**”), a public listed entity on Bursa Malaysia and its subsidiaries: Manulife Insurance Berhad (“**MIB**”), Manulife Investment Management (M) Berhad (“**Manulife (IM) Malaysia**”), Manulife Insurance Labuan Limited (“**MILL**”) and Britama Properties Sdn. Bhd. (“**Britama**”).

The report covers our operations in Malaysia, including our Kuala Lumpur-based headquarters, Menara Manulife, and branch offices nationwide. References to ‘**Manulife**’, ‘**Manulife Malaysia**’, ‘**the organisation**’, ‘**the Company**’, ‘**Group**’, ‘**we**’ or ‘**our**’ refer to Manulife Holdings Berhad and/or its subsidiaries.

PROCESS

In our effort to identify matters that are important to our business and stakeholders, we proactively engage our stakeholders throughout the year to prioritise and reaffirm our material matters as well as manage our ESG and climate-related risks and opportunities effectively.

ASSURANCE

This Sustainability Statement has been reviewed and approved by the Group ESG Committee, Group Chief Executive Officer, Manulife’s Global Chief Sustainability Officer, Global Head of Sustainability Strategy and Reporting, and MHB Board of Directors.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements contained herein may include statements of future expectations and other forward-looking statements that are based on Management’s current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in such statements. The forward-looking statements in this report are presented for the purpose of assisting investors and others in understanding our objectives and strategic priorities and may not be appropriate for other purposes. The organisation assumes no obligation to update any forward-looking statements except as required by law.

FEEDBACK

As part of our efforts to continuously improve our reporting journey, we welcome all feedback and inquiries from our stakeholders and readers. Kindly direct them to:

Sustainability Department
Manulife Insurance Berhad
16th Floor, Menara Manulife,
Jalan Gelenggang, Damansara Heights,
50490 Kuala Lumpur
Tel: +603 2719 9228
Email: MY_Sustainability@manulife.com

Sustainability Statement

OUR APPROACH TO SUSTAINABILITY

Decisions made *easier*. Lives made *better*.



Through our Impact Agenda, we are staying true to our mission and creating a better tomorrow for our business, our communities, and the planet.

Through three interconnected pillars that outline the social and environmental areas where we have the greatest ability to affect change, our Impact Agenda serves as a lens to guide our business decisions and community impact:



Empowering sustained health and wellbeing

to support the journey towards a better life as a partner for progress.



Driving inclusive economic opportunities

to create a more even playing field for underserved and underrepresented communities.



Accelerating a sustainable future

to restore and preserve the planet we all share.

Grounded in the principles of longevity, at Manulife, better means longer, healthier lives for our customers and our planet. We believe collective action can accelerate change, and by collaborating with likeminded partners, we know we can drive meaningful impact. Together, we can build a *better* world.

Sustainability Statement

OUR MISSION

Decisions made *easier*. Lives made *better*.

Our Values



Obsess About Customers

We predict their needs and do everything in our power to satisfy them.



Do The Right Thing

We act with integrity and do what we say.



Think Big

Anything is possible. We can always find a better way.



Own It

We feel empowered to make decisions and take action to deliver our Mission.



Get It Done Together

We are surrounded by an amazing team. We can do it better by working together.



Share Your Humanity

We build a supportive, diverse and thriving workplace.

Our Impact Agenda

1

Empowering sustained health and wellbeing

to support the journey towards a better life as a partner for progress.



2

Driving inclusive economic opportunities

to create a more even playing field for underserved and underrepresented communities.



3

Accelerating a sustainable future to restore and preserve the planet we all share.


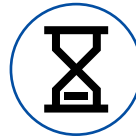


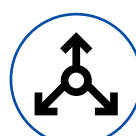






Relevant UN Sustainability Development Goals








Sustainability Statement




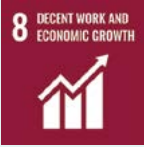






SUSTAINABILITY HIGHLIGHTS AT A GLANCE

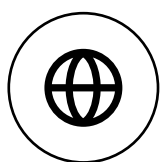
<p>Signed a 3-year Community Investment flagship programme with Roots & Shoots Malaysia</p> 	<p>46% increase in volunteer hours recorded versus 2023</p> 	<p>Invested more than RM 300,000 in community initiatives in 2024</p> 
<p>Achieved 13,826 hours of employee training and learning compared to 3,084 hours in 2023</p> 	<p>Awarded Diversity, Equity and Inclusion Award, HR Asia 2024</p> 	<p>Diverted 272kg of recyclable waste from landfill</p> 
<p>Achieved a Net Promoter Score (“NPS”) of 38 being an 18-point increase from 20 in 2023</p> 	<p>Won the Best Impact Category, The Edge Malaysia ESG Award 2024 for Manulife Global Aqua Fund</p> 	<p>Maintained our top quartile position for 2024 Employee Engagement Survey (“EES”) with 4.45 mean score</p> 

ALIGNING OUR ESG EFFORTS TO RELEVANT SDGs

SDG	Our Impact	Learn More
 <p>1 NO POVERTY</p>	<p>End poverty in all its forms, everywhere</p> <p>We partner with non-governmental organisations (“NGOs”) to deliver financial literacy, skills training and entrepreneurship initiatives, empowering individuals to overcome economic challenges and secure a sustainable future, reinforcing our commitment to community development.</p>	<p>Touching Lives in the Community Page 66</p>
 <p>2 ZERO HUNGER</p>	<p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p> <p>We partner with NGOs to support vulnerable communities, addressing food insecurity and flood impacts, underscoring our commitment to enhancing resilience and fostering long-term community stability.</p>	<p>Touching Lives in the Community Page 66</p>
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote wellbeing for all at all ages</p> <p>We promote physical and mental health for employees, customers and communities through innovative and affordable products, and community programmes, reinforcing our commitment to building healthier, more resilient communities.</p>	<p>Touching Lives in the Community Page 66</p>
 <p>4 QUALITY EDUCATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p>We invest in workforce development through Pursuit, LinkedIn Learning and Fuel-up Friday, while empowering communities with financial literacy education, reinforcing our role in fostering personal and professional growth.</p>	<p>Nurturing a Winning Team Page 56</p> <p>Touching Lives in the Community Page 66</p>
 <p>5 GENDER EQUALITY</p>	<p>Achieve gender equality and empower all women and girls</p> <p>We cultivate an inclusive, safe workplace through Diversity, Equity and Inclusion initiatives, focusing on empowering women by dismantling barriers and providing resources, ensuring equitable support and advancement within our organisation and communities.</p>	<p>Nurturing a Winning Team Page 56</p>

Sustainability Statement

SDG	Our Impact		 Learn More
	Ensure availability and sustainable management of water and sanitation for all	We invest in innovative companies addressing water-related challenges, to help advance sustainability, and reinforce our commitment to environmental stewardship and social responsibility through the Manulife Global Aqua Fund.	Elevating Our Business Page 42
	Ensure access to affordable, reliable, sustainable, and modern energy for all	We drive low carbon transition by investing in sustainable energy through the installation of solar panels at our head office, as part of our commitment to environmental sustainability and renewable energy adoption.	Preserving the Environment Page 52
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	We drive sustainable growth and opportunity by promoting employment, financial inclusivity and education in underserved communities through strategic corporate and community investments, fostering economic empowerment and social equity.	Nurturing a Winning Team Page 56
	Reduce inequality within and among countries	We provide accessible digital products and foster a Diversity, Equity and Inclusion-driven culture through our Employee Resources Group (ERG), while partnering with communities and NGOs to address poverty, education and healthcare.	Touching Lives in the Community Page 66
	Make cities and human settlements inclusive, safe, resilient and sustainable	We create employment opportunities, facilitate community engagement and actively support local causes and events. Through these initiatives, we aim to foster sustainable growth, enhance community wellbeing and reinforce our role as a catalyst for positive change in local and rural communities.	Nurturing a Winning Team Page 56
	Ensure sustainable consumption and production patterns	We commit to sustainable consumption and production by monitoring our footprint, reducing waste through recycling, adopting sustainable practices, integrating sustainability in reporting and promoting awareness for harmonious development.	Touching Lives in the Community Page 66
	Take urgent action to combat climate change and its impacts	We integrate risk assessments and Greenhouse Gas ("GHG") inventories into our climate strategy, aligning with national policies to reduce our environmental footprint and advance global sustainability efforts, embedding climate considerations into our operations.	Preserving the Environment Page 52
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.	We partner with NGOs and communities to conserve ecosystems and promote sustainable land use, engaging in biodiversity preservation through investments and volunteer efforts to drive impactful change for a sustainable future.	Touching Lives in the Community Page 66
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	We uphold ethical business practices by providing comprehensive anti-corruption and anti-bribery education, fostering transparency and accountability, and curbing corruption across our organisation and industry.	Accelerating Our Climate Agenda Page 31
	Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development	We drive sustainable business by collaborating with partners, stakeholders and peers to understand and influence change within the industry, fortifying our sustainability efforts and inspiring collective action for a better future.	Touching Lives in the Community Page 66
			Elevating Our Business Page 42
			Stakeholder Engagement & Materiality Assessment Page 38



Accelerating **Our Climate Agenda**

At Manulife Malaysia, we are committed to accelerating a sustainable future where both people and the planet flourish together. Understanding the critical risks that climate change poses to our business, public health and the communities we serve, we are resolute in our dedication to safeguarding the natural environment. Our approach encompasses sustainable management of our operations, prudent investment choices, and the development of financial products and services that support environmental resilience.

Sustainability Statement

In line with BNM's CRMSA policy document¹, our Sustainability reporting provides a comprehensive overview of our approach to climate-related risks and opportunities. It details our governance structure for overseeing these risks, examines their actual and potential impact on our business, strategy and financial planning, and outlines our methodology for managing them. Additionally, the chapter's final section presents the metrics we use to monitor and manage climate-related risks and opportunities, ensuring transparency in our sustainability commitments.

As part of this exercise, MIB developed the Environmental Risk Supplementary Policy (MFC Environmental Risk Policy – being the main reference policy), which serves as a guide providing a consistent approach in managing climate-related risks. In 2024, we further strengthened the policy by including quantitative risk metrics to solidify the monitoring of our climate-related qualitative risk appetite and climate-related risks.

At the same time, we refined our climate-related risk assessment to provide a more comprehensive evaluation of climate risks across our business. This risk perspective is also supported by the outcomes of Climate Scenario Analysis to provide better risk context.

In line with the expectations set out by regulators under frameworks such as the CRMSA and Climate Change and Principle-based Taxonomy (“CCPT”), we continuously strive to improve the rigour of our climate-related risk assessment tools and are committed to ensuring climate-related risks and their impacts are adequately monitored and managed to safeguard the interests of our customers and business.

GOVERNING SUSTAINABILITY AND CLIMATE RESILIENCE

Manulife is committed to ensuring strong governance and oversight of climate-related risks to safeguard business resilience. As part of our commitment, we have established clear frameworks and policies to guide our approach, enabling us to proactively assess and mitigate potential risks.

Our governance structure promotes accountability to stakeholders and facilitates discussions at the highest level. We also strive to ensure our sustainability initiatives are thoroughly considered and transparently communicated throughout the organisation, driving our commitment across the organisation.

To bolster our organisational capabilities and deepen our expertise in climate risk management, we have committed to ongoing, high-impact training for our Board of Directors, senior management and key personnel. In May 2024, our directors participated in a webinar hosted by Ernst & Young on “Navigating Climate and Nature-related Financial Disclosures”, and in August 2024, they attended the United Nations Global Compact: Forward Faster Now | Asia & Oceania conference. In June 2024, two directors and key ESG personnel represented Manulife Malaysia at the Kuala Lumpur International Sustainability Conference: Synergising Climate Action, which focused on fostering collaboration across regulators, corporates and academia. Later in October 2024, three directors participated in the CRMSA, CCPT and Climate Risk Stress Testing (“CRST”) Training for Directors Workshop, enhancing their strategic oversight in climate governance.

In November 2024, members of Manulife Malaysia's Executive Committee attended the Climate-related Disclosure Workshop, gaining essential insights into carbon footprint assessment and enhancing our GHG Inventory management. Throughout the year, our ESG Committee actively participated in various climate-related workshops and conferences to ensure we remain at the forefront of sustainability best practices and innovations. Our risk management personnel also engaged in several key workshops to stay current with climate-related regulatory expectations and improve our management of climate-related risks. These workshops included the Masterclass on CRMSA Reporting 2.0: Climate Risks Stress Testing (April 2024), Geospatial Analysis for Flood Risk on Mortgage Portfolios by the World Bank (October 2024), and a Talk on ESG Awareness and the International Sustainability Standards Board (“ISSB”) IFRS S1 and IFRS S2 by Ernst & Young (November 2024).

These capacity building initiatives not only meet regulatory expectations and align with global sustainability trends but also strategically position us to integrate our business decisions with our Impact Agenda, ensuring that our governance is attuned to driving meaningful and sustainable outcomes.

¹ The requirements outlined in the BNM CRMSA policy document apply specifically to Manulife Insurance Berhad as the regulated financial institution responsible for reporting to BNM. While Manulife Holdings Berhad as a publicly listed entity upholds sustainability commitments at the group level, the regulatory obligations and climate-related disclosures mandated by BNM CRMSA policy document apply solely to MIB in its capacity as a licensed insurer under the purview of the nation's central bank.

Sustainability Statement

MANULIFE MALAYSIA SUSTAINABILITY GOVERNANCE STRUCTURE		
Governance Body	Function	Frequency of Meetings
MHB Board of Directors	Holds ultimate oversight of sustainability governance within the organisation. The Board ensures climate-related and ESG risks are effectively managed, approves enterprise-wide sustainability policies, strategies and risk appetite, and reviews and evaluates climate-related risks and opportunities in business planning. The Board also ensures adequate resources are available for managing environmental and climate risks and approves climate-related disclosures in line with regulatory requirements.	2 meetings in 2024: <ul style="list-style-type: none"> Review and approve disclosures and reporting Review achievements and strategic focus
MIB Risk Management Committee (RMC)	Oversees the management of MIB principal risks, programmes, policies and procedures to manage those risks, which includes the consideration of climate-related risks. The committee assigns management roles, ensures the effectiveness of climate risk policy, monitoring tools and metrics and actively discusses climate-related developments and approves climate-related disclosures.	4 meetings in 2024 for Quarterly Risk Report: Revision of Policies – Environmental Risk Supplementary Policy for MIB
MIB Enterprise Risk Management Committee (ERMC)	Responsible for recommending climate-related risk appetite and policies to the RMC and Board. The ERMC also assesses the adequacy of climate risk management processes and mitigation measures and provides assurance on the effectiveness of climate-related risk management.	
Group CEO	Leads and approves the implementation of sustainability strategies and climate risk management initiatives. The Group CEO drives the organisation's sustainability agenda, ensuring climate-related risks and ESG considerations are integrated into corporate decision-making while working closely with the Board and ESG and Risk Committees.	<ul style="list-style-type: none"> 2 MHB BOD meetings Monthly progress reporting to Executive Committee (“EXCO”)
ESG Committee	Our ESG Committee, comprising senior management from key functions, is tasked with executing Manulife's sustainability plan. This includes setting targets, monitoring performance indicators, and overseeing the implementation of sustainability-related strategies. A hybrid of a steering and action committee, the committee also oversees sustainability-related reporting, including disclosures and compliance requirements.	<ul style="list-style-type: none"> Monthly progress reporting to EXCO Bi-annual progress reporting to MIB and MHB Boards
Oversight Role		
Global Sustainability	Tasked with integrating sustainability principles into all facets of Manulife's operations, ensuring that ESG considerations are at the forefront of strategic decision-making. The team is responsible for developing and implementing comprehensive sustainability strategies that align with global standards and support the company's long-term objectives.	Review and approve disclosures and reporting

Sustainability Statement

BUILDING A DECARBONISATION JOURNEY ALIGNED WITH BEST STANDARDS

The following section outlines the assessment of potential material climate-related risks and the impact on Manulife's business operations. This forward-looking approach allows the organisation to make informed decisions as we navigate structural shifts in the business landscape during the transition to a low-carbon economy.

To strengthen this commitment, Manulife employs a scenario analysis technique that evaluates climate risks across different time horizons—short-term (1 to 3 years), medium-term (4 to 10 years), and long-term (beyond 10 years). These analyses provide insight into the business impact, allowing us to adapt risk management strategies accordingly.

Recognising that climate risks extend beyond environmental concerns and influence multiple areas of risk, we assessed Physical, Transition, and Liability risks across our key risk categories, including strategic, operational, market, credit, and product risks. These climate risk drivers are each assessed based on its transmission to the latter principal risks.

These identified risks are evaluated using an assessment guide that consider likelihood and impact parameters, along with inputs from key stakeholders and scenario analysis. The risks are further grouped to better understand its materiality for better risk prioritisation.

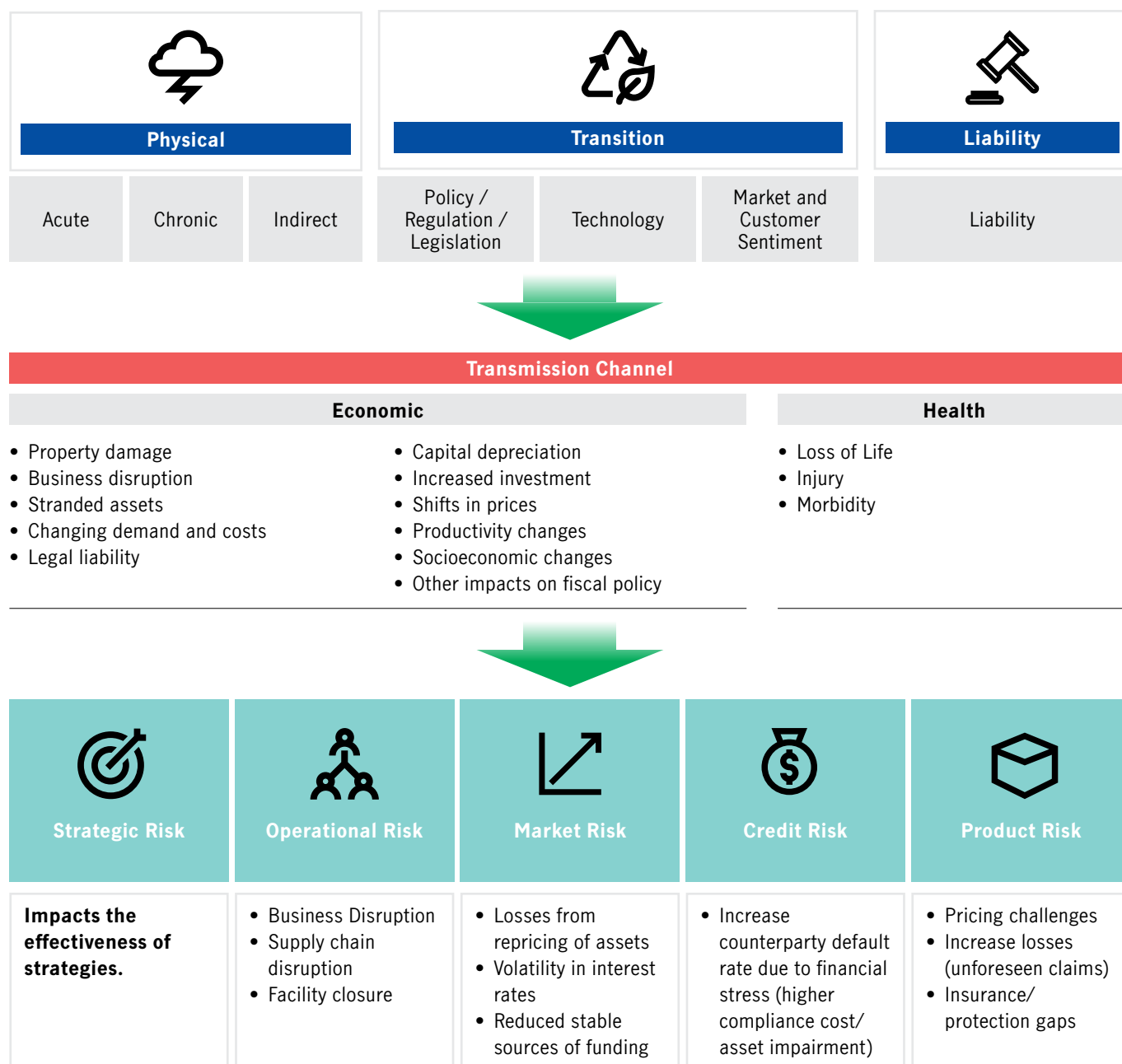
Climate Risk Drivers	Observation and impact
Physical Risk	<ul style="list-style-type: none"> Over the long term, Acute, Chronic and Indirect physical risks are expected to impact a substantial number of risk areas. Asset values of the investee company could be impacted, which would lead to investment losses. A longer time horizon also increases the prevalence of direct/indirect impact attributed by changes in climate patterns. This observation is prevalent under the product risk, due to heightened variability in policyholder behaviour, mortality and morbidity impacts.
Transition Risk	<ul style="list-style-type: none"> Transition risk (Policies, Legislation and Regulation) seems to be a notable driver in the long-term, impacting majority of principal risk areas. There is growing expectation/scrutiny from regulators on carbon intensive sectors. Regulatory requirements and policies related to climate change are expected to be increasing and issued on a progressive basis to cater to changes in this area. This would lead to increasing cost of compliance impacting our organisation and counterparties. Market and Consumer Sentiment influences the majority of principal risk categories in the long run. Changing customer sentiments/increased level of awareness, may increase operational complexity, shift product demand and change policyholder behaviour. These changes in sentiments are also expected to have an increasing impact on financial outcomes of counterparties.
Liability Risk	<ul style="list-style-type: none"> Litigation implication in the long run is heightened across majority of the principal risks, attributed by uncertainty in climate risk management expectations. As more individuals are exposed to climate risks over time, the likelihood for litigation may increase impacting underwriting and claims practices. Potential revisions to regulations/Climate Bills may impose further expectation and liability on misrepresentation or disclosures in the long run.

Manulife adopts a holistic approach to managing climate risks and opportunities. The following strategic themes and supporting initiatives have been identified to proactively shape our response to climate vulnerabilities while capitalising on opportunities over the short, medium or long-term:

Strategic themes	Initiatives
Digital Roadmap	Digitalisation of customer and salesforce journeys increases business resilience and reduces carbon footprint.
Investment strategy	Review of investment strategy to consider climate risk impacts to investment assets and liabilities.
Product	Constant review of product roadmap to meet market demands and claims management.
Policy and Disclosure	Monitoring of BNM policies and industry feedback on climate risk/sustainability.

Sustainability Statement

The illustration below depicts the impact of climate risks and their transmission to principal risks across the Organisation. Manulife is cognisant of potential climate risk areas and is constantly looking out for opportunities. Climate-related risk assessments are periodically reviewed to ensure that the organisation stays abreast of emerging risks and opportunities over time and can align its strategic pillars, initiatives and risk appetite accordingly.



Manulife Malaysia recognises the importance of embedding climate-related risks into its risk appetite framework to ensure long-term business resilience and regulatory alignment. We integrate these risks into the board-approved Risk Appetite Statement (“**RAS**”), formally acknowledging material risk drivers.

Sustainability Statement

In accordance with our Environmental Risk Supplementary Policy, the following MIB Climate RAS has been defined to further supplement the Global MFC Climate RAS:

- The Organisation aims to identify and consider material climate-related risks when assessing the internal capital adequacy over relevant time horizons, starting with qualitative approaches while building capacity in developing the quantitative approach.
- The Organisation seeks to clearly address climate-related risks within the risk appetite statement.
- The Organisation shall take a phased approach to develop appropriate and robust risk metrics including risk limits and threshold for management action.
- The Organisation shall manage the risks of economic dislocation and the associated reputational risk to actively promote a just and orderly transition of customers and counterparties towards more sustainable and climate-resilient practices.
- The Organisation commits to a transition strategy that is transparent, gradual and progressive when rebalancing the exposures that are vulnerable to climate-related risks.

We have also developed a set of risk metrics that track exposures to both physical and transition risks, outlined below. These metrics, which include the following, will be consistently reviewed to ensure their relevance and applicability:

- Carbon emission footprint reduction.
- Misrepresentation cases pertaining to climate-related disclosures or false advertising of products or services which tantamount to greenwashing.
- Business disruption incidents attributed by climate-related events.
- Penalty or reprimands from Regulators for non-compliance on regulators' expectation with regards to climate management.
- Investment appetite in high-risk sector/coal intensive sector.

NAVIGATING CLIMATE-RELATED RISKS AND OPPORTUNITIES

We remain vigilant in monitoring emerging climate change regulations and conducting regular gap assessments to ensure alignment with regulatory expectations. We actively support climate-related industry and regulatory initiatives through participation in the Joint Committee for Climate Change ("JC3"), relevant sub-committees, working groups, and surveys.

Environmental risks (including both climate risks and nature risks) can affect any key risk types, for example, strategic, market, credit, product, operational, and reputational risks.

The table below outlines the risk classification framework used to assess and manage climate-related risks.

Risk category	Subcategory	Risk Description <i>(Reference and non-exhaustive)</i>
Physical Risk	Acute	Economic costs and financial losses resulting from the increasing severity and frequency of extreme climate change-related weather events (or extreme weather events) such as heatwaves, landslides, floods, wildfires, and storms.
	Chronic	Economic costs and financial losses resulting from longer-term gradual shifts of the climate such as changes in precipitation, extreme weather variability, ocean acidification and rising sea levels and average temperatures.
	Indirect	Economic costs and financial losses resulting from indirect effects of climate change such as loss of ecosystem services (e.g., desertification, water shortage, degradation of soil quality or marine ecology).
Physical Risk	Policies, Legislation and Regulation	Increased regulatory requirements or government policies
		Enhanced emissions-reporting / obligations
	Technology	Costs to transition to lower emissions technology
		Unsuccessful investment in new technologies
	Market and customer sentiment	Changing customer behaviour / preferences
		Uncertainty in market signals
		Stigmatisation of sectors (high carbon emitters)
Liability Risk	Liability	Increased stakeholder concern or negative stakeholder feedback
		Risks stemming from parties that are seeking compensation for losses these parties may have suffered from the physical or transition risks from climate change (e.g., legal suit on lack of climate disclosure / increase in environmental liability claims).

Sustainability Statement

To manage the environmental-related risks effectively, the Manulife Enterprise Risk Management Policy provides a framework for overseeing all risk-related activities across the Group. This policy establishes the foundation for risk taxonomy, appetite, governance, process, and culture. It also facilitates the ongoing identification, assessment, management, monitoring, and reporting of significant risks, including those from climate-related factors that could impact business results.

This is further supplemented by the Manulife Environmental Risk Policy, which integrates environmental risks into our risk management framework. It outlines oversight responsibilities for climate-related risks, ensuring alignment with MIB's financial, risk, capital, and strategic objectives. The policy identifies key business activities impacted by environmental risks, namely:

- General Account investing activities (acquisitions, financing, lending, asset management, etc.)
- Corporate operations (office and sales operations, staffing, data centres, third-party vendors)
- Underwriting activities (including reinsurance)

ASSESSING OUR CARBON FOOTPRINT

In 2024, Manulife Malaysia undertook a comprehensive carbon accounting assessment. This pivotal initiative allows us to accurately measure our environmental impact and set local commitments that align with Manulife's global climate goals. By identifying key areas for improvement, we are strategically positioned to enhance our sustainability performance and drive meaningful change.

Through our comprehensive exercise, we identified areas for improvement and enhancements needed to establish a robust GHG inventory and governance process. These improvements will be implemented in FY2025 and included in the next reporting cycle.

DRIVING RESPONSIBLE INVESTMENT DECISIONS

As part of our annual Investment Management and Due Diligence process, our Investment and Credit Analysts thoroughly evaluate potential and existing investments for ESG risks and opportunities. They assess the relevance and materiality of these factors to each specific investment. This involves a comprehensive discussion of material ESG risks and opportunities in investment reviews and approval materials, referencing the issuer's ESG performance management strategies and metrics, where disclosures are available.

In 2024, our Investment and Credit Analysts conducted extensive reviews of investments, updating the ESG scores for each issuer or investee company. These reviews integrate material ESG risks and opportunities, ensuring that our investment strategies remain both responsible and forward-thinking.

MANULIFE'S CLIMATE ACTION PLAN

We are committed to our Climate Action Plan, a vital component of Manulife's broader Impact Agenda to accelerate a sustainable future. Our strategic goal is to align and contribute to MFC Global Climate targets of reducing Scope 1 and Scope 2 emissions by 40% by 2035, with an immediate focus on reduction opportunities, particularly within Menara Manulife. In FY2025, we plan to conduct an audit of LED light fittings at Menara Manulife to identify and implement energy efficiency improvements. This initiative is expected to reduce our energy consumption and environmental impact, reinforcing our dedication to sustainable growth and environmental responsibility.

By implementing and monitoring these initiatives, we are poised to review and enhance our emissions targets proactively in 2027. This approach ensures we remain agile, effective, and aligned with global best practices, reinforcing our leadership in sustainability and commitment to climate action.

Accelerating a sustainable future is central to Manulife's sustainability strategy. We are dedicated to tackling the urgent challenges of climate change and preserving our planet. Through proactive measures and innovative solutions, we empower our customers with the confidence to build a secure and sustainable future, aligning our mission with the global pursuit of environmental stewardship and resilience.





Stakeholder Engagement **and Materiality Assessment**




At Manulife, we are committed to fostering meaningful connections with both internal and external partners to drive positive change. We prioritise active, transparent dialogue and collaboration. The insights we gain from these interactions inform our approach to projects, reports, regulatory disclosures and help us prioritise key issues. We understand our responsibility to use our scale and influence to tackle global challenges, such as the climate crisis and to foster inclusive economic opportunities. Our role is crucial in driving the systemic changes necessary for a healthier planet and a more equitable, and sustainable economy.

Sustainability Statement




Across the organisation, we engage regularly with a diverse array of stakeholders, utilising digital platforms and innovative engagement methods to gather insights on critical issues that impact them and our business. We are committed to sharing our progress and promoting best practices globally. This continuous dialogue is essential for refining our strategies and programmes, ensuring they have significant and lasting impact. The specifics of our engagements with key stakeholders and the initiatives we undertake are detailed in the following table:

Stakeholder Group	Areas of Interest	Engagement Channels	Frequency of Engagement	Our Strategy
 CUSTOMERS	<ul style="list-style-type: none"> Protecting customer data and privacy Enhance customer service with fast, simple, secure and convenient transactions / dealings Providing financial solutions to meet customer needs Helping customers make informed decisions Employ measures to ensure safety at physical touchpoints 	<ul style="list-style-type: none"> Digital touchpoints (e.g. Manulife customer portal, iFUNDS, Manulife public website) Physical branches Call centres, customer service counters, sales representatives (e.g. agents or advisers) Social media platforms (e.g. Instagram, Facebook, LinkedIn) Customer satisfaction surveys (NPS) 	Ongoing	<ul style="list-style-type: none"> Information Security: Implement comprehensive measures and controls to protect customer data and privacy, addressing stakeholder concerns about security and trust in our digital platforms. Digital Transformation: Advance our digitalisation agenda with initiatives like Manulife Online (customer portal) and Manulife iFUNDS to enhance customer experience and streamline services, meeting the growing demand for seamless digital interactions. Innovative Solutions: Develop and offer innovative products, services and investment education that meet evolving customer needs, ensuring we remain competitive and responsive to market demands. Health and Safety Initiatives: Strengthen health and safety protocols in our offices, prioritising the wellbeing of employees and customers while maintaining operational resilience.
 EMPLOYEES	<ul style="list-style-type: none"> Corporate priorities, vision, core values and ethical conduct Business strategy and direction Employee wellbeing and benefits Leadership and talent development Reward and recognition Human rights Diversity, Equity and Inclusion 	<ul style="list-style-type: none"> Annual global employee engagement survey Annual mid-year engagement action check-in survey MFCentral – global intranet and resource centre Executive-led Townhalls and 'Ask Me Anything' sessions Employee Resource Group (ERG) PODIUM – Global recognition programme Trainings and Leadership Conferences Annual performance appraisals Recreational and teambuilding sessions 	Annually, Quarterly & Ongoing	<ul style="list-style-type: none"> Employee Engagement: Implement frequent initiatives such as townhalls, cultural get-togethers and volunteering initiatives to foster a connected and motivated workforce. Comprehensive Benefits: Offer robust benefits and remuneration packages to optimise employee wellbeing and attract top talent. Diversity, Equity and Inclusion: Host events to emphasise the critical importance of Diversity, Equity and Inclusion in the workplace, fostering an inclusive culture. Occupational Safety and Health: Enforce rigorous safety and health protocols to ensure a secure working environment. Capacity Building: Provide targeted programmes to enhance career growth and personal development, empowering employees to reach their full potential.

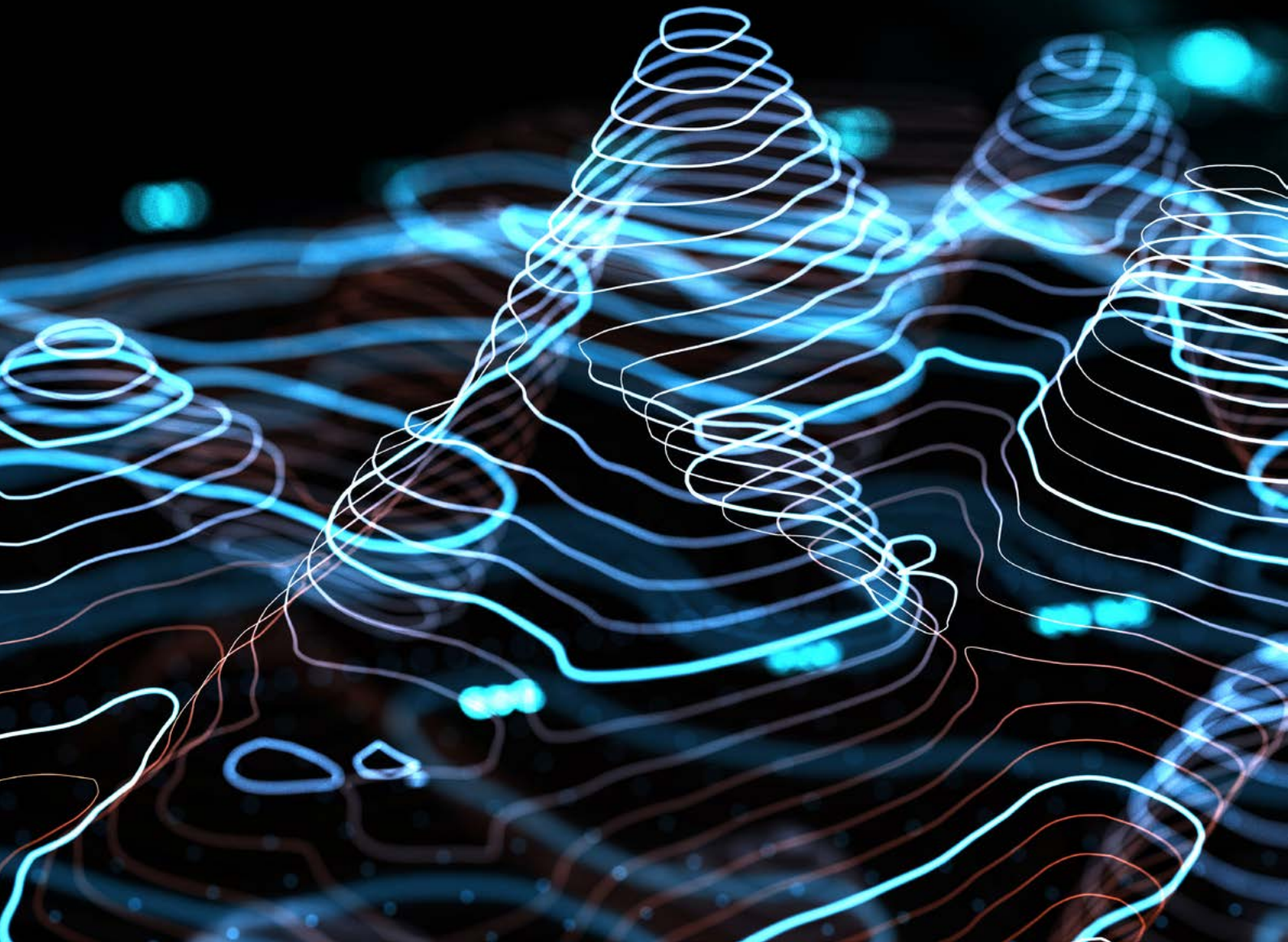
Sustainability Statement

Stakeholder Group	Areas of Interest	Engagement Channels	Frequency of Engagement	Our Strategy
 SHAREHOLDERS/ INVESTORS	<ul style="list-style-type: none"> Economic performance Company growth and value chain Business strategy and direction Financial results Compliance and governance ESG integration into business and operations 	<ul style="list-style-type: none"> Annual General Meeting (AGM) Reports and circulars Stock exchange announcements, website updates Investor relations events, analyst briefings Regular meetings, networking functions 	Annually, quarterly and ongoing	<ul style="list-style-type: none"> Enhance Corporate Governance: Strengthen internal processes and policies, including anti-bribery, anti-corruption, whistleblowing and board diversity, while integrating climate-related risk assessments to address shareholder concerns about transparency and ethical conduct in the context of environmental responsibility. Comprehensive Reporting: Produce financial statements, the annual report and Sustainability Statement that clearly articulate Manulife's response to climate-related risks and opportunities. This includes disclosing impacts on financial performance and outlining strategies for sustainable growth, thereby addressing shareholder demands for accountability and informed decision-making.
 REGULATORS	<ul style="list-style-type: none"> Compliance with legislation, rules, and regulations Opportunities for business investment Participation in industry working/ advisory groups Climate change Community investment Anti-corruption 	<ul style="list-style-type: none"> Official meetings and visits Industry dialogues, events and seminars Industry consultations Trainings Working and advisory groups 	Ongoing	<ul style="list-style-type: none"> Ensure Comprehensive Regulatory Compliance: Adhere to all regulatory requirements with a focus on climate-related disclosures, such as the BNM CRMSA Policy Document to address regulators' increasing emphasis on environmental accountability and risk management. Develop Robust Compliance Policies: Establish and regularly update policies that ensure adherence to relevant climate legislation, reflecting regulatory expectations for proactive risk mitigation and sustainable business practices. Engage in Industry Collaboration: Actively participate in industry working groups, such as the Physical Risk Working Group (PRWG) and Transition Risk Working Group (TRWG) under the JC3. This involvement allows us to contribute to and align with regulatory strategies focused on understanding and managing physical climate risks.
 SUPPLIERS	<ul style="list-style-type: none"> Fair and mutually agreeable contract terms Compliance with company policies, industry best practices, legislation, rules and regulations Health and safety Ethical and responsible conduct Opportunities for business collaboration 	<ul style="list-style-type: none"> Supplier selection through pre-qualification and tendering process Regular meetings, site visits, and networking functions Regular Catch-up with all departments Supplier Annual Reviews 	Ongoing	<ul style="list-style-type: none"> Risk and Vendor Assessment Integration: Embed comprehensive risk and vendor assessments within Manulife's procurement platform (Ivalua) to enhance decision-making and supplier reliability. Process Optimisation: Streamline internal procurement processes to promote efficient and strategic purchasing, driving value across the organisation. Stakeholder Engagement: Annual reviews and deliver targeted employee communications to strengthen collaboration between Manulife and its external vendors for optimal goods and services procurement. Transparent Tendering: Ensure a fair and transparent tender process, conducting thorough vendor evaluations to maintain high standards and accountability.

Sustainability Statement

Stakeholder Group	Areas of Interest	Engagement Channels	Frequency of Engagement	Our Strategy
 AGENCY BUSINESS PARTNERS	<ul style="list-style-type: none"> Adequate training for Manulife agency members Digital tools and services for optimum customer experience Agency recruitment and development Career progression and performance-based incentives 	<ul style="list-style-type: none"> Internal publications Chief Agency Officer (CAO) Channel Agency-wide meetings and recognition events Training and development functions 	Ongoing	<ul style="list-style-type: none"> Enhanced Capacity Building: Increase the frequency of capacity-building programmes for Manulife agency members to boost skills and performance.
 BANK PARTNERS	<ul style="list-style-type: none"> Digital tools and services for optimum customer experience Financial Services Consultants ("FSCs") recruitment and development Performance-based incentives 	<ul style="list-style-type: none"> Bank meetings, sales rallies, and sales recognition events Structured training and development functions for all levels and seniority of sales employees including sales leadership training Career progression for FSCs 	Ongoing	<ul style="list-style-type: none"> Targeted Incentives: Offer Bancassurance incentive trips as rewards to motivate and recognise top-performing bank sales employees. Strategic Capacity Building: Implement programmes designed to equip bank sales employees with the skills to effectively promote and sell Bancassurance solutions using a needs-based approach. Alignment with bank for sustainability growth of Bancassurance business.
 COMMUNITY	<ul style="list-style-type: none"> Community investments including donations, volunteering programmes, etc. Awareness-raising campaigns 	<ul style="list-style-type: none"> Collaborations with civil society organisations and social enterprises Corporate social responsibility (CSR) and volunteering programmes Public website and social media 	Ongoing	<ul style="list-style-type: none"> Community Engagement: Actively participate and collaborate in organising diverse community outreach programmes that support a wide range of causes. Strategic Partnerships: Partner with selected organisation to implement impactful community programmes. Social Media Advocacy: Launch awareness campaigns on social media to amplify our community initiatives and drive public engagement.

In 2022, we initiated a partial materiality assessment to identify key business and stakeholder priorities. Building on this foundation, MFC conducted its annual materiality assessment in January 2025, with participation from all Manulife segments. The evaluation engaged a diverse group of external and internal stakeholders to pinpoint the most critical ESG factors. Key conclusions will be unveiled in the Manulife Global Sustainability Report. The report will be made available on our website, reinforcing our commitment to transparency and sustainable growth.



Elevating **Our Business**

Our unwavering strategy to become a digital and customer-centric global leader in our industry has driven exceptional customer loyalty and employee satisfaction in 2024, yielding commendable performance and returns for customers and stakeholders. In every decision we make, we keep our values close to heart, aiming to *make lives better* for those we serve. At the same time, we strive to uphold the highest standards of excellence in operational efficacy and regulatory compliance — where our strong foundations can support our ability to capitalise on future opportunities and respond to emerging trends with strategic clarity.

Sustainability Statement

STRENGTHENING OPERATIONS AND EFFICIENCY

ACCELERATING OUR DIGITAL AGENDA

In 2024, Manulife Malaysia continued its journey to enhance operational efficiency and embrace lean practices. We strategically embraced a sustainable digital-first approach across both our insurance and investment arm, prioritising digitisation to ensure seamless and continuous engagement with stakeholders. By advancing our digital transformation, we enhanced operational efficiency and delivered superior experiences to our customers and business partners while reducing our environmental footprint. Our latest initiatives emphasise automation, which not only drives convenience and operational excellence but also aligns with our commitment to sustainable practices. By leveraging digital platforms, we aim to meet the evolving needs of our priority stakeholders while fostering a more sustainable future.

The 86% STP rate highlights our commitment to cost management and sustainability through strategic digitisation. Advancements in technology and automation have led to faster processing times and a significant reduction in paperwork for customers. Additionally, by implementing a mandatory cashless payment system at all branch counters, we enhanced transaction speed, security, and convenience while eliminating cash handling. These initiatives not only significantly improved customer experience and service efficiency but are also aligned with our sustainability goals, reducing our environmental impact and fostering an eco-friendlier operational model.

OUR DIGITISATION EFFORTS				
>> Cashless payments at branches	>> Automatic issuance of post-hospitalisation guarantee letters	>> Enhanced policy notifications	>> Automatic hospitalisation benefit processing	>> Transition to digital communication
Eliminating cash handling for faster, more secure transactions.	Guarantee letters are now issued automatically at discharge, reducing administrative hassle for customers.	Clearer, more user-friendly notifications for newly approved policies and ePolicy delivery.	Claims are now processed automatically without the need for manual submissions.	From October 2024 onwards, key customer correspondences shifted to digital formats for improved accessibility and sustainability.

These enhancements reflect our commitment to leveraging technology for a more efficient, customer-centric experience. By integrating digital enablers, we facilitate improved processes to ensure our customers receive the service they expect—quickly, seamlessly, and securely.

Building on our extended partnership with Alliance Bank Malaysia Berhad (“Alliance Bank”), we launched the Electronic Point of Sale (ePOS) system in October 2024. The adoption of these digital processes enhances environmental, economic, and social sustainability by transitioning from paper-based to electronic submission systems. The benefits include:

- Reduction in Paper Usage:** E-submissions eliminate the need for physical forms, significantly decreasing paper consumption and its environmental impact. This conservation effort means fewer trees are cut down and reduces water and energy usage associated with paper production.
- Lower Carbon Footprint:** E-submissions reduce the need for physical mail and courier services, thus lowering the carbon emissions associated with transportation and delivery. Additionally, digital storage and processing consume less energy compared to the production, transport, and storage of paper documents.
- Waste Reduction:** Eliminating paper forms contributes to reduced waste generation, easing the burden on waste management systems.

Sustainability Statement

Our commitment to digitisation and a paperless approach across all aspects of our business and operations has led to a 4.4% reduction in paper usage in 2024. Embracing digital solutions not only decreases our paper consumption but also enhances process efficiency by minimising the time spent on printing, filing, and retrieving documents.

This shift improves workflow, boosts productivity, and underscores our dedication to sustainability. By fostering a paperless environment, we are taking proactive steps to preserve natural resources and promote sustainable practices within our workplace.

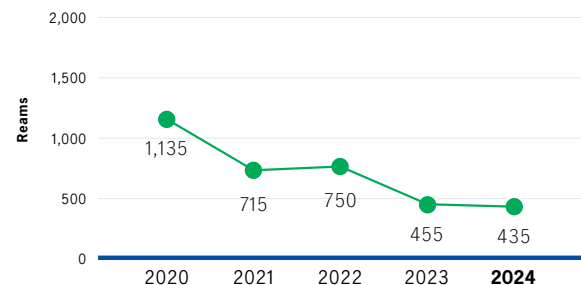
ENHANCING ENGAGEMENT THROUGH DIGITAL INNOVATION

In a rapidly changing landscape, the current pace of digitalisation is pushing companies to be more agile than ever before. Responding to the changing dynamics in the industry, Manulife (IM) Malaysia introduced a new innovative feature in Manulife iFUNDS Adviser in first quarter 2024, as we aspired to transform how our unit trust advisors (“**Advisors**”) and customers do business through a connected suite of tools and technologies.

The new feature enables our Advisors to assist their customers with redemption orders via Manulife iFUNDS, our comprehensive online fund investment platform. This enhances the dynamics on how we do business with our Advisors, empowering them to be a one-stop solution provider that foster better relationship with customers to seamlessly manage their portfolio at their convenience. Manulife iFUNDS has been instrumental in improving our operational efficiency, enabling us to create meaningful engagements with our customers.

Manulife (IM) Malaysia’s digital positioning efforts have been successful in reinforcing Manulife iFUNDS as a platform of choice, with total customers adopting the platform since inception rising to 31,554 as of December 2024. New fund subscriptions completed using the platform also reached RM485 million since inception. Additionally, 4,325 new unit trust and Private Retirement Scheme accounts were recorded as being opened digitally which translated to 44% year-on-year growth.

Paper Consumption



Manulife (IM) Malaysia is committed to protecting the privacy of all personal information in our care and this policy applies to all areas of our operations. In line with this commitment to safeguarding customer data, we have implemented multi-factor authentication (MFA) on Manulife iFUNDS. Users are now required to enter a one-time password (OTP) in addition to their user ID and password, ensuring robust protection for users accessing the platform. Whether for advisors or customers, this enhanced protection provides invaluable peace of mind that comes with knowing that their investment assets are secure.

SUSTAINABLE PROCUREMENT PRACTICES

In 2024, we showcased our commitment to sustainable procurement through an effective sourcing strategy and strong collaboration. A key milestone was the refresh of the Panel Vendor for the Fieldglass Contingent Worker Programme, which aligned with our vendor rationalisation strategy. This initiative streamlined vendors, reduced costs and improved service level agreements, resulting in faster turnaround times.

We also implemented the updated Malaysia Supplement to Global Procurement and Third-Party Management Standards to ensure consistency, compliance and accountability. To reinforce ethical sourcing, we distributed an updated Code of Conduct to all 408 active vendors. These efforts enhance cost savings, efficiency and procurement best practices.

One of the key initiatives also include optimising Manulife (IM) Malaysia’s supply chain management by introducing cross-functional teams. This collaborative approach identified inefficiencies and implemented innovative solutions, enhancing productivity and fostering a culture of continuous improvement throughout the organisation.

Sustainability Statement

PUTTING CUSTOMERS AT THE HEART OF EVERYTHING WE DO

NET PROMOTER SCORE 2024: MEASURING CUSTOMER LOYALTY AND EXPERIENCE

At Manulife Malaysia, elevating the customer's experience is foundational to all that we do, across our insurance and investment businesses. The Net Promoter Score (NPS) serves as a critical benchmark for measuring this, and guides our efforts to improve service, refine products, and enhance overall engagement.

The NPS is an internationally recognised metric used for assessing customer satisfaction and loyalty to a brand. In 2024, MIB achieved an NPS score of 38 points, the highest since the inception of our NPS programme and a significant increase from 20 points in 2023. This 18-point improvement reflects the steps we have taken to address customer feedback, strengthen service delivery, and enhance product offerings.

Senior leaders played a direct role in championing customer initiatives, ensuring alignment across teams and reinforcing accountability. Employees at all levels embraced customer feedback as an opportunity to innovate and improve, aligning their work with our mission to honour our customer promise.

Meanwhile, Manulife (IM) Malaysia recorded an NPS score of 21 points in 2024. While we pride ourselves in staying ahead of the technological curve and actively integrate digital and AI-driven innovations into our business, we also remain steadfast in our commitment to preserving the personal touch that our valued customers deserve. In embracing these advancements, we are well-positioned to deliver digitally led, personalised solutions that will strengthen customer loyalty.

Customer feedback remains central to our improvement efforts — and the NPS remains a central focus in our benchmarking initiatives. As we strive to provide best-in-class service to our customers, we will continue to invest in service excellence, digital advancements, and employee empowerment to build trust and drive long-term customer satisfaction.

DEEPENING RELATIONSHIPS THROUGH CUSTOMER PORTFOLIO MANAGEMENT

To this end, Manulife works to better align our services with customer expectations through our Customer Portfolio Management (“CPM”) framework. Our CPM efforts are focused on providing customers with the right protection and coverage to support their financial goals, as we analyse each customer's existing products and offer personalised recommendations that align with their changing needs.

To enhance this approach, we equipped our agents with tools and resources to strengthen customer interactions. This included personalised scripts to help agents have more effective, needs-based conversations.

We also introduced targeted campaigns to address coverage gaps and raise awareness of available solutions. Recognising the key role of agents, we launched training programmes to build their expertise and implemented structured recognition initiatives to reward top performers.

Looking ahead, we are committed to expanding its outreach and support more customers in achieving their financial goals. Plans for 2025 include more innovative events and initiatives designed to enhance client engagement and satisfaction. This is part of the organisation's responsibility to create awareness and provide valuable financial education across the country.

Sustainability Statement

SECURING THE FUTURE OF HEALTH AND PROTECTION

ADDRESSING MALAYSIA'S LONGEVITY PROTECTION NEEDS



 Manulife

Manulife Future Shield*

Strengthen your future with *easy access* and *guaranteed* whole life coverage

*The benefit(s) payable under eligible product is protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact Manulife Insurance Berhad or PIDM (visit www.pidm.gov.my).

Manulife Insurance Berhad is a member of PIDM.

Based on our studies, Malaysia's demographic landscape is undergoing rapid change, with the country expected to become a super-aged nation by 2056. This shift is driven by increased life expectancy and a declining fertility rate, a trend observed and echoed in developed nations. This increase in life expectancy is also projected to result in more years spent in poor health, resulting in a higher burden of elderly care.

A separate study conducted through the Manulife Asia Care Survey 2024, which surveyed 1,038 Malaysians, further revealed a shift in family financial dynamics. 70% of the Malaysians believe that the health and retirement benefits provided by their employers are insufficient to meet their future needs, while 66% of the respondents are considering delaying their retirement due to financial responsibilities. Within family dynamics, 40% of them do not expect their children to provide for them in old age, while another 49% do not plan to start a family or have children.

Responding to this, the Manulife Future Shield, an innovative whole-life plan, was designed to address these challenges. This product offers guaranteed issuance and provides life, accident, and disability coverage, responding to the needs of an ageing population and the financial pressures facing the next generation. The plan aims to modernise retirement products through the setting of new standards for protection while building financial resilience. It also allows withdrawals from life benefits to support elderly care, including medical treatment, senior care homes, medical equipment, and essential medications.

Manulife Future Shield offers both income and protection throughout life's journey. In terms of protection, it provides life, total and permanent disability, and accident coverage up to the age of 70. Beyond this, life insurance coverage increases, and old-age disability coverage is activated until age 99. The income component enables withdrawals throughout the policy duration. From age 70 onwards, policyholders can withdraw up to 10% of their life coverage annually to cover medical expenses or insurance premiums, with total withdrawals capped at 50% of the coverage, ensuring the remaining 50% is preserved as a legacy.

This innovative product is designed as a financial and protection safety net for an aging population, ensuring greater security during retirement years.

OFFERING LEGACY PLANNING WITH SENIOR CARE BENEFITS

At Manulife, we believe in empowering individuals to build a lasting legacy with confidence. Building on our long-standing partnership with Alliance Bank, we launched the EliteLife Signature Legacy, a comprehensive yet flexible legacy insurance plan that offers high insurance coverage, extended disability coverage plus loyalty rewards and bonuses. The plan is underwritten by MIB and distributed by Alliance Bank, our trusted Bancassurance partner. Customers can sign up for this plan at all Alliance Bank branches nationwide.

The EliteLife Signature Legacy is tailored to address the evolving needs of individuals aiming to secure their financial legacies, which covers estate creation, fair inheritance, and wealth protection beyond generations. The plan safeguards a lifelong legacy by including a Senior Care Benefit that supports elderly individuals with disability coverage up to their golden years. In the event of Old Age Disability from the age of 70 onwards, the insured will receive the greater of either the face amount, up to RM2 million, or the account value. The offering reflects our commitment to helping customers secure their future and protect what matters for generations to come.

Sustainability Statement

BRINGING HEALTH PROTECTION TO THE NEXT GENERATION

The launch of our medical plan, Manulife MediShield, reflects our dedication to reaching young and future generations by providing accessible coverage through a simple enrolment process and affordable premiums, ensuring financial security from an early stage in life.

Manulife MediShield offers premiums starting from as low as RM100 per month. Key benefits of the plan include coverage for death, Total and Permanent Disability (TPD), and medical expenses such as pre- and post-hospitalisation charges, intensive care services, surgical expenses, and outpatient benefits, with a coverage period of 30 years.

The product has no lifetime limit on medical coverage and features an automatic 10% annual increase in the coverage limit each year, up to a maximum of 50%, regardless of claims history. Additionally, customers can enjoy up to a 40% No Claim Discount (“NCD”) on insurance charges for medical benefits and qualify for the First Dollar Benefit, which covers upfront costs when the customer’s NCD reaches 40%.



IGNITING THE MANULIFE BRAND FOR A STRONGER FUTURE

CREATING OPPORTUNITIES FOR GEN Z IN INSURANCE

At Manulife, our unwavering commitment to engaging with the youth is rooted in the belief that today’s young generation will be tomorrow’s leaders, customers, and key stakeholders. This year, we launched strategic initiatives designed to attract Generation Z (“Gen Z”) talent to the insurance industry. These initiatives provide training, mentorship, and career growth opportunities, effectively engaging this vital demographic and market segment.

Manulife is committed to recruiting young talent into the industry, helping them build successful careers while also expanding insurance coverage in the country.

In line with our impact agenda to accelerating a sustainable future, Manulife empowers the next generation of insurance advisors through various initiatives. These include the Manulife Entrepreneurs Club (MEC), the ALC Franchise Model, and our dedicated training arm, the Manulife Business Academy. To connect with Gen Z effectively, we have digitally transformed our business processes. This transformation ensures a seamless and innovative experience for both advisors and customers, fostering a forward-thinking and resilient business ecosystem.

We are excited about the potential of these initiatives to shape the future of the insurance industry and look forward to seeing the positive impact of engaging with Gen Zs.

Digital Fluency:

Introducing digital tools and technology such as AI.

Continued Training:

Offer ongoing learning and mentorship to build a long-term career growth as an advisor.

Work-Life Integration:

Enabling young advisors to seamlessly blend their work and personal lives. This means creating an environment where they can manage their work tasks alongside personal responsibilities, promoting a healthy and balanced lifestyle.

Purpose:

Emphasise social responsibility and values.

Communication:

Encourage a mutual learning across different generations and keeping the communication open.

Workspaces:

Create inspiring and collaborative office spaces.

Intrapreneurship:

Support young advisors in developing their own innovative ideas.

Sustainability Statement

BRINGING OUR NEW GLOBAL BRAND STRATEGY TO LIFE

Our 61st anniversary marks a pivotal moment for future growth with the rollout of our new Global Brand Strategy. This milestone serves as a catalyst for transformative initiatives designed to bring our brand strategy to life, enhancing our brand identity and solidifying our market position. Through targeted efforts and strategic implementation, we are poised to unlock new possibilities and drive meaningful progress, ensuring our continued success and relevance in the market.

The new Global Brand Strategy, “Where Will *Better* Take You,” connects us to our customers, employees, and distribution partners in a powerful way, transforming our narrative from a timeless story to a timely one. It drives everything we do, simplifying complexity so that our customers can make easier decisions and live better lives.



Menara Manulife celebrates the launch of the Global Brand Strategy with illuminated building lights and themed elevator wraps



Manulife Malaysia EXCO members at the Global Brand Strategy launch

At our 61st Anniversary Dinner, we unveiled the Global Brand Strategy and the new tagline to our employees, marking this significant milestone with a video that captures who we are as an organisation—our beliefs, reputation, personality, values, and everything else that sets us apart from our peers. We celebrated the occasion with the theme “Let’s Build *Better* Together,” as everyone came together as one to show appreciation to our colleagues. The celebration started off with a complimentary breakfast, followed by a sweet treat of unlimited scoops of ice cream and concluded with a “*Better* Message for Colleagues” contest, with 61 pairs of movie tickets given away.

In 2024, we achieved remarkable success in elevating the brand through external communications and public relations efforts, generating an impressive RM4 million in PR value. This accomplishment was largely driven by our strategic initiatives to host four media meet events throughout the year, designed to foster strong relationships and enhance engagement with key media partners. By creating a platform for open dialogue and collaboration, we not only increased our brand’s visibility but also strengthened our reputation within the industry. The positive media coverage that ensued was a testament to the effectiveness of our PR strategy, highlighting our commitment to transparency and partnership with the media community. This milestone underscores the pivotal role of strategic communication in driving brand value and influence in a competitive market.

The Offline-to-Online (O2O) Integrated Brand Campaign signifies a strategic leap toward sustainable brand engagement, marking our first major outdoor marketing initiative to enhance visibility since the COVID-19 pandemic. By seamlessly integrating digital and physical touchpoints, this campaign not only boosted our brand’s presence and recognition in 2024 but also demonstrated our commitment to environmentally conscious marketing practices. Generating approximately 1.2 million impressions and reaching 382,000 viewers, the campaign underscores our adaptability and dedication to sustainable, innovative strategies that create meaningful connections with our audience. This milestone reflects our commitment to leveraging integrated, eco-friendly approaches to drive brand engagement and growth while minimising our environmental footprint.

Sustainability Statement

STRATEGIC INVESTMENT IN A SUSTAINABLE FUTURE

General Account Investment has developed ESG Impact Scores in adherence to GHG Protocols. In Asia, within Manulife's categorisation, high-risk ESG sectors include Oil & Gas, Chemicals, Metals & Mining, Electrical Utilities, and Aviation. Indicatively, as per local regulations, high-risk sectors from a climate risk perspective are Manufacturing, Construction, Mining, Energy, Agriculture, and Transportation. MHB's exposure to these sectors is in line with the average industry-wide exposure.

MANULIFE GLOBAL AQUA FUND

Manulife (IM) Malaysia's Manulife Global Aqua Fund clinched top awards for Best Impact in the basic needs and resource security fund categories for the second consecutive year at The Edge Malaysia ESG Awards 2024.

The Manulife Global Aqua Fund invests at least 85% of its net asset value (NAV) in the BNP Paribas Funds Aqua Fund (the "Target Fund"). In 2023, based on a US\$1 million investment, companies in the Target Fund contributed to:

- **236 megalitres** of water treated, saved, or provided
- **308 tonnes** of avoided greenhouse gas emissions
- **118 tonnes** of materials recovered or waste treated
- **26 MWh** of renewable electricity generated

One example of an investee company is Veolia Environnement, a French utility that designs and provides water, waste, and energy management solutions globally. As global populations rise, we must respond by managing the planet's increasingly scarce resources more precisely and intensely. Veolia's waste collection and treatment services help limit the spread of urban and industrial pollution into soil, water bodies, and the atmosphere. A global leader in hazardous waste processing, Veolia has invested in methane capture projects in Latin America, reduced its energy consumption by 5%, and increased its energy production by 5% over two years as a byproduct of the waste it captures.

The investment team anticipates that the tightening regulatory framework, combined with structural drivers of global water industry growth, will create opportunities for expertise-led active investors to outperform in the years and decades ahead.

NEW FUND LAUNCHED

Manulife (IM) Malaysia launched another qualified Sustainable and Responsible Investment ("SRI") fund, the Manulife Shariah Global Environmental Transition Fund, under the Securities Commission ("SC") Malaysia's guidelines on SRI Funds in September 2024.

Aimed at addressing environmental challenges, the Fund seeks to invest in companies identified by the fund manager as positively contributing to environmental transformation. These companies would provide solutions or pathways to facilitate the transition to a lower-carbon economy and/or support governments, corporations, and individuals in adapting to or mitigating the effects of climate change.

The companies in which the Fund invests operate in one of these four key environmental transition themes:

1. Low-carbon energy
2. Development of transition-enabling materials (e.g., cobalt, nickel, lithium, copper, and other speciality chemicals)
3. Resource security
4. Electrification and efficiency

Sustainability Statement

MANAGING RISK TO PROTECT OUR BUSINESS AND STAKEHOLDERS

CYBERSECURITY AND DATA PRIVACY MEASURES

In today's landscape, we witness data breaches occurring daily. At Manulife, we place significant emphasis on customer data privacy and uphold a strong commitment to safeguarding it. Our approach involves a comprehensive information risk management process, guided by policies and standards. This encompasses various aspects of a layered defense strategy, including network security, data encryption, operational security, application security, vulnerability management, logical access control, and third-party information security management. Through these measures, Manulife effectively identifies, assesses, and manages cyber risks and security concerns.

In alignment with the guidelines set forth by BNM's Risk Management in Technology ("**RMiT**") policy document, we remain steadfast in upholding exceptional standards in cybersecurity and data privacy, ensuring the highest level of protection for our valued customers.

MAINTAINING A SOUND BUSINESS CONTINUITY PLAN

Our enterprise-wide Business Continuity Management programme is designed to thoroughly adapt to changes. This involves planning and organising essential resources and procedures, underscored by corporate support and commitment. The goal is to enhance operational resilience across a broad spectrum of disruptions, enabling us to promptly respond and sustain mission-critical functions, ensuring the wellbeing of our customers during any disruption or crisis.

COMMITMENT TO ETHICAL PRACTICES AND COMPLIANCE STANDARDS

At Manulife, a robust leadership ethos underpins the risk and compliance culture, which is further reinforced by middle management to instil core values and principles of conduct that guide the behaviour and attitudes of employees throughout the organisation.

A comprehensive governance and control framework is in place, encompassing training, advisory services, enforcement, and strict compliance with policies and procedures related to anti-money laundering ("**AML**"), countering the financing of terrorism ("**CFT**"), countering proliferation financing ("**CPF**"), sanctions, fraud, bribery, and corruption. This framework is designed to uphold the highest standards of integrity and accountability, ensuring that all operations and transactions mitigate risk and promote ethical behaviour.

Through continuous monitoring and regular updates to our policies, the framework aims to adapt to evolving regulatory requirements and emerging threats, thereby safeguarding the organisation and its stakeholders from financial crimes and related misconduct.

Sustainability Statement

The governance and control framework consists of the following:

Anti-Bribery and Anti-Corruption (“ABAC”)

We conduct our business with a commitment to being free from any form of bribery or corruption. We rely on strong relationships with customers, the community, other organisations, and stakeholders. We maintain the highest level of compliance by leveraging three core values:

Do the Right Thing	Manulife strongly commits to conducting business honestly, ethically, and legally. We adopt a strict zero-tolerance policy for any instances of bribery or corruption. Over the past three years, Manulife Malaysia has reported zero incidents of corruption.
Own It	Manulife implements ABAC requirements and controls to address real-world risks. We diligently enforce and follow these measures, backed by strong commitment from senior management. We conduct assessments of Manulife’s business operations as part of our ABAC Risk control. We use the results of these assessments to design controls that mitigate bribery and corruption risks.
Get It Done Together	Every employee within the Group collaborates to ensure strict adherence to Manulife’s ABAC requirements. We also work closely with our business partners to ensure they understand and share our strong commitment to ABAC principles

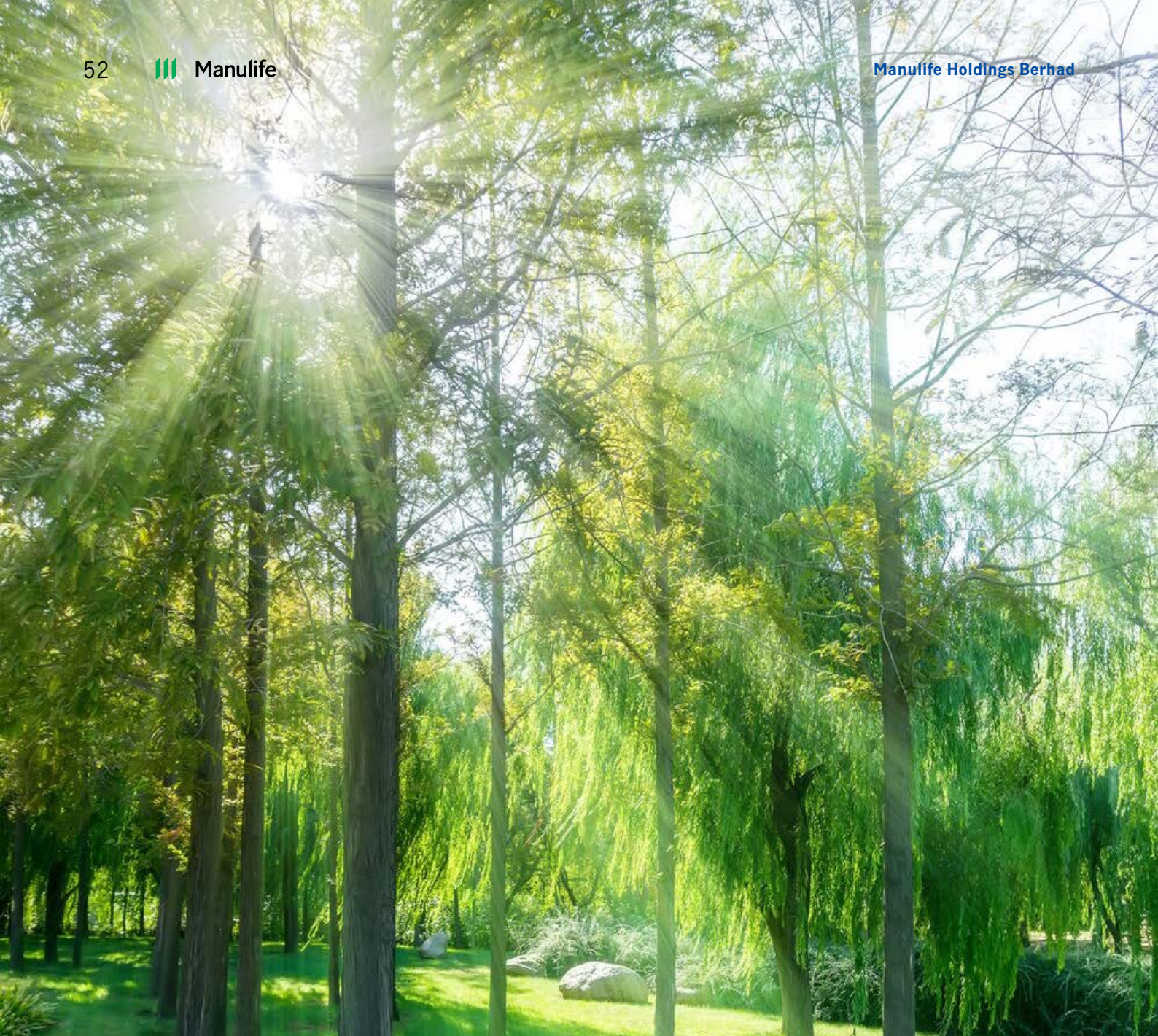
AML/CFT/CPF Policy and Standard

MHB is dedicated to implementing a robust internal control system for AML/CFT/CPF, in strict compliance with all relevant laws, regulations, guidelines, and industry best practices. The proceeds from financial crimes and illicit activities pose a continuous threat to the financial system. The Group’s global policy mandates adherence to AML/CFT/CPF practices across all markets and jurisdictions in which it operates, ensuring compliance with both the specific provisions and the broader intent of all applicable laws and regulations.

Ongoing evaluation of AML/CFT/CPF controls is both a regulatory expectation and a critical component of an effective AML/CFT/CPF programme. Quality assurance testing is an essential part of this continuous assessment, ensuring that the control measures in place are effective and reliable.

ACHIEVING 100% COMPLIANCE IN ANTI-BRIBERY TRAINING

At Manulife Malaysia, it is mandatory for all new employees to complete the Anti-Bribery and Corruption Awareness and AML/CFT/CPF e-learning modules during their onboarding process. All employees are further required to engage in annual refresher training to deepen their understanding and competence regarding relevant laws and regulations. We are proud to report that in 2024, we achieved a 100% completion rate for our Anti-Bribery and Corruption Awareness training among Manulife Malaysia employees. Moreover, our commitment to excellence extends to our leadership, with all members of our Board, Management Executive Committees, and Management Committees receiving specialised training on AML/CFT/CPF, fraud awareness, anti-bribery, and anti-corruption protocols. This ensures that our leadership is well-prepared to uphold the highest standards of integrity and compliance.



Preserving **the Environment**

At Manulife, we are strategically integrating environmental considerations into our business strategies and operations to support the nation's net-zero aspirations and lead by example in driving positive environmental change. We are dedicated to fostering awareness and education on environmental stewardship, empowering individuals and communities to adopt sustainable practices and contribute to a more sustainable future.

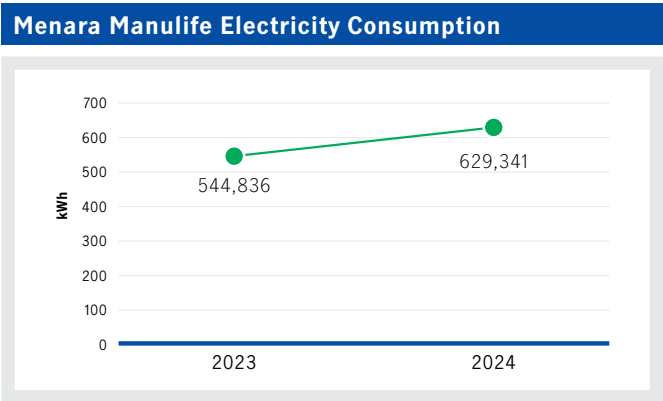
Sustainability Statement

An integral component of Manulife’s sustainability strategy is accelerating a sustainable future by actively minimising our operational footprint and reducing operating costs. Recognising the crucial role each individual plays, we champion best practices and raise awareness on energy efficiency. By incorporating environmentally responsible policies and fostering a culture of environmental stewardship, Manulife Malaysia aims to support the Group’s net-zero aspirations.

GREENING WHERE WE WORK

Following our Carbon Footprint Assessment, we have refined our energy consumption monitoring to concentrate specifically on the floors occupied by the Manulife workforce, rather than the entire building as in previous years. This strategic shift aligns with our aspiration to implement targeted energy reduction strategies. Despite recording a 15% increase in energy consumption at Menara Manulife, totalling 629,341 kWh compared to 2023, this rise is primarily due to increased building occupancy and the refurbishing of floors to accommodate the regional office under MHB.

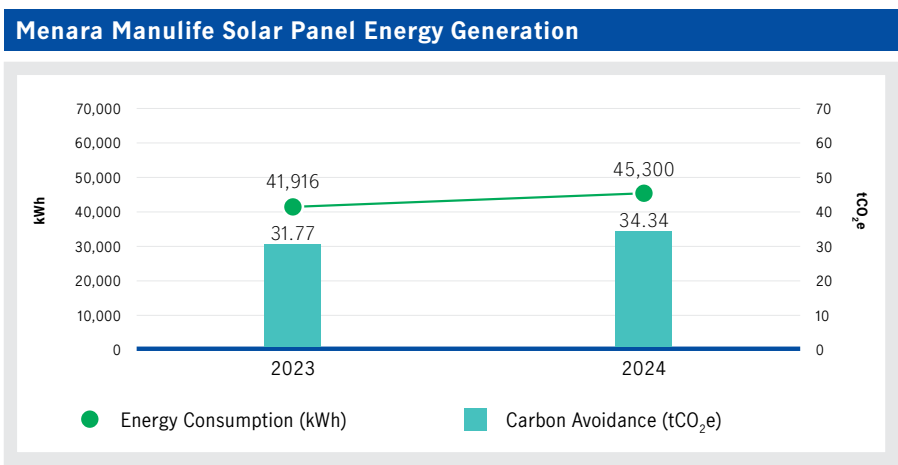
As we look towards 2025, Manulife remains dedicated to monitoring energy usage and promoting energy-efficient practices among tenants. We recognise the importance of adapting our strategies to meet evolving work patterns and occupancy levels, ensuring that our sustainability objectives align with operational realities. Through continued focus on energy efficiency and responsible resource management, we aim to advance our sustainability agenda and support a more sustainable future.



Sustainability Statement

SOLAR PANEL INITIATIVE AT MENARA MANULIFE

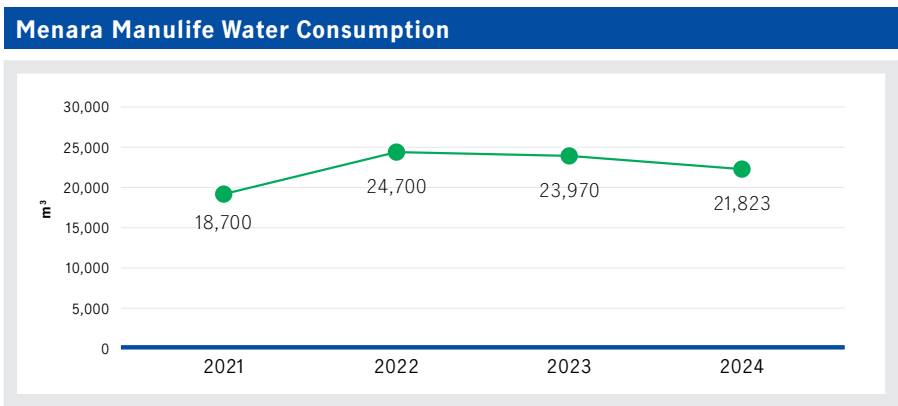
Manulife Malaysia has made a strategic leap towards a sustainable future last year by successfully commissioning solar panel installations at our building, an initiative that underscores our commitment to environmental stewardship. The energy generated by these solar panels primarily powers the ground floor lobby of Menara Manulife, reducing our reliance on conventional energy sources and lowering our carbon emissions.



In 2024, the panels reached its full capacity, generating 45,300 kWh throughout the year and achieving a carbon avoidance of 34.34 tCO₂e, an improvement over the previous year. These figures highlight the tangible environmental and financial benefits of our solar panel installation, reinforcing our dedication to sustainable practices and contributing to a greener future.

PRESERVING WATER

Amid rising demand for clean water and the growing impacts of climate change on water resources, Manulife is steadfast in its strategic commitment to sustainable water management at our head office. Recognising the critical importance of this initiative, we are proactively addressing potential pollution risks to our catchment areas and natural water bodies posed by ongoing development activities. Through these efforts, we aim to lead by example in environmental stewardship and resource conservation.



In our ongoing commitment to sustainability, we have bolstered our water conservation efforts by installing automatic push taps, eliminating the risk of taps being left on unintentionally. We have also implemented strategic measures like reminders and signage in tap areas and bathrooms to further reduce water wastage. These efforts underscore our dedication to fostering a culture of sustainability and resource efficiency. As a result, in 2024, we achieved a 9% reduction in water usage compared to 2023.

Sustainability Statement

INTEGRATING RESPONSIBLE CONSUMPTION INTO EVERYDAY HABITS

Building on our previous years' efforts in responsible waste management, Manulife Malaysia has partnered with iCycle in October 2024 to launch the 'Jom Recycle with Manulife!' programme at Menara Manulife, as part of our Impact Agenda to promote a sustainable future.

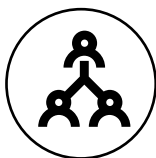
This initiative encourages responsible consumption by rewarding employees for their recycling efforts. Participants who correctly pack, segregate and deposit their recyclables in the designated Jom Recycle box can earn rewards, thereby promoting sustainable habits within the organisation.

In past years, we tracked and monitored various recyclables, including paper, cans/aluminium, plastic, glass, cardboard, and e-waste. The collected recyclables in the Jom Recycle Box at Menara Manulife will be sorted at a Collection Centre into five main categories: Electrical and Electronic, Metal Products, Paper Products, Plastic Products, and other classes.

Accepted recyclable items include aluminium cans, books and magazines, cardboard, clothes/textiles, glass bottles, iron cans, mixed paper, mixed plastics, newspapers and other electrical and electronic items like mobile phones, plastic bottles and wires/cables. Employees can use the Internet of Waste Things ("IOWT") app to monitor their reward points and track the environmental impact of their efforts, such as CO₂ savings. The programme not only provides tangible incentives for recycling but also nurtures a culture of environmental responsibility by giving recyclables a second life and contributing to a sustainable future.

As of December 2024, we collectively recycled 272 kg of recyclable waste, resulting in a carbon avoidance of 149 kg CO₂e. This achievement underscores our commitment to environmental stewardship and demonstrates the tangible impact of our collective efforts toward a more sustainable future.





Nurturing **a Winning Team**

Equipped with strong management and industry expertise, our employees are the backbone of the organisation and play an active role in shaping its future. As we aim to become the most the most customer centric organisation in the industry, our efforts gear strongly towards ensuring Manulife Malaysia remains a safe and inclusive space for growth, opportunity and excellence for everyone, starting with our employees.

Sustainability Statement

We believe that a healthy workforce is a productive and engaged one. This year, we continue to prioritise employee health and wellbeing, refining employees benefits whilst providing opportunities to Scale Up. Diversity, Equity and Inclusion continue to be a strong focus for us, as we proudly record consistent achievements in advancing gender equality across the organisation, including the highest levels of leadership.

Having once again been awarded, for the 6th consecutive year, as one of the Best Companies to Work for in Asia by Human Resources (“HR”) Asia Awards in 2024, we take pride in knowing that we have built a culture that champions talent, diversity and professional growth.

SUPPORTING OUR PEOPLE: WELLNESS AT MANULIFE

ALWAYS-ON SUPPORT

As a health and wealth business, ensuring our employees’ wellbeing is covered is one of our top priorities. From physical fitness to financial literacy, and mental resilience, our wellness initiatives run year-round. In 2024, our HR team hosted quarterly wellness sessions with health and wellness partners, touching on a range of topics to help employees stay healthy and have a balanced lifestyle.

<p>Reduce Sugar, Become Healthier</p>	<p>Mental Health Awareness Month: Embracing Mental Minimalism</p>	<p>Cycle & Blend: Energise Your Wellness Journey!</p>	<p>Mental Health Talk: Heart at Work</p>
<ul style="list-style-type: none">Employees attended a health talk on managing sugar intake and hormone balance.Free health checks, eye screenings and body composition analyses were also available, along with a booth promoting digestive health.	<ul style="list-style-type: none">This session provided practical strategies for improving focus, reducing stress, and staying productive in a remote work environment.Employees participated in mindfulness activities like body scan, mindful observation and chair yoga.	<ul style="list-style-type: none">Employees combined fitness and nutrition by cycling to blend their juice of choice: watermelon or dragon fruit.The event also featured a Retinopathy Eye Screening and a nutritional health booth.	<p>In support of World Mental Health Month, we partnered with Human Dynamic to host a session on managing mental wellbeing at work.</p>

We also rolled out the Employee Connection series, featuring a variety of engaging events and activities. From team-building exercises to social gatherings, these events aimed to foster a sense of community and belonging among our employees. Quarterly HR Roadshows were also conducted, where employees were able to obtain updates and served as an interactive platform for employees to provide feedback and ask questions.

A series of Coffee Chat sessions was hosted by our CEO of the Emerging Market, Manulife Asia, exclusively for high performing talents over the year. These sessions offered a casual setting for employees to ask questions and feel empowered to embark on their journey with Manulife. They were provided guidance and insights into leadership development opportunities during these sessions. These served as a valuable opportunity for employees to engage directly with senior leadership, share their aspirations, and receive support in reaching their full potential.

Manulife continues to provide on-going support for its employees through different touchpoints. Our 24/7 Work-Life Coaching support, available via our Employee Assistance Programme, offers confidential guidance and emotional support to employees and their immediate families.

The Manulife MOVE app for employees continues to be a crucial employee engagement tool. The mobile fitness and wellness app encourages employees’ healthy habits and lifestyle choices through gamified features. Employees can participate in fitness challenges, sign up for wellness activities, and earn digital vouchers or extra annual leave as incentives for maintaining a healthy lifestyle.

Sustainability Statement

BENEFITS FOR WORK-LIFE BALANCE

Manulife reviews its employee benefits annually to ensure they remain relevant and impactful. Our core benefits include health screening, medical insurance, life and personal accident coverage via the Employee Group Insurance Scheme (“EGIS”). Beyond this, our company-sponsored Flexible Spending Account allows employees to claim for a variety of allowable expenses, including personal development classes, holistic medicine, travel-related expenses, and more.

This year, we enhanced our Flexible Spending Account to include expenses for childcare centres, kindergartens and elder care facilities— supporting working parents and employees caring for aging loved ones.

To encourage continuous learning and help employees upskill and enhance their knowledge, we also introduced two new leave types: study leave (one day per subject, up to five days per year) and exam leave (half-day per paper, up to five days per year).

Beyond financial and educational support, Manulife also offers exclusive corporate rates for vehicles benefitting our employees both in and out of the workplace, enhancing their overall work-life balance and wellbeing.

WORKPLACE HEALTH AND SAFETY

At Manulife Malaysia, we remain committed to prioritising the health and safety of our employees. We are pleased to report that there were zero work-related fatalities and zero lost time incident rate within our organisation in 2024.

Given the nature of our business operations, which entail office-based activities and client interactions, we operate in an inherently low-risk environment in terms of health and safety. Nevertheless, we recognise the importance of maintaining a safe workplace environment and adhering to relevant regulations. In this, we remain committed to encouraging employees to identify and address any safety concerns proactively whilst promoting a culture of safety amongst employees.

SPORTS CLUB COMEBACK

In the second half of 2024, our Sports Club made a dynamic return to uplift employee wellbeing and team spirit. To kick off the initiative, employees laced up for “Walk with Vibha” and “Walk with EXCOs”, participating in an energising route through Bukit Damansara before unwinding during a networking session at Menara Manulife. Throughout the year, the Sports Club maintained high energy levels with a series of tournaments from ping pong and darts to bowling. These activities not only blended fun and fitness but also reinforced our commitment to a healthy workplace culture both physical as well as building healthy collaboration amongst cross functional teams.



Manulife employees join the ‘Walk with Vibha’ event organised by the Sports Club

Sustainability Statement

DIVERSITY, EQUITY, AND INCLUSION (DEI)

EMPOWERING DIVERSITY: OUR WORKFORCE IN NUMBERS

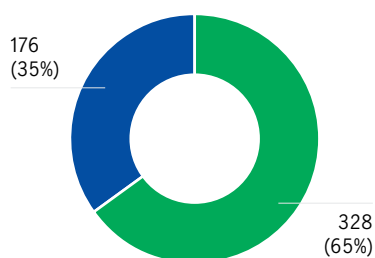
As we strive to create a workplace that champions Diversity, Equity and Inclusion, we recognise the strength that comes from embracing diverse backgrounds and perspectives. Our commitment to these values is reflected in our diverse workforce, made up of different genders, ages, and ethnic backgrounds.

With a team of 504 employees, we maintain a balanced mix of generations, combining fresh ideas with deep industry expertise to drive our organisation forward. Millennials and Generation X employees form the backbone of our workforce, driving innovation and leadership at various levels. Meanwhile, associate, administrative, and entry-level roles are predominantly filled by younger employees, ensuring a robust pipeline for early-career professionals.

Women play a pivotal role in our organisation, making up 65% of our workforce and 62% of professional positions. We are committed to supporting their professional growth creating pathways for them to lead and excel at every level.

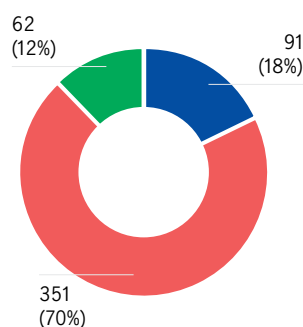
Our team is also diverse in terms of ethnicity, with broad representation across organisational functions. As we continue to strengthen our talent pipelines and develop leadership capabilities, we remain committed to fostering gender inclusivity and providing career advancement opportunities across all demographics.

Employee Gender Breakdown by Function Group



Function Group	Male	Female
Managers	69 (46%)	82 (54%)
Professionals	65 (38%)	104 (62%)
Technicians & Associate Professionals	34 (23%)	116 (77%)
Elementary & Clerical Occupations	8 (24%)	26 (76%)
Total	176 (35%)	328 (65%)

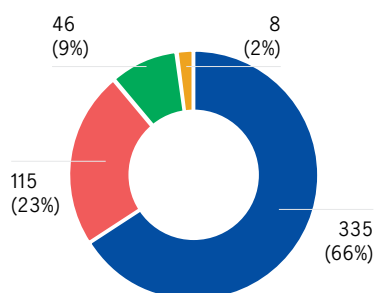
Employee Age Breakdown by Function Group



Function Group	<30 years old	31 to 50 years old	>51 years old
Managers	1 (1%)	118 (78%)	32 (21%)
Professionals	17 (10%)	139 (82%)	13 (8%)
Technicians & Associate Professionals	61 (41%)	76 (51%)	13 (8%)
Elementary & Clerical Occupations	12 (35%)	18 (53%)	4 (12%)
Total	91 (18%)	351 (70%)	62 (12%)

Sustainability Statement

Employee Ethnicity Breakdown by Function Group



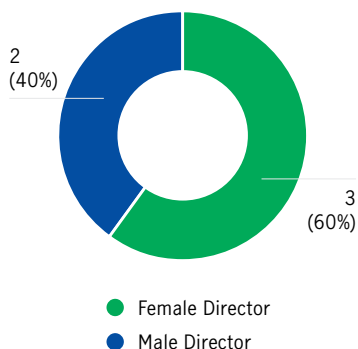
Function Group	Chinese	Indian	Malay	Other
Managers	121 (80%)	8 (5%)	18 (12%)	4 (3%)
Professionals	133 (79%)	23 (14%)	12 (7%)	1 (1%)
Technicians & Associate Professionals	69 (46%)	68 (45%)	11 (7%)	2 (1%)
Elementary & Clerical Occupations	12 (35%)	16 (47%)	5 (15%)	1 (3%)
Total	335 (66%)	115 (23%)	46 (9%)	8 (2%)

DIVERSITY IN LEADERSHIP

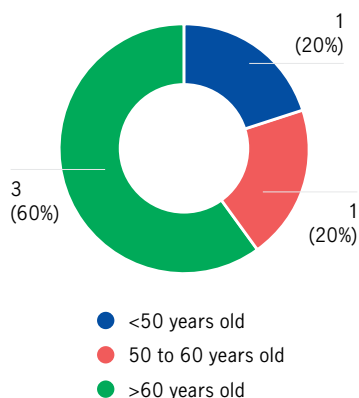
Promoting gender diversity in leadership positions continues to be a priority for us. Our commitment is evident in the representation of women in management for the entire Group, where they hold 54% of Executive Committee roles, 43% of Senior Leadership Team positions, and 60% of Board of Directors seats.

The charts below highlight our dedication to advancing gender diversity at the highest levels of leadership within the Group's Board of Directors.

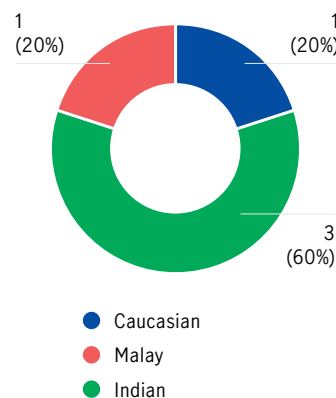
Directors By Gender



Directors By Age Group



Directors By Ethnicity



Sustainability Statement

CELEBRATING DIVERSITY: FESTIVE CHEER AND CHARITY

Manulife's workplace celebrations bring culture, tradition, and community together, making every festivity a shared experience. The annual festive decoration competition turned workspaces into displays of creativity, fostering camaraderie whilst celebrating cherished national festive seasons.

Wear Your Culture Day, held as part of Global Diversity Awareness Month, united employees through food and cultural activities. Featuring traditional delicacies and games, from cendol and vadai to congkak and Chinese chess, the celebration was a colourful tribute to Malaysia's rich heritage. Employees wore their traditional attire in a harmonious display of cultural pride.

Spreading festive cheer, the Year-End Party inspired employee action towards a shared cause. Reflecting our corporate value of Sharing our Humanity, Manulife partnered with Dignity for Children Foundation, non-governmental organisation that provides holistic care and education for marginalised and urban poor children, to direct every ringgit spent directly into supporting the foundation's initiatives. We raised RM4,000 for the foundation through the Christmas cookie sale, bringing smiles to the children as we closed the year on a meaningful note.



Manulife employees celebrate 'Wear Your Culture Day', showcasing the rich diversity in Malaysia

EMBRACING INCLUSIVITY

Fostering an inclusive workplace requires continuous learning and development. In 2024, our voluntary, employee-led Employee Resource Group (ERG) organised a Lunch and Learn session themed "**Embracing Neurodiversity at Work**", in collaboration with Yayasan Gamuda Enabling Academy. A total 42 employees attended the session with the aim of increasing their understanding on how to embrace and empower neurodivergent individuals in the corporate workspace.

Beyond that, we equipped our leaders with the tools to lead more inclusively by providing training on Diversity, Equity and Inclusion-related topics. Our Global Diversity, Equity and Inclusion microsite serves as a repository of knowledge, featuring micro-learnings, global Diversity, Equity and Inclusion updates, and the latest news and insights. This is in addition to the comprehensive Diversity, Equity and Inclusion learning resources available on LinkedIn Learning, offered through our Pursuit LXP.

Sustainability Statement

TRAINING AND DEVELOPMENT

Investing in our people means equipping them with the right tools to excel in their career with us. In a fast-changing world, we provide employees with the resources to thrive and develop skills to keep them ahead of the curve.

The Manulife Pursuit Learning Experience Platform (“LXP”) is an e-learning tool that delivers on this promise, serving as a gateway to diverse growth opportunities. The Pursuit LXP offers access to the following digital learning content providers.

Manulife Pursuit Learning Experience Platform		
>> LinkedIn Learning	>> LUMA Workplace	>> Compass
An online learning platform offering more than 16,000 expert-led courses in business, technology and creativity — available in seven languages with personalised recommendations	A digital platform designed for individuals to learn and apply human-centered design methods	An internal learning management system (“LMS”) dedicated to storing, managing, providing, and tracking various learning resources, including e-learning and instructor-led training programmes

Manulife also encourages the full utilisation of Human Resource Development Fund (“HRDF”) allocation. Employees are encouraged to expand their participation in any HRDF-claimable training programme and are not restricted to purely industry-related training.

Similar to previous years, Manulife hosted a lineup of expert-led half-day learning sessions, featuring top minds from our global network. These insight-packed sessions aimed to drive meaningful action under a collective vision.

1. Embracing and Activating Change: A message from Pam Kimmet, Manulife Chief Human Resources Officer
2. Leadership at all levels: A message from Brooks Tingle, John Hancock President & CEO
3. How we work better together: A message from Colin Simpson, Manulife Chief Financial Officer
4. Connecting our Strategy to Purpose: A message from Paul Lorentz, Manulife President & CEO, Global Wealth and Asset Management
5. Developing your Career: A message from Phil Witherington, Manulife Chief Financial Officer
6. Embracing and Building Inclusion: A message from Shamus Weiland, Manulife Global Chief Information Officer
7. Moving Easier, Better, Faster with GenAI: A message from Karen Leggett, Manulife Chief Marketing Officer
8. Bringing Investor Day to You: A message from Steven Finch, Manulife Chief Actuary
9. Easier. Better. Faster. Together: A message from Naveed Irshad, Manulife Canada President & CEO
10. Enhancing Customer Experience through Digital Innovation: A message from Rahul Joshi, Manulife Chief Operations Officer
11. Protecting Manulife and You: A message from Halina von dem Hagen, Manulife Chief Risk Officer
12. Strengthening Resilience with Gratitude: A message from Pam Kimmet, Manulife Chief Human Resources Officer

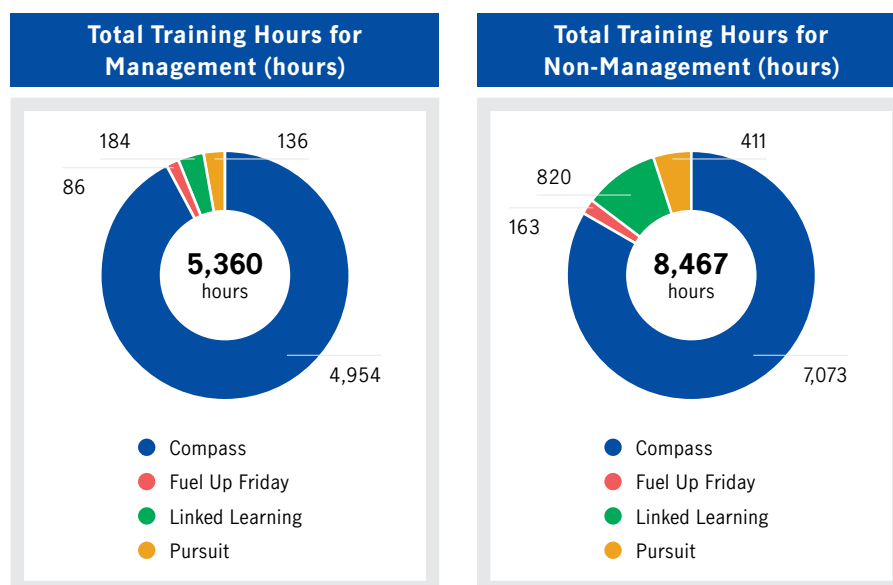
Keeping engagement high, we organised a two-month Learning Fiesta, bringing together 390 employees for a mix of online and in-person sessions. The sessions focused on a balance of mental, financial, and physical wellness modules, guiding them through our insightful Lunch and Learn sessions:

- Retirement planning with Employee Provident Fund (“EPF and You”)
- Financial literacy insights from Manulife (IM) Malaysia
- Hands-on creativity with candle-making and perfume workshops
- A deep dive into our products with Product Development of MIB
- Zumba with licensed instructor and certified fitness trainer

Fuel-up Friday has become a well-established corporate practice, promoting work-life balance and self-driven learning. Launched in 2021, this initiative dedicates the second Friday of each month to employee wellbeing, combining a morning of collective learning with an afternoon off to support physical and mental health. In 2024, average participation in Fuel-up Friday increased to 24%, up from 14% the previous year.

Sustainability Statement

Manulife collectively achieved **13,826 hours of training** this year, across these various modules. Management personnel recorded 5,360 hours of training, whilst non-management recorded 8,467 hours. Looking ahead, we aim to build on this momentum by expanding access to diverse learning opportunities to empower every employee to grow, lead and drive impact.



LEARNING WITHOUT LIMITS

In addition to the learning programmes above, Manulife enacts several training and learning policies to support the workforce's development. Recognising that each career path is unique, we provide tailored support to help employees grow into the best version of themselves. Whether through role-based experiences, formal learning structures or networking opportunities, we ensure that every team member has the chance to enhance their skills, build relationships and hone their unique talents.

>>

Malaysia Training Policy

We continue to sponsor employee development, both within and outside the organisation. These include external courses, seminars, ad-hoc training, mentoring, online learning and short-term stretched assignments.

>>

Global Continuous Learning Policy

We encourage our talents to further their studies by providing a subsidy towards their total tuition fees for a diploma, degree or master's course.

>>

Life Office Management Association ("LOMA")

We continue to invest in our employees through LOMA's Insurance Education programmes, where talents acquire relevant industry knowledge within the life, health and financial services industries.

UNLOCKING LEADERSHIP POTENTIAL

For our Senior Leadership Team, we invested in Clifton Strengths Training — a transformative leadership development programme based on the renowned Clifton Strengths assessment, which identifies individuals' unique talents and strengths. Through a series of workshops, coaching sessions and interactive exercises, they gain a deeper understanding of their strengths and learn how to leverage them effectively to achieve their personal and professional goals. The leaders also participated in the comprehensive leadership development training to sharpen their leadership capabilities in the essential skills and knowledge needed to be successful leaders at Manulife through the Pursuit Leader Series. This includes a 16-hour training course that immerses leaders in topics such as onboarding, offboarding, engagement, performance enablement, difficult employee situations and developing and coaching others to succeed. It also covers critical skills, behaviours and mindsets built on a foundation of our Values, Leadership DNA and Diversity, Equity and Inclusion principles.

Manulife partnered with Duke Corporate Education to offer this world-class programme that includes online curated content, highly interactive virtual learning sessions, and a 3-day in-person experience in Toronto, Boston and Singapore. The programme focuses on leading self, leading others and leading the business.

The Senior Leadership Team also participated in a new programme — Winning Values, Winning Team — a leadership training module focused on "Doing the Right Thing for Sustainable Growth." This training delves into real-life case studies from Manulife's past events and experiences in the Asia segment. Leaders engage in discussions and debates on the intricacies of decision-making and the application of values in challenging business situations. In addition, the Senior Leadership Team attended a Psychological Safety session led by Sudesh Thevasenabathy, Head of Diversity, Equity and Inclusion Asia. This session provided valuable insights into fostering a safe, inclusive workplace where employees feel empowered to speak up and contribute openly.

Sustainability Statement

CELEBRATING AND RECOGNISING OUR EMPLOYEES

PODIUM RECOGNITIONS

In addition to the above, Manulife employs a global recognition platform called 'Podium' to ensure that appreciation is widespread at all organisational levels. Podium empowers employees worldwide to express gratitude for their peers, leaders and teams, sparking a culture of appreciation within the organisation. In 2024, a total of 551 employees received Podium recognitions totalling up to RM1.67mil.

LONG SERVICE AWARD

In 2024, Manulife recognised the dedication and commitment of 84 employees through the Long Service Awards. The awards highlight the contributions of our employees who have been an integral part of Manulife's journey.

Their service underscores the organisation's culture of collaboration and shared success. This is also testament to our organisation's supportive and collaborative work environment, fostering loyalty and engagement.

Years of Service	Number of Recipients
5 years	47
10 Years	15
15 Years	5
20 Years	8
25 Years	4
30 Years	4
35 Years	1



Elaine Ng receiving the annual Manulife Stars of Excellence from Roy Gori

MANULIFE 2024 STARS OF EXCELLENCE

Every year, we celebrate our Stars of Excellence — exceptional individuals who stand out within our talented global workforce. As the pinnacle of our recognition initiatives, the Stars of Excellence programme pays tribute to employees who have made an extraordinary impact and strive to make every day better for both internal and external customers.

Among a global cohort, Elaine Ng, Head of Category Management and Country Cluster, Asia Procurement was selected as Malaysia's Star. The selection was based on her continued demonstration of values, stretching limits to positively impact our business and effective collaboration to drive results. To extend our celebration of these Stars to the communities we serve, Manulife Global donated \$500 CAD (RM 1,600) to 6 charities of choice determined by the awarded individual.

SCALE UP ACHIEVER AWARD

This quarterly award serves as a platform to celebrate the achievements of our employees, recognising those who consistently embody the core values and attributes of Manulife. Through the Scale Up Achiever Award we acknowledge individuals who exemplify integrity, collaboration, innovation, and customer focus in their daily work, highlighting their commitment to our organisation's mission and vision.

In 2024, a total of 121 awards were presented at the quarterly townhall. This includes 7 individual awards and 13 team awards which comprised 101 team members.



Employees receiving Long Service Award from Vibha Coburn

Sustainability Statement

WELCOMING NEW TALENT

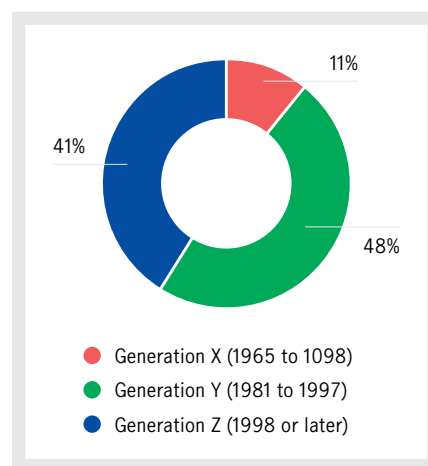
We remain committed to attracting and retaining top talent, especially from Gen Z, positioning Manulife as a choice employer. Our focus on enhancing employee engagement and wellbeing will help us build a strong talent pipeline, driving long-term growth and success.

EMPLOYEE SATISFACTION

Our 2024 Annual Employee Engagement Survey saw an exceptionally high participation rate of 99%, up from 94% last year.

We achieved a mean score of 4.45 out of 5, placing us in the 77th percentile against Gallup's financial and insurance company benchmark, maintaining our top quartile position for engagement scores. Our workforce engagement has reached new heights, with 23 engaged employees for every disengaged one, marking a significant improvement from the 17:1 ratio in 2023. This upward trend underscores our unwavering commitment to fostering a more connected and motivated workforce.

Under our Accountability Index, we scored 4.46, reflecting our strong commitment to responsibility and transparency. Similarly, our Company's Risk Index score of 4.46 highlights our dedication to employee wellbeing and psychological safety, ensuring that they feel confident and supported in sharing their thoughts and feedback with the organisation and its leaders.



Manulife employees savouring ice cream treats, celebrating the Global Brand Strategy launch together



Touching Lives **in the Community**

We are fully committed to making a positive impact in our communities, supporting them through both prosperous and challenging times. Guided by Manulife's Impact Agenda, we aim to drive strategic programmes and engagements that create a more inclusive and equitable playing field for all. Our approach focuses in accelerating a sustainable future through strategic community engagement and targeted investment initiatives, seizing opportunities that yield long-term benefits for the communities that we serve.

Sustainability Statement

JOURNEY TOWARDS BIODIVERSITY PRESERVATION AND ECONOMIC EMPOWERMENT

At the heart of Manulife's corporate ethos lies a deep-rooted commitment to empowering individuals and fostering positive change. Each year, we renew our efforts to elevate our programmes and initiatives, ensuring they address contemporary challenges in an authentic manner that resonates with the communities we engage with.

In 2024, we announce a three-year community partnership with Jane Goodall's Roots & Shoots Malaysia, aimed at rehabilitating a nature trail in the Wang Kelian region of Perlis. This collaboration aligns with Manulife's Impact Agenda, focusing on empowering sustained health and wellbeing, promoting inclusive economic opportunities and accelerating a sustainable future. In the first year, efforts will concentrate on restoring a 10km stretch of the 'Denai Warisan' trail, transforming it into a hub for eco-tourism and environmental education. Manulife's investment will support biodiversity surveys, extensive trail restoration and the creation of designated flora and fauna zones, preserving the region's unique biodiversity while offering educational opportunities through informational signage. The partnership represents Manulife Malaysia's flagship programme on Environmental and Biodiversity Preservation, engaging customers, employees and advisors in environmental conservation and local socio-economic enhancement.



The 10km Denai Warisan trail runs through the Nakawan Range, Malaysia's longest and oldest limestone range

By strategically investing in opportunities that promote sustainable development, we are not only responding to immediate needs but also laying the groundwork for a more resilient and sustainable future for our communities. Through this proactive approach, Manulife is poised to drive meaningful progress and create lasting impact in communities where we operate.

The initiative also aims to foster inclusive economic opportunity through a robust capacity-building programme for the local community, including training in trail-making, nature guiding, business skills and financial literacy. Manulife volunteers will lead financial literacy sessions to empower the community to leverage eco-tourism as a sustainable income source. Wang Kelian, despite its rich biodiversity, remains economically underdeveloped, making it an ideal beneficiary of this project. This initiative builds on the existing "Wang Kelian, Perlis – The Forgotten Valley" project, showcasing the impact of collaboration between government, community, corporations and NGOs in creating a better world for all.

Sustainability Statement

With the launch of this transformative initiative, we embarked on a series of engagements to solidify our partnership and drive impactful outcomes. In November, we proudly witnessed the commencement of the 'Denai Warisan' trail rehabilitation, marking the start of our commitment to revitalising this vital natural asset. Our Group CEO, Vibha Coburn, further amplified our strategic vision by participating in a fireside chat with Dr. Jane Goodall at the Symposium for Hope, underscoring our shared dedication to environmental conservation and community empowerment.

In December 2024, we formalised and announced our partnership with Roots & Shoots Malaysia, a pivotal moment that brought together key management executives to explore deeper involvement and strategic contributions to the programme. This partnership not only represents a significant step forward in our sustainability journey but also reinforces our commitment to fostering meaningful change through collaborative efforts and innovative solutions. Together, we are poised to leverage this partnership to accelerate a sustainable future and create lasting impact in the communities we serve.



Vibha Coburn joins Dr. Jane Goodall and sustainability leaders for a fireside chat at the Symposium of Hope with Dr. Jane Goodall



Manulife ESG committee members with Roots & Shoots Malaysia team at the Denai Warisan trail launch



Signing of partnership agreement between Manulife Malaysia and Roots & Shoots

Sustainability Statement

MOBILISING SUPPORT FOR COMMUNITY MILESTONES

INTERNATIONAL WOMEN'S DAY BAZAAR

In celebration of International Women's Day, Manulife organised a series of empowering events to honour the achievements and contributions of women within our community. On March 8, 2024, the atmosphere was electrifying as 35 enthusiastic employees came together for a spirited Zumba session. This vibrant gathering was more than just a dance class; it was a symbol of unity and empowerment, as participants celebrated the strength and resilience of women everywhere.

The festivities continued on March 14, 2024, with a bustling bazaar that brought together 18 vendors, including three of our talented employees who demonstrated their entrepreneurial spirit. The bazaar not only highlighted the diverse talents within our community but also fostered a supportive environment for women-led businesses to thrive.

To further inspire and engage our workforce, we hosted an "Ask Me Anything" session led by our esteemed Global Chief of Diversity, Equity and Inclusion and Head of Diversity, Equity and Inclusion, Asia. The session was moderated by Jasbender Kaur, our Chief Counsel and Corporate Services Officer, who guided an enlightening discussion on the pivotal role of Diversity, Equity and Inclusion in shaping a more inclusive and equitable workplace.

Through these impactful events, Manulife reaffirmed its commitment to championing gender equality and empowering women both within our organisation and beyond.

CELEBRATING THE EARTH

For Earth Day 2024, we organised a series of engaging eco-friendly activities to promote sustainability and community spirit. On April 26, 2024, employees participated in a Lunch and Learn Workshop, creating their own terrariums and embraced Dress Green Day to show their environmental commitment. The Pre-loved Free Corner at the Level 11 Recharge Station encouraged colleagues to share and reuse items, with an overwhelming response prompting a call for more donations. Participants received a Preloved Sticker for their Green Heroes Card with each drop-off, fostering a sense of camaraderie and sustainability.

Additionally, from April 26 to May 3, we ran a short campaign to encourage employees to saving the planet by bringing their own containers for takeaways at Menara Manulife's F&B outlets, reinforcing our collective efforts to nurture a culture of environmental responsibility and support within the community.

MANULIFE VOLUNTEER DAY: URBAN CLEAN-UP

In honour of Global Volunteer Day and Earth Day celebrations, 88 dedicated employees and advisers demonstrated their commitment to community and environmental stewardship by participating in the "Upcycled: Urban Clean-up" event at Projek Perumahan Rakyat ("PPR") Lembah Subang, Selangor. This initiative aligns with Manulife's strategic focus on fostering sustainable practices and empowering our colleagues to drive positive change. Our volunteers engaged in a comprehensive waste audit and gained valuable hands-on experience by transforming plastic waste into upcycled pendants and recycled products. In just two hours, we collectively gathered over 86 kg of waste and recyclable materials, highlighting our commitment to reducing environmental impact and inspiring broader community action.

Through such initiatives, Manulife reaffirms its dedication to creating a healthier, more sustainable future for both our communities and the planet.



Manulife volunteers conduct a waste audit and learn how to transform plastic waste into upcycled accessories

Sustainability Statement

RUNNING TO FUEL CANCER RESEARCH

On the morning of Saturday, September 28, 2024, a spirited group of 127 employees, agents and advisers from Manulife Malaysia joined over 3,800 participants at Kepong Metropolitan Park, Kuala Lumpur to honour the legacy of Terry Fox through the Marathon of Hope. This annual run celebrates the courage and determination of Terry Fox, an inspiring athlete who, at just 18 years old in 1977, faced a life-altering diagnosis of bone cancer. United in a sea of blue T-Shirts, our employees, advisers, and agents – came together to raise vital funds for Cancer Research Malaysia (“**CRMY**”), a non-profit organisation dedicated to discovering innovative methods to prevent, detect, treat and manage cancer.

This year, Manulife contributed RM 6,350 to support CRMY’s mission, reinforcing our commitment to making a meaningful impact in the fight against cancer.

CULTIVATING COMMUNITY SPIRIT

On 20 October 2024, Manulife extended our reach to the northern region by contributing to the Pantai Fun Run 2024, championing the cause of healthier lifestyle. Our dedicated agents were on hand to engage with participants, emphasising the vital importance of health protection. Through Pantai Medical Centre’s efforts and our support, we not only highlighted the significance of maintaining good health but also contributed RM 5,000 to enhance the medical support provided by Pantai Medical Centre to the Ipoh community. This initiative underscores our commitment to fostering wellbeing and making a tangible difference in the lives of those we serve.



Manulife volunteers participate in the Terry Fox Run at Taman Metropolitan Kepong in Kuala Lumpur

EMPOWERING THE NEXT GENERATION

In 2024, Manulife continues its commitment to empowering future generations by participating in the Financial Industry Collective Outreach (“**FINCO**”)’s renowned Good Sens programme. This initiative, pioneered by all financial institutions in Malaysia, harnesses social entrepreneurship to instil healthy financial habits in school-going children. This year, 11 dedicated Manulife volunteers served as Good Sens mentors for six months, contributing over 220 volunteer hours. They played a pivotal role in guiding students to generate business ideas and grasp key financial literacy concepts. The programme culminated in the FINCO Good Sens: National Dragons Den 2024, where school teams pitched their ideas to industry professionals for additional investment. Through FINCO, Manulife reaffirms its long-term investment in sustainable, impactful educational initiatives, with our volunteers collaborating with teachers to ensure students gain vital skills beyond the national curriculum.

Sustainability Statement

BUILDING BRIDGES FOR AN INCLUSIVE GROWTH

BACK-TO-SCHOOL GIVING

Building on the success of our MY Community Grant, we are committed to making a meaningful impact in underserved communities by continuing our support for single mothers from SURJ through our partnership with MyKasih Foundation ("MyKasih"). In 2024, we have empowered 24 mothers in Klang and Langkawi with the financial means to purchase essential Back-To-School items for their children. By activating their MyKad, each mother received approximately RM 100 per child, allowing them to acquire school bags, stationery, and uniforms—items that are crucial for their children's educational journey. This initiative not only alleviates financial burdens but also ensures that these children can start the school year with confidence and dignity.

Through our ongoing support, we aim to foster a sense of empowerment and self-sufficiency within these communities, reinforcing our commitment to creating inclusive opportunities and enhancing the quality of life for those who need it most. This effort underscores our dedication to long-term community engagement and our strategic focus on uplifting underserved populations, ensuring that they have access to the resources necessary for growth and development.

SEASON OF GIVING: #ManulifeActsOfKindness

During this season of giving, Manulife has strategically amplified its employee-driven charitable contributions, transforming individual generosity into a powerful collective impact. Traditionally, each employee is provided \$50 CAD to support causes aligned with their passions. This year, we coordinated a focused initiative to direct these funds toward those affected by floods and marginalised urban communities, reflecting our commitment to targeted and meaningful support. By leveraging our established relationships with trusted partners, we ensured that our contributions would drive sustainable change.

Partnering with the MYKasih, Manulife raised over RM 7,500, enabling us to support 14 to 15 families with RM 500 per family through MYKasih's cashless aid programme. This funding is strategically allocated to families in Bentong, Pahang, and Sarawak, areas identified by local authorities as in critical need of assistance. Our continued collaboration with MYKasih exemplifies our dedication to building long-term, impactful partnerships that foster community resilience.

In parallel, we raised over RM 3,700 for Dignity for Children, an organisation dedicated to breaking the cycle of poverty through quality education for underprivileged urban children. Our ongoing support is part of a strategic effort to empower these children, transforming their lives and the broader community. Dignity for Children implements high-quality learning centres that nurture academic and social development, equipping children to become productive members of society. Through these partnerships, Manulife reaffirms its commitment to fostering sustainable growth and positive change in the communities we serve.

Sustainability Statement

ESG PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	100.00	100.00
Non Management	Percentage	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	160,616.00	322,550.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	17,000	4,500
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Technician and Associate Professional Under 30	Percentage	34.27	40.67
Technician and Associate Professional Between 30-50	Percentage	59.44	50.67
Technician and Associate Professional Above 51	Percentage	6.29	8.67
Professional Under 30	Percentage	8.24	10.06
Professional Between 30-50	Percentage	84.71	82.25
Professional Above 51	Percentage	7.06	7.69
Manager Under 30	Percentage	0.69	0.66
Manager Between 30-50	Percentage	80.69	78.15
Manager Above 51	Percentage	18.62	21.19
Elementary and Clerical Occupation Under 30	Percentage	41.86	35.29
Elementary and Clerical Occupation Between 30-50	Percentage	46.51	52.94
Elementary and Clerical Occupation Above 51	Percentage	11.63	11.76
Gender Group by Employee Category			
Technician and Associate Professional Male	Percentage	19.00	22.67
Technician and Associate Professional Female	Percentage	81.00	77.33
Professional Male	Percentage	39.00	38.46
Professional Female	Percentage	61.00	61.54
Manager Male	Percentage	48.00	45.70
Manager Female	Percentage	52.00	54.30
Elementary and Clerical Occupation Male	Percentage	28.00	23.53
Elementary and Clerical Occupation Female	Percentage	72.00	76.47
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	40.00	40.00
Female	Percentage	60.00	60.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	20.00	20.00
Above 50	Percentage	80.00	80.00

Sustainability Statement

Indicator	Measurement Unit	2023	2024
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	544.84 *	629.34
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	1
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	1,156	5,350
Non Management	Hours	1,928	8,476
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	2.00	3.00
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	15	16
Non Management	Number	94	65
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	95.00	92.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	23.970000 *	21.820000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	No Data Provided
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	No Data Provided
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	No Data Provided
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	-	No Data Provided
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	-	No Data Provided
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	No Data Provided

Notes:

- 1 Energy Consumption: The 2023 data is restated to include only the floors in Menara Manulife occupied by MHB and its subsidiaries, excluding tenants.
- 2 Water: The 2023 data is restated to reflect conversion, as we measure water consumption in cubic metres.
- 3 Waste and Emissions Management: Initiatives began in 2024, addressed in the narrative sections of our Sustainability Statement 2024. We will disclose this data in the next reporting cycle with an improved methodology and shall endeavour to enhance our performance management efforts.

Corporate Governance Overview Statement

THIS CORPORATE GOVERNANCE OVERVIEW STATEMENT (“**CG STATEMENT**”) PROVIDES AN OVERVIEW OF THE APPLICATION OF THE THREE (3) PRINCIPLES SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (“**MCCG**”) BY MANULIFE HOLDINGS BERHAD (“**MHB**” OR “**THE COMPANY**”) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024.

The MCCG sets out broad principles and specific recommendations on structures and processes which companies may adopt in making good corporate governance as an integral part of business dealings and culture. Unless otherwise stated in the CG Statement, the Board of Directors of the Company (“**Board**”) has adopted the recommendations of the MCCG.

As an investment holding company with financial services subsidiaries, the corporate governance model of MHB has been built and enhanced based on the requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) Main Market Listing Requirements (“**Listing Requirements**”), the Corporate Governance Code issued by Bank Negara Malaysia, the MCCG, and international best practices and standards.

The Board is committed to observing and upholding the highest standards of corporate governance by ensuring the principles and recommendations in the MCCG are established, adopted and practised throughout the Company and its subsidiaries (“**the Group**”) as a fundamental part of discharging its responsibilities to maximise shareholders’ value, at the same time protecting shareholders’ interest.

THE BOARD

The Board believes that strong corporate governance is essential for delivering sustainable value, enhancing business integrity and maintaining investors’ confidence towards achieving the Group’s corporate objectives and vision.

The Board is the ultimate decision-making body of the Company except for matters requiring shareholders’ approval. It sets the strategic direction and mission of the Company. The Board takes full responsibility for leading, governing, guiding and monitoring the entire performance of the Company and enforces standards of accountability, all with a view to enabling Management to execute its responsibilities effectively.

In particular, the Board assumes the following responsibilities to facilitate the Board in discharging its fiduciary duty and leadership functions:-

1. Reviewing and approving the strategic plan for the Company.
2. Overseeing the conduct of the Company’s business to determine whether the business is being properly managed.
3. Identifying principal risks, setting of risk appetites, and ensuring the implementation of appropriate internal controls and systems, and mitigation measures.
4. Succession planning, including ensuring all candidates appointed to senior management positions are of sufficient calibre and programmes are in place to provide for the orderly succession of senior management.
5. Overseeing the development and implementation of shareholder communications policy for the Company.
6. Reviewing the adequacy and integrity of the Company’s management information and internal control systems.

Further to the above, the Board is committed to enhancing the Group’s sustainability governance and has developed its sustainability strategy, priorities and targets in accordance with its inaugural stakeholder engagement and materiality assessment (SEMA) and the Global Impact Agenda. The Company will be engaging with other key stakeholders to gain a holistic view of the Company’s key matters, with the aim to ensure optimum understanding and management of the Company’s sustainability risks and opportunities.

An effective Board leads and controls the Company. Board meetings are held at least once a quarter, with additional meetings convened as necessary. All Board members bring an independent judgement to bear on issues of strategic planning, which includes strategies on economic, environmental and social considerations underpinning sustainability, performance, resources and standards of conduct. Presently, three (3) out of five (5) Directors are Independent Non-Executive Directors.

For the financial year ended 31 December 2024, five (5) Board meetings were held and the attendance of each Director is recorded in the Directors’ profile section. The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company.

Corporate Governance Overview Statement

THE BOARD (CONTINUED)

Apart from the aforesaid responsibilities, the Board has also delegated specific responsibilities to three (3) Board Committees, namely, the Group Audit Committee, the Group Risk Management Committee and the Group Nominating/Remuneration Committee. The terms of reference of the Board Committees clearly define the duties and obligations of the Board Committees in assisting and supporting the Board. While the Board Committees have the authority to examine specific issues, they will report to the Board with their decisions and/or recommendations and the ultimate responsibility for making decisions in the best interest of the Company lies with the entire Board. None of the Board Committees are chaired by the Chair of the Board, nor is the Chair of Board a member of any Board Committee.

In order to facilitate the Board effectiveness, self-evaluations are completed on an annual basis with findings presented to the Group Nominating/Remuneration Committee meeting to address pertinent issues such as leadership, review of existing processes and performance of the Board and Board Committees.

The Board is supported by two (2) Company Secretaries in the discharge of its functions. The Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislation. The Company Secretaries also ensure that deliberations at the Board and Board Committees meetings are well captured and minuted, and subsequently communicated to Management for necessary action. The Board is updated by the Company Secretaries on the follow-up or implementation of its decisions/ recommendations by Management till their closure. All Directors have access to the advice and services of the Company Secretaries.

Board Responsibilities

The Board has overall responsibility for putting in place a framework of good corporate governance within the Company, including the processes for financial reporting, risk management and compliance. Board members bring their independent judgement, diverse knowledge and experience in deliberations on issues pertaining to strategy, performance, resources and business conduct. The overall principal responsibilities of the Board are as follows:-

1. understand the principal risks of all aspects of the businesses in which the Group is engaged in, setting of risk appetites, and ensuring that systems are in place to effectively monitor and manage these risks with a view to the long-term viability and success of the Group;
2. identify principal risks, setting of risk appetites, and ensure the implementation of appropriate internal controls and systems, and mitigation measures;
3. monitor and assess developments which may affect the Group's strategic plans;
4. provide clear objectives and policies within which the Management of the Company is to operate;
5. monitor the Management's performance in the implementation of the strategies and provide relevant direction and advice when necessary and/or to ensure the achievement of the Company's objectives;
6. review the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
7. promote, together with Management, a sound corporate culture within the Company which reinforces ethical, prudent, and professional behaviour;
8. succession planning, including ensuring all candidates appointed to senior management positions are of sufficient calibre and programmes are in place to provide for the orderly succession of senior management;
9. oversee the development and implementation of shareholder communications policy for the Company; and
10. avoid conflicts of interest and ensuring appropriate disclosure of possible conflicts of interest.

The Board in discharging their duties will have regard to the Companies Act 2016 and the relevant guidelines/standards applicable to listed issuer as issued from time to time.

In addition to matters reserved to the Board by the law or regulator, the following matters are specifically reserved for the Board's approval which include, among others, reviewing and approving the following:

1. Strategic/business plans and annual budget.
2. New investments, divestments, mergers and acquisitions and corporate restructuring, including the establishment of subsidiaries, joint ventures or strategic alliances both locally and abroad.
3. Acquisition and disposal of significant assets of the Company.
4. Annual financial statements and the quarterly financial results prior to release to Bursa Malaysia Securities.
5. Appointment or removal from the positions of new Directors, CEO, company secretary and other members of senior management of the Company based on the recommendation of the Group Nominating/Remuneration Committee.
6. Related party transactions and capital financing.

Corporate Governance Overview Statement

THE BOARD (CONTINUED)

Foster Commitment

The Directors are able to devote sufficient time commitment to their role and responsibilities as Directors of the Company. All Directors attended at least 50% of all Board and Board Committees meetings in year 2024. The quorum of all Board meetings was met with attendance of not less than two (2) Directors present for all purposes.

Meeting Attendance

There were five (5) Board Meetings held during the financial year ended 31 December 2024. The details of the attendance of the Directors are as follows:-

Name of Directors	Attendance
Dato' Dr. Zaha Rina binti Zahari	5/5
Mrs. Vijayam A/P Nadarajah	4/5
Mr. Matthew Edward Lawrence	5/5
Ms. Vibha Hamsi Coburn	5/5
Mr. Renzo Christopher Viegas	5/5

This is also evidenced by the attendance record for the financial year ended 31 December 2024 as set out under the Directors' Profile on pages 11 to 13 of this Annual Report.

BOARDROOM DIVERSITY

The Board at all times promotes and welcomes diversity and gender mix in its composition and gives due recognition to the financial, technical and business experience of the Directors. The Board believes the presence of diverse nationalities and gender mix on the Board can widen the Board's perspectives in effectively discharging its duties and responsibilities as well as aid the Board in its decision-making process.

Despite not having a Board Diversity Policy or Gender Diversity Policy, the Board aspires at all times to achieve the right balance in terms of gender and skills mix that best serves the needs of the Group and its shareholders. Notwithstanding the above, as at 31 December 2024, three out of five (60%) of the Directors are women Directors.

GROUP AUDIT COMMITTEE

The Group Audit Committee has three (3) members, comprising two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The Group Audit Committee Report for the financial year under review can be found on pages 95 to 96 of this Annual Report.

Members

1. Mr. Renzo Christopher Viegas
Chairman/Independent Non-Executive Director
2. Mrs. Vijayam A/P Nadarajah
Member/Independent Non-Executive Director
3. Mr. Matthew Edward Lawrence
Member/Non-Independent Non-Executive Director

Terms of Reference

The terms of reference of the Group Audit Committee is published in the Company's website at <http://www.manulife.com.my>.

Meeting Attendance

The attendance of the Group Audit Committee's members for the financial year ended 31 December 2024 is set out under the Group Audit Committee Report on page 95 of this Annual Report.

Corporate Governance Overview Statement

GROUP RISK MANAGEMENT COMMITTEE

The Group Risk Management Committee has three (3) members, comprising two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

The Group Risk Management Committee is responsible for:-

1. Reviewing and recommending risk management strategies, policies and risk tolerance for the Board's approval;
2. Reviewing and assessing the adequacy of risk management policies and framework for identifying, measuring, monitoring and controlling risks as well as the extent to which these are operating effectively;
3. Ensuring adequate infrastructure, resources and systems are in place for effective risk management i.e., ensuring that staff who are responsible for implementing risk management systems, performs these duties independently of the Group's risk-taking activities;
4. Reviewing Management's periodic reports on risk exposure, risk portfolio composition and risk management activities. Through the Group Risk Management Committee, the Board oversees the Enterprise Risk Management Framework of the Group; and
5. Assist and advise the Board on areas of high risks faced by the Group and the adequacy of compliance and control throughout the organisation. The Group Risk Management Committee reviews the risk management policies formulated by Management and makes relevant recommendations to the Board for approval.

Members

1. Mrs. Vijayam A/P Nadarajah
Chairman/Independent Non-Executive Director
2. Mr. Matthew Edward Lawrence
Member/Non-Independent Non-Executive Director
3. Mr. Renzo Christopher Viegas
Member/Independent Non-Executive Director

Terms of Reference

The terms of reference of the Group Risk Management Committee is published in the Company's website at <http://www.manulife.com.my>.

Meeting Attendance

The attendance of the Group Risk Management Committee's members for the financial year ended 31 December 2024 are as follows:-

Name of Members	Attendance
Mrs. Vijayam A/P Nadarajah	4 out of 4
Mr. Matthew Edward Lawrence	4 out of 4
Mr. Renzo Christopher Viegas	4 out of 4

Corporate Governance Overview Statement

GROUP NOMINATING/REMUNERATION COMMITTEE

The Group Nominating/Remuneration Committee has three (3) members, comprising two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

Members

1. Mr. Renzo Christopher Viegas
Chairman/Independent Non-Executive Director
2. Mrs. Vijayam A/P Nadarajah
Member/Independent Non-Executive Director
3. Mr. Matthew Edward Lawrence
Member/Non-Independent Non-Executive Director

Terms of Reference

The terms of reference of the Group Nominating/Remuneration Committee is published in the Company's website at <http://www.manulife.com.my>.

Meeting Attendance

The attendance of the Group Nominating/Remuneration Committee's members for the financial year ended 31 December 2024 are as follows:-

Name of Members	Attendance
Mr. Renzo Christopher Viegas	6 out of 6
Mrs. Vijayam A/P Nadarajah	6 out of 6
Mr. Matthew Edward Lawrence	6 out of 6

For the financial year ended 31 December 2024, the Group Nominating/Remuneration Committee has undertaken the following activities:-

1. Reviewed the annual performance bonus and increment for the staff of MHB and its subsidiaries (except for Manulife Insurance Berhad ("MIB"));
2. Reviewed the performance of key senior officers of MHB and/or its subsidiaries;
3. Reviewed the succession plan for senior management of MHB and its subsidiaries (except for MIB);
4. Reviewed the performance of the Board as a whole and Board Committees including Group Audit Committee;
5. Reviewed and recommended the re-election of the Directors who were due to retire by rotation at the Forty-Eighth Annual General Meeting of the Company;
6. Reviewed and recommended the retention of Dato' Dr. Zaha Rina Binti Zahari as Independent Non-Executive Director of the Company for recommendation to the shareholders for approval;
7. Reviewed the Directors' fees prior to tabling to the Company's shareholders for their approval at the Annual General Meeting; and
8. Reviewed the training programmes (and budget) to be attended by the Board.

Corporate Governance Overview Statement

VARIOUS MANAGEMENT COMMITTEES

Aside from the Board Committees mentioned above, the Company also established various Management Committees to assist the Management. The key Management Committees are the Executive Management Team, Senior Management Team, Asset and Liability Management Committee, Investment Committee, IT Steering Committee, Enterprise Risk Management Committee and Business Continuity Management Committee.

BOARD BALANCE, DUTIES AND RESPONSIBILITIES

Board Composition

The Company's Constitution specifies that the number of Directors shall not be less than five (5) and not more than ten (10). The Board has the authority as governed under the Constitution of the Company to appoint a Director to fill a casual vacancy or as an additional Director. In addition, the Board should comprise at least two (2) Independent Non-Executive Directors or at least one-third (1/3) of the Board should be Independent Non-Executive Directors, whichever is the higher. The Board Charter also specifies that the Chairman must be a non-executive member of the Board.

The Board currently has five (5) members, comprising three (3) Independent Non-Executive Directors (including the Chairman), a Non-Independent Non-Executive Director and an Executive Director. Together, the Directors bring with them a wealth of experience, and the required mix of skills and core competencies which are necessary to enable the Company to achieve its corporate objectives and fulfil all its fiduciary duties.

Chairman

There is a clear division of responsibility between the Chairman and the Group CEO to ensure that there is a balance of power and authority. The Chairman who is an Independent Non-Executive Director is responsible for the leadership and management of the Board and ensuring the Board and its Committees function effectively while at the same time observing a high level of corporate governance. The Chairman assumes the formal role of a leader and chairs all Board meetings, leads discussions among Directors, allowing dissenting views to be expressed freely and provides leadership to the Board in its oversight of Management.

The Chairman facilitates the flow of information between Management and the Board, and in consultation with Management, sets the agenda for each Board meeting. The Chairman also plays a crucial role in ensuring appropriate steps are taken to provide effective communication with stakeholders of the Company.

Other key roles of the Chairman are to ensure, among others:-

1. guide the Board in the fulfilment of its duties. In guiding and directing the Board, ensures the focus of the Board's attention is on strategically important issues and compliance with regulatory requirements;
2. together with the secretary, sets the agenda, style and tone of the Board discussions to promote effective decision-making and constructive debate in meetings, including managing the discussion to ensure that appropriate time is allowed to consideration of issue;
3. ensure that directors take into consideration the realities of operating within the Manulife Group of Companies and provide direction that aligns with the Group's strategy;
4. ensure the directors receive accurate, timely and clear information on the Company and its activities;
5. encourage active engagement by all the members of the Board;
6. lead the board in the adoption and implementation of good corporate governance practices in the Company and/or ensure that all appropriate procedures are in place to govern the Board's operations;
7. lead efforts to address the Board's developmental needs; ensure independence of the Board in discharging its duties which includes encouraging non-executive directors to meet regularly to discuss among other things strategic, governance and operational issues;
8. escalate issues, as appropriate, in accordance with the Global Subsidiary Governance Policy ("**Policy**") and
9. discharges any other responsibilities as required by any applicable law, the Policy, or Global Subsidiary Governance Standard.

Dato' Dr. Zaha Rina binti Zahari is the Chairman of the Board and an Independent Non-Executive Director to whom matters concerning the Company may be conveyed.

Corporate Governance Overview Statement

Group Chief Executive Officer

The Group CEO assumes the overall responsibility for the implementation of the Group's strategy, carrying out the Board's directions, managing the businesses of the Group, driving performance within strategic goals and commercial objectives and ensuring business sustainability. The Group CEO heads the Executive Management Committee, the highest Management Committee in the Group and leads the Management team in carrying out the corporate strategy and mission of the Group. As Group CEO, she is also accountable to the Board for the day-to-day management and operations of the Group's businesses.

The key roles of the Group CEO include, among others:-

1. developing strategic direction;
2. ensuring strategies and corporate policies are effectively implemented;
3. ensuring Board's decisions are implemented and Board's directions are responded to;
4. providing directions in the implementation of short and long-term business plans;
5. providing strong leadership, that is, effectively communicating a vision, management philosophy and business strategy to the employees;
6. keeping the Board fully informed of all important aspects of the Group's operations and ensuring sufficient information is disseminated to Board members;
7. ensuring the day-to-day business affairs of the Group are effectively managed; and
8. together with the Board sets objectives, visions, targets and strategic direction of the Group.

Non-Executive Directors

The Independent Non-Executive Directors fulfill a pivotal role in corporate accountability by providing an independent and unbiased views, advice and judgement to ensure a balanced and unbiased decision-making process and that the long-term interest of all stakeholders and the community are well protected. The Non-Executive Directors are to deliberate and discuss policies and strategies formulated and proposed by Management with the view of the long-term interest of all stakeholders. They contribute to the formulation of policies and decision-making using their expertise and experience at the same time providing guidance and promoting professionalism to Management.

There is also a balance in the Board with the presence of Independent Non-Executive Directors of the necessary calibre to carry sufficient weight in the Board's decisions. Although all the Directors share equal responsibility for the Company's operations, the role of these Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by Management are fully discussed and examined objectively, and took into consideration the long-term interests, not only the shareholders but also of the customers, employees, suppliers and the communities in which the Company conducts its businesses.

Whilst the Company has a majority shareholder, the interests of minority shareholders are fairly reflected through the Board's representation.

CODE OF BUSINESS CONDUCT AND ETHICS

The Company's Code of Business Conduct and Ethics governs the standards of ethics and good conduct expected of its Directors and employees respectively. The Code of Business Conduct and Ethics provides standards for ethical behaviour when representing the Company to the public and performing services for and on behalf of the Company. In addition to an annual review and certification, Directors and employees are required to complete a training module of the Code of Business Conduct and Ethics annually.

The Code of Business Conduct and Ethics provides for the reporting of unethical, unprofessional, illegal, fraudulent or other questionable behaviour by way of calling or writing to Ethics Point, an independent third-party ethics hotline service that provides employees with phone and web-based communications tools to confidentially report suspected unethical, unprofessional, illegal or fraudulent activity conducted by others associated with the Company. Anyone reporting concerns about potential or suspected illegal, unprofessional, fraudulent or other unethical behaviour may remain anonymous if he or she so chooses. The Company does not permit retaliation of any kind for good faith reports of illegal or unethical behaviour.

Corporate Governance Overview Statement

CODE OF BUSINESS CONDUCT AND ETHICS (CONTINUED)

In order to achieve its commitment to conduct its business ethically in accordance with the Company's Code of Business Conduct and Ethics and in compliance with the Malaysian Anti-Corruption Commission Act 2009, the Group adopts a zero-tolerance approach against all forms of bribery and corruption. The Group has put in place an Anti-Bribery and Corruption Framework ("**ABC Framework**") that serve to demonstrate the Group's procedures and controls to prevent its directors, officers and employees from undertaking such conduct stipulated under Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The ABC Framework applies to all business dealings involving the Group. It also applies to all directors, officers and employees as well as persons associated with the Group*.

* Persons associated with Manulife Malaysia includes consultants, suppliers, contractors, trainees, agents and sponsors. It includes any person "who performs services for or on behalf of the commercial organisation" – Section 17A(6) of the Malaysian Anti-Corruption Commission Act 2009.

The Company's policy on whistle blowing is enshrined in the Code of Business Conduct and Ethics. Concerns on unethical, unprofessional, illegal, fraudulent or other questionable behaviour may be reported, anonymously or not, without fear of retaliation. The Company absolutely prohibits retaliation of any kind for good faith reports of illegal or unethical behaviour.

The Code of Business Conduct and Ethics, ABC Framework and Whistle Blowing Statement are published in the Company's website at <http://www.manulife.com.my>.

SUPPLY OF INFORMATION

All Directors are provided with the agenda and Board reports within a reasonable time prior to a Board meeting. This is to enable the Directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting.

Management provides the Board and Board Committees with information in a form, within an acceptable timeframe and quality which enables them to discharge their duties and responsibilities effectively. Directors are entitled to request and receive additional information they consider necessary in order to make informed decisions, which includes the following:-

1. obtaining full and unrestricted access to any information pertaining to the Company and its subsidiaries;
2. obtaining full and unrestricted access to the advice and services of the Company Secretaries; and
3. obtaining professional independent advice, at the Company's expense.

BOARD APPOINTMENTS AND SUCCESSION PLANNING OF KEY SENIOR MANAGEMENT

The policies and procedures for recruitment and appointment of Directors are in place.

The Group Nominating/Remuneration Committee identifies and nominates suitable candidates for appointment to the Board for approval, either to fill vacancies or as an addition to meet the changing needs of the Group. The Group Nominating/Remuneration Committee undertakes a thorough and comprehensive evaluation of the candidate. The Group Nominating/Remuneration Committee also takes into account the Group's businesses and matches the capabilities and contributions expected for a particular appointment. In addition, the Fit and Proper Policy also outlines the following criteria for assessment of the suitability of the candidate for appointment:-

- (i) Probity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness;
- (ii) Competence and capability, where the candidate must have the skills, working experience, capability and commitment necessary to carry out the role; and
- (iii) Financial integrity, where the candidate must manage his/her debts or financial affairs prudently.

The Company's Constitution requires all Directors to submit themselves for re-election by shareholders at the AGM of the Company at least once every three (3) years.

The Group Nominating/Remuneration Committee also oversees the succession planning of key senior management across the Group with a view to build and maintain senior leadership bench strength. Diversity at the key senior management level is also taken into consideration.

Corporate Governance Overview Statement

BOARD CHARTER

A Board Charter was formalised and adopted by the Board on 21 November 2013 and was last updated on 25 October 2023. The Board Charter not only sets out the roles and responsibilities of the Board in accordance with applicable rules and regulations but also provides a clear delineation of the duties of the Chairman and individual Directors. The Board Charter aims to promote ethical behaviour among the members and firmly inculcate good governance in the Board's undertakings.

The Board Charter is published in the Company's website at <http://www.manulife.com.my>.

DIRECTORS' TRAINING

The Directors have participated in conferences, seminars and training programmes to keep abreast with the development in the business environment, financial sector issues and challenges, sustainability issues as well as the new regulatory and statutory requirements.

During the financial year under review, the Directors attended the following training, conference, seminar or forum:

Name of Director	Training/Conference/Seminar/Forum Attended	Event Date
Dato' Dr. Zaha Rina binti Zahari	Affin Bank Market Outlook 2024: Propelling Malaysia Forward (<i>Affin Bank</i>)	30.01.2024
	Offshore Technology Conference (OTC) Asia 2024 (<i>OTC Asia</i>)	27.02.2024 – 01.03.2024
	Palm & Lauric Oil Price Outlook Conference (POC 2024) (<i>Bursa Derivative Bhd</i>)	04.03.2024 – 06.03.2024
	E-Learning CPE Course Conducted by Dr Ch'ng Huck Khoon & Dr Teoh Ai Ping Topic: Mastering ChatGPT: Unlocking the Potential of Conversational AI (<i>CHK Consultancy</i>)	07.05.2024
	Succession Planning: A Catalyst For Business Growth and Sustainability (<i>Effectual Links</i>)	24.06.2024
	Building Sustainable Credibility: Assurance, Greenwashing and The Rise of Green-Hushing (<i>Bursa Malaysia</i>)	24.09.2024
	Economic Outlook and Market Update/Treasury and Capital Market/Investment Update (<i>Mizuho Bank</i>)	25.09.2024
	Knowledge Sharing & Engagement Session between Board of Directors And Shariah Committee (<i>Mizuho Bank</i>)	03.10.2024
	Cybersecurity Leadership (<i>Mizuho Bank</i>)	03.10.2024
	Directors' Remuneration Report 2024 Launch (<i>FIDE Forum</i>)	11.11.2024
	Anti-Bribery & Anti-Corruption (ABC) Compliance Training for Board of Directors 2024 (<i>Internal Training</i>)	06.12.2024
	Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing for Board of Directors 2024 (<i>Internal training</i>)	06.12.2024

Corporate Governance Overview Statement

DIRECTORS' TRAINING (CONTINUED)

Name of Director	Training/Conference/Seminar/Forum Attended	Event Date
Mrs. Vijayam A/P Nadarajah	BNM – FIDE FORUM Engagement: Responsibility Mapping with Directors of Financial Institutions (<i>FIDE Forum</i>)	24.04.2024
	United Nations Global Compact: Forward Faster Now I Asia & Oceania (<i>United Nations</i>)	05.08.2024 – 06.08.2024
	Masterclass III - Investing in Climate Solutions & Optimizing Action (<i>FIDE Forum</i>)	12.09.2024
	Climate Risk Management and Scenario Analysis (CRMSA), Climate Change and Principle-based Taxonomy (CCPT) and Climate Risk Stress Testing (CRST) Training for Directors (<i>LIAM with collaboration with the Asia School of Business</i>)	09.10.2024
	Leading the Way: Developing Credible Transition Plans for Financial Institutions (<i>FIDE Forum</i>)	10.10.2024
	Asia Pacific Board Leadership Forum 2024 II Advancing Regional Governance: A Collective Value Proposition (<i>Russell Reynolds Associates</i>)	15.10.2024 – 16.10.2024
	Malaysia Cloud & Datacenter Convention 2024. Trends, Techniques, Technologies: Unveiling the secrets to achieving world-class data centers (<i>Malaysia Cloud & Datacenter Convention Center</i>)	24.10.2024
	Directors' Remuneration Report 2024 Launch (<i>FIDE Forum</i>)	11.11.2024
	Anti-Bribery & Anti-Corruption (ABC) Compliance Training for Board of Directors 2024 (<i>Internal Training</i>)	06.12.2024
	Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing for Board of Directors 2024 (<i>Internal training</i>)	06.12.2024
Mr. Matthew Edward Lawrence	2024 AML/ATF Refresher for Directors (<i>Internal training</i>)	29.05.2024
	Overcoming Adversity to Inspire (<i>Internal training</i>)	05.06.2024
	Fostering Psychological Safety & Belonging (<i>Internal training</i>)	05.06.2024
	Information Protection 2024 (<i>Internal training</i>)	08.07.2024
	ICAEW Ethics CPD Course from Theory to Practice – Module 1, Module 2, Module 3 and Module 4 (<i>Institute of Chartered Accountants in England and Wales</i>)	31.07.2024 & 22.09.2024
	Winning Values Winning Team: Doing the Right Thing for Sustainable Growth (<i>Internal training</i>)	10.09.2024
	2024 Global Fraud Awareness Training (<i>Internal training</i>)	31.10.2024
	2024 Anti-Bribery & Anti-Corruption Compliance Training (<i>Internal training</i>)	22.11.2024
	The KPMG CFO Series (<i>KPMG</i>)	10.12.2024
	Financial Reporting Webinar Series: Year-end Updates (<i>KPMG</i>)	10.12.2024
	Anti-Bribery & Anti-Corruption (ABC) Compliance Training for Board of Directors 2024 (<i>Internal Training</i>)	06.12.2024
	Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing for Board of Directors 2024 (<i>Internal training</i>)	06.12.2024

Corporate Governance Overview Statement

DIRECTORS' TRAINING (CONTINUED)

Name of Director	Training/Conference/Seminar/Forum Attended	Event Date
Ms. Vibha Hamsi Coburn	FIDE FORUM – CGM Masterclass: What Directors Must Know: Recent Developments in Climate Science (<i>FIDE Forum</i>)	15.05.2024
	Engagement Session with FIDE FORUM Members on BNM Annual Report 2023, Economic and Monetary Review 2023 and Financial Stability Review 2H 2023 (<i>FIDE Forum</i>)	30.05.2024
	InsureTech Connect Asia 2024 (<i>ITC Asia</i>)	04.06.2024 – 06.06.2024
	Kuala Lumpur International Sustainability Conference: Synergizing Climate Action: Fostering Collaboration Across Regulators, Corporations, and Academia (<i>Asia School of Business</i>)	07.06.2024
	Climate Risk Management and Scenario Analysis (CRMSA), Climate Change and Principle-based Taxonomy (CCPT) and Climate Risk Stress Testing (CRST) Training for Directors (<i>LIAM with collaboration with the Asia School of Business</i>)	09.10.2024
	Impact of Generative AI on the CEO Agenda (<i>IBM</i>)	19.06.2024
	Dialogue with The Honourable Lee Hsien Loong, Senior Minister of Singapore	21.07.2024
	Launch of the Future Skills Framework for the Malaysian Financial Sector (<i>Asian Institute of Chartered Bankers</i>)	22.07.2024
	Post-Budget 2025 Fireside Chat with YB Senator Datuk Seri Amir Hamzah Azizan, Minister of Finance II (<i>Kuala Lumpur Business Club</i>)	07.11.2024
	Directors' Remuneration Report 2024 Launch (<i>FIDE Forum</i>)	11.11.2024
	Anti-Bribery & Anti-Corruption (ABC) Compliance Training for Board of Directors 2024 (<i>Internal Training</i>)	06.12.2024
	Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing for Board of Directors 2024 (<i>Internal training</i>)	06.12.2024
Mr. Renzo Christopher Viegas	BNM – FIDE FORUM Engagement: Responsibility Mapping with Directors of Financial Institutions (<i>FIDE Forum</i>)	24.04.2024
	Engagement Session with FIDE FORUM Members on BNM Annual Report 2023, Economic and Monetary Review 2023 and Financial Stability Review 2H 2023 (<i>FIDE Forum</i>)	30.05.2024
	Data Innovation to Drive Financial Inclusion - Pushing New Frontiers (<i>FIDE Forum</i>)	21.06.2024
	Info Sharing & Engagement Session on Board Culture (<i>FIDE Forum</i>)	24.06.2024
	United Nations Global Compact: Forward Faster Now I Asia & Oceania (<i>United Nations</i>)	05.08.2024 – 06.08.2024
	EY Financial Services Organisation (FSO) Insurance Forum 2024 (<i>Ernst & Young PLT</i>)	31.07.2024
	Distinguished Board Leadership Series 2024: Digital Transformation of the World's Best Bank (<i>FIDE Forum</i>)	03.09.2024
	Directors' Remuneration Report 2024 Launch (<i>FIDE Forum</i>)	11.11.2024
	ICDM Advocacy Dialogue & Networking Session Post-Budget 2025 Dialogue: Key Highlights & A Conversation with the Ministry of Finance (MoF) (<i>ICDM</i>)	06.11.2024
	Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees (<i>Securities Commission Malaysia</i>)	19.11.2024
	Anti-Bribery & Anti-Corruption (ABC) Compliance Training for Board of Directors 2024 (<i>Internal Training</i>)	06.12.2024
	Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing for Board of Directors 2024 (<i>Internal training</i>)	06.12.2024

Recognising the increasing importance of ESG considerations to the Group's performance and long-term sustainability, ESG has been embedded as part of the Board and Management's development planning.

The Board will continue to undergo other relevant training programmes and seminars to ensure that they remain well-equipped with the relevant knowledge as well as emergent strategic directions and ideas to discharge their duties effectively.

Corporate Governance Overview Statement

DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

The remuneration of the Directors for the financial year ended 31 December 2024 is set out below:-

	Fees (RM'000)	Allowance (RM'000)	Salaries (RM'000)	Bonus (RM'000)	Benefits- in-kind (RM'000)	Other emoluments (RM'000)	Total (RM'000)
COMPANY							
Executive							
Ms. Vibha Hamsi Coburn	-	-	581	341	-	288	1,210
Non-Executive							
Dato' Dr. Zaha Rina Binti Zahari	111	-	-	-	-	-	111
Mrs. Vijayam A/P Nadarajah	97	-	-	-	-	-	97
Mr. Matthew Edward Lawrence	74	-	-	-	-	-	74
Mr. Renzo Christopher Viegas	100	-	-	-	-	-	100
GROUP							
Executive							
Ms. Vibha Hamsi Coburn	-	-	2,905	1,706	-	1,441	6,052
Non-Executive							
Dato' Dr. Zaha Rina Binti Zahari	191	-	-	-	-	-	191
Mrs. Vijayam A/P Nadarajah	198	-	-	-	-	-	198
Mr. Matthew Edward Lawrence	74	-	-	-	-	-	74
Mr. Renzo Christopher Viegas	202	-	-	-	-	-	202

The level of remuneration of the Directors is linked to their level of responsibilities and contributions to the overall effective functioning of the Board. The remuneration of the Board is reviewed annually by the Group Nominating/Remuneration Committee.

The Board has in place policies and procedures to determine the remuneration of its Directors as well as its senior management that take into account the demands, complexities and performance of the Group as well as skills and experience required, and these are periodically reviewed. An explanation of the principles and practice of remuneration is available on the Company's website at <http://www.manulife.com.my>, and the Board deems this explanation is sufficient disclosure of the Group's policies and procedures.

The Board has further deliberated and taken the decision not to disclose its senior management's remuneration as it deems disclosing this sensitive information will put the Group at a competitive disadvantage.

DIRECTORS' INDEPENDENCE

The Board has initiated an annual assessment on the independence of each of the Independent Non-Executive Directors via the Declaration of Compliance to be made and completed by all Independent Non-Executive Directors based on a set of criteria as per the Companies Act 2016 and Practice Note 13 of the Listing Requirements and adopted by the Group Nominating/Remuneration Committee. The same assessment criteria would be used whenever new Independent Non-Executive Directors are appointed to the Board.

In line with the amendment to the definition of independent directors in the Listing Requirements with effect from 1 June 2023, the tenure of service of Independent Non-Executive Directors is capped at the maximum limit of twelve (12) years.

As guided by Practice 5.3 of the MCCG, an Independent Non-Executive Director who has served the Company for nine (9) years may, subject to the Group Nominating/Remuneration Committee's and the Board's recommendation and shareholders' approval, continue to serve the Company in the capacity of Independent Non-Executive Director. The Group Nominating/Remuneration Committee and the Board have assessed the independence of Dato' Dr. Zaha Rina binti Zahari who has served as an Independent Non-Executive Director for more than nine (9) years and recommended the retention of Dato' Dr. Zaha Rina binti Zahari as an Independent Non-Executive Director to the shareholders for approval at the forthcoming Forty-Ninth AGM of the Company.

Corporate Governance Overview Statement

SHAREHOLDERS' COMMUNICATIONS AND INVESTOR RELATIONS POLICY

The Board believes in clear and timely communication with its shareholders. In addition to the various announcements and press releases made during the financial year under review, the Annual Report and the quarterly financial results provide shareholders and the general public with an overview of the Group's business activities and performance.

The Company has been using the AGM as a means of communication with its shareholders. The Forty-Eighth AGM of the Company was held on a virtual basis. Nevertheless, the Board encourages participation from shareholders by having question and answer session during the AGM of the Company where members of the Board as well as Management and the external auditors are available remotely to answer questions raised at the AGM of the Company on a real-time basis with the required infrastructure, tools and technology put in place. All resolutions were put to vote on a poll as per the Listing Requirements.

A copy of the Minutes of the Forty-Eighth AGM is published in the Company's website at <https://www.manulife.com.my/en/individual/about-us/investor-relations.html>.

In addition to the AGM of the Company, the Company also expeditiously addresses enquiries from shareholders from time to time.

The Group has established a website at www.manulife.com.my which shareholders can access for information.

The Company advocates the principle of confidentiality in its Code of Business Conduct and Ethics to ensure that confidential information is properly handled by Directors and employees to avoid leakage and improper use of such information. The Board is mindful that information which is expected to be material must be announced to Bursa Malaysia Securities immediately.

CORPORATE DISCLOSURE

The Board maintains strict confidentiality and employs best efforts to ensure that no disclosure of material information is made selectively to any individual. The Board is advised by Management, the Company Secretaries and the external on the contents and timing of disclosure requirements of the Listing Requirements on the financial results and various announcements.

FINANCIAL REPORTING

In presenting the annual financial statements and quarterly announcements to shareholders, the Board aims to present a balanced and understandable assessment of the Group's position and prospects. This also applies to reports to regulators.

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The Board is required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards, and to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year then ended.

In preparing the financial statements, the Board has:-

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- ensured that all applicable accounting standards have been followed; and
- prepared financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence in the foreseeable future.

The Board has the responsibility for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy of the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Companies Act 2016.

The Board has overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities.

Corporate Governance Overview Statement

RELATIONSHIP WITH AUDITORS

The Board has always been transparent with its relationship with the Group's external auditors. Provision of non-audit services by the Group's external auditors shall be reviewed and approved by the Group Audit Committee and such a decision made shall be documented in a statement which outlines the Group's Audit Committee's view that the level of provision of non-audit services provided by the Group's external auditors would not at any time impair the independence of the Group's external auditors. The Group Audit Committee also monitors the independence and qualification of external auditors and obtains assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

RECOGNISE AND MANAGE RISK

The Statement on Risk Management and Internal Control, set out on pages 88 to 91 of the Annual Report provides an overview of the management of risks and the state of internal controls within the Group.

INTERNAL AUDIT FUNCTION

The Internal Audit department carries out the internal audit function and reports directly to the Group Audit Committee. The details of the internal audit function are set out on page 96 of the Annual Report.

CORPORATE GOVERNANCE REPORT

This Report is published in the Company's website at <http://www.manulife.com.my>.

This CG Statement was approved in accordance with a resolution of the Board dated 24 March 2025.

Statement on Risk Management and Internal Control

For The Year 2024

BOARD'S RESPONSIBILITY

The Board of Directors ("**the Board**") affirms its overall responsibility for Manulife Holdings Berhad ("**MHB**" or "**the Company**") and its subsidiary companies' ("**the Group**") system of internal controls and risk management practices and reviews the adequacy and integrity of these systems. However, such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and, accordingly, they can only provide reasonable, and not absolute assurance against material misstatement or loss.

The Group adopts an enterprise risk management ("**ERM**") framework whereby enterprise risk-taking activities are undertaken with the understanding that risk-taking and effective risk management are necessary and integral to achieve strategic objectives and manage business operations to support long-term revenue, earnings, and shareholders' value growth.

To this end, the Enterprise Risk Policy of the Group ("**the Policy**") governs the oversight of all risk-taking and risk management activities in the Group, including risk taxonomy, risk appetite, risk governance, risk process and risk culture. The Policy further facilitates the ongoing process for identifying, assessing, managing, monitoring, and reporting significant risks that may affect the achievement of the Group's business objectives throughout the year under review and up to the date of the Statement on Risk Management and Internal Control ("**Statement**"). This process is regularly reviewed by the Board to ascertain adequacy and effectiveness of risk management and internal controls.

Management assists and provides assurance to the Board via the Group Audit Committee ("**GAC**") and the Group Risk Management Committee ("**GRMC**") on the implementation of the policies and procedures on risk management and internal control through the implementation of periodic reporting, which contains sufficient information to satisfy them that the Group is in compliance with its risk management policies by identifying, assessing, managing and monitoring the enterprise risk-taking activities undertaken to achieve the strategic objectives and managing business operations.

KEY INTERNAL CONTROLS AND RISK MANAGEMENT PROCESSES

Enterprise Risk Management Framework

The Group has a strong risk management culture which supports its risk management practices. Overall, the Group's Board of Directors is accountable for the oversight of risk management, and delegates this through a governance framework which is centered on the 3 lines of defense model and that includes Business Functions, Oversight functions or committees and Audit services function.

The Board provides stewardship and Management oversight to ensure that the Management is qualified and competent. Organisational and procedural controls, and policies and procedures for major activities are reviewed, approved, and monitored on a periodic basis.

Senior management directs and oversees the effective management of the Group's institutional operations, which includes developing business objectives, strategies, plans, organisational structure and controls and policies for the Board's review and approval. Senior Management executes and monitors the achievement of the Board approved business objectives, strategies, and plans, the effectiveness of the organisational structure and controls and corporate governance practices, culture, and ethics.

The GRMC meets at least quarterly to review both the key risks identified by Management and plans for the mitigation of these risks. The key risk areas examined are strategic, market, credit, product, and operational risk. A formalised risk assessment is conducted quarterly by the respective risk owners, comprising the heads of business units. For the key risks identified, Management Mitigation Actions are formulated and implemented. The results of the risk assessments are reviewed by the Enterprise Risk Management ("**ERM**") Committee before they are reported to the Board via the GRMC, to ensure that the risk management monitoring is independent.

There is a clearly defined assignment of responsibilities to the Committees of the Board and to Management to provide oversight and governance over the Group's activities. The Board, through its GAC and GRMC, is responsible for overseeing the Group's management of its principal risks. The Group Chief Executive officer ("**CEO**") is directly accountable to the Board for the Group's risk-taking activities and risk management practices. The Board and GRMC delegate accountability for risk taking and risk management to the Group CEO. The Group CEO, supported by the Risk Officers and ERM establish risk policies, guide risk-taking activity, monitor material risk exposures, and develop strategic risk management priorities, thereby continuously shaping and promoting our risk culture throughout the Group.

Statement on Risk Management and Internal Control

For The Year 2024

Internal Audit Services Function

The Charter for Audit Services – Malaysia (“**AS-Malaysia**”) is subject to review and approval by the GAC annually.

The scope of Audit Services Asia - Malaysia’ work encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Audit Committee and Senior Management on the adequacy and effectiveness of Manulife’s governance, risk management and internal control processes. Internal audit assessments include evaluating:

- The comprehensiveness, reliability, and integrity of financial and operating information, and the means used to identify, measure, analyse, classify, and report such information;
- The comprehensiveness and appropriateness of policies and procedures;
- The processes that ensure compliance with policies, procedures, laws, and regulations that could have a significant impact on operations, management or financial reporting;
- The means of safeguarding assets against accident, theft, malicious damage or other improper or illegal activities;
- The appropriateness and comprehensiveness of operating standards, the extent to which they are communicated and understood, and whether deviations from standards are identified analysed and communicated; and corrective action taken; and
- Consultation and other services related to audit expertise as needs arise.

The annual audit plan is primarily driven by an independent assessment of inherent risk of the functional units across the Group and includes consideration of external information from industry groups, and input from management, committee members, regulators and other stakeholders. The objective of the inherent risk assessment exercise is to focus annual activity on the most important risks faced by Manulife while providing appropriate audit coverage over other areas over time. The progress of the internal audit plan, a summary of internal audit issues and the status of corrective actions performed to address the internal audit issues are reported to the GAC when it meets.

The GAC reviews audit issues concerning governance, internal controls, and risk management as identified by AS-Malaysia, external auditors and regulatory examiners. The GAC annually reviews and approves the internal audit plan and budget to ensure the AS-Malaysia’s function operates effectively. The GAC meets at least quarterly to review the internal audit reports tabled by AS-Malaysia. Also, the GAC has active oversight on AS-Malaysia’s independence and objectivity in relation to their scope of work.

Other Key Internal Controls

There is a detailed and formalised annual business and budget planning process to ensure that the Group’s business objectives are clearly defined. The Board reviews and approves the Group’s business plans. Comprehensive management reports are submitted to the Board on a quarterly basis. The Board monitors the Group’s performance closely and Management promptly follows up on any variances identified.

For Manulife Insurance Berhad,

An annual review of the current and expected future financial position of Manulife Insurance Berhad (“**MIB**”) is performed by the Appointed Actuary (“**AA**”), as guided by policy document issued by Bank Negara Malaysia namely (BNM/RH/PD/003-17) Financial Condition Report and (BNM/RH/PD/032-12) Risk Based Capital Framework for Insurers. These include annual assessment on various aspects of the Company’s financial condition, quarterly Capital Adequacy Ratio reporting, annual multi-period stress testing and assessing the Company’s ability to withstand various adverse scenarios as part of the capital assessment procedures. Generally, the appointment and duties of the AA are in accordance with BNM/RH/STD 029-5 - Appointed Actuary: “Appointment and Duties”.

For Manulife Insurance Labuan Limited,

An annual review of the current and expected future financial position of Manulife Insurance Labuan Limited is performed by the Appointed Actuary (“**AA**”), as guided by policy document issued by Labuan Financial Services Authority namely ‘Directive on Minimum Capital Requirement by Labuan Licensed Entities’, ‘Guidelines on Insurance Capital Adequacy Framework’ and ‘Guidelines on Valuation Basis for Liabilities of Labuan Life Insurance Business’ (the Guidelines). Generally, the appointment and duties of the AA are in accordance with Section 7.0 Appointed Actuary Requirements of the Guidelines.

Statement on Risk Management and Internal Control

For The Year 2024

The risk and compliance culture of the Group is driven with a strong tone from the top, complemented by the tone from the middle, to embed the expected values and principles of conduct that shape the behaviour and attitude of staff across the Group. Policies and internal standard operating procedures are clearly defined, consistently communicated and continuously reinforced, to embed a culture that cultivates active identification, assessment and mitigation of risk as part of the responsibility of all staff across the Group. As part of the risk and compliance culture, the Group has instilled a compliance culture where the Board, senior management and every employee of the Group is committed to adhere to the requirement of relevant laws, rules, regulations and regulatory guidelines.

The Board recognises that the compliance function forms an integral part of Manulife Holding Berhad's (MHB)'s risk management and internal control framework. The Compliance Department reports independently to the Board with clear reporting lines to the extent permitted by the regulations. The compliance responsibilities include identifying, assessing and monitoring the compliance risk of the entity and advising the Board, Management and the business and support units on relevant laws and regulations.

As it is vital to have a robust and effective compliance framework, Manulife has in place a Compliance Policy that is driven by the Compliance Department in managing compliance risk within the business. The Compliance Policy is reviewed on a periodic basis or as and when required to reflect current practices and the applicable regulatory requirements.

Under the Three Lines of Defense Model, all business and support units are required to review, assess, and establish the necessary controls to ensure compliance with applicable laws and regulations. The compliance unit, as part of the second line of defense, will also conduct compliance reviews on business and support units to provide assurance on compliance with regulatory requirements. The respective entity Boards, as well as the MHB's Board, are provided with compliance reports on a regular basis to facilitate the Boards having a holistic and overall view of all compliance matters across the Group.

The Human Resources function has established policies and procedures to facilitate effective management and governance. Internal policies and procedures are in place related to Recruitment, Rewards & Benefits, Talent Management, Succession Planning and Performance Management. Line managers and employees are equipped with various initiatives and programs to help them grow, upskill, and contribute effectively. Talent Management reviews are conducted annually through a robust process by a Talent Review Committee comprising the CEO and the Executive Management team. Succession planning is also reviewed annually, leveraging the outcomes of the annual talent review. Successors to key roles are identified in consultation with the Senior Management team. Identified high potentials are reflected in the succession plans, depending on the role, growth opportunities, personal aspirations, and mobility. Several other key initiatives aimed at helping the company build a high performing team include deploying a series of employee engagement activities, talent development programs, and enhancements to employee value propositions.

A comprehensive business continuity management program is established and updated continuously to reflect changes in the operating environment to provide enterprise-wide planning and arrangements of key resources and procedures that enable the Group to respond to and continue to operate mission-critical business functions, while considering all functions across a broad spectrum of interruptions to the business arising from internal and external events. Various business continuity tests are performed on an annual basis which covers alternate site test, tabletop exercise, MIR3 notifications (call tree tests), disaster recovery tests, etc. Results of the tests performed are presented to the Board via the Risk Report for their review as part of its oversight role.

The Information Risk Management function has in place, an existing risk assessment process that covers cyber security risk. The assessment is guided by internal policies and standards, in areas such as network security, encryption standards (for data at rest and in transit), operational security, application security, vulnerability management and logical access control.

There are clearly documented authority limits, policies and procedures that underpin the internal control process, e.g. staff integrity, staff competency, checks and balances, segregation of duties, independent checks and verification processes, system access controls and layers of internal transaction authorisation, which are set out in the policies and procedural manuals, guidelines, and directives issued by the Group and its subsidiaries and updated from time to time.

Risk Policies in Place

The Group's Enterprise Risk Policy sets out the overall ERM framework by defining policies and standards of practice related to risk taxonomy, risk appetite, risk governance, risk process and risk culture. There are various key risk policies in place to guide specific risk taking and Management activities.

Statement on Risk Management and Internal Control

For The Year 2024

ASSURANCE FROM MANAGEMENT

The Board has received full assurance from the Group CEO and respective entities' Head of Risk Management that the Group's risk management and internal control system is operating adequately and effectively, in all material respects, based on the risk management framework adopted by the Group.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement intended to be included in the annual report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuer, nor is the Statement factually inaccurate. The external auditors are not required by AAPG 3 to consider, whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk management and control procedures.

CONCLUSION

Based on the above, the Board is of the view that the system of internal control and risk management is in place for the year under review, and up to the date of approval of the Statement, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments, the interests of customers, regulators, employees, and other stakeholders.

For this financial year under review, there were no material failures or adverse compliance events that have directly resulted in any material loss to the Group.

This Statement was made in accordance with a resolution of the Board of Directors dated 24 March 2025.

Additional Compliance Information

1. AUDIT FEES AND NON-STATUTORY AUDIT FEES

The audit fees and non-statutory audit fees for the Group and the Company paid to Ernst & Young PLT, the External Auditors and its affiliated companies for the financial year ended 31 December 2024 are as follows:-

Services	Company (RM'000)	Group (RM'000)
Audit Fees	169	1,186
Non-statutory audit-related services	11	75
Total	180	1,261

2. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors and Major Shareholders' interests which are still subsisting as at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPTS")

At the Forty-Eighth Annual General Meeting ("AGM") of the Company held on 12 June 2024, the Company had obtained the shareholders' mandate to allow the Company and its subsidiaries ("Group") to enter into RRPTs ("Shareholders' Mandate").

In accordance with Section 3.1.5 of Practice Note No. 12 of Bursa Malaysia Securities Berhad Main Market Listing Requirements, the details of the RRPTs conducted during the financial year ended 31 December 2024 pursuant to the Shareholders' Mandate are disclosed as follows:-

No.	Nature of Transactions	Transacting Party	Class of Related Party	Actual value of transaction (RM'000)	Interested Related Party
1	Provision of various training, advisory and support services from Manulife Asia headquarters	MHB Group	MFAL^^	824	<u>Interested Director*</u> Matthew Edward Lawrence <u>Interested Major Shareholders</u> - MFC~ - MLICø - MHBL^ - MFAL^^ - MCHN#
2	Outsourcing of asset management subsidiary back-office system	MIMMB	MFC Group~	1,320	
3	Provision of treasury system	MHB Group	MFC Group~	-	
4	Investment management/ advisory and other related services	MIMMB	MIMHK^^	3,078	
5	Investment management/ advisory and other related services	MIMMB	MIMUSø	4,788	
6	Investment management	MILL	MIMPMUSø	290	
7	Provision of social media operational support services	MIMMB	MDSIø	45	
8	Provision for actuarial services provided by Manulife's Regional Office	MHB Group	MFC Group~	-	

Additional Compliance Information

No.	Nature of Transactions	Transacting Party	Class of Related Party	Actual value of transaction (RM'000)	Interested Related Party
9	Outsourcing of human resource operations including payroll and back-office processing	MHB Group	MFC Group~	707	<p>Interested Director*</p> <p>Matthew Edward Lawrence</p> <p>Interested Major Shareholders</p> <ul style="list-style-type: none"> - MFC~ - MLICØ - MHBL^ - MFAL^^ - MCHN#
10	Accounting and finance support	MHB Group	MFC Group~	892	
11	Provision of application system services and infrastructure support	MHB Group	MFC Group~	31,592	
12	Outsourcing of foreign exchange hedging services in respect of foreign currency exposure	MHB Group	MFC Group~	-	
13	Provision of regional Reinsurance administrative services	MHB Group	MFC Group~	-	
14	Provision of the back-office support for staff claims	MHB Group	MFC Group~	88	
15	Malaysia Net Promoter System (NPS) dashboard support	MHB Group	MFC Group~	-	
16	Investment management and other related services	MIMMB	MAMI^^	98	
17	Investment management/ advisory and other related services	MIMMB	MIM CanadaØ	-	
18	Investment management for private debt	MHB Group	SAGA^^	48	
19	Reinsurance Provider	MILL	MIL Bermuda^^	311	
20	Investment management/ advisory, distribution and other related services	MIMMB	MIMSP^^	1,281	
21	Manulife Centre of Excellence – operations, compliance and information technology support service	MIMMB	MFC Group~	(3,700)	
22	Investment consulting services and foreign exchange hedging (private equity)	MHB Group	MANGA^^	1,059	
23	Actuarial valuation model operational support to Valuation Shared Service Centre (VSSC)	MHB Group	MFC Group~	1,520	
24	Actuarial valuation model operational support to Valuation System Transformation (VST) Lite	MHB Group	MFC Group~	691	
25	Provision of learning management system and support	MIMMB	MFC Group~	-	

Additional Compliance Information

No.	Nature of Transactions	Transacting Party	Class of Related Party	Actual value of transaction (RM'000)	Interested Related Party
26	Azure costs supporting valuation shared service centre operations	MHB Group	MFC Group~	1,288	<u>Interested Director*</u> Matthew Edward Lawrence <u>Interested Major Shareholders</u> - MFC~ - MLICØ - MHBL^ - MFAL^^ - MCHN#
27	Provision of services for reviewing and clearing watchlist scanning alerts	MHB Group	MDSIØ	37	
28	Investment management/ advisory and other related services in the support of new product initiative	MILL	MFC Group~	-	
29	Rental Income for renting of office premises	MHB Group	MFC Group~	(34)	

Denote:-

MAMI	- PT Manulife Aset Manajemen Indonesia
MANGA	- Manulife General Account Investments (HK) Limited
MCHN	- Manulife Century Holdings (Netherlands) B.V.
MDSI	- Manulife Data Services Inc.
MFC	- Manulife Financial Corporation
MFC Group	- MFC and its subsidiaries
MFAL	- Manulife Financial Asia Limited
MHB Group	- Manulife Holdings Berhad and its subsidiaries
MHBL	- Manulife Holdings (Bermuda) Limited
MIM CANADA	- Manulife Investment Management Limited
MIL Bermuda	- Manulife (International) Limited
MILL	- Manulife Insurance Labuan Limited
MIMHK	- Manulife Investment Management (Hong Kong) Limited
MIMMB	- Manulife Investment Management (M) Berhad
MIMPMUS	- Manulife Investment Management Private Markets (US) LLC
MIMSP	- Manulife Investment Management (Singapore) Pte. Ltd.
MIMUS	- Manulife Investment Management (US) LLC
MLIC	- The Manufacturers Life Insurance Company
SAGA	- Manulife General Account Investments (Singapore) Pte. Ltd.

The following disclosures are extracted from the Circular to Shareholders dated 30 April 2024.

Notes:

- * Representing MCHN to the Board.
- ~ MFC is the immediate holding company of MLIC and ultimate holding company of MHBL and MFAL.
- Ø MLIC is the immediate holding company of MHBL and MDSI, and holding company of MFAL, MIMUS, MIMPMUS and MIM Canada.
- ^ MHBL is the immediate holding company of the MFAL.
- ^^ MFAL is the immediate holding company of MCHN, MIMSP, MANGA and SAGA, and holding company of MIMHK, MIL Bermuda and MAMI.
- # MCHN is a Major Shareholders of the Company, and the holding company of MHB Group.

Group Audit Committee Report

I. COMPOSITION OF THE GROUP AUDIT COMMITTEE

Mr. Renzo Christopher Viegas (Independent Non-Executive Director) (Chairman)
 Mrs. Vijayam A/P Nadarajah (Independent Non-Executive Director)
 Mr. Matthew Edward Lawrence (Non-Independent Non-Executive Director)

II. MEETINGS

During financial year ended 31 December 2024 ("FY 2024"), the Group Audit Committee had five (5) meetings. The details of attendance of each member are provided below:

Name of Group Audit Committee member	Attendance
Mr. Renzo Christopher Viegas	5 out of 5
Mrs. Vijayam A/P Nadarajah	5 out of 5
Mr. Matthew Edward Lawrence	5 out of 5

The Group Chief Executive Officer and senior management attended these meetings upon invitation. Representatives of the external auditors were also invited to attend the meetings to present their audit scope and plan, audit findings together with management's response thereto. The Group Audit Committee also met with the representatives of the external auditors without the presence of the Executive Board members, senior management and employees of the Company during FY 2024.

III. SUMMARY OF ACTIVITIES

The Group Audit Committee carried out the following activities during the FY 2024:

1.1. Financial Reporting

The Group Audit Committee reviewed and recommended to the Board for approval the quarterly unaudited financial results and annual audited Group Financial Statements for FY 2024. These were all prepared in accordance with the relevant accounting standards, laws and regulations. The Group Audit Committee also reviewed and deliberated on the dividend payout before presenting it to the Board for consideration.

1.2. Related Party Transactions

The Group Audit Committee reviewed the related party transactions entered into by the Group as well as the quarterly report on utilisation of mandated recurrent related party transactions. In addition, the Group Audit Committee reviewed the estimated recurrent related party transaction mandate and the Circular to Shareholders in respect of new shareholders' mandate for recurrent related party transactions and renewal of shareholders' mandate for recurrent related party transactions before seeking the Board's approval.

There were no situations of conflict of interest or potential conflict of interest reported to the Group Audit Committee during FY 2024.

1.3. Review of Group Audit Committee Terms of Reference

The Group Audit Committee reviewed and deliberated on the audit findings of the consolidated and separate financial statements of the Company and the individual financial statements of Manulife Investment Management (M) Berhad and Manulife Insurance Labuan Limited for the financial year ended 31 December 2024.

The Group Audit Committee also reviewed the external auditors' audit plan for the Company and/or its subsidiaries for FY 2024, including the scope of audit, areas of audit emphasis and the fees payable to the external auditors in respect of services provided to the Group.

There was only one private session held with the external auditor in FY 2024. After the first private session, there were no further issues to discuss with the Group Audit Committee without the presence of the Executive Board members, senior management and employees of the Company.

In addition, the Group Audit Committee assessed the performance, suitability, independence and objectivity of the External Auditors and recommended their re-appointment to the Board for shareholders' approval in FY 2024. Auditors' remuneration for FY 2024 is disclosed in note 20 to the financial statements.

Group Audit Committee Report

1.4. External Audit

The Group Audit Committee reviewed the internal audit plan, structure, resources and budget annually. Any subsequent significant changes to the audit plan or resource limitations impacting the internal audit activities are reported to the Group Audit Committee. The Group Audit Committee also reviewed the skills, qualifications and the training attended by internal audit during the year. An assessment of their performance for FY 2024 was conducted, and the Group Audit Committee was satisfied with their performance.

In addition, the Group Audit Committee reviewed the internal audit report, audit recommendations and relevant corresponding actions as well as the internal audit's progress in completing its planned assignments every quarter.

IV. GROUP INTERNAL AUDIT FUNCTION

The Group has an internal audit function, known as Audit Services – Malaysia (“**AS-Malaysia**”), which reports directly to the Group Audit Committee. The Audit Charter governs the AS-Malaysia's purpose, authority, scope, independence and responsibilities and grants AS-Malaysia with unrestricted access to the information required in the course of its work.

AS-Malaysia is headed by Mr. Krishna Rajaa Ramalingam, who has over 22 years of experience in both external and internal audits. Mr. Krishna Rajaa Ramalingam who graduated from University of Technology Malaysia with a Diploma in Technology Management, majoring in Accountancy, is a Certified Internal Auditor and a Fellow member of the Association of International Accountants. As of 10 March 2025, AS-Malaysia has 5 staff members (including Mr. Krishna Rajaa Ramalingam), all of whom have declared that they were free from relationships or conflicts of interest which could impair their objectivity and independence.

The Internal Audit Plan was developed on an annual basis based on a risk-based approach. This approach ensures that all risk-rated areas were kept in view to ensure adequate audit coverage at appropriate audit frequency, ensuring the adequacy and effectiveness of the Group's governance, risk management and internal control processes. All audit reports were provided to the Group Audit Committee, accompanied by Corrective Action Plan (CAP) from Management. These CAPs were developed based on the identified root causes of the issues and were agreed upon with the relevant stakeholders before the issuance of the final reports. Audit reports, which include the overall audit opinion, were forwarded to the respective business units heads to ensure that CAPs are implemented within the committed time frame. The Group Audit Committee reviews and deliberates on the lapses and areas of enhancement highlighted by AS-Malaysia along with the audit recommendations as well as management's responses and action plans to rectify these lapses. AS-Malaysia also established a follow-up audit review process to monitor and ensure that CAPs have been effectively implemented, including addressing issues reported by the Regional Auditors. The results of these follow-up reviews are presented at Group Audit Committee meetings on quarterly basis for the Group Audit Committee's review.

The GAC Chairman conducted personal sessions with the Head of Audit Services-Malaysia and, separately, with the Chief Financial Officer and Finance Head prior to the GAC meeting. The session with the Head of Audit Services-Malaysia was aimed at gaining an in-depth understanding of the challenges faced by the Internal Audit function and assessing the overall status of the department. Meanwhile, the sessions with the Chief Financial Officer and Finance Head were focused on understanding in detail the financial performance and the challenges faced by the finance team.

In FY 2024, AS-Malaysia performed planned reviews which included IT Governance, Anti-Money Laundering and Anti-Terrorism Financing, Outsourcing, Sales and Distribution, Finance, Insurance Operations, Investment, and Data Privacy. A number of internal control weaknesses were identified during the FY2024, all of which have been, or are being, addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the annual report.


In order to perform its functions effectively, staff members in AS-Malaysia were continuously trained to equip themselves with the requisite knowledge and skills. There was accelerated use of data analytics for better audit coverage and effectiveness.

The total costs incurred in managing internal audit activities for AS-Malaysia in the FY 2024 were RM1,029,584 (FY 2023: RM975,880).



FINANCIAL STATEMENTS

98	DIRECTORS' REPORT
103	STATEMENT BY DIRECTORS
103	STATUTORY DECLARATION
104	INDEPENDENT AUDITORS' REPORT
109	STATEMENTS OF FINANCIAL POSITION
111	STATEMENTS OF PROFIT OR LOSS
112	STATEMENTS OF TOTAL COMPREHENSIVE INCOME
113	STATEMENTS OF CHANGES IN EQUITY
115	STATEMENTS OF CASH FLOWS
117	NOTES TO THE FINANCIAL STATEMENTS



Directors' Report

The directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Company is engaged principally in investment holding whilst the principal activities and other information of the subsidiaries are as stated in note 7 to the financial statements.

There have been no significant changes in the principal activities of the Company and its subsidiaries during the financial year, other than as disclosed in note 7 to the financial statements.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	131,365	67,178

DIVIDENDS

Since the end of the previous financial year, the Company paid a first and final single-tier dividend of 7.0 sen per share amounting to RM15,362,720 for the financial year ended 31 December 2023. Out of the total distribution, a total of RM10,709,346 was converted into 5,224,071 new ordinary shares of the Company at the conversion price of RM2.05 per ordinary share under the Dividend Reinvestment Plan.

The directors recommend the payment of a first and final dividend of 8.0 sen per share, amounting to approximately RM17,975,000 for the financial year ended 31 December 2024, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting. The directors have also determined that a Dividend Reinvestment Plan would apply to this First and Final dividend.

These financial statements do not reflect this final dividend which will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2025 when approved by the shareholders.

RESERVES AND PROVISIONS

Material transfers to or from reserves and provisions during the financial year are as disclosed in the financial statements.

SHARE CAPITAL

During the financial year, the Company increased its issued and paid-up share capital from 219,467,425 ordinary shares to 224,691,496 ordinary shares by way of issuance of 5,224,071 new ordinary shares amounting to RM10,709,346 arising from the implementation of Dividend Reinvestment Plan for financial year ended 31 December 2023 First and Final dividend.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowances for doubtful debts, and satisfied themselves that there were no known bad debts to be written off and that adequate allowance for impairment losses had been made.

Directors' Report

BAD AND DOUBTFUL DEBTS (CONTINUED)

At the date of this report, the directors are not aware of any circumstances that would render it necessary to write off any bad debts or the amount of allowance for impairment losses in the financial statements of the Group and the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain that any current assets, which were unlikely to realise their values as shown in the accounting records of the Group and the Company in the ordinary course of business, have been written down to an amount which they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to current assets in the financial statements of the Group and the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and the Company to meet their obligations when they fall due.

For the purpose of this paragraph, contingent or other liabilities do not include liabilities arising from contracts of insurance underwritten in the ordinary course of business of the Group.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

Directors' Report

DIRECTORS

The directors who have held office during the financial year to the date of this report are:

Dato' Dr. Zaha Rina binti Zahari
Vibha Hamsi Coburn
Renzo Christopher Viegas
Matthew Edward Lawrence
Vijayam A/P Nadarajah

In accordance with Clause 123 of the Company's Constitution, Matthew Edward Lawrence and Vibha Hamsi Coburn shall retire at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

Other than the Directors of the Company listed above, the following is a list of Directors who held office in the subsidiaries of the Company during the year to the date of this report:

Arthur Jay Belfer
Mary Bernadette James A/P N James
Gianni Fiacco
Wong Boon Choy
Swee Leng Edmond Cheah
Jason Chong Soon Min
Jasbender Kaur A/P Mehar Singh
Ng Chun Nam
Tan Chue Chau (ceased on 1 August 2024)
Jonathan Yen Vui Hiung (appointed on 18 November 2024)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits disclosed as directors' remuneration and benefits as shown in the table below and note 26 to the financial statements) by reason of a contract made by the Company or a related company with a director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

	Group RM'000	Company RM'000
Salaries	2,905	581
Contribution to defined contribution plan	239	48
Bonus	1,706	341
Share-based payment	1,202	240
Fees	665	382
Total	6,717	1,592

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the Executive Stock Option Plan of the ultimate holding company.

Directors' Report

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, particulars of interests of directors who held office at the end of the financial year in shares and options on shares in the ultimate holding company are as follows:

	Number of ordinary shares			
	As at 1.1.2024	Acquired/ reinvested dividends	Disposed	As at 31.12.2024
Manulife Financial Corporation				
- Direct interest				
Vibha Hamsi Coburn	9,535	3,050	-	12,585
Matthew Edward Lawrence	2,516	2,503	(1,520)	3,499
Renzo Christopher Viegas	3,800	-	(3,800)	-

	Number of options on ordinary shares			
	As at 1.1.2024	Granted	Exercised	As at 31.12.2024
Manulife Financial Corporation				
- Direct interest				
Vibha Hamsi Coburn	45,254	-	(31,243)	14,011

Stock options are granted to selected individuals under Manulife Financial Corporation's ("MFC") Executive Stock Option Plan ("ESOP"). These options provide the holder with the right to purchase common shares of MFC at an exercise price equal to the higher of the prior day or prior five day average closing market price of common shares on the Toronto Stock Exchange on the date the options were granted and are valid for 10 years from the grant date.

	Number of deferred/restricted/performance share units			
	As at 1.1.2024	Granted/ reinvested dividends	Vested	As at 31.12.2024
Manulife Financial Corporation				
- Direct interest				
Vibha Hamsi Coburn	33,495	10,140	(11,406)	32,229
Matthew Edward Lawrence	17,120	10,224	(6,085)	21,259

Deferred, restricted and performance share units granted to certain employees under Manulife Financial Corporation's ESOP entitle the holder to receive cash payment equal to the value of the same number of common shares plus credited dividends upon retirement or termination of employment or as they are vested, subject to any performance conditions.

Other than as disclosed above, no other directors in office at the end of the financial year held any interest in the shares in the Company or its related corporations during the financial year.

By virtue of the above directors' interests in the shares of the ultimate holding company, the said directors are deemed to have an interest in the shares of the Company and its subsidiary companies to the extent that the ultimate holding company has an interest.

Directors' Report

INDEMNITY AND INSURANCE

During the financial year, the indemnity given or insurance effected for any directors and officers of the Group and Company amounts to RM35,000,000 in aggregate with total annual premium of RM219,930 and RM23,912 respectively.

There were no indemnity given to, or insurance effected for auditors of the Group and Company during the financial year.

HOLDING COMPANIES

The directors regard Manulife Century Holdings (Netherlands) BV, a company incorporated in Netherlands, as the Company's immediate holding company, and Manulife Financial Corporation, a corporation incorporated in Canada, as the ultimate holding company.

AUDITORS AND AUDITORS' REMUNERATION

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Total amounts paid or payable to the auditors as remuneration for their statutory audit services are as follows and as disclosed in Note 20 to the financial statements:

Auditors' remuneration is as follows:

	Group 2024 RM'000	Company 2024 RM'000
Statutory audit	1,186	169
Regulatory related services	75	11
Total	1,261	180

Signed on behalf of the Board in accordance with a resolution of the Directors dated 24 March 2025.

DATO' DR. ZAHA RINA BINTI ZAHARI
CHAIRMAN

VIBHA HAMSI COBURN
GROUP CHIEF EXECUTIVE OFFICER/
EXECUTIVE DIRECTOR

Kuala Lumpur, Malaysia

Statement by Directors

Pursuant to Section 251(2) and Section 251(3) of the Companies Act, 2016

We, Dato' Dr. Zaha Rina binti Zahari and Vibha Hamsi Coburn, being two of the directors of Manulife Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 109 to 227 are drawn up in accordance with the MFRS Accounting Standards, IFRS Accounting Standards and the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 24 March 2025.

DATO' DR. ZAHA RINA BINTI ZAHARI
CHAIRMAN

VIBHA HAMSI COBURN
GROUP CHIEF EXECUTIVE OFFICER/
EXECUTIVE DIRECTOR

Kuala Lumpur, Malaysia

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Ng Chun Nam, being the officer primarily responsible for the financial management of Manulife Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 109 to 227 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

NG CHUN NAM

Subscribed and solemnly declared by the abovenamed Ng Chun Nam at Kuala Lumpur in Malaysia on 24 March 2025, before me.

COMMISSIONER FOR OATHS

Independent Auditors' Report

to the members of Manulife Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Manulife Holdings Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and statements of profit or loss, statements of total comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 109 to 227.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Independent Auditors' Report

to the members of Manulife Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

1. Valuation of Insurance Contract Liabilities

As at 31 December 2024, the Group recorded insurance contract liabilities of RM5,776 million on its statements of financial position, which includes the segregated funds insurance net liabilities. At initial recognition, the Group measures a group of insurance contracts as the total of: (a) fulfillment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and financial risks, and a risk adjustment for non-financial risk; and (b) a contractual service margin ("CSM"), which represents the estimate of unearned profit the Group will recognise as it provides service under the insurance contracts. When projecting future cash flows for these insurance contract liabilities, the Group primarily uses deterministic projections using best estimate assumptions. Key assumptions are subjective and complex and include mortality, morbidity, investment returns, policy termination rates, premium persistency, directly attributable expenses, taxes, and policyholder dividends. Any significant changes thereon may have a material effect on the insurance contract liabilities. The accounting policies for the classification and measurement of insurance contract liabilities and the disclosures of the above key assumptions that are subject to significant professional judgement are found in Note 2(t) and Note 3 of the financial statements respectively.

Auditing the valuation of these insurance contract liabilities was complex and required the application of significant auditor judgement due to the complexity of the cash flow models, the selection and use of assumptions, and the interrelationship of these variables in measuring insurance contract liabilities. The audit effort involved professionals with specialised skills and knowledge to assist in evaluating the audit evidence obtained.

Our audit procedures focused on the following key areas:

- Gaining an understanding, evaluating the design, and testing the effectiveness of management's controls over the valuation of insurance contract liabilities.
- Examining controls related to actuarial methodology, data integrity, information technology safeguards, and the processes for assumption setting and implementation employed by management.
- Involving our actuarial specialists to assess the methodology and assumptions for compliance with the Group's policies and performing audit tests on the model review process applied by management and independently reviewing the results thereon.
- Implementing audit procedures on key assumptions, including their integration into the valuation models. This involved scrutinising support and documentation, reviewing experience studies that support specific assumptions, questioning the nature, timing, and completeness of recorded changes, and determining the accuracy of any adjustments.
- Testing the methodology and computation of the insurance contract liabilities by reviewing the calculation logic in the models, and independently calculating the fulfillment cash flows for a selection of insurance contracts to compare with the Group's valuations.
- Testing the completeness and sufficiency of data used in the valuation of insurance contract liabilities including reviewing the data extraction process and reconciliations carried out by management. These tests also include control tests performed on selected samples of insurance policies issued by the Group to ascertain effectiveness of operating controls over quality and accuracy of the underlying data.
- In respect of the investment-linked funds, auditing the fair value of financial assets and adequacy of liabilities, performing control tests over the creation and cancellation of units, as well as calculation of Net Asset Values.
- Evaluating the completeness and transparency of the Group's disclosures pertaining to the valuation of insurance contract liabilities to ensure they were thorough and provided a faithful representation of the impact according to the requirements of MFRS 17 *Insurance Contracts*.

Independent Auditors' Report

to the members of Manulife Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

2. Management Rights of the Group and Investment in Asset Management subsidiary of the Company

(a) Management Rights of the Group

Management rights represent the purchase consideration paid to acquire the rights to manage unit trust funds. The carrying value as at 31 December 2024 amounted to RM87 million (as disclosed in Note 6 to the financial statements). This asset, which has an indefinite useful life is tested for impairment annually and whenever there is indication that it is impaired.

(b) Investment in Asset Management subsidiary of the Company

The Company's investment in subsidiaries amounted to RM404 million as of 31 December 2024 (as disclosed in Note 7 to the financial statements). Included in investment in subsidiaries is the cost of investment in its wholly owned asset management subsidiary, Manulife Investment Management (M) Berhad.

The Group has performed an impairment assessment to ascertain if the Value-In-Use ("VIU") of the asset management cash generating unit ("CGU") is sufficient to support the carrying values of the management rights of the Group and investment in asset management subsidiary of the Company.

In testing for impairment, the Group estimated the VIU of the asset management CGU using the discounted cash flow ("DCF") method. The DCF method requires the application of assumptions which are subjective in nature and which requires judgement in its application. The application of such assumptions has impact on the estimated VIU and thus may affect the impairment decisions to be made for the CGU. The key assumptions used in deriving the VIU of the asset management CGU include assets-under-management, gross and net sales growth, terminal value estimates, expenses growth and discount rates. These key assumptions are disclosed in Note 6 to the financial statements and the policy for impairment of non-financial assets is disclosed in Note 2(k).

Our audit procedures were focused on the following key areas:

- Understanding the rationale and considerations used by management in deriving the relevant assumptions underlying the DCF and related VIU estimates.
- Challenging the key assumptions which would have the most significant effects on the estimated VIU calculated by the Group and benchmarking these against industry and historical experiences of the Group.
- Performing mathematical accuracy calculations and appropriate stress-tests on the DCF workings performed by the Group in estimating the VIU of the asset management CGU.
- Assessing the adequacy of disclosures made in respect of the intangible asset – management rights of the Group and investment in asset management subsidiary of the Company.

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Annual Report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Independent Auditors' Report

to the members of Manulife Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon (continued)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Independent Auditors' Report

to the members of Manulife Holdings Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 7 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
24 March 2025

Kannan A/L Rajagopal
No. 03490/03/2026 J
Chartered Accountant

Statements of Financial Position

As at 31 December 2024

Group	Note	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
Assets			
Property and equipment	4	35,072	36,973
Investment property	5	82,800	82,300
Intangible assets	6	225,828	231,047
Financial assets at fair value through other comprehensive income	8(a)	3,781,306	3,486,756
Financial assets at fair value through profit or loss	8(b)	1,374,877	1,212,741
Financial assets at amortised cost	9	358,974	393,366
Right-of-use assets	10(a)	1,598	2,675
Current tax assets		7,304	28,679
Reinsurance contract assets	11	2,115	303
Other assets	12	13,907	14,873
Cash and cash equivalents		235,860	207,877
Segregated funds net assets	13	1,631,232	1,406,253
Total Assets		7,750,873	7,103,843
Liabilities and Equity			
Liabilities			
Insurance contract liabilities	11	4,144,996	3,897,957
Segregated funds insurance net liabilities	13	1,631,232	1,406,253
Total insurance and segregated funds contract liabilities	11	5,776,228	5,304,210
Reinsurance contract liabilities	11	19,806	35,108
Financial liability at fair value through profit or loss	8(c)	4	-
Current tax liabilities		549	106
Deferred tax liabilities	14	144,091	120,121
Lease liabilities	10(b)	1,642	2,717
Other liabilities	15	428,309	392,400
Total Liabilities		6,370,629	5,854,662
Equity			
Share capital	16	147,231	136,522
Retained earnings	17	1,204,521	1,088,519
Other reserves	17	28,492	24,140
Total Equity		1,380,244	1,249,181
Total Liabilities and Equity		7,750,873	7,103,843

Statements of Financial Position

As at 31 December 2024

Company	Note	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
Assets			
Property and equipment	4	12,707	12,842
Investment property	5	34,858	35,358
Subsidiaries	7	404,018	404,018
Financial assets at fair value through profit or loss	8(b)	119,370	53,526
Financial assets at amortised cost	9	36,353	5,663
Current tax assets		605	851
Other assets	12	164	186
Cash and cash equivalents		6,769	5,696
Total Assets		614,844	518,140
Liabilities and Equity			
Liabilities			
Deferred tax liabilities	14	39	159
Other liabilities	15	61,106	27,045
Total Liabilities		61,145	27,204
Equity			
Share capital	16	147,231	136,522
Retained earnings	17	399,751	347,936
Other reserves		6,717	6,478
Total Equity		553,699	490,936
Total Liabilities and Equity		614,844	518,140

The accompanying notes are an integral part of these financial statements.

Statements of Profit or Loss

For the Financial Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Insurance service result					
Insurance revenue	11(b)	439,419	360,214	-	-
Insurance service expenses	11(b),20	(344,610)	(279,336)	-	-
Net expenses from reinsurance contracts held	11(b)	(2,734)	(3,879)	-	-
Total insurance service results		92,075	76,999	-	-
Investment result					
Investment income		218,813	202,039	77,307	5,654
Realised and unrealised gains		141,823	62,343	320	5,402
Investment expenses		(10,574)	(8,955)	(2,381)	(2,636)
Net investment income	18	350,062	255,427	75,246	8,420
Insurance finance expense	11(f)	(248,517)	(204,060)	-	-
Reinsurance finance expense	11(f)	(5,794)	(4,276)	-	-
Segregated funds related investment result	13				
Investment income related to segregated funds net assets		246,745	101,134	-	-
Financial changes related to segregated funds net liabilities		(246,745)	(101,134)	-	-
Net segregated funds investment result		-	-	-	-
Total investment results		95,751	47,091	75,246	8,420
Fee income	19	160,822	122,954	3,180	2,058
General expenses	20	(63,719)	(64,441)	(10,741)	(11,889)
Commissions related to non-insurance contracts		(99,484)	(69,351)	-	-
Interest expense		(89)	(109)	-	-
Profit/(loss) before taxation		185,356	113,143	67,685	(1,411)
Taxation	21	(53,991)	(29,269)	(507)	94
Net profit/(loss) for the financial year		131,365	83,874	67,178	(1,317)
Basic and diluted earnings per share (sen)	23	49.11	40.79		

The accompanying notes are an integral part of these financial statements.

Statements of Total Comprehensive Income

For the Financial Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net profit/(loss) for the financial year		131,365	83,874	67,178	(1,317)
Other comprehensive income, net of tax:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:-					
Net (losses)/gains on foreign currency translation		(931)	836	-	-
Fair value (losses)/gains:					
Net (losses)/gains on fair value changes		(5,675)	95,191	-	-
Realised losses/(gains) transferred to profit or loss		344	(1,523)	-	-
Deferred tax	14	(782)	(25,583)	-	-
Fair value (losses)/gains, net of deferred tax		(6,113)	68,085	-	-
Insurance finance income/(expense)	11(f)	11,467	(79,041)	-	-
Deferred tax	14	224	19,101	-	-
Insurance finance income/(expense), net of deferred tax		11,691	(59,940)	-	-
Reinsurance finance expense	11(f)	(771)	(208)	-	-
Deferred tax	14	65	307	-	-
Reinsurance finance (expense)/income, net of deferred tax		(706)	99	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		3,941	9,080	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:-					
Surplus from revaluation of property:					
Gross surplus from revaluation		465	71	239	24
Deferred tax	14	(54)	(11)	-	-
Surplus from revaluation, net of deferred tax		411	60	239	24
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		411	60	239	24
Other comprehensive income for the financial year		4,352	9,140	239	24
Total comprehensive income/(loss) for the financial year		135,717	93,014	67,417	(1,293)

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Group	Non-distributable							Total Equity RM'000
	Share Capital RM'000	Insurance Finance Reserve RM'000	Reinsurance Finance Reserve RM'000	Fair Value Reserve RM'000	Asset Revaluation Reserve RM'000	Currency Translation Reserve RM'000	Retained Earnings* RM'000	
At 1 January 2024	136,522	(6,045)	(5,908)	25,487	8,270	2,336	1,088,519	1,249,181
Net profit for the financial year	-	-	-	-	-	-	131,365	131,365
Other comprehensive income/(loss) for the financial year	-	11,691	(706)	(6,113)	411	(931)	-	4,352
Total comprehensive income/(loss) for the financial year	-	11,691	(706)	(6,113)	411	(931)	131,365	135,717
Issuance of shares pursuant to Dividend Reinvestment Plan (note 16)	10,709	-	-	-	-	-	-	10,709
Dividend paid for the financial year ended 31 December 2023 (note 24)	-	-	-	-	-	-	(15,363)	(15,363)
At 31 December 2024	147,231	5,646	(6,614)	19,374	8,681	1,405	1,204,521	1,380,244
At 1 January 2023	131,041	53,895	(6,007)	(42,598)	8,210	1,500	1,019,783	1,165,824
Net profit for the financial year	-	-	-	-	-	-	83,874	83,874
Other comprehensive (loss)/income for the financial year	-	(59,940)	99	68,085	60	836	-	9,140
Total comprehensive (loss)/income for the financial year	-	(59,940)	99	68,085	60	836	83,874	93,014
Issuance of shares pursuant to Dividend Reinvestment Plan (note 16)	5,481	-	-	-	-	-	-	5,481
Dividend paid for the financial year ended 31 December 2022 (note 24)	-	-	-	-	-	-	(15,138)	(15,138)
At 31 December 2023	136,522	(6,045)	(5,908)	25,487	8,270	2,336	1,088,519	1,249,181

* The Group's retained earnings comprise both distributable and non-distributable earnings. Surpluses from the life insurance funds become distributable only upon the actual transfer to the Shareholders' Fund, as recommended by the Appointed Actuary. For details on the segregation of distributable and non-distributable earnings, see Note 17.

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Equity

For the Financial Year Ended 31 December 2024

Company	Note	Non-distributable		Distributable	Total equity RM'000
		Share capital RM'000	Asset revaluation reserve RM'000	Retained earnings RM'000	
At 1 January 2024		136,522	6,478	347,936	490,936
Net profit for the financial year		-	-	67,178	67,178
Other comprehensive income for the financial year		-	239	-	239
Total comprehensive income for the financial year		-	239	67,178	67,417
Issuance of shares pursuant to Dividend Reinvestment Plan	16	10,709	-	-	10,709
Dividend paid for the financial year ended 31 December 2023	24	-	-	(15,363)	(15,363)
At 31 December 2024		147,231	6,717	399,751	553,699
At 1 January 2023		131,041	6,454	364,391	501,886
Net loss for the financial year		-	-	(1,317)	(1,317)
Other comprehensive income for the financial year		-	24	-	24
Total comprehensive income/(loss) for the financial year		-	24	(1,317)	(1,293)
Issuance of shares pursuant to Dividend Reinvestment Plan	16	5,481	-	-	5,481
Dividend paid for the financial year ended 31 December 2022	24	-	-	(15,138)	(15,138)
At 31 December 2023		136,522	6,478	347,936	490,936

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

For the Financial Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Net profit/(loss) for the financial year		131,365	83,874	67,178	(1,317)
Adjustments for non-cash items	25	(292,732)	(223,913)	(76,256)	(10,359)
Operating losses before changes in operating assets and liabilities		(161,367)	(140,039)	(9,078)	(11,676)
Purchase of investments		(1,346,238)	(1,144,806)	-	-
Proceeds from disposal and maturity of investments		1,077,224	910,938	-	-
Interest income received		192,442	171,746	98	33
Dividend income received		28,074	27,543	72,761	1,916
Rental income received		5,081	4,270	4,465	3,733
Decrease/(increase) in other receivables		8,128	(14,423)	(30,690)	4,604
Decrease in fixed and call deposits		32,186	19,257	-	-
Increase in loans receivables		(144)	(116)	-	-
(Increase)/decrease in reinsurance asset		(1,812)	12	-	-
Increase in insurance contract liabilities		258,506	267,392	-	-
Decrease in reinsurance contract liabilities		(16,073)	(20,080)	-	-
Increase in other liabilities		45,693	26,463	35,358	9,217
Cash generated from operations		121,700	108,157	72,914	7,827
Interest paid on lease liabilities	10(b)	(78)	(96)	-	-
Income tax paid		(14,774)	(20,678)	(376)	(158)
Net cash inflow from operating activities		106,848	87,383	72,538	7,669

Statements of Cash Flows

For the Financial Year Ended 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property and equipment	4	(4,951)	(4,486)	(1,884)	(812)
Purchase of intangible assets	6	(2,783)	(110,245)	-	-
Purchase of investments		(89,926)	(23,243)	(89,926)	(23,243)
Proceeds from disposal of investments		24,998	24,997	24,998	24,997
Proceeds from disposal of property and equipment		53	-	-	-
Net cash (outflow)/inflow from investing activities		(72,609)	(112,977)	(66,812)	942
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid to shareholders	24	(4,653)	(9,657)	(4,653)	(9,657)
Payment of principal portion of lease liabilities		(1,603)	(1,748)	-	-
Net cash outflow from financing activities		(6,256)	(11,405)	(4,653)	(9,657)
CASH AND CASH EQUIVALENTS					
Net increase/(decrease) during the financial year		27,983	(36,999)	1,073	(1,046)
Cash and cash equivalents at 1 January		207,877	244,876	5,696	6,742
Cash and cash equivalents at 31 December		235,860	207,877	6,769	5,696

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows and statements of financial position comprise the following:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	224,089	162,786	6,427	2,062
Short-term deposits*	11,771	45,091	342	3,634
Cash and cash equivalents	235,860	207,877	6,769	5,696

* Short-term deposits with original maturities of less than 3 months.

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

1. GENERAL INFORMATION AND PRINCIPAL ACTIVITIES

General

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The immediate holding company is Manulife Century Holdings (Netherlands) BV, a company incorporated in the Netherlands. The ultimate holding company is Manulife Financial Corporation, a corporation incorporated and domiciled in Canada and listed on the Toronto, New York and Hong Kong Stock Exchanges.

Principal activities

The Company is engaged principally in investment holding whilst the principal activities of the subsidiaries are as stated in note 7 to the financial statements.

There have been no significant changes in the principal activities of the Company and its subsidiaries during the financial year, other than as disclosed in note 7 to the financial statements.

Registered office and principal place of business

The registered office and principal place of business of the Company is located at 16th Floor, Menara Manulife, 6 Jalan Gelenggang, Damansara Heights, 50490 Kuala Lumpur.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The following accounting policy information have been used consistently in dealing with items which are considered material in relation to the financial statements.

(a) Basis of preparation

The financial statements of the Group and the Company have been prepared on a historical cost basis except as disclosed in this summary of material accounting policy information, and in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The Group and the Company present their statements of financial position in the order of liquidity.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000), unless otherwise stated.

(i) Adoption of new pronouncements in the current year

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the new pronouncements effective from 1 January 2024 as follows:

Description	Effective date
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 did not have any significant effect on the disclosures or amounts recognised in the Group and the Company's financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Basis of preparation (continued)

(ii) Standards and amendments/improvements to published standards that are issued but not yet effective

The following are new standards and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and Company. The Group and Company intend to adopt these new pronouncements, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Lack of Exchangeability (Amendments to MFRS 121)	1 January 2025
Contracts Referencing Nature-dependent Electricity (Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures</i>)	1 January 2026
Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
Amendments that are part of Annual Improvements-Volume 11: <ul style="list-style-type: none"> • Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i> • Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i> • Amendments to MFRS 9 <i>Financial Instruments</i> • Amendments to MFRS 10 <i>Consolidated Financial Statements</i> • Amendments to MFRS 107 <i>Statement of Cash Flows</i> 	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Directors expect that the adoption of the above new pronouncements will have no material impact on the financial statements in the period of initial application, except as discussed below:

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18 *Presentation and Disclosure in Financial Statements* (effective from 1 January 2027) replaces MFRS 101 *Presentation of Financial Statements*.

MFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified roles of the primary financial statements and the notes.

MFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of the five categories, ie. operating, investing, financing, income taxes and discontinued operations. These categories are complemented by the requirement to present subtotals and totals for "operating profit or loss", "profit or loss before financing and income taxed" and "profit or loss".

MFRS 18 introduces the concept of management-defined performance measure ("MPM") and defines it as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance to users. Information related to MPM should be disclosed in the financial statements in a single note.

In addition, MFRS 18 provides enhanced guidance on the principles of aggregation and disaggregation that focuses on grouping items based on their shared characteristics. These principles are applied across the financial statements and are used in defining which line items are presented in the primary financial statements and what information is disclosed in the notes.

The Group and the Company are in the process of assessing the financial impact of this Standard on its financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. A subsidiary is an entity over which the Company has all the following:

- (1) Power over the investee;
- (2) Exposure or rights to variable returns from its investment with the investee; and
- (3) The ability to use its power over the investee to attract its returns.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investment in subsidiaries is stated at cost less any accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount as set out in note 2(k) on impairment.

Gain or loss on disposal of subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any exchange differences which were not previously recognised in the consolidated statements of profit or loss.

(ii) Business combination

Subsidiaries are consolidated using the acquisition method of accounting from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases.

Goodwill arising on consolidation represents the excess of the purchase consideration over the fair value of identifiable net assets of subsidiaries at the date of acquisition. If the fair value of the net assets acquired is in excess of the consideration transferred, the Group reassesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amount to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the loss is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

In respect of subsidiaries acquired before 1 January 2006, goodwill on consolidation was written off against retained earnings in the financial year of acquisition.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Basis of consolidation (continued)

(iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Group, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Group. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and statement of total comprehensive income as an allocation of the profit or loss for the financial year between non-controlling interests and owners of the Group.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(iv) Transactions eliminated on consolidation

All inter-company transactions, balances and unrealised gains or losses on transactions between group of companies are eliminated.

(c) Property and equipment

Property and equipment are stated at cost or valuation, less accumulated depreciation and accumulated impairment losses, if any.

The cost of property and equipment includes expenditure that is directly attributable to the acquisition of the assets. Dismantlement, removal or restoration costs are included as part of the cost of property and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to the property and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the Company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

Land and building, which are substantially occupied by the Group for its operations, are classified under property and equipment.

Land and building are initially stated at cost and subsequently shown at fair value, based on independent valuation of the open market value on the existing use basis carried out by professional valuers less accumulated depreciation and any accumulated impairment losses. These valuations are reviewed annually and a formal valuation by an independent professional valuer is carried out once in every five years or earlier if the carrying values of the revalued asset are materially different from the market values. Professional and qualified external valuer is engaged to perform the formal valuation. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group and the Company decides, after discussions with the external valuer, which valuation techniques and inputs to use. The valuation result is presented to the Board of Directors for approval prior to the adoption of the valuation report.

The Group and the Company analyse the movements in the values of the property on an annual basis. Desktop valuation is performed by the Group and the Company in the interim period to obtain an indicative fair value of the property. For this analysis, the Group and the Company verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to the valuation report and other relevant documents. The Group and the Company, in conjunction with the external valuers, also compare the change in the fair value of the property with relevant external sources to determine whether the change is reasonable.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Property and equipment (continued)

When the land and building are revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

The surplus arising on revaluation is credited to the asset revaluation reserve account except that a surplus, to the extent that such surplus is related to and not greater than a deficit arising on revaluation previously recorded as an expense, is credited to the profit or loss. A deficit arising on revaluation is recognised as an expense except that, to the extent that such a deficit is related to a surplus which was previously recorded as a credit to the asset revaluation reserve account and which has not been subsequently reversed or utilised, it is charged directly to that account.

No depreciation is charged on freehold land. Leasehold building is amortised in equal instalments over the period of their respective leases or earlier if the expected useful life is shorter than the leasehold period.

Work in progress is not depreciated until the asset is ready for its intended use.

All other property and equipment are depreciated on a straight-line basis to write off the cost of the assets over their estimated useful lives. The principal annual rates of depreciation used are as follows:

Building	-	50 years (subsequent to revaluation, the revalued amounts are depreciated over the remaining useful lives following the date of the latest valuation)
Furniture, fittings and equipment	-	10% to 20%
Motor vehicles	-	20%
Renovations	-	10%

The residual values and useful lives of property and equipment are reviewed, and adjusted as appropriate, at each reporting date.

At each reporting date, the Group and the Company assess whether there is any indication of impairment of property and equipment. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount as set out in note 2(k) on impairment of non-financial assets.

On disposal of property and equipment, the difference between net proceeds and the carrying amount is recognised in profit or loss. On disposal of revalued assets, the amounts of any remaining revaluation surplus relating to those assets are transferred to retained earnings.

Repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

(d) Investment property

Investment property comprises land and building held by the Group and the Company which are held for long term rental yields, for capital appreciation or both and are not substantially occupied by the Group and the Company.

Investment property is initially stated at cost including related and incidental expenditure incurred, and is subsequently carried at fair value by the directors based on independent valuation of the open market values on existing use basis carried out by professional valuer. These valuations are reviewed annually and a formal valuation by an independent professional valuer is carried out once in every three years or earlier if the carrying values of the investment property are materially different from the market value. Professional and qualified external valuer is engaged to perform the formal valuation. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group and the Company decide, after discussions with the external valuer, which valuation techniques and inputs to use. The valuation result is presented to the Board of Directors for approval prior to the adoption of the valuation report.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Investment property (continued)

The Group and the Company analyse the movements in the values of the property on an annual basis. Desktop valuation is performed by the Group and the Company in the interim period to obtain an indicative fair value of the property. For this analysis, the Group and the Company verify the major inputs applied in the latest valuation by agreeing the information in the valuation computation to the valuation report and other relevant documents. The Group and the Company, in conjunction with the external valuer, also compare the change in the fair value of the property with relevant external sources to determine whether the change is reasonable.

Any changes in the fair values of investment property are recorded in the profit or loss.

On disposal of investment property, the difference between net proceeds and the carrying amount is recognised in the profit or loss as appropriate.

If an investment property becomes owner-occupied, it is reclassified to property and equipment at its carrying value at the date of transfer.

(e) Intangible assets

(i) Management rights

Management rights, which arose on acquisition of a subsidiary, represent the purchase consideration paid to acquire the rights to manage unit trust funds. Management expects no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. The rights are therefore considered to have an indefinite useful life and are not amortised but are instead, tested for impairment annually and whenever there is indication that it is impaired as set out in note 2(k) on impairment.

(ii) Exclusive right

The exclusive right arises from the exclusive bancassurance agreement entered into between the subsidiary, Manulife Insurance Berhad with Alliance Bank Malaysia Berhad ("ABMB"). 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 annualised premium equivalent) in which Manulife Insurance Berhad expects to recognise the related revenue.

(iii) Computer software

Cost of software rights acquired or developed are amortised on a straight-line basis over a period of four to five years.

Computer software in progress is not amortised until the asset is ready for its intended use.

At each reporting date, the Group and the Company assess whether there is any indication of impairment of its intangible assets. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount as set out in note 2(k) on impairment of non-financial assets.

(iv) Distribution agreement

The distribution agreement arises from the 20-year distribution right entered into between the subsidiary, Manulife Insurance Berhad ("MIB") and an agency leadership corporation. During the year, MIB has reassessed and changed the basis of amortisation from previously based on the consumption pattern of the distribution, which is the contracted number of agents to the straight-line time apportionment basis over the remaining duration of the agreement. The change in the amortisation basis is applied prospectively and does not have significant financial impact to the current year financial results of the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(f) Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves the use of an identified asset and conveys the right to control the use of the asset for a period of time in exchange for consideration – i.e. the customer has the right to:

- obtain substantially all of the economic benefits from using the asset; and
- direct the use of the asset.

(i) As Lessee

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the amount of lease liability, any lease payments made or before the commencement date, any indirect costs incurred and an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment (see note 2(c)). In addition, the carrying amount of the right-of-use asset is reduced by any impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured to reflect any lease modifications or reassessments.

The Group presents its right-of-use assets in 'right-of-use assets' and 'lease liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and leases liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As Lessor

The Group and the Company classify all leases for which it is a lessor as operating leases, because each of these leases does not transfer substantially all of the risks and rewards incidental to ownership of the underlying asset.

Lease payments from operating leases are recognised as income on a straight-line basis over the lease term and are reported as rental income. The accounting policy for rental income is set out in note 2(n).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Financial instruments

(i) Classification and measurement

The classification of financial assets depends on the Group's and Company's business model of managing the financial assets in order to generate cashflows ("business model test") and the contractual cashflow characteristics of the financial instruments ("SPPI test"). The business model test determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest.

Financial assets are classified into four categories:

(1) Financial assets at amortised costs

A financial asset is measured at amortised cost if its business model is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

Financial assets at amortised cost are subsequently measured using the effective interest rates and are subject to impairment assessment.

The Group and the Company classifies loans and other receivables as financial assets measured at amortised cost.

(2) Financial assets at FVOCI (debt instruments)

A financial asset is measured at fair value through other comprehensive income ("FVOCI") if its business model is both to hold the asset to collect contractual cash flows and to sell the financial asset. In addition, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are recognised through OCI. Debt instruments at FVOCI are subject to impairment assessment.

The Group and Company classifies its debt securities (other than those held within the unit trust funds which are held for trading) as FVOCI financial assets.

(3) Financial assets at FVOCI (equities)

On initial recognition of an equity instrument that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on investment-by-investment basis.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are recognised through OCI. All equity instruments designated at FVOCI are not subject to impairment assessment.

As at the date of adoption, the Group and the Company did not irrevocably designate any equity investments as FVOCI.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Financial instruments (continued)

(i) Classification and measurement (continued)

(4) Financial assets at FVTPL

Financial assets are classified as FVTPL if the financial assets are held for trading or are managed on a fair value basis (including derivatives). Other financial assets with contractual cash flow that are not solely payments of principal and interest, regardless of its business model are classified as FVTPL.

Certain financial assets that otherwise meets the requirements to be either measured at amortised cost or at FVOCI, may irrevocably be designated at FVTPL on initial recognition, when such designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All subsequent fair value adjustments are recognised through profit or loss.

The Group and the Company classify its equity securities, debt securities held within the unit trust funds which are held for trading, real estate investment trusts and unit trust funds as financial assets at FVTPL.

Derivative financial instruments held by the Group are forward foreign exchange contract to hedge its currency risks and equity index option to hedge its market risk. Any fair value gains on these derivative financial instruments are recognised as financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless the Group and the Company changes its business model for management of the financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in business model.

(ii) Derecognition of financial assets

The Group and the Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of financial assets in its entirety, other than for equity instruments which are FVOCI, all gains and losses, (difference between the carrying amount and the sum of consideration received or receivable), if any, is recognised in the profit or loss. Accumulated fair value gains and losses on debt securities at FVOCI which were recognised within OCI will be reclassified from OCI to profit or loss; whilst accumulated fair value gains and losses on equity instruments at FVOCI which were recognised within OCI are directly transferred to retained earnings.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Financial instruments (continued)

(iii) Impairment of financial assets

Recognition of Expected Credit Loss ("ECL")

The Group and the Company assesses at each reporting date to determine loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost and debt securities at FVOCI based on two different two different approaches, which is the general approach and simplified approach.

This process includes consideration of past events, current market conditions and reasonable supportable information about future economic conditions. Forward-looking macroeconomic variables used within the estimation models represent variables that are the most closely related with credit losses in the relevant portfolio.

The estimation and measurement of impairment losses requires significant judgements. These estimates are driven by many elements, changes in which can result in different levels of allowances. Elements include the estimation of the amount and timing of future cash flows, the Company's criteria for assessing if there has been a significant increase in credit risk ("SICR"), the selection of forward-looking macroeconomic scenarios and their probability weights. The Group has implemented formal policies, procedures, and controls over all significant impairment processes.

General approach - three-stage approach

The general approach impairment recognition requires loss allowance to be recognised based on "three-staging" model which reflects the change in credit quality of the financial instrument since initial recognition:

Stage 1: 12-month ECL

For financial assets that have no significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the 12-month ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months) will be recognised in profit or loss.

Stage 2: Lifetime ECL – Non-credit impaired

For financial assets that have significant increase in credit risks since initial recognition but do not have objective evidence of impairment, a lifetime ECL that results from all possible default events over the expected life of the financial assets will be recognised in profit or loss. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Stage 3: Impairment – Credit impaired

Financial assets are assessed as credit impaired when one or more events that have detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that are credit impaired, impairment will be recognised in profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Financial instruments (continued)

(iii) Impairment of financial assets (continued)

Recognition of Expected Credit Loss ("ECL") (continued)

Interest income is calculated based on the gross carrying amount for both Stage 1 and 2 exposures. Interest income on Stage 3 financial instruments is determined by applying the effective interest rate to the amortized cost of the instrument, which represents the gross carrying amount adjusted for any credit loss allowance.

The Group and the Company uses the general approach to measure loss allowances for the following:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group and the Company considers debt security to have low credit risk when its credit risk rating is a minimum rating of "BBB". The Group and the Company also considers all government issued or government guaranteed debt securities to have low credit risk. The Company's fixed deposits with licensed banks are also assessed to have low credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group and the Company's historical experience and informed credit assessment and including forward-looking information.

A significant increase in credit risk since inception may occur in the following:

- if the financial assets, either reinsurance assets, or loans receivables are 30 days past due;
- in the case of corporate debt securities or reinsurance assets, if there is a significant deterioration of credit risk rating by 2 ranks from the initial purchase or contract date; or
- significant increase in bond yields due to market's assessment of creditworthiness of those investments.

At each reporting date, the Group and the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. The Group's definitions of default and credit-impaired are based on quantitative and qualitative factors. A financial instrument is considered to be in default when significant payments of interest, principal or fees are past due for more than 90 days, unless remedial arrangements with the issuer are in place. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer, such as lawsuits of similar actions that threaten the financial viability of the counterparty;
- a breach of contract such as a default or being more than 90 days past due;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Simplified approach

The simplified approach impairment recognition allows for loss allowance to be recognised based on expected lifetime ECL, without considering credit risk.

Loss allowances for trade and other receivables, with no financing component, are always measured at an amount equal to lifetime ECLs.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Financial instruments (continued)

(iii) Impairment of financial assets (continued)

Measurement of ECL

ECL is a probability weighted estimate of credit losses over the expected life of a financial asset. The estimated ECL incorporates time value of money and considers historical data, current conditions and forecasts of future economic conditions.

The Group and the Company measures the ECL on an individual basis for debts securities that are deemed significant. When estimating ECL, the Company considers the probability of default ("PD"), loss given default ("LGD") and the exposure at default ("EAD").

PD represents the likelihood of a borrower defaulting on its financial obligation at the time of default, either over the next 12 months, or over the remaining lifetime of the obligation. Multi-year PDs (of up to 30 years) are generated, based on proprietary and publicly available ratings data, using statistical methods. PDs representing different economic scenarios are projected, allowing the Group and the Company to consider a range of possible outcomes as required under MFRS 9. If a counterparty of exposure migrates between rating classes, this will lead to a change in the estimate of the associated PD.

LGD is the estimated magnitude of the likely loss if there is a default, based on statistical method. LGD is expressed as a percentage per loss per unit of exposure at the time of default and varies by type and seniority of claims, availability of collateral, geographical location and industry of borrower and existing market conditions.

EAD represents the expected exposure in the event of a default. The EAD of a financial asset is its gross carrying amount.

The PDs and LGDs are then applied accordingly to the carrying value of financial assets (debt securities at FVOCI) to obtain an ECL.

When the Group and the Company measures ECL on a collective basis, the financial assets are grouped based on shared characteristics such as credit risk rating, type of financial asset, and etc.

Forward looking information and key economic variables are considered while assessing the change in credit risk of an instrument. These economic variables and their associated impact on PD, LGD and EAD vary by financial instruments. Some of the key macroeconomics factors incorporated into the ECL estimation include Gross Domestic Product, current and future interest rates environment, potential economic outlook and forecast collateral values.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and the actual outcomes may be significantly different from those projected. The Group and the Company considers these forecasts to represent its best estimate of the possible outcomes to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The sensitivity of the ECL to the economic variable assumptions affecting the calculation of ECL was not significant to the Company for the year ended 31 December 2024 and 31 December 2023.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Financial instruments (continued)

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the market place concerned.

All the financial assets are recognised using trade date, the date that the Group and the Company commits to purchase or sell the assets.

(v) Write off

Financial assets are written off either partially or in full when there is no realistic prospect of recovery. The Group and the Company determines this based on the inability of the borrower to pay.

(h) Fair value measurement

Fair value of an asset or a liability is measured at a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

For non-financial assets, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The valuation techniques and categories of fair values of assets and liabilities are further described in note 4, note 5, note 28(b) and note 28(c).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Financial liabilities

All financial liabilities are initially measured at fair value and subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category at inception.

Derivative financial instruments held by the Group are forward foreign exchange contract to hedge its currency risks. Any fair value losses on these derivative financial instruments are recognised as financial liabilities.

Other financial liabilities are measured at amortised cost using the effective interest method with gains and losses recognised in profit or loss when the instrument is derecognised as well as through the amortisation process. Interest expenses are recognised in the profit or loss.

Financial liabilities are derecognised when the obligation under the liability is extinguished and resulting gains or losses are recognised in profit or loss.

(j) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and net amount reported in the statements of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the statements of profit or loss of the Group and of the Company unless required or permitted by an accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group and of the Company.

(k) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs of disposal. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(l) Assets held for sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Employee benefits

(i) Short-term employee benefits

Wages, salaries, allowances, paid annual leave and sick leave, bonuses, social security contributions and non-monetary benefits are accrued in the financial year in which the associated services are rendered by employees of the Group and the Company.

(ii) Post-employment benefits

The Group and the Company are required to contribute to the Employees' Provident Fund, a defined contribution plan.

(iii) Share-based compensation

The Group and the Company participated in share-based compensation plans granted to certain employees of Manulife Financial Corporation Group as consideration for services rendered. These plans include both equity-settled share-based and cash-settled share-based compensation scheme to eligible employees.

(i) Equity-settled share-based compensation

The fair value of equity-settled share-based compensation granted to employees as at the grant date is recognised in the profit and loss over the vesting periods of the grant. The fair value of the grant is measured using the Black Scholes option pricing model, with the market price or strike price being the closing transaction price of Manulife Financial Corporation ("MFC") shares prior to the grant date. In valuing the share-based payments, no account is taken of any performance conditions, other than conditions linked to the price of the shares of MFC if applicable.

At each date of the statement of financial position, the Group and the Company review its estimates of the number of employees expected to meet service vesting conditions and the fair value of the liability incurred. The impact of the revision of the original estimate, if any, is recognised in the profit or loss.

(ii) Cash-settled share-based compensation

Cash-settled share-based compensation relates to the employee services received in exchange for the grant of the share appreciation rights. The fair value of the compensation is recognised in the profit or loss over the vesting periods of the grant with a corresponding increase in liabilities.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share appreciation rights of MFC. At each date of the statement of financial position, the Group and the Company review its estimates of the number of employees expected to meet service vesting conditions and the fair value of the liability incurred. The impact of the revision of the original estimate, if any, is recognised in the profit or loss.

The cumulative liability incurred net of any directly attributable transaction costs, will be reversed as cash is paid at the end of the vesting period.

(iv) Deferred remuneration scheme

The Group provides deferred remuneration to certain employees by investing in unit trust funds on behalf of the said employees. The deferred remuneration shall be paid to the employees at the end of 3 years. The Group recognises a liability in respect of these deferred remuneration which reflects its obligation to the said employees, and which takes into account the fair value movements of the underlying unit trust funds and the related dividend income earned thereon.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Other revenue recognition

Interest income is recognised using the effective interest rate method. When a loan and receivable is impaired, the Group and the Company reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continue unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

Other interest income including the amount of amortisation of premiums and accretion of discounts is recognised on a time proportion basis that takes into account the effective yield of the assets.

Dividend income is recognised in the profit or loss on the date that the Group's and the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

Realised gains and losses recorded in the profit or loss on investments include gains and losses on financial assets and investment property. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortised cost and are recorded on occurrence of the sale transaction.

Charges and fee income (including initial sales charge on sale of unit trust funds) are recognised at point in time upon allotment of units, net of cost of units sold.

Fund management fee from the provision of investment and fund management services is recognised at point in time upon calculation of daily net asset value of funds.

Internal outsourcing fee income is earned from provision of shared services to a fellow subsidiary of the ultimate holding company based on an agreed full-time equivalent ("FTE") cost plus a percentage mark-up on an accrual basis. The income is recognised over time in the period which the services are rendered.

(o) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of all entities in the Group, except for Manulife Insurance Labuan Limited and certain Investment-linked funds of the Manulife Insurance Berhad is Ringgit Malaysia. The consolidated financial statements are presented in Ringgit Malaysia, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Foreign currencies (continued)

(iii) Translation of Group's financial statements

The results and financial position of the Group's entities and Investment-linked funds of Manulife Insurance Berhad that have a functional currency that is different from the presentation currency, are translated into the presentation currency as follows:

- (1) Assets and liabilities for the statement of financial position presented are translated at the closing rate at the date of the statement of financial position; and
- (2) Income and expenses for profit or loss are translated at average exchange rate unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction date, in which case income and expenses are translated using the exchange rates at the date of the transactions.

All resulting exchange differences from translating the financial statements of Manulife Insurance Labuan Limited are recognised in other comprehensive income as a foreign currency translation reserve and are subsequently reclassified to profit or loss upon disposal. Differences from translating the foreign Investment-linked funds are included in profit or loss.

(p) Dividends on ordinary share capital

Dividends on ordinary shares are recognised as a liability in the financial year in which it is declared and approved by the Company's shareholders.

(q) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank balances and deposits held at call with financial institutions with original maturities of three months or less. It excludes deposits which are held for investment purpose.

The Group classifies cash flows from the acquisition and disposal of financial assets of the insurance subsidiaries of the Group as operating cash flows, as the purchases are funded from cash flows associated with the origination of insurance contracts, net of cash flows for payments of benefits and claims incurred for insurance contracts underwritten which are classified as operating activities.

(r) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current income tax is recognised in the statements of profit or loss.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses can be utilised. Deferred tax assets are reviewed at the end of each reporting date and are reduced to the extent that it is no longer probable that the related benefit will be realised.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the date of the statement of financial position and are expected to apply when the related deferred tax asset is realised or when the deferred tax liability is settled. Deferred tax is recognised in the profit or loss except when it arises from a transaction which is recognised in other comprehensive income or directly in equity.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Contingent liabilities and contingent assets

The Group and the Company do not recognise a contingent liability but disclose its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company. The Group and the Company do not recognise contingent assets but disclose their existence where inflows of economic benefits are probable, but not virtually certain.

(t) Insurance contract liabilities and reinsurance contract assets

Classification and separation of components

Most contracts issued by the Group are considered insurance, investment, or service contracts. Contracts under which the Group accepts significant insurance risk from a policyholder are classified as insurance contracts in the Financial Statements. A contract is considered to have significant insurance risk if, and only if, an insured event could cause an insurer to pay additional amounts that are significant in any single scenario, excluding scenarios that lack commercial substance. The additional amounts refer to the present value of amounts that exceed those that would be payable if no insured event had occurred. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts to other parties are classified as reinsurance contracts held. Both insurance and reinsurance contracts are accounted for in accordance with MFRS 17. Contracts under which the Group does not accept significant insurance risk are either classified as investment contracts or considered service contracts and are accounted for in accordance with MFRS 9 *Financial Instruments* or MFRS 15 *Revenue from Contracts with Customers*, respectively.

Insurance contracts are classified as direct participation contracts or contracts without direct participation features based on specific criteria. Insurance contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which an entity promises an investment return based on underlying items. They are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service.

At inception of insurance contracts issued and reinsurance contracts held, the Group analyses whether they contain the following components that should be separated and accounted for under other MFRS standards: derivatives embedded within insurance contracts that are required to be separated (MFRS 9); cash flows relating to distinct investment components (MFRS 9); and promises to transfer distinct goods or distinct non-insurance services (MFRS 15). Investment components of an insurance (or reinsurance contracts held) contract represent cash flows paid (received) in all circumstances regardless of whether an insurance event has occurred or not. Investment components are distinct if they are not interrelated with insurance component cash flows and if they could be issued on a standalone basis. The Group applies MFRS 17 to all remaining components of the insurance and reinsurance contracts held.

There are three measurement models that insurance contracts can be measured under: the variable fee approach ("VFA"), the general measurement model ("GMM") and the premium allocation approach ("PAA"). For insurance contracts with direct participation features such as participating life insurance contracts, unit linked type contracts, and variable annuity contracts the Group applies the VFA. For many group benefits contracts that have a one-year (or shorter) term of coverage, the Group generally applies the PAA. For the remainder of the Group's insurance contracts the GMM is applied.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Insurance contract liabilities and reinsurance contract assets (continued)

(i) Level of aggregation/unit of account

Insurance contracts are aggregated into portfolios of insurance contracts which are managed together and are subject to similar risks. The Group has defined portfolios by considering various factors such as legal entities, measurement model, major product line and type of insurance risk. The portfolios of insurance contracts are further grouped into annual cohorts and by expected profitability at inception into one of three categories: onerous contracts, contracts with no significant risk of becoming onerous and other remaining contracts. Onerous contracts are those contracts that at initial inception, the Group expects to generate net outflow, without considering investment returns or the benefit of any reinsurance contracts held.

(ii) Initial recognition and subsequent measurement

The Group includes in the measurement of a group of insurance contracts all future cash flows within the boundary of the contracts in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period and in which the Company can compel the policyholder to pay the premiums or has a substantive obligation to provide services to policyholder. A substantive obligation to provide services ends when:

- The Company has the practical ability to reassess the risks of the particular policyholder and as a result, can set a price or level of benefits that fully reflects those risks, or
- The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio, and the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

The Company recognises groups of insurance contracts that it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts,
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date, and
- For a group of onerous contracts, as soon as facts and circumstances indicate that the group is onerous.

Insurance contracts measured under VFA and GMM

At initial recognition, the Group measures a group of insurance contracts as the total of: (a) fulfilment cash flows, which comprise of estimates of future cash flows, adjusted to reflect the time value of money and financial risks, and a risk adjustment for non-financial risk; and (b) a contractual service margin ("CSM"), which represents the unearned profit the Group will recognise as it provides service under the insurance contracts.

In determining the fulfilment cash flows, the Group uses estimates and assumptions considering a range of scenarios which have commercial substance and give a good representation of possible outcomes. The Group's CSM is a component of the insurance asset or liability for the group of insurance contracts and results in no income at initial recognition. The unit of account for CSM is on a group of contracts basis consistent with the level of aggregation specified above. If the fulfilment cash flows allocated to the group of insurance contracts, any previously recognised insurance acquisition cash flows and any cash flows arising from the contracts at the date of initial recognition in total are a net outflow then the group of contracts is considered to be onerous. A loss from onerous insurance contracts is recognised in profit and loss immediately. The Group establishes the groups at initial recognition and may add contracts to the groups after the end of a reporting period, however, the Group does not reassess the composition of the groups subsequently.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Insurance contract liabilities and reinsurance contract assets (continued)

(ii) Initial recognition and subsequent measurement (continued)

Insurance contracts measured under VFA and GMM (continued)

In the subsequent periods, the carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC"). The LRC comprises the fulfilment cash flows that relate to services to be provided in the future and any remaining CSM at that date. The LIC comprises the fulfilment cash flows for incurred claims and expenses that have not yet been paid. The fulfilment cash flows at the reporting dates are measured using the current estimates of expected cash flows and current discount rates.

The carrying amount of CSM at end of the reporting period is adjusted to reflect the following changes under the GMM for contracts without direct participation features: (a) effect of new contracts added to the group; (b) interest accreted on the carrying amount of CSM, measured at locked-in rate; (c) effect of any currency exchange differences on the CSM; (d) changes in fulfilment cash flows that relate to future services (non-financial), except for loss component; and (e) recognition of insurance revenue for services provided in the year. The CSM is recognised into insurance revenue over the duration of the group of insurance contracts based on the respective coverage units. The locked-in discount rate is the weighted average of the rates applicable at the date of initial recognition of contracts that joined a group over a 12-month period. The discount rate used for accretion of interest on the CSM is determined using the bottom-up approach.

The changes in fulfilment cash flows relating to future services (non-financial) that adjust the CSM comprise of:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the expected amounts at the beginning of the period. Differences related to premiums received (or due) related to current or past services are recognised immediately in income while differences related to premiums received (or due) for future services are adjusted against the CSM.
- Changes in estimates of the present value of future cash flows in the LRC, except those relating to the time value of money and changes in financial risk that are recognised in income or expenses and OCI.
- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period. Those differences are determined by comparing (i) the actual investment component that becomes payable in the period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable. The same applies to a policyholder loan that becomes repayable.
- Changes in the risk adjustment for non-financial risk that relate to future service. A loss is created when there is an increase in fulfilment cash flows that exceeds the carrying amount of the CSM. Once a change in fulfilment cash flows reduces CSM to zero, the excess establishes a loss which is recognised in expense immediately. Any subsequent decrease in the fulfilment cash flows will reverse the losses previously recognised in expense. Any remaining loss will be released based on a systematic allocation of subsequent changes relating to future service in the fulfilment cash flows (refer to Presentation and Disclosure below).

For contracts with direct participation features under the VFA, the cashflows impacting policyholders and shareholders are treated differently. The change in the policyholders' share of the fair value of underlying items does not impact CSM. The change in the effect of the time value of money and financial risk not arising from the underlying items, such as financial guarantees, adjust the CSM. The change in fulfilment cashflows that do not vary with the return of underlying items and that do not relate to future service does not impact CSM consistent with the GMM. In contrast, under the VFA, the change in the amount of shareholders' share of the fair value of underlying items does impact CSM, except to the extent that the Company has elected the risk mitigation option. The Company uses reinsurance contracts to mitigate the financial risk arising from interest rate guarantees in certain contracts with direct participation features. Under the risk mitigation option, the Company recognises changes in the shareholders' share of the underlying items and the changes in fulfilment cash flows in income or expenses or OCI instead of adjusting CSM. For groups of insurance contracts applying the VFA, in addition to those conditions (both loss recognition and reversal) previously described for groups of contracts applying the GMM, a loss in expense is also recognised when declines in the shareholder's share of fair value of underlying items exceeds the carrying value of CSM. Any subsequent increase in the shareholder's share of fair value of underlying items will reverse the losses previously recognised in expenses.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Insurance contract liabilities and reinsurance contract assets (continued)

(ii) Initial recognition and subsequent measurement (continued)

Reinsurance contracts measured under the GMM

The measurement of reinsurance contracts follows the same principles as the GMM, with the following exceptions or modifications specified in this section below. Reinsurance contracts held and assumed cannot use the VFA.

The Group recognises a group of reinsurance contracts held it has entered into from the earliest of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date when any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held, and
- The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

At initial recognition, the Group recognises any net gain or net cost as a CSM in the consolidated statement of financial position, with some exceptions. If any net cost of obtaining reinsurance contract relates to insured event that occurred before initial recognition of any insurance contract, it is recognised immediately in profit or loss. In addition, if the underlying insurance contracts is in an onerous position, the Group is allowed to recognise a reinsurance gain immediately in income for the portion of claims that the Group expects to recover from the reinsurance, if the reinsurance held was entered into prior to or at the same time as the onerous contract. Consequently, a loss-recovery is created and adjusted for the group of reinsurance contracts. This determines the amounts that are subsequently presented in income as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. The Group adjusts the loss-recovery to reflect changes in the loss of an onerous group of underlying insurance contracts.

The carrying amount of the loss-recovery must not exceed the portion of the carrying amount of the loss of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts (refer to Presentation and Disclosure below).

Measurement of reinsurance contract cash flows is consistent with the underlying insurance contracts, but with an adjustment for any risk of non-performance by the reinsurer. The risk adjustment for non-financial risk is the amount of risk being transferred by the Group to the reinsurer.

Subsequently, the carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

For reinsurance contracts, when the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held representing the recovery of losses.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognised from related reinsurance contracts held is disclosed as a loss-recovery component.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Insurance contract liabilities and reinsurance contract assets (continued)

(ii) Initial recognition and subsequent measurement (continued)

Reinsurance contracts measured under the GMM (continued)

Where a loss-recovery component has been set up at initial recognition or subsequently, the Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

The carrying amount of the loss-recovery component must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts. On this basis, the loss-recovery component recognised at initial recognition is reduced to zero in line with reductions in the onerous group of underlying insurance contracts and is zero when loss component of the onerous group of underlying insurance contracts is zero.

Insurance and reinsurance contracts measured under the PAA

The Group applies the PAA to all insurance contracts it issues and reinsurance contracts that it holds if (a) the coverage period of the contract is one year or less; or the coverage period is longer than one year and the measurement of the LRC for the contracts under the PAA does not differ materially from the measurement that would be produced applying the GMM approach under possible future scenarios.

For insurance contracts, generally, the LRC is measured as the premium received at initial recognition minus any insurance acquisition cash flows at that date. There is no allowance for time value of money as the premiums are received within one year of the coverage period. Subsequently, the Company measures the carrying amount of the LRC at the end of each reporting period as: (a) the LRC balance at beginning of the period; plus (b) premium received in the period; minus (c) directly attributable acquisition costs net of related amortization (unless expensed as incurred); minus (d) amount recognised as insurance revenue for the period; minus (e) investment component paid or transferred to the LIC. The amount recognised as insurance revenue for the period is typically based on the passage of time.

Under the PAA measurement method, entities are permitted to either defer directly attributable acquisition costs to future periods for group of contracts that are one year or less or recognise the costs in expenses as incurred. This election can be made at the level of each group of insurance contracts. The Group has elected not to defer the directly attributable expenses for PAA policies. Insurance acquisition costs arising before the recognition of the related group of contracts are recognised as an asset or contra insurance contract liability as part of the same portfolio that the related group of contracts is expected to be included. When facts and circumstances indicate the asset maybe impaired, the Group conducts impairment tests. If the asset is impaired, an impairment loss will be recognised in expense.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, the Group will recognise a loss in expense and an increase in the LRC to the extent that the current estimate of the fulfilment cashflows that relate to remaining coverage (including the risk adjustment for non-financial risk) exceed the carrying amount of the LRC.

The Company estimates the LIC as the fulfilment cashflows related to incurred claims. The Company does not adjust the future cashflows for the time value of money, except when claims are expected to settle more than one year after the actual claim occurs.

There are no reinsurance contracts which are recognised using the PAA measurement method.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Insurance contract liabilities and reinsurance contract assets (continued)

(iii) Amortization of contractual service margin

The CSM represents the unearned profit for a group of insurance contracts where the Group will recognise in insurance revenue as it provides insurance services in the period. The amortization of the CSM as insurance revenue is determined by (1) identifying the coverage units in the group, (2) allocating the CSM at the end of the period (before amortizing any amounts in insurance revenue in the current period) equally to each coverage unit provided in the period and expected to be provided in future periods, and (3) recognizing in insurance revenue the amount allocated to coverage units provided in the current period.

The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

(iv) Derecognition of insurance contracts

The Group derecognises insurance contracts when the rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled; or expired) or the contract is modified such that the modification results in a change in the measurement model, or the applicable standard for measuring a component of the contract. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract.

(v) Presentation and Disclosure

The Group has presented the carrying amount of portfolios of insurance contracts that are in a net asset or liability position, and portfolios of reinsurance contracts that are in a net asset or liability position separately in the consolidated statements of financial position.

The Group separately presents the insurance service result, which comprises of insurance revenue, insurance service expenses and net income/expense from reinsurance contract held, from investment result, which comprises of investment income, insurance finance in the Statement of Profit or Loss. The Group disaggregates the change in risk adjustment for non-financial risk between the insurance service expenses and insurance finance income or expenses.

The insurance revenue depicts the performance of insurance services and excludes investment components. For GMM contracts, the insurance revenue represents the change in the LRC relating to services for which the Group expects to receive consideration, comprising of: (a) expected claims and other insurance expenses; (b) changes in risk adjustment for non-financial risk; (c) release of CSM based on coverage units; and (d) portion of premiums that relate to recovering of insurance acquisition cash flows.

The insurance service expenses arising from insurance contracts are recognised in expenses generally as they are incurred and excludes repayment of investment components. The insurance service expenses comprise of: (a) incurred claims and other insurance service expenses; (b) losses on onerous contracts and reversal of such losses; (c) adjustments to LIC; (d) amortization of insurance acquisition cash flows; and (e) impairment losses on assets for insurance acquisition cash flows if any and reversals of such impairment losses.

The amortization of insurance acquisition cash flows is equal to the recovery of insurance acquisition cash flows in insurance revenue for contracts measured under the GMM.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(t) Insurance contract liabilities and reinsurance contract assets (continued)

(v) Presentation and disclosure (continued)

Net expenses from reinsurance contracts held comprise of allocation of reinsurance premiums paid and the amounts expected to be recovered from reinsurers. Reinsurance cash flows that are contingent on claims on the underlying contracts are treated as part of the claims expected to be recovered from reinsurers, whereas reinsurance cash flows that are not contingent on claims on the underlying contracts (for example, some types of ceding commissions) are treated as a reduction in reinsurance premiums paid. For reinsurance contracts measured under the GMM, the allocation of reinsurance premiums paid represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from: (a) the effect of the time value of money and changes in the time value of money; and (b) the effect of financial risk and changes in financial risk.

The Group disaggregates insurance finance income or expenses on insurance contracts issued for most of its group of insurance contracts measured under the GMM between income or expenses and OCI. The impact of changes in market interest rates on the value of the life insurance and related reinsurance assets and liabilities are reflected in OCI in order to minimize accounting mismatches between the accounting for insurance assets and liabilities and supporting financial assets. The impacts from differences between current period rates and locked-in rates are presented in OCI.

The Group's invested assets which are debt instruments (including bonds, private placements, mortgages, and loans) backing the groups of insurance contracts measured under the GMM are predominantly measured at FVOCI. As a result, the effect of the time value of money for the groups of insurance contracts and supporting fixed maturity assets are reflected in income or expenses and the effect of financial risk and changes in financial risk is reflected in OCI.

In the event of transfer of a group of insurance contracts or derecognition of an insurance contract, the Group reclassifies any amounts that were previously recognised in OCI to income or expenses as insurance finance income or expense. There are no changes in the basis of disaggregation of insurance finance expenses between income or expenses and OCI in the period.

The Group groups contracts that are onerous at initial recognition separately from contracts in the same portfolio that are not onerous at initial recognition. Groups that were not onerous at initial recognition can also subsequently become onerous if assumptions and experience changes. The Group has established a loss component of the LRC for any onerous group representing the future losses recognised.

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes relating to future service in the fulfilment cash flows to: (i) the loss component; and (ii) the LRC excluding the loss component. The loss component is also updated for subsequent changes relating to future service in estimates of the fulfilment cash flows and the risk adjustment for non-financial risk. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been occurred in the form of incurred claims). The Group uses the proportion on initial recognition to determine the systematic allocation of subsequent changes in future cash flows between the loss component and the liability for remaining coverage excluding the loss component.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(u) Non-distributable retained earnings and other reserves

(i) Non-distributable retained earnings

Unallocated surplus – participating life funds

Surpluses generated from participating life fund contracts are attributable to both policyholders and the shareholder. The distribution amount and timing are determined based on an actuarial valuation of the Group's long-term liabilities to policyholders as at the reporting date. These distributions are made in compliance with the Financial Services Act 2013 and relevant policy documents issued by BNM.

Any unallocated surplus at the end of the financial year, where amounts have yet to be allocated to the shareholder, is classified as non-distributable retained earnings within the participating life funds.

Unallocated surplus – non-participating life funds

Unallocated surplus within non-participating life funds is recognised as non-distributable retained earnings of the Group, as policyholders do not have any entitlement to this surplus. The shareholder will gain rights over this unallocated surplus only upon the recommendation of distribution by the Appointed Actuary.

This surplus represents the shareholder's residual interest in the assets of the non-participating funds after deducting all liabilities and is accordingly classified as non-distributable retained earnings.

(ii) Non-distributable other reserves

Non-distributable other reserves include:

- Fair value gains and losses on financial assets classified as Fair Value through Other Comprehensive Income ("FVOCI")
- Insurance finance reserves
- Reinsurance finance reserves
- Asset revaluation reserves related to self-occupied property

These reserves are not available for distribution as dividends.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with IFRS and MFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and judgements are continuously evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's results and financial position are tested for sensitivity to changes in the underlying parameters.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements, other than as discussed below.

(i) Fulfilment cash flows

Fulfilment cash flows have three major components:

- Estimate of future cash flows
- An adjustment to reflect the time value of money and the financial risk related to the future cash flows if not included in the estimate of future cash flows
- A risk adjustment for non-financial risk

The determination of insurance fulfilment cash flows involves the use of estimates and assumptions. A comprehensive review of valuation assumptions and methods is performed regularly. The review reduces the Group's exposure to uncertainty by ensuring assumptions for liability risks remain appropriate. This is accomplished by monitoring experience and updating assumptions which represent a best estimate of expected future experience, and margins that are appropriate for the risks assumed. While the assumptions selected represent the Group's current best estimates and assessment of risk, the ongoing monitoring of experience and the changes in economic environment are likely to result in future changes to the actuarial assumptions, which could materially impact the insurance contract liabilities.

Method used to measure insurance & reinsurance contract fulfilment cash flows

The Group primarily uses deterministic projection using best estimate assumption to determine the present value of future cash flows. For product features such as Universal Life minimum crediting rates guarantees, Participating life zero dividend floor implicit guarantees and variable annuities guarantees, the Group developed a stochastic approach to capture the asymmetry of the risk.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(i) Fulfilment cash flows (continued)

Determination of assumptions use for deterministic projections

For the deterministic projections, assumptions are made with respect to mortality, morbidity, rates of policy termination, operating expenses and certain taxes. Actual experience is monitored to ensure that assumptions remain appropriate and assumptions are changed as warranted. Assumptions are discussed in more detail in the following table.

Nature of factors and assumption methodology	Risk Management
Mortality Mortality relates to the occurrence of death. Mortality is a key assumption for life insurance and certain forms of annuities. Mortality assumptions are based on the Group's internal experience as well as past and emerging industry experience. Assumptions are differentiated by sex, underwriting class and policy type. Assumptions are made for future mortality improvements where applicable.	The Group maintains underwriting standards to determine the insurability of applicants. Claim trends are monitored on an ongoing basis. Exposure to large claims is managed by establishing policy retention limits. Policies in excess of the limits are reinsured with other companies.
Morbidity Morbidity relates to the occurrence of accidents and sickness for insured risks. Morbidity is a key assumption for long-term care insurance, disability insurance, critical illness and other forms of individual and group health benefits. Morbidity assumptions are based on the Group's internal experience as well as past and emerging industry experience and are established for each type of morbidity risk.	The Group maintains underwriting standards to determine the insurability of applicants. Claim trends are monitored on an ongoing basis. Exposure to large claims is managed by establishing policy retention limits. Policies in excess of the limits are reinsured with other companies.
Policy termination Policies are terminated through lapses and surrenders, where lapses represent the termination of policies due to non-payment of premiums and surrenders represent the voluntary termination of policies by policyholders. Premium persistency represents the level of ongoing deposits on contracts where there is policyholder discretion as to the amount and timing of deposits. Policy termination and premium persistency assumptions are primarily based on the Group's recent experience adjusted for expected future conditions.	The Group seeks to design products that minimise financial exposure to lapse, surrender and premium persistency risk. The Group monitors lapse, surrender and persistency experience.
Directly attributable expenses Directly attributable operating expense assumptions reflect the projected costs of maintaining and servicing in-force policies, including associated directly attributable overhead expenses. The directly attributable expenses are derived from internal cost studies projected into the future with an allowance for inflation.	The Group prices its products to cover the expected costs of servicing and maintaining them. In addition, the Group monitors expenses monthly, including comparisons of actual expenses to expense levels allowed for in pricing and valuation.
Directly attributable acquisitions expenses are derived from internal cost studies.	
Policyholder dividends, and other adjustable policy elements The best estimate projections for policyholder dividends, and other adjustable elements of policy benefits are determined to be consistent with management's expectation of how these elements will be managed should experience emerge consistently with the best estimate assumptions.	The Group monitors policy experience and adjusts policy benefits and other adjustable elements to reflect this experience. Policyholder dividends are reviewed annually for all businesses under a framework of Board-approved policyholder dividend policies.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(i) Fulfilment cash flows (continued)

Determination of assumptions use for deterministic projections (continued)

During the year, the Group updated the estimate of the Insurance Contract Liabilities, taking into consideration the participating policyholders' cumulative share of Investment Income tax. This change resulted in a one-off favourable impact to Insurance Finance Income and Expense as shown in note 11(f).

The Group reviews actuarial methods and assumptions on a regular basis. If changes are made to non-economic assumptions, the impact based on locked-in economic assumption would adjust the contractual service margin for general model and VFA contracts if there is any remaining contractual service margin for the group of policies where the change was made. This amount would then be recognised in income over the period of service provided. Changes could also impact net income and other comprehensive income to the extent that the contractual service margin has been depleted, or discount rates are different than the locked-in rates used to quantify changes to the contractual service margin.

(ii) Determination of discretionary changes

The terms of some contracts measured under the GMM give the Group discretion over the cash flows to be paid to the policyholders, either in their timing or in their amount. Changes in discretionary cash flows are regarded as relating to future service and accordingly adjusts the CSM. The Group determines how to identify a change in discretionary cash flows by specifying the basis on which it expects to determine its commitment under the contract; for example, based on a fixed interest rate, or on returns that vary based on specified asset returns. This determination is specified at the inception of the contract.

(iii) Discount rates

Insurance contract cash flows for non-participating business are discounted using risk free yield curves adjusted by an illiquidity premium to reflect the liquidity characteristics of the liabilities. Cash flows that vary based on the returns of underlying items are adjusted to reflect their variability under these adjusted yield curves. Each yield curve is interpolated between the spot rate at the last observable market data point and an ultimate spot rate which reflects the long-term real interest rate plus inflation expectations.

For participating business, insurance contract cash flows that vary based on the returns of underlying items are discounted at rates reflecting that variability.

For insurance contracts with cash flows that vary with the returns of underlying items and where the present value is measured by stochastic modelling, the cash flows are both projected and discounted at scenario specific rates calibrated on average to be the risk free yield curves adjusted for liquidity.

The spot rates used for discounting the liability cash flows are as follows and include an illiquidity premium determined with reference to net asset spreads indicative of the liquidity characteristics of the liabilities.

Portfolio	Currency	Observable years	Ultimate year	December 31, 2024					
				Years					
				1	5	10	20	30	Ultimate
Non-Par GMM	MYR	15	55	3.49%	3.98%	4.19%	4.10%	4.10%	4.10%
Non-Par Annuity	MYR	15	55	3.59%	4.08%	4.13%	4.09%	4.09%	4.10%
Unit Linked	MYR	15	55	3.49%	3.98%	4.19%	4.10%	4.10%	4.10%
UL MYR	MYR	15	55	3.49%	3.98%	4.99%	4.21%	4.21%	4.25%
Par Pre-05, Par Post-05	MYR	n/a	60	4.23%	4.55%	4.94%	5.51%	5.74%	5.74%
Par Annuity	MYR	n/a	60	4.30%	4.25%	4.59%	4.59%	4.59%	4.59%
Variable Annuities	USD	n/a	30	4.11%	4.34%	4.53%	4.80%	4.73%	4.73%

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(iii) Discount rates (continued)

Portfolio	Currency	Observable years	Ultimate year	December 31, 2023					
				Years					
				1	5	10	20	30	Ultimate
Non-Par GMM	MYR	15	55	3.40%	3.83%	4.13%	4.09%	4.09%	4.10%
Non-Par Annuity	MYR	15	55	3.50%	3.93%	3.90%	4.09%	4.09%	4.10%
Unit Linked	MYR	15	55	3.40%	3.83%	4.13%	4.09%	4.09%	4.10%
UL MYR	MYR	15	55	3.40%	3.83%	4.93%	4.21%	4.21%	4.25%
Par Pre-05, Par Post-05	MYR	n/a	60	4.73%	4.82%	5.07%	5.23%	5.57%	5.47%
Par Annuity	MYR	n/a	60	4.59%	4.81%	4.99%	4.99%	4.99%	4.99%
Variable Annuities	USD	n/a	30	4.72%	3.81%	3.85%	4.15%	3.99%	3.99%

Portfolio	Currency	Observable years	Ultimate year	December 31, 2024					
				Years					
				1	5	10	20	30	Ultimate
UL USD	USD	30	70	4.13%	5.54%	6.81%	6.76%	5.43%	4.97%

Portfolio	Currency	Observable years	Ultimate year	December 31, 2023					
				Years					
				1	5	10	20	30	Ultimate
UL USD	USD	30	70	4.43%	4.49%	6.40%	5.90%	3.80%	4.82%

Amounts presented in income for policies where changes in assumptions that relate to financial risk do not have a substantial impact on amounts paid to policyholders reflect discount rates locked in beginning with the adoption of IFRS 17 or locked in at issue for later insurance contracts. These policies include term insurance, guaranteed whole life insurance, and health products including critical illness and long-term care. For policies where changes in assumptions to financial risk have a substantial impact on amounts paid to policyholders, discount rates are updated as future cash flows change due to changes in financial risk, so that the amount presented in income from future changes in financial variables is zero. These policies include adjustable universal life contracts. Impacts from differences between current period rates and discount rates used to determine income are presented in other comprehensive income.

(iv) Risk Adjustment and confidence level used to determine risk adjustment

Risk adjustments for non-financial risk represent the compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts. The risk adjustment considers insurance, lapse and expense risks, includes both favourable and unfavourable outcomes, and reflects diversification benefits from the insurance contracts issued.

The Group has estimated the risk adjustment using a margin approach. This approach applies a margin for adverse deviation, typically in terms of a percentage of best estimate assumptions, where future cash flows are uncertain. The resulting cash flows are discounted at rates consistent with the best estimate cash flows to arrive at the total risk adjustment. The ranges of these margins are set by the Group and reviewed periodically.

The risk adjustment for non-financial risk for insurance contracts correspond to an 80% - 90% confidence level for all segments.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(v) Investment component, Investment-return and Investment-related service

The Group identifies the investment component, investment return-service (contract without direct participation features) and investment-related service (contract with direct participation features) of a contract as part of the product governance process.

Investment components are amounts that are to be paid to the policyholder under all circumstances. Investment components are excluded from insurance revenue and insurance service expenses.

Investment-return service and investment-related service are investment service rendered as part of an insurance contract and are part of the insurance contract service provided to the policyholder.

(vi) Relative weighting of the benefit provided by insurance coverage, investment-return service and investment related service

The contractual service margin is released into income when insurance contract services are provided, by using coverage units. Coverage units represent the quantity of service (insurance coverage, investment-return and investment-related services) provided and are determined by considering the benefit provided under the contract and its expected coverage duration. When the relative size of the investment-related service coverage or the investment-return service coverage unit is disproportionate compared to the insurance service coverage unit, or vice-versa, the Group must determine a relative weighting of the services to reflect the delivery of each of those services. The Group identifies the coverage units as part of the product governance process and did not identify contracts where such weighting was required.

(vii) Fair value approach ("FVA") to determine the Contractual Service Margin

The Group has elected the fair value approach ("FVA") as per MFRS 17.C20 to determine the Contractual Service Margin ("CSM") for all in-force policies sold up to 31 December 2020.

The key assumptions used in determining the fair value CSM are as summarised in the table below.

Fair Value CSM Component	Methodology
Own Credit Risk	A discounting adjustment of 5 basis points (bps) is applied to the discount rate used for discounting all cash flows, except for Participating blocks, which are separated from the overall general account.
Target hurdle rate for cost of capital calculation	10%
Cost of Capital Adjustment	A cost of capital adjustment is made based on the capital requirements calculated according to the local capital regime, with a target capital ratio of 180% is applied.
Risk Adjustment Diversification	45%, same as the reserving assumptions.
Tax Rate	24% (MIB) and 3% (MILL)
Expense Synergies	An expense synergy assumption is set at 50%.

(viii) Impairment assessment of intangible assets and investment in subsidiaries

The significant areas of estimation uncertainty and critical judgements in applying the accounting policy for impairment of intangible assets of the Group and investments in subsidiaries of the Company are disclosed in note 2(k), note 6 and note 7 to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

4. PROPERTY AND EQUIPMENT

Group	Note	Building RM'000	Work in progress RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Renovations RM'000	Total RM'000
Cost/valuation							
At 1 January 2023		21,098	3,331	28,792	1,322	14,623	69,166
Additions		-	3,926	374	8	178	4,486
Write off	20	-	-	(1,944)	-	-	(1,944)
Transfer from work-in-progress		-	(2,841)	987	-	1,854	-
Revaluation adjustment		(398)	-	-	-	-	(398)
Effect of exchange rate		-	-	4	-	3	7
At 31 December 2023/ 1 January 2024		20,700	4,416	28,213	1,330	16,658	71,317
Additions		-	3,298	417	560	676	4,951
Disposal		-	-	(146)	(221)	-	(367)
Write off	20	-	-	(520)	-	(277)	(797)
Transfer from work-in-progress		-	(3,375)	-	-	3,375	-
Transfer to investment property	5	-	(3,213)	-	-	-	(3,213)
Effect of exchange rate		-	-	(2)	-	(2)	(4)
At 31 December 2024		20,700	1,126	27,962	1,669	20,430	71,887
Comprising assets stated at 31 December 2024:							
Valuation		20,700	-	-	-	-	20,700
Cost		-	1,126	27,962	1,669	20,430	51,187
		20,700	1,126	27,962	1,669	20,430	71,887
Comprising assets stated at 31 December 2023:							
Valuation		20,700	-	-	-	-	20,700
Cost		-	4,416	28,213	1,330	16,658	50,617
		20,700	4,416	28,213	1,330	16,658	71,317
Accumulated depreciation							
At 1 January 2023		-	-	23,464	1,211	8,406	33,081
Charge for the financial year	20	469	-	1,515	108	1,480	3,572
Reversal on revaluation		(469)	-	-	-	-	(469)
Write off	20	-	-	(1,840)	-	-	(1,840)
At 31 December 2023/ 1 January 2024		-	-	23,139	1,319	9,886	34,344
Charge for the financial year	20	465	-	1,418	5	1,922	3,810
Reversal on revaluation		(465)	-	-	-	-	(465)
Disposal		-	-	(135)	(221)	-	(356)
Write off	20	-	-	(336)	-	(182)	(518)
At 31 December 2024		-	-	24,086	1,103	11,626	36,815
Carrying amount							
At 31 December 2024		20,700	1,126	3,876	566	8,804	35,072
At 31 December 2023		20,700	4,416	5,074	11	6,772	36,973

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

4. PROPERTY AND EQUIPMENT (CONTINUED)

Company	Note	Building RM'000	Work in progress RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Renovations RM'000	Total RM'000
Cost/valuation							
At 1 January 2023		10,714	214	3,256	935	3,763	18,882
Additions		-	620	18	-	174	812
Transfer from work-in-progress		-	(643)	19	-	624	-
Revaluation adjustment		(214)	-	-	-	-	(214)
At 31 December 2023/ 1 January 2024		10,500	191	3,293	935	4,561	19,480
Additions		-	1,255	45	-	584	1,884
Transfer to subsidiary		-	(1,394)	-	-	-	(1,394)
Write off	20	-	-	(70)	-	-	(70)
At 31 December 2024		10,500	52	3,268	935	5,145	19,900
Comprising assets stated at 31 December 2024:							
Valuation		10,500	-	-	-	-	10,500
Cost		-	52	3,268	935	5,145	9,400
		10,500	52	3,268	935	5,145	19,900
Comprising assets stated at 31 December 2023:							
Valuation		10,500	-	-	-	-	10,500
Cost		-	191	3,293	935	4,561	8,980
		10,500	191	3,293	935	4,561	19,480
Accumulated depreciation							
At 1 January 2023		-	-	2,862	866	2,359	6,087
Charge for the financial year	20	238	-	97	69	385	789
Reversal on revaluation		(238)	-	-	-	-	(238)
At 31 December 2023/ 1 January 2024		-	-	2,959	935	2,744	6,638
Charge for the financial year	20	239	-	88	-	467	794
Reversal on revaluation		(239)	-	-	-	-	(239)
At 31 December 2024		-	-	3,047	935	3,211	7,193
Net carrying amount							
At 31 December 2024		10,500	52	221	-	1,934	12,707
At 31 December 2023		10,500	191	334	-	1,817	12,842

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

4. PROPERTY AND EQUIPMENT (CONTINUED)

The net book value of the revalued building had this asset been carried at cost less accumulated depreciation is as follows:

	31.12.2024 RM'000	31.12.2023 RM'000
Group		
Building	10,731	11,110
Company		
Building	5,183	5,399

The fair value of the Group and Company's freehold property is determined based on the income approach by discounted cash flow method ("DCF method") conducted by an independent qualified valuer, Justin Chee Ting Hwang, MRICS, MRISM, MPEPS, Registered Valuer (V-774) of Knight Frank Malaysia Sdn. Bhd. (200201017816 (585479-A) (VE (1) 0141)). The valuation of the freehold property was adopted for the financial year ended 31 December 2024. The recognised revalued amount was based on the valuation exercise performed as at 31 December 2024.

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 the freehold property is classified within Level 3 of the fair value hierarchy. There were no transfers between Level 1, 2, and 3 of the fair value hierarchy during the current and previous financial years.

The fair value of the property is as follows:

	31.12.2024	31.12.2023
Group		
Fair value as stated in valuation report	20,700	20,700
Company		
Fair value as stated in valuation report	10,500	10,500

The reconciliation from beginning to ending balances for the freehold property is as disclosed on page 147 to page 148.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

4. PROPERTY AND EQUIPMENT (CONTINUED)

Description of valuation techniques used and significant unobservable inputs to valuation of freehold property are as set out below:

Valuation technique		Significant unobservable inputs	Range
2024 Freehold property	Income approach DCF Method	Projected period	10 years
		Projected occupancy	96.29% to 98.05%
		Projected gross revenue (office and retail)	RM4.80 psf to RM5.93 psf
		Compounded annual growth rate ("CAGR") on revenue	2.15%
		Projected outgoings (office and retail)	RM2.00 psf to RM2.29 psf
		CAGR on outgoings (office and retail)	1.55%
		Discount rate	8.00%
2023 Freehold 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%

A 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 property.

5. INVESTMENT PROPERTY

	Note	31.12.2024 RM'000	31.12.2023 RM'000
Group			
At 1 January		82,300	78,902
Transfer from property and equipment	4	3,213	-
Fair value (loss)/gain	18	(2,713)	3,398
At 31 December		82,800	82,300
Represented by:			
Freehold property		82,800	82,300

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

5. INVESTMENT PROPERTY (CONTINUED)

	Note	31.12.2024 RM'000	31.12.2023 RM'000
Company			
At 1 January		35,358	32,584
Fair value (loss)/gain	18	(500)	2,774
At 31 December		34,858	35,358
Represented by:			
Freehold property		34,858	35,358

The following are amounts arising from investment property that have been recognised in the profit or loss during the financial year:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Rental income (note 18)	4,993	4,223	4,443	3,705
Direct operating expenses arising from investment property that generate rental income	(3,620)	(3,888)	(1,851)	(2,078)
Direct operating expenses arising from investment property that did not generate rental income	(622)	(622)	(300)	(300)

The fair value of the Group and Company's investment property is determined based on the income approach by discounted cash flow method ("DCF method") conducted by an independent qualified valuer, Justin Chee Ting Hwang, MRICS, MRISM, MPEPS, Registered Valuer (V-774) of Knight Frank Malaysia Sdn. Bhd. (200201017816 (585479-A) (VE (1) 0141)). The valuation of the investment property was adopted for the financial year ended 31 December 2024. The recognised revalued amount was based on the valuation exercise performed as at 31 December 2024.

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.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

5. INVESTMENT PROPERTY (CONTINUED)

The fair value of the investment property is categorised under Level 3 of the fair value hierarchy. There were no transfers between Level 1, 2, and 3 of the fair value hierarchy during the current and previous financial years.

Description of valuation techniques used and significant unobservable inputs to valuation of investment property are as set out below:

Valuation technique		Significant unobservable inputs	Range
2024 Investment property	Income approach DCF Method	Projected period	10 years
		Projected occupancy	96.29% to 98.05%
		Projected gross revenue (office and retail)	RM4.80 psf to RM5.93 psf
		Compounded annual growth rate ("CAGR") on revenue	2.15%
		Projected outgoings (office and retail)	RM2.00 psf to RM2.29 psf
		CAGR on outgoings (office and retail)	1.55%
		Discount rate	8.00%
2023 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%

A 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 investment property.

The reconciliation from beginning to ending balances for investment property is as disclosed on page 151.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

6. INTANGIBLE ASSETS

Group	Note	Management rights RM'000	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		86,815	43,000	37,899	6,229	28,739	202,682
Additions		-	106,637	224	3,384	-	110,245
Transfer from computer software in progress		-	-	3,606	(3,606)	-	-
Write off	20	-	-	(1)	(1,957)	-	(1,958)
Effect of exchange rate		-	-	26	7	-	33
At 31 December 2023/ 1 January 2024		86,815	149,637	41,754	4,057	28,739	311,002
Additions		-	-	129	2,654	-	2,783
Transfer from computer software in progress		-	-	3,795	(3,795)	-	-
Write off		-	-	(5)	-	-	(5)
Effect of exchange rate		-	-	(20)	4	-	(16)
At 31 December 2024		86,815	149,637	45,653	2,920	28,739	313,764
Accumulated amortisation							
At 1 January 2023		-	43,000	32,295	-	118	75,413
Amortisation during the financial year	20	-	1,199	2,249	-	39	3,487
Write off	20	-	-	(1)	-	-	(1)
Effect of exchange rate		-	-	31	-	-	31
At 31 December 2023/ 1 January 2024		-	44,199	34,574	-	157	78,930
Amortisation during the financial year	20	-	3,566	3,919	-	513	7,998
Write off	20	-	-	(5)	-	-	(5)
Effect of exchange rate		-	-	(12)	-	-	(12)
At 31 December 2024		-	47,765	38,476	-	670	86,911
Accumulated impairment							
At 1 January 2023/ 31 December 2023/ 31 December 2024		-	-	1,025	-	-	1,025
Net carrying amount							
At 31 December 2024		86,815	101,872	6,152	2,920	28,069	225,828
At 31 December 2023		86,815	105,438	6,155	4,057	28,582	231,047

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

6. INTANGIBLE ASSETS (CONTINUED)

Company	Note	Computer software RM'000	Total RM'000
Cost			
At 1 January 2023/31 December 2023/31 December 2024		139	139
Accumulated amortisation			
At 1 January 2023		137	137
Amortisation during the financial year		2	2
At 31 December 2023/31 December 2024		139	139
Net carrying amount			
At 31 December 2024		-	-
At 31 December 2023		-	-

(i) Management rights

The Management rights relate to the investment management agreements arising from the acquisition of a subsidiary. The Group believes that the investment management agreements have an indefinite useful life. In performing the impairment assessment on this intangible asset, the Group compared the recoverable amount against the carrying amount of the intangible asset as of 31 December 2024. The Group is of the opinion that the recoverable amount, based on its value-in-use is higher than the carrying amount, and accordingly there is no allowance for impairment loss to be considered on this intangible asset.

The fair value of the identifiable intangible assets (using value-in-use) is calculated based on the net cash inflow expected to be generated from managing the total funds acquired, using the following assumptions:

2024

Discount rate : 10.15%
 Fee income growth rate : Average 9.32% throughout the 10 years projection
 Expense growth rate : Average 5% throughout the 10 years projection
 Terminal value : 2.24% of average Assets Under Management at the 10th year
 (based on comparable current market transactions)

2023

Discount rate : 7%
 Fee income growth rate : Average 10.6% throughout the 10 years projection
 Expense growth rate : Average 7% throughout the 10 years projection
 Terminal value : 1.65% of average Assets Under Management at the 10th year
 (based on comparable current market transactions)

(ii) Exclusive right

The Exclusive right is a definite life intangible asset and relates to a 10-year exclusive bancassurance agreement entered into between the subsidiary, Manulife Insurance Berhad and Alliance Bank Malaysia Berhad ("ABMB") on 13 June 2013. The Exclusive right was extended for a further 15 years on 28 July 2023 and is amortised in accordance with note 2(e)(ii).

(iii) Distribution agreement

The distribution agreement relates to a 20-year distribution right entered into between the subsidiary, Manulife Insurance Berhad and an agency leadership corporation, on 23 September 2019 and is amortised in accordance with note 2(e)(iv). The distribution right is partially paid at the reporting dates. The remaining amount payable under the distribution agreement over the contract term is as disclosed in note 15(ii).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

7. SUBSIDIARIES

	Company	
	31.12.2024 RM'000	31.12.2023 RM'000
Unquoted shares at cost	410,811	410,811
Accumulated impairment losses	(6,793)	(6,793)
	404,018	404,018

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective interest		Principal activities
		2024 %	2023 %	
Held by the Company:				
Manulife Insurance Berhad	Malaysia	100	100	Life insurance business
Manulife Investment Management (M) Berhad	Malaysia	100	100	Management of unit trust funds, private retirement schemes, investment and fund management
Manulife Insurance Labuan Limited	Malaysia	100	100	Labuan life insurance business and life insurance broking business
Britama Properties Sdn. Bhd.	Malaysia	100	100	Property rental and management
Held through subsidiaries and the Company:				
Manulife Cash Management Fund *	Malaysia	100	100	Investment in money market fund
Manulife Wholesale Corporate Bond Fund	Malaysia	100	100	Investment in corporate bonds
Manulife Wholesale Government Bond Fund	Malaysia	100	100	Investment in sovereign bonds

- * The financial statement of the subsidiary is not coterminous with those of the Group. For the purpose of consolidation, the audited financial statement of the subsidiary for the financial year ended 31 October 2024 and management financial statements to the end of the accounting period of 31 December 2024 have been used. The subsidiary is audited by a firm of Chartered Accountants other than Ernst & Young PLT.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

8. FINANCIAL ASSETS

(a) Fair value through other comprehensive income

Group	31.12.2024 RM'000	31.12.2023 RM'000
Malaysian Government Securities	681,278	473,348
Government Investment Issues	535,550	476,257
Corporate debt securities		
- Unquoted in Malaysia	2,249,224	2,201,730
- Quoted outside Malaysia	248,474	282,122
Private debt securities		
- Unquoted outside Malaysia	25,833	14,186
Accrued interest	40,947	39,113
Total mandatorily measured at FVOCI	3,781,306	3,486,756
Current	189,832	264,963
Non-current	3,591,474	3,221,793
	3,781,306	3,486,756

(b) Fair value through profit or loss

Group	31.12.2024 RM'000	31.12.2023 RM'000
Equity securities		
- Quoted in Malaysia	624,815	592,647
- Quoted outside Malaysia	58,446	100,944
- Unquoted in Malaysia	19,683	12,682
Private equity funds		
- Unquoted outside Malaysia	80,130	56,985
Structured product	152,675	66,146
Real estate investment trusts	6,820	13,513
Unit trust funds*	2,588	1,641
Derivatives (note 8(c))	2,023	1,153
Total mandatorily measured at FVTPL	947,180	845,711
Malaysian Government Securities	49,686	24,018
Government Investment Issues	47,715	31,848
Corporate debt securities		
- Unquoted in Malaysia	323,424	305,650
Accrued interest	6,872	5,514
Total designated upon initial recognition at FVTPL	427,697	367,030
	1,374,877	1,212,741
Current	979,391	875,441
Non-current	395,486	337,300
	1,374,877	1,212,741

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

8. FINANCIAL ASSETS (CONTINUED)

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

Company	31.12.2024 RM'000	31.12.2023 RM'000
Equity securities		
- Quoted in Malaysia	11,981	-
- Unquoted in Malaysia	1,659	1,755
Real estate investment trusts	134	-
Unit trust funds*	105,596	51,771
Total mandatorily measured at FVTPL	119,370	53,526
Current	119,370	53,526
	119,370	53,526

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

(c) Financial asset/(liability) at fair value through profit or loss

Derivatives

The table below shows the fair value of derivative financial instruments of the Group, recorded as asset or liability, together with their notional amounts. The notional amount, recorded 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 are recognised as financial asset or financial liability in accordance with the policy described in note 2(g)(i)(4) and note 2(i).

Group	Notional amount RM'000	Fair value gain/(loss) recognised as		Net carrying amount RM'000
		Financial asset RM'000	Financial liability RM'000	
31 December 2024				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year (note 8(b))	63,343	2,023	-	2,023
Equity index option				
- Net short position				
- Less than 1 year	208	-	(4)	(4)
31 December 2023				
Hedging derivative:				
Forward foreign exchange contract				
- Less than 1 year (note 8(b))	54,018	1,153	-	1,153

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

9. FINANCIAL ASSETS AT AMORTISED COST

Group	31.12.2024 RM'000	31.12.2023 RM'000
Loans receivable:		
Mortgage loans	20,685	21,705
Staff loans	246	422
Other unsecured loans	7,088	5,747
	28,019	27,874
Allowance for impairment loss	(90)	(90)
(i)	27,929	27,784
Fixed and call deposits with licensed banks in Malaysia	290,339	322,525
Accrued interest	319	459
(ii)	290,658	322,984
Other receivables:		
Amount due from related companies (note 26)	1,004	1,303
Accrued dividend income	282	737
Accrued rental income	76	164
Deposits	1,538	1,536
Amount due from trustees	20,937	24,124
Other debtors	17,625	15,809
	41,462	43,673
Allowance for impairment loss	(1,075)	(1,075)
(iii)	40,387	42,598
Total	358,974	393,366
Company	31.12.2024 RM'000	31.12.2023 RM'000
Loans receivable:		
Staff loans	1	1
(i)	1	1
Other receivables:		
Amount due from subsidiaries (note 26)	34,173	3,959
Accrued dividend income	5	-
Accrued rental income	3	25
Deposits	415	368
Other debtors	2,831	2,385
	37,427	6,737
Allowance for impairment loss	(1,075)	(1,075)
(iii)	36,352	5,662
Total	36,353	5,663

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

9. FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

Group		31.12.2024 RM'000	31.12.2023 RM'000
(i)	Loans receivable:		
	Receivable within 12 months	1,585	1,638
	Receivable after 12 months	26,344	26,146
		27,929	27,784
(ii)	Fixed and call deposits with licensed banks in Malaysia:		
	Receivable within 12 months	290,658	322,984
		290,658	322,984
(iii)	Other receivables:		
	Receivable within 12 months	38,849	41,062
	Receivable after 12 months	1,538	1,536
		40,387	42,598
Company		31.12.2024 RM'000	31.12.2023 RM'000
(i)	Loans receivable:		
	Receivable after 12 months	1	1
(iii)	Other receivables:		
	Receivable within 12 months	35,937	5,294
	Receivable after 12 months	415	368
		36,352	5,662

The carrying amounts of other receivables and fixed and call deposits approximate fair values due to the relatively short-term maturity of these balances. The carrying amount of loans receivable approximates fair value due to the insignificant impact of discounting.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

10. LEASES

(a) Right-of-use assets

Group	Note	Office Rental RM'000	Total RM'000
At 1 January 2023		3,478	3,478
Additions		959	959
Depreciation	20	(1,767)	(1,767)
Effect of exchange rate		5	5
At 31 December 2023/1 January 2024		2,675	2,675
Additions		528	528
Depreciation	20	(1,603)	(1,603)
Effect of exchange rate		(2)	(2)
At 31 December 2024		1,598	1,598

This note provides information for leases where the Group is a lessee.

The Group has entered into operating lease agreements for office rental. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 3 years.

The Group also has certain leases of office equipment with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The following are the amounts recognised in profit or loss:

	Note	2024 RM'000	2023 RM'000
Group			
Depreciation of right-of-use assets	20	1,603	1,767
Interest expense on lease liabilities	25	78	96
Expense related to short-term leases	20	110	16
Expense related to leases of low-value assets	20	117	174
Total amount recognised in profit or loss		1,908	2,053
Total cash outflow for leases		1,908	2,034
Company			
Expense related to short-term leases	20	79	76
Expense related to leases of low-value assets	20	1	2
Total amount recognised in profit or loss		80	78
Total cash outflow for leases		80	78

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

10. LEASES (CONTINUED)

(b) Lease liabilities

Group	Office Rental RM'000	Total RM'000
Lease liabilities		
At 1 January 2023	3,506	3,506
Increase	959	959
Payment of lease liabilities	(1,844)	(1,844)
Interest expense on lease liabilities	96	96
At 31 December 2023/1 January 2024	2,717	2,717
Increase	528	528
Payment of lease liabilities	(1,681)	(1,681)
Interest expense on lease liabilities	78	78
At 31 December 2024	1,642	1,642
	2024	2023
	RM'000	RM'000
Of which are:		
Current lease liabilities	1,103	1,505
Non-current lease liabilities	539	1,212
	1,642	2,717

11. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES

(a) Composition

Portfolio of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statements of financial position.

The components of net insurance and reinsurance contract (assets) and liabilities are shown below.

Group	Assets RM'000	Liabilities RM'000	Net RM'000
31 December 2024			
Insurance contracts issued	-	4,144,996	4,144,996
Reinsurance contracts held	(2,115)	19,806	17,691
Segregated funds	-	1,631,232	1,631,232
Net insurance and reinsurance contracts liabilities	(2,115)	5,796,034	5,793,919
31 December 2023			
Insurance contracts issued	-	3,897,957	3,897,957
Reinsurance contracts held	(303)	35,108	34,805
Segregated funds	-	1,406,253	1,406,253
Net insurance and reinsurance contracts liabilities	(303)	5,339,318	5,339,015

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts

The following reconciliations show how the net carrying amounts of insurance contracts and reinsurance contracts held changed during the year for each reporting segment. The changes are due to cashflows and amounts recognised in the statements of profit or loss and statements of total other comprehensive income.

There are two types of tables presented:

- Tables which analyse movements in the liabilities for remaining coverage and liabilities for incurred claims separately and reconciles them to the relevant statement of profit or loss and statements of total other comprehensive income line items.
- Tables which analyse movements of contracts by measurement components including estimates of the present value of future cash flows, risk adjustment and CSM for portfolios.

Included within the 'Cash flows and other movements' in the following tables are amounts that are transferred to other items in the statement of financial position. The fulfilment cash flows may include amounts that are in the scope of a standard other than MFRS 17. For example, the Group has included some building depreciation costs in the fulfilment cash flows under paragraph B65(l) of MFRS 17. The Group removes such costs from the fulfilment cash flows when they are incurred and included in the carrying amount of another asset or liability (e.g. property and equipment) in accordance with the other standard.

(i) Insurance contracts issued - analysis by remaining coverage and incurred claims

The following table presents the movement in the net assets or liabilities for insurance contracts issued, showing the liabilities for remaining coverage and the liabilities for incurred claims.

Group	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 2024					
Insurance contract liabilities	3,653,197	47,096	197,413	251	3,897,957
Segregated funds insurance net liabilities	1,406,253	-	-	-	1,406,253
	5,059,450	47,096	197,413	251	5,304,210
Insurance revenue					
Expected incurred claims and other insurance service expenses	(257,624)	-	-	-	(257,624)
Change in risk adjustment for non-financial risk expired	(30,943)	-	-	-	(30,943)
CSM recognised for service provided	(74,024)	-	-	-	(74,024)
Recovery of insurance acquisition cashflows	(69,477)	-	-	-	(69,477)
Contracts under PAA	(7,351)	-	-	-	(7,351)
	(439,419)	-	-	-	(439,419)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(i) Insurance contracts issued - analysis by remaining coverage and incurred claims (continued)

Group (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	
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	263,118	5,887	269,005
Losses and reversal of losses on onerous contracts (future service)	-	4,812	-	-	4,812
Amortisation of insurance acquisition cashflow	70,793	-	-	-	70,793
	70,793	4,812	263,118	5,887	344,610
Investment components and premium refunds	(343,814)	-	343,814	-	-
Insurance service results	(712,440)	4,812	606,932	5,887	(94,809)
Insurance finance expenses	227,437	410	9,200	3	237,050
Effects of exchange rates upon consolidation	(9,727)	(101)	(15)	-	(9,843)
Total changes in the statements of profit or loss and other comprehensive income	(494,730)	5,121	616,117	5,890	132,398
Cash flows and other movements					
Premiums and premium tax received	981,452	-	-	-	981,452
Claims and other insurance service expenses paid, including investment components	-	-	(591,632)	(490)	(592,122)
Insurance acquisition cash flows	(274,689)	-	-	-	(274,689)
Total cash flows and other movements	706,763	-	(591,632)	(490)	114,641
Movements related to segregated funds insurance net liabilities	224,979	-	-	-	224,979
At 31 December 2024					
Insurance contract liabilities	3,865,230	52,217	221,898	5,651	4,144,996
Segregated funds insurance net liabilities	1,631,232	-	-	-	1,631,232
	5,496,462	52,217	221,898	5,651	5,776,228

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(i) Insurance contracts issued - analysis by remaining coverage and incurred claims (continued)

Group	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 funds insurance net liabilities	1,324,405	-	-	-	1,324,405
	4,664,114	45,752	166,062	1	4,875,929
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	(5,380)	-	-	-	(5,380)
	(360,214)	-	-	-	(360,214)
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	42,967	-	-	-	42,967
	42,967	970	236,089	(690)	279,336
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	12,202	(7)	17	-	12,212
Total changes in the statements of profit or loss and other comprehensive income	(355,287)	1,344	569,068	(690)	214,435

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(i) Insurance contracts issued - analysis by remaining coverage and incurred claims (continued)

Group (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	
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	(245,092)	-	-	-	(245,092)
Total cash flows and other movements	668,775	-	(537,717)	940	131,998
Movements related to segregated funds 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 funds insurance net liabilities	1,406,253	-	-	-	1,406,253
	5,059,450	47,096	197,413	251	5,304,210

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(ii) Insurance contracts issued - analysis by measurement components

The following table presents the movement in the net assets or liabilities for insurance contracts issued, showing estimates of the present value of future cash flows, risk adjustment and CSM.

Group	Estimates of PV of future cash flows RM'000	Risk adjustments for non-financial risk RM'000	CSM		Total RM'000
			Fair value RM'000	Others RM'000	
At 1 January 2024					
Insurance contract liabilities	3,231,984	229,859	318,202	117,912	3,897,957
Segregated funds insurance net liabilities	1,406,253	-	-	-	1,406,253
	4,638,237	229,859	318,202	117,912	5,304,210
Changes that relate to current services					
CSM recognised for services provided	-	-	(56,245)	(17,779)	(74,024)
Change in risk adjustment for non-financial risk expired	-	(30,943)	-	-	(30,943)
Experience adjustments	5,346	-	-	-	5,346
	5,346	(30,943)	(56,245)	(17,779)	(99,621)
Changes that relate to future services					
Contracts initially recognised in the year	(59,528)	28,076	-	38,113	6,661
Changes in estimates that adjust the CSM	(82,547)	11,133	70,041	1,373	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	456	(2,305)	-	-	(1,849)
	(141,619)	36,904	70,041	39,486	4,812
Insurance service results	(136,273)	5,961	13,796	21,707	(94,809)
Insurance finance expenses	226,275	3,813	3,793	3,169	237,050
Effects of exchange rates upon consolidation	(9,462)	(278)	-	(103)	(9,843)
Total changes in the statement of profit or loss and other comprehensive income	80,540	9,496	17,589	24,773	132,398
Cash flows and other movements	114,641	-	-	-	114,641
Movements related to segregated funds insurance net liabilities	224,979	-	-	-	224,979
At 31 December 2024					
Insurance contract liabilities	3,427,165	239,355	335,791	142,685	4,144,996
Segregated funds insurance net liabilities	1,631,232	-	-	-	1,631,232
	5,058,397	239,355	335,791	142,685	5,776,228

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(ii) Insurance contracts issued - analysis by measurement components (continued)

Group	Estimates of PV of future cash flows RM'000	Risk adjustments for non-financial risk RM'000	CSM		Total RM'000
			Fair value RM'000	Others RM'000	
At 1 January 2023					
Insurance contract liabilities	2,920,753	288,553	248,325	93,893	3,551,524
Segregated funds insurance net liabilities	1,324,405	-	-	-	1,324,405
	4,245,158	288,553	248,325	93,893	4,875,929
Changes that relate to current services					
CSM recognised for services provided	-	-	(36,394)	(12,076)	(48,470)
Change in risk adjustment for non-financial risk expired	-	(35,416)	-	-	(35,416)
Experience adjustments	2,038	-	-	-	2,038
	2,038	(35,416)	(36,394)	(12,076)	(81,848)
Changes that relate to future services					
Contracts initially recognised in the year	(48,359)	34,905	-	28,314	14,860
Changes in estimates that adjust the CSM	(43,688)	(63,068)	100,751	6,005	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(14,070)	180	-	-	(13,890)
	(106,117)	(27,983)	100,751	34,319	970
Insurance service results	(104,079)	(63,399)	64,357	22,243	(80,878)
Insurance finance expenses	272,759	4,426	4,285	1,631	283,101
Effects of exchange rates upon consolidation	10,553	279	1,235	145	12,212
Total changes in the statement of profit or loss and other comprehensive income	179,233	(58,694)	69,877	24,019	214,435
Cash flows and other movements	131,998	-	-	-	131,998
Movements related to segregated funds insurance net liabilities	81,848	-	-	-	81,848
At 31 December 2023					
Insurance contract liabilities	3,231,984	229,859	318,202	117,912	3,897,957
Segregated funds insurance net liabilities	1,406,253	-	-	-	1,406,253
	4,638,237	229,859	318,202	117,912	5,304,210

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(iii) Reinsurance contracts held - Analysis by remaining coverage and incurred claims

The following table presents the movement in the net assets or liabilities for reinsurance contracts held, showing assets for remaining coverage and amounts recoverable on incurred claims arising from business ceded to reinsurers.

Group	Liabilities for remaining coverage		Amount recoverable: incurred claims RM'000	Total RM'000
	Excluding loss recovery component RM'000	Loss recovery component RM'000		
At 1 January 2024				
Reinsurance contract assets	787	-	(1,090)	(303)
Reinsurance contract liabilities	63,567	(1,940)	(26,519)	35,108
	64,354	(1,940)	(27,609)	34,805
Allocation of reinsurance premiums paid				
Expected recovery for claims and other expenses	48,145	-	-	48,145
Change in risk adjustment for non-financial risk expired	2,464	-	-	2,464
Net cost/gain recognised	8,354	-	-	8,354
Experience refunds	(3,602)	-	-	(3,602)
	55,361	-	-	55,361
Amounts recoverable from reinsurers				
Recoveries of incurred claims and expenses	-	471	(52,315)	(51,844)
Change in risk adjustment for non-financial risk expired	-	40	-	40
Recoveries of losses and reversal of loss recovery on onerous contracts (future service)	-	(823)	-	(823)
	-	(312)	(52,315)	(52,627)
Net expenses from reinsurance contracts	55,361	(312)	(52,315)	2,734
Reinsurance finance expenses/(income)	6,484	(81)	-	6,403
Effect of changes in non-performance risk of reinsurers	162	-	-	162
Effects of exchange rates upon consolidation	126	2	3	131
Total changes in the statements of profit or loss and other comprehensive income	62,133	(391)	(52,312)	9,430
Cash flows				
Premiums paid	(62,528)	-	-	(62,528)
Amounts received	-	-	35,984	35,984
Total cash flows	(62,528)	-	35,984	(26,544)
At 31 December 2024				
Reinsurance contract assets	1,555	-	(3,670)	(2,115)
Reinsurance contract liabilities	62,404	(2,331)	(40,267)	19,806
	63,959	(2,331)	(43,937)	17,691

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(iii) Reinsurance contracts held - Analysis by remaining coverage and incurred claims (continued)

Group	Liabilities for remaining coverage		Amount recoverable: incurred claims RM'000	Total RM'000
	Excluding loss recovery component RM'000	Loss recovery component RM'000		
At 1 January 2023				
Reinsurance contract assets	844	-	(1,159)	(315)
Reinsurance contract liabilities	85,937	(74)	(30,883)	54,980
	86,781	(74)	(32,042)	54,665
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
	53,536	-	-	53,536
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)
	-	(1,813)	(47,844)	(49,657)
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				
	57,681	(1,866)	(47,853)	7,962
Cash flows				
Premiums paid	(80,108)	-	-	(80,108)
Amounts received	-	-	52,286	52,286
Total cash flows	(80,108)	-	52,286	(27,822)
At 31 December 2023				
Reinsurance contract assets	787	-	(1,090)	(303)
Reinsurance contract liabilities	63,567	(1,940)	(26,519)	35,108
	64,354	(1,940)	(27,609)	34,805

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(iv) Reinsurance contracts held - analysis by measurement components

The following table presents the movement in the net assets or liabilities for reinsurance contracts issued, showing estimates of the present value of future cash flows, risk adjustment and CSM.

Group	Estimates of PV of future cash flows RM'000	Risk adjustments for non-financial risk RM'000	CSM		Total RM'000
			Fair value RM'000	Others RM'000	
At 1 January 2024					
Reinsurance contract assets	(303)	-	-	-	(303)
Reinsurance contract liabilities	93,646	(27,993)	(26,786)	(3,759)	35,108
	93,343	(27,993)	(26,786)	(3,759)	34,805
Changes that relate to current services					
Net cost/gain recognised	-	-	7,035	1,319	8,354
Change in risk adjustment for non-financial risk expired	-	2,504	-	-	2,504
Experience adjustments	(7,301)	-	-	-	(7,301)
	(7,301)	2,504	7,035	1,319	3,557
Changes that relate to future services					
Contracts initially recognised in the year	(4,570)	(5,643)	-	8,079	(2,134)
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(490)	(490)
Changes in estimates that adjust the CSM	1,566	1,192	768	(3,526)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	1,801	-	-	-	1,801
	(1,203)	(4,451)	768	4,063	(823)
Net expenses from reinsurance contracts	(8,504)	(1,947)	7,803	5,382	2,734
Reinsurance finance expenses/(income)	7,354	(521)	(533)	103	6,403
Effect of changes in non-performance risk of reinsurers	162	-	-	-	162
Effects of exchange rates upon consolidation	127	173	(187)	18	131
Total changes in the statement of profit or loss and other comprehensive income	(861)	(2,295)	7,083	5,503	9,430
Cash flows	(26,544)	-	-	-	(26,544)
At 31 December 2024					
Reinsurance contract assets	(2,115)	-	-	-	(2,115)
Reinsurance contract liabilities	68,053	(30,288)	(19,703)	1,744	19,806
	65,938	(30,288)	(19,703)	1,744	17,691

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

(iv) Reinsurance contracts held - analysis by measurement components (continued)

Group	Estimates of PV of future cash flows RM'000	Risk adjustments for non-financial risk RM'000	CSM		Total RM'000
			Fair value RM'000	Others RM'000	
At 1 January 2023					
Reinsurance contract assets	10,191	(1,923)	(8,582)	(1)	(315)
Reinsurance contract liabilities	89,587	(19,031)	(13,098)	(2,478)	54,980
	99,778	(20,954)	(21,680)	(2,479)	54,665
Changes that relate to current services					
Net cost/gain recognised	-	-	8,124	986	9,110
Change in risk adjustment for non-financial risk expired	-	2,061	-	-	2,061
Experience adjustments	(4,955)	-	-	-	(4,955)
	(4,955)	2,061	8,124	986	6,216
Changes that relate to future services					
Contracts initially recognised in the year	(3,928)	(5,438)	-	8,112	(1,254)
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(770)	(770)
Changes in estimates that adjust the CSM	23,835	(1,040)	(13,199)	(9,596)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	(395)	82	-	-	(313)
	19,512	(6,396)	(13,199)	(2,254)	(2,337)
Net expenses from reinsurance contracts					
Reinsurance finance expenses/(income)	7,536	(2,530)	(443)	46	4,609
Effect of changes in non-performance risk of reinsurers	(125)	-	-	-	(125)
Effects of exchange rates upon consolidation	(581)	(174)	412	(58)	(401)
Total changes in the statement of profit or loss and other comprehensive income					
	21,387	(7,039)	(5,106)	(1,280)	7,962
Cash flows	(27,822)	-	-	-	(27,822)
At 31 December 2023					
Reinsurance contract assets	(303)	-	-	-	(303)
Reinsurance contract liabilities	93,646	(27,993)	(26,786)	(3,759)	35,108
	93,343	(27,993)	(26,786)	(3,759)	34,805

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(c) Insurance revenue by transition approaches

The following table provides information as a supplement to the insurance revenue disclosures in note 11 (b).

Group	31.12.2024 RM'000	31.12.2023 RM'000
Life insurance contracts issued		
Contracts under fair value approach	236,386	231,546
Contracts under full retrospective approach	48,358	49,691
Other contracts	154,675	78,977
	439,419	360,214
Reinsurance contracts held		
Contracts under fair value approach	(48,163)	(56,858)
Contracts under full retrospective approach	(5,152)	788
Other contracts	(2,046)	2,534
	(55,361)	(53,536)

(d) Effect of new business recognised in the year

(i) The following tables present components of new business for insurance contracts issued.

Group	31.12.2024	
	Non-Onerous RM'000	Onerous RM'000
Estimates of present value of future cash outflows	(459,743)	(216,529)
Insurance acquisition cash flows	(154,057)	(90,784)
Claims and other insurance service expenses payable	(305,686)	(125,745)
Estimates of present value of future cash inflows	510,761	225,039
Risk adjustment for non-financial risk	(12,905)	(15,171)
Contractual service margin	(38,113)	-
Losses on onerous contracts at initial recognition	-	(6,661)

Group	31.12.2023	
	Non-Onerous RM'000	Onerous RM'000
Estimates of present value of future cash outflows	(331,750)	(338,200)
Insurance acquisition cash flows	(98,885)	(125,866)
Claims and other insurance service expenses payable	(232,865)	(212,334)
Estimates of present value of future cash inflows	371,626	346,683
Risk adjustment for non-financial risk	(11,562)	(23,343)
Contractual service margin	(28,314)	-
Losses on onerous contracts at initial recognition	-	(14,860)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(d) Effect of new business recognised in the year (continued)

(ii) The following tables present components of new business for reinsurance contracts held.

Group	2024 RM'000	2023 RM'000
Estimates of present value of future cash outflows	(54,820)	(37,641)
Estimates of present value of future cash inflows	59,390	41,569
Risk adjustment for non-financial risk	5,643	5,438
Contractual service margin	(8,079)	(8,112)
Recoveries of losses on onerous contracts at initial recognition	2,134	1,254

(e) Expected recognition of contractual service margin

Group	Less than 1 year RM'000	1 to 5 years RM'000	5 to 10 years RM'000	10 to 20 years RM'000	More than 20 years RM'000	Total RM'000
31 December 2024						
Insurance contracts issued	56,835	174,492	123,304	94,025	29,820	478,476
Reinsurance contracts held	(5,170)	(7,782)	(2,788)	(1,962)	(257)	(17,959)
	51,665	166,710	120,516	92,063	29,563	460,517
31 December 2023						
Insurance contracts issued	52,529	159,281	112,494	85,347	26,463	436,114
Reinsurance contracts held	(8,389)	(14,525)	(4,304)	(3,015)	(312)	(30,545)
	44,140	144,756	108,190	82,332	26,151	405,569

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(f) Investment income and insurance finance income and expense

For the year ended December 31, 2024 Group	Insurance contracts RM'000	Non-insurance RM'000	Total RM'000
Total investment income	318,197	26,534	344,731
Portion recognised in statement of profit or loss (Note 18)	323,528	26,534	350,062
Portion recognised in other comprehensive income	(5,331)	-	(5,331)
Insurance finance expense from insurance contracts issued and effect of movement in exchange rates			
Interest accreted to insurance contracts using locked-in rate	(59,628)	-	(59,628)
Due to changes in interest rates and other financial assumptions	(24,409)	-	(24,409)
Changes in fair value of underlying items of direct participation contracts ¹	(125,794)	-	(125,794)
Effects of risk mitigation option	690	-	690
Net foreign exchange expense	13	-	13
Other insurance finance expenses	(27,922)	-	(27,922)
Total insurance finance expense from insurance contracts issued	(237,050)	-	(237,050)
Portion recognised in statement of profit or loss	(248,517)	-	(248,517)
Portion recognised in other comprehensive income	11,467	-	11,467
Reinsurance finance expense from reinsurance contracts held and effect of movement in foreign exchange rates			
Interest accreted to reinsurance contracts using locked-in rate	(1,340)	-	(1,340)
Due to changes in interest rates and other financial assumptions	(5,063)	-	(5,063)
Changes in risk of non-performance of reinsurer	(162)	-	(162)
Total reinsurance finance expense from reinsurance contracts held	(6,565)	-	(6,565)
Portion recognised in statement of profit or loss	(5,794)	-	(5,794)
Portion recognised in other comprehensive income	(771)	-	(771)
Total net investment income, insurance finance expense and reinsurance finance expense	74,582	26,534	101,116
Portion recognised in statement of profit or loss	69,217	26,534	95,751
Portion recognised in other comprehensive income	5,365	-	5,365

¹ Included within the insurance finance expense from insurance contracts issued is a one-off favourable impact adjustment of RM23 million, which relates to the cumulative share of investment income tax that is attributable to the participating policyholders.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(f) Investment income and insurance finance income and expense (continued)

For the year ended December 31, 2023 Group	Insurance contracts RM'000	Non-insurance RM'000	Total RM'000
Total investment income	313,543	35,552	349,095
Portion recognised in statement of profit or loss (Note 18)	219,875	35,552	255,427
Portion recognised in other comprehensive income	93,668	-	93,668
Insurance finance expense from insurance contracts issued and effect of movement in exchange rates			
Interest accreted to insurance contracts using locked-in rate	(39,067)	-	(39,067)
Due to changes in interest rates and other financial assumptions	(19,156)	-	(19,156)
Changes in fair value of underlying items of direct participation contracts	(198,124)	-	(198,124)
Effects of risk mitigation option	109	-	109
Net foreign exchange expense	4	-	4
Other insurance finance expenses	(26,867)	-	(26,867)
Total insurance finance expense from insurance contracts issued	(283,101)	-	(283,101)
Portion recognised in statement of profit or loss	(204,060)	-	(204,060)
Portion recognised in other comprehensive income	(79,041)	-	(79,041)
Reinsurance finance expense from reinsurance contracts held and effect of movement in foreign exchange rates			
Interest accreted to reinsurance contracts using locked-in rate	(1,263)	-	(1,263)
Due to changes in interest rates and other financial assumptions	(3,346)	-	(3,346)
Changes in risk of non-performance of reinsurer	125	-	125
Total reinsurance finance expense from reinsurance contracts held	(4,484)	-	(4,484)
Portion recognised in statement of profit or loss	(4,276)	-	(4,276)
Portion recognised in other comprehensive income	(208)	-	(208)
Total net investment income, insurance finance expense and reinsurance finance expense	25,958	35,552	61,510
Portion recognised in statement of profit or loss	11,539	35,552	47,091
Portion recognised in other comprehensive income	14,419	-	14,419

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

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

(g) Insurance and reinsurance contracts contractual obligations – maturity analysis

The table below represents the maturities of the insurance contracts issued and reinsurance contracts held as at the dates presented.

Group	Carrying value RM'000	Less than 1 year RM'000	1 to 2 years RM'000	2 to 3 years RM'000	3 to 4 years RM'000	4 to 5 years RM'000	Over 5 years RM'000	Total RM'000
31 December 2024								
Insurance contracts issued	4,144,996	714,480	11,737	86,640	176,755	243,758	5,319,559	6,552,929
Reinsurance contracts held	17,691	18,907	22,422	4,204	2,142	1,995	55,773	105,443
	4,162,687	733,387	34,159	90,844	178,897	245,753	5,375,332	6,658,372
31 December 2023								
Insurance contracts issued	3,897,957	649,157	47,420	64,749	111,139	196,076	5,119,872	6,188,413
Reinsurance contracts held	34,805	19,294	21,695	11,037	2,705	2,477	57,977	115,185
	3,932,762	668,451	69,115	75,786	113,844	198,553	5,177,849	6,303,598

Insurance contract liabilities cash flows include estimates related to the timing and payment of death and disability claims, policy surrenders, policy maturities, annuity payments, minimum guarantees on segregated fund products, policyholder dividends, commissions and premium taxes offset by contractual future premiums on in-force contracts and exclude amount from insurance contract liabilities for account of segregated fund holders.

These estimated cash flows are based on the best estimate assumptions used in the determination of insurance contract liabilities. These amounts are undiscounted. Reinsurance contract liabilities cash flows include estimates related to the timing and payment of future reinsurance premiums offset by recoveries on in-force reinsurance agreements. Due to the use of assumptions, actual cash flows may differ from these estimates.

12. OTHER ASSETS

Group	31.12.2024 RM'000	31.12.2023 RM'000
Prepayment	13,907	14,873
Current	8,194	8,755
Non-current	5,713	6,118
	13,907	14,873
Company	31.12.2024 RM'000	31.12.2023 RM'000
Prepayment	164	186
Current	164	186

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

13. SEGREGATED FUNDS

Manulife Insurance Berhad (“MIB”) manages a number of segregated funds on behalf of policyholders. Policyholders are provided with the opportunity to invest in different categories of segregated funds that respectively hold a range of underlying investments. MIB retains legal title to the underlying investments; however, returns from these investments belong to the policyholders. Accordingly, MIB does not bear the risk associated with these assets outside of guarantees offered on certain variable life and annuity products.

The carrying value in segregated funds net assets are as follows:

Group	31.12.2024 RM'000	31.12.2023 RM'000
ASSETS		
Investments		
Quoted securities	1,105,212	848,296
Quoted unit trust funds	203,732	183,732
Debt securities	144,522	133,402
Fixed deposits	46,137	66,441
Foreign investments	140,987	156,077
Derivative assets	426	1,174
Other receivables	18,912	8,502
Cash at bank	7,418	22,821
Total assets	1,667,346	1,420,445
LIABILITIES		
Payables	15,095	7,208
Deferred tax liabilities	10,494	1,354
Current tax liabilities	10,525	5,630
Total liabilities	36,114	14,192
NET ASSETS ATTRIBUTABLE TO POLICYHOLDERS, REPRESENTING SEGREGATED FUNDS NET ASSETS	1,631,232	1,406,253
SEGREGATED FUNDS INSURANCE NET LIABILITIES	(1,631,232)	(1,406,253)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

13. SEGREGATED FUNDS (CONTINUED)

The segregated funds related investment results and expenses are as follows:

Group	2024 RM'000	2023 RM'000
INCOME/(EXPENSE)		
Interest income	7,716	8,174
Dividend income	52,472	34,412
Rebate income	3,711	3,283
Realised gains on disposal of investments	114,999	54,297
Realised exchange gains	1,660	7,279
Realised derivative gain/(loss)	755	(6,661)
Unrealised fair value gains	119,175	31,028
Unrealised derivatives (losses)/gains	(748)	663
Net amortisation of premiums	(758)	(786)
Unrealised foreign exchange (losses)/gains	(4,701)	201
Other expenses	(27,394)	(22,650)
Taxation	(20,142)	(8,106)
Investment income related to segregated funds net assets	246,745	101,134
Financial changes related to segregated funds net liabilities	(246,745)	(101,134)

The comparative period disclosure have been restated to conform to the current year's presentation to include the disclosure of tax and other expenses related to the segregated funds.

14. DEFERRED TAX LIABILITIES

Analysis of deferred tax liabilities are as follows:

Group	31.12.2024 RM'000	31.12.2023 RM'000
Presented after appropriate offsetting as follows:		
Deferred tax liabilities	144,091	120,121
Current	11,067	3,864
Non-current	133,024	116,257
	144,091	120,121

Company	31.12.2024 RM'000	31.12.2023 RM'000
Presented after appropriate offsetting as follows:		
Deferred tax liabilities	39	159
Current	39	159

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

14. DEFERRED TAX LIABILITIES (CONTINUED)

The components of deferred tax (assets)/liabilities as of the date of the statements of financial position are as follows:

Group	Assets		Liabilities		Net (after offsetting)	
	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
Accelerated depreciation	-	-	847	873	847	873
Unallocated surplus	-	-	124,983	108,536	124,983	108,536
Self-occupied and investment property	-	-	275	398	275	398
Investments	-	-	31,667	23,706	31,667	23,706
Insurance contract liabilities	(13,550)	(13,326)	-	-	(13,550)	(13,326)
Reinsurance contract liabilities	(131)	(66)	-	-	(131)	(66)
	(13,681)	(13,392)	157,772	133,513	144,091	120,121

Company	Liabilities		Net (after offsetting)	
	31.12.2024 RM'000	31.12.2023 RM'000	31.12.2024 RM'000	31.12.2023 RM'000
Accelerated depreciation	39	159	39	159
	39	159	39	159

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same entity.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

14. DEFERRED TAX LIABILITIES (CONTINUED)

The components and movements of deferred tax (assets)/liabilities during the financial year are as follows:

Group	Accelerated depreciation RM'000	Unallocated surplus RM'000	Self-occupied property RM'000	Investments RM'000	Insurance contract liabilities RM'000	Reinsurance contract liabilities RM'000	Total RM'000
At 1 January 2023	877	100,124	337	(2,630)	5,775	241	104,724
Recognised in:							
Profit or loss:							
- Taxation (note 21)	(4)	8,412	50	753	-	-	9,211
Other comprehensive income							
- Asset revaluation reserve	-	-	11	-	-	-	11
- Fair value reserve	-	-	-	25,583	-	-	25,583
- Insurance finance reserve	-	-	-	-	(19,101)	-	(19,101)
- Reinsurance finance reserve	-	-	-	-	-	(307)	(307)
At 31 December 2023/ 1 January 2024	873	108,536	398	23,706	(13,326)	(66)	120,121
Recognised in:							
Profit or loss:							
- Taxation (note 21)	(26)	16,447	(177)	7,179	-	-	23,423
Other comprehensive income							
- Asset revaluation reserve	-	-	54	-	-	-	54
- Fair value reserve	-	-	-	782	-	-	782
- Insurance finance reserve	-	-	-	-	(224)	-	(224)
- Reinsurance finance reserve	-	-	-	-	-	(65)	(65)
At 31 December 2024	847	124,983	275	31,667	(13,550)	(131)	144,091

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

14. DEFERRED TAX LIABILITIES (CONTINUED)

The components and movements of deferred tax (assets)/liabilities during the financial year are as follows (continued):

Company	Note	Accelerated depreciation RM'000	Total RM'000
At 1 January 2023		253	253
Recognised in:			
Profit or loss			
- Taxation	21	(94)	(94)
At 31 December 2023/1 January 2024		159	159
Recognised in:			
Profit or loss			
- Taxation	21	(120)	(120)
At 31 December 2024		39	39

Unrecognised deferred tax assets

The amount of unutilised tax losses and other deductible temporary differences for which no deferred tax assets is recognised in the statements of financial position are as follows:

	Group	
	2024 RM'000	2023 RM'000
Unutilised tax losses	3,332	2,902
Other deductible temporary differences	299	286
	3,631	3,188
Deferred tax assets not recognised	872	765

Deferred tax assets have not been recognised in respect of the above items as it is not probable that sufficient taxable profits will be available in the foreseeable future in the subsidiary to utilise the said benefits.

The unutilised tax losses above are available for offsetting against future taxable profits of the subsidiary up to a maximum of 10 consecutive year of assessments subject to no substantial change in the shareholdings, as per Section 44(5F) and special provision relating to Sections 43 and 44 of the Income Tax Act, 1967.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

14. DEFERRED TAX LIABILITIES (CONTINUED)

Unrecognised deferred tax assets (continued)

Year of expiry of unutilised tax losses is analysed as follows:

	2024 RM'000	2023 RM'000
Expiring in 2028	831	831
Expiring in 2029	354	354
Expiring in 2030	507	507
Expiring in 2031	534	534
Expiring in 2032	373	373
Expiring in 2033	303	303
Expiring in 2034	430	-
	3,332	2,902

The unabsorbed capital allowances and other deductible temporary differences of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to tax laws and guidelines issued by the tax authority enacted at the reporting date.

15. OTHER LIABILITIES

Group	31.12.2024 RM'000	31.12.2023 RM'000
Other creditors	41,893	37,866
Prepaid premium	100,155	105,906
Accrued liabilities	190,788	190,050
Amount due to related companies (note 26) (i)	83,904	46,606
Amount payable under Distribution Agreement (ii)	11,569	11,972
	428,309	392,400
Current	417,022	389,900
Non-current	11,287	2,500
	428,309	392,400

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

15. OTHER LIABILITIES (CONTINUED)

Company	31.12.2024 RM'000	31.12.2023 RM'000
Other creditors	2,214	1,963
Accrued liabilities	2,996	4,267
Amount due to related companies (note 26) (i)	55,896	20,815
	61,106	27,045
Current	61,106	27,045
Non-current	-	-
	61,106	27,045

- (i) The amounts due to related companies are unsecured, interest free and repayable on demand. The carrying amounts disclosed above approximate their fair values as at the end of the financial year due to their relatively short-term maturity of these balances. All amounts are payable within one year.
- (ii) The amount payable under the Distribution Agreement relates to the remaining unpaid distribution right as disclosed in note 6(iii) and is the expected present value of estimated future cash flows of amount payable under the agreement, discounted using the discount rate that reflects the current market assessment of the time value of money.

16. SHARE CAPITAL

	Group and Company			
	31.12.2024		31.12.2023	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Share Capital				
<u>Issued and fully paid up, at no par value:</u>				
Ordinary shares:				
At 1 January	219,467	136,522	216,262	131,041
Issuance pursuant to Dividend Reinvestment Plan (note 24)	5,224	10,709	3,205	5,481
At 31 December	224,691	147,231	219,467	136,522

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

17. RETAINED EARNINGS AND OTHER RESERVES

The retained earnings are classified as distributable and non-distributable as follows:

Group	Note	Shareholder and Non-participating life funds RM'000	Participating life funds RM'000	Total RM'000
31 December 2024				
Retained earnings				
Distributable	(i)	753,348	-	753,348
Non-distributable	(ii)	447,052	4,121	451,173
		1,200,400	4,121	1,204,521
Other reserves				
Non-distributable:				
Insurance finance reserve		41,739	(36,093)	5,646
Reinsurance finance reserve		(6,614)	-	(6,614)
Fair value reserve		(14,835)	34,209	19,374
Asset revaluation reserve		6,716	1,965	8,681
Currency translation reserve		1,405	-	1,405
		28,411	81	28,492
31 December 2023				
Retained earnings				
Distributable	(i)	711,906	-	711,906
Non-distributable	(ii)	394,987	(18,374)	376,613
		1,106,893	(18,374)	1,088,519
Other reserves				
Non-distributable:				
Insurance finance reserve		31,512	(37,557)	(6,045)
Reinsurance finance reserve		(5,908)	-	(5,908)
Fair value reserve		(7,496)	32,983	25,487
Asset revaluation reserve		6,478	1,792	8,270
Currency translation reserve		2,336	-	2,336
		26,922	(2,782)	24,140

- (i) Under the single tier system, the Group is able to frank the payment of dividends out of its entire distributable retained earnings as at the date of the statements of financial position, except for its subsidiary, Manulife Insurance Berhad which also requires the approval by Bank Negara Malaysia under section 51 of the Financial Services Act, 2013.

Additionally, under the Risk-Based Capital ("RBC") Framework for Insurers, the subsidiary of the Group, Manulife Insurance Berhad is prohibited from distributing dividends if its Capital Adequacy Ratio ("CAR") falls below its internal target level or if the dividend payment would reduce its CAR below this threshold.

- (ii) Non-distributable retained earnings are surplus arising from life insurance funds, net of deferred tax which have yet to be recommended for transfer to the Shareholders' fund. These amounts are only distributable upon actual recommended transfer to the Shareholders' fund by the Appointed Actuary.

Company

There are no restrictions on the Company to frank the payment of dividends out of its entire earnings as at the date of the statement of financial position under the single tier system.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

18. INVESTMENT INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Investment income:				
<u>Financial assets at FVTPL</u>				
Interest/profit sharing income:				
Debt securities	15,719	15,720	-	-
Structured product	2,345	1,116	-	-
Net amortisation of premiums	(22)	-	-	-
Dividend/distribution income:				
Equity securities				
- quoted in Malaysia	24,772	24,379	247	-
- quoted outside Malaysia	935	1,835	-	-
- unquoted in Malaysia	560	757	35	76
Real estate investment trusts				
- quoted in Malaysia	365	597	3	-
Unit trust funds in Malaysia	-	-	2,481	1,840
Private equity funds outside Malaysia	987	43	-	-
<u>Financial assets at FVOCI</u>				
Interest income:				
Debt securities	160,977	149,504	-	-
Private debt securities	1,163	396	-	-
Net amortisation of premiums	(7,760)	(7,429)	-	-
<u>Financial assets at amortised cost</u>				
Interest income	13,592	10,681	98	33
<u>Investment property</u>				
Rental income	4,993	4,223	4,443	3,705
<u>Subsidiaries</u>				
Dividend income	-	-	70,000	-
Other income	187	217	-	-
	218,813	202,039	77,307	5,654
Realised and unrealised gains/(losses):				
Net realised gains/(losses):				
<u>Financial assets at FVTPL</u>				
Equity securities	40,764	21,854	(157)	10
Unit trust funds	(22)	13	1	(149)
Unquoted equity securities	(19)	-	(19)	-
Structured product	13,153	-	-	-
Derivatives	(340)	(1,569)	-	-
<u>Financial assets at FVOCI</u>				
Debt securities	(344)	1,523	-	-
	53,192	21,821	(175)	(139)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

18. INVESTMENT INCOME (CONTINUED)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net fair value gains/(losses):					
<u>Financial assets at FVTPL</u>					
Equity securities		74,568	2,033	473	3
Unit trust funds		64	82	696	1,585
Unquoted equity securities		7,020	1,206	(77)	1,183
Private equity funds		6,962	7,738	-	-
Debt securities		1,547	14,104	-	-
Structured product		2,520	8,156	-	-
Derivatives		866	(712)	-	-
Foreign exchange (loss)/gains		(2,886)	3,235	(97)	(4)
Investment property		(2,713)	3,398	(500)	2,774
		87,948	39,240	495	5,541
Reversal of expected credit loss					
<u>Financial assets at FVOCI</u>					
Debt securities		683	1,282	-	-
		141,823	62,343	320	5,402
Investment expenses		(10,574)	(8,955)	(2,381)	(2,636)
Net investment income	11(f)	350,062	255,427	75,246	8,420

19. FEE INCOME

		Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fund management fee income		124,101	97,699	-	-
Charges and fee income		36,721	25,255	-	-
Outsourcing fee income		-	-	3,180	2,058
		160,822	122,954	3,180	2,058

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

20. EXPENSES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Claims and benefits		212,237	176,517	-	-
Fees and commissions		150,781	146,907	-	-
Losses on onerous contracts	11	4,812	970	-	-
Staff costs		118,324	110,740	3,845	3,280
Directors' remuneration					
- Fees	26	1,067	1,061	382	385
- Other emoluments	26	9,430	8,129	1,210	1,036
Auditors' remuneration					
- Statutory audit		1,186	1,832	169	202
- Regulatory related services		75	59	11	11
Depreciation of property and equipments	4	3,810	3,572	794	789
Gains on disposal of property and equipment		(42)	-	-	-
Amortisation of intangible assets	6	7,998	3,487	-	2
Write off					
- Property and equipment	4	279	104	70	-
- Intangible assets	6	-	1,957	-	-
Depreciation of right-of-use assets	10	1,603	1,767	-	-
Expense relating to short-term leases	10	110	16	79	76
Expense relating to leases of low-value assets	10	117	174	1	2
Bancassurance service fee		3,000	2,750	-	-
Bancassurance incentives and allowances		41,352	27,892	-	-
Credit card charges		3,062	2,931	-	-
Computer hardware and software maintenance		4,237	5,816	359	348
Information technology related expenses		40,821	39,408	536	991
Marketing and printing expenses		8,470	7,017	70	63
Meeting and conferences		1,499	1,595	21	12
Net outsourcing fees expense		10,626	5,640	1,463	1,341
Professional fees		2,002	919	416	294
Training expenses		2,935	2,374	17	50
Travelling and entertainment expenses		1,536	1,926	29	44
Other expenses		5,299	7,798	1,269	2,963
		636,626	563,358	10,741	11,889
Amounts attributed to insurance acquisition cash flows incurred during the year		(299,090)	(262,548)	-	-
Amortisation of insurance acquisition cash flows	11	70,793	42,967	-	-
		408,329	343,777	10,741	11,889
Represented by:					
Insurance service expenses		344,610	279,336	-	-
General expenses		63,719	64,441	10,741	11,889
		408,329	343,777	10,741	11,889

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

21. TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
In respect of the profit of the Group and Company:				
Current tax				
Current financial year	29,392	22,041	627	-
Under/(over) provision in prior financial year	1,176	(1,983)	-	-
	30,568	20,058	627	-
Deferred tax				
Current financial year (note 14)	23,423	9,211	(120)	(94)
	53,991	29,269	507	(94)

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

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as below:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(loss) before taxation	185,356	113,143	67,685	(1,411)
Taxation at Malaysia statutory tax rate of 24% (2023: 24%)	44,485	27,154	16,244	(339)
Effect of different tax rate	15,501	6,975	-	-
Section 110 tax credit set off	(3,797)	(2,391)	-	-
Income not subject to tax	(5,960)	(7,295)	(17,431)	(2,020)
Expenses not deductible for tax purposes	2,479	6,835	1,694	2,265
Changes in unrecognised deferred tax assets	107	(26)	-	-
	52,815	31,252	507	(94)
Under/(over) provision in prior financial year				
- Current tax	1,176	(1,983)	-	-
Tax expense	53,991	29,269	507	(94)

Global Minimum Top-up tax

Effective for financial years beginning on 1 January 2025, Malaysia has enacted legislation to adopt OECD's International Pillar Two tax reform, which seeks to establish a global minimum tax ("GMT") of fifteen per cent and address inter-jurisdictional base erosion and profit shifting. Since the legislation is only effective 1 January 2025, there is no current tax impact for the financial year ended 31 December 2024.

The Group and the Company are still at the preliminary stage of assessing the potential exposure to GMT income taxes. The Group and the Company does not expect a potential exposure to Pillar Two top-up taxes and no disclosure of potential tax expense or recovery related to GMT income taxes is provided. The Group and the Company has also applied the mandatory temporary exception from accounting for deferred taxes in respect of the GMT.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

22. SHARE-BASED COMPENSATION

Expenses arising from the share-based payment transactions recognised during the financial year as part of the employee benefit expense were as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
RSU expenses	4,452	3,209	416	378
	4,452	3,209	416	378

Restricted share units ("RSU") are granted to certain employees of Manulife Financial Corporation Group as part of the annual performance reward cycle and has a vesting period of over 35 months from grant date. Each RSU entitles the recipient to receive payment equal to the market value of one common share, plus credited dividends, at the time of vesting, subject to any performance conditions. These RSU expenses are paid out in cash at the end of the vesting period.

23. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share of the Group are calculated by dividing the net profit attributable to ordinary equity holder of the Company for the financial year by the weighted average number of ordinary shares.

	Group	
	2024 RM'000	2023 RM'000
Net profit for the financial year	131,365	83,874
Current year unallocated (surplus)/deficit from participating life funds	(22,495)	4,868
Net profit attributable to ordinary equity holder	108,870	88,742
Weighted average number of shares ('000)	221,680	217,535
Basic earnings per share (sen)	49.11	40.79

The basic earnings per share for the comparative period have been restated to conform to the current year's presentation, whereby net profit attributable to ordinary equity holder of the Company includes surplus transfer from participating policyholders.

The Company has no potential dilutive ordinary shares in issue as at the date of the statements of financial position and therefore, diluted earnings per share has not been presented.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

24. DIVIDEND PAID

Group and Company	2024		2023	
	Net dividend per share Sen	Amount of dividend RM'000	Net dividend per share Sen	Amount of dividend RM'000
Single tier dividend for 2023				
- First and final dividend	7.0	15,363	-	-
Single tier dividend for 2022				
- First and final dividend	-	-	7.0	15,138
	7.0	15,363	7.0	15,138

Out of the total distribution of 2023 First and Final Single Tier Dividend, a total of RM10,709,346 was converted into 5,224,071 new ordinary shares of the Company at the conversion price of RM2.05 per ordinary share under the Dividend Reinvestment Plan on 30 July 2024. The remaining RM4,653,374 was distributed as cash dividend.

Out of the total distribution of 2022 First and Final Single Tier Dividend, a total of RM5,481,499 was converted into 3,205,555 new ordinary shares of the Company at the conversion price of RM1.71 per ordinary share under the Dividend Reinvestment Plan on 9 August 2023. The remaining RM9,656,832 was distributed as cash dividend.

The directors recommend the payment of a first and final dividend of 8.0 sen per share, amounting to approximately RM17,975,000 for the financial year ended 31 December 2024, which is subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

These financial statements do not reflect this final dividend which will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2025 when approved by the shareholders.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

25. ADJUSTMENTS FOR NON-CASH ITEMS

Non-cash items in the statements of cash flows comprise of:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income	(193,796)	(177,417)	(98)	(33)
Dividend income	(27,619)	(27,611)	(72,766)	(1,916)
Rental income	(4,993)	(4,223)	(4,443)	(3,705)
Net amortisation of premiums	7,782	7,429	-	-
Gains on disposal of property and equipment	(42)	-	-	-
Loss/(gains) on disposal of FVOCI financial assets	344	(1,523)	-	-
(Gains)/loss on disposal of FVTPL financial assets	(53,536)	(20,298)	175	139
Fair value loss/(gain) on investment property	2,713	(3,398)	500	(2,774)
Fair value gain on FVTPL financial assets	(93,547)	(32,607)	(1,092)	(2,771)
Reversal of expected credit loss on FVOCI financial assets	(683)	(1,282)	-	-
Depreciation of property and equipment	3,810	3,572	794	789
Property and equipment written off	279	104	70	-
Amortisation of intangible assets	7,998	3,487	-	2
Intangible asset written off	-	1,957	-	-
Depreciation of right-of-use assets	1,603	1,767	-	-
Interest expense on lease liabilities	78	96	-	-
Taxation	53,991	29,269	507	(94)
Foreign exchange loss/(gains)	2,886	(3,235)	97	4
	(292,732)	(223,913)	(76,256)	(10,359)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

26. SIGNIFICANT RELATED PARTY DISCLOSURES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have related party relationships with its holding companies and subsidiaries of holding companies. Other related parties of, and their relationship with the Company are as follows:

Name of company	Country of incorporation	Relationship
Manulife Financial Corporation ("MFC")	Canada	Ultimate holding company
The Manufacturers Life Insurance Company	Canada	Penultimate holding company
Manulife Financial Asia Limited ("MFAL")	Hong Kong	Intermediate holding company
Manulife Financial (Singapore) Pte. Ltd. ("MFSL")	Singapore	Intermediate holding company
Manulife Century Holdings (Netherlands) BV ("MCHN")	Netherlands	Immediate holding company
Manulife IT Delivery Center, Asia Inc. ("MITDC")	Philippines	Subsidiary of ultimate holding company
Manulife (International) Limited (Bermuda)	Bermuda	Subsidiary of ultimate holding company
John Hancock Life Insurance Company (USA)	United States of America	Subsidiary of ultimate holding company
Manulife Investment Management Private Markets (US) LLC ("MIMPM")	United States of America	Subsidiary of ultimate holding company
Manulife Investment Management (US) LLC	United States of America	Subsidiary of ultimate holding company
Manulife Investment Management Limited	Canada	Subsidiary of ultimate holding company
Manulife Investment Management (Hong Kong) Limited	Hong Kong	Subsidiary of ultimate holding company
Manulife Investment Management (Singapore) Limited	Singapore	Subsidiary of ultimate holding company
PT Manulife Aset Manajemen Indonesia (Indonesia)	Indonesia	Subsidiary of ultimate holding company
Manulife Investment Management International Holdings Limited	Barbados	Subsidiary of ultimate holding company
Manulife Data Services Inc. ("MDSI")	Barbados	Subsidiary of ultimate holding company
Manulife General Account Investments (HK) Limited ("MANGA")	Hong Kong	Subsidiary of ultimate holding company
Manulife General Account Investments (Singapore) Pte Ltd ("SAGA")	Singapore	Subsidiary of ultimate holding company

In the normal course of business, the Group and the Company undertake various transactions with other companies deemed related parties by virtue of being subsidiaries and associated companies of MFC, collectively known as the MFC Group.

Related parties also include key management personnel. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. Key management personnel of the Group and the Company include the directors and certain members of senior management of the Group and the Company. Total compensation paid to the Group's and the Company's directors are disclosed in page 195.

The Directors of the Company in office during the financial year were as follows:

Non-executive directors:

Dato' Dr. Zaha Rina binti Zahari
Renzo Christopher Viegas
Matthew Edward Lawrence
Vijayam A/P Nadarajah

Executive director:

Vibha Hamsi Coburn

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

26. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms with the respective parties. The significant related party transactions during the financial year between the Group and the Company and their related parties are set out below:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Expenses/(income):				
Penultimate holding company				
Information technology outsourcing expenses	896	1,868	-	-
Outsourcing fee income	(1,887)	(1,561)	-	-
	(991)	307	-	-
Intermediate holding company				
Reimbursement of personnel expenses	6,389	4,967	737	670
Reimbursement of director fees	375	236	375	236
Reimbursement of software maintenance expenses	12,256	13,630	125	282
Reimbursement of consultation fee	41	24	-	-
Reimbursement of overhead expense	(2,144)	(1,552)	(489)	(277)
Reimbursement of education and training expenses	(4)	46	13	45
Reimbursement of travelling expense	41	7	-	-
Regional office functional services and support	1,344	2,417	-	-
Rental income of office premises	(34)	-	(34)	-
Provision of IT development services	41	356	-	-
Provision of IT infrastructure support and maintenance services	21,151	16,431	261	518
Provision of accounting and finance support	892	914	-	-
Provision of HR support	707	724	-	-
Provision of staff claims system	33	34	-	-
Provision of compliance support	190	106	-	-
	41,278	38,340	988	1,474

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

26. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

Significant related party transactions (continued)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries of ultimate holding company				
Rebate income	(456)	(7,804)	-	-
Outsourcing fee income	(1,530)	(3,425)	-	-
Outsourcing fee expense	46	98	-	-
Management fee expense	9,588	8,392	-	-
Investment consulting services	1,059	1,315	-	-
Reinsurance premium ceded	311	273	-	-
Information technology outsourcing expenses	466	483	-	-
Provision of IT infrastructure support and maintenance services	3,061	3,692	-	-
	12,545	3,024	-	-
Subsidiaries of the Company				
Outsourcing fee income (note 19)	-	-	(3,180)	(2,058)
Outsourcing fee expense	-	-	1,459	1,321
Rental income	-	-	(1,656)	(1,611)
Short term-leases (note 20)	-	-	79	76
Fund management expenses	-	-	21	-
Management fees and maintenance charges	-	-	70	71
	-	-	(3,207)	(2,201)

Key management personnel

The total compensation paid to the Group and the Company's key management personnel are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, other short-term employee benefits and other directors' emoluments	28,425	23,908	2,725	2,459
Retirement benefits contribution (i)	3,233	2,860	279	256
RSU expenses (note 22) (ii)	4,452	3,209	416	378
	36,110	29,977	3,420	3,093

- (i) The retirement benefits contributions of the Group and the Company were made to the defined contribution plan as mentioned in note 2(m)(ii) to the financial statements.
- (ii) Share-based payments incurred during the financial year relates to the share-based compensation granted to employees as mentioned in note 2(m)(iii) to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

26. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

Significant related party transactions (continued)

Directors

The aggregate amount of emoluments received and receivable by directors of the Group and the Company during the financial year are detailed as follows:

		Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive director of the Company:					
Salaries		2,905	2,868	581	573
Bonus		1,706	1,320	341	264
Retirement benefits contributions	(i)	239	204	48	41
RSU expenses	(ii)	1,202	792	240	158
		6,052	5,184	1,210	1,036
Executive directors of the subsidiaries:					
Salaries		1,526	1,464	-	-
Bonus		920	601	-	-
Retirement benefits contributions	(i)	442	384	-	-
RSU expenses	(ii)	490	496	-	-
		3,378	2,945	-	-
Total directors remuneration for Executive directors		9,430	8,129	1,210	1,036
Non-executive directors of the Company:					
Fees		665	669	382	385
Non-executive directors of the subsidiaries:					
Fees		402	392	-	-
Total directors remuneration for Non-executive directors		1,067	1,061	382	385
		10,497	9,190	1,592	1,421

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

26. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

Significant related party transactions (continued)

Directors (continued)

- (i) The retirement benefits contributions were made to the defined contribution plan as mentioned in note 2(m)(ii) to the financial statements.
- (ii) The share-based payments incurred during the financial year relates to the share-based compensation granted to employees as mentioned in note 2(m)(iii) to the financial statements.

Significant related party balances

Related party balances outstanding for the Group and the Company which are included in the notes to the financial statements are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets at amortised cost (note 9)				
- Amount due from related companies	1,004	1,303	-	-
- Amount due from subsidiaries	-	-	34,173	3,959
	1,004	1,303	34,173	3,959
Other liabilities (note 15)				
- Amount due to related companies	83,904	46,606	55,896	20,815

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

27. SEGMENTAL REPORTING

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
 Life insurance : Underwriting of Participating life and Non-participating life insurance and unit-linked products
 Asset management services : Asset management, unit trust, private retirement scheme funds

(a) Segment reporting

	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	-	-	439,419	360,214	-	-	439,419	360,214
(b) Investment income	27,946	24,604	189,175	176,128	1,692	1,307	218,813	202,039
(c) Fee income	-	-	-	-	160,822	122,954	160,822	122,954
Total external revenue	27,946	24,604	628,594	536,342	162,514	124,261	819,054	685,207
<u>Inter-segment revenue</u>								
(a) Rental income	1,656	1,611	764	762	-	-	2,420	2,373
(b) Fee income	3,180	2,058	5,904	5,643	17,492	14,715	26,576	22,416
(c) Dividend income from unit trust funds	-	-	17,350	18,491	-	-	17,350	18,491
(d) Dividend income from subsidiaries	70,000	-	-	-	-	-	70,000	-
Total inter-segment revenue	74,836	3,669	24,018	24,896	17,492	14,715	116,346	43,280
Total revenue by segment	102,782	28,273	652,612	561,238	180,006	138,976	935,400	728,487
Profit before taxation	18,361	28,866	140,061	64,975	26,934	19,302	185,356	113,143
Segment assets	1,281,880	1,150,539	7,273,522	6,703,227	214,743	201,898	8,770,145	8,055,664
Segment liabilities	61,034	23,302	6,240,560	5,736,532	107,163	96,210	6,408,757	5,856,044

(b) Reconciliation of reportable segments

	Group	
	2024	2023
	RM'000	RM'000
Total revenue		
Total revenue for reportable segments	935,400	728,487
Elimination of inter-segment revenue	(116,346)	(43,280)
Total revenue as per statements of profit or loss	819,054	685,207
Segment assets		
Total assets for reportable segments	8,770,145	8,055,664
Elimination of inter-segment assets	(1,019,272)	(951,821)
Total assets as per statements of financial position	7,750,873	7,103,843
Segment liabilities		
Total liabilities for reportable segments	6,408,757	5,856,044
Elimination of inter-segment liabilities	(38,128)	(1,382)
Total liabilities as per statements of financial position	6,370,629	5,854,662

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS

(a) 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
31 December 2024				
Financial assets				
Financial assets at FVOCI	-	3,781,306	-	3,781,306
Financial assets at FVTPL	1,374,877	-	-	1,374,877
Financial assets at amortised cost	-	-	358,974	358,974
Cash and cash equivalents	-	-	235,860	235,860
	1,374,877	3,781,306	594,834	5,751,017
Financial liabilities				
Financial liabilities at FVTPL	4	-	-	4
Lease liabilities	-	-	1,642	1,642
Other liabilities	-	-	428,309	428,309
	4	-	429,951	429,955
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
	1,212,741	3,486,756	601,243	5,300,740
Financial liabilities				
Lease liabilities	-	-	2,717	2,717
Other liabilities	-	-	392,400	392,400
	-	-	395,117	395,117

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

Company	FVTPL RM'000	AC RM'000	Total RM'000
31 December 2024			
Financial assets			
Financial assets at FVTPL	119,370	-	119,370
Financial assets at amortised cost	-	36,353	36,353
Cash and cash equivalents	-	6,769	6,769
	119,370	43,122	162,492
Financial liabilities			
Other liabilities	-	61,106	61,106
	-	61,106	61,106
31 December 2023			
Financial assets			
Financial assets at FVTPL	53,526	-	53,526
Financial assets at amortised cost	-	5,663	5,663
Cash and cash equivalents	-	5,696	5,696
	53,526	11,359	64,885
Financial liabilities			
Other liabilities	-	27,045	27,045
	-	27,045	27,045

(b) Determination of fair values

The fair values of the Group's and the Company's financial assets and financial liabilities are determined as follows:

- 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;
- The carrying amount of amount payable under Distribution Agreement which is the remaining present value of the expected future cash flow that is discounted using the discount rate that reflects the current market assessment of the time value of money, are reasonable approximations of their fair values;
- The fair values of quoted equities and investments in real estate investment trusts are based on quoted market prices as at the reporting date;
- 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;
- The fair values of Malaysian Government Securities, Government Investment Issues and both quoted and unquoted corporate debt securities are based on indicative market prices;

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Determination of fair values (continued)

- (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 structured 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 benchmark rates (MYOR/KLIBOR); 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.

(c) Fair value hierarchy

The Group and the Company categorise their fair value measurements according to a three-level hierarchy. The hierarchy prioritises the inputs used by the Group's and 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 Group and the Company have 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.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value hierarchy (continued)

In determining the fair value of its financial instruments, the Group and the Company use observable market data, when available, and minimise the use of unobservable inputs to the extent possible when determining fair value.

The following table presents the Group's financial assets and financial liabilities that are carried at fair value as at 31 December 2024.

Group	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
31 December 2024				
Financial assets at FVOCI				
Malaysian Government Securities	681,278	-	681,278	-
Government Investment Issues	535,550	-	535,550	-
Corporate debt securities				
- Unquoted in Malaysia	2,249,224	-	2,249,224	-
- Quoted outside Malaysia	248,474	-	248,474	-
Private debt securities				
- Unquoted outside Malaysia	25,833	-	25,833	-
Accrued interest	40,947	-	40,947	-
	3,781,306	-	3,781,306	-
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	624,815	624,815	-	-
- Quoted outside Malaysia	58,446	58,446	-	-
- Unquoted in Malaysia	19,683	-	-	19,683
Private equity funds				
- Unquoted outside Malaysia	80,130	-	-	80,130
Structured product	152,675	-	152,675	-
Real estate investment trusts	6,820	6,820	-	-
Unit trust funds	2,588	2,588	-	-
Derivatives	2,023	-	2,023	-
Malaysian Government Securities	49,686	-	49,686	-
Government Investment Issues	47,715	-	47,715	-
Corporate debt securities				
- Unquoted in Malaysia	323,424	-	323,424	-
Accrued interest	6,872	-	6,872	-
	1,374,877	692,699	582,395	99,813
	5,156,183	692,669	4,363,701	99,813
Financial assets at FVTPL				
Derivatives	4	-	4	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value hierarchy (continued)

The following table presents the Group's financial assets that are carried at fair value as at 31 December 2023.

Group	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 in Malaysia	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	-
	3,486,756	-	3,486,756	-
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 in Malaysia	305,650	-	305,650	-
Accrued interest	5,514	-	5,514	-
	1,212,741	708,745	434,329	69,667
	4,699,497	708,745	3,921,085	69,667

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value hierarchy (continued)

The following table presents the Company's financial assets that are carried at fair value as at 31 December 2024 and 31 December 2023.

Company	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
31 December 2024				
Financial assets at FVTPL				
Equity securities				
- Quoted in Malaysia	11,981	11,981	-	-
- Unquoted in Malaysia	1,659	-	-	1,659
Real estate investment trusts	134	134	-	-
Unit trust funds	105,596	105,596	-	-
	119,370	117,711	-	1,659
31 December 2023				
Financial assets at FVTPL				
Equity securities				
- Unquoted in Malaysia	1,755	-	-	1,755
Unit trust funds	51,771	51,771	-	-
	53,526	51,771	-	1,755

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

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

(d) 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:

Group	31.12.2024 RM'000	31.12.2023 RM'000
Private Equity Funds		
At 1 January	56,985	35,639
Capital contributions	19,104	12,084
Capital returns	(1,160)	(21)
Fair value gain recognised in profit or loss	6,962	7,738
Currency movement	(1,761)	1,545
At 31 December	80,130	56,985

Group	31.12.2024 RM'000	31.12.2023 RM'000
Equity securities – Unquoted in Malaysia		
At 1 January	12,682	11,476
Fair value gain recognised in profit or loss	7,020	1,206
Realised loss recognised in profit or loss	(19)	-
At 31 December	19,683	12,682

Company	31.12.2024 RM'000	31.12.2023 RM'000
Equity securities – Unquoted in Malaysia		
At 1 January	1,755	572
Fair value (loss)/gain recognised in profit or loss	(77)	1,183
Realised loss recognised in profit or loss	(19)	-
At 31 December	1,659	1,755

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

28. FINANCIAL INSTRUMENTS (CONTINUED)

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

Description of valuation methodology and significant unobservable inputs to valuation of private equity funds and unquoted equities are as follow:

Group	Fair Value RM'000	Valuation Methodology	Unobservable Input	Input Values
31 December 2024				
Private equity funds	80,130	Net asset value ("NAV")	NAV	NAV
Equity securities				
- Unquoted in Malaysia	18,136	Market comparables	P/B ratio	RM 0.17 – RM 2.20
- Unquoted in Malaysia	1,547	Market comparables	EV/EBITDA multiple	4.10x – 29.07x
31 December 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
Company	Fair Value RM'000	Valuation Methodology	Unobservable Input	Input Values
31 December 2024				
Equity securities				
- Unquoted in Malaysia	112	Market comparables	P/B ratio	RM 0.31 – RM 1.92
- Unquoted in Malaysia	1,547	Market comparables	EV/EBITDA multiple	4.10x – 29.07x
31 December 2023				
Equity securities				
- Unquoted in Malaysia	110	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

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT

(a) Risk management framework

The Board of Directors (the “Board”) of the Company has oversight responsibility for risk management. Industry best practices and governance standards for financial institutions require the Board to establish risk management policies and practices and, in delegating this responsibility to management, to ensure that these policies and practices remain adequate, comprehensive and prudent in light of changing circumstances.

The Board, through its Group Risk Management Committee (“GRMC”), is responsible for overseeing the Group’s management of its principal risks. The Board and GRMC delegate accountability for risk-taking and risk management to the Group Chief Executive Officer (“GCEO”). The GCEO, supported by the Chief Risk Officer (“CRO”) and Enterprise Risk Management Committee, establishes risk policies, risk frameworks, risk tolerance, risk appetite, guides risk-taking activity, monitors material risk exposures, and develops strategic risk management priorities, thereby continuously shaping and promoting our risk culture throughout the Group and the Company.

Risk management policies and practices form an integral part of the Board and Senior Management’s oversight of risks and the Group’s financial position. Accordingly, along with capital management and financial management, risk management is one of the three pillars of the Group’s prudential framework. As such, the Group’s risk policies and practices must be directly aligned with the Group’s capital management and financial management frameworks. The amount of risk the Group assumes, and plans to assume, defines its required consolidated risk-based capital. Conversely, the amount of available capital defines the amount of risk it is prudent to assume. This relationship dictates the need for alignment between capital and risk management.

The Group’s risk-taking activities are undertaken with the understanding that risk-taking and effective risk management are necessary and integral to achieving strategic objectives and managing business operations.

The Group seeks to strategically optimise risk-taking and risk management to support long-term revenue and earnings growth, with the ultimate objective of increasing shareholder value. This is done by:

- Capitalising on business opportunities that are aligned with the Group’s overall risk appetite and return expectations;
- Identifying, measuring and assessing, and monitoring and reporting on principal risks taken; and
- Proactively executing effective risk controls and mitigation programs.

(b) Regulatory framework

Manulife Insurance Berhad is required to comply with the Financial Services Act, 2013 (Act 758) as well as guidelines and circulars issued by Bank Negara Malaysia (“BNM”).

Manulife Insurance Labuan Limited is required to comply with Labuan Financial Services and Securities Act, 2010.

Manulife Investment Management (M) Berhad is governed by the Capital Markets and Services Act, 2007 and relevant guidelines issued by the Securities Commission Malaysia.

(c) Capital management

The Capital Management Plan is developed and endorsed by the Board. The plan lays out the management actions in response to various Capital Adequacy Ratio (“CAR”) scenarios. The Group and the Company manage their capital with the following objectives:

- To maintain the required level of stability of the Group, thereby providing a degree of security to policyholders of the insurance subsidiaries;
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders of the insurance subsidiaries, regulators and stakeholders;
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets; and
- To maintain strong and healthy capital ratios in order to support the Group’s and the Company’s business objectives and maximise shareholders’ value.

Manulife Insurance Berhad’s internal target solvency range is above the minimum regulatory capital requirement outlined under Risk-Based Capital Framework (“the Framework”) prescribed by BNM at 130%.

Manulife Insurance Berhad has fully complied with its internal target solvency range during the reported financial years.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(c) Capital management (continued)

- (i) The capital structure of Manulife Insurance Berhad as at 31 December 2024 and 31 December 2023, as prescribed under the Framework are as follows:

	2024 RM'000	2023 RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	200,000	200,000
Retained earnings of Manulife Insurance Berhad*	351,308	364,242
Eligible contract liabilities	608,806	553,863
	1,160,114	1,118,105
Eligible Tier 2 Capital		
Eligible reserves	73,812	69,604
Amounts deducted from capital	(136,984)	(140,180)
Total Capital Available	1,096,942	1,047,529

The total capital available are measured based on the requirements prescribed under the Framework prescribed by BNM and differs from the measurement basis reported in the financial statements prepared in accordance with MFRS Accounting Standards.

- * Only the distributable retained earnings of Manulife Insurance Berhad are included in the determination of Total Capital Available.

- (ii) Manulife Insurance Labuan Limited is regulated by the Labuan Financial Services Authority ("LFSA") for both Licensed Life Insurer and Licensed Insurance Broker.

Manulife Insurance Labuan Limited's solvency position is above the minimum regulatory capital requirement outlined under the Insurance Capital Adequacy Framework ("ICAF"), which came into effect on 1 January 2024 and Directive on Minimum Capital Requirement by Labuan Licensed Entities (the "Directive") prescribed by Labuan Financial Services Authority for both Licensed Life Insurer and Licensed Insurance Broker. The Minimum Capital Level/Margin of solvency as prescribed under the ICAF and the Directive for both Life Insurer and Licensed Insurance Broker are as follows:-

Licensed Life Insurer

Manulife Insurance Labuan Limited's internal target solvency range is above the minimum regulatory capital requirement outlined under ICAF prescribed by LFSA at 120%.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(c) Capital management (continued)

Licensed Life Insurer (continued)

The capital structure of the Manulife Insurance Labuan Limited as at 31 December 2024, as prescribed under the ICAF are as follows:

	2024 USD'000
Eligible Tier 1 Capital	
Share capital (paid-up)	7,500
Retained earnings of the Manulife Insurance Labuan Limited*	(5,747)
Eligible contract liabilities	17,054
	18,807
Eligible Tier 2 Capital	
Eligible reserves	(7,801)
Amounts deducted from capital	(261)
Total Capital Available	10,745

The total capital available is measured based on the requirements prescribed under the ICAF by LFSA and differs from the measurement basis reported in the statutory financial statements prepared in accordance with MFRS Accounting Standards.

* Only distributable retained earnings of the Manulife Insurance Labuan Limited are included in the determination of Total Capital Available.

For financial year 2023, a solvency requirement is imposed by LFSA as part of its supervisory activities where solvency margin is calculated at 3% of the latest actuarial valuation of life insurance or RM7.5 million, whichever is greater.

As at 31 December 2023, the solvency over the required margin is as shown below:

	2023 USD'000
Required Margin of Solvency	2,010
Total assets	78,606
Total liabilities	(69,446)
Excess of assets over liabilities	9,160
Surplus over the required margin	7,150

Licensed Insurance Broker

Manulife Insurance Labuan Limited has met the minimum capital requirement of RM0.3 million, with a net working fund of RM0.4 million as at 31 December 2024 (2023: RM0.7 million).

- (iii) Manulife Investment Management (M) Berhad has also met the minimum capital requirement of RM20 million stipulated by the Securities Commission Malaysia with a shareholder's fund of RM107,580,590 (2023: RM105,688,567).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(d) Insurance risk

Insurance risk is the risk of loss due to actual experience emerging differently than assumed when a product was designed and priced with respect to mortality and morbidity claims, policyholders' behaviour and expenses.

The insurance subsidiaries of the Group have implemented product design and pricing policies and underwriting and claims management policies to manage its insurance risks.

The Group also limits its exposure to loss within the insurance operations through participation in reinsurance arrangements. For insurance contracts issued in 2024, the Group generally retains a maximum of RM150,000 for each mortality & accelerated total permanent disability ("TPD"), accelerated critical illness and additional critical illness risk per life for Investment-linked business. For Universal Life business, the Group retains a 50% quota share up to a maximum retention of RM300,000 and RM200,000 for each mortality & accelerated TPD and accidental death benefit respectively. The excess risk are being reinsured through surplus treaties, coinsurance treaties and facultative reinsurance treaties. The Group is neither dependent on a single reinsurer at this moment nor are the operations of the Group substantially dependent upon any reinsurance contract.

Manulife Insurance Labuan Limited ("MILL") also limits exposure to loss within the insurance operations through participation in reinsurance arrangements. MILL retains 20% of Net Amount At Risk ("NAAR") up to USD 75,000, with the excess being reinsured through surplus treaties.

The table below sets out the concentration of the insurance contract liabilities (best estimate liability and risk adjustment) of the Group as at the date of the statement of financial position, gross and net of reinsurance, by class of business.

Group	Gross	
	31.12.2024 RM'000	31.12.2023 RM'000
Whole life	829,810	898,416
Endowment	1,445,797	1,316,738
Term	166,900	147,203
Annuity	229,648	229,534
Others	226,589	175,078
Total	2,898,744	2,766,969

Group	Net	
	31.12.2024 RM'000	31.12.2023 RM'000
Whole life	879,520	957,317
Endowment	1,446,744	1,317,650
Term	159,566	142,988
Annuity	229,648	229,534
Others	227,973	175,736
Total	2,943,451	2,823,225

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(d) Insurance risk (continued)

Sensitivities

The analysis below is performed on plausible movements in key assumptions (with all other assumptions held constant) with resulting impact on profit before tax and equity. The correlation of assumptions may have a significant effect in determining the ultimate actuarial liabilities, but to demonstrate the impact due to changes in assumptions, assumptions are changed on an individual basis. It should be noted that movements in these assumptions are non-linear. Sensitivity information will also vary according to the current level of economic assumptions.

Group	Change in assumptions %	Impact on profit before tax gross of reinsurance RM'000	Impact on profit before tax net of reinsurance RM'000	Impact on equity gross of reinsurance* RM'000	Impact on equity net of reinsurance* RM'000
		(Decrease)/increase			
31 December 2024					
Mortality/morbidity	+2	(1,103)	(296)	(795)	(391)
Discount rate	-0.5	1,424	1,891	(35,209)	(34,920)
Expenses	+5	(4,916)	(4,921)	(3,822)	(3,827)
Lapse and surrender rates	+10	(9,726)	(9,379)	(8,294)	(7,894)
31 December 2023					
Mortality/morbidity	+2	(417)	495	(38)	215
Discount rate	-0.5	691	1,181	(31,087)	(29,250)
Expenses	+5	(3,047)	(2,890)	(2,371)	(2,251)
Lapse and surrender rates	+10	(5,454)	(5,204)	(5,454)	(5,074)

* Impact on equity is stated after considering tax effects.

In the sensitivity analysis above, the impact from the changes in assumptions in the table above to the Group's profit before tax and equity arise from Non-participating life fund policies. There is no material impact to the Participating life funds within the range of changes in assumptions as the participating nature of the Participating life funds gives Manulife Insurance Berhad the flexibility to adjust the policyholders' bonus or dividends.

The method used and significant assumptions made to derive the sensitivity information did not change from the previous financial year.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(e) Credit risk

Credit risk is the risk of loss due to inability or unwillingness of an issuer or borrower to service its debt obligations. The risk arising from lending and investment activities is monitored regularly with respect to single customer limit, exposure to sector type, credit rating and remaining term to maturity, according to the guidelines and limits approved by the Board and for the insurance subsidiaries of the Group, within the guidelines issued by the regulators.

As at the date of the statements of financial position, the credit exposure of the Group and the Company is within the guidelines and limits approved by the Board. The maximum exposure to credit risk is the carrying amount as stated in the financial statements.

The Group and the Company have minimal exposure to credit risk on unrated Malaysian Government Securities, Government Investment Issues and unquoted corporate debt securities as these are either issued or guaranteed by the Federal Government of Malaysia. All the remaining unquoted corporate debt securities and private debt securities are issued by companies with minimum rating of BBB, whereas rating of quoted corporate debt securities are rated by international rating agencies.

Mortgage loans are secured against the properties charged to the Group. Staff loans consists of vehicle loans and mortgage loans which are secured against the properties. Loan to agency leadership corporation is unsecured in nature.

Credit risk in respect of customer balances incurred on non-payment of premiums arising from the insurance subsidiaries of the Group will only persist during the grace period specified in the policy documents on the expiry of which either the premium is paid or the policy will be terminated.

Fixed and call deposits are placed with financial institutions approved by the Investment Committee of the Group with ratings of 'A' or better.

Reinsurance arrangements for the insurance subsidiaries of the Group are maintained with reinsurers with international ratings of 'A' or better.

There has been no significant change in the credit risk objectives, policies and processes in the current financial year as compared to the previous financial year.

The table below shows the Group's and the Company's maximum exposure to credit risk for the components in the statements of financial position by classifying financial and insurance assets according to the Group's and the Company's credit rating of counterparties.

The financial assets of the segregated funds are not presented in the table below as the Group does not have any direct exposure to credit risk in those assets as the credit risk is borne by the investment-linked policyholders.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(e) Credit risk (continued)

(i) Credit quality

Group	Rating (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Total RM'000
31 December 2024				
<u>Financial assets at FVOCI</u>				
Malaysia Government Securities	-	681,278	-	681,278
Government Investment Issues	-	535,550	-	535,550
Corporate debt securities	2,145,022	352,676	-	2,497,698
Private debt securities	4,342	21,491	-	25,833
Accrued interest	25,422	15,525	-	40,947
<u>Financial assets at FVTPL</u>				
Equity securities	-	-	702,944	702,944
Private equity funds	-	-	80,130	80,130
Real estate investment trusts	-	-	6,820	6,820
Unit trust funds	-	-	2,588	2,588
Malaysia Government Securities	-	49,686	-	49,686
Government Investment Issues	-	47,715	-	47,715
Corporate debt securities	272,449	50,975	-	323,424
Structured product	-	152,675	-	152,675
Derivatives	-	2,023	-	2,023
Accrued interest	3,279	3,593	-	6,872
<u>Financial assets at amortised cost</u>				
Loans receivables	-	27,929	-	27,929
Fixed and call deposits with licensed banks in Malaysia	290,658	-	-	290,658
Other receivables	-	40,387	-	40,387
Reinsurance contract assets	3,318	2,651	(3,854)	2,115
Cash and cash equivalents	235,774	86	-	235,860
Total financial and insurance assets	2,980,264	1,984,240	788,628	5,753,132

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(e) Credit risk (continued)

(i) Credit quality (continued)

Group	Rating (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Total RM'000
31 December 2023				
<u>Financial assets at FVOCI</u>				
Malaysia Government Securities	-	473,348	-	473,348
Government Investment Issues	-	476,257	-	476,257
Corporate debt securities	2,127,693	356,159	-	2,483,852
Private debt securities	9,453	4,733	-	14,186
Accrued interest	25,456	13,657	-	39,113
<u>Financial assets at FVTPL</u>				
Equity securities	-	-	706,273	706,273
Private equity funds	-	-	56,985	56,985
Real estate investment trusts	-	-	13,513	13,513
Unit trust funds	-	-	1,641	1,641
Malaysia Government Securities	-	24,018	-	24,018
Government Investment Issues	-	31,848	-	31,848
Corporate debt securities	253,476	52,174	-	305,650
Structured product	-	66,146	-	66,146
Derivatives	-	1,153	-	1,153
Accrued interest	3,102	2,412	-	5,514
<u>Financial assets at amortised cost</u>				
Loans receivables	-	27,784	-	27,784
Fixed and call deposits with licensed banks in Malaysia	322,984	-	-	322,984
Other receivables	-	42,598	-	42,598
Reinsurance contract assets	1,592	2,620	(3,909)	303
Cash and cash equivalents	207,862	15	-	207,877
Total financial and insurance assets	2,951,618	1,574,922	774,503	5,301,043

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(e) Credit risk (continued)

(i) Credit quality (continued)

Company

	Rating (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Total RM'000
31 December 2024				
<u>Financial assets at FVTPL</u>				
Equity securities	-	-	13,640	13,640
Real estate investment trusts	-	-	134	134
Unit trust funds	-	-	105,596	105,596
<u>Financial assets at amortised cost</u>				
Loans receivable	-	1	-	1
Other receivables	-	36,352	-	36,352
Cash and cash equivalents	6,769	-	-	6,769
	6,769	36,353	119,370	162,492
31 December 2023				
<u>Financial assets at FVTPL</u>				
Equity securities	-	-	1,755	1,755
Unit trust funds	-	-	51,771	51,771
<u>Financial assets at amortised cost</u>				
Loans receivable	-	1	-	1
Other receivables	-	5,662	-	5,662
Cash and cash equivalents	5,696	-	-	5,696
	5,696	5,663	53,526	64,885

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(e) Credit risk (continued)

(ii) Expected credit losses

The Group assesses at each reporting date to determine loss allowances for expected credit loss on financial assets measured at amortised cost and debt securities at FVOCI as mentioned in note 2(g)(iii).

The following table sets out the credit quality of financial assets measured at FVOCI:

Group	2024			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<u>Financial assets at FVOCI</u>				
Corporate debt securities				
- Non-rated	352,676	-	-	352,676
- AA	447,591	28,447	-	476,038
- AAA	1,420,510	-	-	1,420,510
- A (international)	81,880	-	-	81,880
- AA (international)	40,980	-	-	40,980
- AAA (international)	71,538	-	-	71,538
- BBB (international)	52,113	1,963	-	54,076
Malaysia Government Securities				
- Non-rated	681,278	-	-	681,278
Government Investment Issues				
- Non-rated	535,550	-	-	535,550
Private debt securities				
- Non-rated	21,491	-	-	21,491
- BBB (international)	4,342	-	-	4,342
Accrued interest	40,797	150	-	40,947
	3,750,746	30,560	-	3,781,306
Allowance for expected credit losses	(3,096)	(120)	-	(3,216)

The details of the “three-staging model” are described in note 2(g)(iii).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(f) Credit risk (continued)

(iii) Expected credit losses (continued)

The Group assesses at each reporting date to determine loss allowances for expected credit loss on financial assets measured at amortised cost and debt securities at FVOCI as mentioned in note 2(g)(iii).

The following table sets out the credit quality of financial assets measured at FVOCI:

	2023			
Group	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<u>Financial assets at FVOCI</u>				
Corporate debt securities				
- Non-rated	356,159	-	-	356,159
- AA	474,705	52,657	-	527,362
- AAA	1,318,209	-	-	1,318,209
- A (international)	98,472	-	-	98,472
- AA (international)	51,848	-	-	51,848
- AAA (international)	52,758	-	-	52,758
- BBB (international)	76,969	2,075	-	79,044
Malaysia Government Securities				
- Non-rated	473,348	-	-	473,348
Government Investment Issues				
- Non-rated	476,257	-	-	476,257
Private debt securities				
- Non-rated	4,733	-	-	4,733
- A (international)	4,721	-	-	4,721
- BBB (international)	4,732	-	-	4,732
Accrued interest	38,838	275	-	39,113
	3,431,749	55,007	-	3,486,756
Allowance for expected credit losses	(3,597)	(302)	-	(3,899)

The details of the “three-staging model” are described in note 2(g)(iii).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(e) Credit risk (continued)

(ii) Expected credit losses (continued)

The following table shows the reconciliations from opening to the closing balance of the loss allowance by class of financial instrument.

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<u>Financial assets at FVOCI</u>				
At 1 January 2023	5,272	40	-	5,312
Net remeasurement due to transfers	-	187	-	187
Net originations, purchases and disposals	583	(2)	-	581
Changes to risk, parameters, and models	(2,136)	86	-	(2,050)
Foreign exchanges	(122)	(9)	-	(131)
At 31 December 2023/1 January 2024	3,597	302	-	3,899
Net remeasurement due to transfers	(2)	2	-	-
Net originations, purchases and disposals	306	18	-	324
Changes to risk, parameters, and models	(801)	(182)	-	(983)
Foreign exchanges	(4)	(20)	-	(24)
At 31 December 2024	3,096	120	-	3,216

As at the reporting date, all financial assets at amortised cost held by the Group and Company are classified as Stage 1. The credit rating of these financial assets at amortised cost are as disclosed in Note 29(e)(i). The following table shows the carrying value of the Group and Company's financial assets measured at amortised cost and the expected credit loss amount recognised:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Financial assets at amortised cost</u>				
Total carrying amount	358,974	393,366	36,353	5,663
Allowance for expected credit losses	1,165	1,165	1,075	1,075

(iii) Significant judgements and estimates

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Group has performed historical analyses and identified key economic variables impacting credit risk and expected credit losses for each portfolio.

The sensitivity of the ECL to the economic variable assumptions affecting the calculation of ECL was not material to the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(f) Market risk

Market risk is the risk of changes in fair value of financial instruments from fluctuation in foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk), whether such change in price is caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

Market risk is managed through the segmentation of product liabilities with similar characteristics and the establishment of investment policies and goals for each segment. The Group's and the Company's investment policies and goals reflect the asset mix, asset quality, sector mix, currency mix, interest rate risk exposure and liquidity targets.

There has been no significant change in the market risk objectives, policies and processes in the current financial year as compared to the previous financial year.

The financial assets and liabilities of the segregated funds are not presented in the table below as the Group does not have any direct exposure to market risk in those assets as the market risk is borne by the investment-linked policyholders.

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group manages the risk through matching the currency of the assets with the currency of the liabilities which these assets support. The Group has foreign currency denominated related party transactions which are denominated mainly in USD, CAD and AUD. The Group has direct exposure to foreign currency risk in certain foreign currency denominated investments.

Exposure to foreign currency risk

The Group and the Company's exposure to the foreign currency (a currency which is other than the functional currency of the Company) risk which are more significant, based on carrying amounts as at the end of the reporting period were:

Group	31.12.2024 Denominated			31.12.2023 Denominated		
	USD RM'000	CAD RM'000	AUD RM'000	USD RM'000	CAD RM'000	AUD RM'000
Other receivables	3,854	535	(10)	6,904	600	-
Equity securities – outside Malaysia	20,580	-	-	19,042	-	-
Private equity funds – outside Malaysia	22,620	-	-	8,359	-	-
Amount due to related parties	(42,641)	(9,021)	-	(27,107)	(4,995)	-
Cash and cash equivalents	8,335	-	253	5,143	-	282
	12,748	(8,486)	243	12,341	(4,395)	282

Company	31.12.2024 Denominated			31.12.2023 Denominated		
	USD RM'000	CAD RM'000	AUD RM'000	USD RM'000	CAD RM'000	AUD RM'000
Other receivables	49	-	-	-	-	-
Amount due to related parties	21,971	-	-	(5,314)	-	-
Cash and cash equivalents	2	-	-	-	-	-
	22,022	-	-	(5,314)	-	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(f) Market risk (continued)

(i) Currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in currency, with all other variables held constant:

Group	Impact on profit before tax	
	Increase/(decrease)	
	31.12.2024 RM'000	31.12.2023 RM'000
Changes in foreign currency rates		
USD + 5%	442	504
CAD + 5%	(424)	(220)
AUD + 5%	12	14
USD - 5%	(442)	(504)
CAD - 5%	424	220
AUD - 5%	(12)	(14)

Group	Impact on equity*	
	Increase/(decrease)	
	31.12.2024 RM'000	31.12.2023 RM'000
Changes in foreign currency rates		
USD + 5%	517	212
CAD + 5%	(313)	(168)
AUD + 5%	9	11
USD - 5%	(517)	(212)
CAD - 5%	313	168
AUD - 5%	(9)	(11)

Company	Impact on profit before tax/ equity	
	Increase/(decrease)	
	31.12.2024 RM'000	31.12.2023 RM'000
Changes in foreign currency rates		
USD + 5%	1,101	(266)
CAD + 5%	(4)	-
USD - 5%	(1,101)	266
CAD - 5%	4	-

* Impact on equity is stated after considering tax effects

The method used and significant assumptions made to derive the sensitivity information did not change from the previous financial year.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(f) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Investment activities and insurance business are inherently exposed to interest rate risk. This risk arises due to differences in pricing or tenure of investments and liabilities. For the Group's insurance business, interest rate risk is managed by the liability side, by limiting the interest rate guarantees that are embedded in the insurance plans that are marketed. The interest rate risk is also managed through setting the appropriate asset benchmark reflecting the liability profile and the availability of suitable instruments in the investment market. The participating nature of the Participating life fund gives Manulife Insurance Berhad the flexibility to adjust the policyholders' bonus or dividends in the event of persistently high or low interest rate.

The Group's exposure to interest rate risk sensitive insurance and reinsurance contracts and debt instruments are, as follows:

Group	31.12.2024 RM'000	31.12.2023 RM'000
Insurance and Reinsurance contract liabilities		
Life insurance issued	3,427,165	3,231,984
Reinsurance held	65,938	93,343
	3,493,103	3,325,327
Debt instruments at FVOCI	3,781,306	3,486,756

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, showing the impact on the Group's profit before tax and equity. The correlation of variables will have a significant effect in determining the ultimate impact on interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used and significant assumptions made to derive the sensitivity information did not change from the previous financial year.

Group	Impact on profit before tax (Decrease)/increase	
	31.12.2024 RM'000	31.12.2023 RM'000
Change in variable		
<u>Interest rate</u>		
+50 basis points	(16,295)	(12,565)
-50 basis points	17,043	13,321

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(f) Market risk (continued)

(ii) Interest rate risk (continued)

Group	Impact on equity*	
	(Decrease)/increase	
	31.12.2024 RM'000	31.12.2023 RM'000
Change in variable		
<u>Interest rate</u>		
+50 basis points	(83,884)	(77,133)
-50 basis points	90,009	83,464

* Impact on equity is stated after considering tax effects.

The above impact to the Group's equity arose from the investments in fixed income securities which are classified as FVOCI financial assets and the insurance and reinsurance contract liabilities.

The impact to the Company's equity is attributable to the investments in fixed income securities which are classified as FVOCI financial assets. There are no financial assets at FVOCI as at the financial year ended 31 December 2024 and 31 December 2023.

(iii) Price risk

The Group's and the Company's price risk exposure relates to financial assets and liabilities, whose values will fluctuate as a result of change in market prices. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to the individual instruments or their issuers or factors affecting all instruments traded in the market.

The Group and the Company acknowledged the inherent risk of investing in equities. The Board has set internal limits for maximum equity exposure, industry type exposure and individual stock exposure, which for the insurance subsidiaries of the Group, are consistent with BNM's guidelines, and has also imposed daily trading limits. In addition, the Investment Committee at its monthly meeting discussed the economic and market outlook, reviews transactions and deliberates on further equity allocation. The participating nature of the Participating life fund of Manulife Insurance Berhad gives the flexibility to adjust the policyholders' bonus or dividends in the event of persistently high or low equity returns.

The following table demonstrates the sensitivity to a reasonably possible change in the fair values of the equity investments, with all other variables held constant showing the impact on the Group's and Company's profit before tax and equity. The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used and significant assumptions made to derive the sensitivity information did not change from the previous financial year.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(f) Market risk (continued)

(iii) Price risk (continued)

Group	Impact on profit before tax	
	Increase/(decrease)	
	31.12.2024 RM'000	31.12.2023 RM'000
Change in variable		
<u>Market price</u>		
+15%	59,438	45,184
-15%	(59,438)	(45,184)
Company	31.12.2024 RM'000	31.12.2023 RM'000
Change in variable		
<u>Market price</u>		
+15%	17,906	8,029
-15%	(17,906)	(8,029)
Group	Impact on equity*	
	Increase/(decrease)	
	31.12.2024 RM'000	31.12.2023 RM'000
Change in variable		
<u>Market price</u>		
+15%	44,308	33,750
-15%	(44,308)	(33,750)
Company	31.12.2024 RM'000	31.12.2023 RM'000
Change in variable		
<u>Market price</u>		
+15%	17,906	8,029
-15%	(17,906)	(8,029)

* Impact on equity is stated after considering tax effects.

The above impact to the Group's and the Company's equity arose from the investments in equity securities, unit trust funds, structured product and real estate investment trusts which are classified as FVTPL financial assets.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(g) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial instruments. This risk is managed via a three-year planning process to ascertain operational cash flow requirements and maintaining a reasonable level of liquid assets to meet unexpected cash flow. In addition, the Group and the Company have large holdings of government bonds that can be liquidated at short notice to meet unexpected liquidity needs.

It is unusual for the Group primarily transacting insurance business to predict the requirements of funding with absolute certainty as theory of probability is applied on insurance contracts to ascertain the likely provision and the time period when such liabilities will require settlement. The amount and maturities in respect of insurance contract liabilities are thus based on management's estimate based on statistical techniques and past experiences.

There has been no significant change in the liquidity risk objectives, policies and processes in the current financial year as compared to the previous financial year.

The table below analyses the Group's and the Company's financial assets and financial liabilities into their relevant maturity groups based on the remaining undiscounted contractual obligations.

All liabilities are presented on a contractual cash flow basis except for the amount payable under distribution agreement which are presented with their expected cash flows.

The financial assets and liabilities of the segregated funds are not presented in the table below as the Group does not have any direct exposure to liquidity risk in those assets as the liquidity risk is borne by the investment-linked policyholders.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(g) Liquidity risk (continued)

Group	Carrying value RM'000	Up to a year RM'000	1-3 years RM'000	3-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
31 December 2024							
Malaysian Government Securities	730,964	30,300	100,647	57,728	1,035,388	-	1,224,063
Government Investment Issues	583,265	24,785	49,746	49,555	887,841	-	1,011,927
Corporate debt securities	2,821,122	344,580	781,630	730,467	2,134,808	-	3,991,485
Private debt securities	25,833	1,534	3,068	3,068	65,579	-	73,249
Equity securities	702,944	-	-	-	-	702,944	702,944
Private equity funds	80,130	-	-	-	-	80,130	80,130
Real estate investment trusts	6,820	-	-	-	-	6,820	6,820
Unit trust funds	2,588	-	-	-	-	2,588	2,588
Structured product	152,675	152,675	-	-	-	-	152,675
Derivatives	2,023	2,023	-	-	-	-	2,023
Accrued interest							
- Financial assets at FVOCI	40,947	40,947	-	-	-	-	40,947
- Financial assets at FVTPL	6,872	6,872	-	-	-	-	6,872
Loans receivable	27,929	1,585	4,104	4,148	18,092	-	27,929
Fixed and call deposits with licensed banks in Malaysia	290,658	290,658	-	-	-	-	290,658
Other receivables	40,387	40,387	-	-	-	-	40,387
Cash and cash equivalents	235,860	235,860	-	-	-	-	235,860
Total financial assets	5,751,017	1,172,206	939,195	844,966	4,141,708	792,482	7,890,557
Derivatives	4	4	-	-	-	-	4
Lease liabilities	1,642	1,165	554	-	-	-	1,719
Other liabilities	428,309	428,309	-	-	-	-	428,309
Total financial liabilities	429,955	429,478	554	-	-	-	430,032

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(g) Liquidity risk (continued)

Group	Carrying value RM'000	Up to a year RM'000	1-3 years RM'000	3-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
31 December 2023							
Malaysian Government Securities	497,366	21,315	43,413	42,561	773,680	-	880,969
Government Investment Issues	508,105	21,740	43,481	43,650	787,329	-	896,200
Corporate debt securities	2,789,502	414,215	746,571	695,327	2,100,623	-	3,956,736
Private debt securities	14,186	774	1,549	1,549	33,788	-	37,660
Equity securities	706,273	-	-	-	-	706,273	706,273
Private equity funds	56,985	-	-	-	-	56,985	56,985
Real estate investment trusts	13,513	-	-	-	-	13,513	13,513
Unit trust funds	1,641	-	-	-	-	1,641	1,641
Structured product	66,146	66,146	-	-	-	-	66,146
Forward foreign exchange contract	1,153	1,153	-	-	-	-	1,153
Accrued interest							
- Financial assets at FVOCI	39,113	39,113	-	-	-	-	39,113
- Financial assets at FVTPL	5,514	5,514	-	-	-	-	5,514
Loans receivable	27,784	1,637	2,778	4,154	19,215	-	27,784
Fixed and call deposits with licensed banks in Malaysia	322,984	322,984	-	-	-	-	322,984
Other receivables	42,598	42,598	-	-	-	-	42,598
Cash and cash equivalents	207,877	207,877	-	-	-	-	207,877
Total financial assets	5,300,740	1,145,066	837,792	787,241	3,714,635	778,412	7,263,146
Lease liabilities	2,717	1,597	1,264	-	-	-	2,861
Other liabilities	392,400	392,400	-	-	-	-	392,400
Total financial liabilities	395,117	393,997	1,264	-	-	-	395,261

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

29. RISK MANAGEMENT (CONTINUED)

(g) Liquidity risk (continued)

Company	Carrying value RM'000	Up to a year RM'000	1-3 years RM'000	3-5 years RM'000	Over 5 years RM'000	No maturity date RM'000	Total RM'000
31 December 2024							
Equity securities	13,640	-	-	-	-	13,640	13,640
Real estate investment trusts	134	-	-	-	-	134	134
Unit trust funds	105,596	-	-	-	-	105,596	105,596
Loans receivable	1	1	-	-	-	-	1
Other receivables	36,352	36,352	-	-	-	-	36,352
Cash and cash equivalents	6,769	6,769	-	-	-	-	6,769
Total financial assets	162,492	43,122	-	-	-	119,370	162,492
Other liabilities	61,106	61,106	-	-	-	-	61,106
Total financial liabilities	61,106	61,106	-	-	-	-	61,106
31 December 2023							
Equity securities	1,755	-	-	-	-	1,755	1,755
Unit trust funds	51,771	-	-	-	-	51,771	51,771
Loans receivable	1	1	-	-	-	-	1
Other receivables	5,662	5,662	-	-	-	-	5,662
Cash and cash equivalents	5,696	5,696	-	-	-	-	5,696
Total financial assets	64,885	11,359	-	-	-	53,526	64,885
Other liabilities	27,045	27,045	-	-	-	-	27,045
Total financial liabilities	27,045	27,045	-	-	-	-	27,045

(h) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, risk management policies and procedures, systems' failures, human performance failures or from external events. The Group and the Company seek to minimise exposure by ensuring appropriate internal controls and systems, together with trained and competent people are in place throughout the Group and the Company. The Group uses an established programme of comprehensive risk self-assessments in conjunction with independent internal audits to monitor and assess inherent operational risks and the effectiveness of internal controls.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2024

30. CAPITAL AND OTHER COMMITMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other commitments				
Exclusive bancassurance agreement				
- Authorised but not provided for (i)	59,000	62,000	-	-
Investment in Private Equity Funds				
At 1 January	60,551	30,349	-	-
Capital committed	22,357	41,355	-	-
Capital called	(19,104)	(12,084)	-	-
Capital return	1,160	21	-	-
Expenses incurred	(533)	(344)	-	-
Currency movement	(2,802)	1,254	-	-
At 31 December (ii)	61,629	60,551	-	-

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

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

Head Office Management

LIST OF OFFICERS

MANULIFE HOLDINGS BERHAD

>>

Group Chief Executive Officer/ Executive Director

VIBHA HAMS COBURN

>>

Chief Counsel & Corporate Services Officer

JASBENDER KAUR

>>

Chief Human Resources Officer

SOH YOON YEE

MANULIFE INSURANCE BERHAD

>>

Group Chief Executive Officer/ Executive Director

VIBHA HAMS COBURN

>>

Chief Financial Officer

NG CHUN NAM

>>

Appointed Actuary

WILSON TIN WEI LOON

>>

Chief Agency Officer

LEE TAT FATT

>>

Chief Marketing Officer

MARILYN WANG

>>

Chief Operations Officer

NORMAHIDA CHE MAHMOOD

>>

Chief Information Officer

BERNARD SIA

>>

Chief Product Officer

RICKY LIM SOON JOO

>>

Chief Commercial Officer

JONATHAN YEN

>>

Chief Compliance Officer

SENTIL WONG WAI KEONG

>>

Chief Risk Officer

MOHD NAIM BIN MOHD ARSAD

MANULIFE INVESTMENT MANAGEMENT (M) BERHAD

>>

Chief Executive Officer / Executive Director

JASON CHONG SOON MIN

>>

Head of Finance

KENNETH KWONG CHOR WAH

>>

Head of Agency

ANNIE TAN YEN NEE

>>

Head of Marketing & Communications

LINDA YK WONG

>>

Head of Operations

REUBEN NAIR

>>

Head of Information Technology

CHUAH POH THYE

>>

Head of Product Development

CHERYL LAW CHOR KUN

>>

Head of Partnership

MICHELLE HON BEE SHAN

>>

Head of Legal & Compliance

YOOI FOONG HING

>>

Head of Equity

GAN KONG YIK

>>

Head of Fixed Income & Client Portfolio Manager

ELSIE LAI CHING THAM

>>

Head of Institutional & Pension Sales

WAN SHUHAIDA WAN ZAINAL SHUKRI

MANULIFE INSURANCE LABUAN LIMITED

>>

Principal Officer

JASBENDER KAUR

>>

Appointed Actuary

WILSON TIN WEI LOON

List of Properties

As at 31 December 2024

Location	Land Area (sq.ft)	Built Up Area (sq.ft)	Net Lettable Area (sq.ft)	Tenure	Approx Age of Building (Years)	Net Book Value (RM'000)	Last Revaluation (Year)
Menara Manulife 6, Jalan Gelenggang, Damansara Heights 50490 Kuala Lumpur Malaysia (18 storey building)	46,995	236,173	170,510	Freehold	21	103,500	Dec-24

The above property is for office and commercial use.

Analysis of Shareholdings

As at 4 April 2025

Issued Share Capital : 224,691,496 Ordinary Shares
 Class of Shares : Ordinary Shares
 Voting Rights : 1 vote per Ordinary Share on poll
 No. of shareholders : 2,504

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Capital
1-99	281	11.22	6,316	0.00
100 to 1,000	567	22.64	387,095	0.17
1,001 to 10,000	1,147	45.81	4,548,830	2.02
10,001 to 100,000	434	17.33	13,486,556	6.00
100,001 to less than 5% of issued shares	74	2.96	65,576,027	29.18
5% of issued shares and above	1	0.04	140,686,672	62.61
Total	2,504	100.00	224,691,496	100.00

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDING ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Direct	%	Indirect	%
Manulife Century Holdings (Netherlands) B.V.	140,686,672	62.61	-	-
Manulife Financial Corporation	-	-	*140,686,672	62.61
The Manufacturers Life Insurance Company	-	-	*140,686,672	62.61
Manulife Holdings (Bermuda) Limited	-	-	*140,686,672	62.61
Manulife Financial Asia Limited	-	-	*140,686,672	62.61
Manulife Financial (Singapore) Pte. Ltd.	-	-	*140,686,672	62.61

Note:

* Deemed interested by virtue of Section 8(4) of the Companies Act 2016.

DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS

None of the Directors have any direct and deemed interests in the Company.

Analysis of Shareholdings

As at 4 April 2025

30 LARGEST SECURITIES ACCOUNT HOLDERS

	Name	No. of Shareholding	% of Issued Capital
1	HSBC NOMINEES (ASING) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE CENTURY HOLDINGS (NETHERLANDS) B.V.	140,686,672	62.61
2	AMANAHRAYA TRUSTEES BERHAD PUBLIC SMALLCAP FUND	9,167,500	4.08
3	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC REGULAR SAVINGS FUND	9,051,333	4.03
4	AMANAHRAYA TRUSTEES BERHAD PUBLIC SAVINGS FUND	4,693,200	2.09
5	AMANAHRAYA TRUSTEES BERHAD PUBLIC SECTOR SELECT FUND	4,338,700	1.93
6	HSBC NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC AGGRESSIVE GROWTH FUND	3,141,766	1.40
7	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ABERDEEN)	2,766,000	1.23
8	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR BERJAYA MUTUAL BERHAD	2,106,000	0.94
9	OLIVE LIM SWEE LIAN	1,892,125	0.84
10	AMANAHRAYA TRUSTEES BERHAD PUBLIC GROWTH FUND	1,780,800	0.79
11	CHAI BENG HWA	1,769,040	0.79
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC BALANCED FUND	1,616,900	0.72
13	AMANAHRAYA TRUSTEES BERHAD PUBLIC ENHANCED BOND FUND	1,590,500	0.71
14	AMANAHRAYA TRUSTEES BERHAD PUBLIC SOUTH-EAST ASIA SELECT FUND	1,522,700	0.68
15	CHEE SAI MUN	1,416,775	0.63
16	WONG YU @ WONG WING YU	1,320,000	0.59

Analysis of Shareholdings

As at 4 April 2025

	Name	No. of Shareholding	% of Issued Capital
17	AMANAHRAYA TRUSTEES BERHAD PUBLIC DIVIDEND SELECT FUND	1,170,500	0.52
18	CHENG, CHIEN-MING	1,063,600	0.47
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHUA ENG HO WAA @ CHUA ENG WAH	1,011,531	0.45
20	FU, CHEN SHU-CHEN	1,002,000	0.45
21	HSU, CHUN-TSANG	822,533	0.37
22	NG POH CHENG	652,100	0.29
23	CIMB GROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR DBS BANK LTD (SFS)	600,000	0.27
24	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE LAK CHYE @ LI CHOY HIN (E-IMO)	582,741	0.26
25	TAN AIK CHOON	511,126	0.23
26	YEO KHEE HUAT	451,897	0.20
27	AMANAHRAYA TRUSTEES BERHAD PUBLIC EQUITY FUND	419,300	0.19
28	CHAN SHIEK CHIN @ CHAN SHICK CHIN	401,234	0.18
29	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	378,904	0.17
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAY BOON SENG	349,000	0.16

Proxy Form

MANULIFE HOLDINGS BERHAD

[Registration No. 197501003360 (24851-H)]

(Incorporated in Malaysia)

Number of Shares Held	CDS Account No.

I/We (full name in block letters), _____

NRIC/Passport/Registration No. _____ email: _____

contact no. _____

of (full address) _____

being a member of Manulife Holdings Berhad, hereby appoint:

First Proxy "A"

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address	Email		
	Contact No.		

*and/or

*Second Proxy "B"

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address	Email		
	Contact No.		

*or failing *him/her, THE CHAIRMAN OF THE MEETING as *my/our proxy to attend and vote for *me/us and on *my/our behalf, at the Forty-Ninth Annual General Meeting of Manulife Holdings Berhad to be held at Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Wednesday, 11 June 2025 at 2:30 p.m. and at any and every adjournment thereof.

Mark X under 'For' or 'Against' for each Resolution if you wish to direct the proxy on how to vote. If no mark is made, the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two (2) proxies and wish them to vote differently, this should be specified. My/our proxy/proxies is/are to vote as indicated below:

No.	Resolutions	For	Against
1.	Declaration of a First and Final Single-Tier Dividend		
2.	Re-election of Mr. Matthew Edward Lawrence		
3.	Re-election of Ms. Vibha Hamsi Coburn		
4.	Director's fee from 12 June 2025 until the next Annual General Meeting for Dato' Dr. Zaha Rina Binti Zahari		
5.	Director's fee from 12 June 2025 until the next Annual General Meeting for Mrs. Vijayam A/P Nadarajah		
6.	Director's fee from 12 June 2025 until the next Annual General Meeting for Mr. Renzo Christopher Viegas		
7.	Director's fee from 12 June 2025 until the next Annual General Meeting for Mr. Matthew Edward Lawrence		
8.	Director's fee from 12 June 2025 until the next Annual General Meeting for such person(s) to be appointed as Non-Executive Director(s) of the Company		
9.	Directors' benefits from 12 June 2025 until the next Annual General Meeting		
10.	Re-appointment of Auditors		
11.	Special Business – Ordinary Resolution 1		
12.	Special Business – Ordinary Resolution 2		
13.	Special Business – Ordinary Resolution 3		
14.	Special Business – Ordinary Resolution 4		
15.	Special Business – Ordinary Resolution 5		

*strike out whichever not applicable

Dated this _____ day of _____ 2025

*Signature of Member/Common Seal

Fold this flap for sealing

Notes:

1. The Forty-Ninth AGM of the Company will be held physically at the Meeting Venue.
2. In respect of deposited securities, only members whose names appear in the Record of Depositors on 4 June 2025 shall be eligible to attend the Meeting.
3. A member, who is entitled to attend, speak and vote at the Meeting, is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
4. A proxy may but does not need to be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy and the power of attorney or a certified copy thereof shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or lodged electronically via email at info@sshsb.com.my not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.
Any notice of termination of authority to act as proxy must be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan or submitted via email to info@sshsb.com.my not less than forty-eight (48) hours before the time stipulated for holding the Meeting or any adjournment thereof.
7. The Annual Report 2024 and other accompanying documents are available online on the Company website at www.manulife.com.my. The Notification to Shareholders will be sent by electronic email to shareholders who have maintained e-mail addresses in the Record of Depositors with Bursa Malaysia Depository Sdn. Bhd. Please be advised that any request for hard copies of the Annual Report will be processed and forwarded to the requesting shareholders at the first reasonable opportunity.
8. All resolutions set out in this notice of meeting are to be voted by poll.

Fold Here

**AFFIX
STAMP HERE**

**THE SHARE REGISTRAR
MANULIFE HOLDINGS BERHAD** 197501003360 (24851-H)

c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan

Fold Here

www.manulife.com.my

MANULIFE HOLDINGS BERHAD

197501003360 (24851-H)

16th Floor, Menara Manulife
6 Jalan Gelenggang, Damansara Heights
50490 Kuala Lumpur, Malaysia.

T : 603 - 2719 9228

F : 603 - 2095 3804