

# 20 25 Annual Report



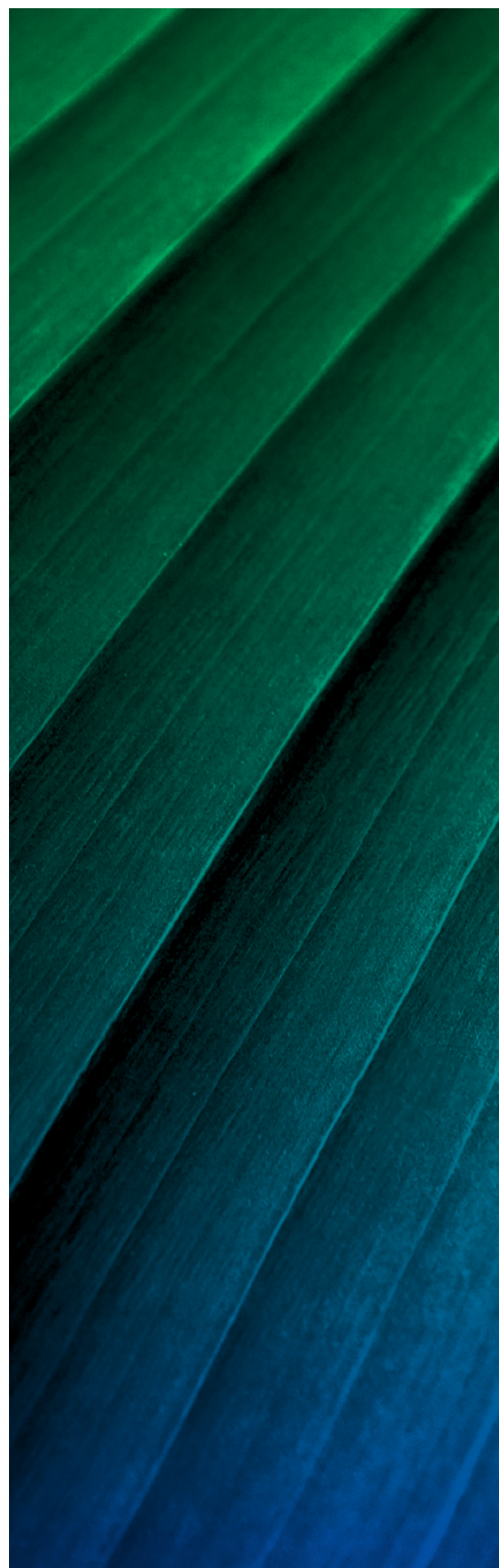
## Where will *better* take you

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

That is our mission and we work every day to bring it to life for our more than 37 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.

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# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Fiftieth 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, 10 June 2026 at 2:30 p.m. for the following purposes:

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 and the Reports of the Directors and Auditors thereon.
2. To approve the declaration of a First and Final Single-Tier Dividend of 9.0 sen per share for the financial year ended 31 December 2025. **(Resolution 1)**
3. To re-elect Mr. Renzo Christopher Viegas who retires pursuant to Clause 123 of the Company’s Constitution. **(Resolution 2)**
4. To re-elect the following Directors who retire pursuant to Clause 106 of the Company’s Constitution:
  - (a) Mr. Rishi Srivastava; and **(Resolution 3)**
  - (b) Dato’ Khalid Bin Abdol Rahman. **(Resolution 4)**
5. To approve the payment of additional Directors’ fees for the period from 1 January 2026 until 10 June 2026, arising from the revision of Directors’ fees with effect from 1 January 2026, to the following Directors:
  - (a) Mr. Renzo Christopher Viegas, Chairman, Independent Non-Executive Director; **(Resolution 5)**
  - (b) Mrs. Vijayam A/P Nadarajah, Independent Non-Executive Director; **(Resolution 6)**
  - (c) Dato’ Khalid Bin Abdol Rahman, Independent Non-Executive Director; and **(Resolution 7)**
  - (d) Mr. Rishi Srivastava, Non-Independent Non-Executive Director. **(Resolution 8)**
6. To approve the payment of Directors’ fees for the period from 11 June 2026 until the next Annual General Meeting of the Company to be held in year 2027:
  - (a) Mr. Renzo Christopher Viegas, Chairman, Independent Non-Executive Director; **(Resolution 9)**
  - (b) Mrs. Vijayam A/P Nadarajah, Independent Non-Executive Director; **(Resolution 10)**
  - (c) Dato’ Khalid Bin Abdol Rahman, Independent Non-Executive Director; **(Resolution 11)**
  - (d) Mr. Rishi Srivastava, Non-Independent Non-Executive Director; and **(Resolution 12)**
  - (e) such person(s) to be appointed as Non-Executive Director(s) of the Company. **(Resolution 13)**
7. To approve the payment of Directors’ benefits of up to an amount of RM100,000.00 from 11 June 2026 until the next Annual General Meeting of the Company to be held in year 2027. **(Resolution 14)**
8. 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 15)**

## AS SPECIAL BUSINESS

9. To consider and if thought fit, with or without modifications, to pass the following resolutions: **(Resolution 16)**
  - (a) **ORDINARY RESOLUTION 1**  
- **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 17)

- **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 2026 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 resolution and continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the Fiftieth 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."

(c) **ORDINARY RESOLUTION 3**

(Resolution 18)

- **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 11 June 2025, 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."

10. 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 2026

## NOTES:

1. The Fiftieth 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 3 June 2026 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.

# Notice of Annual General Meeting

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](mailto: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](mailto: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 2025 and other accompanying documents are available online on the Company website at [www.manulife.com.my](http://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 TO THE AGM RESOLUTIONS

### (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 to 4 – Re-election of Directors retiring pursuant to Clause 123 and Clause 106 of the Company's Constitution

The Board of Directors maintained its view on the assessment of the fitness and propriety of Mr. Renzo Christopher Viegas, Mr. Rishi Srivastava and Dato' Khalid Bin Abdol Rahman, as carried out in Q4 2025. The Board is satisfied that they meet, and will continue to meet, the required standards of integrity, competence and capability, and is confident in their ability to fulfil the expectations of the Board in discharging their duties and responsibilities. Accordingly, the Board recommends the retiring Directors for re-election. The profiles of the retiring Directors are set out in the Company's Annual Report 2025.

### (3) Resolution 5 to 14 – Non-Executive Directors' Remuneration

The Board recommends that the existing Directors' Fees, for the period commencing from 1 January 2026 until the next AGM of the Company, be revised as follows:

	<b>As approved at the 49<sup>th</sup> AGM<sup>1</sup></b>	<b>New Approval to be sought at the 50<sup>th</sup> AGM</b>
Chairman of the Board	RM26,562.50 per quarter	RM30,575.00 per quarter
Each Independent Non-Executive Director	RM21,875.00 per quarter	RM24,930.00 per quarter <sup>2</sup>
Each Non-Independent Non-Executive Director	RM18,375.00 per quarter	RM19,110.00 per quarter

<sup>1</sup> The amount paid per quarter is computed without taking into consideration the additional RM5,000 paid to the Independent Non Executive Directors and the Chairman for attending the Board Strategy Day meeting. It also excludes the additional RM1,000 paid per quarter to each Committee Chairman.

<sup>2</sup> The amount to be paid per quarter includes the additional RM1,000 paid per quarter to each Committee Chairman. A Director who chairs two Board Committees will receive RM24,930 per quarter, and one who chairs one Board Committee will receive RM23,930. The amount payable will be lower for Directors who do not serve on any Board Committee.

The amounts approved at the last AGM and the proposed payments of benefits to the Non-Executive Directors at the Fiftieth AGM remain unchanged. Independent Non-Executive Directors and the Chairman will be paid RM5,000 for each Board Strategy Day they attend. In addition, Board Committee Chairs will be paid RM1,200 for each pre-meeting attended.

# Notice of Annual General Meeting

## **(4) Resolution 16 – 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 Fiftieth Annual General Meeting of the Company (“**General Mandate**”). The Company had been granted a general mandate by its shareholders at the Forty-Ninth Annual General Meeting of the Company held on 11 June 2025 (hereinafter referred to as the “**Previous Mandate**”). The Previous Mandate granted by the shareholders had not been utilised and hence, no proceeds were 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 acquisition(s).

## **(5) Resolution 17 – Proposed renewal of shareholders’ mandate for recurrent related party transactions of a revenue or trading nature (“Recurrent Related Party Transactions”)**

The proposed Resolution 17, 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 18 – Proposed renewal of Dividend Reinvestment Plan (“DRP”) authority**

The proposed Resolution 18, 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 subsequent Annual General Meeting of the Company on an annual basis, where applicable.

# Corporate Information

## Board of Directors

### Mr. Renzo Christopher Viegas

Chairman/Independent Non-Executive Director

### Mrs. Vijayam A/P Nadarajah

Independent Non-Executive Director

### Dato' Khalid Bin Abdol Rahman

Independent Non-Executive Director

### Mr. Rishi Srivastava

Non-Independent Non-Executive Director

### Ms. Vibha Hamsi Coburn

Group Chief Executive Officer/  
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**  
 Mrs. Vijayam A/P Nadarajah (Chairman)  
 Mr. Rishi Srivastava  
 Dato' Khalid Bin Abdol Rahman
- Group Risk Management Committee**  
 Dato' Khalid Bin Abdol Rahman (Chairman)  
 Mrs. Vijayam A/P Nadarajah  
 Mr. Rishi Srivastava
- Group Nominating/ Remuneration Committee**  
 Dato' Khalid Bin Abdol Rahman (Chairman)  
 Mrs. Vijayam A/P Nadarajah  
 Mr. Rishi Srivastava

#### 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](mailto:MY_CG@manulife.com)  
[www.manulife.com.my](http://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](mailto: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

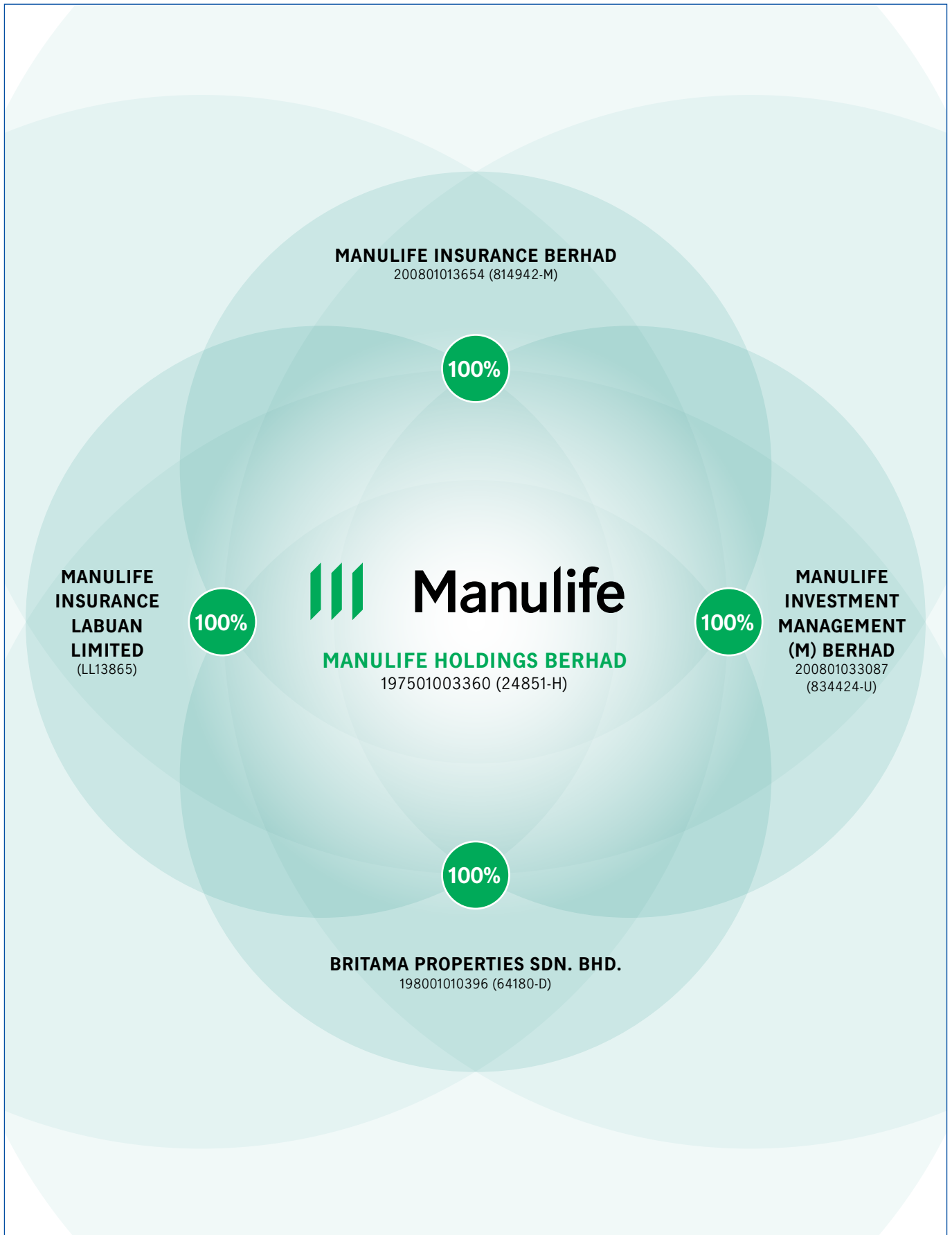
#### INVESTOR RELATIONS

Email:  
[investorrelations\\_my@manulife.com](mailto:investorrelations_my@manulife.com)

#### STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
 – Main Market

# Corporate Structure



# Group Financial Highlights

	2022 (restated)	2023	2024	2025
<b>OPERATING RESULTS</b>				
<b>For the financial year ended 31 December (RM'million)</b>				
Operating Revenue	616.7	685.2	819.1	<b>858.7</b>
Insurance Service Revenue	316.2	360.2	439.4	<b>478.0</b>
Fee Income	119.1	123.0	160.8	<b>159.8</b>
Investment Income	181.4	202.0	218.8	<b>221.0</b>
Group Profit Before Taxation	53.1	113.1	185.4	<b>159.5</b>
Group Net Profit	34.1	83.9	131.4	<b>118.3</b>
Group Net Profit Attributable To Shareholders	34.4	88.7	108.9	<b>111.9</b>
<b>KEY BALANCE SHEET DATA</b>				
<b>As at 31 December (RM'million)</b>				
Life Fund Assets	5,626.5	6,120.7	6,695.1	<b>7,023.0</b>
General/Shareholder Fund Assets	929.3	983.1	1,055.8	<b>1,059.5</b>
Total Assets	6,555.8	7,103.8	7,750.9	<b>8,082.5</b>
Total Liabilities	5,390.0	5,854.7	6,370.6	<b>6,594.4</b>
Shareholders' Equity	1,179.8	1,270.3	1,376.0	<b>1,477.5</b>
<b>SHARE INFORMATION</b>				
Group Basic Earnings Per Share (sen)	16.1	40.8	49.1	<b>49.2</b>
Net Dividend Per Share (sen)	7.0	7.0	8.0	<b>9.0</b>
Group Net Asset Per Share (RM)	5.46	5.79	6.12	<b>6.38</b>
Share Price – High (RM)	2.48	2.09	2.64	<b>2.62</b>
Share Price – Low (RM)	1.83	1.84	1.90	<b>1.99</b>
Share Price As At 31 December (RM)	2.01	1.91	2.41	<b>2.18</b>
Market Capitalisation (RM'million)	434.7	419.2	541.5	<b>505.0</b>
<b>FINANCIAL RATIO (%)</b>				
Return on Equity <sup>1</sup>	3.0	7.2	8.2	<b>7.8</b>
Return on Assets <sup>2</sup>	0.5	1.3	1.5	<b>1.4</b>

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

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

# Directors' Profile



## Renzo Christopher Viegas

Chairman/Independent Non-Executive Director

Indian

64 years old

Male

**Date of Appointment:** 1 November 2020 | 1 January 2026 (Chairman)

**Membership(s) of Board Committees:**

- Nil

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

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

**Present Directorship(s) in Listed and Non-Listed Public Companies in Malaysia:**

- Astro Malaysia Holdings Berhad

Mr. Renzo Viegas has extensive experience in the banking industry and started his career with Citibank in 1985, where he progressively held senior positions in various Asia Pacific countries, including roles with regional responsibilities, until 2008. His last held position with Citibank was as Chief Operating Officer and Chief Financial Officer of Citibank Malaysia.

In 2008, he joined RHB Bank Berhad as Director of Retail Banking, overseeing the consumer, insurance, hire purchase, and SME businesses. In 2011, he was appointed as the Principal Officer of RHB Bank Berhad, with responsibility over the bank's overall operations. His last held position at RHB Bank was Deputy Chief Executive Officer ("CEO"), with direct responsibility for the Consumer and International businesses.

He subsequently joined CIMB Group, serving as Deputy CEO and Executive Director of CIMB Bank from 2012 to 2015, with direct oversight over the Consumer and Commercial businesses. He later assumed the role of CEO of Group Consumer Banking from 2015 to 2016, where he was responsible for shaping and driving consumer banking strategies across the Group. During this period, he played a key role in strengthening the regional consumer franchise, improving business execution, and enhancing synergies across markets. He also served as Advisor to the Group CEO of CIMB Bank, where he was responsible for the development of group-wide business strategies until March 2019, and was the Chairman of the CIMB Group Information and Technology Steering Committee.

He was a Non-Independent Director for CIMB Bank (Vietnam) Ltd, and Non-Independent Director for CIMB Cambodia Bank PLC. He was also a Non-Executive Director of Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad. In addition, he previously served on the Board of Ujjivan Financial Services Limited.



## Vibha Hamsi Coburn

Group Chief Executive Officer/Executive Director

Australian

61 years old

Female

**Date of Appointment:** 1 October 2020

**Membership(s) of Board Committees:**

- Nil

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

- Master of Business Administration, University of Western Australia, Australia
- Postgraduate diploma from the Securities Institute of Australia
- Bachelor of Commerce (Hons), Delhi University, India
- Graduate member of Australia Institute of Company Directors (GAICD)

**Present Directorship(s) in Listed and Non-Listed Public Companies in Malaysia:**

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

Ms. Vibha 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 (MDRT) membership. At the same time, she has helped to vastly strengthen Manulife's bancassurance capabilities, delivering strong growth to its regional partnership and renewing or establishing new partnerships in Vietnam, Indonesia and Myanmar. She has also championed the development and adoption of digital tools throughout all channels in distribution.

Prior to joining Manulife, she has held a wide range of senior roles with over 35 years in banking, insurance and management consulting across Asia, Europe and Australia. These included roles in strategic planning, e-business, sales distribution, retail, corporate and commercial banking, customer acquisition, finance, wealth management, liabilities, mortgages and credit cards.



## Dato' Khalid Bin Abdol Rahman

Independent Non-Executive Director

Malaysian

70 years old

Male

**Date of Appointment:** 1 January 2026

### Membership(s) of Board Committees:

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

### Academic / Professional Qualification(s):

- Master of Business Administration (Marketing), University of New Haven, USA
- Bachelor of Science (Finance), Indiana State University, USA
- Diploma in Accountancy, University Institute Technology MARA

### Present Directorship(s) in Listed and Non-Listed Public Companies in Malaysia:

- Manulife Insurance Berhad
- Progressive Insurance Bhd.

Dato' Khalid Bin Abdol Rahman has over 40 years of experience in corporate finance, corporate planning, and business development. He retired from DRB-HICOM Berhad in January 2018 after holding senior roles such as Group Chief Executive Officer of POS Malaysia Berhad, and Group Director, Corporate Planning & Business Development, where he led major acquisitions, mergers and strategic initiatives, including the acquisition of POS Malaysia Berhad and the partnership for PROTON with Zhejiang Geely.

Following his retirement, he served as Deputy Chief Executive Officer of SRT-EON Security Services Sdn Bhd (2018–2022) and was Chairman of The Pacific Insurance Berhad from January 2021 until May 2025 (having served as Independent Non-Executive Director from May 2020 to May 2025). His earlier career includes leadership positions in Tradewinds Corporation Berhad, MARA Holdings, Malaysian Mining Corporation and the merchant banking sector.



## Vijayam A/P Nadarajah

Independent Non-Executive Director

Malaysian

63 years old

Female

**Date of Appointment:** 19 April 2019

### Membership(s) of Board Committees:

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

### Academic / Professional Qualification(s):

- Master of Business Administration, Monash University, Australia
- Bachelor in Economics (with a major in accounting), Monash University, Australia
- Bachelor of Laws (LLB), London University
- Fellow Member of CPA Australia
- Fellow Member of the Institute of Internal Auditors Malaysia ("IIAM")
- Member of the Malaysian Institute of Accountants

### Present Directorship(s) in Listed and Non-Listed Public Companies in Malaysia:

- Manulife Insurance Berhad
- Matrix Concepts Holdings Berhad

Mrs. Vijayam Nadarajah was the president of IIAM from 1996 to 1997 and was then reappointed as a Governor to the Board of Governors of IIAM in 2018. She co-chaired the first taskforce on Guidance for Effective Internal Audit Function. From 2013 to 2016, she 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.

She previously served as a 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.

## Directors' Profile



### Rishi Srivastava

Non-Independent Non-Executive Director

Indian

53 years old

Male

**Date of Appointment:** 1 November 2025

**Membership(s) of Board Committees:**

- Member of Group Audit Committee
- Member of Group Risk Management Committee
- Member of Group Nominating/Remuneration Committee

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

- Master of Arts (Economics), Lucknow University, India
- Bachelor of Arts (Economics), Lucknow University, India
- Post Graduate Programme in Management Studies (PGPMS) in Marketing, K.J. Somaiya Institute of Management, Mumbai, India
- Global Advanced Management Program from the Kellogg School of Management, USA

**Present Directorship(s) in Listed and Non-Listed Public Companies in Malaysia:**

Nil

Mr. Rishi has over two decades of leadership experience across the insurance, banking, and Fast-Moving Consumer Good (FMCG) sectors. He currently serves as Chief Agency Officer, Asia at Manulife, where he is responsible for driving agency distribution strategy across multiple Asian markets.

Prior to joining Manulife, he was the Chief Executive Officer of Group Agency Distribution at AIA, overseeing its agency business and spearheading a major digital transformation of the agency value chain. Prior to that, he served as Managing Director & CEO of Tata AIA Life Insurance, and before that, Director at AXA Financial Indonesia. He also previously held senior positions at ICICI Bank and ICICI Prudential Life Insurance.

**Other information on Directors**

Save as disclosed, none of the Directors has any family relationship with any Director and/or major shareholder of the Company nor any conflict of interest with the Company. None of the Directors has had any convictions for any offence, other than traffic offences (if any) within the past five years and have not been imposed any penalty by the relevant regulatory bodies during the financial year 2025.

There were five (5) Board Meetings held during the financial year ended 31 December 2025. The details of attendance of the Directors are as follows:

Name of Board of Directors	Attendance
Dato' Dr. Zaha Rina Binti Zahari <i>(retired w.e.f. 1 January 2026)</i>	5/5
Mr. Renzo Christopher Viegas	5/5
Ms. Vibha Hamsi Coburn	5/5
Dato' Khalid Bin Abdol Rahman <i>(appointed w.e.f. 1 January 2026)</i>	0/0
Mrs. Vijayam A/P Nadarajah	5/5
Mr. Rishi Srivastava <i>(appointed w.e.f. 1 November 2025)</i>	1/1
Mr. Matthew Edward Lawrence <i>(resigned w.e.f. 1 November 2025)</i>	4/4

# Key Senior Management's Profile



**Ng Chun Nam** | Chief Financial Officer, Manulife Insurance Berhad

Malaysian 48 years old Male

**Date of Appointment:** 1 May 2023

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 23 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. Prior to joining Manulife, he was a Vice President within the Royal Bank of Scotland Cross Asset Solution Group, serving primarily financial institutions in the SEA region; and a Regional Manager, Asset Liability Management in the Strategic Finance team.



**Bernard Sia** | Chief Information Officer, Manulife Insurance Berhad

Malaysian 49 years old Male

**Date of Appointment:** 1 November 2021

**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:**

- Over 26 years of experience across 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 Petroliaam National Berhad (PETRONAS).



**Jasbender Kaur** | Chief Counsel & Corporate Services Officer, Manulife Holdings Berhad

Malaysian 55 years old Female

**Date of Appointment:** 1 October 2016

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 24 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 2011. She was appointed to her current position in 2016, assuming responsibility for 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 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.



**Lee Tat Fatt** | Chief Agency Officer, Manulife Insurance Berhad

Malaysian 55 years old Male

**Date of Appointment:** 1 October 2024

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 29 years of experience in the insurance industry, managing new business underwriting across 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.

# Key Senior Management's Profile



**Normahida Che Mahmood** | Chief Operations Officer, Manulife Insurance Berhad

Malaysian 53 years old Female

**Date of Appointment:** 15 September 2024

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 26 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 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 Director and Head of Customer Centres in AIA Bhd, managing more than 35 branches with team strength of approximately 300 staff.



**Ricky Lim Soon Joo** | Chief Product Officer, Manulife Insurance Berhad

Malaysian 53 years old Male

**Date of Appointment:** 20 October 2021

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 29 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 Director of Business Development for Pacific Life Re, Singapore supporting Malaysia direct insurers.



**Soh Yoon Yee** | Chief People Officer, Manulife Holdings Berhad

Malaysian 50 years old Female

**Date of Appointment:** 8 November 2023

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 25 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

Malaysian 59 years old Male

**Date of Appointment:** 8 February 2010

**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:**

- Over 37 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 at 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.

# Key Senior Management's Profile



**Kenneth Kwong Chor Wah** | Head of Finance, Manulife Investment Management (M) Berhad

Malaysian 51 years old Male

**Date of Appointment:** 9 April 2018

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 22 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

Malaysian 54 years old Female

**Date of Appointment:** 10 February 2025

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 29 years of experience in the investment industry, having begun her career as a Dealer Representative at TA Securities Bhd. She later

joined Public Mutual as a Senior Manager, overseeing 26 branches and leading a sales force of 30,000. Over the past 6 years, has founded her own training company, serving most UTMCs 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 the International Coaching Federation (ICF). Passionate about people development, she is committed to making a meaningful impact on lives.



**Cheryl Law Chor Kun** | Head of Product, Manulife Investment Management (M) Berhad

Malaysian 47 years old Female

**Date of Appointment:** 13 March 2017

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 23 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 Thy** | Head of Information Technology, Manulife Investment Management (M) Berhad

Malaysian 47 years old Male

**Date of Appointment:** 13 September 2023

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 22 years of experience in the technology sector within financial institutions, including 16 years in Manulife. He holds extensive expertise in the implementation and integration of transfer agency applications. He was appointed

as the Interim Head of Information Technology in September 2023, and was subsequently confirmed as the Head of Information Technology in March 2024. Prior to joining Manulife, he was a system engineer involved in developing group and life insurance core applications at both Etiqa Insurance Berhad and MAA Insurance Berhad.

# Key Senior Management's Profile



**Elsie Lai Ching Tham** | Head of Fixed Income & Client Portfolio Manager, Manulife Investment Management (M) Berhad

Malaysian | 44 years old | Female

**Date of Appointment:** 1 March 2024

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 20 years of experience in the investment industry, including 16 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 at a Malaysia-based credit rating agency.



**Foong Hing Yooi** | Head of Legal & Compliance, Manulife Investment Management (M) Berhad

Malaysian | 58 years old | Female

**Date of Appointment:** 1 January 2014

**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:**

- Over 33 years of experience in legal, corporate and financial services industry. Prior to joining MIMMB, she was the Head of Compliance at

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



**Gan Kong Yik** | Head of Equity, Manulife Investment Management (M) Berhad

Malaysian | 48 years old | Male

**Date of Appointment:** 22 November 2021

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 25 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

Malaysian | 52 years old | Female

**Date of Appointment:** 1 January 2014

**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:**

- Over 27 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 at 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.

# Key Senior Management's Profile



**Michelle Hon** | Head of Partnership, Manulife Investment Management (M) Berhad

Malaysian | 47 years old | Female

**Date of Appointment:** 2 April 2025

**Academic / Professional Qualification:**

- Bachelor of Commerce in Finance and Marketing, Curtin University of Technology, Australia
- Capital Markets and Services Representative License in Fund Management

**Working Experience:**

- Over 25 years of experience in the financial investment industry. She began her career with Eon Bank, Standard Chartered Bank and Public Mutual

Berhad. Prior to joining Manulife, Michelle held the positions of Head of Partnership Business, Head of Product Management and Head of Financial Institutional Business over the last 15 years when she was in AHAM Asset Management. Her expertise and focus are on formulating, executing and implementing strategies to drive business growth with IUTA & Agency channels.



**Reuben Nair** | Head of Operations, Manulife Investment Management (M) Berhad

Malaysian | 43 years old | Male

**Date of Appointment:** 22 May 2023

**Academic / Professional Qualification:**

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

**Working Experience:**

- Over 19 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

Malaysian | 51 years old | Female

**Date of Appointment:** 24 October 2018

**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:**

- Over 22 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 2025 other than traffic offences.

# CEO's Report & Management Discussion and Analysis

## DEAR SHAREHOLDERS,

I am pleased to share a summary of Manulife's performance for 2025. In the previous year, we spoke about the need to elevate our execution to support sustainable growth and profitability. I am encouraged to report that these strategic priorities are beginning to translate into tangible outcomes. We have remained focused on our purpose and disciplined in our approach, positioning the Group to strengthen our resilience, innovation capabilities, and stakeholder relationships.



# CEO's Report & Management Discussion and Analysis

**IN 2025, THE GROUP DELIVERED STEADY TOP-LINE GROWTH, WITH OPERATING REVENUE RISING FROM RM819 MILLION TO RM858 MILLION, REPRESENTING AN APPROXIMATE 5% YEAR-ON-YEAR INCREASE.**

## Vibha Hamsi Coburn

Group Chief Executive Officer/Executive Director

This performance was driven primarily by a strong 9% growth in insurance service revenue, supported by the successful launch of new and attractive products that resonated well with customers.

The Group recorded a profit before tax of RM159 million for the year. While this compares to RM185 million in 2024, it is important to recognise that the prior year's results benefited from a one-off favourable adjustment of RM23 million arising from a change in estimates on Insurance Contract Liabilities related to participating policyholders' cumulative share of investment income tax. Excluding this non-recurring item, the Group achieved a year-on-year increase from RM109 million to RM112 million (an increase of RM3 million) in net profit attributable to shareholders.

This underlying improvement was supported by broad-based business growth, improved performance within the insurance segment driven by innovative, high-quality product offerings and the addition of new distribution partnerships, as well as higher Assets Under Management, which led to an increase in fund management fee income. Continued discipline in expense management and cost optimisation initiatives also contributed positively to profitability. These gains were partially offset by escalating medical costs and softer investment returns, in line with prevailing market conditions.

## ASSET MANAGEMENT: ACCELERATING GROWTH TO NEW HIGHS

Manulife Investment Management (M) Berhad ("**Manulife IM (Malaysia)**") continued its growth momentum this year, with Assets Under Management ("**AUM**") hitting RM17.9 billion as at 31 December 2025, a record high for the company. Growth in AUM was contributed by both our key business lines, retail and institutional businesses.

During the year, we continued to strengthen our product suite through strategic initiatives aimed at delivering innovative and diversified investment solutions. These efforts reflect our commitment to meeting evolving investor needs and positioning for sustainable growth. Among the key product initiatives in the year:

- Introduction of a New Shariah-Compliant Equity Strategy - launched a new Shariah-compliant equity solution designed to provide global exposure to high-quality equities and dynamic growth opportunities.
- Expansion into Singapore - entered into a distribution agreement with a leading private bank in Singapore to offer a liquidity-focused cash management solution, providing investors with a low-risk option for short-term allocation.

## INSURANCE: DRIVING ROBUST PERFORMANCE THROUGH STRATEGIC FOCUS AND DISTRIBUTION EXCELLENCE

In 2025, our insurance segment, Manulife Insurance Berhad ("**MIB**") delivered another year of strong growth and strategic execution, achieving an overall 13% increase in Annual Premium Equivalent ("**APE**"). This performance reflects our resilience and ability to adapt to evolving market dynamics.

The agency channel rebounded strongly, growing 27% year-over-year, supported by improvements across all key drivers, including agent active rate and productivity. This momentum underscores the effectiveness of our investments in tools, training, and technology to empower our advisors. We also continued to champion Million Dollar Round Table ("**MDRT**") excellence, recording 64 MDRT qualifiers, representing a 78% year over year increase. Despite a streamlined headcount of 2,300 advisors, the channel delivered exceptional results, highlighting the strength and quality of our distribution network.

Our Manulife Insurance Labuan Limited ("**MILL**") business achieved exceptional APE growth, surging 286% year-over-year, driven by innovative and competitive solution offerings, the onboarding of new partners, and strengthening relationships with existing partners. This turnaround reaffirms MILL's strategic importance in our portfolio and positions us for sustained growth.

Meanwhile, the Bancassurance channel remained stable, maintaining its contribution despite a challenging operating environment. During the period, a new partnership with Bank of China was also signed.

# CEO's Report & Management Discussion and Analysis

## EMPOWERING OUR PEOPLE: GROWING SKILLS, WELLBEING AND INCLUSION

In 2025, we continued to strengthen our commitment to building a future-ready workforce by deepening our focus on learning, wellbeing, recognition, and inclusion. Through cornerstone initiatives such as Fuel-Up Friday, the Learning Fiesta, and expanded access to global learning platforms, we empowered employees to take ownership of their development in alignment with the Future Skills Framework. Our continued investment in capability building resulted in a 34% increase in total learning hours, rising to 18,617 hours from 13,826 hours the prior year, alongside higher utilisation of digital platforms such as LinkedIn Learning.

A major highlight of the year was our accelerated push into AI capability building. A total of 333 employees undertook specialised AI learning programmes including Prompt-A-Thon, Copilot, GenAI in Finance and Accounting, and Prompt Engineering collectively contributing an impressive 1,262 learning hours. This marks a significant step forward in equipping our workforce with the skills needed to thrive in an AI-enabled environment. Additionally, 23 employees were trained in LUMA Human Centered Design, reinforcing our aspiration to embed customer centricity into every aspect of our business.

Employee wellbeing remained a key organisational priority, supported by a holistic suite of physical, mental, and community-based initiatives implemented throughout the year. Our Sports Club activities, onsite health programmes, and mental wellbeing support delivered through Human Dynamic and Alpro Pharmacy reflect our ongoing efforts to foster a supportive and resilient workforce. Collaboration with the Dignity for Children Foundation further strengthened our commitment to community wellbeing.

We also advanced our inclusion and recognition agendas in meaningful ways. In 2025, Manulife was honoured to receive the Diversity, Equity & Inclusion Award for the second consecutive year, alongside being recognised as one of the Best Companies to Work for in Asia for the seventh consecutive year. This year also marked a significant milestone as we hosted our first Inclusion Summit in collaboration with the South China Morning Post, bringing together industry leaders and experts to champion forward-looking conversations on inclusive workplaces. These recognitions reaffirm our long-standing commitment to cultivating an environment where our people can thrive.

Through our ongoing partnership with Yayasan Gamuda's Enabling Academy, we also welcomed neurodiverse talent into our workforce, further strengthening our commitment to equal opportunity and inclusive hiring.

Our recognition platforms including the Stars of Excellence, Scale Up Achievers, and Podium continued to celebrate employees whose contributions drive our collective success. Together, these efforts underscore our dedication to nurturing a high performing, people-first organisation that is well positioned for sustainable growth.

## RESPONDING TO DEMOGRAPHIC SHIFTS AND PRODUCT SOLUTIONS

Manulife's 2025 Asia Care Survey underscores the strong interconnection between financial wellbeing and overall health outcomes among Malaysians. 70% of Malaysians indicate that their financial situation affects their mental, physical and perceived longevity outcomes.

While Malaysia's average life expectancy is 76 years, respondents reported a desired lifespan of 68 years, reflecting a stronger emphasis on quality of life and sustainable wellbeing.

The findings also show a shift in how healthy ageing is defined. Nearly 80% of Malaysians associate being healthy with maintaining independence and functional capability rather than being disease-free. Financial insecurity remains a key concern, with almost half of respondents worried about outliving their savings, many under 55 uncertain about retirement adequacy, and over 60% expecting to rely on public retirement schemes and healthcare.

With rising living costs and only 42% of Malaysians covered by insurance or takaful, the survey underscores a significant protection gap and the growing need for comprehensive health and financial solutions that support long-term resilience.

To address these shifts, we continue to strengthen our health and protection solutions including Manulife Future Shield, a whole-life plan offering coverage up to age 99 with guaranteed policy issuance, withdrawal benefits and financial support designed to meet the needs of an ageing population. Complementing this is our flagship Manulife Health Saver Enrich ("**MHSE**"), designed as "Your Total Health Solution from Prevention to Recovery". MHSE supports customers throughout their health journey, from preventive care and essential vaccinations to comprehensive inpatient and outpatient treatment, followed by extended post-hospitalisation recovery support. As the only medical plan in the market offering family coverage, MHSE provides unified, long-term protection under one policy backed by a meaningful family wide annual limit and flexible deductible options that ensures accessible, sustainable healthcare protection for Malaysian households.

# CEO's Report & Management Discussion and Analysis

## DRIVING SEAMLESS, CUSTOMER-CENTRIC DIGITAL INNOVATION

Manulife continues to advance its digital transformation to deliver a seamless, customer-centric experience. Our enhanced customer portal offers comprehensive self-service capabilities, enabling customers to view policy details, download documents, update information, make payments, and submit claims with ease. In 2025, we expanded access to 46 document types and introduced new features such as Policy Document Hardcopy Request, Flexible Premium Payment, and Medical Repricing Options. These enhancements reflect our commitment to innovation and continuous improvement, with a clear roadmap to make policy management even simpler and more accessible in the years ahead.

Manulife has also modernised its distribution ecosystem by introducing Manulife Distribution Malaysia (“**MDM**”), a next generation portal that replaces the legacy ePro system with a unified digital workspace for sales, servicing, and customer engagement. Built on a modern, scalable foundation, MDM delivers a more intuitive and efficient user experience with streamlined navigation, faster data access, and improved workflows. Key features include dynamic production reporting, a consolidated customer dashboard, enhanced new business visibility, a secure eCabinet repository, and single sign on access to core Manulife platforms. Since its official launch in November 2025, MDM has seen strong adoption, leading to the full decommissioning of ePro on 31 December 2025. Looking ahead to 2026, MDM will introduce GenAI insights, leads management, activity planning tools, and contest reporting, with Manulife committed to continual enhancements based on user feedback.

On the digitalisation front for Manulife IM (Malaysia), we progressed our agenda in the year by reinforcing Manulife iFUNDS as a platform of choice for both investors and advisors by introducing various new features to iFUNDS.

- Enhanced Regular Saving Plan (“**RSP**”) flexibility - upgraded the RSP feature on iFUNDS, giving customers greater control and flexibility on how they invest, while reinforcing our commitment to delivering a seamless digital experience.
- Expanded digital report accessibility – broadened the range of online reports available to both customers and advisors, therefore ensuring secure, convenient access to important reports and documents anytime, anywhere, while reducing paper usage and supporting our sustainability goals.

## ELEVATING CUSTOMER TRUST AND LOYALTY ACROSS EVERY INTERACTION

MIB strengthened its customer first ambition with a clear vision: to be the number one choice for customers by delivering consistently extraordinary experiences across every interaction in 2025. This vision is powered by our enterprise-wide Net Promoter Score (“**NPS**”) framework, which embeds customer voice into decision making, guides prioritisation, and drives continuous improvement across the organisation.

Our commitment delivered record-breaking loyalty outcomes, with Relationship NPS (“**rNPS**”) rising from 38 in 2024 to 55 in 2025, marking our highest score since 2016 and reflecting a remarkable long-term uplift. Transactional NPS also improved significantly, increasing from 21 to 29, while Agent Relationship NPS strengthened from 48 to 54, demonstrating growing advocacy across key touchpoints.

These achievements reflect meaningful progress in customer trust, satisfaction and loyalty, supported by deeper organisational alignment, stronger leadership ownership and more empathetic service delivery. As we continue to simplify processes, enhance digital experiences and act decisively on customer feedback, we reinforce our core belief that placing customers at the heart of everything we do is central to driving sustainable growth and long term success.

In 2025, Manulife IM (Malaysia) continued to build on its commitment to delivering exceptional customer experiences. Our focus on service excellence and client engagement drove further improvement in our transactional Net Promoter Score (“**tNPS**”), which closed the year at an impressive 27 — a notable increase from 21 in 2024. This achievement reflects the trust and confidence our customers place in us and underscores our dedication to putting clients at the center of everything we do.

Looking ahead to 2026, we remain steadfast in our mission to elevate customer satisfaction through continued investment in digital innovation, personalized solutions, and operational excellence. By leveraging technology and deepening client relationships, we aim to set new benchmarks in service quality and strengthen our position as a trusted partner in helping customers achieve their financial goals.

# CEO's Report & Management Discussion and Analysis

## STRENGTHENING BRAND PRESENCE, THOUGHT LEADERSHIP AND BUILDING CONNECTIONS THAT INSPIRE PROGRESS

In 2025, we strengthened our brand presence through strategic partnerships that create meaningful experiences for our customers. A key highlight was our collaboration with Golden Screen Cinemas (“GSC”), Malaysia’s leading cinema chain, which allowed us to connect with audiences in an engaging and relatable way.

Through this partnership, we are delivering immersive brand touchpoints across GSC’s nationwide network, blending entertainment with financial empowerment. From cinema advertising to interactive experiences and digital amplification, we reached customers in moments that matter, reinforcing our promise to be their Partner for Progress.

By meeting customers where they are, we strengthened emotional affinity and positioned our brand as a trusted partner in their journey towards better.

We also strengthened our brand presence through a more strategic and collaborative communications approach. Our public relations efforts deepened relationships with key media partners, supported by four targeted media engagements throughout the year.

Additionally, the 2025 media sessions incorporated external industry partners as co-speakers, enriching our content and amplifying our message of being every Malaysian’s partner in progress throughout their health journey. This ecosystem approach enhanced both credibility and visibility.

Our strengthened PR strategy delivered significant impact, achieving more than RM 2.2 million in Public Relations Value (PRV), a 46% increase from RM 1.5 million in 2024. Public relations (“PR”) value is the quantified impact of earned media and strategic communications on a brand’s reputation, visibility, and credibility. Historically, this was measured using Advertising Value Equivalency (AVE), the cost to buy equivalent paid ad space but modern PR value focuses on brand sentiment, engagement, and ROI.

Internally, we continued to cultivate a connected and engaged organisational culture. Quarterly townhalls provided employees with updates on business performance and key achievements, complemented by celebrations of major Malaysian cultural festivities.

These engagements reflect the culture we have built together, one where collaboration thrives, diversity is valued, and every voice is heard. They highlight the passion, resilience, and dedication that our people bring to work every day.

## CONSISTENCY IN EXCELLENCE

In 2025, Manulife IM (Malaysia) continued to demonstrate strong investment capabilities and industry leadership, earning multiple recognitions across prestigious award platforms. At the LSEG Lipper Malaysia 2025 Awards, a total of six Fund Awards were secured alongside one Group Award, underscoring our consistent performance in the local market. Our strength in Shariah-compliant investments was further highlighted at the LSEG Lipper Global Islamic 2025 Awards, where we received five Fund Awards and one Group Award.

In addition, FSMOne Recommended Unit Trusts Awards 2025/26 honoured us with five Fund Awards, reflecting the trust and confidence placed in our products by both investors and industry evaluators. These achievements collectively reaffirm our commitment to delivering excellence and value across our fund offerings.

On the insurance side, in our inaugural participation at the CX Asia Excellence Awards 2025, we proudly earned the Silver Award in the Best Customer Experience category, placing us among only three insurance finalists across Asia. The award affirms the collective dedication of our teams, especially our agents and operations in strengthening customer relationships and embedding customer centricity deeply into our culture.

We also achieved a remarkable milestone as our MHSE secured the Best Medical Plan for Families at the Parents’ Choice Awards 2025, our third consecutive win following its predecessor’s victories in 2023 and 2024. More than a medical plan, this award highlights our ability to anticipate and meet the evolving healthcare needs of Malaysian families. Together, these accomplishments are a testament to the passion, innovation and unwavering dedication of our people.

# CEO's Report & Management Discussion and Analysis

## • MANULIFE INVESTMENT MANAGEMENT (M) BERHAD

### 1. LSEG Lipper Malaysia 2025

#### Malaysia Provident Funds Awards:

Classification	Fund Name	Recognition	Portfolio Count
<b>Mixed Asset MYR Bal - Malaysia</b>			
5 Years	Manulife Investment Al-Umran	Certificate	18

#### Malaysia Islamic Funds Awards:

Classification	Fund Name	Recognition	Portfolio Count
<b>Equity Asia Pacific ex Japan</b>			
10 Years	Manulife Investment Shariah Asia-Pacific ex Japan Fund	Certificate	7
<b>Equity Malaysia Income</b>			
10 Years	Manulife Investment Al-Fauzan	Certificate	8
<b>Equity Malaysia Small &amp; Mid Cap</b>			
5 Years	Manulife Investment Shariah Progress Plus Fund	Certificate	12
<b>Mixed Asset MYR Bal - Malaysia</b>			
5 Years	Manulife Investment Al-Umran	Certificate	13
<b>Mixed Asset MYR Flexible</b>			
10 Years	Manulife Investment-HW Shariah Flexi Fund	Certificate	9

#### Malaysia Islamic Funds Group Awards:

Asset Class Group	Fund Name	Recognition
Mixed Assets	Manulife Investment Management	Certificate

### 2. LSEG Lipper Global Islamic 2025

#### Global Islamic Fund Awards:

Classification	Fund Name	Recognition	Portfolio Count
<b>Equity Asia Pacific ex Japan</b>			
10 Years	Manulife Investment Shariah Asia-Pacific ex Japan Fund	Certificate	7
<b>Equity Malaysia Income</b>			
10 Years	Manulife Investment Al-Fauzan	Certificate	8
<b>Equity Malaysia Small &amp; Mid Cap</b>			
5 Years	Manulife Investment Shariah Progress Plus Fund	Certificate	12
<b>Mixed Asset MYR Bal - Malaysia</b>			
5 Years	Manulife Investment Al-Umran	Certificate	13
<b>Mixed Asset MYR Flexible</b>			
10 Years	Manulife Investment-HW Shariah Flexi Fund	Certificate	9

#### Global Islamic Group Awards:

Asset Class Group	Fund Name	Recognition
Mixed Assets	Manulife Investment Management	Certificate

# CEO's Report & Management Discussion and Analysis

### 3. FSMOne Recommended Unit Trusts Awards 2025/26

FSMONE is a reseller platform, and every year they list out recommended funds to buy for respective category. These are the categories our funds won in:

Recommended Unit Trusts 2025/26	
<b>Core Portfolio</b>	
<b>Core Equity</b>	
<b>Core Equity - Asia ex-Japan</b>	Manulife Investment Asia-Pacific ex Japan Fund
<b>Supplementary Portfolio</b>	
<b>Single Country Equity - US</b>	Manulife Investment U.S. Equity Fund
<b>Sub Regional Equity – Great China</b>	Manulife Investment Greater China Fund
<b>Private Retirement Scheme (PRS)</b>	
<b>Private Retirement Scheme - Moderate (Islamic)</b>	Manulife Shariah PRS-Moderate Fund
<b>Private Retirement Scheme - Growth (Islamic)</b>	Manulife Shariah PRS-Growth Fund

• MANULIFE INSURANCE BERHAD	
<b>Parents' Choice Awards 2025</b>	Best Medical Plan for Families (MHSE)
<b>CX Asia Excellence Awards 2025</b>	Silver Award for Best Customer Experience
<b>Contact Centre Association of Malaysia Industry Excellence Awards 2025</b>	Silver Award for Best In-House Inbound Contact Centre (Below 100 Seats)
<b>Asia Consumer Insurance Awards 2025</b>	Best Innovative Product Award (MHSE)
<b>HR Asia</b>	HR Asia Best Companies to Work for in Asia 2025
<b>HR Asia</b>	HR Asia Diversity, Equity, and Inclusion Awards
<b>The Edge Award</b>	Bronze Award in the category of Non-Strata office – 10 years and above for Best Managed & Sustainable Property Awards 2025 (BMSPA 2025)

## BUILDING RESILIENT COMMUNITIES AND ADVANCING A SUSTAINABLE FUTURE

In 2025, we continued to strengthen and enhance environmental stewardship across our operations and community investment activities. We also deepened our organisational capabilities to better identify, assess and manage climate-related risks and opportunities. Supported by strong governance and continuous capability development, we improved our readiness to meet evolving regulatory expectations and contribute to Malaysia's long-term sustainability goals. These efforts reflect our commitment to responsible growth and to safeguarding the wellbeing of our customers, employees and the broader financial system.

At the same time, we continued to invest in building stronger communities by deepening our partnership and expanding opportunities for shared impact. Our multi-year collaboration with Roots & Shoots Malaysia in Wang Kelian made significant progress, transforming the 10-kilometre Denai Warisan trail into a developing eco-tourism and nature-learning destination. The installation of educational signage and biodiversity surveys documenting more than 500 species established a vital scientific foundation for long-term conservation while supporting new socio-economic opportunities for the local community. This work reflects Manulife Global's Impact Agenda, which guides how we put purpose into action by prioritising health and wellbeing, strengthening financial resilience and contributing to a healthier planet for all.

# CEO's Report & Management Discussion and Analysis

## DIVIDEND

I am pleased to inform you that the Board of Directors has recommended, subject to shareholders' approval at the forthcoming Annual General Meeting, a First and Final dividend of 9.0 sen per share, amounting to approximately RM20.8million for the financial year ended 31 December 2025. 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 2025.

## MALAYSIA'S ECONOMIC OUTLOOK

In 2025, Malaysia recorded a 5.2% Gross Domestic Product (GDP) growth, surpassing official projections of between 4.0% and 4.8%. Domestic demand remained a key driver of growth underpinned by strong household spending, supported by favourable labour market conditions as well as contained inflation. Towards this end, Malaysia's unemployment rate remained stable at 2.9% and inflation was at 1.4%, just below the official projected inflation range of 1.5% to 2.3%. In addition, total trade surpassed RM3 trillion for the first time last year and performance of the ringgit was the best in five years, at RM4.05 to US\$1. The Bursa Malaysia index also surpassed 1,700 points, its highest in seven years.<sup>1</sup>

From a supply side perspective, growth in 2025 was driven by the services and manufacturing sectors, while the mining sector recorded a notable turnaround. Private final consumption expenditure underpinning domestic demand saw contribution primarily from F&B and transportation services followed by utilities. The manufacturing sector maintained steady growth, supported by both export- and domestic-oriented industries. The mining sector rebounded, buoyed by higher production of natural gas and crude oil & condensate.<sup>2</sup>

In 2026, Malaysia's GDP is poised to grow between 4.0% and 4.5% supported mainly by domestic demand, followed by infrastructure spending and external demand. The World Bank had also revised its growth projection for Malaysia in 2026 from 3.9% to 4.1%. These forecasts are contingent on the evolving global landscape including trade barriers such as tariffs and other geo-political conflicts.

We anticipate long-term growth in the life insurance segment, supported by Malaysia's ageing population and rising middle-class income. Increased awareness of financial protection and retirement planning will drive demand for savings and protection products. Whereas MILL business, which focuses on foreign currency-denominated products, is expected to see steady demand from high-net-worth individuals seeking legacy planning solutions.

We will continue to work closely with regulators, remaining attentive to developments across the broader regulatory landscape, including but not limited to changes related to Medical and Health Insurance/Takaful (MHIT), to ensure ongoing compliance and alignment with evolving regulatory expectations.

MIB's focus remains on strengthening distribution through agency professionalisation and bancassurance partnerships, expanding digital capabilities with AI and analytics, and innovating health and wealth solutions to meet evolving customer needs – all underpinned by a commitment to sustainability and customer-centricity.

On the investment front through Manulife IM (Malaysia), we will continue strengthening our distribution channels and accelerating agency development, advancing our digitalisation agenda by reinforcing Manulife iFUNDS as a preferred platform for investors and advisors, expanding and diversifying our product suite to meet evolving investor needs, driving further momentum in the institutional business segment, and leveraging Manulife Investments' global capabilities to support sustainable, long-term growth.

## APPRECIATION

As we close the chapter on 2025, I want to extend my heartfelt appreciation to our employees, distributors, partners, customers, and shareholders. This has been a year of meaningful progress, marked by disciplined performance, strong execution across our insurance and asset management businesses, advances in digital transformation, deeper customer loyalty, and continued recognition for our commitment to people, innovation, and inclusion.

Despite a challenging environment, our teams demonstrated resilience, focus, and solid dedication to delivering on our purpose. The achievements across our business lines, from record AUM growth to agency excellence, product innovation, and industry leading customer experience results, reflect the collective effort of every individual across Manulife.

As we look ahead to 2026, we do so with renewed confidence, guided by our ambition to serve our customers better, strengthen our partnerships, invest in our people, and drive sustainable, long-term growth. Thank you for your trust, support, and belief in our journey forward.

Sincerely,

**Vibha Hamsi Coburn**

Group Chief Executive Officer/Executive Director  
Manulife Holdings Berhad

<sup>1</sup> [Malaysia's GDP grew by 4.9% in 2025, trade surpassed RM3 trillion, says PM | The Star](#)

<sup>2</sup> [Department of Statistics Malaysia](#)

# Sustainability Statement

## ABOUT THIS STATEMENT

### REPORTING PERIOD

This Statement covers Manulife Malaysia's sustainability-related activities performance for the calendar year i.e., 1 January to 31 December 2025. All facts and figures are as of 31 December 2025, unless otherwise specified.

### REFERENCE & GUIDELINES

Our sustainability-related disclosures are prepared in accordance with Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") Main Market Listing Requirements and are aligned with the National Sustainability Reporting Framework issued in September 2024. This framework references the International Financial Reporting Standards ("**IFRS**") S1 and S2, which focus on sustainability-related financial information and climate-related disclosures.

In addition, our climate-related disclosures are guided by Bank Negara Malaysia ("**BNM**")'s Climate Risk Management and Scenario Analysis ("**CRMSA**") Policy Document. The CRMSA reflects the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"), as updated in March 2025, and is applied where relevant and practicable.

We have also assessed the alignment of our sustainability framework with the United Nations Sustainable Development Goals ("**SDGs**"), which provides a widely recognised structure to enhance the clarity and transparency of our reporting. An additional point of reference is Manulife Financial Corporation ("**MFC**")'s 2024 Sustainability Report.

### COVERAGE AND BOUNDARIES

The scope of this Statement 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 Statement covers our operations in Malaysia, including our Kuala Lumpur-based headquarters, Menara Manulife, and branch offices nationwide. References to 'Manulife Malaysia', 'the organisation', 'the Company', '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 sustainability 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, MFC Chief Sustainability Officer and Global Sustainability function, 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.

Forward-looking statements can generally be identified by the use of words such as "may," "will," "could," "should," "would," "expect," "anticipate," "believe," "plan," "objective," "seek," "aim," "continue," "goal," "restore," and words and expressions of similar import, and include statements concerning possible or assumed future results. Although we believe the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements.

The factors and assumptions which may impact the forward-looking statements in this report include limited availability of quality emissions and issuer data; variations in measurement methodologies; shifting stakeholder and regulatory expectations; evolving economic conditions, technological advancements, and public policies; and strategic, market, reputational, system and environmental risks. We caution that there are inherent limitations and uncertainties with available climate data and scenarios, and with quantification methodologies, that may impact our underlying assumptions and estimations. To the fullest extent permitted by applicable law, the recipient is solely liable for any use of the information contained in this report, and neither Manulife Holdings Berhad nor any of its affiliates nor any of their respective directors, officers, employees or agents shall be held responsible for any direct or indirect damages arising from the use of this report by the recipient. We do not undertake 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:

ESG Department  
 Manulife Insurance Berhad  
 16th Floor, Menara Manulife,  
 Jalan Gelenggang, Damansara Heights,  
 50490 Kuala Lumpur  
 Tel: +603 2719 9228  
 Email: [MY\\_Sustainability@manulife.com](mailto:MY_Sustainability@manulife.com)

# OUR APPROACH TO SUSTAINABILITY

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



MFC Impact Agenda guides how Manulife Malaysia put purpose into action. Rooted in our mission and values, it focuses on areas where we can create a meaningful difference and where progress in one area can spark positive change in others. It reflects the needs of the people we serve and communities in which we live and work.



Prioritising **health and well-being** unlock life's potential, enabling people to live fuller and more prosperous lives at any age.



Supporting **financial resilience** fosters confidence, security and pathways for growth across every unique life journey.



Contributing to **a healthier planet** strengthens the systems that sustain life and creates possibilities for generations ahead.

At Manulife Malaysia, the MFC Global Impact Agenda is an always-on commitment to drive better outcomes for our customers, our communities, and the world we share. We believe collective action can accelerate change and by collaborating with like-minded partners, we can make a meaningful impact.

# 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



### Prioritising health and well-being

unlock life's potential, enabling people to live fuller and more prosperous lives at any age.



### Supporting financial resilience

fosters confidence, security and pathways for growth across every unique life journey.



### Contributing to a healthier planet

strengthens the systems that sustain life and creates possibilities for generations ahead.

## RELEVANT UN SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABILITY HIGHLIGHTS AT A GLANCE

Wang Kelian Community Investment Flagship Programme Highlights

**38 youth volunteers mobilised**

through partnership with Roots & Shoots Malaysia for community engagement and conservation work.



**6 local entrepreneurs upskilled and 10 locals employed**

for Denai Warisan rehabilitation and restoration activities.



**522 species recorded**

across four biodiversity surveys within designated flora and fauna zones.

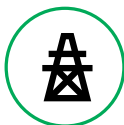


Company-wide Highlights

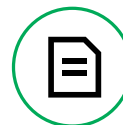
**1,107 kg of recyclables collected** through *Jom Recycle with Manulife*, avoiding **617.6 kg CO<sub>2</sub>e from landfill**.



Contributed to a **16.7% reduction in energy consumption** at Menara Manulife.



Reduced **paper consumption by 8%** in 2025.



Hosted the **first Malaysia Inclusion Summit 2025** with **300+ attendees**.



Partnered with **Yayasan Gamuda's Enabling Academy** and onboarded **three neurodivergent interns**.



Awarded the **Diversity, Equity & Inclusion Category Award 2025** and celebrated the **7th consecutive year** as one of the Best Companies to Work for in Asia.



**100% participation** in the 2025 Annual Employee Engagement Survey with a **4.51/5 engagement score** placing us in the 80th percentile globally.



**18,617.9 total employee training hours** delivered in 2025 — a **34.7% increase** from 2024.



**Over RM 22,000 donation matched** by Manulife of employees' personal contribution.





## Accelerating Our Global Climate Agenda

At Manulife Malaysia, we are accelerating MFC's climate agenda with a steadfast commitment to shaping a sustainable future where communities, businesses and ecosystems can thrive together. We recognise the risks posed by climate change to our business, public health, and the livelihoods of the communities in which we operate, and the urgent need to address the impact of these risks on the natural environment.

### MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

Our climate-related disclosures provide an overview of how we identify, assess and manage climate-related risks and opportunities. This includes our governance structure for overseeing these risks, the actual and potential impact on our business, strategy and financial planning, as well as the methodologies applied to measure and manage them.

As part of this effort, the Company adopts the guidance outlined in the MIB Environmental Risk Supplementary Policy, with the BNM CRMSA Policy Document and MFC's Environmental Risk Policy serving as our primary reference framework. Together, these policies ensure a consistent and structured approach to managing climate-related risks (also referred to as climate risk) across our operations. In 2025, we further strengthened this framework by incorporating quantitative risk metrics to enhance the monitoring of our climate-related qualitative risk appetite and the broader spectrum of environmental and climate-related risks.

Concurrently, we refined our climate-related risk assessment processes to provide a more comprehensive evaluation of climate risks throughout our business. This perspective is further informed by the results of our climate scenario analysis, which helped to deepen our understanding of potential impacts under different climate scenarios.

Aligned with regulatory expectations – including those outlined in the CRMSA and the Climate Change and Principle-based Taxonomy (“CCPT”) – we remain committed to continuously enhancing the robustness of our climate-related risk assessments. We strive to ensure that climate-related risks and their impacts are adequately identified, monitored and managed to safeguard the long-term interests of our customers and our business.

### GOVERNING SUSTAINABILITY AND CLIMATE RESILIENCE

Governance and oversight of climate-related risk is expected to evolve over time as knowledge and capabilities further mature, as applicable standards, frameworks, and methodologies emerge and coalesce, and as the impacts of climate change on financial institutions evolve in complexity and scale.

At Manulife Malaysia, we have governance arrangements that support effective oversight and management of sustainability and climate-related risks in line with applicable regulatory requirements and frameworks. These arrangements are designed for clear accountability, informed decision-making, and appropriate escalation of sustainability-related considerations within the organisation.

To strengthen Board oversight, Directors receive ongoing briefings and updates from Management and relevant committees on sustainability and climate-related developments. Director trainings and briefings are disclosed in the Corporate Governance Overview Statement, which forms part of the Annual Report.

At the management level, sustainability and climate-related capabilities are reinforced through targeted initiatives. Members of Manulife Malaysia's Executive Committee participated in a greenhouse gas awareness workshop to enhance their understanding of climate change, emissions measurement, and the organisation's operational footprint, supporting more informed consideration of climate-related matters in business planning and decision-making.

In addition, MFC entered a pilot project with Mammoth - an innovative platform designed to empower employees to understand MFC's Impact Agenda, encourage the adoption of sustainable behaviours, and motivate them to reduce their personal carbon footprint. This platform has since been launched globally.

# Sustainability Statement

These collective efforts support alignment between governance, risk management, and regulatory expectations.

The governance structure outlined below describes the roles and responsibilities of the MHB Board, management committees, and relevant functions in overseeing sustainability, ESG, climate-related risks, and community investment activities within MHB. Global sustainability oversight and strategic direction are provided by MFC and implemented locally where applicable.

## MANULIFE MALAYSIA SUSTAINABILITY GOVERNANCE STRUCTURE

Governance Body	Function	Number of Meetings on ESG, Sustainability, Climate and Community Investments Update Matters
<b>MHB Board of Directors</b>	Holds ultimate oversight of sustainability governance within the organisation. The Board ensures ESG-, sustainability- and climate-related 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.	<b>6 meetings</b>
<b>MIB Risk Management Committee (RMC)</b>	Oversees the management of the Organisation's principal risks, including climate-related risks and opportunities, by ensuring that the appropriate programmes, policies and procedures are in place to identify, assess, monitor and manage these risks. The Committee ensures clear assignment of management responsibilities, reviews the effectiveness of environmental risk policies, monitoring tools, and metrics, and actively discusses emerging climate-related developments to support informed decision-making. It also reviews and endorses climate-related disclosures to ensure transparency and alignment with regulatory expectations.	<b>4 meetings</b>
<b>MIB Enterprise Risk Management Committee (ERMC)</b>	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.	
<b>MHB Group CEO</b>	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.	<b>8 Adhoc updates</b>
<b>ESG Committee</b>	Comprising senior leaders from key functions, the Committee is responsible for executing Manulife Malaysia's sustainability plan. This includes monitoring performance indicators and overseeing the implementation of sustainability-related strategies. As a hybrid steering and action committee, it also oversees sustainability-related reporting, including disclosures and compliance requirements.	<b>5 meetings supported by several initiative-led ESG working group meetings in between.</b>
<b>Oversight Role</b>		
<b>MFC Global Sustainability Team</b>	Provides global oversight and strategic direction on the integration of sustainability practices across MFC's operations, supporting the consideration of sustainability matters in strategic decision-making. The team is responsible for developing and implementing sustainability frameworks and strategies that align with global standards and support MFC's long-term objectives.	<b>6 meetings</b>

# Sustainability Statement

## BUILDING A DECARBONISATION JOURNEY ALIGNED WITH BEST STANDARDS

As we progress on our decarbonisation journey, guided by globally recognised standards, we assess material climate-related risks relevant to our business operations to understand their potential impact. This helps us make informed decisions as we navigate changes arising from the transition to a low-carbon economy.

To strengthen this commitment, MIB conducts climate scenario analysis to evaluate potential climate-related risks and impacts across time horizons relevant to our operations. These analyses provide insight into the potential business impacts, enabling us to adapt risk management strategies accordingly.

Recognising that climate-related risks extend beyond environmental concerns and can influence multiple areas of risk, physical, transition and liability risks are assessed across relevant risk categories. 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 considers likelihood and impact parameters, along with inputs from key stakeholders, scenario analysis and stress testing. The risks are further grouped to better understand their materiality and support risk prioritisation.

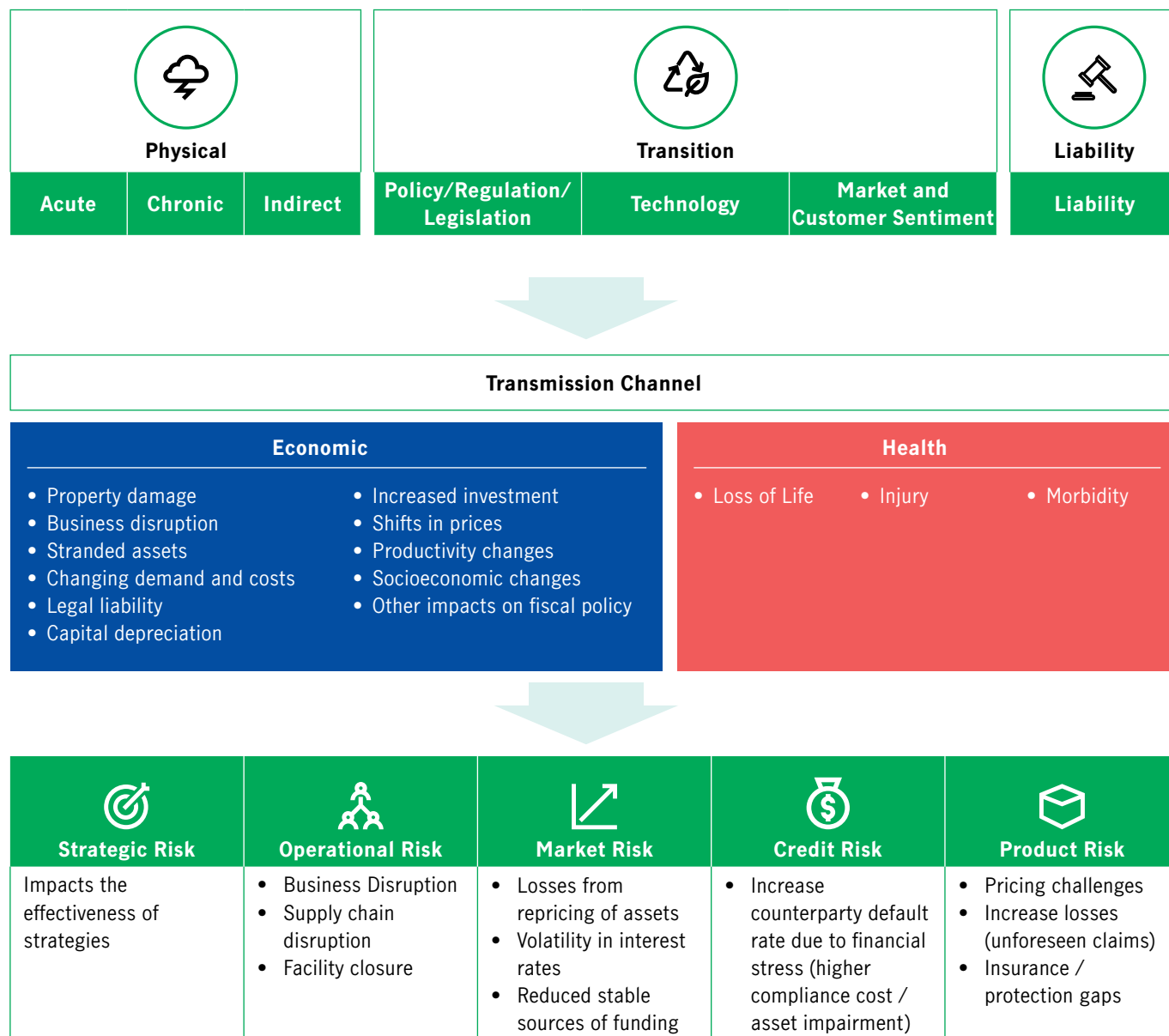
Climate Risk Drivers	Observation and impact
<b>Physical Risk</b>	<ul style="list-style-type: none"> <li>Over the long term, Acute, Chronic and Indirect physical risks are expected to impact a substantial number of risk areas.</li> <li>Asset values of the Company as an investee could be impacted, which would lead to investment losses. A longer time horizon may increase the prevalence of both direct and indirect impacts arising from changes in climate patterns. This may also affect product risk, through potential changes in policyholder behaviour, mortality and morbidity experience.</li> </ul>
<b>Transition Risk</b>	<ul style="list-style-type: none"> <li>Transition risk (including policies, legislation and regulation) is expected to be a key driver in the medium and long term. Regulatory scrutiny of carbon-intensive sectors is increasing, and additional climate-related regulations and policies are expected to be introduced progressively. This would potentially lead to an increased cost of compliance for both the Company and its counterparties.</li> <li>Market and Consumer Sentiment may influence majority of principal risk categories in the long run. Changing customer sentiments / increased level of awareness, could increase operational complexity, shift product demand and change policyholders' behaviours. These changes in sentiments are also expected to have an increasing impact on financial outcomes of counterparties.</li> </ul>
<b>Liability Risk</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Potential revisions to regulations / Climate Bills may impose further expectation and liability on misrepresentation or disclosures in the long run.</li> </ul>

We apply an integrated approach to identifying and managing climate-related risks and opportunities. The following strategic themes and supporting initiatives describe how we integrate climate considerations into our operations, aligned with MFC direction:

Strategic themes	Initiatives
<b>Resource Management and Resilience</b>	Minimisation of ecological impact, reduction of carbon footprint and ensuring operational resilience.
<b>Investment</b>	Review of investment management approach to consider climate risk impacts to investment assets and liabilities.
<b>Product / Fund</b>	Constant review of product roadmap to meet market demands and claims monitoring.
<b>Policy and Disclosure</b>	<ul style="list-style-type: none"> <li>Monitoring of BNM policies and industry feedback on climate risk / sustainability.</li> <li>Involvement of Compliance in strategy setting discussion (shed light on increasing compliance cost, if any)</li> </ul>

# Sustainability Statement

The illustration below depicts the transmission of climate-related risks to principal risks across the organisation. 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.



# Sustainability Statement

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

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

- The Company 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 Company seeks to clearly address climate-related risks within the risk appetite statement.
- The Company is taking a phased approach to develop appropriate and robust risk metrics including risk limits and threshold for management action.
- The Company seeks to 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 Company's approach to managing exposures vulnerable to climate-related risks is intended to be transparent, gradual and progressive.

We monitor risk indicators to 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 indicators and trends.
- 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 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>
<b>Physical Risk</b>	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).
<b>Transition Risk</b>	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)	
		Increased stakeholder concern or negative stakeholder feedback
<b>Liability Risk</b>	Liability	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 environmental-related risks effectively, the MFC Enterprise Risk Management Policy provides a framework for overseeing all risk-related activities. This policy establishes the foundation for risk taxonomy, appetite, governance, process, and culture. It also supports the ongoing identification, assessment, management, monitoring, and reporting of significant risks, including climate-related factors that may impact business results.

This is further supplemented by MFC's Environmental Risk Policy and BNM's CRMSA Policy Document, which integrates environmental risks into our risk management framework. These policies outline oversight responsibilities for climate-related risks, ensuring alignment with MIB's financial, risk, capital, and strategic objectives.

We recognise that increasing extreme weather events can significantly impact the insurance industry particularly through higher claims arising from natural catastrophes such as floods, storms and droughts. While no new changes have been introduced to our underwriting process in 2025, we continue to integrate climate-related considerations into our risk assessment and capital management practices to ensure resilience and long-term value creation. We remain focused on strengthening our understanding of environmental risks and enhancing our monitoring capabilities as climate patterns evolve.

## Assessing Our Carbon Footprint

In 2024, Manulife Malaysia undertook a carbon accounting assessment to strengthen the accuracy, completeness and reliability of our climate-related disclosures. This exercise forms a key part of our approach, enabling us to identify and measure material sustainability- and climate-related impacts across our operations and value chain.

As part of this work, we identified opportunities to further strengthen our GHG inventory. These include improving data quality, applying methods more consistently, and enhancing governance over climate related information. Our Scope 1 and Scope 2 emissions data for Menara Manulife are available in the ESG Data Appendices section.

These efforts demonstrate our commitment to building climate-related measurement capabilities, improving transparency and ensuring that our disclosures continue to meet evolving sustainability-reporting expectations and regulatory requirements.

## Driving Responsible Investment and Climate-aligned Decisions

Our investment approach considers how sustainability and climate-related risks and opportunities may affect portfolio performance over time. As part of the annual due diligence process, analysts review the material ESG factors relevant to issuers, where applicable. These insights form a part of our investment reviews, ensuring that decisions are made with a forward-looking perspective that support long-term financial health and sustainability considerations.

To strengthen our management of sustainability related risks, we apply a proprietary ESG Research Framework, complemented by climate focused tools that assess emissions, transition risks, and sector specific environmental sensitivities. These frameworks, tools and processes are used as part of investment due diligence and ongoing monitoring, where applicable, to support investment analysis and risk management. This enhances our understanding of exposure to higher-risk industries such as energy-intensive and resource-dependent sectors.

Through ongoing monitoring, engagement with companies, and regular collaboration between our investment and sustainability teams, we encourage stronger disclosure practices and more responsible business behaviours.

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## OUR CLIMATE ACTION PLAN

In 2025, we continued to advance MFC's Climate Action Plan, and our priorities remain aligned with MFC's climate targets, including its target to reduce absolute Scope 1 and Scope 2 emissions by 40% by 2035. Our focus is on identifying and implementing practical emission-reduction opportunities within Menara Manulife as well as strengthening the processes needed to effectively track our progress.


Our commitment to climate action reflects our broader responsibility to create long-term environmental resilience and to support our customers, colleagues and communities in building a more sustainable future.





## Stakeholder Engagement and Materiality Assessment

We are committed to maintaining meaningful, transparent and ongoing engagement with our stakeholders, recognising that these relationships are essential in identifying sustainability-related risks and opportunities. Through engagements with customers, employees, distributors, regulators, community partners and industry associations, we gather insights that inform our governance, strategy and reporting practices. These engagements help us understand evolving expectations across environmental, social and governance-related themes, including climate-related issues such as physical and transition risks. By leveraging these insights, we enhance our ability to anticipate changes in our operating environment, align our sustainability priorities with stakeholder needs and ensure connectivity between our sustainability disclosures and our broader business strategy. This approach supports the prioritisation of topics for decision-useful governance, strategy, risk management and disclosures, consistent with MFC's established sustainability framework.




The specifics of our engagement 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
 <b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>Protecting customer data and privacy</li> <li>Enhance customer service with fast, simple, secure and convenient transactions / dealings</li> <li>Providing financial solutions to meet customer needs</li> <li>Helping customers make informed decisions</li> <li>Employ measures to ensure safety at physical touchpoints</li> </ul>	<ul style="list-style-type: none"> <li>Digital touchpoints (e.g. Manulife customer portal, iFUNDS, Manulife public website)</li> <li>Physical branches</li> <li>Call centres, customer service counters, sales representatives (e.g. agents or advisers)</li> <li>Social media platforms (e.g. Instagram, Facebook, LinkedIn)</li> <li>Customer satisfaction surveys (NPS)</li> </ul>	<b>Ongoing</b>	<ul style="list-style-type: none"> <li><b>Information Security:</b> Implement comprehensive measures and controls to protect customer data and privacy, addressing stakeholder concerns about security and trust in our digital platforms.</li> <li><b>Digital Transformation:</b> 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.</li> <li><b>Innovative Solutions:</b> Develop and offer innovative products, services and investment education that meet evolving customer needs, ensuring we remain competitive and responsive to market demands.</li> <li><b>Health and Safety Initiatives:</b> Strengthen health and safety protocols in our offices, prioritising the wellbeing of employees and customers while maintaining operational resilience.</li> </ul>




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Stakeholder Group	Areas of Interest	Engagement Channels	Frequency of Engagement	Our Strategy
 <p><b>EMPLOYEES</b></p>	<ul style="list-style-type: none"> <li>• Corporate priorities, vision, core values and ethical conduct</li> <li>• Business strategy and direction</li> <li>• Employee wellbeing and benefits</li> <li>• Leadership and talent development</li> <li>• Reward and recognition</li> <li>• Human rights</li> <li>• Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>• Annual global employee engagement survey</li> <li>• Annual mid-year engagement action check-in survey</li> <li>• MFCentral – global intranet and resource centre</li> <li>• Executive-led Townhalls and ‘Ask Me Anything’ sessions</li> <li>• Colleague Networks</li> <li>• PODIUM – Global recognition programme</li> <li>• Trainings and Leadership Conferences</li> <li>• Annual performance appraisals</li> <li>• Recreational and teambuilding sessions</li> </ul>	<p><b>Annually, quarterly and ongoing</b></p>	<ul style="list-style-type: none"> <li>• <b>Employee Engagement and Volunteering:</b> Implement frequent initiatives such as townhalls and cultural get-togethers to foster a connected and motivated workforce.</li> <li>• <b>Comprehensive Benefits:</b> Offer robust benefits and remuneration packages to optimise employee wellbeing and attract top talent.</li> <li>• <b>Inclusion:</b> Host events to emphasise the critical importance of Inclusion in the workplace, fostering an inclusive culture.</li> <li>• <b>Occupational Safety and Health:</b> Enforce rigorous safety and health protocols to ensure a secure working environment.</li> <li>• <b>Capacity Building:</b> Provide targeted programmes to enhance career growth and personal development, empowering employees to reach their full potential.</li> </ul>
 <p><b>SHAREHOLDERS/ INVESTORS</b></p>	<ul style="list-style-type: none"> <li>• Company performance and growth</li> <li>• Key corporate developments</li> <li>• Financial results</li> <li>• Corporate Governance</li> <li>• ESG integration across business operations to support sustainable and profitable long-term growth</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting (AGM)</li> <li>• Stock exchange (Bursa Malaysia) announcements</li> <li>• Annual Report and Financial Results on corporate website</li> <li>• Dedicated Investor Relations section and contact on corporate website</li> </ul>	<p><b>Annually, quarterly and ongoing</b></p>	<ul style="list-style-type: none"> <li>• <b>Corporate Governance:</b> 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.</li> <li>• <b>Reporting:</b> Produce financial statements, the annual report and Sustainability Statement that clearly articulate our 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.</li> </ul>

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Stakeholder Group	Areas of Interest	Engagement Channels	Frequency of Engagement	Our Strategy
 <p><b>INDUSTRY ASSOCIATIONS</b></p>	<ul style="list-style-type: none"> <li>• Key industry developments</li> <li>• Industry standards and policies</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement with and through industry associations to work on key issues</li> <li>• Questionnaires for industry research</li> <li>• Receive updates from industry associations</li> </ul>	<p><b>Ongoing and as and when necessary</b></p>	<ul style="list-style-type: none"> <li>• <b>Collaborative Participation:</b> Actively joins working groups, committees, consultations and policy discussions led by key industry associations.</li> <li>• <b>Continuous Knowledge Exchange:</b> Maintain ongoing flow of information with industry associations to stay up to date on ESG, sustainability, climate-related and regulatory developments.</li> </ul>
 <p><b>REGULATORS</b></p>	<ul style="list-style-type: none"> <li>• Compliance with legislation, rules, and regulations</li> <li>• Opportunities for business investment</li> <li>• Participation in industry working/ advisory groups</li> <li>• Climate change</li> <li>• Anti-corruption</li> <li>• Community investment</li> </ul>	<ul style="list-style-type: none"> <li>• Official meetings and visits</li> <li>• Industry dialogues, events and seminars</li> <li>• Industry consultations</li> <li>• Trainings</li> <li>• Working and advisory groups</li> </ul>	<p><b>Ongoing</b></p>	<ul style="list-style-type: none"> <li>• <b>Regulatory Compliance:</b> 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.</li> <li>• <b>Develop Robust Compliance Policies:</b> Establish and regularly update policies that ensure adherence to relevant climate legislation, reflecting regulatory expectations for proactive risk mitigation and sustainable business practices.</li> <li>• <b>Industry Collaboration and Community initiatives:</b> Actively participating in Joint Committee for Climate Change (“<b>JC3</b>”) working groups (CCPT Implementation Group, Physical Risk Working Group (“<b>PRWG</b>”), Transition Risk Working Group (“<b>TRWG</b>”) and involvement in Financial Industry Collective Outreach (“<b>FINCO</b>”)’s volunteer and outreach programmes.</li> </ul>
 <p><b>SUPPLIERS</b></p>	<ul style="list-style-type: none"> <li>• Fair and mutually agreeable contract terms</li> <li>• Compliance with company policies, industry best practices, legislation, rules and regulations</li> <li>• Health and safety</li> <li>• Ethical and responsible conduct</li> <li>• Opportunities for business collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier selection through pre-qualification and tendering process</li> <li>• Regular meetings, site visits, and networking functions</li> <li>• Regular Catch-up with all departments</li> <li>• Supplier Annual Reviews</li> </ul>	<p><b>Ongoing</b></p>	<ul style="list-style-type: none"> <li>• <b>Risk and Vendor Assessment Integration:</b> Embed comprehensive risk and vendor assessments within the Company’s procurement platform (Ivalua) to enhance decision-making and supplier reliability.</li> <li>• <b>Process Optimisation:</b> Streamline internal procurement processes to promote efficient and strategic purchasing, driving value across the organisation.</li> <li>• <b>Stakeholder Engagement:</b> Annual reviews and deliver targeted employee communications to strengthen collaboration between the Company and its external vendors for optimal goods and services procurement.</li> <li>• <b>Transparent Tendering:</b> Ensure a fair and transparent tender process, conducting thorough vendor evaluations to maintain high standards and accountability.</li> </ul>

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



## Elevating Our Business

In 2025, the organisation's strategy to strengthen digital capabilities and enhance customer focus continued to guide business priorities. These efforts were directed towards supporting customer engagement, loyalty, and employee experience, and contributed to overall business performance and value delivered to customers and other key stakeholders.

Our decision-making continues to be guided by our values and purpose, including a focus on supporting the wellbeing of those we serve. In parallel, we seek to maintain sound operational practices and robust regulatory compliance. Together, these foundations support our ability to respond to change market conditions, assess emerging trends, and consider future opportunities in a disciplined and considered manner.

### ACCELERATING OUR DIGITAL AGENDA

We continue to advance our digital transformation, creating a seamless and customer-centric experience while reducing reliance on physical resources. Our enhanced customer portal provides comprehensive self-service capabilities, enabling customers to manage policies digitally – viewing details, downloading documents, updating information, making payments and submitting claims with ease.

In 2025, access was expanded to 46 document types, and additional features were introduced, including Policy Document Hardcopy Requests, Flexible Premium Payment options, and Medical Repricing options. These enhancements not only improve convenience and efficiency but also support our sustainability goals by minimising paper usage and streamlining processes. With an established roadmap for further enhancements, efforts remain focused on improving the simplicity and accessibility of policy management, while considering environmental impacts.

Our digitisation efforts:

#### Cashless payments at branches

Eliminating cash handling for faster, more secure transactions.

#### Automatic issuance of post-hospitalisation guarantee letters

Guarantee letters are now issued automatically at discharge, reducing administrative hassle for customers

#### Enhanced policy notifications

Clearer, more user-friendly notifications for newly approved policies and ePolicy delivery.

#### Automatic hospitalisation benefit processing

Claims are now processed automatically without the need for manual submissions.

#### Transition to digital communication

Key customer correspondences shifted to digital formats for improved accessibility and sustainability.

These enhancements form part of ongoing efforts to use technology to improve efficiency and customer experience. By integrating digital enablers, processes are supported to improve service delivery in a timely, seamless, and secure manner.

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## PUTTING CUSTOMERS AT THE HEART OF EVERYTHING WE DO

### **Net Promoter Score (NPS): Building Trust Through Better Customer Experience**

At Manulife Malaysia, earning and maintaining our customers' trust is fundamental to how we conduct our business. The Net Promoter Score ("NPS") is one of the key measures used to assess how effectively we deliver positive customer outcomes not only in routine interactions but also during critical moments such as claims, policy servicing and financial planning decisions.

NPS provides a customer-led indicator of whether our products, services and behaviours deliver fair, transparent and reliable outcomes in practice. By applying NPS consistently across the organisation, customer experience and customer outcomes are embedded as core considerations in decision making and performance management.

### **Improvement in Customer Loyalty**

In 2025, our continued focus on customer experience and service quality resulted in improved customer loyalty outcomes. Relationship NPS (rNPS) for MIB increased from 38 in 2024 to 55 in 2025, the highest level recorded since 2016, reflecting stronger customer trust and advocacy.

Transactional NPS, which measures customer feedback on specific interactions such as claims processing and policy servicing, improved from 21 in 2024 to 29 in 2025, indicating more consistent service delivery across key touchpoints. Agent Relationship NPS increased from 48 in 2024 to 54 in 2025, reflecting improved engagement and support for our agency force. Manulife (IM) Malaysia also recorded an improvement in Transactional NPS, which increased to 27 in 2025, from 21 in the previous year.

These improvements were supported by stronger leadership alignment, improved operational discipline and employees actively using customer feedback to identify issues, implement remediation measures, and drive continuous service improvements in line with our conduct risk management approach.

### **Sustaining Customer-Centric Growth**

Looking ahead, we remain committed to strengthening customer trust and loyalty across both our insurance and investment businesses. Insights from NPS continue to guide initiatives to improve digital journeys for accessibility and clarity, strengthen claims efficiency and transparency, simplify product information and responsibly expand digital and AI enabled capabilities while ensuring customers continue to have access to appropriate human support.

We will continue investing in employee capability, fostering a strong customer-centric culture and strengthening cross functional collaboration. As our service transformation progresses, NPS will remain a key benchmark used to monitor customer outcomes, support our ESG and conduct risk objectives and ensure we deliver consistent and high-quality experiences that support Malaysians in making better financial decisions and living healthier and more secure lives.

# Sustainability Statement

## Sustainable procurement practices

In 2025, we implemented procurement changes governed by MFC’s Global Procurement & Third-Party Management Standard and the Code of Business Conduct and Ethics (“**Code**”), enhancing efficiency in lower-value purchasing while maintaining appropriate control oversight. Effective 6 October 2025, the changes focused on streamlining workflows, improving efficiency, and driving digital innovation across the organisation.

### Key Highlights

#### Increased Self-Serve Threshold:

The limit for self-service procurement was raised from USD 5,000 to USD 10,000 (MYR 40,000). This adjustment eliminates the need for competitive bidding below this threshold, enabling faster decision-making and reducing administrative overhead.

#### Expanded Straight Through Categories (STC):

The STC framework now covers 14 categories, allowing transactions to bypass intake requirements and process payments directly through Accounts Payable systems. This expansion simplifies routine purchases and accelerates payment cycles.

**Efficiency Boost:** With 87% of intake transactions streamlined, Procurement can now focus on strategic sourcing, which accounts for 84% of total spend. This shift enhances value creation and strengthens supplier partnerships.

In line with our ongoing innovation efforts, we launched the first phase of the Procure-to-Pay (“**P2P**”) system in Malaysia, marking a significant milestone in automating end-to-end procurement processes. Additionally, we onboarded suppliers into the catalogue system, enabling a seamless and improved user experience.

The enhancements introduced this year support procurement processes that are responsive, cost-effective and aligned with business requirements. By reducing administrative complexity and accelerating transaction cycles, we have created a more responsive and efficient procurement environment.

We also supported the local economy by directing 95% of our procurement spending to local suppliers, reflecting an emphasis on local, responsible sourcing.

## MANAGING RISK TO PROTECT OUR BUSINESS AND STAKEHOLDERS

### Maintaining a sound Business Continuity Plan

Our enterprise-wide Business Continuity Management (“**BCM**”) programme is a comprehensive framework designed to help the Company anticipate, prepare for and respond to evolving risks and operational challenges. More than just a contingency plan, it integrates strategic planning, risk assessment, and resource management to strengthen organisational resilience.

The BCM process ensures that essential resources such as technology, facilities, people and communication channels are properly organised and ready when needed. These efforts are reinforced by corporate governance and leadership support, ensuring continuity measures are embedded in our culture and daily operations.

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Key components of the programme include:

- **Risk Identification and Assessment:** Reviewing potential threats such as system outages, natural disasters, and cyberattacks; and determining the steps needed to keep critical operations running. This assessment is conducted annually to ensure plans remain updated and aligned with organisational changes, regulatory requirements, and emerging risks.
- **Business Impact Analysis (“BIA”):** Identifying essential functions and prioritising recovery strategies to reduce downtime and maintain service levels.
- **Crisis Management and Communication:** Establishing clear procedures for timely, coordinated internal and external communication during disruptions.
- **Regular Testing and Review:** Running simulations, drills and audits to validate effectiveness of continuity plans and drive continuous improvement.

The objective of our BCM programme is to build resilience across a wide range of potential disruptions. Our plans establish processes to prevent, manage, and mitigate disruptions – aiming to reduce risk to customers and operations and to recover with minimal disruptions.

## Cybersecurity and data privacy measures

At Manulife Malaysia, cyber security and data privacy are Enterprise Risk Management (“ERM”) priorities; risks are reduced through defined controls, incident management, and audits, with our security posture improving in line with policy requirements and testing outcomes. Our layered defence strategy includes network protection, encryption, application and operational security, vulnerability management, access controls and third-party information security oversight. These measures are aligned with BNM’s Risk Management in Technology (“RMiT”) guidelines for MIB, and the SC’s guidelines on Technology Risk Management (“GTRM”) for Manulife (IM) Malaysia, ensuring rigorous standards in safeguarding personal information and effectively identifying, assessing and managing cyber risks. While RMiT and GTRM do not apply to MILL, our controls remain broadly aligned with leading practices reflected in frameworks such as RMiT, GTRM and other international standards.

In 2025, we received a customer complaint related to a data handling error. Although the incident was assessed as low-risk with minor impact, we treated the matter with seriousness, promptly investigated the root cause and implemented corrective actions. This reflects our diligence in addressing customer feedback transparently and maintaining appropriate controls, including when issues are isolated or of low impact. Employee accountability is reinforced through mandatory privacy or security training and simulations, with completion tracked and escalations applied per policy.

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## BUILDING A CULTURE OF INTEGRITY

At Manulife Malaysia, a strong leadership ethos forms the foundation of our risk and compliance culture. This commitment is reinforced by middle management, who play a key role in instilling our core values and expected conduct across the organisation. Together, they help ensure that employees at all levels understand and embody ethical behaviour in their daily work.

We have a comprehensive governance and control framework that covers training, advisory support, enforcement and strict adherence to policies and procedures related to anti-money laundering (“AML”), countering the financing of terrorism (“CFT”), countering proliferation financing (“CPF”), sanctions, fraud, bribery and corruption. Our framework operationalises the Code through training, advice, monitoring and escalation (including disciplinary action), aiming to reduce misconduct risk and promote ethical conduct across our organisation.

Through ongoing monitoring and regular policy updates, the framework continues to evolve to address changing regulatory requirements and emerging threats. This approach is designed to prevent, detect, and mitigate financial crime risk, with issues escalated and remediated in accordance with our compliance procedures.

Our governance and control framework includes the following components:

# Sustainability Statement

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

We conduct our business with a firm commitment to operating free from bribery and corruption. Maintaining strong, trust based relationships with customers, communities, partners, and stakeholders is essential to us. Our approach is anchored in three core values:

### 1. Do the Right Thing

We are committed to conducting business honestly, ethically, and legally. We maintain a strict zero-tolerance stance on bribery and corruption. Over the past three years, Manulife Malaysia has reported zero incidents of corruption.

### 2. Own It

We implement ABAC requirements and controls to address real-world risks and ensure these measures are rigorously followed. With strong support from senior management, we conduct regular assessments of our business operations and use the results to enhance controls that mitigate bribery and corruption risks.

### 3. Get It Done Together

All employees across the Company share responsibility for complying with MFC’s ABAC standards. We also work closely with our business partners to ensure they understand and uphold the same high level of commitment to ethical practices.

## AML/CFT/CPF Policy and Standard

We are committed to maintaining robust internal controls for AML/CFT/CPF, in full compliance with applicable laws, regulations, guidelines, and industry best practices. Financial crimes and illicit activities pose ongoing risks to the financial system, and our enterprise-wide global policy requires adherence to AML/CFT/CPF requirements in every market we operate in.

Continuous evaluation of these controls are both a regulatory expectation and a critical success factor for an effective programme. Quality assurance testing plays an essential role in verifying that our safeguards remain effective, reliable, and responsive to emerging threats.

Integrity and compliance are central to our organisational culture. All new and existing employees must complete the Anti Bribery and Corruption Awareness and AML/CFT/CPF e learning modules. New employees must do so upon joining Manulife Malaysia, while existing employees must undergo annual refresher training to maintain ongoing competency in line with current laws, regulations and internal policies.

In 2025, we achieved a 100% completion rate for both the Anti Bribery and Corruption Awareness training and the AML/CFT/CPF training for all Manulife Malaysia employees—an important milestone that demonstrates our commitment to building and sustaining an ethical and compliant workplace.

Capacity building efforts also continued throughout the year. In July 2025, Risk Coordinators from multiple departments successfully completed the Certification in Anti Money Laundering and Counter Financing of Terrorism (AML/CFT) offered by the Asian Institute of Chartered Bankers (“AICB”). This certification strengthens their ability to identify, manage, and escalate risks within their respective functions. By enhancing their understanding of governance principles and key stakeholder responsibilities, these coordinators help reinforce our broader risk and compliance framework and support organisational resilience.

Our commitment to excellence extends across all levels of leadership. Members of the Board, Management Executive Committees, and Management Committees received specialised training on AML/CFT/CPF, fraud awareness, and anti bribery and anti corruption protocols. These sessions ensure our leaders remain well equipped to uphold the highest standards of integrity, accountability, and ethical conduct.

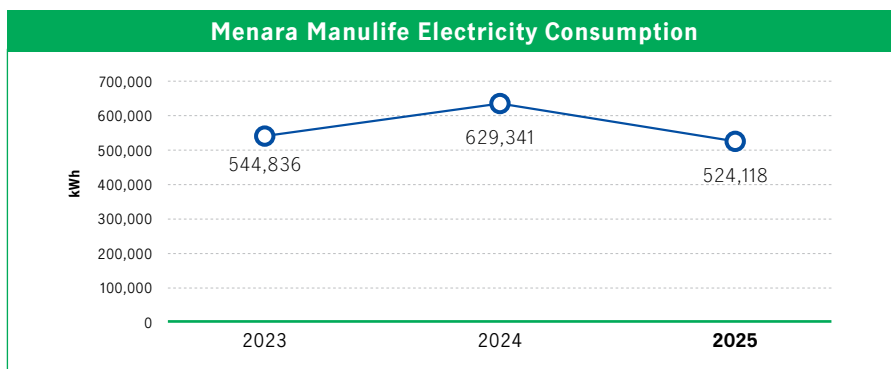


# Preserving the Environment

As part of our commitment to operating responsibly and reducing our environmental footprint, we have strengthened the way we monitor and manage energy use within Menara Manulife. Throughout 2025, we remained focused to advancing energy efficiency across our workplace. By adapting our strategies to reflect evolving occupancy patterns and operational needs, we continue to enhance our sustainability performance while ensuring our buildings operate as efficient as possible. These efforts support our workplace efficiency programme, with performance reported through defined metrics and subject to data quality and methodology limitations.

## DRIVING ENERGY EFFICIENCY WHERE WE WORK

In 2024, energy consumption increased by 15%, reaching 629,341 kWh, compared to 2023. This rise reflected a period of transition, including higher occupancy levels and refurbishment works to accommodate the regional teams. As operations stabilised in 2025 and energy-efficient practices were integrated into our daily routines, we achieved a 16.7% reduction in energy consumption, bringing usage down to 524,118 kWh. This decrease may be attributed to our continued optimisation efforts, from monitoring energy use more precisely to encouraging responsible consumption among employees and tenants.

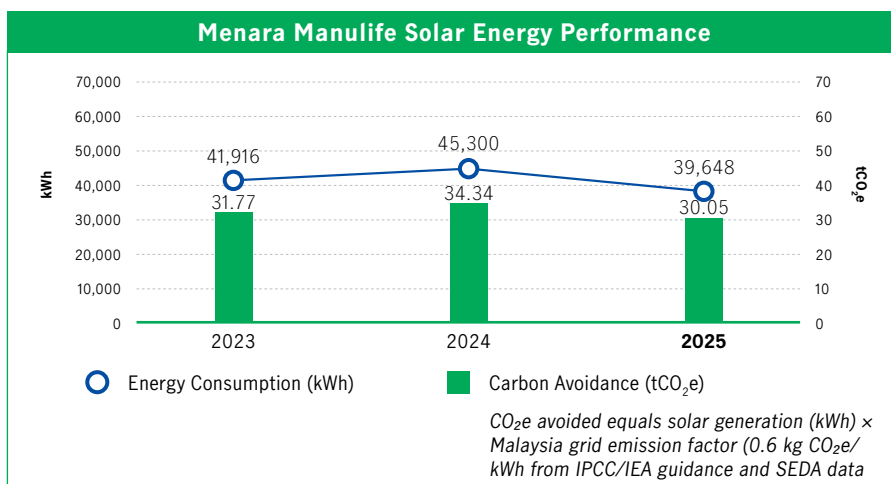


### Advancing Renewable Energy at Menara Manulife

We continued to advance our commitment to sustainability through the integration of solar energy at Menara Manulife. Since commissioning our rooftop solar installation, we have transformed a portion of our building's energy supply into a cleaner and more responsible alternative. The solar energy produced primarily powers the ground floor lobby, reducing dependence on conventional electricity and supporting lower emissions over time, while recognising that annual results may vary.

In 2024, our solar panels operated at full capacity and delivered 45,300 kWh of clean energy, translating into 34.34 tCO<sub>2</sub>e in avoided emissions while in 2025, the system generated 39,648 kWh, resulting in 30.05 tCO<sub>2</sub>e of carbon avoidance. While this output is lower than 2024, it reflects expected year-to-year variations influenced by several natural and environmental factors. Globally, 2025 was among the warmest years on record, and higher ambient temperatures can reduce solar panel efficiency because panels operate best under strong sunlight but moderate heat. Natural panel degradation and annual weather variability also contribute to performance changes over time.

Despite these conditions, our 2025 results still represent strong performance relative to the building's structural constraints and reflecting the continued operational viability of solar energy at Menara Manulife.

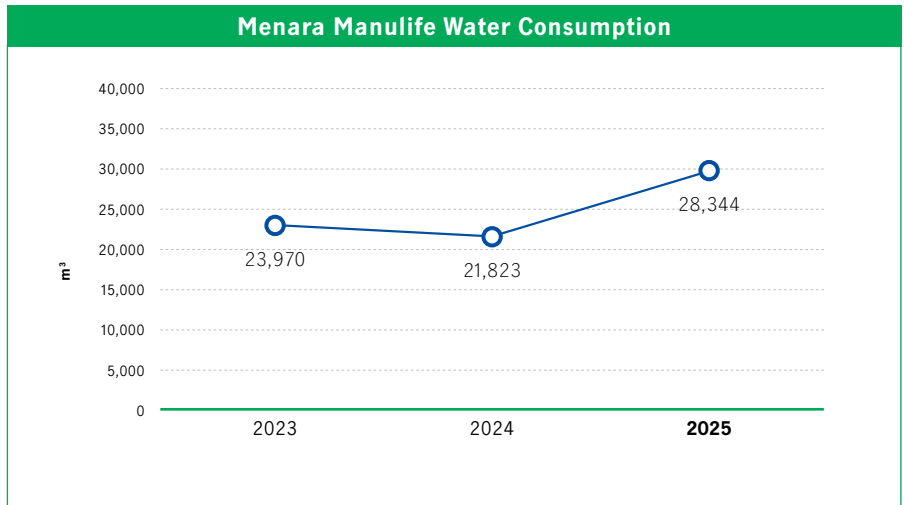


# Sustainability Statement

## Responsible Water Management

As demand for clean water continues to grow and climate change adds pressure to global water supplies, we remain committed to responsible water management at our head office, Menara Manulife.

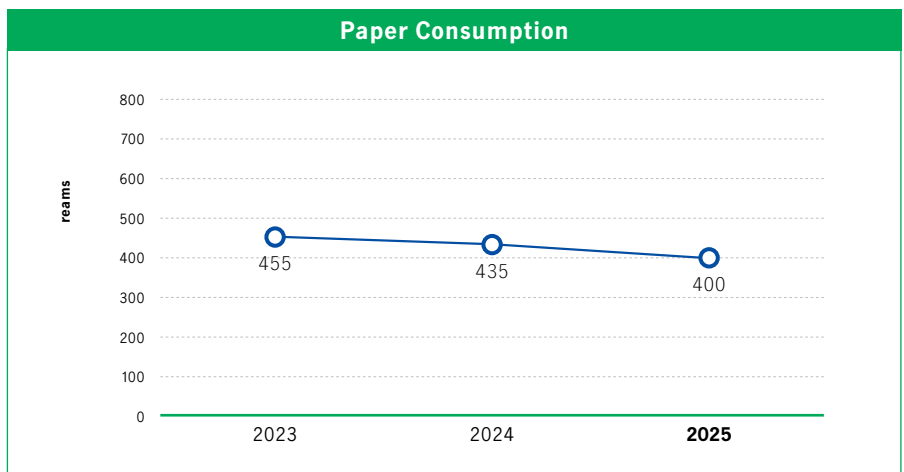
To promote efficient water use, we have implemented practical improvements across our facilities, including installing automatic push taps to prevent unintentional water wastage, along with clear reminders and signage in washrooms to encourage mindful water use. Together, these actions help foster a culture of sustainability and support our focus on responsible resource management.



In 2024, these efforts contributed to a 2% reduction in water consumption from 2023. In 2025, Menara Manulife recorded a 30% increase in water usage, largely driven by a higher building occupancy rate and expanded Food & Beverage (“F&B”) operations at the Level 1 cafeteria. Renovation and fit-out works for these new tenants, together with increased daily usage from employees, tenants, customers and visitors, contributed to the higher levels of water usage within the building. While total water consumption increased, the change is likely to have primarily been reflected through an increase in building activity.

## Paper Consumption

Through our digitisation and a paperless approach across all areas of our business and operations, we have seen an 8% reduction in paper usage in 2025. By embracing digital solutions, we not only reduce paper consumption but also enhance operational efficiency – minimising time spent on printing, filing, and retrieving documents. This transition has streamlined workflows and improved productivity. By encouraging a paperless approach, we are taking proactive steps to conserve natural resources and embed sustainable practices throughout our workplace.



## ENCOURAGING A CULTURE OF RECYCLING AT MENARA MANULIFE

We try to encourage responsible waste disposal across our operations. In 2024, we partnered with iCycle to launch the "Jom Recycle with Manulife!" programme, which aims to make recycling simple, rewarding and part of everyday behaviour for our employees and tenants.

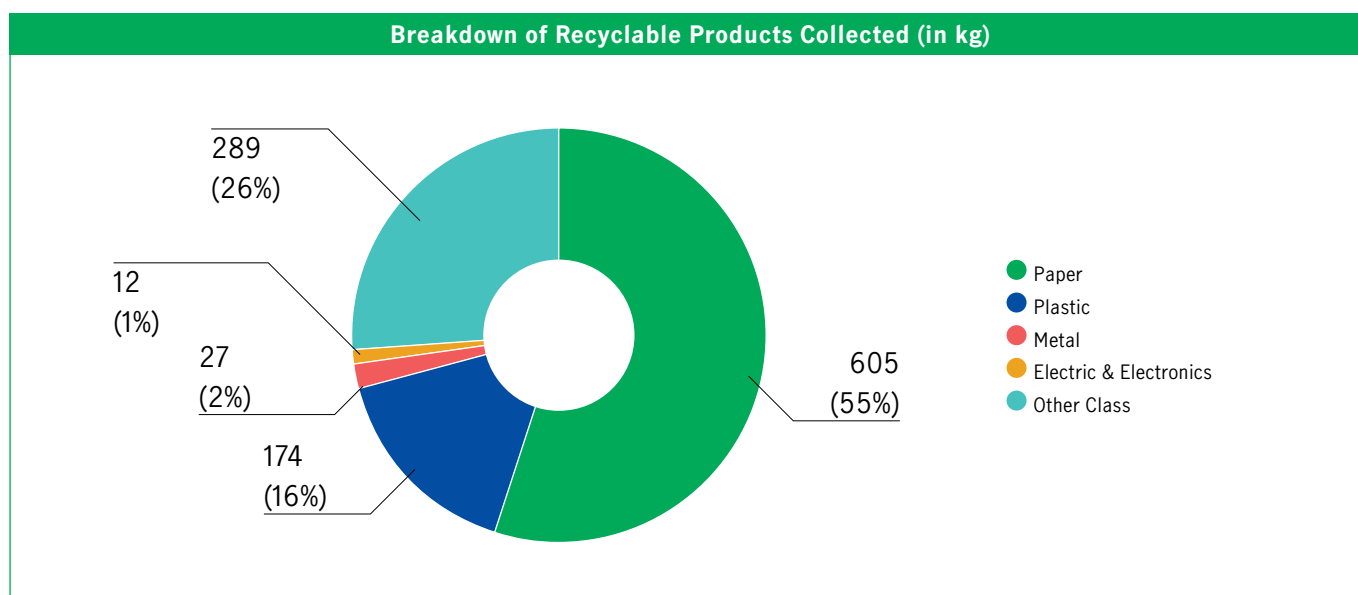
Under the programme, participants earn rewards by correctly packing, segregating and disposing their recyclables in the designated Jom Recycle box located at the Menara Manulife entrance. The programme not only incentivises responsible disposal practices, but also strengthens awareness of the environmental impact of individual actions.

The campaign gained strong traction in its first year with 272 kg of recyclables collected in the first 3 months of implementation, resulting in 149 kg CO<sub>2</sub>e avoided from landfill. In light of the positive engagement across the workplace, we extended our partnership with iCycle into 2025 - reflecting our confidence in the programme's long-term potential and impact.

In 2025, the campaign achieved considerable progress. Together, our employees and tenants recycled 1,107 kg of waste. This collective effort contributed to 617.61 kg of CO<sub>2</sub>e avoided, demonstrating how small daily actions can add up to significant environmental benefits.

All recyclables deposited into the Jom Recycle Box are sorted at a Collection Centre into five main streams:

Paper Products	Plastic Products	Metal Products	Electrical & Electronic Items	Other Recyclable Classes
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Accepted items include aluminium cans, glass bottles, cardboards, mixed plastics, newspapers, clothes/textiles, books, mobile phones and cables. The success of *Jom Recycle with Manulife* reflects our shared commitment to giving materials a second life, reducing waste to landfill, and fostering a resilient culture of sustainability across our workplace.

CO<sub>2</sub>e avoidance is estimated using iCYCLE's carbon footprint calculator, which scales US EPA per-capita emissions to Malaysian conditions using JPSNP per-capita (US EPA:JPSNP ratio), co-developed with Kurume University.



## Nurturing a Winning Team

Our employees bring a range of management capabilities and industry experience that support the organisation's ongoing development. As we aim to become the most customer-centric organisation in the industry, we are committed to providing a safe and inclusive workplace that fosters learning, opportunity, and growth.

We believe a healthy workforce is key to productivity and engagement. This year, we continued to prioritise employee health and wellbeing by enhancing benefits and providing opportunities for professional development through our **Scale Up** initiatives. Inclusion remains at the heart of our culture, reflected in our consistent progress toward gender equality across all levels, especially within leadership.

Our efforts were recognised through the **Diversity, Equity and Inclusion Category Award 2025** and our **7th consecutive recognition as one of the Best Companies to Work for in Asia**, by Human Resources Asia. These recognitions reflect our continued focus on developing an inclusive workplace that champions talent development, diversity and professional growth.

### SUPPORTING OUR PEOPLE: WELLNESS AT MANULIFE

As a health and wealth business, supporting the overall wellbeing of our people continues to be a key priority in 2025. Our year round wellness initiatives were designed to strengthen physical health, enhance financial confidence, and build mental resilience — empowering employees to thrive in and out of the workplace.

In 2025, our People team continued to build on these efforts through a refreshed series of wellness engagements with external health and wellbeing partners. These engagements covered a wider range of topics aimed at supporting employees' health and wellbeing throughout the year.

In line with this commitment, we rolled out a series of impactful wellness talks and events, including:

#### 8 April

##### Influenza Awareness Webinar & Onsite Vaccination

In collaboration with Alpro Pharmacy, employees learned how to fight the flu and protect those around them, followed by onsite influenza vaccinations.

#### 16 April

##### Wellness Day Event

Featured booths from Alpro Clinic, UOB Bank, and partner organisations including Farm Fresh, Kintry, M Dental, Blood, Beacon Mart, and Softsrve.

#### 15 May

##### Lunch & Learn: Dance Movement Therapy

Led by Dr. Priya Rajan, licensed counsellor and medical doctor, this creative session helped employees reduce stress and reconnect with their bodies through expressive movement techniques.

#### 18 June

##### The Secret to Being Office Fit

A practical session by Alpro Health on ergonomic exercises to ease aches and improve everyday wellbeing at work.

#### 15 October

##### Mental Health Talk: Supporting Your Loved Ones

The session was conducted by Daryl Wong from Human Dynamic during Mental Health Awareness week and provided employees with an opportunity to reflect, recharge, and learn approaches to supporting emotional wellbeing.

# Sustainability Statement

We also strengthened employee engagement through our Employee Connection initiatives, which featured a diverse mix of activities and platforms that brought our people together. This included our bi-annual HR Roadshows, which provided important updates and enabled two way dialogue across the organisation. Beyond that, employees connected through team building activities, Senior Leadership Team (“SLT”) and EXCO offsites, and involvement in various colleagues-led committees such as MFC’s globally recognised Colleague Networks, Manulife Malaysia’s ESG Committee, the Annual Dinner Committee, and the Sports Club Committee — all of which play a vital role in nurturing collaboration, strengthening culture, and fostering a sense of belonging within the organisation.

We continued to provide ongoing support for its employees through different touchpoints. With 24/7 Work-Life Coaching support available through our Employee Assistance Programme, employees and their families are offered confidential guidance and emotional support in times of need.

Our employees in Malaysia also benefit from ManulifeMOVE, alongside the other markets where MFC operate in Asia. ManulifeMOVE is a behavioural wellness platform that rewards healthy lifestyle choices and an employee engagement tool which incentivizes participation through access to the Company’s ecosystem of partners and value-added services, such as personalised health insights and exclusive wellness benefits. 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. To date, Malaysia holds the strongest participation rate across Asia with 85% in employee activation.

## Benefits for work-life balance

In 2025, we continued to offer meaningful, relevant, and people focused benefits that support every stage of our employees’ lives. Our core benefits — including annual health screenings, medical coverage, and life and personal accident protection under the Employee Group Insurance Scheme (“EGIS”) — remain fundamental to our wellbeing promise.

We also continued to enhance our Flexible Spending Account, which enables employees to claim a wide range of expenses, from personal development and holistic wellness to travel related needs. This year, the programme has been expanded to further support working families, with eligible claims now covering childcare centres, kindergartens, and elder care facilities — easing the responsibilities of parents and caregivers.

To reinforce our commitment to continuous learning and career growth, we also introduced two new types of leave:

Study Leave	Exam Leave
1 day per subject (up to 5 days per year)	half-day per paper (up to 5 days per year)

These benefits are designed to empower employees to upskill, pursue certifications, and stay competitive in their respective fields. We also provide exclusive corporate vehicle rates as a voluntary benefit. We tracked uptake and utilisation to understand demand and inform future adjustments.

## Workplace health and safety

Manulife Malaysia continued its efforts in prioritising employees’ health and safety in the workplace and are pleased to report zero work related fatalities during the year. However, one lost time incident was recorded following an accident that occurred at Menara Manulife, our headquarters. The minor injury was promptly addressed by our Occupational Safety & Health (“OSH”) Committee, who conducted a thorough review and implemented a corrective action plan to help prevent similar incidents from recurring in the future.





As our operations are primarily office-based, we manage workplace risks through hazard identification, incident and near-miss reporting, scheduled inspections and mandatory training. Compliance with applicable regulations and internal OSH procedures are monitored accordingly. A monthly OSH Newsletter shares reminders and updates on health and safety requirements. Employees are expected to identify and report hazards; reports are logged, reviewed and addressed.

# Sustainability Statement

## Our Sports Club

We endeavour to improve our employees' physical wellbeing through our volunteer-led Sports Club which actively organises monthly sports activities, ranging from competitive tournaments to fun, inclusive events for all fitness levels. These initiatives not only promote a healthy and active lifestyle but also create valuable opportunities for employees to connect, unwind, and build camaraderie across teams.

Throughout the year, the Sports Club organised a variety of activities, including:

FEBRUARY	APRIL	MAY
<p><b>27 February:</b> Badminton Tournament (Men's Doubles &amp; Mixed Doubles)</p>	<p><b>8 April:</b> FlowYoga session led by our very own colleague, Lee Hui Jing from the Product Department</p> <p><b>24 April:</b> Pickleball</p>	<p><b>17 May:</b> Hiking at Taman Tugu in collaboration with the MOVE App Step Challenge — Top 100 participants who completed 25,000 steps received a RM30 Watsons e-voucher</p>
JUNE	JULY	AUGUST
<p><b>24 June:</b> Pickleball</p> 	<p><b>15 July:</b> “Walk with CEO, Vibha” around the Damansara Heights neighbourhood</p>	<p><b>14 August:</b> “Get Active!” After-Work Badminton Session</p> 
SEPTEMBER	NOVEMBER	
<p><b>20 September:</b> Bukit Kiara Hike, in collaboration with the MOVE Step Challenge — Top 100 achievers to complete 20,000 steps receives RM30 Touch ‘n Go reload pin</p> 	<p><b>6 November:</b> Annual Bowling Tournament</p> 	

## CREATING A WORKPLACE WHERE EVERYONE BELONGS AND THRIVES

We believe that a diverse workforce is essential to building a strong and inclusive organisation. Our teams span multiple generations and bring a wide range of experiences, perspectives and ways of thinking. We continue to champion gender diversity and ensure that every employee, regardless of age, gender, identity, ability or background, has equal opportunities to grow, lead and thrive. By creating spaces where every voice is heard and respected, we foster collaboration, innovation and a workplace culture where everyone belongs.

We continue to focus on inclusive hiring and equitable development practices, including creating pathways for neurodiverse candidates and persons with disabilities. ensuring fair access to learning, mentorship and career advancement. In 2025, initiatives related to inclusion and belonging were carried out through activities led by the People department, the Inclusion Committee (formerly the Employee Resources Group, now known as the Colleagues Networks), and the ESG Committee. From multicultural celebrations and wellbeing sessions to leadership dialogues, learning activities and community-focused programmes, these efforts brought colleagues together and reinforced our goal of creating a workplace where every employee feels supported, valued and connected.

### A Multigenerational Workforce

Our multi-generational workforce of 531 employees supports knowledge transfer and succession planning. Engagement and capability metrics are monitored to assess outcome.

<b>Generation X</b>	Represents the second largest group within the workforce and plays a critical role in leadership, contributing significantly to organisational direction and decision making.
<b>Generation Y (Millennials)</b>	Forms the largest cohort and serve as the backbone across most job families.
<b>Generation Z</b>	Strongly represented in associate, administrative, and early career roles, ensuring a healthy pipeline of emerging talent ready to grow into future leadership roles.

### Partnership With Yayasan Gamuda’s Enabling Academy

As part of our ongoing efforts to support workplace inclusion, we expanded our partnership with Yayasan Gamuda’s Enabling Academy. Through this collaboration, we welcomed three neurodivergent individuals into our internship programme in 2025. This initiative is intended to support broader participation by individuals with diverse abilities and to provide structured learning and workplace exposure opportunities.

### Embracing Our Multicultural Community

Our workplace celebrations bring culture, tradition, and community together — making every festivity a meaningful shared experience. Each year, we host a variety of festive competitions such as the Chinese New Year Lantern Contest, the Hari Raya Generational Photo Contest, and the Deepavali Kolam Contest, all of which encourage creativity while embracing our rich cultural diversity. In addition to these activities, our Annual Dinner on 22 August 2025 embraced the theme “Bollywood Meets Hollywood” — a vibrant fusion of cultures and styles. It was truly a night to remember, filled with colour, joy, and laughter, beautifully showcasing our commitment to celebrating diversity and togetherness.



# Sustainability Statement

## Women in leadership

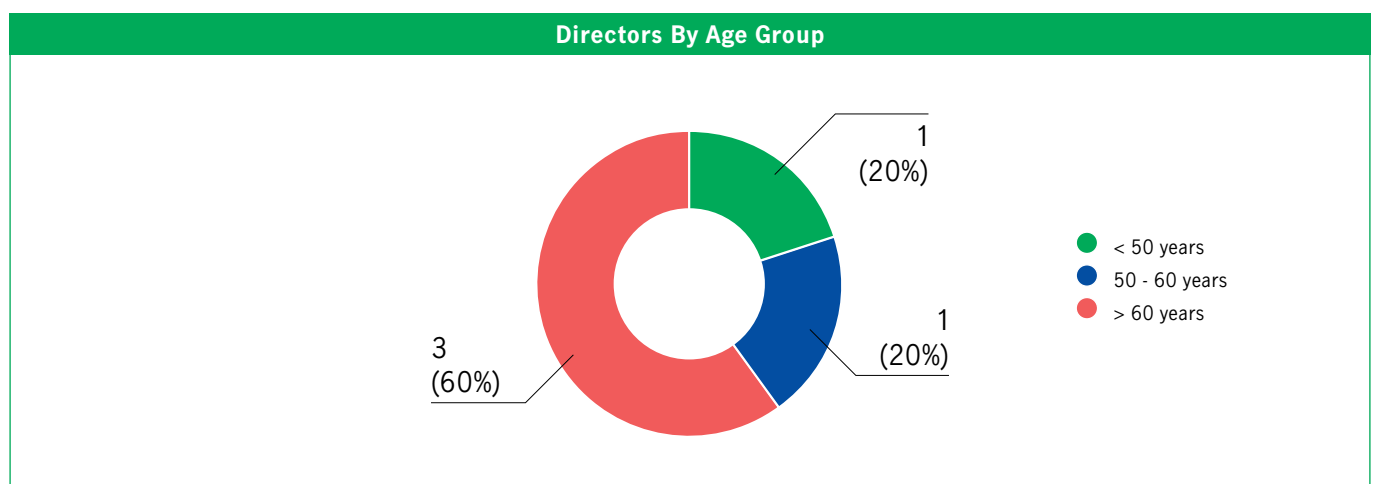
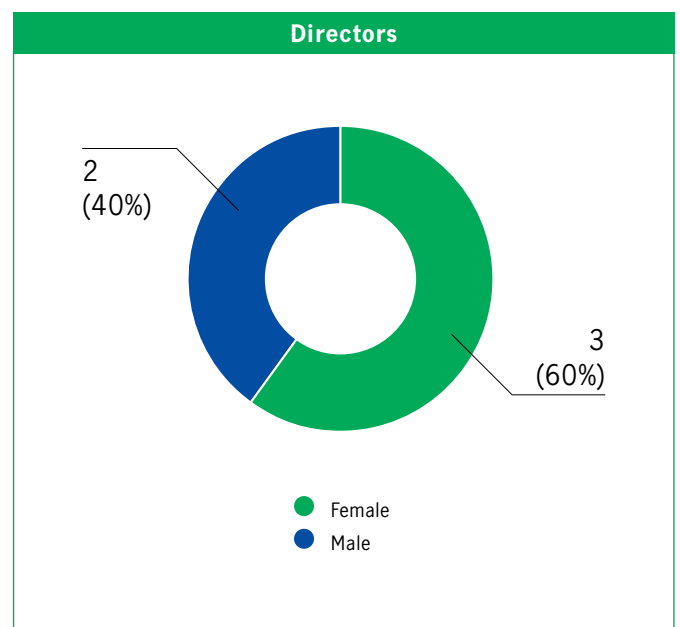
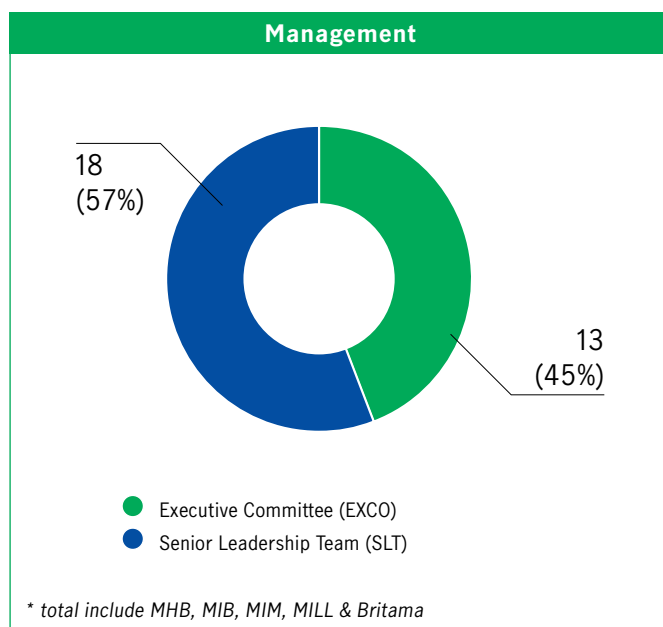
Women continue to play a pivotal role in shaping our organisation's success. They represent:

- 66% of our total workforce, and
- 60% of all professional level roles.

We continue to support women's professional development by fostering pathways for advancement and ensuring they are empowered to lead and excel at every level.

Gender diversity in leadership remains a priority for us across the Company. Women represent 57% of Executive Committee roles, 45% of SLT 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.



# Sustainability Statement

## Bringing People Together

In 2025, we continued aspiring to build an equitable and inclusive environment—both within our organisation and in the communities we serve—through meaningful programmes and partnerships that celebrate cultural diversity, promote accessibility, and support vulnerable groups.

26 February	Colleagues Network initiative with Horlicks	Experience the Goodness: Complimentary Horlicks Ahead of the Fasting Month!
3 – 5 March	Initiative with BE INFINITY SDN. BHD	Understand Manulife Malaysia's flagship products (Manulink Essential, Manulink Premier, Manulife Asset Shield and Universal Life series) and enjoy staff benefits.
11-March	International Women's Month	<b>Network &amp; Learn:</b> Cervical Cancer Awareness by Dr Khoo Su Pei from Rose Foundation
12-March		<b>Network &amp; Learn:</b> Menstrual Health by Dr Jerilee and Dengue Awareness Booth by MiCare
19-March		<b>Bazaar:</b> Celebration of International Women's Day – bazaar to support women's community vendor booths selling handicrafts, hairbands, Raya cookies, Self-Pampering Treatments, & Jewellery.
1-31 March		<b>Special booth:</b> Featuring our CEOs, Vibha Coburn, and Jason Chong, distributing Manulife Malaysia's sponsored handmade bags made using sustainable materials by the Penan Tribes of Sarawak from Penan Women Project.
		<b>Pampering session:</b> A comprehensive hair and scalp analysis followed by choice of a stress-relieving ritual: scalp, neck, shoulder and hand massage.
4 June	Bring Your Sidekick to Work	<p>Parenting Talk with KiddoCare</p> <p><b>Activities:</b> Kidocode Workshop</p> <p><b>Booths:</b> Eves Artisan Soap, Toloveflower-Paper Art, Vitagen and POS Malaysia</p> <p>This event was a special parenting talk held in conjunction with “Bring Your Sidekick” Day on June 4th. Delivered by KiddoCare, a professional childcare service provider, the session offered parents valuable insights on various parenting topics. The talk provided an opportunity to learn, connect, and gain practical tips.</p>
23 July	Fireside Chat "All In: The Power of Inclusive Business"	Exploring how inclusivity strengthens our culture and business outcomes. Featuring insights from Sudesh Thevasenabathy, Head of Inclusion Asia, along with our CEOs Vibha Coburn and Jason Chong, the session delved into the transformative impact of inclusive practices and how they contribute to organisational success. The conversation concluded with a networking session complemented by an exclusive high tea, offering colleagues the opportunity to connect and continue meaningful discussions.

# Sustainability Statement



Malaysia Inclusion Summit 2025 Speakers

<p><b>14 October</b></p>	<p><b>Malaysia Inclusion Summit 2025</b></p>	<p>Held at The Westin Kuala Lumpur, the summit brought together thought leaders, advocates, and professionals to exchange insights on fostering inclusion, accessibility, and equitable workplace practices across Malaysia.</p>
<p><b>16 October</b></p>	<p><b>Global Diversity Day</b></p>	<p>We celebrated Wear Your Culture Day, featuring a special multicultural drum performance and a selection of traditional Malaysian Makan-Makan (<i>delicacies</i>).</p> <p>We also supported local social enterprises — The Artisans Haven and the Dignity for Children Foundation — reinforcing our commitment to empowering community-driven causes.</p>
<p><b>29 October</b></p>	<p><b>Menara Manulife Blood Donation Drive</b></p>	<p>This company-wide Blood Donation Drive was organised together with Pusat Darah Negara (“PDN”) as part of the Life Insurance Association of Malaysia (“LIAM”) Nationwide Blood Donation and Health Awareness Campaign 2025. This initiative encouraged employees as well as tenants in Menara Manulife to step forward and donate blood in support of saving lives. A total of 87 people registered, and 59 donations successfully accepted by the blood bank.</p>



Menara Manulife Blood Donation Drive

# Sustainability Statement

<p><b>3 November</b></p>	<p><b>Lunch &amp; Learn: Step Into the Neurodivergent World, Embracing Every Mind</b></p>	<p>This session focused on exploring and celebrating neurodiversity—helping employees understand different ways people think, learn, and experience the world. Through real stories and shared insights, the Lunch &amp; Learn aimed to build awareness, encourage empathy, and foster a more inclusive workplace, all while giving colleagues the chance to connect over a provided lunch.</p>
<p><b>15 December</b></p>	<p><b>Dignity for Children Christmas Charity Drive</b></p>	<p>This festive season, we welcomed back Dignity for Children as they spread joy through delicious treats and beautifully handcrafted goods. Colleagues were invited to purchase homemade cookies, wooden crafts, sewn items, batik table runners, and more — each purchase directly supporting underprivileged children.</p> <p>Thanks to the generosity of our colleagues, we raised <b>RM4,494</b>, marking a <b>21% increase</b> from the previous year. All proceeds channelled to <b>Dignity for Children</b>, a non-profit organisation dedicated to breaking the cycle of urban poverty through quality education. Their programmes empower children to build brighter futures and contribute meaningfully to society.</p>

## LEARNING WITHOUT LIMITS

As the pace of change continues, we focus on making learning tools and support accessible within defined scopes, and on tracking participation and learning outcomes to support ongoing improvement. We support employee skill development by providing opportunities to learn, adapt and build capabilities over time. Our approach combines structured and mandatory training with a wide range of voluntary learning options. This allows employees to explore topics that interest them most, while also receiving guidance from their people leaders on trainings that can further support their professional development.

### Manulife Pursuit Learning Experience Platform (“LXP”)

#### LinkedIn Learning

An online learning platform offering a comprehensive library of more than 25,000 expert-led courses across business, technology, and creative disciplines. The platform provides flexible, self-paced, on demand learning designed to help employees gain practical, real world skills that support career development and continuous growth.

In 2025, utilisation of LinkedIn Learning saw a notable increase, rising from 7% to 12%, with employees collectively recording 2,241 learning hours — reflecting a growing commitment to lifelong learning and skills enhancement across the organisation.

#### LUMA Workplace

A digital platform designed for individuals to learn and apply human centered design methods. It gives colleagues access to:

- Human-centered design methods
- Step-by-step guidance
- Templates (including ready-to-use ones for collaboration tools)
- Videos, classes, and learning resources

#### Compass

An internal learning management system (“LMS”) dedicated to storing, managing, providing, and tracking various learning resources, including e-learning and instructor-led training programmes

# Sustainability Statement

The Company also encourages the full utilisation of Malaysia's Human Resource Development Fund allocation, which allow employees to enrol in any Human Resource Development Corporation (“HRDC”)-claimable training programme which are not restricted to purely industry-related trainings.

In addition to our core learning initiatives, the Company upholds a series of training and development policies designed to empower every employee on their unique career journey. We recognise that professional development needs vary and aim to provide support through role-based learning, structured training programmes, and networking opportunities. Our goal is to ensure that every team member has the resources they need to strengthen their capabilities, deepen their expertise, and unlock their full potential.

## Malaysia Training Policy

As part of our approach to continuous learning, we provide access to a range of development opportunities for employees, both within the organisation and through external programmes. These include external courses, professional seminars, ad-hoc learning sessions, mentorship programmes, online learning, and short-term stretch assignments. Through these diverse avenues, employees are encouraged to broaden their knowledge, expand their skill sets, and gain exposure to new experiences that enrich their professional growth.

## Global Continuous Learning Policy

To further support long-term development, we encourage employees to pursue formal education that advances their career aspirations. Under the Global Continuous Learning Policy, we provide subsidies toward tuition fees for diploma, degree, and master’s programmes. This investment reflects our belief in lifelong learning and our commitment to developing highly skilled, future-ready talent.

## Life Office Management Association (“LOMA”)

We continue to support the development of industry knowledge across the workforce by investing in LOMA's Insurance Education programmes. Through these globally recognised certifications, employees gain valuable knowledge across the life, health, and financial services sectors. This commitment to technical excellence ensures that our talents remain equipped to meet evolving customer needs and industry demands.

## Unlocking leadership potential

In 2025, we invest in leadership development across the SLT through a range of structured learning activities. These activities focused on leadership capabilities and were designed to strengthen how leaders develop themselves, support their teams, and contribute to the organisation's objectives.

To support self-awareness and strengths-based leadership, leaders completed the Clifton Strengths assessment and the Pursuit Leader Series. Participation and feedback from these activities are tracked and used to inform future programmes and cohorts.

To strengthen global leadership readiness, we partnered with Duke Corporate Education to deliver a programme that blends curated online learning, highly interactive virtual sessions, and a three-day in-person immersion held in Toronto, Japan, and Hong Kong. This programme equipped leaders to grow across three key dimensions: Leading Self, Leading Others, and Leading the Business, ensuring they are ready for the evolving demands of our industry.

The SLT participated in the *Winning Values, Winning Team* programme, which focused on ethical decision-making and the theme of "Doing the Right Thing for Sustainable Growth." Through real Manulife case studies from across Asia, leaders engaged in thoughtful discussions and debates on navigating complex decisions while staying grounded in our values.

The team also completed a dedicated Inclusive Leadership session facilitated by Sudesh Thevasenabathy, Head of Inclusion Asia, who provided practical guidance on fostering inclusivity and building trust within teams. This session reinforces our commitment to creating inclusive, high-trust environments where every voice is valued and empowered.

# Sustainability Statement

## Learning Fiesta

In 2025, we supported talent development through a range of engagement channels, including a series of Coffee Chats involving senior leadership. On 18 August, a Coffee Chat was hosted by Khoo Kah Siang, the CEO of Emerging Markets, Manulife Asia, which was designed for high-performing talents and provided opportunities for informal engagement, discussion on career development, and organisational priorities. Participants received guidance on leadership development and were invited to share their career aspirations.

From July to October, Manulife Malaysia's Learning Fiesta ignited a culture of continuous learning and personal growth across the organisation. Curated to equip colleagues with practical skills, broaden perspectives, and strengthen leadership capabilities, the series brought together a diverse lineup of expert led sessions—from inclusive leadership and effective performance conversations to sustainability practices, mental wellbeing, and future ready ways of working. Through interactive workshops, thought provoking talks, and hands on learning experiences, employees were empowered to deepen their knowledge, discover new interests, and build meaningful connections. The Learning Fiesta supported our employees' holistic development and nurtured a workplace where everyone is encouraged to learn, grow, and thrive.

- **22 July:** Inclusive Leadership: Creating Trusted Spaces for Our Colleagues, an inspiring session led by our Head of Inclusion Asia, Sudesh Thevasenabathy
- **29 July:** Prompt-A-Thon (online)
- **4 Aug:** Will Writing by I&M Succession Advisory
- **7 Aug:** Performance Conversations That Matters: Managing with Clarity and Compassion
- **12 Aug:** Rethinking Waste: A Guide to Zero Waste Living, by Melissa Tan from Zero Waste Malaysia
- **13 Aug:** Human Dynamic Webinar: Lead Beyond Judgment
- **27 Aug:** The Power of Knowing Yourself: Navigating Life with Inner Clarity by Daryl Wong from Human Dynamic
- **18 Sept:** From Scraps to Solutions: Food Waste (Body Scrub Workshop), by Melissa Tan from Zero Waste Malaysia
- **24 Sept:** Grow Your Own Food Workshop by Johanson from City Farm Malaysia
- **25 Sept:** Agile Isn't Just for Tech: It's a Way of Working, Thinking and Growing by Dato' Ts. Tengku Intan Narqiah Tengku Othman, Chief Technology Officer from Syarikat Takaful Malaysia Keluarga Berhad
- **8 Oct:** Workplace Harassment by Selvamalar Alagaratnam from Skrine
- **15 Oct:** Mental Health Talk - Supporting Your Loved Ones by Daryl Wong from Human Dynamic

## Fuel-Up Friday

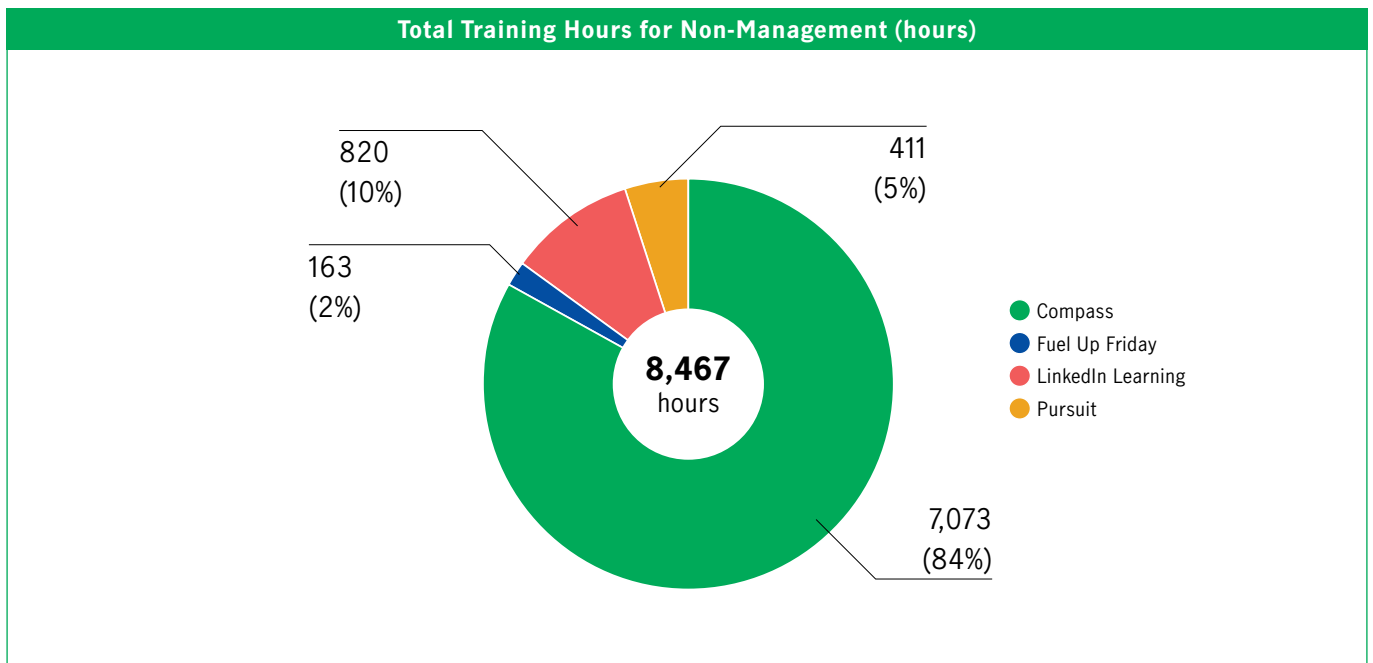
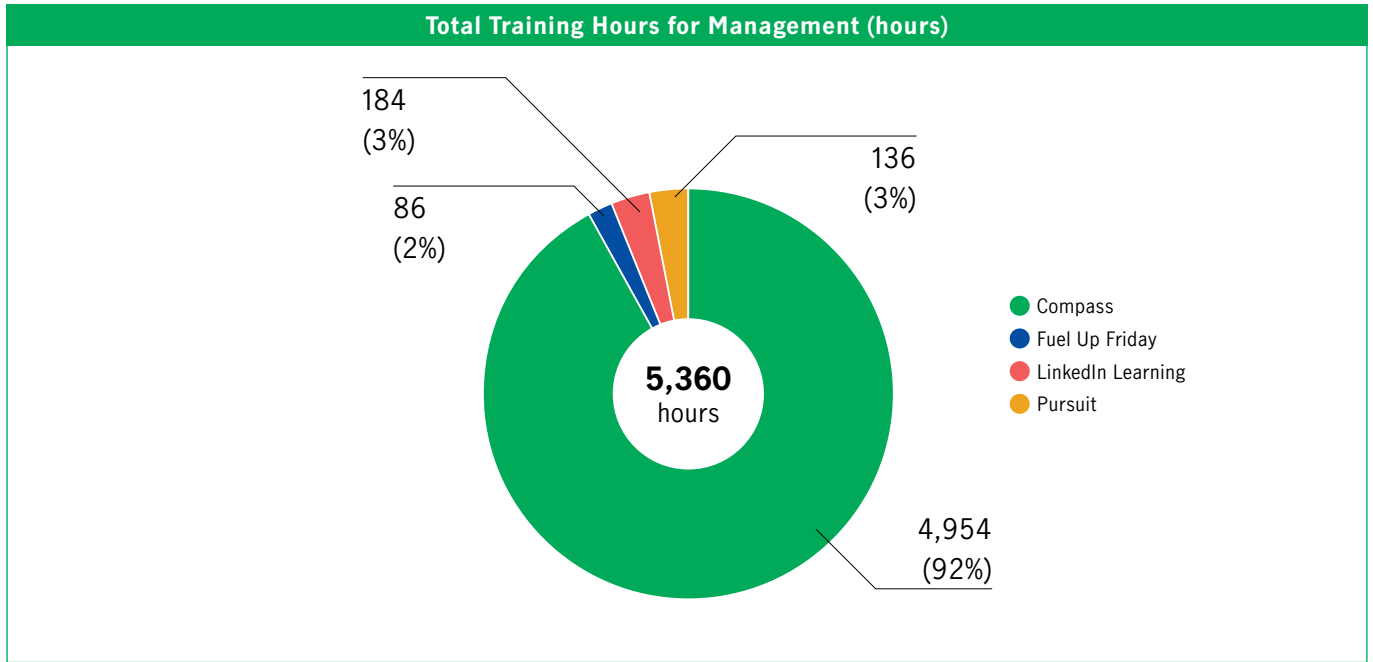
Fuel-Up Friday continued to be a cornerstone of our 2025 people strategy, championing work-life balance while fostering a culture of continuous, self directed learning. Introduced in 2021, this initiative designates the second Friday of every month to employee growth and wellbeing—combining a morning of collective learning with a wellness focused afternoon off to recharge mentally and physically.

Over the years, Fuel-Up Friday has become deeply embedded in our company culture. The practice provides an opportunity to support employees in managing their energy, develop new skills, and prioritising personal wellbeing. In 2025, the initiative was further enriched with a curated series of half day learning sessions led by experts and leaders from across our global network. Each session delivered messages of inspiration, action, and shared purpose.

Across the year, Fuel-Up Friday gained momentum, with average participation rising to 39%, up from 24% the previous year. This upward trend underscores our employees' appetite to learning, personal development, and holistic wellbeing—reinforcing Fuel-Up Friday as a vital pillar of our people first strategy.

# Sustainability Statement

We collectively achieved 18,617.95 training hours this year — a significant 34.66% increase compared to 13,826 hours recorded last year. Of the total hours, management employees contributed 7,071.69 hours, while non-management employees contributed 11,546.26 hours across various learning modules. Looking ahead, we aim to build on this momentum by expanding access to diverse and meaningful learning opportunities that empower every employee to grow, lead, and drive impact.



## CELEBRATING AND RECOGNISING OUR EMPLOYEES

### Podium Recognitions

Manulife leverages its global recognition platform, Podium, to cultivate a culture of appreciation across all levels of the organisation. Podium enables employees worldwide to recognise and celebrate the contributions of their peers, leaders, and teams, helping to strengthen connections and foster a positive, gratitude-driven workplace.

In 2025, a total of 531 employees in Malaysia received Podium recognitions.

### Long Service Award

In 2025, Manulife proudly recognised the dedication and commitment of 45 employees through the annual Long Service Awards. These awards honour individuals who have contributed significantly to Manulife’s continued growth and success, celebrating their loyalty, resilience, and longstanding partnership with the organisation.

Their unwavering service reflects the strength of our culture—one built on collaboration, shared purpose, and mutual support. The recognition reflects Manulife’s approach to workplace practices related to inclusion, employee engagement, and professional development.

The Long Service Awards remain an important tradition that highlights the people behind our journey, celebrating their remarkable contributions and reinforcing our belief of building a workplace where everyone can thrive.

Years of Service	Number of Recipients
5 years	13
10 Years	10
15 Years	7
20 Years	5
25 Years	2
30 Years	6
35 Years	2

### Manulife 2025 Stars of Excellence

The Stars of Excellence is MFC’s premier annual recognition programme that recognises top performers, globally. In 2025, Chang Ching Keat (Head of Bancassurance Sales), Dennis Lee (Head of Product Development), and Lydia Suprathivan (Head of NBV & FP&A) were selected as Malaysia’s awardees.

To extend the celebration of these Stars to the communities we serve, Manulife Global donated CAD \$500 (RM1,600) to charities chosen by the award recipients: Tai Po Fire Relief in Hong Kong and the Dignity for Children Foundation.

### Scale Up Achiever Award

This quarterly award serves as a platform to celebrate the achievements of our employees, recognising those who consistently embody our core values and Scale Up attributes of Manulife Malaysia that includes Strengthen Growth, Customer Centricity, Accelerate Digitalisation, Level-Up Talent, and Enhance Value.

Through the MIB Quarterly Scale Up Achiever Award and Manulife (IM) Malaysia Semi-annual Employee Recognition Award, we recognise individuals who exemplify integrity, collaboration, innovation, and customer focus in their daily work, highlighting their commitment to our organisation’s mission and vision.

In 2025, a total of 110 awards were presented at our quarterly townhalls, which included 4 individual awards and 11 team awards.

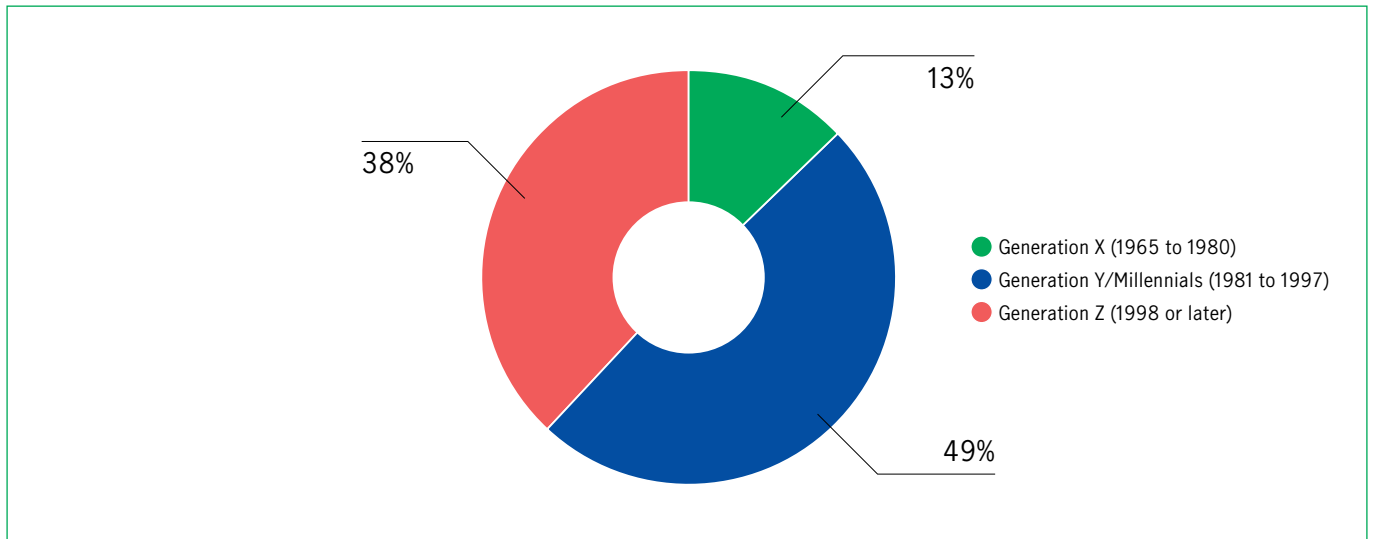
### Welcoming new talent

We continue to strengthen its position as an employer of choice by attracting, developing, and retaining top talent — including the next generation of professionals entering the workforce. Our ongoing focus on employee engagement and wellbeing remains central to building a robust talent pipeline that will support the organisation’s long term growth and success.



Employees Team Building event

# Sustainability Statement



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

## Employee satisfaction

In 2025, Manulife Malaysia conducted its Annual Employee Engagement Survey, achieving a 100% participation rate in the process. The survey recorded an overall engagement score of 4.51 out of 5, placing results in the 80th percentile globally and representing an improvement from the 2024 mean score of 4.45, at 77th percentile. While engagement scores within the investment business declined slightly during the year, they remained above the 80th percentile overall. These results are used to inform ongoing efforts to understand employee experience and identify areas for continued focus.

In 2025, the Accountability Index increased to 4.59, compared with 4.46 in 2024. The Company Risk Index also rose year on year, reaching 4.51 from 4.46 in 2024. These results provide insight into employee perceptions on wellbeing and psychological safety, and are used to inform ongoing engagement and people-related initiatives across the organisation.



# Touching Lives in the Community

We are committed to making a positive impact in our communities, supporting them through both prosperous and challenging times. Guided by MFC's Impact Agenda, we aim to drive strategic programmes and engagements that prioritise health and wellbeing, support financial resilience and contribute to a healthier planet. Our approach focuses on strategic community engagement and targeted investment initiatives, seizing opportunities that yield long-term benefits for the communities that we serve.

At the heart of our 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. 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, we are poised to drive meaningful progress and create lasting impact in communities where we operate.

## DRIVING ENVIRONMENTAL STEWARDSHIP AND COMMUNITY EMPOWERMENT IN WANG KELIAN

In 2025, our three-year partnership with Roots & Shoots Malaysia continued to bring meaningful progress to Wang Kelian, through an initiative that advances our focus on longevity and underscores our belief that long-term financial wellbeing and a healthy natural environment are deeply connected and crucial to longevity. The revitalisation of the 10-kilometre Denai Warisan trail moved forward strongly, supporting environmental restoration efforts while increasing public awareness of local biodiversity. 12 new educational signages were installed along the trail, and four biodiversity surveys recorded 522 species – creating an important scientific foundation for future conservation work. These efforts are gradually turning the trail into an outdoor learning space and a growing eco-tourism attraction, showing how nature preservation and community development can thrive alongside one another.

Since the collaboration between Manulife Malaysia, Roots & Shoots Malaysia, and the local communities of Wang Kelian and Kaki Bukit began, the programme has resulted in observable outcomes. Both villages have populations of about 1,000 people, with many elderly residents and limited economic opportunities due to younger generations moving away for work. Tourism plays a major role in their livelihoods, and the initiative has helped strengthen community leadership, build new capabilities and create opportunities for the residents to participate in conservation and sustainable tourism.

Through close collaboration with Roots & Shoots Malaysia, a range of activities were carried out to support environmental resilience and community empowerment. Over 30 youth volunteers contributed to biodiversity and trail-enhancement work, while 10 local residents were hired for maintenance and nature-based tasks, providing immediate income. Five local entrepreneurs received mentoring to develop guiding services, food and beverage offerings, and small retail ventures, helping lay the foundations for an early eco-tourism economy. To improve digital access, twenty refurbished laptops were also donated for students, community groups and small business owners. Together, these efforts show our commitment to strengthening both the natural landscape and the livelihoods of local communities.

Within our organisation, employee engagement played a key role in raising awareness about biodiversity and the socio-economic potential of Wang Kelian. A year-long campaign which was launched in May 2025 included three Lunch & Learn sessions with Roots & Shoots volunteers and community leaders and two interactive trivia challenges. A total of 133 employees took part, reflecting strong internal support. The top ten participants joined an experiential visit to Wang Kelian, which was rescheduled to January 2026 due to the November floods, to directly engage with the partners and community members driving the transformation on ground. Manulife remains committed to supporting this project through Year 2 and Year 3, continuing until October 2027.



Wang Kelian village with Nakawan Range in the background

# Sustainability Statement

## MOBILISING SUPPORT FOR COMMUNITY MILESTONES

### Uniting for Hope

On Sunday, 28 September 2025, a vibrant team of 137 Manulife Malaysia employees, advisers, agents and family members joined nearly 3,000 participants at IOI City Mall, Putrajaya for the Terry Fox Run, a global event inspired by Terry Fox's Marathon of Hope. The run commemorates Terry Fox, an extraordinary young athlete who, at just 18 years old, was diagnosed with bone cancer but refused to let adversity define him. His courage, determination and vision to raise funds for cancer research continue to inspire millions around the world. The community came together with one purpose: to support Cancer Research Malaysia ("CRMY"), a non-profit organisation committed to advancing the prevention, early detection, treatment and management of cancer. In 2025, we contributed RM8,100 to CRMY, in support of cancer-related initiatives. Through our participation, we honoured Terry Fox's legacy and stood together with thousands of Malaysians to fuel life-changing cancer research.



Our employees, advisers, agents and family members at the Terry Fox Putrajaya Run 2025

### Empowering the Next Generation

In 2025, we continued our efforts to nurture future generations by participating in several programmes under FINCO. FINCO is a national initiative driven by all financial institutions in Malaysia, designed to support students, both in building strong financial habits and in preparing for life after school.

Through FINCO, students gain practical knowledge in areas such as financial literacy, career exploration and personal development. These programmes help young people build confidence, discover their strengths and gain the skills they need to make informed decisions about their future.

Five Manulife Malaysia mentors took part in the FINCO ACE Camp programme, guiding students to explore their interest and career pathways. Our Chief Marketing Officer also contributed by joining the Sembang Aspirasi session, sharing real-world career experiences alongside leaders from Maybank and Generali. Fifteen dedicated volunteers from our organisation served as mentors for six months for the Good SENS Programme. They worked closely with students to build healthy financial habits through simple, engaging lessons that teach the importance of saving, budgeting and making smart decisions. One of our volunteers collaborated with teachers in the Train-the-Trainer programme to strengthen classroom delivery, ensuring financial education is practical, accessible and aligned with what students need beyond the national curriculum.

By participating in the FINCO programme, we continue to showcase our support in promoting the importance of education in Malaysia. Our volunteers play an essential role in helping students develop critical life skills, empowering them to step confidently into the future.

## EMPOWERING COMMUNITIES THROUGH GIVING AND VOLUNTEERISM

During MFC's Season of Giving, our people came together to make a meaningful difference through simple acts of kindness, community support and volunteer work. This global initiative encourages employees to contribute in ways that matter most to them, whether by donating, volunteering their time or organising team activities to support local communities.

On International Volunteer Day, 5 December 2025, 25 volunteers invested 169 hours improving learning spaces at the Dignity for Children Foundation. Together, they painted classrooms and staircases to create a brighter environment for the students. The foundation supports 2,000 students and runs several social enterprises, including a café, bakery, tailor, hair salon and carpentry workshop.

Throughout the Season of Giving, employees were encouraged to donate to any non-profit organisation of their choice through Impact Hub, where their personal donations were matched by the Company. In total, our colleagues donated more than RM 15,000, which was matched in full by the Company, bringing total contributions to RM 30,000.

Beyond seasonal initiatives, the Impact Hub, MFC global platform for giving and volunteering, continues to inspire year-round engagement and community impact. In Malaysia, 327 employees used the platform in 2025, representing a 57% adoption rate and contributed 507 volunteer hours to causes they care about. Through the Impact Hub, employees donated over RM 26,000 with the Company matching over RM 22,000, bringing the total contribution to more than RM 48,000 contributed to community organisations. Together, these efforts reflect our dedication to building stronger, more supportive communities through meaningful volunteerism and charitable giving.



Our Volunteers painting the classrooms at Dignity for Children Foundation

ESG DATA APPENDICES - BURSA MALAYSIA CSI PLATFORM PRESCRIBED TABLE

Manulife Holdings Berhad BMLR Transition Period		Date & Time: 2026-04-22_17:39:17 FYE 31/12/2025				
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Anti-Corruption	a) Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	100.00	—	No assurance	
Anti-Corruption	a) Percentage of employees who have received training on anti-corruption by employee category - Non-Management	Percentage	100.00	—	No assurance	
Anti-Corruption	(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	—	No assurance	
Anti-Corruption	(c) Confirmed incidents of corruption and action taken	Number	0	—	No assurance	
Community/Society	(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	57644.08	—	No assurance	
Community/Society	(b) Total number of beneficiaries of the investment in communities	Number	4,500	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Technical and Associate Professional Under 30	Percentage	375	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Technical and Associate Professional Between 30 - 50	Percentage	52.98	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Technical and Associate Professional 51 and Above	Percentage	9.27	—	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Professional Under 30	Percentage	14.13	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Professional Between 30 - 50	Percentage	79.35	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Professional 51 and Above	Percentage	6.52	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Manager Under 50	Percentage	0.61	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Manager Between 30 - 50	Percentage	7.791	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Manager 51 and Above	Percentage	21.47	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Elementary and Clerical Under 30	Percentage	38.39	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Elementary and Clerical Between 30 - 50	Percentage	48.48	—	No assurance	

## Manulife Holdings Berhad

BMLR Transition Period

Date & Time: 2026-04-22\_17:39:17

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Elementary and Clerical 51 and Above	Percentage	12.12	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Technician and Associate Professional Male	Percentage	22.52	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Technician and Associate Professional Female	Percentage	77.48	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Professional Male	Percentage	39.13	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Professional Female	Percentage	60.87	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Manager Male	Percentage	42.94	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Manager Female	Percentage	57.06	—	No assurance	
Diversity	(a) Percentage of employees by gender and age group, for each employee category - Elementary and Clerical Occupation Male	Percentage	21.21	—	No assurance	

## Manulife Holdings Berhad

### BMLR Transition Period

Date & Time: 2026-04-22\_17:39:17

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity	(a) Percentage of employees by gender and age group, - Elementary and Clerical Occupation Female	Percentage	78.79	—	No assurance	
Diversity	(b) Percentage of directors by gender and age group - Male	Percentage	40.00	—	No assurance	
Diversity	(b) Percentage of directors by gender and age group - Female	Percentage	60.00	—	No assurance	
Diversity	(b) Percentage of directors by gender and age group - Under 30	Percentage	0.00	—	No assurance	
Diversity	(b) Percentage of directors by gender and age group - Between 30 - 50	Percentage	0.00	—	No assurance	
Diversity	(b) Percentage of directors by gender and age group - 51 and Above	Percentage	100.00	—	No assurance	
Energy Management	(a) Total energy consumption	kilowatt-hour (kWh)	524,118	—	No assurance	
Health and Safety	(a) Number of work-related fatalities	Number	0	—	No assurance	
Health and Safety	(b) Lost time incident rate ("LTIR")	Rate	0.00	—	No assurance	
Health and Safety	(c) Number of employees trained on health and safety standards	Number	4	—	No assurance	
Labour practices and standards	(a) Total hours of training by employee category - Management	Hours	7,072	—	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Labour practices and standards	(a) Total hours of training by employee category - Non-Management	Hours	11,546	—	No assurance	
Labour practices and standards	(b) Percentage of employees that are contractors or temporary staff	Percentage	2.45	—	No assurance	
Labour practices and standards	(c) Total number of employee turnover by employee category - Management	Number	18	—	No assurance	
Labour practices and standards	(c) Total number of employee turnover by employee category - Non-Management	Number	56	—	No assurance	
Labour practices and standards	(d) Number of substantiated complaints concerning human rights violations	Number	0	—	No assurance	
Supply Chain and Management	(a) Proportion of spending on local suppliers	Percentage	95.00	—	No assurance	
Data privacy and security	(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	1	—	No assurance	
Water	(a) Total volume of water used	Cubic Metre (m <sup>3</sup> )	28,344	—	No assurance	

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Greenhouse Gas (GHG) Emissions	Total Scope 1 emissions	tCO <sub>2</sub> e	1	—	No assurance	Applicable to diesel consumption. Emissions are calculated using U.S. EPA emission factors, standardised based on MFC.
Greenhouse Gas (GHG) Emissions	Total Scope 2 emissions - Electricity Use (Location-based)	tCO <sub>2</sub> e	2,028	—	No assurance	Emissions are calculated using IEA emission factors (IEA, Emissions Factors 2025). Use of non-CC material is subject to IEA Terms of Use.
Greenhouse Gas (GHG) Emissions	Total Scope 2 emissions - Electricity Use (Market-based)	tCO <sub>2</sub> e	2,028	—	No assurance	Emissions are calculated using IEA emission factors (IEA, Emissions Factors 2025). Use of non-CC material is subject to IEA Terms of Use.

# 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 2025.**

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 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.

The Board continues to embed sustainability considerations into its oversight responsibilities. Sustainability risks and opportunities, including climate-related matters, are integrated into the Group’s long-term planning and business direction. Oversight is supported by Management through the ESG Committee and cross-functional structures designed to align with regulatory expectations and the Company’s global Impact Agenda.

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 2025, 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.

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.

# Corporate Governance Overview Statement

## THE BOARD (CONTINUED)

In order to facilitate the Board effectiveness, the Board ordinarily conducts a formal and objective annual evaluation to determine the effectiveness of the Board, its Committees and individual Directors, with findings presented to the Group Nominating/Remuneration Committee. No formal board evaluation was conducted during the financial year ended 31 December 2025 due to the significant changes in Board composition during the year. Notwithstanding the above, the Board continued to assess its effectiveness through ongoing discussions, feedback from Directors and deliberations at Board and Committee meetings and is satisfied that the Board continues to function effectively. A formal evaluation will be conducted in the ensuing financial year.

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 establishing a framework of good corporate governance for the Company, including oversight of financial reporting, risk management, internal controls 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 its 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.

## 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 2025. The quorum of all Board meetings was met with attendance of not less than two (2) Directors present for all purposes.

# Corporate Governance Overview Statement

## THE BOARD (CONTINUED)

### MEETING ATTENDANCE

There were five (5) Board Meetings held during the financial year ended 31 December 2025. The details of the attendance of the Directors are as follows:-

Name of Directors	Attendance
Dato' Dr. Zaha Rina binti Zahari	5/5
Mr. Renzo Christopher Viegas	5/5
Mrs. Vijayam A/P Nadarajah	5/5
Ms. Vibha Hamsi Coburn	5/5
Mr. Matthew Edward Lawrence ( <i>ceased w.e.f. 1 November 2025</i> )	4/4
Mr. Rishi Srivastava ( <i>appointed w.e.f. 1 November 2025</i> )	1/1

This is also evidenced by the attendance record for the financial year ended 31 December 2025 as set out under the Directors' Profile on page 12 of this Annual Report.

### BOARDROOM DIVERSITY

The Board continues to promote diversity in its composition, recognising that a broad range of skills, experience and perspectives strengthens Board deliberations and supports effective governance. Although the Company does not have a formal Board Diversity or Gender Diversity Policy, the Board remains committed to maintaining an appropriate balance that best serves the needs of the Group and its stakeholders.

As at 31 December 2025, the Board comprised three (3) women Directors, representing 60% of the Board, exceeding the MCGG's recommendation for at least 30% women representation.

The Board also values diversity in professional background, industry experience and independence, and these factors continue to guide the Board's succession planning and refreshment process.

### 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 91 to 92 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 (*ceased w.e.f. 1 November 2025*)  
Member/Non-Independent Non-Executive Director
4. Mr. Rishi Srivastava (*appointed w.e.f. 1 November 2025*)  
Member/Non-Independent Non-Executive Director

*Note: With effect from 1 January 2026, Mr. Renzo Christopher Viegas ceased to serve as Chairman and a member of the Group Audit Committee following his redesignation as Chairman of the Board. On the same date, Mrs. Vijayam A/P Nadarajah was redesignated as Chairman of the Group Audit Committee, and Dato' Khalid bin Abdol Rahman was appointed as a member of the Group Audit Committee.*

### 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>.

# Corporate Governance Overview Statement

## GROUP AUDIT COMMITTEE (CONTINUED)

### MEETING ATTENDANCE

The attendance of the Group Audit Committee's members for the financial year ended 31 December 2025 is set out under the Group Audit Committee Report on page 91 of this Annual Report.

## 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. Renzo Christopher Viegas  
Member/Independent Non-Executive Director
3. Mr. Matthew Edward Lawrence (*ceased w.e.f. 1 November 2025*)  
Member/Non-Independent Non-Executive Director
4. Mr. Rishi Srivastava (*appointed w.e.f. 1 November 2025*)  
Member/Non-Independent Non-Executive Director

*Note: With effect from 1 January 2026, Mr. Renzo Christopher Viegas ceased to be a member of the Group Risk Management Committee following his redesignation as Chairman of the Board. On the same date, Mrs. Vijayam Nadarajah was redesignated as a member of the Group Risk Management Committee, and Dato' Khalid bin Abdol Rahman was appointed Chairman of the Group Risk Management Committee.*

### 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 2025 are as follows:-

Name of Members	Attendance
Mrs. Vijayam A/P Nadarajah	4 out of 4
Mr. Renzo Christopher Viegas	4 out of 4
Mr. Matthew Edward Lawrence ( <i>ceased w.e.f. 1 November 2025</i> )	3 out of 3
Mr. Rishi Srivastava ( <i>appointed w.e.f. 1 November 2025</i> )	1 out of 1

# 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 (*ceased w.e.f. 1 November 2025*)  
Member/Non-Independent Non-Executive Director
4. Mr. Rishi Srivastava (*appointed w.e.f. 1 November 2025*)  
Member/Non-Independent Non-Executive Director

*Note: With effect from 1 January 2026, Mr. Renzo Christopher Viegas ceased to serve as Chairman and member of the Group Nominating/Remuneration Committee following his redesignation as Chairman of the Board. On the same day, Dato' Khalid bin Abdol Rahman was appointed to fill the vacancy and to chair the Group Nominating/Remuneration Committee.*

### 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 2025 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 ( <i>ceased w.e.f. 1 November 2025</i> )	5 out of 5
Mr. Rishi Srivastava ( <i>appointed w.e.f. 1 November 2025</i> )	1 out of 1

For the financial year ended 31 December 2025, 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 and recommended the re-election of the Directors who are due to retire by rotation at the Forty-Ninth Annual General Meeting of the Company;
5. Reviewed and recommended the retention of Dato' Dr. Zaha Rina Binti Zahari as Independent Non-Executive Director of the Company for approval at the Forty-Ninth Annual General Meeting;
6. Reviewed the directors' fees prior to tabling to the Company's shareholders for their approval at the Forty-Ninth Annual General Meeting;
7. Reviewed the term of office and performance of the Group Audit Committee and its members.
8. Reviewed the training programmes (and budget) to be attended by the Board.
9. Reviewed the Board revamp as part of the succession and refreshment process, including the appointment of Mr. Rishi Srivastava, the cessation of Mr. Matthew Edward Lawrence, the redesignation and retirement of Dato' Dr. Zaha Rina binti Zahari, the redesignation of Mr. Renzo Christopher Viegas as Chairman, and the appointment of Dato' Khalid bin Abdol Rahman.

# 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 Policy; and
9. discharges any other responsibilities as required by any applicable law, the Policy, or the Standard.

Dato' Dr. Zaha Rina binti Zahari served as the Chairman of the Board until 31 December 2025. With effect from 1 January 2026, Mr. Renzo Christopher Viegas, an Independent Non-Executive Director, assumes the role of Chairman.

# Corporate Governance Overview Statement

## BOARD BALANCE, DUTIES AND RESPONSIBILITIES (CONTINUED)

### 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 shall 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 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
<b>Dato' Dr. Zaha Rina binti Zahari</b>	Economic Outlook & Market Update / Treasury & Capital Market Investment Update (MBM)	8 January 2025
	Mandatory Training: Mobile Device Security (KnowBe4)	22 January 2025
	Mandatory Training: Smishing Frenzy (KnowBe4)	22 January 2025
	Biodiversity for Business: Understanding Impacts and the Need for Action	18 February 2025
	International Petroleum Technology Conference (IPTC) 2025	19 & 20 February 2025
	Palm & Lauric Oils Price Outlook Conference (POC2025)	24 to 26 February 2025
	BNM Engagement Session with Chairpersons and CEOs of Banking Institutions and Associations in conjunction with the release of Annual Report 2024, Economic & Monetary Review 2024, and Financial Stability Review 2H 2024	24 March 2025
	BNM Engagement Session with Chairpersons and CEOs of Banking Institutions and Associations in conjunction with the release of Annual Report 2024, Economic & Monetary Review 2024, and Financial Stability Review 2H 2024	25 March 2025
	FIDE Forum: Launch of the Board Culture and Leadership Report 2025	5 June 2025
	Malaysia's Investment Challenges: Volatility, Uncertainty, Complexity & Ambiguity (KLBC)	10 June 2025
	Sustainability Finance	16 June 2025
	BNM Sasana Symposium 2025: Structural Reforms II Building A Resilient Malaysia ( <i>Bank Negara Malaysia</i> )	17 & 18 June 2025
	The Future of ASEAN Economies: Digital Currencies, Green Growth, and Inequality ( <i>SUNWAY University</i> )	21 June 2025
	Climate Risk Management: What Bank Directors Need to Know	7 July 2025
	Accounting and Finance, Including Taxation (MBM)	22 July 2025
	Overview of Economic Outlook and Market Update (MBM)	22 July 2025
	EY Sharing Session with Directors and Senior Management: (MFRS 17 unveiled; Post MFRS-17 Insights; AI; ESG; MFRS 18 & e-Invoicing) ( <i>Internal</i> )	4 August 2025
	Bursa Malaysia – The Chairpersons' Circle	11 August 2025
	Fireside Chat with YB Tengku Tan Sri Nazir Razak, ASEAN BAC Chairman 2025 – "Navigating ASEAN's Socioeconomic Landscape: Leadership, Resilience & Strategy in an Era of Protectionism"	21 August 2025
	Cybersecurity	23 October 2025
Investor Day & 2026 Outlook ( <i>Mizuho Bank</i> )	5 November 2025	
2025 AML/CFT/CPF & Anti-Bribery and Corruption (ABC) Training for the Board of Directors ( <i>Internal</i> )	17 December 2025	

# Corporate Governance Overview Statement

## DIRECTORS' TRAINING (CONTINUED)

Name of Director	Training/Conference/Seminar/Forum Attended	Event Date
<b>Mr. Renzo Christopher Viegas</b>	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	22 & 23 January 2025
	Special Lecture: How Global Events Will Affect the Outlook for the Financial Industry in 2025 (FIDE FORUM)	19 February 2025
	Engagement Session: Bank Negara Malaysia Annual Report 2024, Economic and Monetary Review 2024 and Financial Stability Review of Second Half 2024 (FIDE FORUM)	21 April 2025
	Tokenising Financial Assets - What Financial Leaders Need to Know (FIDE FORUM)	29 April 2025
	The Influence of Board Culture on Corporate Performance (FIDE FORUM)	5 June 2025
	Launch of FIDE FORUM's Board Culture and Leadership Report 2025 (FIDE FORUM)	6 June 2025
	EY Sharing Session with Directors and Senior Management: (MFRS 17 unveiled; Post MFRS-17 Insights; AI; ESG; MFRS 18 & e-Invoicing) (Internal)	4 August 2025
	Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership (Bursa Malaysia)	9 September 2025
	Malaysia Inclusion Summit 2025 II Uniting Malaysia: Advancing Equity, Embracing Diversity (South China Morning Post (SCMP))	14 October 2025
	Audit Oversight Board's Conversation with Audit Committee (Securities Commission Malaysia)	25 November 2025
2025 AML/CFT/CPF & Anti-Bribery and Corruption (ABC) Training for the Board of Directors (Internal)	17 December 2025	
<b>Mrs. Vijayam A/P Nadarajah</b>	IFRS and CRA Training (Matrix Concepts Holdings Berhad)	6 & 7 February 2025
	Special Lecture: How Global Events Will Affect the Outlook for the Financial Industry in 2025 (FIDE FORUM)	19 February 2025
	Webinar: Unveiling the World of Intellectual Property Valuation for FIs (Malaysian Institute of Accountants)	20 March 2025
	National Climate Governance Summit 2025	7 & 8 April 2025
	Masterclass   Navigating High-Tech Financial Crime: Key Risks and Board Responsibilities (FIDE FORUM)	5 June 2025
	Launch of FIDE FORUM's Board Culture and Leadership Report 2025 (FIDE FORUM)	6 June 2025
	BNM Sasana Symposium 2025: Structural Reforms II Building A Resilient Malaysia (Bank Negara Malaysia)	17 & 18 June 2025
	Cyber Risk & Cybersecurity Briefing for Board Members (Asian Institute of Insurance)	17 July 2025
	Competitiveness and Strategy Masterclass (IMD Malaysia)	18 July 2025
	Rajah & Tann Asia AI Symposium – GenAI in Action: Innovation, Regulation & Opportunity in Asia	23 July 2025
	SIDC-CASI SRI Conference 2025: Shaping the Future of ASEAN Business in Sustainability (without Immersive Learning Journey)	29 & 30 July 2025
	EY Sharing Session with Directors and Senior Management: (MFRS 17 unveiled; Post MFRS-17 Insights; AI; ESG; MFRS 18 & e-Invoicing) (Internal)	4 August 2025
	Asean AI Malaysia Summit 2025 (Ministry of Digital Malaysia)	12 & 13 August 2025
	Cloud for Directors of Regulated Financial Institutions (FIDE FORUM)	22 September 2025
	The Legal 360 Conference (Christopher & Lee Ong, Malaysia)	13 November 2025
Circular Economy and the 2030 Agenda (48 hours) (Online) (United Nations System Staff College)	24 November 2025	
2025 AML/CFT/CPF & Anti-Bribery and Corruption (ABC) Training for the Board of Directors (Internal)	17 December 2025	

# Corporate Governance Overview Statement

## DIRECTORS' TRAINING (CONTINUED)

Name of Director	Training/Conference/Seminar/Forum Attended	Event Date
<b>Ms. Vibha Hamsi Coburn</b>	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	7 & 8 May 2025
	Panel Discussion on Malaysia's Investment Challenges (Kuala Lumpur Business Club)	10 June 2025
	BNM Sasana Symposium 2025: Structural Reforms II Building A Resilient Malaysia (Bank Negara Malaysia)	17 & 18 June 2025
	Cyber Risk & Cybersecurity Briefing for Board Members (Asian Institute of Insurance)	17 July 2025
	EY Sharing Session with Directors and Senior Management: (MFRS 17 unveiled; Post MFRS-17 Insights; AI; ESG; MFRS 18 & e-Invoicing) (Internal)	4 August 2025
	Strategic Offsite Brainstorming Session (Asian Institute of Insurance)	12 August 2025
	Economic Outlook & Post Budget 2026 (British Malaysian Chamber of Commerce in collaboration with CCI France Malaysia, Ernst & Young, and FIDE Forum)	13 November 2025
	AI Adoption Study & Launch Event (FIDE FORUM)	28 November 2025
<b>Mr. Matthew Edward Lawrence</b>	2025 AML/CFT/CPF & Anti-Bribery and Corruption (ABC) Training for the Board of Directors (Internal)	17 December 2025
	Enabling Insurance through Instant Payments Confirmation (Citibank)	13 February 2025
<b>Mr. Rishi Srivastava</b>	Finance Elevate: FP&A and Expense Process Workshop Asia (KPMG)	14 May 2025
	2025 AML/CFT/CPF & Anti-Bribery and Corruption (ABC) Training for the Board of Directors (Internal)	17 December 2025

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.

## DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

The remuneration of the Directors for the financial year ended 31 December 2025 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)
<b>COMPANY</b>							
<b>Executive</b>							
Ms. Vibha Hamsi Coburn			584	403		416	1,403
<b>Non-Executive</b>							
Dato' Dr. Zaha Rina Binti Zahari	111						111
Mrs. Vijayam A/P Nadarajah	97						97
Mr. Renzo Christopher Viegas	100						100
Mr. Matthew Edward Lawrence	56						56
Mr. Rishi Srivastava	19						19

# Corporate Governance Overview Statement

## DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION (CONTINUED)

	Fees (RM'000)	Allowance (RM'000)	Salaries (RM'000)	Bonus (RM'000)	Benefits- in-kind (RM'000)	Other emoluments (RM'000)	Total (RM'000)
<b>GROUP</b>							
<b>Executive</b>							
Ms. Vibha Hamsi Coburn			2,922	2,012		2,081	7,015
<b>Non-Executive</b>							
Dato' Dr. Zaha Rina Binti Zahari	191						191
Mrs. Vijayam A/P Nadarajah	198						198
Mr. Matthew Edward Lawrence	56						56
Mr. Renzo Christopher Viegas	202						202
Mr. Rishi Srivastava	19						19

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. Accordingly, Dato' Dr. Zaha Rina binti Zahari was redesignated as a Non-Independent Non-Executive Director on 12 December 2025 upon reaching the 12 year limit and subsequently retired from the Board with effect from 1 January 2026.

# 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-Ninth AGM of the Company was held on a physical basis on 11 June 2025. The Board encourages participation from shareholders by having question and answer sessions during the AGM of the Company where members of the Board as well as Management and the external auditors are available to answer questions raised by shareholders at the AGM of the Company. All resolutions are put to vote on a poll as per the Listing Requirements.

A copy of the Minutes of the Forty-Ninth AGM was 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](http://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 auditors 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 written 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 84 to 87 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 92 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 2026.

# Statement on Risk Management and Internal Control

For the year 2025

## 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.

## ENTERPRISE RISK MANAGEMENT FRAMEWORK

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 requirement of the policy aligns with the principles from the Financial Stability Board (FSB) and International Association of Insurance Supervisors (IAIS).

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.

## GOVERNANCE STRUCTURE

The Group Risk Management Committee (“**GRMC**”) as a sub-committee of the Board comprising a majority of independent directors, oversees the the Company’s risk management and internal control framework, the policies and procedures relevant to the identification and management of risks across the Group’s business operation. The GRMC also regularly assesses these frameworks and policies to ascertain its adequacy and effectiveness.

Management assists and provides assurance to the Board via the Group Audit Committee (“**GAC**”) and the 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 ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROLS

### RISK MANAGEMENT AND THE THREE LINES OPERATING MODEL

The Group has a strong risk management culture which supports its risk management practices. Overall, the Group’s Board is accountable for the oversight of risk management, and delegates this through a governance framework which is centered on the 3 lines operating 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.

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. Management executes and monitors the achievement of the Board approved business objectives, strategies, and plans, the effectiveness of the organizational 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 & liquidity, credit & investment, insurance, 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 Committee (“**ERM**”) 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, establishes risk policies, guides risk-taking activities, monitors material risk exposures, and develops 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 2025

## 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 GAC and 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 documents issued by Bank Negara Malaysia namely (BNM/RH/PD/003-17) Financial Condition Report, (BNM/RH/PD/032-12) Risk Based Capital Framework for Insurers, (BNM/RH/PD 029-7) Stress Testing, and (BNM/RH/GL/003-29) Guidelines on Internal Capital Adequacy Assessment Process (ICAAP) for Insurers. These include annual assessment on various aspects of MIB financial condition, quarterly Capital Adequacy Ratio reporting, annual multi-period stress testing and assessing MIB 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 (“**MILL**”) is performed by the 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.

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, Management and every employee of the Group are committed to adhere to the requirement of relevant laws, rules, regulations and regulatory guidelines.

# Statement on Risk Management and Internal Control

For the year 2025

The Board recognises that the compliance function forms an integral part of 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 Operating 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 Department, as part of the second line, 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 operates under established policies and procedures covering Recruitment, Rewards & Benefits, Talent Management, Succession Planning, and Performance Management. Annual talent reviews are conducted through a structured process led by the Talent Review Committee, comprising the CEO and Executive Management, to ensure leadership continuity and workforce capability. Succession plans for critical roles are updated annually, with high-potential employees identified and developed through targeted programs. Engagement initiatives, learning programs, and enhancements to the Employee Value Proposition foster a high-performing and inclusive workforce. People-related risks, including retention and regulatory compliance, are mitigated through governance controls and periodic reviews.

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 cover alternate site tests, tabletop exercise, MIR3 notifications (call tree tests), disaster recovery tests, etc. Results of the tests performed are presented to the Board 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.

## **ASSESSMENT OF EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROL**

The Board, with the assistance from the Management periodically assess the adequacy of Risk Management and Internal Controls. 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 exposure trends are monitored quarterly, and details of incidents along with their severity are escalated appropriately to ensure timely and effective remedial and mitigation actions are implemented to address any gaps or lapses.

## **ESG AND OTHER SUSTAINABILITY RISKS**

ESG and Sustainability are embedded across the business, guided by Manulife's Impact Agenda, to drive positive outcomes, strengthen accountability and bring purpose to life through meaningful actions. The management of ESG and sustainability risk rests within the ambit of the MHB ESG Committee.

The Group adopts the Environmental Risk Policy that establishes an enterprise-wide framework for managing environmental risks. The Board holds ultimate oversight of sustainability governance across the Group and its subsidiaries. The Board ensures that ESG and sustainability-related risks, including climate risk, are effectively managed; approves enterprise-wide sustainability policies, strategies and risk appetite; and reviews and evaluates climate-related risks and opportunities. To further strengthen the assessment and management of climate-related risks, the Group conducts scenario analysis and stress testing to generate deeper insights.

# Statement on Risk Management and Internal Control

For the year 2025

## ASSURANCE FROM MANAGEMENT

The Board has received full assurance from the Group CEO, Chief Financial Officer and respective entities' Risk Officers 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.

## BOARD 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 dated 24 March 2026.

# 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 2025 are as follows:-

Services	Company (RM'000)	Group (RM'000)
Audit Fees	160	1,169
Non-statutory audit-related services	10	71
<b>Total</b>	<b>170</b>	<b>1,240</b>

## 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-Ninth Annual General Meeting ("AGM") of the Company held on 11 June 2025, 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 2025 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	Outsourcing of asset management subsidiary back-office system	MIMMB	MFC Group~	1,057	
2	Provision of treasury system	MHB Group	MFC Group~	280	
3	Investment management/advisory and other related services	MIMMB	MIMHK^^	3,027	
4	Investment management/advisory and other related services	MIMMB	MIMUSø	4,756	Interested Director* - Matthew Edward Lawrence
5	Investment management	MILL	MIMPMUSø	240	Interested Major Shareholders
6	Provision of social media operational support services	MIMMB	MDSIø	-	- MFC~ - MLICø - MHBL^
7	Provision for actuarial services provided by Manulife's Regional Office	MHB Group	MFC Group~	-	- MFAL^^ - MFSL^^^ - MCHN#
8	Outsourcing of human resource operations including payroll and back-office processing	MHB Group	MFC Group~	645	
9	Accounting and finance support	MHB Group	MFC Group~	814	
10	Provision of application system services and infrastructure support	MHB Group	MFC Group~	21,346	

## Additional Compliance Information

No.	Nature of Transactions	Transacting Party	Class of Related Party	Actual value of transaction (RM'000)	Interested Related Party
11	Outsourcing of foreign exchange hedging services in respect of foreign currency exposure	MHB Group	MFC Group~	-	
12	Provision of regional Reinsurance administrative services	MHB Group	MFC Group~	-	
13	Provision of the back-office support for staff claims	MHB Group	MFC Group~	62	
14	Malaysia Net Promoter System (NPS) dashboard support	MHB Group	MFC Group~	-	
15	Investment management/ advisory and other related services	MIMMB	MAMI^^	72	
16	Investment management/ advisory and other related services	MIMMB	MIM Canadaø	19	
17	Investment management for private debt	MHB Group	SAGA^^	59	
18	Reinsurance provider	MILL	MIL Bermuda^^	465	
19	Investment management/advisory, distribution and other related services	MIMMB	MIMSP^^	1,033	
20	Investment consulting services and foreign exchange hedging (private equity)	MHB Group	MANGA^^	683	<u>Interested Director*</u> - Matthew Edward Lawrence
21	Actuarial valuation model operational support to Valuation Shared Service Centre (VSSC)	MHB Group	MFC Group~	1,489	<u>Interested Major Shareholders</u> - MFC~ - MLICø - MHBL^ - MFAL^^ - MFSL^^^ - MCHN#
22	Actuarial valuation model operational support to Valuation System Transformation (VST) Lite	MHB Group	MFC Group~	539	
23	Provision of learning management system and support	MIMMB	MFC Group~	-	
24	Azure Costs Supporting Valuation Shared Service Centre Operations	MHB Group	MFC Group~	3,197	
25	Provision of services for reviewing and clearing watchlist scanning alerts	MHB Group	MDSIø	63	
26	Investment Management/Advisory and other Related Services in support of new product initiative	MILL	MFC Group~	-	
27	Rental Income for renting of office premises	MHB Group	MFC Group~	(254)	
28	Provision of various training advisory and support services from Manulife Asia headquarters	MHB Group	MFC Group~	419	
29	Manulife Centre of Excellence Income – Operations, compliance and information technology support services	MIMMB	MFC Group~	(2,456)	
30	Investment consulting services encompassing strategy, execution, governance and compliance	MHB Group	MANGA^^	114	

## Additional Compliance Information

At the Forty-Eighth AGM of the Company held on 12 June 2024, the Company had obtained the shareholders' mandate to allow the Group to enter into RRPTs ("**2024 Shareholders' Mandate**"). Despite the following 2024 Shareholders' Mandate not being renewed in the Forty-Ninth AGM of the Company, the details of the RRPTs conducted for the financial period from 1 January 2025 to 11 June 2025 (within the financial year ended 31 December 2025) pursuant to the 2024 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^^	335	<u>Interested Director*</u> - Matthew Edward Lawrence
2	Manulife Centre of Excellence – Operations, compliance and information technology support services	MIMMB	MFC Group~	(1,583)	<u>Interested Major Shareholders</u> - MFC~ - MLICø - MHBL^ - MFAL^^ - MFSL^^^ - MCHN#

### 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.
MFAL	- Manulife Financial Asia Limited
MFC	- Manulife Financial Corporation
MFC Group	- MFC and its subsidiaries
MFSL	- Manulife Financial (Singapore) Pte. Ltd.
MHB Group	- Manulife Holdings Berhad and its subsidiaries
MHBL	- Manulife Holdings (Bermuda) Limited
MIL Bermuda	- Manulife (International) Limited
MILL	- Manulife Insurance Labuan Limited
MIM Canada	- Manulife Investment Management 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 2025.

### Notes:

- \* Representing MCHN to the Board.
- ~ MFC is the immediate holding company of MLIC, and ultimate holding company of MHBL, MFAL, MFSL and MCHN.
- 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 MFAL.
- ^^ MFAL is the immediate holding company of MFSL, MIMSP and MANGA, and holding company of MIMHK, MIL Bermuda and MAMI.
- ^^^ MFSL is the immediate holding company SAGA and MCHN.
- # MCHN is a Major Shareholder of the Company, and the holding company of MHB Group.

# Group Audit Committee Report

## I. COMPOSITION

The composition of the Group Audit Committee during the financial year ended 31 December 2025 (“FY2025”) was as follows:

- Mr. Renzo Christopher Viegas (Independent Non-Executive Director) (Chairman)
- Mrs. Vijayam A/P Nadarajah (Independent Non-Executive Director)
- Mr. Rishi Srivastava (Non-Independent Non-Executive Director) (appointed w.e.f. 1 November 2025)
- Mr. Matthew Edward Lawrence (Non-Independent Non-Executive Director) (ceased w.e.f. 1 November 2025)

Subsequent to FY2025 and with effect from 1 January 2026, Mr. Renzo Christopher Viegas ceased to be the Chairman and a member of the Group Audit Committee. Mrs. Vijayam A/P Nadarajah was redesignated as Chairman of the Group Audit Committee, and Dato’ Khalid Bin Abdol Rahman (Independent Non-Executive Director) was appointed as a member of the Group Audit Committee.

In compliance with Paragraph 15.09(1)(c) and 15.09(2) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad, at least one member of the Group Audit Committee is a member of the Malaysian Institute of Accountants, and no alternate director is appointed as a member of the Group Audit Committee.

In the event of any vacancy resulting in non-compliance with Paragraphs 15.09(1) and 15.10 of the MMLR, the Company shall ensure that such vacancy is filled within three (3) months.

## II. MEETINGS

The details of attendance of each member at the Group Audit Committee meetings held during the FY2025 are as follows:

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. Rishi Srivastava	1 out of 1 <sup>^</sup>
Mr. Matthew Edward Lawrence	4 out of 4 <sup>^^</sup>

<sup>^</sup> Reflects the number of meetings held during the FY2025 after his appointment as a member.

<sup>^^</sup> Reflects the number of meetings held during the FY2025 prior to his cessation as a member.

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 2025.

## III. SUMMARY OF ACTIVITIES

The Group Audit Committee carried out the following activities during the FY 2025:

### 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 2025.

### 1.3. External Audit

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 the principal subsidiaries, namely Manulife Insurance Berhad, Manulife Investment Management (M) Berhad, and Manulife Insurance Labuan Limited for the financial year ended 31 December 2024.

# Group Audit Committee Report

The Group Audit Committee also reviewed the external auditors' audit plan for the Company and its subsidiaries for FY 2025, 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 2025. 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 2025. Auditors' remuneration for FY 2025 is disclosed in Note 20 to the financial statements.

## 1.4. Internal 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 2025 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 22 years of internal audit experience and 2 years of external audit experience. 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 25 February 2026, AS-Malaysia has 6 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 unit 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 a 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 the 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 the Finance Head were focused on understanding in detail the financial performance and the challenges faced by the finance team.

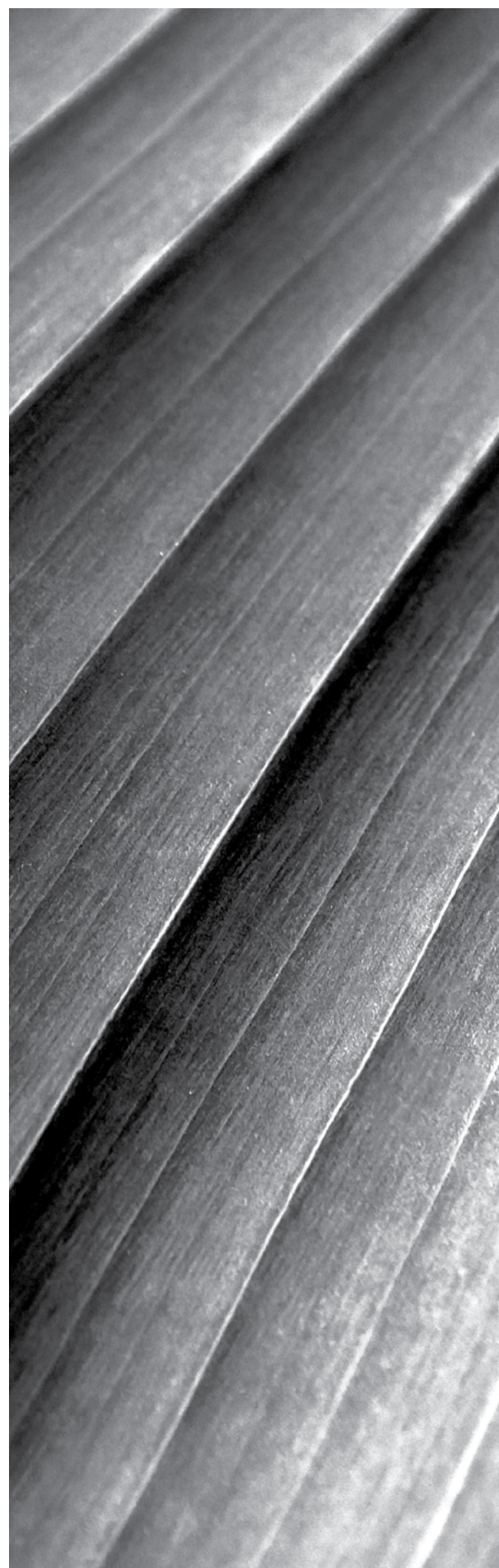
In FY 2025, AS-Malaysia performed planned reviews which included IT Governance, Anti-Money Laundering and Anti-Terrorism Financing, Outsourcing, Sales and Distribution, Finance, Insurance Operations, Investment, and Data Privacy. A number of internal control weaknesses were identified during the FY2024, 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 2025 were RM1,363,251 (FY 2024: RM1,029,584).

# Financial Statements

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# Directors' Report

## 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 2025.

## 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	118,332	22,618

## DIVIDENDS

Since the end of the previous financial year, the Company paid a first and final single-tier dividend of 8.0 sen per share amounting to RM17,975,320 for the financial year ended 31 December 2024. Out of the total distribution, a total of RM13,122,285 was converted into 6,943,008 new ordinary shares of the Company at the conversion price of RM1.89 per ordinary share under the Dividend Reinvestment Plan.

The directors recommend the payment of a first and final dividend of 9.0 sen per share, amounting to approximately RM20,847,000 for the financial year ended 31 December 2025, 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 2026 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 224,691,496 ordinary shares to 231,634,504 ordinary shares by way of issuance of 6,943,008 new ordinary shares amounting to RM 13,122,285 arising from the implementation of Dividend Reinvestment Plan for financial year ended 31 December 2024 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.

## **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.

## **SIGNIFICANT EVENTS**

On 24 March 2025, the Group increased its investment in Manulife Insurance Labuan Limited for a total of RM22,200,000. On 14 October 2025, the Group also reduced its investment in Manulife Investment Management (M) Berhad for a total of RM61,000,000. Further disclosure on the investment is provided in note 7 to the financial statements.

# Directors' Report

## DIRECTORS

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

Dato' Dr. Zaha Rina binti Zahari (Chairman until 1st January 2026)  
 Vibha Hamsi Coburn  
 Renzo Christopher Viegas (Chairman with effective 1st January 2026)  
 Matthew Edward Lawrence (resigned with effective 1st November 2025)  
 Rishi Srivastava (appointed with effective 1st November 2025)  
 Vijayam A/P Nadarajah  
 Dato' Khalid Bin Abdol Rahman (appointed with effective 1st January 2026)

In accordance with Clause 123 of the Company's Constitution, Renzo Christopher Viegas, Rishi Srivastava and Dato' Khalid Bin Abdol Rahman (appointed with effective 1st January 2026) 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 (resigned with effective 1st May 2025)  
 Edmond Leung (appointed with effective 1st May 2025)  
 Wong Boon Choy  
 Swee Leng Edmond Cheah  
 Jason Chong Soon Min  
 Jasbender Kaur A/P Mehar Singh  
 Ng Chun Nam  
 Jonathan Yen Vui Hiung (resigned with effective 6 March 2026)

## 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.

	<b>Group RM'000</b>	<b>Company RM'000</b>
Salaries	2,922	584
Contribution to defined contribution plan	244	49
Bonus	2,012	403
Share-based payment	1,837	367
Fees	665	382
<b>Total</b>	<b>7,680</b>	<b>1,785</b>

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' 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 31.12.2025
	As at 1.1.2025	Acquired/ reinvested dividends	Disposed	
<b>Manulife Financial Corporation</b>				
- Direct interest				
Vibha Hamsi Coburn	12,585	3,439	-	16,024
Matthew Edward Lawrence	3,498	2,403	(5,431)	470
Rishi Srivastava	292	1,375	-	1,667

	Number of options on ordinary shares			As at 31.12.2025
	As at 1.1.2025	Granted	Exercised	
Manulife Financial Corporation				
- Direct interest				
Vibha Hamsi Coburn	14,011	-	-	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 31.12.2025
	As at 1.1.2025	Granted/ reinvested dividends	Vested	
<b>Manulife Financial Corporation</b>				
- Direct interest				
Vibha Hamsi Coburn	32,229	10,445	(14,074)	28,600
Matthew Edward Lawrence	21,259	12,034	(5,662)	27,631
Rishi Srivastava	-	4,380	-	4,380

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 RM200,430 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 2025 RM'000	Company 2025 RM'000
Statutory audit	1,169	160
Regulatory related services	71	10
<b>Total</b>	<b>1,240</b>	<b>170</b>

Signed on behalf of the Board in accordance with a resolution of the Directors dated 24 March 2026.

**RENZO CHRISTOPHER VIEGAS**  
CHAIRMAN

**VIBHA HANSI 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, Renzo Christopher Viegas 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 105 to 222 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 2025 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 2026.

**RENZO CHRISTOPHER VIEGAS**  
CHAIRMAN

**VIBHA HAMSİ 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 105 to 222 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 2026, 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 2025 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 105 to 222.

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 2025, 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"), as applicable to audits of financial statements of public interest entities 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 2025, the Group recorded insurance contract liabilities of RM6,030 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 2025 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 RM365 million as of 31 December 2025 (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

**Kannan A/L Rajagopal**  
No. 03490/03/2028 J  
Chartered Accountant

Kuala Lumpur, Malaysia 24 March 2026

# Statements of Financial Position

As at 31 December 2025

Group	Note	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
<b>Assets</b>			
Property and equipment	4	35,105	35,072
Investment property	5	84,400	82,800
Intangible assets	6	217,984	225,828
Financial assets at fair value through other comprehensive income	8(a)	3,946,552	3,781,306
Financial assets at fair value through profit or loss	8(b)	1,316,982	1,374,877
Financial assets at amortised cost	9	451,157	358,974
Right-of-use assets	10(a)	2,455	1,598
Current tax assets		945	7,304
Insurance contract assets	11	5,058	-
Reinsurance contract assets	11	20,502	2,115
Other assets	12	15,062	13,907
Cash and cash equivalents		311,809	235,860
Segregated funds net asset	13	1,674,502	1,631,232
<b>Total Assets</b>		<b>8,082,513</b>	<b>7,750,873</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Insurance contract liabilities	11	4,355,769	4,144,996
Segregated funds insurance net liabilities	13	1,674,502	1,631,232
Total insurance and segregated funds contract liabilities	11	6,030,271	5,776,228
Reinsurance contract liabilities	11	8,691	19,806
Financial liability at fair value through profit or loss	8(b)	-	4
Current tax liabilities		1,025	549
Deferred tax liabilities	14	157,590	144,091
Lease liabilities	10(b)	2,506	1,642
Other liabilities	15	394,319	428,309
<b>Total Liabilities</b>		<b>6,594,402</b>	<b>6,370,629</b>
<b>Equity</b>			
Share capital	16	160,353	147,231
Retained earnings	17	1,304,878	1,204,521
Other reserves	17	22,880	28,492
<b>Total Equity</b>		<b>1,488,111</b>	<b>1,380,244</b>
<b>Total Liabilities and Equity</b>		<b>8,082,513</b>	<b>7,750,873</b>

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

# Statements of Financial Position

As at 31 December 2025

Company	Note	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
<b>Assets</b>			
Property and equipment	4	12,920	12,707
Investment property	5	36,258	34,858
Subsidiaries	7	365,218	404,018
Financial assets at fair value through profit or loss	8(b)	151,092	119,370
Financial assets at amortised cost	9	54,163	36,353
Current tax assets		838	605
Other assets	12	139	164
Cash and cash equivalents		10,146	6,769
<b>Total Assets</b>		<b>630,774</b>	614,844
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Deferred tax liabilities	14	159	39
Other liabilities	15	58,407	61,106
<b>Total Liabilities</b>		<b>58,566</b>	61,145
<b>Equity</b>			
Share capital	16	160,353	147,231
Retained earnings	17	404,394	399,751
Other reserves		7,461	6,717
<b>Total Equity</b>		<b>572,208</b>	553,699
<b>Total Liabilities and Equity</b>		<b>630,774</b>	614,844

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

# Statements of Profit or Loss

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Insurance service result</b>					
Insurance revenue	11(b)	<b>477,976</b>	439,419	-	-
Insurance service expenses	11(b)	<b>(387,248)</b>	(344,610)	-	-
Net expenses from reinsurance contracts held	11(b)	<b>(7,793)</b>	(2,734)	-	-
<b>Total insurance service results</b>		<b>82,935</b>	92,075	-	-
<b>Investment result</b>					
Investment income		<b>220,962</b>	218,813	<b>30,042</b>	77,307
Realised and unrealised gains		<b>45,221</b>	141,823	<b>1,317</b>	320
Investment expenses		<b>(8,747)</b>	(10,574)	<b>(2,604)</b>	(2,381)
Net investment income	18	<b>257,436</b>	350,062	<b>28,755</b>	75,246
Insurance finance expense	11(f)	<b>(197,537)</b>	(248,517)	-	-
Reinsurance finance income/(expense)	11(f)	<b>3,199</b>	(5,794)	-	-
Segregated fund related investment result	13				
Investment income related to segregated fund net assets		<b>26,682</b>	246,745	-	-
Financial changes related to segregated fund net liabilities		<b>(26,682)</b>	(246,745)	-	-
Net segregated fund investment result		-	-	-	-
<b>Total investment results</b>		<b>63,098</b>	95,751	<b>28,755</b>	75,246
Fee income	19	<b>159,795</b>	160,822	<b>1,831</b>	3,180
General expenses	20	<b>(48,533)</b>	(63,719)	<b>(7,574)</b>	(10,741)
Commissions related to non-insurance contracts		<b>(97,677)</b>	(99,484)	-	-
Interest expense		<b>(86)</b>	(89)	-	-
<b>Profit before taxation</b>		<b>159,532</b>	185,356	<b>23,012</b>	67,685
Taxation	21	<b>(41,200)</b>	(53,991)	<b>(394)</b>	(507)
<b>Net profit for the financial year</b>		<b>118,332</b>	131,365	<b>22,618</b>	67,178
Basic and diluted earnings per share (sen)	23	<b>49.17</b>	49.11		

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

# Statements of Total Comprehensive Income

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Net profit for the financial year</b>		<b>118,332</b>	131,365	<b>22,618</b>	67,178
<b>Other comprehensive (loss)/income, net of tax:</b>					
<b>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:-</b>					
Net losses on foreign currency translation		<b>(4,734)</b>	(931)	-	-
Fair value gains/(losses):					
Net gains/(losses) on fair value changes		<b>66,912</b>	(5,504)	-	-
Realised (gains)/losses transferred to profit or loss		<b>(11,064)</b>	173	-	-
Deferred tax	14	<b>(13,164)</b>	(782)	-	-
Fair value gains/(losses), net of deferred tax		<b>42,684</b>	(6,113)	-	-
Insurance finance (expense)/income	11(f)	<b>(57,863)</b>	11,467	-	-
Deferred tax	14	<b>12,165</b>	224	-	-
Insurance finance (expense)/income, net of deferred tax		<b>(45,698)</b>	11,691	-	-
Reinsurance finance income/(expense)	11(f)	<b>897</b>	(771)	-	-
Deferred tax	14	<b>11</b>	65	-	-
Reinsurance finance income/(expense), net of deferred tax		<b>908</b>	(706)	-	-
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent period		<b>(6,840)</b>	3,941	-	-
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:-</b>					
Surplus from revaluation of property:					
Gross surplus from revaluation		<b>1,381</b>	465	<b>744</b>	239
Deferred tax	14	<b>(153)</b>	(54)	-	-
Surplus from revaluation, net of deferred tax		<b>1,228</b>	411	<b>744</b>	239
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		<b>1,228</b>	411	<b>744</b>	239
<b>Other comprehensive (loss)/income for the financial year</b>		<b>(5,612)</b>	4,352	<b>744</b>	239
<b>Total comprehensive income for the financial year</b>		<b>112,720</b>	135,717	<b>23,362</b>	67,417

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

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2025

	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	
<b>At 1 January 2025</b>	147,231	5,646	(6,614)	19,374	8,681	1,405	1,204,521	1,380,244
Net profit for the financial year	-	-	-	-	-	-	118,332	118,332
Other comprehensive (loss)/income for the financial year	-	(45,698)	908	42,684	1,228	(4,734)	-	(5,612)
Total comprehensive (loss)/income for the financial year	-	(45,698)	908	42,684	1,228	(4,734)	118,332	112,720
Issuance of shares pursuant to Dividend Reinvestment Plan (note 16)	13,122	-	-	-	-	-	-	13,122
Dividend paid for the financial year ended 31 December 2024 (note 24)	-	-	-	-	-	-	(17,975)	(17,975)
<b>At 31 December 2025</b>	<b>160,353</b>	<b>(40,052)</b>	<b>(5,706)</b>	<b>62,058</b>	<b>9,909</b>	<b>(3,329)</b>	<b>1,304,878</b>	<b>1,488,111</b>
<b>At 1 January 2024</b>	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 (loss)/income for the financial year	-	11,691	(706)	(6,113)	411	(931)	-	4,352
Total comprehensive (loss)/income 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)
<b>At 31 December 2024</b>	<b>147,231</b>	<b>5,646</b>	<b>(6,614)</b>	<b>19,374</b>	<b>8,681</b>	<b>1,405</b>	<b>1,204,521</b>	<b>1,380,244</b>

\* 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.

# Statements of Changes in Equity

For the Financial Year Ended 31 December 2025

Company	Note	Non-distributable		Distributable	Total equity RM'000
		Share capital RM'000	Asset revaluation reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2025</b>		<b>147,231</b>	<b>6,717</b>	<b>399,751</b>	<b>553,699</b>
Net profit for the financial year		-	-	<b>22,618</b>	<b>22,618</b>
Other comprehensive income for the financial year		-	<b>744</b>	-	<b>744</b>
Total comprehensive income for the financial year		-	<b>744</b>	<b>22,618</b>	<b>23,362</b>
Issuance of shares pursuant to Dividend Reinvestment Plan	16	<b>13,122</b>	-	-	<b>13,122</b>
Dividend paid	24	-	-	<b>(17,975)</b>	<b>(17,975)</b>
<b>At 31 December 2025</b>		<b>160,353</b>	<b>7,461</b>	<b>404,394</b>	<b>572,208</b>
<b>At 1 January 2024</b>		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	24	-	-	(15,363)	(15,363)
<b>At 31 December 2024</b>		<b>147,231</b>	<b>6,717</b>	<b>399,751</b>	<b>553,699</b>

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

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net profit for the financial year		<b>118,332</b>	131,365	<b>22,618</b>	67,178
Adjustments for non-cash items	25	<b>(210,924)</b>	(292,732)	<b>(30,317)</b>	(76,256)
Operating losses before changes in operating assets and liabilities		<b>(92,592)</b>	(161,367)	<b>(7,699)</b>	(9,078)
Purchase of investments		<b>(1,171,148)</b>	(1,346,238)	-	-
Proceeds from disposal and maturity of investments		<b>1,177,663</b>	1,077,224	-	-
Interest income received		<b>198,220</b>	192,442	<b>220</b>	98
Dividend income received		<b>25,624</b>	28,074	<b>25,551</b>	72,761
Rental income received		<b>5,178</b>	5,081	<b>4,272</b>	4,465
Changes in other receivables		<b>(22,455)</b>	8,128	<b>(17,788)</b>	(30,690)
Changes in fixed and call deposits		<b>(42,056)</b>	32,186	-	-
Changes in loans receivables		<b>(28,513)</b>	(144)	-	-
Changes in insurance contract assets		<b>(5,058)</b>	-	-	-
Changes in reinsurance contract assets		<b>(18,387)</b>	(1,812)	-	-
Changes in insurance contract liabilities		<b>152,910</b>	258,506	-	-
Changes in reinsurance contract liabilities		<b>(10,218)</b>	(16,073)	-	-
Changes in other liabilities		<b>(28,365)</b>	45,693	<b>(3,657)</b>	35,358
Cash generated from operations		<b>140,803</b>	121,700	<b>899</b>	72,914
Interest paid on lease liabilities	10(b)	<b>(78)</b>	(78)	-	-
Income tax paid		<b>(24,309)</b>	(14,774)	<b>(507)</b>	(376)
Net cash inflow from operating activities		<b>116,416</b>	106,848	<b>392</b>	72,538
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of property and equipment	4	<b>(2,500)</b>	(4,951)	<b>(127)</b>	(1,884)
Purchase of intangible assets	6	<b>(761)</b>	(2,783)	-	-
Purchase of investments		<b>(117,724)</b>	(89,926)	<b>(117,724)</b>	(89,926)
Proceeds from disposal of investments		<b>86,889</b>	24,998	<b>86,889</b>	24,998
Proceeds from disposal of property and equipment		-	53	-	-
Repayment from subsidiary from capital reduction		-	-	<b>61,000</b>	-
Additional investment in subsidiaries		-	-	<b>(22,200)</b>	-
Net cash (outflow)/inflow from investing activities		<b>(34,096)</b>	(72,609)	<b>7,838</b>	(66,812)

# Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividend paid to shareholders	24	(4,853)	(4,653)	(4,853)	(4,653)
Payment of principal portion of lease liabilities		(1,518)	(1,603)	-	-
Net cash outflow from financing activities		(6,371)	(6,256)	(4,853)	(4,653)
<b>CASH AND CASH EQUIVALENTS</b>					
Net increase during the financial year		75,949	27,983	3,377	1,073
Cash and cash equivalents at 1 January		235,860	207,877	6,769	5,696
Cash and cash equivalents at 31 December		311,809	235,860	10,146	6,769

## 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	263,157	224,089	2,621	6,427
Short-term deposits*	48,652	11,771	7,525	342
Cash and cash equivalents	311,809	235,860	10,146	6,769

\* 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 2025

## 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 2025 as follows:

<b>Description</b>	<b>Effective date</b>
Lack of Exchangeability (Amendments to MFRS 121)	1 January 2025

The adoption of the above new pronouncements did not have any significant effect on the disclosures or amounts recognised in the Group’s and the Company’s financial statements.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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.

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
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"> <li>• Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i></li> <li>• Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i></li> <li>• Amendments to MFRS 9 <i>Financial Instruments</i></li> <li>• Amendments to MFRS 10 <i>Consolidated Financial Statements</i></li> <li>• Amendments to MFRS 107 <i>Statement of Cash Flows</i></li> </ul>	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
Translation to a Hyperinflationary Presentation Currency (Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates</i> )	1 January 2027
Amendments to 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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 (continued)

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.

### (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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (b) Basis of consolidation (continued)

#### (i) Subsidiaries (continued)

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 recognized 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.

#### (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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (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.

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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (c) Property and equipment (continued)

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.

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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (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. The distribution agreement is amortised on a straight-line basis over the remaining duration of the agreement.

### (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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (f) Leases (continued)

#### (i) As Lessee (continued)

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).

### (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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (g) Financial instruments (continued)

#### (i) Classification and measurement (continued)

##### (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.

##### (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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (g) Financial instruments (continued)

#### (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

#### (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 2025

## 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:

- (i) if the financial assets, either reinsurance assets, or loans receivables are 30 days past due;
- (ii) 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
- (iii) 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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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)

##### *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.

##### 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 2025 and 31 December 2024.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 2025

## 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 2025

## 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 2025

## 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 2025

## 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 2025

## 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 2025

## 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 2025

## 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 2025

## 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.

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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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)

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 amortisation (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.

#### (iii) Amortisation 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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (t) Insurance contract liabilities and reinsurance contract assets (continued)

#### (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 amortisation of insurance acquisition cash flows is equal to the recovery of insurance acquisition cash flows in insurance revenue for contracts measured under the GMM.

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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (t) Insurance contract liabilities and reinsurance contract assets (continued)

#### (v) Presentation and Disclosure (continued)

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.

### (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 2025

## 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 2025

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

### (i) Fulfilment cash flows

#### 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
<p><b>Mortality</b> 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.</p>	<p>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.</p>
<p><b>Morbidity</b> 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.</p>	<p>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.</p>
<p><b>Policy termination</b> Policies are terminated through lapses and surrenders, where lapses represent the termination of policies due to nonpayment 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.</p>	<p>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.</p>
<p><b>Directly attributable expenses</b> 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.</p> <p>Directly attributable acquisitions expenses are derived from internal cost studies.</p>	<p>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.</p>
<p><b>Policyholder dividends, and other adjustable policy elements</b> 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.</p>	<p>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.</p>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

### (i) Fulfilment cash flows (continued)

#### Determination of assumptions use for deterministic projections (continued)

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	December 31, 2025							
		Observable Ultimate		Years					
		years	year	1	5	10	20	30	Ultimate
Non-Par GMM	MYR	15	55	2.98%	3.79%	4.14%	4.19%	4.19%	4.10%
Non-Par Annuity	MYR	15	55	3.01%	3.78%	4.42%	4.18%	4.18%	4.10%
Unit Linked	MYR	15	55	2.98%	3.79%	4.14%	4.19%	4.19%	4.10%
Unit Linked GMM	MYR	15	55	2.98%	3.79%	4.14%	4.19%	4.19%	4.10%
UL MYR	MYR	15	55	2.86%	3.84%	4.94%	4.30%	4.30%	4.25%
Par Pre-05, Par Post-05	MYR	n/a	60	4.26%	4.70%	5.31%	5.43%	5.45%	5.24%
Par Annuity	MYR	n/a	60	3.32%	4.24%	4.59%	4.59%	4.59%	4.59%
Variable Annuities	USD	n/a	30	3.45%	3.69%	4.14%	4.74%	4.79%	4.79%

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

### (iii) Discount rates (continued)

Portfolio	Currency	Observable Ultimate		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%

Portfolio	Currency	Observable Ultimate		December 31, 2025					
				Years					
				1	5	10	20	30	Ultimate
UL USD	USD	30	70	3.41%	5.05%	7.01%	8.01%	4.07%	4.97%

Portfolio	Currency	Observable Ultimate		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%

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 2025

## 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
<b>Own Credit Risk</b>	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.
<b>Target hurdle rate for cost of capital calculation</b>	10%
<b>Cost of Capital Adjustment</b>	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.
<b>Risk Adjustment Diversification</b>	45 %, same as the reserving assumptions.
<b>Tax Rate</b>	24% (MIB) and 3% (MILL)
<b>Expense Synergies</b>	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 2025

## 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
<b>Cost/valuation</b>							
At 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		-	(3,213)	-	-	-	(3,213)
Effect of exchange rate		-	-	(2)	-	(2)	(4)
At 31 December 2024/ 1 January 2025		20,700	1,126	27,962	1,669	20,430	71,887
Additions		-	108	1,532	10	850	2,500
Disposal		-	-	(2,010)	(11)	-	(2,021)
Write off	20	-	-	(1,670)	(8)	(161)	(1,839)
Transfer from work-in-progress		-	(917)	144	-	773	-
Revaluation adjustment		900	-	-	-	-	900
Effect of exchange rate		-	-	(4)	-	(3)	(7)
At 31 December 2025		21,600	317	25,954	1,660	21,889	71,420
Comprising assets stated at 31 December 2025:							
Valuation		21,600	-	-	-	-	21,600
Cost		-	317	25,954	1,660	21,889	49,820
		21,600	317	25,954	1,660	21,889	71,420
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
<b>Accumulated depreciation</b>							
At 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/ 1 January 2025		-	-	24,086	1,103	11,626	36,815
Charge for the financial year	20	481	-	1,088	115	1,930	3,614
Reversal on revaluation		(481)	-	-	-	-	(481)
Disposal		-	-	(1,981)	(11)	-	(1,992)
Write off	20	-	-	(1,567)	(8)	(66)	(1,641)
At 31 December 2025		-	-	21,626	1,199	13,490	36,315
<b>Carrying amount</b>							
At 31 December 2025		21,600	317	4,328	461	8,399	35,105
At 31 December 2024		20,700	1,126	3,876	566	8,804	35,072

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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
<b>Cost/valuation</b>							
At 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/ 1 January 2025		10,500	52	3,268	935	5,145	19,900
Additions		-	106	21	-	-	127
Disposal		-	-	(48)	-	-	(48)
Write off	20	-	-	(9)	-	-	(9)
Transfer to subsidiary		-	-	(63)	-	-	63
Revaluation adjustment		500	-	-	-	-	500
At 31 December 2025		11,000	158	3,169	935	5,145	20,407
Comprising assets stated at 31 December 2025:							
Valuation		11,000	-	-	-	-	11,000
Cost		-	158	3,169	935	5,145	9,407
		11,000	158	3,169	935	5,145	20,407
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
<b>Accumulated depreciation</b>							
At 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/ 1 January 2025		-	-	3,047	935	3,211	7,193
Charge for the financial year	20	244	-	69	-	334	647
Disposal		-	-	(47)	-	-	(47)
Write off	20	-	-	(9)	-	-	(9)
Transfer to subsidiary		-	-	(53)	-	-	(53)
Reversal on revaluation		(244)	-	-	-	-	(244)
At 31 December 2025		-	-	3,007	935	3,545	7,487
<b>Net carrying amount</b>							
At 31 December 2025		11,000	158	162	-	1,600	12,920
At 31 December 2024		10,500	52	221	-	1,934	12,707

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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:

	31.12.2025 RM'000	31.12.2024 RM'000
<b>Group</b>		
Building	10,353	10,731
<b>Company</b>		
Building	4,967	5,183

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 2025. The recognised revalued amount was based on the valuation exercise performed as at 31 December 2025.

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:

	31.12.2025	31.12.2024
<b>Group</b>		
Fair value as stated in valuation report	21,600	20,700
<b>Company</b>		
Fair value as stated in valuation report	11,000	10,500

The reconciliation from beginning to ending balances for the freehold property is as disclosed on page 142 to page 143.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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
2025 Freehold property	Income approach DCF Method	<b>Projected period</b>	<b>10 years</b>
		<b>Projected occupancy</b>	<b>90.35% to 95.35%</b>
		<b>Projected gross revenue (office and retail)</b>	<b>RM4.76 psf to RM6.35 psf</b>
		<b>Compounded annual growth rate ("CAGR") on revenue</b>	<b>2.86 %</b>
		<b>Projected outgoings (office and retail)</b>	<b>RM2.05 psf to RM2.31 psf</b>
		<b>CAGR on outgoings (office and retail)</b>	<b>1.33 %</b>
		<b>Discount rate</b>	<b>8.00%</b>
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%

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	31.12.2025 RM'000	31.12.2024 RM'000
<b>Group</b>			
At 1 January		<b>82,800</b>	82,300
Transfer from property and equipment	4	-	3,213
Fair value gain/(loss)	18	<b>1,600</b>	(2,713)
At 31 December		<b>84,400</b>	82,800
Represented by:			
Freehold property		<b>84,400</b>	82,800

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 5. INVESTMENT PROPERTY (CONTINUED)

	Note	31.12.2025 RM'000	31.12.2024 RM'000
<b>Company</b>			
At 1 January		<b>34,858</b>	35,358
Fair value gain/(loss)	18	<b>1,400</b>	(500)
At 31 December		<b>36,258</b>	34,858
Represented by:			
Freehold property		<b>36,258</b>	34,858

The following are amounts arising from investment property that have been recognised in the profit or loss during the financial year:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Rental income (note 18)	<b>5,231</b>	4,993	<b>4,269</b>	4,443
Direct operating expenses arising from investment property that generate rental income	<b>(3,986)</b>	(3,620)	<b>(2,058)</b>	(1,851)
Direct operating expenses arising from investment property that did not generate rental income	<b>(622)</b>	(622)	<b>(300)</b>	(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 2025. The recognised revalued amount was based on the valuation exercise performed as at 31 December 2025.

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 2025

## 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
2025 Investment property	Income approach DCF Method	<b>Projected period</b>	<b>10 years</b>
		<b>Projected occupancy</b>	<b>90.35% to 95.35%</b>
		<b>Projected gross revenue (office and retail)</b>	<b>RM4.76 psf to RM6.35 psf</b>
		<b>Compounded annual growth rate ("CAGR") on revenue</b>	<b>2.86 %</b>
		<b>Projected outgoings (office and retail)</b>	<b>RM2.05 psf to RM2.31 psf</b>
		<b>CAGR on outgoings (office and retail)</b>	<b>1.33 %</b>
		<b>Discount rate</b>	<b>8.00%</b>
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%

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 146.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 6. INTANGIBLE ASSETS

Group	Note	Management rights RM'000	Exclusive rights RM'000	Computer software RM'000	Computer software in progress RM'000	Distribution agreement RM'000	Total RM'000
<b>Cost</b>							
At 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	20	-	-	(5)	-	-	(5)
Effect of exchange rate		-	-	(20)	4	-	(16)
At 31 December 2024/ 1 January 2025		<b>86,815</b>	<b>149,637</b>	<b>45,653</b>	<b>2,920</b>	<b>28,739</b>	<b>313,764</b>
Additions		-	-	339	422	-	761
Transfer from computer software in progress		-	-	2,179	(2,179)	-	-
Write off	20	-	-	(34)	-	-	(34)
Effect of exchange rate		-	-	(188)	(4)	-	(192)
At 31 December 2025		<b>86,815</b>	<b>149,637</b>	<b>47,949</b>	<b>1,159</b>	<b>28,739</b>	<b>314,299</b>
<b>Accumulated amortisation</b>							
At 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/ 1 January 2025		-	<b>47,765</b>	<b>38,476</b>	-	<b>670</b>	<b>86,911</b>
Amortisation during the financial year	20	-	3,511	3,120	-	1,938	8,569
Write off	20	-	-	(34)	-	-	(34)
Effect of exchange rate		-	-	(156)	-	-	(156)
At 31 December 2025		-	<b>51,276</b>	<b>41,406</b>	-	<b>2,608</b>	<b>95,290</b>
<b>Accumulated impairment</b>							
At 1 January 2024/ 31 December 2024/ 31 December 2025		-	-	1,025	-	-	1,025
<b>Net carrying amount</b>							
At 31 December 2025		<b>86,815</b>	<b>98,361</b>	<b>5,518</b>	<b>1,159</b>	<b>26,131</b>	<b>217,984</b>
At 31 December 2024		86,815	101,872	6,152	2,920	28,069	225,828

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 6. INTANGIBLE ASSETS (CONTINUED)

### (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 2025. 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:

#### **2025**

Discount rate	:	10.15%
Fee income growth rate	:	Average 5.58% throughout the 10 years projection
Expense growth rate	:	Average 5.05% throughout the 10 years projection
Terminal value	:	2.24% of average Assets Under Management at the 10 <sup>th</sup> year (based on comparable current market transactions)

#### **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 10 <sup>th</sup> 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 2025

## 7. SUBSIDIARIES

	Company	
	31.12.2025 RM'000	31.12.2024 RM'000
Unquoted shares at cost	372,011	410,811
Accumulated impairment losses	(6,793)	(6,793)
	<b>365,218</b>	404,018

During the financial year, the Company increased its investment in Manulife Insurance Labuan Limited through the subscription of 5,000,000 ordinary shares for a total amount of RM22,200,000.

The Company also reduced its investment in Manulife Investment Management (M) Berhad through the redemption of 61,000,000 ordinary shares for cash, amounting to RM61,000,000.

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective interest		Principal activities
		2025 %	2024 %	
<b>Held by the Company:</b>				
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
<b>Held through subsidiaries and the Company:</b>				
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 2025 and management financial statements to the end of the accounting period of 31 December 2025 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 2025

## 8. FINANCIAL ASSETS

### (a) Fair value through other comprehensive income

Group	31.12.2025 RM'000	31.12.2024 RM'000
Malaysian Government Securities	691,204	681,278
Government Investment Issues	559,563	535,550
Corporate debt securities		
- Unquoted in Malaysia	2,381,305	2,249,224
- Quoted outside Malaysia	241,795	248,474
Private debt securities		
- Unquoted outside Malaysia	29,912	25,833
Accrued interest	42,773	40,947
<b>Total mandatorily measured at FVOCI</b>	<b>3,946,552</b>	<b>3,781,306</b>
Current	202,408	189,832
Non-current	3,744,144	3,591,474
	<b>3,946,552</b>	<b>3,781,306</b>

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

Group	31.12.2025 RM'000	31.12.2024 RM'000
Equity securities		
- Quoted in Malaysia	477,976	624,815
- Quoted outside Malaysia	61,804	58,446
- Unquoted in Malaysia	18,657	19,683
- Unquoted outside Malaysia	20,290	-
Private equity funds		
- Unquoted outside Malaysia	84,768	80,130
Structured product	235,840	152,675
Real estate investment trusts	13,228	6,820
Unit trust funds*	3,011	2,588
Derivatives	3,371	2,023
<b>Total mandatorily measured at FVTPL</b>	<b>918,945</b>	<b>947,180</b>
Malaysian Government Securities	49,384	49,686
Government Investment Issues	47,986	47,715
Corporate debt securities		
- Unquoted in Malaysia	296,183	323,424
Accrued interest	4,484	6,872
<b>Total designated upon initial recognition at FVTPL</b>	<b>398,037</b>	<b>427,697</b>
	<b>1,316,982</b>	<b>1,374,877</b>
Current	942,691	979,391
Non-current	374,291	395,486
	<b>1,316,982</b>	<b>1,374,877</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 8. FINANCIAL ASSETS (CONTINUED)

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

Company	31.12.2025 RM'000	31.12.2024 RM'000
Equity securities		
- Quoted in Malaysia	10,713	11,981
- Unquoted in Malaysia	1,332	1,659
Real estate investment trusts	297	134
Unit trust funds*	138,750	105,596
Total mandatorily measured at FVTPL	151,092	119,370
Current	151,092	119,370
	151,092	119,370

\* 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	
<b>31 December 2025</b>				
<b>Hedging derivative:</b>				
Forward foreign exchange contract				
- Less than 1 year	77,926	2,846	-	2,846
<b>Equity index option</b>				
- Net short position				
- Less than 1 year	2,793	525	-	525
<b>31 December 2024</b>				
<b>Hedging derivative:</b>				
Forward foreign exchange contract				
- Less than 1 year	63,343	2,023	-	2,023
<b>Equity index option</b>				
- Net short position				
- Less than 1 year	208	-	(4)	(4)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 9. FINANCIAL ASSETS AT AMORTISED COST

<b>Group</b>	<b>31.12.2025</b> <b>RM'000</b>	<b>31.12.2024</b> <b>RM'000</b>
Loans receivable:		
Mortgage loans	<b>19,771</b>	20,685
Staff loans	<b>155</b>	246
Other unsecured loans	<b>36,606</b>	7,088
	<b>56,532</b>	28,019
Allowance for impairment loss	<b>(90)</b>	(90)
(i)	<b>56,442</b>	27,929
Fixed and call deposits with licensed banks in Malaysia	<b>332,395</b>	290,339
Accrued interest	<b>540</b>	319
(ii)	<b>332,935</b>	290,658
Other receivables:		
Amount due from related companies (note 26)	<b>1,550</b>	1,004
Accrued dividend income	<b>305</b>	282
Accrued rental income	<b>129</b>	76
Deposits	<b>1,600</b>	1,538
Amount due from trustees	<b>35,814</b>	20,937
Management fee income receivable	<b>13,576</b>	12,309
Other debtors	<b>9,881</b>	5,316
	<b>62,855</b>	41,462
Allowance for impairment loss	<b>(1,075)</b>	(1,075)
(iii)	<b>61,780</b>	40,387
<b>Total</b>	<b>451,157</b>	358,974
<b>Company</b>	<b>31.12.2025</b> <b>RM'000</b>	<b>31.12.2024</b> <b>RM'000</b>
Loans receivable:		
Staff loans	<b>1</b>	1
(i)	<b>1</b>	1
Other receivables:		
Amount due from subsidiaries (note 26)	<b>51,807</b>	34,173
Accrued dividend income	<b>7</b>	5
Accrued rental income	<b>-</b>	3
Deposits	<b>425</b>	415
Other debtors	<b>2,998</b>	2,831
	<b>55,237</b>	37,427
Allowance for impairment loss	<b>(1,075)</b>	(1,075)
(iii)	<b>54,162</b>	36,352
<b>Total</b>	<b>54,163</b>	36,353

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 9. FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

<b>Group</b>	<b>31.12.2025</b> <b>RM'000</b>	<b>31.12.2024</b> <b>RM'000</b>
(i) Loans receivable:		
Receivable within 12 months	2,702	1,585
Receivable after 12 months	53,740	26,344
	<b>56,442</b>	27,929
(ii) Fixed and call deposits with licensed banks in Malaysia:		
Receivable within 12 months	332,935	290,658
	<b>332,935</b>	290,658
(iii) Other receivables:		
Receivable within 12 months	60,180	38,849
Receivable after 12 months	1,600	1,538
	<b>61,780</b>	40,387
<b>Company</b>	<b>31.12.2025</b> <b>RM'000</b>	<b>31.12.2024</b> <b>RM'000</b>
(i) Loans receivable:		
Receivable after 12 months	1	1
(iii) Other receivables:		
Receivable within 12 months	53,737	35,937
Receivable after 12 months	425	415
	<b>54,162</b>	36,352

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 2025

## 10. LEASES

### (a) Right-of-use assets

Group	Note	Office Rental RM'000	Total RM'000
At 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 January 2025		<b>1,598</b>	<b>1,598</b>
Additions		<b>2,382</b>	<b>2,382</b>
Terminations		<b>(97)</b>	<b>(97)</b>
Depreciation	20	<b>(1,424)</b>	<b>(1,424)</b>
Effect of exchange rate		<b>(4)</b>	<b>(4)</b>
At 31 December 2025		<b>2,455</b>	<b>2,455</b>

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:

Group	Note	2025 RM'000	2024 RM'000
Depreciation of right-of-use assets	20	<b>1,424</b>	1,603
Interest expense on lease liabilities	25	<b>78</b>	78
Expense related to short-term leases	20	-	110
Expense related to leases of low-value assets	20	<b>150</b>	117
Total amount recognised in profit or loss		<b>1,652</b>	1,908
Total cash outflow for leases		<b>1,746</b>	1,908
<b>Company</b>			
Expense related to short-term leases	20	<b>84</b>	79
Expense related to leases of low-value assets	20	<b>1</b>	1
Total amount recognised in profit or loss		<b>85</b>	80
Total cash outflow for leases		<b>85</b>	80

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 10. LEASES (CONTINUED)

### (b) Lease liabilities

Group	Office Rental RM'000	Total RM'000
<b>Lease liabilities</b>		
At 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 January 2025	<b>1,642</b>	<b>1,642</b>
Increase	<b>2,382</b>	<b>2,382</b>
Payment of lease liabilities	<b>(1,596)</b>	<b>(1,596)</b>
Interest expense on lease liabilities	<b>78</b>	<b>78</b>
At 31 December 2025	<b>2,506</b>	<b>2,506</b>
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
Of which are:		
Current lease liabilities	<b>1,179</b>	1,103
Non-current lease liabilities	<b>1,327</b>	539
	<b>2,506</b>	1,642

## 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
<b>31 December 2025</b>			
Insurance contracts issued	(5,058)	4,355,769	4,350,711
Reinsurance contracts held	(20,502)	8,691	(11,811)
Segregated funds	-	1,674,502	1,674,502
Net insurance and reinsurance contracts liabilities	<b>(25,560)</b>	<b>6,038,962</b>	<b>6,013,402</b>
<b>31 December 2024</b>			
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	<b>(2,115)</b>	<b>5,796,034</b>	<b>5,793,919</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	
<b>At 1 January 2025</b>					
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
	<b>5,496,462</b>	<b>52,217</b>	<b>221,898</b>	<b>5,651</b>	<b>5,776,228</b>
<b>Insurance revenue</b>					
Expected incurred claims and other insurance service expenses	(277,891)	-	-	-	(277,891)
Change in risk adjustment for non-financial risk expired	(32,240)	-	-	-	(32,240)
CSM recognised for service provided	(69,526)	-	-	-	(69,526)
Recovery of insurance acquisition cashflows	(89,079)	-	-	-	(89,079)
Contracts under PAA	(9,240)	-	-	-	(9,240)
	<b>(477,976)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(477,976)</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 11. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

### (b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

#### (i) Insurance contract 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	
<b>Insurance service expense</b>					
Incurred claims and other insurance service expenses	-	-	281,605	(3,417)	278,188
Losses and reversal of losses on onerous contracts (future service)	-	19,817	-	-	19,817
Amortisation of insurance acquisition cashflow	89,243	-	-	-	89,243
	<b>89,243</b>	<b>19,817</b>	<b>281,605</b>	<b>(3,417)</b>	<b>387,248</b>
<b>Investment components and premium refunds</b>	(360,261)	-	360,261	-	-
<b>Insurance service results</b>	(748,994)	19,817	641,866	(3,417)	(90,728)
Insurance finance expenses	250,024	457	4,916	3	255,400
Effects of exchange rates upon consolidation	(34,662)	(13)	(44)	-	(34,719)
<b>Total changes in the statements of profit or loss and other comprehensive income</b>	<b>(533,632)</b>	<b>20,261</b>	<b>646,738</b>	<b>(3,414)</b>	<b>129,953</b>
<b>Cash flows and other movements</b>					
Premiums and premium tax received	955,087	-	-	-	955,087
Claims and other insurance service expenses paid, including investment components	-	-	(597,824)	(585)	(598,409)
Insurance acquisition cash flows	(280,916)	-	-	-	(280,916)
Total cash flows and other movements	<b>674,171</b>	<b>-</b>	<b>(597,824)</b>	<b>(585)</b>	<b>75,762</b>
<b>Movements related to segregated funds insurance net liabilities</b>	<b>43,270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,270</b>
<b>At 31 December 2025</b>					
Insurance contract assets	(12,701)	7,331	312	-	(5,058)
Insurance contract liabilities	4,018,470	65,147	270,500	1,652	4,355,769
Segregated funds insurance net liabilities	1,674,502	-	-	-	1,674,502
	<b>5,680,271</b>	<b>72,478</b>	<b>270,812</b>	<b>1,652</b>	<b>6,025,213</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 11. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

### (b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

#### (i) Insurance contract 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	
<b>At 1 January 2024</b>					
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
<b>Insurance revenue</b>					
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)
<b>Insurance service expense</b>					
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
<b>Investment components and premium refunds</b>					
	(343,814)	-	343,814	-	-
<b>Insurance service results</b>					
Insurance finance expenses	227,437	410	9,200	3	237,050
Effects of exchange rates upon consolidation	(9,727)	(101)	(15)	-	(9,843)
<b>Total changes in the statements of profit or loss and other comprehensive income</b>					
	(494,730)	5,121	616,117	5,890	132,398

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 11. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

### (b) Movements in carrying amounts of insurance and reinsurance contracts (continued)

#### (i) Insurance contract 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	
<b>Cash flows and other movements</b>					
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
<b>Movements related to segregated funds insurance net liabilities</b>					
	224,979	-	-	-	224,979
<b>At 31 December 2024</b>					
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 2025

## 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	
<b>At 1 January 2025</b>					
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
	<b>5,058,397</b>	<b>239,355</b>	<b>335,791</b>	<b>142,685</b>	<b>5,776,228</b>
<b>Changes that relate to current services</b>					
CSM recognised for services provided	-	-	(47,176)	(22,350)	(69,526)
Change in risk adjustment for non-financial risk expired	-	(32,240)	-	-	(32,240)
Experience adjustments	(8,779)	-	-	-	(8,779)
	<b>(8,779)</b>	<b>(32,240)</b>	<b>(47,176)</b>	<b>(22,350)</b>	<b>(110,545)</b>
<b>Changes that relate to future services</b>					
Contracts initially recognised in the year	(98,137)	37,863	-	64,997	4,723
Changes in estimates that adjust the CSM	44,134	7,457	(50,358)	(1,233)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	14,227	867	-	-	15,094
	<b>(39,776)</b>	<b>46,187</b>	<b>(50,358)</b>	<b>63,764</b>	<b>19,817</b>
<b>Insurance service results</b>					
Insurance finance expenses	243,007	4,634	3,253	4,506	255,400
Effects of exchange rates upon consolidation	(29,475)	(1,253)	(1,123)	(2,868)	(34,719)
	<b>164,977</b>	<b>17,328</b>	<b>(95,404)</b>	<b>43,052</b>	<b>129,953</b>
<b>Total changes in the statement of profit or loss and other comprehensive income</b>					
Cash flows and other movements	75,762	-	-	-	75,762
Movements related to segregated funds insurance net liabilities	43,270	-	-	-	43,270
<b>At 31 December 2025</b>					
Insurance contract assets	(11,644)	6,580	-	6	(5,058)
Insurance contract liabilities	3,679,548	250,103	240,387	185,731	4,355,769
Segregated funds insurance net liabilities	1,674,502	-	-	-	1,674,502
	<b>5,342,406</b>	<b>256,683</b>	<b>240,387</b>	<b>185,737</b>	<b>6,025,213</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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

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	
<b>At 1 January 2024</b>					
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
<b>Changes that relate to current services</b>					
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)
<b>Changes that relate to future services</b>					
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
<b>Insurance service results</b>					
Insurance finance expenses	(136,273)	5,961	13,796	21,707	(94,809)
Effects of exchange rates upon consolidation	226,275	3,813	3,793	3,169	237,050
	(9,462)	(278)	-	(103)	(9,843)
<b>Total changes in the statement of profit or loss and other comprehensive income</b>					
	80,540	9,496	17,589	24,773	132,398
<b>Cash flows and other movements</b>					
	114,641	-	-	-	114,641
<b>Movements related to segregated funds insurance net liabilities</b>					
	224,979	-	-	-	224,979
<b>At 31 December 2024</b>					
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 2025

## 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		
<b>At 1 January 2025</b>				
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
<b>Allocation of reinsurance premiums paid</b>				
Expected recovery for claims and other expenses	49,660	-	-	49,660
Change in risk adjustment for non-financial risk expired	2,733	-	-	2,733
Net cost/gain recognised	2,910	-	-	2,910
Experience refunds	(3,124)	-	-	(3,124)
	52,179	-	-	52,179
<b>Amounts recoverable from reinsurers</b>				
Recoveries of incurred claims and expenses	-	202	(44,238)	(44,036)
Change in risk adjustment for non-financial risk expired	-	14	-	14
Recoveries of losses and reversal of loss recovery on onerous contracts (future service)	-	(364)	-	(364)
	-	(148)	(44,238)	(44,386)
<b>Net expenses from reinsurance contracts</b>				
	52,179	(148)	(44,238)	7,793
Reinsurance finance income	(3,934)	(84)	-	(4,018)
Effect of changes in non-performance risk of reinsurers	(78)	-	-	(78)
Effects of exchange rates upon consolidation	639	-	29	668
<b>Total changes in the statements of profit or loss and other comprehensive income</b>	<b>48,806</b>	<b>(232)</b>	<b>(44,209)</b>	<b>4,365</b>
<b>Cash flows</b>				
Premiums paid	(82,960)	-	-	(82,960)
Amounts received	-	-	-	49,093
Total cash flows	(82,960)	-	49,093	(33,867)
<b>At 31 December 2025</b>				
Reinsurance contract assets	14,220	-	(34,722)	(20,502)
Reinsurance contract liabilities	15,585	(2,563)	(4,331)	8,691
	29,805	(2,563)	(39,053)	(11,811)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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		
<b>At 1 January 2024</b>				
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
<b>Allocation of reinsurance premiums paid</b>				
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
<b>Amounts recoverable from reinsurers</b>				
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)
<b>Net expenses from reinsurance contracts</b>				
	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
<b>Total changes in the statements of profit or loss and other comprehensive income</b>				
	62,133	(391)	(52,312)	9,430
<b>Cash flows</b>				
Premiums paid	(62,528)	-	-	(62,528)
Amounts received	-	-	35,984	35,984
Total cash flows	(62,528)	-	35,984	(26,544)
<b>At 31 December 2024</b>				
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 2025

## 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	
<b>At 1 January 2025</b>					
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
<b>Changes that relate to current services</b>					
Net cost/gain recognised	-	-	2,331	579	2,910
Change in risk adjustment for non-financial risk expired	-	2,747	-	-	2,747
Experience adjustments	2,500	-	-	-	2,500
	2,500	2,747	2,331	579	8,157
<b>Changes that relate to future services</b>					
Contracts initially recognised in the year	(3,890)	(6,749)	-	10,353	(286)
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(840)	(840)
Changes in estimates that adjust the CSM	10,921	872	(5,003)	(6,790)	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	762	-	-	-	762
	7,793	(5,877)	(5,003)	2,723	(364)
<b>Net expenses from reinsurance contracts</b>					
Reinsurance finance (income)/expenses	10,293	(3,130)	(2,672)	3,302	7,793
Effect of changes in non-performance risk of reinsurers	(1,023)	(2,831)	(428)	264	(4,018)
Effect of changes in non-performance risk of reinsurers	(78)	-	-	-	(78)
Effects of exchange rates upon consolidation	(235)	808	(222)	317	668
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>8,957</b>	<b>(5,153)</b>	<b>(3,322)</b>	<b>3,883</b>	<b>4,365</b>
<b>Cash flows</b>	<b>(33,867)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,867)</b>
<b>At 31 December 2025</b>					
Reinsurance contract assets	18,212	(21,449)	(23,829)	6,564	(20,502)
Reinsurance contract liabilities	22,816	(13,992)	804	(937)	8,691
	41,028	(35,441)	(23,025)	5,627	(11,811)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	
<b>At 1 January 2024</b>					
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
<b>Changes that relate to current services</b>					
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
<b>Changes that relate to future services</b>					
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)
<b>Net expenses from reinsurance contracts</b>					
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
<b>Total changes in the statement of profit or loss and other comprehensive income</b>	<b>(861)</b>	<b>(2,295)</b>	<b>7,083</b>	<b>5,503</b>	<b>9,430</b>
<b>Cash flows</b>	<b>(26,544)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(26,544)</b>
<b>At 31 December 2024</b>					
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 2025

## 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 12 (b).

Group	31.12.2025 RM'000	31.12.2024 RM'000
<b>Life insurance contracts issued</b>		
Contracts under fair value approach	230,387	236,386
Contracts under full retrospective approach	45,263	48,358
Other contracts	202,326	154,675
	<b>477,976</b>	439,419
<b>Reinsurance contracts issued</b>		
Contracts under fair value approach	(39,907)	(48,163)
Contracts under full retrospective approach	(4,784)	(5,152)
Other contracts	(7,488)	(2,046)
	<b>(52,179)</b>	(55,361)

### (d) Effect of new business recognised in the year

(i) The following tables present components of new business for insurance contracts issued.

Group	31.12.2025	
	Non-Onerous RM'000	Onerous RM'000
Estimates of present value of cash outflows	(499,224)	(288,125)
Insurance acquisition cash flows	(159,421)	(116,099)
Claims and other insurance service expenses payable	(339,803)	(172,026)
Estimates of present value of future cash inflows	580,685	304,801
Risk adjustment for non-financial risk	(16,464)	(21,399)
Contractual service margin	(64,997)	-
Losses on onerous contracts at initial recognition	-	(4,723)

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)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	2025 RM'000	2024 RM'000
Estimates of present value of cash outflows	(73,094)	(54,820)
Estimates of present value of future cash inflows	76,984	59,390
Risk adjustment for non-financial risk	6,749	5,643
Contractual service margin	(10,353)	(8,079)
Recoveries of losses on onerous contracts at initial recognition	286	2,134

### (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
<b>31 December 2025</b>						
Insurance contracts issued	49,885	153,522	109,991	84,496	28,230	426,124
Reinsurance contracts held	(6,597)	(5,148)	(3,083)	(2,135)	(435)	(17,398)
	43,288	148,374	106,908	82,361	27,795	408,726
<b>31 December 2024</b>						
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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 11. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

### (f) Investment income and insurance finance income and expense

For the year ended December 31, 2025 Group	Insurance contracts RM'000	Non- insurance RM'000	Total RM'000
<b>Total investment income</b>	<b>304,444</b>	<b>8,840</b>	<b>313,284</b>
Portion recognised in statement of profit or loss (Note 18)	248,596	8,840	257,436
Portion recognised in other comprehensive income	55,848	-	55,848
<b>Insurance finance expense from insurance contracts issued and effect of movement in exchange rates</b>			
Interest accreted to insurance contracts using locked-in rate	(69,938)	-	(69,938)
Due to changes in interest rates and other financial assumptions	(54,576)	-	(54,576)
Changes in fair value of underlying items of direct participation contracts	(107,520)	-	(107,520)
Effects of risk mitigation option	1,635	-	1,635
Net foreign exchange expense	(1)	-	(1)
Other insurance finance expenses	(25,000)	-	(25,000)
<b>Total insurance finance expense from insurance contracts issued</b>	<b>(255,400)</b>	<b>-</b>	<b>(255,400)</b>
Portion recognised in statement of profit or loss	(197,537)	-	(197,537)
Portion recognised in other comprehensive income	(57,863)	-	(57,863)
<b>Reinsurance finance income from reinsurance contracts held and effect of movement in foreign exchange rates</b>			
Interest accreted to reinsurance contracts using locked-in rate	(1,102)	-	(1,102)
Due to changes in interest rates and other financial assumptions	5,120	-	5,120
Changes in risk of non-performance of reinsurer	78	-	78
<b>Total reinsurance finance income from reinsurance contracts held</b>	<b>4,096</b>	<b>-</b>	<b>4,096</b>
Portion recognised in statement of profit or loss	3,199	-	3,199
Portion recognised in other comprehensive income	897	-	897
<b>Total net investment income, insurance finance expense and reinsurance finance income</b>	<b>53,140</b>	<b>8,840</b>	<b>61,980</b>
Portion recognised in statement of profit or loss	54,258	8,840	63,098
Portion recognised in other comprehensive income	(1,118)	-	(1,118)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 11. INSURANCE AND REINSURANCE CONTRACT (ASSETS)/LIABILITIES (CONTINUED)

### (f) Investment income and insurance finance income and expense (continued)

For the year ended December 31, 2024 Group	Insurance contracts RM'000	Non- insurance RM'000	Total RM'000
<b>Total investment income</b>	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)
<b>Insurance finance expense from insurance contracts issued and effect of movement in exchange rates</b>			
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 <sup>1</sup>	(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)
<b>Total insurance finance expense from insurance contracts issued</b>	(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
<b>Reinsurance finance expense from reinsurance contracts held and effect of movement in foreign exchange rates</b>			
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)
<b>Total reinsurance finance expense from reinsurance contracts held</b>	(6,565)	-	(6,565)
Portion recognised in statement of profit or loss	(5,794)	-	(5,794)
Portion recognised in other comprehensive income	(771)	-	(771)
<b>Total net investment income, insurance finance expense and reinsurance finance expense</b>	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

<sup>1</sup> 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 2025

## 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
<b>31 December 2025</b>								
Insurance contracts issued	4,350,711	745,950	43,913	152,329	224,664	250,139	5,285,409	6,702,404
Reinsurance contracts held	(11,811)	20,095	6,234	2,589	2,408	2,404	60,458	94,188
	<b>4,338,900</b>	<b>766,045</b>	<b>50,147</b>	<b>154,918</b>	<b>227,072</b>	<b>252,543</b>	<b>5,345,867</b>	<b>6,796,592</b>
<b>31 December 2024</b>								
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
	<b>4,162,687</b>	<b>733,387</b>	<b>34,159</b>	<b>90,844</b>	<b>178,897</b>	<b>245,753</b>	<b>5,375,332</b>	<b>6,658,372</b>

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	31.12.2025 RM'000	31.12.2024 RM'000
Prepayment	15,062	13,907
Current	9,755	8,194
Non-current	5,307	5,713
	<b>15,062</b>	<b>13,907</b>
Company	31.12.2025 RM'000	31.12.2024 RM'000
Prepayment	139	164
Current	139	164

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	31.12.2025 RM'000	31.12.2024 RM'000
<b>ASSETS</b>		
Investments		
Quoted securities	<b>1,125,515</b>	1,105,212
Quoted unit trust funds	<b>216,751</b>	203,732
Debt securities	<b>143,833</b>	144,522
Fixed deposits	<b>48,760</b>	46,137
Foreign investments	<b>143,898</b>	140,987
Derivative assets	<b>462</b>	426
Other receivables	<b>12,059</b>	18,912
Cash at bank	<b>10,692</b>	7,418
<b>Total assets</b>	<b>1,701,970</b>	1,667,346
<b>LIABILITIES</b>		
Payables	<b>15,608</b>	15,095
Deferred tax liabilities	<b>10,858</b>	10,494
Current tax liabilities	<b>1,002</b>	10,525
<b>Total liabilities</b>	<b>27,468</b>	36,114
<b>NET ASSETS ATTRIBUTABLE TO POLICYHOLDERS, REPRESENTING SEGREGATED FUNDS NET ASSET</b>	<b>1,674,502</b>	1,631,232
<b>SEGREGATED FUNDS INSURANCE NET LIABILITIES</b>	<b>(1,674,502)</b>	(1,631,232)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 13. SEGREGATED FUNDS (CONTINUED)

The segregated funds related investment results are as follows:

Group	2025 RM'000	2024 RM'000
<b>INCOME/(EXPENSE)</b>		
Interest income	7,822	7,716
Dividend income	44,753	52,472
Rebate income	3,430	3,711
Realised (loss)/gains on disposal of investments	(6,289)	114,999
Realised exchange (loss)/gains	(874)	1,660
Realised derivative gains	6,008	755
Unrealised fair value gains	8,819	119,175
Unrealised derivatives gains/(losses)	36	(748)
Net amortisation of premiums	(678)	(758)
Unrealised foreign exchange losses	(8,153)	(4,701)
Other expenses	(26,808)	(27,394)
Taxation	(1,384)	(20,142)
Investment income related to segregated funds net assets	26,682	246,745
Financial changes related to segregated funds net liabilities	(26,682)	(246,745)

## 14. DEFERRED TAX LIABILITIES

Analysis of deferred tax liabilities are as follows:

Group	31.12.2025 RM'000	31.12.2024 RM'000
Presented after appropriate offsetting as follows:		
Deferred tax liabilities	157,590	144,091
Current	11,532	11,067
Non-current	146,058	133,024
	157,590	144,091
<b>Company</b>	<b>31.12.2025 RM'000</b>	<b>31.12.2024 RM'000</b>
Presented after appropriate offsetting as follows:		
Deferred tax liabilities	159	39
Current	159	39

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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)	
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Accelerated depreciation	-	-	1,335	847	1,335	847
Unallocated surplus	-	-	136,858	124,983	136,858	124,983
Self-occupied and investment property	-	-	444	275	444	275
Investments	-	-	44,810	31,667	44,810	31,667
Insurance contract liabilities	(25,715)	(13,550)	-	-	(25,715)	(13,550)
Reinsurance contract liabilities	(142)	(131)	-	-	(142)	(131)
	<b>(25,857)</b>	<b>(13,681)</b>	<b>183,447</b>	<b>157,772</b>	<b>157,590</b>	<b>144,091</b>

Company	Liabilities		Net (after offsetting)	
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Accelerated depreciation	159	39	159	39
	<b>159</b>	<b>39</b>	<b>159</b>	<b>39</b>

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 2025

## 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 and investment property RM'000	Investments RM'000	Insurance contract liabilities RM'000	Reinsurance contract liabilities RM'000	Total RM'000
At 1 January 2024	873	108,536	398	23,706	(13,326)	(66)	120,121
<b>Recognised in:</b>							
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/ 1 January 2025	<b>847</b>	<b>124,983</b>	<b>275</b>	<b>31,667</b>	<b>(13,550)</b>	<b>(131)</b>	<b>144,091</b>
<b>Recognised in:</b>							
Profit or loss:							
- Taxation (note 21)	<b>488</b>	<b>11,875</b>	<b>16</b>	<b>(21)</b>	<b>-</b>	<b>-</b>	<b>12,358</b>
Other comprehensive income							
- Asset revaluation reserve	-	-	<b>153</b>	-	-	-	<b>153</b>
- Fair value reserve	-	-	-	<b>13,164</b>	-	-	<b>13,164</b>
- Insurance finance reserve	-	-	-	-	<b>(12,165)</b>	-	<b>(12,165)</b>
- Reinsurance finance reserve	-	-	-	-	-	<b>(11)</b>	<b>(11)</b>
At 31 December 2025	<b>1,335</b>	<b>136,858</b>	<b>444</b>	<b>44,810</b>	<b>(25,715)</b>	<b>(142)</b>	<b>157,590</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 2024		159	159
<b>Recognised in:</b>			
Profit or loss:			
- Taxation	21	(120)	(120)
At 31 December 2024/1 January 2025		<b>39</b>	<b>39</b>
<b>Recognised in:</b>			
Profit or loss:			
- Taxation	21	<b>120</b>	<b>120</b>
At 31 December 2025		<b>159</b>	<b>159</b>

### 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	
	2025 RM'000	2024 RM'000
Unutilised tax losses	3,541	3,269
Other deductible temporary differences	467	299
	<b>4,008</b>	3,568
Deferred tax assets not recognised	<b>962</b>	872

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 2025

## 14. DEFERRED TAX LIABILITIES (CONTINUED)

### Unrecognised deferred tax assets (continued)

Year of expiry of unutilised tax losses is analysed as follows:

	2025 RM'000	2024 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	367	367
Expiring in 2035	272	-
	<b>3,541</b>	3,269

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	31.12.2025 RM'000	31.12.2024 RM'000
Other creditors	36,598	41,893
Prepaid premium	87,589	100,155
Accrued liabilities	181,078	190,788
Amount due to related companies (note 26) (i)	77,931	83,904
Amount payable under Distribution Agreement (ii)	11,123	11,569
	<b>394,319</b>	428,309
Current	383,053	417,022
Non-current	11,266	11,287
	<b>394,319</b>	428,309

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 15. OTHER LIABILITIES (CONTINUED)

Company	31.12.2025 RM'000	31.12.2024 RM'000
Other creditors	3,977	2,206
Accrued liabilities	2,825	2,996
Amount due to related companies (note 26) (i)	51,593	55,896
Amount due to subsidiary companies (note 26)	12	8
	<b>58,407</b>	61,106
Current	58,407	61,106
Non-current	-	-
	<b>58,407</b>	61,106

(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			
	31.12.2025		31.12.2024	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
<b>Share Capital</b>				
Issued and fully paid up:				
Ordinary shares:				
At 1 January	224,691	147,231	219,467	136,522
Issuance pursuant to Dividend Reinvestment Plan (note 24)	6,943	13,122	5,224	10,709
At 31 December	<b>231,634</b>	<b>160,353</b>	224,691	147,231

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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
<b>31 December 2025</b>				
<b>Retained earnings</b>				
Distributable	(i)	791,530	-	791,530
Non-distributable	(ii)	502,844	10,504	513,348
		1,294,374	10,504	1,304,878
<b>Other reserves</b>				
Non-distributable:				
Insurance finance reserve		14,396	(54,448)	(40,052)
Reinsurance finance reserve		(5,706)	-	(5,706)
Fair value reserve		9,978	52,080	62,058
Asset revaluation reserve		7,460	2,449	9,909
Currency translation reserve		(3,329)	-	(3,329)
		22,799	81	22,880
<b>31 December 2024</b>				
<b>Retained earnings</b>				
Distributable	(i)	753,348	-	753,348
Non-distributable	(ii)	447,052	4,121	451,173
		1,200,400	4,121	1,204,521
<b>Other reserves</b>				
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

- (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 2025

## 18. INVESTMENT INCOME

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Investment income:</b>				
<u>Financial assets at FVTPL</u>				
Interest/profit sharing income:				
Debt securities	15,642	15,719	-	-
Structured product	(2,006)	2,345	-	-
Net amortisation of premiums	-	(22)	-	-
Dividend/distribution income:				
Equity securities				
- quoted in Malaysia	21,327	24,772	411	247
- quoted outside Malaysia	658	935	-	-
- unquoted in Malaysia	1,069	560	-	35
Real estate investment trusts				
- quoted in Malaysia	332	365	7	3
Unit trust funds in Malaysia	-	-	3,135	2,481
Private equity funds outside Malaysia	2,261	987	-	-
<u>Financial assets at FVOCI</u>				
Interest income:				
Debt securities	165,507	160,977	-	-
Private debt securities	1,662	1,163	-	-
Net amortisation of premiums	(6,970)	(7,760)	-	-
<u>Financial assets at amortised costs</u>				
Interest income	16,102	13,592	220	98
<u>Investment properties</u>				
Rental income	5,231	4,993	4,269	4,443
<u>Subsidiaries</u>				
Dividend income	-	-	22,000	70,000
Other income	147	187	-	-
	<b>220,962</b>	<b>218,813</b>	<b>30,042</b>	<b>77,307</b>
<b>Realised and unrealised gains/(losses) on assets supporting insurance:</b>				
<b>Net realised gains/(losses)</b>				
<u>Financial assets at FVTPL</u>				
Equity securities	5,242	40,764	(286)	(231)
Unit trust funds	20	(22)	588	75
Unquoted equity securities	-	(19)	-	(19)
Debt securities	931	(171)	-	-
Structured product	17,394	13,153	-	-
Derivatives	5,559	(340)	-	-
<u>Financial assets at FVOCI</u>				
Debt securities	11,064	(173)	-	-
	<b>40,210</b>	<b>53,192</b>	<b>302</b>	<b>(175)</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 18. INVESTMENT INCOME (CONTINUED)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Net fair value gains/(losses)</b>				
<u>Financial assets at FVTPL</u>				
Equity securities	(6,601)	74,568	214	451
Unit trust funds	198	64	696	718
Unquoted equity securities	(1,026)	7,020	(327)	(77)
Private equity funds	4,747	6,962	-	-
Debt securities	4,511	1,547	-	-
Structured product	12,164	2,520	-	-
Derivatives	1,368	866	-	-
Foreign exchange losses	(10,753)	(2,886)	(968)	(97)
Investment property	1,600	(2,713)	1,400	(500)
	<b>6,208</b>	<b>87,948</b>	<b>1,015</b>	<b>495</b>
<b>(Allowance for)/reversal of expected credit loss</b>				
<u>Financial assets at FVOCI</u>				
Debt securities	(1,197)	683	-	-
	<b>45,221</b>	<b>141,823</b>	<b>1,317</b>	<b>320</b>
Investment expenses	(8,747)	(10,574)	(2,604)	(2,381)
Net investment income	11(f) <b>257,436</b>	350,062	<b>28,755</b>	75,246

## 19. FEE INCOME

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fund management fee income	122,661	119,380	-	-
Charges and fee income	37,134	41,442	-	-
Outsourcing fee income	-	-	1,831	3,180
	<b>159,795</b>	<b>160,822</b>	<b>1,831</b>	<b>3,180</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 20. EXPENSES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Claims and benefits		<b>208,765</b>	212,237	-	-
Fees and commissions		<b>160,517</b>	150,781	-	-
Losses on onerous contracts	11	<b>19,817</b>	4,812	-	-
Staff costs		<b>126,535</b>	117,290	<b>4,180</b>	3,845
Directors' remuneration					
- Fees	26	<b>1,062</b>	1,067	<b>382</b>	382
- Other emoluments	26	<b>10,979</b>	9,430	<b>1,403</b>	1,210
Auditors' remuneration					
- Statutory audit		<b>1,169</b>	1,186	<b>160</b>	169
- Regulatory related service		<b>71</b>	75	<b>10</b>	11
Depreciation of property and equipments	4	<b>3,614</b>	3,810	<b>647</b>	794
Loss/(gains) on disposal of property and equipments		<b>29</b>	(42)	<b>1</b>	-
Amortisation of intangible assets	6	<b>8,569</b>	7,998	-	-
Write off					
- Property and equipment	4	<b>198</b>	279	-	70
Depreciation of right-of-use assets	10	<b>1,424</b>	1,603	-	-
Expense relating to short-term leases	10	-	110	<b>84</b>	79
Expense relating to leases of low-value assets	10	<b>150</b>	117	<b>1</b>	1
Bancassurance service fee		<b>3,000</b>	3,000	-	-
Bancassurance incentives and allowances		<b>29,238</b>	41,352	-	-
Credit card charges		<b>2,835</b>	3,062	-	-
Computer hardware and software maintenance		<b>4,387</b>	4,237	<b>204</b>	359
Information technology related expenses		<b>37,216</b>	41,855	<b>520</b>	536
Marketing and printing expenses		<b>7,966</b>	8,470	<b>80</b>	70
Meeting and conferences		<b>1,872</b>	1,499	<b>78</b>	21
Net outsourcing fees expense		<b>5,829</b>	7,446	<b>1,745</b>	1,463
Professional fees		<b>1,644</b>	2,002	<b>342</b>	416
Training expenses		<b>3,212</b>	2,935	<b>41</b>	17
Travelling and entertainment expenses		<b>1,811</b>	1,536	<b>14</b>	29
Foreign exchange gains		<b>(13,159)</b>	(445)	<b>(2,598)</b>	(264)
Other expenses		<b>2,313</b>	5,744	<b>280</b>	1,533
		<b>631,063</b>	633,446	<b>7,574</b>	10,741
Amounts attributed to insurance acquisition cash flows incurred during the year		<b>(284,525)</b>	(295,910)	-	-
Amortisation of insurance acquisition cash flows	11	<b>89,243</b>	70,793	-	-
		<b>435,781</b>	408,329	<b>7,574</b>	10,741
Represented by:					
Insurance service expenses		<b>387,248</b>	344,610	-	-
General expenses		<b>48,533</b>	63,719	<b>7,574</b>	10,741
		<b>435,781</b>	408,329	<b>7,574</b>	10,741

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 21. TAXATION

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
In respect of the profit of the Group and Company:				
<b>Current tax</b>				
Current financial year	<b>27,928</b>	29,392	<b>372</b>	627
Under/(over) provision in prior financial year	<b>914</b>	1,176	<b>(98)</b>	-
	<b>28,842</b>	30,568	<b>274</b>	627
<b>Deferred tax</b>				
Current financial year (note 14)	<b>12,358</b>	23,423	<b>120</b>	(120)
	<b>41,200</b>	53,991	<b>394</b>	507

The current income tax for the Group and the Company is calculated based on the tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as below:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before taxation	<b>159,532</b>	185,356	<b>23,012</b>	67,685
Taxation at Malaysia statutory tax rate of 24% (2024: 24%)	<b>38,288</b>	44,485	<b>5,523</b>	16,244
Effect of different tax rate	<b>8,184</b>	15,501	-	-
Section 110 tax credit set off	<b>(2,325)</b>	(3,797)	-	-
Income not subject to tax	<b>(8,057)</b>	(5,960)	<b>(6,529)</b>	(17,431)
Expenses not deductible for tax purposes	<b>4,106</b>	2,479	<b>1,498</b>	1,694
Changes in unrecognised deferred tax assets	<b>90</b>	107	-	-
	<b>40,286</b>	52,815	<b>492</b>	507
Under provision in prior financial year				
- Current tax	<b>914</b>	1,176	<b>(98)</b>	-
Tax expense	<b>41,200</b>	53,991	<b>394</b>	507

### 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.

There is no additional current tax impact to the Group and the Company for the financial year ended 31 December 2025. The Group and the Company also do not expect additional tax exposure to the Group and the Company in relation to Pillar Two top-up taxes, and has also applied the mandatory temporary exception from accounting for deferred taxes in respect of the GMT as allowed under MFRS112 Income Taxes.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
RSU Expenses	6,979	4,452	554	416
	6,979	4,452	554	416

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	
		2025 RM'000	2024 RM'000
Net Profit for the financial year	(RM'000)	118,332	131,365
Current year unallocated surplus from participating life funds		(6,383)	(22,495)
Net profit attributable to ordinary equity holder		111,949	108,870
Weighted average number of shares	('000)	227,678	221,680
Basic earnings per share	(sen)	49.17	49.11

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 2025

## 24. DIVIDEND PAID

	2025		2024	
	Net dividend per share Sen	Amount of dividend RM'000	Net dividend per share Sen	Amount of dividend RM'000
<b>Group and Company</b>				
Single tier dividend for 2024				
- First and final dividend	8.0	17,975	-	-
Single tier dividend for 2023				
- First and final dividend	-	-	7.0	15,363
	8.0	17,975	7.0	15,363

Out of the total distribution of 2024 First and Final Single Tier Dividend, a total of RM13,122,285 was converted into 6,943,008 new ordinary shares of the Company at the conversion price of RM1.89 per ordinary share under the Dividend Reinvestment Plan on 28 July 2025. The remaining RM4,853,035 was distributed as cash dividend.

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.

The directors recommend the payment of a first and final dividend of 9.0 sen per share, amounting to approximately RM20,847,000 for the financial year ended 31 December 2025, 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 2026 when approved by the shareholders.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 25. ADJUSTMENTS FOR NON-CASH ITEMS

Non-cash items in the statements of cash flows comprise of:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest income	(196,907)	(193,796)	(220)	(98)
Dividend income	(25,647)	(27,619)	(25,553)	(72,766)
Rental income	(5,231)	(4,993)	(4,269)	(4,443)
Net amortisation of premiums	6,970	7,782	-	-
Loss/(gains) on disposal of property and equipment	29	(42)	1	-
(Gains)/loss on disposal of FVOCI financial assets	(11,064)	173	-	-
(Gains)/loss on disposal of FVTPL financial assets	(29,146)	(53,365)	(302)	175
Fair value (gain)/loss on investment property	(1,600)	2,713	(1,400)	500
Fair value gain on FVTPL financial assets	(15,361)	(93,547)	(583)	(1,092)
Allowance for/(reversal of) expected credit loss on FVOCI financial assets	1,197	(683)	-	-
Depreciation of property and equipment	3,614	3,810	647	794
Property and equipment written off	198	279	-	70
Amortisation of intangible assets	8,569	7,998	-	-
Depreciation of right-of-use assets	1,424	1,603	-	-
Interest expense on lease liabilities	78	78	-	-
Taxation	41,200	53,991	394	507
Foreign exchange losses	10,753	2,886	968	97
	(210,924)	(292,732)	(30,317)	(76,256)

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 pages 189 to 190.

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 (until 1st November 2025)  
 Rishi Srivastava (effective 1st November 2025)  
 Vijayam A/P Nadarajah

#### Executive director:

Vibha Hamsi Coburn

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Expenses/(income):</b>				
<b>Penultimate holding company</b>				
Information technology outsourcing expenses	565	896	-	-
Outsourcing fee income	(2,181)	(1,887)	-	-
	<b>(1,616)</b>	<b>(991)</b>	<b>-</b>	<b>-</b>
<b>Intermediate holding company</b>				
Reimbursement of personnel expenses	7,339	6,389	842	737
Reimbursement of director fees	375	375	375	375
Reimbursement of software maintenance expenses	7,999	12,256	-	125
Reimbursement of consultation fee	31	41	-	-
Reimbursement of overhead expense	(719)	(2,144)	(256)	(489)
Reimbursement of education and training expenses	18	(4)	-	13
Reimbursement of travelling expense	39	41	-	-
Regional office functional services and support	2,243	1,344	-	-
Rental income of office premises	(108)	(34)	(108)	(34)
Provision of IT development services	-	41	-	-
Provision of IT infrastructure support and maintenance services	21,077	21,151	302	261
Provision of accounting and finance support	814	892	-	-
Provision of HR support	645	707	-	-
Provision of staff claims system	30	33	-	-
Provision of compliance support	228	190	-	-
	<b>40,011</b>	<b>41,278</b>	<b>1,155</b>	<b>988</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 26. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

### Significant related party transactions (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Subsidiaries of ultimate holding company</b>				
Rebate income	(324)	(456)	-	-
Outsourcing fee income	(1,530)	(1,530)	-	-
Outsourcing fee expense	-	46	-	-
Management fee expense	9,189	9,588	-	-
Investment consulting services	2,372	1,059	-	-
Reinsurance premium ceded	465	311	-	-
Information technology outsourcing expenses	295	466	-	-
Provision of operational support	654	466	-	-
Provision of IT infrastructure support and maintenance services	1,759	2,595	-	-
	<b>12,880</b>	<b>12,545</b>	<b>-</b>	<b>-</b>
<b>Subsidiaries of the Company</b>				
Outsourcing fee income (note 19)	-	-	(1,831)	(3,180)
Outsourcing fee expense	-	-	1,712	1,459
Rental income	-	-	(1,786)	(1,656)
Short term-leases (note 20)	-	-	84	79
Fund management expenses	-	-	31	21
Management fees and maintenance charges	-	-	52	70
	-	-	<b>(1,738)</b>	<b>(3,207)</b>

### Key management personnel

The total compensation paid to the Group and the Company's key management personnel are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Salaries, other short-term employee benefits and other directors' emoluments	28,687	28,425	2,875	2,725
Retirement benefits contribution (i)	3,437	3,233	303	279
RSU expenses (note 22) (ii)	6,979	4,452	554	416
	<b>39,103</b>	<b>36,110</b>	<b>3,732</b>	<b>3,420</b>

(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 2025

## 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Executive director of the Company:</b>				
Salaries	2,922	2,905	584	581
Bonus	2,012	1,706	403	341
Retirement benefits contributions (i)	244	239	49	48
RSU expenses (ii)	1,837	1,202	367	240
	<b>7,015</b>	<b>6,052</b>	<b>1,403</b>	<b>1,210</b>
<b>Executive directors of the subsidiaries:</b>				
Salaries	1,564	1,526	-	-
Bonus	968	920	-	-
Retirement benefits contributions (i)	517	442	-	-
RSU expenses (ii)	915	490	-	-
	<b>3,964</b>	<b>3,378</b>	<b>-</b>	<b>-</b>
<b>Total directors remuneration for Executive directors</b>	<b>10,979</b>	<b>9,430</b>	<b>1,403</b>	<b>1,210</b>
<b>Non-executive directors of the Company:</b>				
Fees	665	665	382	382
<b>Non-executive directors of the subsidiaries:</b>				
Fees	397	402	-	-
<b>Total directors remuneration for Non-executive directors</b>	<b>1,062</b>	<b>1,067</b>	<b>382</b>	<b>382</b>
	<b>12,041</b>	<b>10,497</b>	<b>1,785</b>	<b>1,592</b>

(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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 26. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

### 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Financial assets at amortised cost (note 9)</b>				
- Amount due from related companies	1,550	1,004	-	-
- Amount due from subsidiaries	-	-	51,807	34,173
	<b>1,550</b>	<b>1,004</b>	<b>51,807</b>	<b>34,173</b>
<b>Other liabilities (note 15)</b>				
- Amount due to related companies	77,931	83,904	51,593	55,896
- Amount due to subsidiary companies	-	-	12	8
	<b>77,931</b>	<b>83,904</b>	<b>51,605</b>	<b>55,904</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
External revenue								
(a) Insurance revenue	-	-	477,976	439,419	-	-	477,976	439,419
(b) Investment income	28,326	27,946	190,272	189,175	2,364	1,692	220,962	218,813
(c) Fee income	-	-	-	-	159,795	160,822	159,795	160,822
<b>Total external revenue</b>	<b>28,326</b>	<b>27,946</b>	<b>668,248</b>	<b>628,594</b>	<b>162,159</b>	<b>162,514</b>	<b>858,733</b>	<b>819,054</b>
Inter-segment revenue								
(a) Rental income	1,717	1,656	805	764	-	-	2,522	2,420
(b) Fee income	1,831	3,180	6,895	5,904	17,816	17,492	26,542	26,576
(c) Dividend income from unit trust funds	-	-	18,833	17,350	-	-	18,833	17,350
(d) Dividend income from subsidiaries	22,000	70,000	-	-	-	-	22,000	70,000
<b>Total inter-segment revenue</b>	<b>25,548</b>	<b>74,836</b>	<b>26,533</b>	<b>24,018</b>	<b>17,816</b>	<b>17,492</b>	<b>69,897</b>	<b>116,346</b>
<b>Total revenue by segment</b>	<b>53,874</b>	<b>102,782</b>	<b>694,781</b>	<b>652,612</b>	<b>179,975</b>	<b>180,006</b>	<b>928,630</b>	<b>935,400</b>
<b>Profit before taxation</b>	<b>25,275</b>	<b>18,361</b>	<b>98,859</b>	<b>140,061</b>	<b>35,398</b>	<b>26,934</b>	<b>159,532</b>	<b>185,356</b>
<b>Segment assets</b>	<b>1,345,608</b>	<b>1,281,880</b>	<b>7,633,922</b>	<b>7,273,522</b>	<b>145,678</b>	<b>214,743</b>	<b>9,125,208</b>	<b>8,770,145</b>
<b>Segment liabilities</b>	<b>59,612</b>	<b>61,034</b>	<b>6,496,909</b>	<b>6,240,560</b>	<b>92,533</b>	<b>107,163</b>	<b>6,649,054</b>	<b>6,408,757</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 27. SEGMENTAL REPORTING (CONTINUED)

### (b) Reconciliation of reportable segments

	Group	
	2025 RM'000	2024 RM'000
<b>Total revenue</b>		
Total revenue for reportable segments	928,630	935,400
Elimination of inter-segment revenue	(69,897)	(116,346)
Total revenue as per statement of profit or loss	<b>858,733</b>	819,054
<b>Segment assets</b>		
Total assets for reportable segments	9,125,208	8,770,145
Elimination of inter-segment assets	(1,042,695)	(1,019,272)
Total assets as per statement of financial position	<b>8,082,513</b>	7,750,873
<b>Segment liabilities</b>		
Total liabilities for reportable segments	6,649,054	6,408,757
Elimination of inter-segment liabilities	(54,652)	(38,128)
Total liabilities as per statement of financial position	<b>6,594,402</b>	6,370,629

## 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
<b>31 December 2025</b>				
<b>Financial assets</b>				
Financial assets at FVOCI	-	3,946,552	-	3,946,552
Financial assets at FVTPL	1,316,982	-	-	1,316,982
Financial assets at amortised cost	-	-	451,157	451,157
Cash and cash equivalents	-	-	311,809	311,809
	<b>1,316,982</b>	<b>3,946,552</b>	<b>762,966</b>	<b>6,026,500</b>
<b>Financial liabilities</b>				
Lease liabilities	-	-	2,506	2,506
Other liabilities	-	-	394,319	394,319
	-	-	<b>396,825</b>	<b>396,825</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 28. FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Categories of financial instruments (continued)

Group	FVTPL RM'000	FVOCI RM'000	AC RM'000	Total RM'000
<b>31 December 2024</b>				
<b>Financial assets</b>				
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
<b>Financial liabilities</b>				
Financial liabilities at FVTPL	4	-	-	4
Lease liabilities	-	-	1,642	1,642
Other liabilities	-	-	428,309	428,309
	4	-	429,951	429,955
<b>Company</b>				
	FVTPL RM'000	AC RM'000	Total RM'000	
<b>31 December 2025</b>				
<b>Financial assets</b>				
Financial assets at FVTPL	151,092	-	-	151,092
Financial assets at amortised cost	-	54,163	-	54,163
Cash and cash equivalents	-	10,146	-	10,146
	151,092	64,309	-	215,401
<b>Financial liabilities</b>				
Other liabilities	-	58,407	-	58,407
	-	58,407	-	58,407
<b>31 December 2024</b>				
<b>Financial assets</b>				
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
<b>Financial liabilities</b>				
Other liabilities	-	61,106	-	61,106
	-	61,106	-	61,106

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 28. FINANCIAL INSTRUMENTS (CONTINUED)

### (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:

- (i) The carrying amounts of financial assets and financial liabilities, such as loans and receivables, cash and bank balances and other payables (other than the amount payable under Distribution Agreement), are reasonable approximations of their fair values due to the relatively short-term maturity of these balances and the immaterial impact of discounting;
- (ii) The carrying amount of amount payable under Distribution Agreement which is the remaining present value of the expected future cash flow 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;
- (iii) The fair values of quoted equities and investments in real estate investment trusts are based on quoted market prices as at the reporting date;
- (iv) The fair value of unquoted equity securities is determined with reference to market comparable inputs which are adjusted against the net assets of the investee and takes into consideration discount for lack of marketability;
- (v) The fair values of Malaysian Government Securities, Government Investment Issues and both quoted and unquoted corporate debt securities are based on indicative market prices;
- (vi) The fair values of investments in mutual funds and unit trust funds are valued based on the net asset values of the underlying funds as at the reporting date;
- (vii) The fair values of foreign exchange forward contracts are based on valuations provided by the financial institutions making reference to quoted market prices;
- (viii) The fair values of equity index options is determined based on the Black-Scholes formula;
- (ix) The fair values of private equity funds are measured based on the private equity funds' net asset value or fair values reported in investees' financial statements as a measure of fair value;
- (x) The fair value of 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 2025

## 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 minimises the use of unobservable inputs to the extent possible when determining fair value.

The following table presents the Group's financial assets that are carried at fair value as at 31 December 2025.

Group	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<b>31 December 2025</b>				
<b>Financial assets at FVOCI</b>				
Malaysian Government Securities	691,204	-	691,204	-
Government Investment Issues	559,563	-	559,563	-
Corporate debt securities				
- Unquoted in Malaysia	2,381,305	-	2,381,305	-
- Quoted outside Malaysia	241,795	-	241,795	-
Private debt securities				
- Unquoted outside Malaysia	29,912	-	29,912	-
Accrued interest	42,773	-	42,773	-
	3,946,552	-	3,946,552	-
<b>Financial assets at FVTPL</b>				
Equity securities				
- Quoted in Malaysia	477,976	477,976	-	-
- Quoted outside Malaysia	61,804	61,804	-	-
- Unquoted in Malaysia	18,657	-	-	18,657
- Unquoted outside Malaysia	20,290	-	-	20,290
Private equity funds				
- Unquoted outside Malaysia	84,768	-	-	84,768
Structured product	235,840	-	235,840	-
Real estate investment trusts	13,228	13,228	-	-
Unit trust funds	3,011	3,011	-	-
Derivatives	3,371	-	3,371	-
Malaysian Government Securities	49,384	-	49,384	-
Government Investment Issues	47,986	-	47,986	-
Corporate debt securities				
- Unquoted in Malaysia	296,183	-	296,183	-
Accrued interest	4,484	-	4,484	-
	1,316,982	556,019	637,248	123,715
	5,263,534	556,019	4,583,800	123,715

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 2024.

Group	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<b>31 December 2024</b>				
<b>Financial assets at FVOCI</b>				
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	-
<b>Financial assets at FVTPL</b>				
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	692,669	582,395	99,813
	5,156,183	692,669	4,363,701	99,813
<b>Financial assets at FVTPL</b>				
Derivatives	4	-	4	-

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 2025 and 31 December 2024.

Company	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<b>31 December 2025</b>				
<b>Financial assets at FVTPL</b>				
Equity securities				
- Quoted in Malaysia	10,713	10,713	-	-
- Unquoted in Malaysia	1,332	-	-	1,332
Real estate investment trusts	297	297	-	-
Unit trust funds	138,750	138,750	-	-
	<b>151,092</b>	<b>149,760</b>	-	<b>1,332</b>
<b>31 December 2024</b>				
<b>Financial assets at FVTPL</b>				
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

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 2025

## 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	31.12.2025 RM'000	31.12.2024 RM'000
<b>Private Equity Funds</b>		
At 1 January	80,130	56,985
Capital contributions	15,772	19,104
Capital returns	(7,614)	(1,160)
Fair value gain recognised in profit or loss	4,747	6,962
Currency movement	(8,267)	(1,761)
At 31 December	84,768	80,130

Group	31.12.2025 RM'000	31.12.2024 RM'000
<b>Equity securities – Unquoted in Malaysia</b>		
At 1 January	19,683	12,682
Fair value (loss)/gain recognised in profit or loss	(1,026)	7,020
Realised loss recognised in profit or loss	-	(19)
At 31 December	18,657	19,683

Group	31.12.2025 RM'000	31.12.2024 RM'000
<b>Equity securities – Unquoted outside Malaysia</b>		
At 1 January	-	-
Additions	20,290	-
At 31 December	20,290	-

Company	31.12.2025 RM'000	31.12.2024 RM'000
<b>Equity securities – Unquoted in Malaysia</b>		
At 1 January	1,659	1,755
Fair value loss recognised in profit or loss	(327)	(77)
Realised loss recognised in profit or loss	-	(19)
At 31 December	1,332	1,659

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 equities:

Group	Fair Value RM'000	Valuation Methodology	Unobservable Input	Input Values
<b>31 December 2025</b>				
Private equity funds	84,768	Net asset value ("NAV")	NAV	NAV
Equity securities				
- Unquoted in Malaysia	17,325	Market comparables	P/B ratio	RM 0.14 – RM 2.59
- Unquoted in Malaysia	1,332	Market comparables	EV/EBITDA multiple	3.60x – 9.72x
- Unquoted outside Malaysia	20,290	Net asset value ("NAV")	NAV	NAV
<b>31 December 2024</b>				
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
<b>Company</b>				
<b>31 December 2025</b>				
Equity securities				
- Unquoted in Malaysia	170	Market comparables	P/B ratio	RM 0.41 – RM 2.31
- Unquoted in Malaysia	1,162	Market comparables	EV/EBITDA multiple	3.60x – 9.72x
<b>31 December 2024</b>				
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

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 29. RISK MANAGEMENT (CONTINUED)

### (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.

- (i) The capital structure of Manulife Insurance Berhad as at 31 December 2025 and 31 December 2024, as prescribed under the Framework are as follows:

	2025 RM’000	2024 RM’000
<b>Eligible Tier 1 Capital</b>		
Share capital (paid-up)	200,000	200,000
Retained earnings of the Company*	373,551	351,308
Eligible contract liabilities	537,238	608,806
	<b>1,110,789</b>	1,160,114
<b>Eligible Tier 2 Capital</b>		
Eligible reserves	115,213	73,812
Amounts deducted from capital	(130,777)	(136,984)
<b>Total Capital Available</b>	<b>1,095,225</b>	1,096,942

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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 29. RISK MANAGEMENT (CONTINUED)

### (c) Capital management (continued)

- (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%.

The capital structure of the Manulife Insurance Labuan Limited as at 31 December 2025 and 31 December 2024, as prescribed under the ICAF are as follows:

Group	2025 USD’000	2024 USD’000
<b>Eligible Tier 1 Capital</b>		
Share capital (paid-up)	12,200	7,500
Retained earnings of Manulife Insurance Labuan Limited*	(4,788)	(5,747)
Eligible contract liabilities	20,667	17,054
	<b>28,079</b>	18,807
<b>Eligible Tier 2 Capital</b>		
Eligible reserves	(5,713)	(7,801)
Amounts deducted from capital	(90)	(261)
Total Capital Available	<b>22,276</b>	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.

#### Licensed Insurance Broker

Manulife Insurance Labuan Limited has met the minimum capital requirement of RM0.3 million, with a net working fund of RM1.3 million as at 31 December 2025 (2024: RM0.4 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 RM53,145,200 (2024: RM107,580,590).

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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 current financial year, 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 Credit Life business, the Group retains a maximum of RM300,000 for mortality risk per life. 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	
	31.12.2025 RM'000	31.12.2024 RM'000
Whole life	844,353	829,810
Endowment	1,585,314	1,445,797
Term	182,849	166,900
Annuity	232,489	229,648
Others	245,455	226,589
<b>Total</b>	<b>3,090,460</b>	<b>2,898,744</b>

Group	Net	
	31.12.2025 RM'000	31.12.2024 RM'000
Whole life	882,997	879,520
Endowment	1,586,182	1,446,744
Term	171,893	159,566
Annuity	232,489	229,648
Others	241,904	227,973
<b>Total</b>	<b>3,115,465</b>	<b>2,943,451</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	Impact on	Impact on	Impact on
		profit before tax gross of reinsurance RM'000	profit before tax net of reinsurance RM'000	equity gross of reinsurance* RM'000	equity net of reinsurance* RM'000
(Decrease)/increase					
<b>31 December 2025</b>					
Mortality/morbidity	+2	(2,320)	(2,731)	(1,850)	(2,179)
Discount rate	-0.5	3,951	4,674	(36,667)	(36,415)
Expenses	+5	(7,488)	(7,490)	(5,799)	(5,802)
Lapse and surrender rates	+10	(12,988)	(12,806)	(11,389)	(11,203)
<b>31 December 2024</b>					
Mortality/morbidity	+2	(1,103)	(296)	(795)	(391)
Discount rate	-0.5	2,152	2,651	(34,656)	(34,015)
Expenses	+5	(4,916)	(4,921)	(3,822)	(3,827)
Lapse and surrender rates	+10	(9,726)	(9,379)	(8,294)	(7,894)

\* 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 2025

## 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 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 2025

## 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
<b>31 December 2025</b>				
<u>Financial assets at FVOCI</u>				
Malaysia Government Securities	-	691,204	-	691,204
Government Investment Issues	-	559,563	-	559,563
Corporate debt securities	2,274,819	348,281	-	2,623,100
Private debt securities	-	29,912	-	29,912
Accrued interest	25,978	16,795	-	42,773
<u>Financial assets at FVTPL</u>				
Equity securities	-	-	578,727	578,727
Private equity funds	-	-	84,768	84,768
Real estate investment trusts	-	-	13,228	13,228
Unit trust funds	-	-	3,011	3,011
Malaysia Government Securities	-	49,384	-	49,384
Government Investment Issues	-	47,986	-	47,986
Corporate debt securities	260,098	36,085	-	296,183
Structured product	235,840	-	-	235,840
Derivatives	3,371	-	-	3,371
Accrued interest	3,019	1,465	-	4,484
<u>Financial assets at amortised cost</u>				
Loans receivables	-	56,442	-	56,442
Fixed and call deposits with licensed banks in Malaysia	332,935	-	-	332,935
Other receivables	-	61,780	-	61,780
Insurance contract assets	-	-	5,058	5,058
Reinsurance contract assets	1,563	5,318	13,621	20,502
Cash and cash equivalents	311,683	126	-	311,809
Total financial and insurance assets	3,449,306	1,904,341	698,413	6,052,060

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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
<b>31 December 2024</b>				
<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	5,286	1,586	-	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	3,136,969	1,827,535	788,628	5,753,132

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 29. RISK MANAGEMENT (CONTINUED)

### (e) Credit risk (continued)

#### (i) Credit quality Company (continued)

The following table sets out the credit quality of financial assets measured at amortised cost and FVTPL:

Company	Rating (BBB to AAA) RM'000	Not rated RM'000	Not subject to credit risk RM'000	Total RM'000
<b>31 December 2025</b>				
<u>Financial assets at FVTPL</u>				
Equity securities	-	-	12,045	12,045
Real estate investment trusts	-	-	297	297
Unit trust funds	-	-	138,750	138,750
<u>Financial assets at amortised cost</u>				
Loans receivable	-	1	-	1
Other receivables	-	54,162	-	54,162
Cash and cash equivalents	10,146	-	-	10,146
	<b>10,146</b>	<b>54,162</b>	<b>151,092</b>	<b>215,401</b>
<b>31 December 2024</b>				
<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
	<b>6,769</b>	<b>36,353</b>	<b>119,370</b>	<b>162,492</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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	2025			Total RM'000
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	
<u>Financial assets at FVOCI</u>				
Corporate debt securities				
- Non-rated	348,281	-	-	348,281
- AA	492,181	19,120	-	511,301
- AAA	1,521,723	-	-	1,521,723
- A (international)	76,876	-	-	76,876
- AA (international)	57,628	-	-	57,628
- AAA (international)	46,490	-	-	46,490
- BBB (international)	55,091	5,710	-	60,801
Malaysia Government Securities				
- Non-rated	691,204	-	-	691,204
Government Investment Issues				
- Non-rated	559,563	-	-	559,563
Private debt securities				
- Non-rated	29,912	-	-	29,912
Accrued interest	42,626	147	-	42,773
	<b>3,921,575</b>	<b>24,977</b>	-	<b>3,946,552</b>
Allowance for expected credit losses	<b>(3,933)</b>	<b>(348)</b>	-	<b>(4,281)</b>

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 2025

## 29. RISK MANAGEMENT (CONTINUED)

### (e) Credit risk (continued)

#### (ii) 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:

Group	2024			Total RM'000
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 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
Malaysian 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 2025

## 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 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 2024/1 January 2025	<b>3,096</b>	<b>120</b>	-	<b>3,216</b>
Net remeasurement due to transfers	<b>(6)</b>	<b>6</b>	-	-
Net originations, purchases and disposals	<b>371</b>	<b>317</b>	-	<b>688</b>
Changes to risk, parameters, and models	<b>494</b>	<b>(98)</b>	-	<b>396</b>
Foreign exchanges	<b>(22)</b>	<b>3</b>	-	<b>(19)</b>
At 31 December 2025	<b>3,933</b>	<b>348</b>	-	<b>4,281</b>

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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Financial assets at amortised cost</u>				
Total carrying amount	<b>451,157</b>	358,974	<b>54,163</b>	36,353
Allowance for expected credit losses	<b>1,165</b>	1,165	<b>1,075</b>	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 2025

## 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	31.12.2025 Denominated			31.12.2024 Denominated		
	USD RM'000	CAD RM'000	AUD RM'000	USD RM'000	CAD RM'000	AUD RM'000
Other receivables	7,288	510	(204)	3,854	535	(10)
Equity securities – outside Malaysia	21,890	-	-	20,580	-	-
Private equity funds – outside Malaysia	30,576	-	-	22,620	-	-
Amount due to related parties	(81,754)	(18,044)	-	(42,641)	(9,021)	-
Cash and cash equivalents	72,276	-	446	8,335	-	253
	50,276	(17,534)	242	12,748	(8,486)	243

Company	31.12.2025 Denominated			31.12.2024 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	(1,945)	(791)	-	21,971	(80)	-
Cash and cash equivalents	2	-	-	2	-	-
	(1,943)	(791)	-	22,022	(80)	-

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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)	
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Changes in foreign currency rates</b>		
USD + 5%	2,286	442
CAD + 5%	(877)	(424)
AUD + 5%	12	12
USD - 5%	(2,286)	(442)
CAD - 5%	877	424
AUD - 5%	(12)	(12)

Group	Impact on equity	
	Increase/(decrease)	
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Changes in foreign currency rates</b>		
USD + 5%	1,459	517
CAD + 5%	(644)	(313)
AUD + 5%	9	9
USD - 5%	(1,459)	(517)
CAD - 5%	644	313
AUD - 5%	(9)	(9)

Company	Impact on profit before tax/equity	
	(Decrease)/increase	
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Changes in foreign currency rates</b>		
USD + 5%	(97)	1,101
CAD + 5%	(40)	(4)
USD - 5%	97	(1,101)
CAD - 5%	40	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 2025

## 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	31.12.2025 RM'000	31.12.2024 RM'000
<b>Insurance contract assets</b>		
Life insurance issued	(11,644)	-
Reinsurance held	-	(2,115)
	<b>(11,644)</b>	<b>(2,115)</b>
<b>Insurance contract liabilities</b>		
Life insurance issued	3,679,548	3,427,165
Reinsurance held	41,028	68,053
	<b>3,720,576</b>	<b>3,495,218</b>
<b>Debt instruments at FVOCI</b>	<b>3,946,552</b>	<b>3,781,306</b>

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.

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 29. RISK MANAGEMENT (CONTINUED)

### (f) Market risk (continued)

#### (ii) Interest rate risk (continued)

Group	Impact on profit before tax	
	(Decrease)/increase	
	31.12.2025	31.12.2024
	RM'000	RM'000
<b>Change in variable</b>		
<u>Interest rate</u>		
+50 basis points	(17,677)	(17,004)
-50 basis points	18,371	17,780
Group	Impact on equity*	
	(Decrease)/increase	
	31.12.2025	31.12.2024
	RM'000	RM'000
<b>Change in variable</b>		
<u>Interest rate</u>		
+50 basis points	(29,974)	(29,711)
-50 basis points	26,353	32,214

\* 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 2025 and 31 December 2024.

#### (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 2025

## 29. RISK MANAGEMENT (CONTINUED)

### (f) Market risk (continued)

#### (iii) Price risk (continued)

Group	Impact on profit before tax	
	Increase/(decrease)	
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Change in variable</b>		
<u>Market price</u>		
+15%	63,192	59,438
- 15%	(63,192)	(59,438)
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Company</b>		
<b>Change in variable</b>		
<u>Market price</u>		
+15%	22,664	17,906
- 15%	(22,664)	(17,906)
	31.12.2025 RM'000	31.12.2024 RM'000
Group	Impact on equity*	
	Increase/(decrease)	
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Change in variable</b>		
<u>Market price</u>		
+15%	47,025	44,308
- 15%	(47,025)	(44,308)
	31.12.2025 RM'000	31.12.2024 RM'000
<b>Company</b>		
<b>Change in variable</b>		
<u>Market price</u>		
+15%	22,664	17,906
- 15%	(22,664)	(17,906)

\* 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 2025

## 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 2025

## 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
<b>31 December 2025</b>							
Malaysian Government Securities	740,588	30,886	60,137	69,970	1,098,500	-	1,259,493
Government Investment Issues	607,549	25,035	50,239	50,056	914,677	-	1,040,007
Corporate debt securities	2,919,283	351,034	871,926	755,340	2,103,484	-	4,081,784
Private debt securities	29,912	1,736	3,472	3,472	65,691	-	74,371
Equity securities	578,727	-	-	-	-	578,727	578,727
Private equity funds	84,768	-	-	-	-	84,768	84,768
Real estate investment trusts	13,228	-	-	-	-	13,228	13,228
Unit trust funds	3,011	-	-	-	-	3,011	3,011
Structured product	235,840	235,840	-	-	-	-	235,840
Derivatives	3,371	3,371	-	-	-	-	3,371
Accrued interest							
- Financial assets at FVOCI	42,773	42,773	-	-	-	-	42,773
- Financial assets at FVTPL	4,484	4,484	-	-	-	-	4,484
Loans receivable	56,442	2,701	5,304	4,624	43,813	-	56,442
Fixed and call deposits with licensed banks in Malaysia	332,935	332,935	-	-	-	-	332,935
Other receivables	61,780	61,780	-	-	-	-	61,780
Cash and cash equivalents	311,809	311,809	-	-	-	-	311,809
<b>Total financial assets</b>	<b>6,026,500</b>	<b>1,404,384</b>	<b>991,078</b>	<b>883,462</b>	<b>4,226,165</b>	<b>679,734</b>	<b>8,184,823</b>
Lease liabilities	2,506	1,249	1,362	-	-	-	2,611
Other liabilities	394,319	394,319	-	-	-	-	394,319
<b>Total financial liabilities</b>	<b>396,825</b>	<b>395,568</b>	<b>1,362</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>396,930</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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
<b>31 December 2024</b>							
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
<b>Total financial assets</b>	<b>5,751,017</b>	<b>1,172,206</b>	<b>939,195</b>	<b>844,966</b>	<b>4,141,708</b>	<b>792,482</b>	<b>7,890,557</b>
Derivatives	4	4	-	-	-	-	4
Lease liabilities	1,642	1,165	554	-	-	-	1,719
Other liabilities	428,309	428,309	-	-	-	-	428,309
<b>Total financial liabilities</b>	<b>429,955</b>	<b>429,478</b>	<b>554</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430,032</b>

# Notes to the Financial Statements

For the Financial Year Ended 31 December 2025

## 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
<b>31 December 2025</b>							
Equity securities	12,045	-	-	-	-	12,045	12,045
Real estate investment trusts	297	-	-	-	-	297	297
Unit trust funds	138,750	-	-	-	-	138,750	138,750
Loans receivable	1	1	-	-	-	-	1
Other receivables	54,162	54,162	-	-	-	-	54,162
Cash and cash equivalents	10,146	10,146	-	-	-	-	10,146
<b>Total financial assets</b>	<b>215,401</b>	<b>64,309</b>	-	-	-	<b>151,092</b>	<b>215,401</b>
Other liabilities	58,407	58,407	-	-	-	-	58,407
<b>Total financial liabilities</b>	<b>58,407</b>	<b>58,407</b>	-	-	-	-	<b>58,407</b>
<b>31 December 2024</b>							
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
<b>Total financial assets</b>	<b>162,492</b>	<b>43,122</b>	-	-	-	<b>119,370</b>	<b>162,492</b>
Other liabilities	61,106	61,106	-	-	-	-	61,106
<b>Total financial liabilities</b>	<b>61,106</b>	<b>61,106</b>	-	-	-	-	<b>61,106</b>

### (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 2025

## 30. CAPITAL AND OTHER COMMITMENTS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Other commitments</b>				
<b>Distributors agreement</b>				
- Authorised but not provided for (i)	<b>76,000</b>	59,000	-	-
<b>Investment in Private Equity Funds</b>				
At 1 January	<b>61,629</b>	60,551	-	-
Capital committed	<b>40,580</b>	22,357	-	-
Capital called	<b>(15,772)</b>	(19,104)	-	-
Capital return	<b>7,614</b>	1,160	-	-
Expenses incurred	<b>(593)</b>	(533)	-	-
Currency movement	<b>(9,225)</b>	(2,802)	-	-
At 31 December (ii)	<b>84,233</b>	61,629	-	-

(i) The Group is committed to pay annual fees and development funds under the terms of the exclusive distribution partners' 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.

# Shariah Screening Disclosure

## DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

### a. Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 RM	2024 RM
Revenue		477,976,199	439,419,051
Interest/Finance income		189,935,527	186,036,602
Dividend income		25,646,934	27,597,712
Other income	Fee Income	159,795,222	160,822,248
Other income	Other Investment Income	5,379,644	5,178,641
<b>Total</b>		<b>858,733,526</b>	819,054,254
<b>Total Assets</b>		<b>8,082,513,055</b>	7,750,872,758

### b. Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 RM	2024 RM
Insurance services		477,976,199	439,604,532
Interest income		77,200,638	79,276,356
Dividend income received from conventional instruments		15,440,541	17,133,622
Funds management, financial advisory and related services		87,702,298	85,930,248
Rental income received from tenant involved in Shariah non-compliant activities		5,379,644	5,178,641
<b>Total</b>		<b>663,699,320</b>	627,123,399

## Shariah Screening Disclosure

### c. Component of Financial Position

#### (i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 RM	2024 RM
Cash and bank balances (exclude cash in hand)		27,724,152	66,132,064
<b>Total Cash</b>		<b>27,724,152</b>	<b>66,132,064</b>

Conventional Account/Instruments	Remarks	Group	
		2025 RM	2024 RM
Cash and bank balances (exclude cash in hand)		235,432,728	157,956,399
Deposits with licensed bank		381,586,856	302,429,486
Unit trust funds		3,010,667	2,588,245
<b>Total Cash</b>		<b>620,030,251</b>	<b>462,974,130</b>

#### (ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 RM	2024 RM
Current		-	-
Non-Current		-	-
<b>Total Financing</b>		<b>-</b>	<b>-</b>

Conventional Borrowing	Remarks	Group	
		2025 RM	2024 RM
Current		-	-
Non-Current		-	-
<b>Total Debt</b>		<b>-</b>	<b>-</b>

# Head Office Management

## List of Officers

### MANULIFE HOLDINGS BERHAD

Group Chief Executive Officer/ Executive Director  
**VIBHA HAMSİ COBURN**

Chief Counsel & Corporate Services Officer  
**JASBENDER KAUR**

Chief People Officer  
**SOH YOON YEE**

### MANULIFE INSURANCE BERHAD

Chief Executive Officer/ Executive Director  
**VIBHA HAMSİ COBURN**

Chief Financial Officer  
**NG CHUN NAM**

Appointed Actuary  
**WILSON TIN WEI LOON**

Chief Agency Officer  
**LEE TAT FATT**

Chief Operations Officer  
**NORMAHIDA CHE MAHMOOD**

Chief Information Officer  
**BERNARD SIA**

Chief Product Officer  
**RICKY LIM SOON JOO**

Chief Compliance Officer  
**SENTHIL WOON 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**

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 SHUHAIWA WAN ZAINAL SHUKRI**

### MANULIFE INSURANCE LABUAN LIMITED

Principal Officer  
**JASBENDER KAUR**

Appointed Actuary  
**WILSON TIN WEI LOON**

# List of Properties

As at 31 December 2025

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	169,416	Freehold	28	106,000	Dec-25

The above property is for office and commercial use.

# Analysis of Shareholdings

As at 31 March 2026

Issued Share Capital : 231,634,504 Ordinary Shares  
 Class of Shares : Ordinary Shares  
 Voting Rights : 1 vote per Ordinary Share on poll  
 No. of shareholders : 2,499

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Capital
1-99	305	12.20	6,817	0.00
100 to 1,000	565	22.61	378,823	0.16
1,001 to 10,000	1,124	44.98	4,462,455	1.93
10,001 to 100,000	429	17.17	13,139,667	5.67
100,001 to less than 5% of issued shares	75	3.00	67,005,079	28.93
5% of issued shares and above	1	0.04	146,641,663	63.31
<b>Total</b>	<b>2,499</b>	<b>100.00</b>	<b>231,634,504</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDING ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Name	Direct	%	Indirect	%
Manulife Century Holdings (Netherlands) B.V.	146,641,663	63.31	-	-
Manulife Financial Corporation	-	-	*146,641,663	63.31
The Manufacturers Life Insurance Company	-	-	*146,641,663	63.31
Manulife Holdings (Bermuda) Limited	-	-	*146,641,663	63.31
Manulife Financial Asia Limited	-	-	*146,641,663	63.31
Manulife Financial (Singapore) Pte. Ltd.	-	-	*146,641,663	63.31

### 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 31 March 2026

## 30 LARGEST SECURITIES ACCOUNT HOLDERS

	<b>Name</b>	<b>No. of Shareholding</b>	<b>% of Issued Capital</b>
1	HSBC NOMINEES (ASING) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE CENTURY HOLDINGS (NETHERLANDS) B.V.	146,641,663	63.31
2	AMANAHRAYA TRUSTEES BERHAD PUBLIC SMALLCAP FUND	9,083,900	3.92
3	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC REGULAR SAVINGS FUND	9,051,333	3.91
4	AMANAHRAYA TRUSTEES BERHAD PUBLIC SAVINGS FUND	4,441,500	1.92
5	AMANAHRAYA TRUSTEES BERHAD PUBLIC SECTOR SELECT FUND	4,307,700	1.86
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC AGGRESSIVE GROWTH FUND	2,891,666	1.25
7	BERJAYA EQUITY NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR BERJAYA MUTUAL BERHAD	2,777,000	1.20
8	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ABERDEEN)	2,617,200	1.13
9	WONG YU @ WONG WING YU	2,318,235	1.00
10	OLIVE LIM SWEE LIAN	1,972,214	0.85
11	CHAI BENG HWA	1,843,920	0.80
12	CHEE SAI MUN	1,533,236	0.66
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC BALANCED FUND	1,512,500	0.65
14	AMANAHRAYA TRUSTEES BERHAD PUBLIC GROWTH FUND	1,328,400	0.57
15	AMANAHRAYA TRUSTEES BERHAD PUBLIC SOUTH-EAST ASIA SELECT FUND	1,270,800	0.55
16	AMANAHRAYA TRUSTEES BERHAD PUBLIC ENHANCED BOND FUND	1,235,900	0.53

# Analysis of Shareholdings

As at 31 March 2026

	<b>Name</b>	<b>No. of Shareholding</b>	<b>% of Issued Capital</b>
17	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHUA ENG HO WA'A @ CHUA ENG WAH	1,077,486	0.47
18	CHENG, CHIEN-MING	1,063,600	0.46
19	FU, CHEN SHU-CHEN	1,002,000	0.43
20	TAN AIK CHOON	954,307	0.41
21	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	854,300	0.37
22	HSU, CHUN-TSANG	822,533	0.36
23	NG POH CHENG	784,000	0.34
24	WONG WEE CHIANG	569,200	0.25
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAY BOON SENG	564,538	0.24
26	YEO KHEE HUAT	542,475	0.23
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR LEE LAK CHYE @ LI CHOY HIN (E-IMO)	530,907	0.23
28	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD ( A/C CLIENTS )	483,319	0.21
29	CHAN SHIEK CHIN @ CHAN SHICK CHIN	401,234	0.17
30	AMANAHRAYA TRUSTEES BERHAD PUBLIC EQUITY FUND	382,000	0.16

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# 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 Fiftieth 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, 10 June 2026 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. Renzo Christopher Viegas		
3.	Re-election of Mr. Rishi Srivastava		
4.	Re-election of Dato' Khalid Bin Abdol Rahman		
5.	Additional Director's fee for the period from 1 January 2026 until 10 June 2026 for Mr. Renzo Christopher Viegas		
6.	Additional Director's fee for the period from 1 January 2026 until 10 June 2026 for Mrs. Vijayam A/P Nadarajah		
7.	Additional Director's fee for the period from 1 January 2026 until 10 June 2026 for Dato' Khalid Bin Abdol Rahman		
8.	Additional Director's fee for the period from 1 January 2026 until 10 June 2026 for Mr. Rishi Srivastava		
9.	Director's fee from 11 June 2026 until the next Annual General Meeting for Mr. Renzo Christopher Viegas		
10.	Director's fee from 11 June 2026 until the next Annual General Meeting for Mrs. Vijayam A/P Nadarajah		
11.	Director's fee from 11 June 2026 until the next Annual General Meeting for Dato' Khalid Bin Abdol Rahman		
12.	Director's fee from 11 June 2026 until the next Annual General Meeting for Mr. Rishi Srivastava		
13.	Director's fee from 11 June 2026 until the next Annual General Meeting for such person(s) to be appointed as Non-Executive Director(s) of the Company		
14.	Directors' benefits from 11 June 2026 until the next Annual General Meeting		
15.	Re-appointment of Auditors		
16.	Special Business – Ordinary Resolution 1		
17.	Special Business – Ordinary Resolution 2		
18.	Special Business – Ordinary Resolution 3		

\*strike out whichever not applicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
\*Signature of Member/Common Seal

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**Notes:**

1. The Fiftieth 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 3 June 2026 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](mailto: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](mailto: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 2025 and other accompanying documents are available online on the Company website at [www.manulife.com.my](http://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.

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**AFFIX  
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**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

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[www.manulife.com.my](http://www.manulife.com.my)

**MANULIFE HOLDINGS BERHAD**

197501003360 (24851-H)

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