

Registration No.

199801001430 (457556-X)

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2022

Registration No.

199801001430 (457556-X)

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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**CONDENSED UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022**

	Note	Group		Company	
		30.6.2022 RM'000	31.12.2021 RM'000	30.6.2022 RM'000	31.12.2021 RM'000
ASSETS					
Property, plant and equipment		161,256	163,170	161,256	163,170
Right-of-use assets		10,750	10,883	10,750	10,883
Investment properties		174,345	174,345	174,345	174,345
Intangible assets		53,946	65,952	53,946	65,952
Financial investments					
Available-for-sale ("AFS") financial assets	8a	5,535,779	5,920,191	5,542,955	5,925,683
Fair value through profit or loss ("FVTPL") financial assets	8b	1,773,407	1,860,259	1,774,329	1,860,981
Held-to-maturity ("HTM") financial assets	8c	931,132	931,288	931,132	931,288
Loans and receivables ("LAR")	8d	379,469	384,094	379,469	384,094
Reinsurance assets	10	19,289	22,198	19,289	22,198
Tax recoverable		20,041	10,282	20,041	10,282
Insurance receivables		23,124	21,394	23,124	21,394
Other receivables		11,081	10,286	11,070	9,647
Cash and cash equivalents		626,885	469,479	617,293	462,721
TOTAL ASSETS		9,720,504	10,043,821	9,718,999	10,042,638
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES					
Share capital		226,000	226,000	226,000	226,000
Retained earnings		981,791	912,656	981,633	913,170
Available-for-sale reserve		(43,878)	40,416	(43,720)	39,902
Asset revaluation reserve		3,526	3,526	3,526	3,526
TOTAL EQUITY		1,167,439	1,182,598	1,167,439	1,182,598
Insurance contract liabilities	11	7,576,854	7,872,214	7,576,087	7,872,027
Insurance payables		640,885	614,502	640,885	614,502
Lease liabilities		1,305	1,337	1,305	1,337
Other payables		65,941	74,708	65,816	74,646
Other financial liabilities		613	934	-	-
Provision for agency long association benefits		37,313	36,719	37,313	36,719
Current tax liabilities		-	2,653	-	2,653
Deferred tax liabilities		230,154	258,156	230,154	258,156
TOTAL POLICYHOLDERS' FUNDS AND LIABILITIES		8,553,065	8,861,223	8,551,560	8,860,040
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES		9,720,504	10,043,821	9,718,999	10,042,638

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

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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**CONDENSED UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	<u>Group</u>		<u>Company</u>	
	6 months ended <u>30.6.2022</u> RM'000	6 months ended <u>30.6.2021</u> RM'000	6 months ended <u>30.6.2022</u> RM'000	6 months ended <u>30.6.2021</u> RM'000
Gross earned premium revenue	824,333	714,927	824,333	714,927
Premiums ceded to reinsurers	(24,968)	(23,980)	(24,968)	(23,980)
Net earned revenue	799,365	690,947	799,365	690,947
Investment income	182,918	183,994	182,123	183,144
Net realised (losses)/gains	(1,750)	47,890	(1,771)	47,792
Net fair value (losses)/gains	(215,613)	13,397	(216,085)	13,185
Commission income	1,868	893	1,868	893
Other (outgo)/income	(32,577)	246,174	(33,865)	245,014
Gross benefits and claims paid	(496,928)	(606,729)	(496,928)	(606,729)
Claims ceded to reinsurers	16,258	15,119	16,258	15,119
Gross change to insurance contract liabilities	75,914	21,045	76,245	21,106
Net insurance benefits and claims	(404,756)	(570,565)	(404,425)	(570,504)
Commission and agency expenses	(83,120)	(78,332)	(83,120)	(78,332)
Management expenses	(94,910)	(84,561)	(94,646)	(84,303)
Other operating (expenses)/income - net	(1,402)	73	(1,381)	94
Other expenses	(179,432)	(162,820)	(179,147)	(162,541)
Profit before taxation	182,600	203,736	181,928	202,916
Taxation	(33,465)	(55,690)	(33,465)	(55,690)
Net profit for the financial period	149,135	148,046	148,463	147,226
Basic earnings per share (sen)	65.99	65.51	65.69	65.14

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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CONDENSED UNAUDITED STATEMENT OF TOTAL COMPREHENSIVE
INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	<u>Group</u>		<u>Company</u>	
	6 months ended	6 months ended	6 months ended	6 months ended
	<u>30.6.2022</u>	<u>30.6.2021</u>	<u>30.6.2022</u>	<u>30.6.2021</u>
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	149,135	148,046	148,463	147,226
Other comprehensive losses:				
<u>Items that will be reclassified subsequently to profit or loss</u>				
Fair value change on available-for-sale financial assets:				
Net losses arising during the financial year	(371,402)	(200,154)	(370,751)	(199,432)
Realised gains transferred to profit or loss	(45,008)	(78,053)	(44,987)	(77,955)
Impairment losses transferred to profit or loss	46,758	30,163	46,758	30,163
Tax effects thereon	50,340	34,142	50,340	34,142
Fair value losses, net of tax	(319,312)	(213,902)	(318,640)	(213,082)
Change in insurance contract liabilities arising from net fair value losses	235,018	155,063	235,018	155,063
Net fair value change	(84,294)	(58,839)	(83,622)	(58,019)
Total other comprehensive losses	(84,294)	(58,839)	(83,622)	(58,019)
Total comprehensive income for the financial period	64,841	89,207	64,841	89,207

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**CONDENSED UNAUDITED GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

<u>Group</u>	<u>Share capital</u> RM'000	<u>Non-Distributable</u>		<u>Distributable</u>	<u>Total</u> RM'000
		<u>Available -for-sale reserve</u> RM'000	<u>Asset revaluation reserve</u> RM'000	<u>Retained earnings*</u> RM'000	
Issued and fully paid ordinary shares: At 1 January 2021	226,000	111,459	3,334	687,290	1,028,083
Total comprehensive (loss)/income for the financial period	-	(58,839)	-	148,046	89,207
Dividend paid	-	-	-	(5,000)	(5,000)
At 30 June 2021	<u>226,000</u>	<u>52,620</u>	<u>3,334</u>	<u>830,336</u>	<u>1,112,290</u>
Issued and fully paid ordinary shares: At 1 January 2022	226,000	40,416	3,526	912,656	1,182,598
Total comprehensive (loss)/income for the financial period	-	(84,294)	-	149,135	64,841
Dividend paid	-	-	-	(80,000)	(80,000)
At 30 June 2022	<u>226,000</u>	<u>(43,878)</u>	<u>3,526</u>	<u>981,791</u>	<u>1,167,439</u>

* Included in the retained earnings as at 30 June 2022 is unallocated surplus in the non-discretionary participation features ("non-DPF") fund (net of deferred tax) of RM989,000,000 (30 June 2021: RM831,001,000). These amounts are only distributable upon the actual recommended transfer from non-DPF fund to the Shareholders' Fund by the Appointed Actuary.

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CONDENSED UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

<u>Company</u>	<u>Share capital</u> RM'000	<u>Non-Distributable</u>		<u>Distributable</u>	<u>Total</u> RM'000
		<u>Available -for-sale reserve</u> RM'000	<u>Asset revaluation reserve</u> RM'000	<u>Retained earnings*</u> RM'000	
Issued and fully paid ordinary shares: At 1 January 2021	226,000	111,040	3,334	687,709	1,028,083
Total comprehensive (loss)/income for the financial period	-	(58,019)	-	147,226	89,207
Dividend paid	-	-	-	(5,000)	(5,000)
At 30 June 2021	<u>226,000</u>	<u>53,021</u>	<u>3,334</u>	<u>829,935</u>	<u>1,112,290</u>
Issued and fully paid ordinary shares: At 1 January 2022	226,000	39,902	3,526	913,170	1,182,598
Total comprehensive (loss)/income for the financial period	-	(83,622)	-	148,463	64,841
Dividend paid	-	-	-	(80,000)	(80,000)
At 30 June 2022	<u>226,000</u>	<u>(43,720)</u>	<u>3,526</u>	<u>981,633</u>	<u>1,167,439</u>

* Included in the retained earnings as at 30 June 2022 is unallocated surplus in the non-discretionary participation features ("non-DPF") fund (net of deferred tax) of RM989,000,000 (30 June 2021: RM831,001,000). These amounts are only distributable upon the actual recommended transfer from non-DPF fund to the Shareholders' Fund by the Appointed Actuary.

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**CONDENSED UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	<u>Group</u>		<u>Company</u>	
	6 months ended <u>30.6.2022</u> RM'000	6 months ended <u>30.6.2021</u> RM'000	6 months ended <u>30.6.2022</u> RM'000	6 months ended <u>30.6.2021</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit for the financial period	149,135	148,046	148,463	147,226
Adjustments for non-cash items:				
Investment income	(182,918)	(183,994)	(182,123)	(183,144)
Interest expense for lease liabilities	31	30	31	30
Realised gains of AFS financial assets	(45,008)	(78,053)	(44,987)	(77,955)
Fair value losses/(gains) of FVTPL financial assets	215,613	(13,397)	216,085	(13,185)
Depreciation of property, plant and equipment	2,952	3,273	2,952	3,273
Depreciation of right-of-use assets	341	269	341	269
Write-offs of property, plant and equipment	1,529	2	1,529	2
Amortisation of intangible assets	10,906	10,080	10,906	10,080
Impairment of AFS financial assets	46,758	30,163	46,758	30,163
Impairment loss/(write back of impairment) of insurance receivables	26	(35)	26	(35)
(Write back of impairment)/Impairment loss of loan receivables	(18)	10	(18)	10
Provision for agency long association benefits	2,756	3,694	2,756	3,694
Taxation	33,465	55,690	33,465	55,690
Changes in working capital:				
Purchases of financial assets	(838,463)	(931,503)	(827,037)	(918,723)
Proceeds from maturity and disposal of financial assets	724,129	770,289	711,035	757,503
Decrease in fixed and call deposits	-	10,140	-	10,140
Decrease in loans	4,643	25,032	4,643	25,032
Decrease/(increase) in reinsurance assets	2,909	(1,672)	2,909	(1,672)
(Increase)/decrease in insurance receivables	(1,756)	666	(1,756)	666
(Increase)/decrease in other receivables	(1,267)	5,024	(1,267)	5,024
(Decrease)/increase in insurance contract liabilities	(60,342)	2,949	(60,922)	2,888
Increase in insurance payables	26,383	14,613	26,383	14,613
Decrease in other payables	(20,308)	(12,642)	(13,405)	(11,503)
	<u>71,496</u>	<u>(141,326)</u>	<u>76,767</u>	<u>(139,914)</u>

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CONDENSED UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONTINUED)

	<u>Group</u>		<u>Company</u>	
	6 months ended <u>30.6.2022</u> RM'000	6 months ended <u>30.6.2021</u> RM'000	6 months ended <u>30.6.2022</u> RM'000	6 months ended <u>30.6.2021</u> RM'000
Dividend income received	36,552	45,919	36,479	45,879
Interest income received	147,242	140,928	146,771	140,344
Rental income received	1,994	2,505	1,994	2,505
Agency long association benefits paid	(2,163)	(2,306)	(2,163)	(2,306)
Income tax paid	(23,538)	(36,623)	(23,538)	(36,623)
Fee paid	(268)	(226)	-	-
Net cash inflows from operating activities	<u>231,315</u>	<u>8,871</u>	<u>236,310</u>	<u>9,885</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(1,038)	(351)	(1,038)	(351)
Purchase of intangible assets	(429)	(3,010)	(429)	(3,010)
Net cash outflows from investing activities	<u>(1,467)</u>	<u>(3,361)</u>	<u>(1,467)</u>	<u>(3,361)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	(80,000)	(5,000)	(80,000)	(5,000)
Payment to lease liabilities	(271)	(297)	(271)	(297)
Cash proceed from unit created	10,179	1,897	-	-
Cash paid for unit cancelled	(2,350)	(1,014)	-	-
Net cash outflows from financing activities	<u>(72,442)</u>	<u>(4,414)</u>	<u>(80,271)</u>	<u>(5,297)</u>
Net increase in cash and cash equivalents	157,406	1,096	154,572	1,227
Cash and cash equivalents at 1 January	<u>469,479</u>	<u>315,733</u>	<u>462,721</u>	<u>312,896</u>
Cash and cash equivalents at 30 June	<u><u>626,885</u></u>	<u><u>316,829</u></u>	<u><u>617,293</u></u>	<u><u>314,123</u></u>
Cash and cash equivalents comprise:				
Cash and bank balances	33,148	35,259	32,826	34,454
Fixed and call deposits with maturity of less than three months	593,737	281,570	584,467	279,669
	<u><u>626,885</u></u>	<u><u>316,829</u></u>	<u><u>617,293</u></u>	<u><u>314,123</u></u>

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CONDENSED UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONTINUED)

(i) An analysis of changes in liabilities arising from financing activities is as follows:

	<u>Group/Company</u>	
	<u>6 months ended 30.6.2022</u> RM'000	<u>6 months ended 30.6.2021</u> RM'000
Lease liabilities		
As at 1 January	1,337	458
Lease additions	208	1,168
Interest expense for lease liabilities	31	30
Payment to lease liabilities	(271)	(297)
As at 31 June	<u>1,305</u>	<u>1,359</u>

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

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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**NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30
JUNE 2022**

1 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted by the Company's audited financial statements for the financial year ended 31 December 2021.

1.1 (a) Basis of Preparation

The condensed interim financial statements of the Company are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2021.

The interim financial statements are authorised for issue by the Board of Directors on 16 August 2022.

1.2 Standards, amendments to published standards and interpretations to existing standards that are applicable and relevant to the Group and the Company

(a) The standards applicable for the first time for the financial year beginning on 1 January 2022:

(i) Amendments to MFRS 3 "Reference to the Conceptual Framework"

Amendments to MFRS 3 "Reference to the Conceptual Framework" replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework. The amendments did not change the current accounting for business combination on acquisition date.

The amendments provide an exception for the recognition of liabilities and contingent liabilities should be in accordance with the principles of MFRS 137 "Provisions, contingent liabilities and contingent assets" and IC Interpretation 21 "Levies" when falls within their scope. It also clarifies that contingent assets should not be recognized at the acquisition date.

The amendments shall be applied prospectively

(ii) Amendments to MFRS 116 "Proceeds before Intended Use"

Amendments to MFRS 116 "Proceeds before Intended Use" prohibit an entity from deducting from the cost of a property, plant and equipment the proceeds received from selling items produced by the property, plant and equipment before it is ready for its intended use. The sales proceeds should instead be recognized in profit or loss.

The amendments also clarify that testing whether an asset is functioning properly refers to assessing the technical and physical performance of the property, plant and equipment.

The amendments shall be applied retrospectively.

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30
JUNE 2022 (CONTINUED)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.2 Standards, amendments to published standards and interpretations to existing standards that are applicable and relevant to the Group and the Company (continued)

(a) The standards applicable for the first time for the financial year beginning on 1 January 2022:
(continued)

(iii) Amendments to MFRS 137 “Onerous Contracts – Cost of Fulfilling a Contract”

Amendments to MFRS 137 “Onerous Contracts – Cost of Fulfilling a Contract” clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts. The amendments also clarify that before recognising a separate provision for an onerous contract, impairment loss that has occurred on assets used in fulfilling the contract should be recognised.

The amendments shall be applied retrospectively.

(b) The Group and the Company will apply the new standards, amendments to published standards and interpretations that are issued but not yet effective in the following financial years:

Financial year beginning after 1 January 2023

(i) MFRS 17 ‘Insurance Contracts’

MFRS 17 applies to insurance contracts issued, to all reinsurance contracts and to investment contracts with discretionary participating features if an entity also issues insurance contracts. For fixed-fee service contracts whose primary purpose is the provision of services, an entity has an accounting policy choice to account for them in accordance with either MFRS 17 or MFRS 15 ‘Revenue’. An entity is allowed to account financial guarantee contracts in accordance with MFRS 17 if the entity has asserted explicitly that it regarded them as insurance contracts.

Insurance contracts, (other than reinsurance) where the entity is the policyholder are not within the scope of MFRS 17.

Embedded derivatives and distinct investment and service components should be ‘unbundled’ and accounted for separately in accordance with the related MFRSs. Voluntary unbundling of other components is prohibited.

MFRS 17 requires a current measurement model where estimates are remeasured at each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin (“CSM”) representing the unearned profit of the contract. An entity has a policy choice to recognise the impact of changes in discount rates and other assumptions that related to financial risks either in profit or loss or in other comprehensive income.

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30
JUNE 2022 (CONTINUED)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.2 Standards, amendments to published standards and interpretations to existing standards that are applicable and relevant to the Group and the Company (continued)

- (b) The Group and the Company will apply the new standards, amendments to published standards and interpretations that are issued but not yet effective in the following financial years: (continued)

Financial year beginning after 1 January 2023 (continued)

(i) MFRS 17 'Insurance Contracts' (continued)

Alternative measurement models are provided for the different insurance coverages:

- Simplified Premium Allocation Approach if the insurance coverage period is a year or less.
- Variable Fee Approach should be applied for insurance contracts that specify a link between payments to the policyholder and the returns on the underlying items.

The requirements of MFRS 17 align the presentation of revenue with other industries. Revenue is allocated to the periods in proportion to the value of the expected coverage and other services that the insurer provides in the period, and claims are presented when incurred. Investment components are excluded from revenue and claims.

Insurers are required to disclose information about amounts, judgements and risks arising from insurance contracts.

(ii) Amendments to MFRS 17 "Insurance Contracts"

Amendments to MFRS 17 Insurance Contracts defers the effective date of MFRS 17 Insurance Contracts. An entity shall apply MFRS 17 and Amendments to MFRS 17 for annual reporting periods beginning on or after 1 January 2023. If an entity applies MFRS 17 earlier, it shall disclose that fact. Early application is permitted for entities that apply MFRS 9 Financial Instruments on or before the date of initial application of MFRS 17.

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30
JUNE 2022 (CONTINUED)

1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.2 Standards, amendments to published standards and interpretations to existing standards that are applicable and relevant to the Group and the Company (continued)

- (b) The Group and the Company will apply the new standards, amendments to published standards and interpretations that are issued but not yet effective in the following financial years: (continued)

Financial year beginning after 1 January 2023 (continued)

- (iii) Amendments to MFRS 101 "Classification of Liabilities as Current or Non-Current"

Amendments to MFRS 101 of "Classification of Liabilities as Current or Non-Current" clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date. A loan is classified as non-current if a covenant is breached after the reporting date.

The amendments shall be applied retrospectively.

- (iv) Amendments to MFRS 101 and MFRS Practice Statement 2 "Disclosure of Accounting Policies"
- (v) Amendments to MFRS 108 "Definition of Accounting Estimates"
- (vi) Amendments to MFRS 112 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

Other than MFRS 9 and MFRS 17, the above standards, amendments to published standards and interpretations to existing standards are not anticipated to have any significant impact on the financial statements of the Group and the Company in the year of initial application.

The Group and the Company have yet to assess the full impact of MFRS 9 and MFRS 17 onto the Group and the Company's accounting policies and will complete the process prior to the reporting requirement deadline.

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**NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30
JUNE 2022 (CONTINUED)**

2 SEASONAL OR CYCLICAL FACTORS

There were no significant seasonal or cyclical factors that affect the business of the Company for the six months period under review.

3 UNUSUAL ITEMS

There are no unusual items affecting assets, liabilities, equity, net income and cash flows for the six months period under review.

4 CHANGE IN ESTIMATES

There were no material changes in the basis used for accounting estimates for the financial period ended 30 June 2022.

5 DEBT AND EQUITY SECURITIES

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

6 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD

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

7 DIVIDENDS

A first and final single tier dividend of 35.40 sen (2021: 2.21 sen) per ordinary share on 226,000,000 ordinary shares amounting to RM80,000,000 (2021: RM5,000,000) for the financial year ended 31 December 2021 was approved at the Annual General Meeting held on 23 June 2022 and this dividend was paid in full on 27 June 2022.

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8 FINANCIAL INVESTMENTS

	<u>Group</u>		<u>Company</u>	
	As at <u>30.06.2022</u> RM'000	As at <u>31.12.2021</u> RM'000	As at <u>30.06.2022</u> RM'000	As at <u>31.12.2021</u> RM'000
Malaysian government securities	605,960	606,251	575,139	581,139
Malaysian government guaranteed bonds	1,603,516	1,681,051	1,603,516	1,681,051
Government investment issues	421,096	453,110	405,793	436,149
Corporate debt securities	2,882,168	2,929,141	2,882,168	2,929,141
Equity securities	1,935,506	2,210,043	1,921,230	2,195,021
Collective investment schemes	792,072	832,142	792,072	830,767
Controlled structured entities	-	-	68,498	64,684
Loans	379,469	384,094	379,469	384,094
	<u>8,619,787</u>	<u>9,095,832</u>	<u>8,627,885</u>	<u>9,102,046</u>

The Group and the Company's financial investments are summarised by the following categories:

	<u>Group</u>		<u>Company</u>	
	As at <u>30.06.2022</u> RM'000	As at <u>31.12.2021</u> RM'000	As at <u>30.06.2022</u> RM'000	As at <u>31.12.2021</u> RM'000
AFS financial assets	5,535,779	5,920,191	5,542,955	5,925,683
FVTPL financial assets	1,773,407	1,860,259	1,774,329	1,860,981
HTM financial assets	931,132	931,288	931,132	931,288
Loans and receivables	379,469	384,094	379,469	384,094
	<u>8,619,787</u>	<u>9,095,832</u>	<u>8,627,885</u>	<u>9,102,046</u>

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8 FINANCIAL INVESTMENTS (CONTINUED)

8a AFS FINANCIAL ASSETS

	Group		Company	
	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000 restated	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
At fair value:				
Malaysian government securities	324,946	332,379	294,125	307,267
Malaysian government guaranteed bonds	1,135,329	1,210,556	1,135,329	1,210,556
Government investment issues	258,271	277,399	242,968	260,438
Corporate debt securities	2,330,370	2,389,154	2,330,370	2,389,154
Equity securities	1,309,311	1,560,891	1,309,311	1,560,891
Collective investment schemes	177,552	149,812	177,552	149,812
Controlled structured entities (note 9)	-	-	53,300	47,565
	5,535,779	5,920,191	5,542,955	5,925,683
Current	1,874,129	2,101,548	1,927,429	2,138,969
Non-current	3,661,650	3,818,643	3,615,526	3,786,714
	5,535,779	5,920,191	5,542,955	5,925,683

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8 FINANCIAL INVESTMENTS (CONTINUED)

8a AFS FINANCIAL ASSETS (continued)

Movement in impairment allowance accounts:

	<u>Group/Company</u>	
	<u>As at 30.06.2022</u> RM'000	<u>As at 31.12.2021</u> RM'000
Allowance for impairment loss:		
At 1 January	117,223	141,641
Transferred to realised gain upon disposal	(38,930)	(75,098)
Impairment loss during the financial period/year	46,758	50,680
At 30 June/31 December	<u>125,051</u>	<u>117,223</u>

The impairment losses arose on equity securities for which there have been significant or prolonged decline in fair value.

8b FVTPL FINANCIAL ASSETS

	<u>Group</u>		<u>Company</u>	
	<u>As at 30.06.2022</u> RM'000	<u>As at 31.12.2021</u> RM'000	<u>As at 30.06.2022</u> RM'000	<u>As at 31.12.2021</u> RM'000
At fair value:				
Malaysian government securities	48,622	41,524	48,622	41,524
Malaysian government guaranteed bonds	28,322	30,541	28,322	30,541
Government investment issues	46,054	58,878	46,054	58,878
Corporate debt securities	409,694	397,834	409,694	397,834
Equity securities	626,195	649,152	611,919	634,130
Collective investment schemes	614,520	682,330	614,520	680,955
Controlled structured entities (Note 9)	-	-	15,198	17,119
	<u>1,773,407</u>	<u>1,860,259</u>	<u>1,774,329</u>	<u>1,860,981</u>
Current	1,291,486	1,377,453	1,292,408	1,378,175
Non-current	481,921	482,806	481,921	482,806
	<u>1,773,407</u>	<u>1,860,259</u>	<u>1,774,329</u>	<u>1,860,981</u>

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8 FINANCIAL INVESTMENTS (CONTINUED)

8c HTM FINANCIAL ASSETS

	<u>Group/Company</u>	
	<u>As at</u>	<u>As at</u>
	<u>30.06.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000
At amortised cost:		
Malaysian government securities	232,392	232,348
Malaysian government guaranteed bonds	439,865	439,954
Government investment issues	116,771	116,833
Corporate debt securities	142,104	142,153
	<u>931,132</u>	<u>931,288</u>
Current	-	-
Non-current	<u>931,132</u>	<u>931,288</u>
	<u>931,132</u>	<u>931,288</u>
At fair value:		
Malaysian government securities	233,393	245,699
Malaysian government guaranteed bonds	446,313	473,637
Government investment issues	116,892	124,976
Corporate debt securities	144,603	151,320
	<u>941,201</u>	<u>995,632</u>

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8 FINANCIAL INVESTMENTS (CONTINUED)

8d LOANS AND RECEIVABLES

	<u>Group/Company</u>	
	<u>As at</u>	<u>As at</u>
	<u>30.06.2022</u>	<u>31.12.2021</u>
	<u>RM'000</u>	<u>RM'000</u>
At amortised cost:		
Secured:		
Policy loans	378,752	383,167
Mortgage loans	717	726
Other loans	-	201
	<u>379,469</u>	<u>384,094</u>

The carrying values of loans and receivables approximate the fair values at the date of the statement of financial position.

	<u>Group/Company</u>	
	<u>As at</u>	<u>As at</u>
	<u>30.06.2022</u>	<u>31.12.2021</u>
	<u>RM'000</u>	<u>RM'000</u>
Current	-	287
Non-current	379,469	383,807
	<u>379,469</u>	<u>384,094</u>

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JUNE 2022 (CONTINUED)**

8 FINANCIAL INVESTMENTS (CONTINUED)

8e MOVEMENTS IN THE CARRYING VALUES OF FINANCIAL INSTRUMENTS

<u>Group</u>	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>HTM</u> RM'000	<u>LAR</u> RM'000	<u>Total</u> RM'000
At 1 January 2021	5,990,575	1,551,132	952,551	427,129	8,921,387
Purchases	1,154,987	544,427	-	-	1,699,414
Maturities	(249,550)	(10,000)	(20,000)	-	(279,550)
Disposals	(796,751)	(190,279)	(1,000)	-	(988,030)
Decrease in loans	-	-	-	(43,035)	(43,035)
Movement of investment income accrued	1,264	723	(198)	-	1,789
Fair value gains/(losses) recorded in:					
- Profit or loss	66,392	(35,744)	(16)	-	30,632
- Other comprehensive loss	(249,826)	-	-	-	(249,826)
Accretion/(amortisation) adjustment	3,100	-	(49)	-	3,051
At 31 December 2021	5,920,191	1,860,259	931,288	384,094	9,095,832
Purchases	536,904	302,044	-	-	838,948
Maturities	(144,938)	(20,000)	-	-	(164,938)
Disposals	(405,837)	(153,443)	-	-	(559,280)
Decrease in loans	-	-	-	(4,625)	(4,625)
Movement of investment income accrued	(653)	160	(166)	-	(659)
Fair value losses recorded in:					
- Profit or loss	(1,750)	(215,613)	-	-	(217,363)
- Other comprehensive loss	(369,652)	-	-	-	(369,652)
Accretion adjustment	1,514	-	10	-	1,524
At 30 June 2022	5,535,779	1,773,407	931,132	379,469	8,619,787

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8 FINANCIAL INVESTMENTS (CONTINUED)

8e MOVEMENTS IN THE CARRYING VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

<u>Company</u>	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>HTM</u> RM'000	<u>LAR</u> RM'000	<u>Total</u> RM'000
At 1 January 2021	5,992,772	1,550,959	952,551	427,129	8,923,411
Purchases	1,145,639	539,482	-	-	1,685,121
Maturities	(249,550)	(10,000)	(20,000)	-	(279,550)
Disposals	(783,879)	(183,424)	(1,000)	-	(968,303)
Decrease in loans	-	-	-	(43,035)	(43,035)
Movement of investment income accrued	1,264	723	(198)	-	1,789
Fair value gains/(losses) recorded in:					
- Profit or loss	66,258	(36,759)	(16)	-	29,483
- Other comprehensive loss	(249,921)	-	-	-	(249,921)
Accretion/(amortisation) adjustment	3,100	-	(49)	-	3,051
At 31 December 2021	<u>5,925,683</u>	<u>1,860,981</u>	<u>931,288</u>	<u>384,094</u>	<u>9,102,046</u>
Purchases	526,203	301,354	-	-	827,557
Maturities	(144,938)	(20,000)	-	-	(164,938)
Disposals	(394,103)	(152,081)	-	-	(546,184)
Decrease in loans	-	-	-	(4,625)	(4,625)
Movement of investment income accrued	(653)	160	(166)	-	(659)
Fair value losses recorded in:					
- Profit or loss	(1,771)	(216,085)	-	-	(217,856)
- Other comprehensive loss	(368,980)	-	-	-	(368,980)
Accretion adjustment	1,514	-	10	-	1,524
At 30 June 2022	<u><u>5,542,955</u></u>	<u><u>1,774,329</u></u>	<u><u>931,132</u></u>	<u><u>379,469</u></u>	<u><u>8,627,885</u></u>

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8 FINANCIAL INVESTMENTS (CONTINUED)

8f FAIR VALUES OF FINANCIAL INSTRUMENTS

The following tables show financial investments recorded at fair value analysed by the different basis of fair values as follows:

<u>Group</u>	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>HTM</u> RM'000	<u>Total</u> RM'000
<u>30 June 2022</u>				
Level 1	1,194,436	583,581	-	1,778,017
Level 2	4,322,944	1,189,826	941,201	6,453,971
Level 3	18,399	-	-	18,399
	<u>5,535,779</u>	<u>1,773,407</u>	<u>941,201</u>	<u>8,250,387</u>
<u>31 December 2021</u>				
Level 1	1,419,768	606,869	-	2,026,637
Level 2	4,482,024	1,253,390	995,632	6,731,046
Level 3	18,399	-	-	18,399
	<u>5,920,191</u>	<u>1,860,259</u>	<u>995,632</u>	<u>8,776,082</u>
<u>Company</u>				
<u>30 June 2022</u>				
Level 1	1,194,436	569,305	-	1,763,741
Level 2	4,330,120	1,205,024	941,201	6,476,345
Level 3	18,399	-	-	18,399
	<u>5,542,955</u>	<u>1,774,329</u>	<u>941,201</u>	<u>8,258,485</u>
<u>31 December 2021</u>				
Level 1	1,419,768	590,472	-	2,010,240
Level 2	4,487,516	1,270,509	995,632	6,753,657
Level 3	18,399	-	-	18,399
	<u>5,925,683</u>	<u>1,860,981</u>	<u>995,632</u>	<u>8,782,296</u>

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8 FINANCIAL INVESTMENTS (CONTINUED)

8f FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Level 1 financial instruments are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, secondary market via dealer and broker, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 financial instruments are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions that are instruments for which pricing is obtained via pricing services but where prices have not been determined in an active market, instruments with fair values based on broker quotes, investment in unit and property trusts with fair values obtained via fund managers and instruments that are valued using the Group and the Company's own models whereby the majority of assumptions are market observable.

Level 3 financial instruments are determined in whole or in part using a valuation technique based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main asset class in this category are unquoted equity securities. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the instrument at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Group and the Company. Therefore, unobservable inputs reflect the Group and the Company's own assumptions about the assumptions that market participants would use in pricing the instrument (including assumptions about risk). These inputs are developed based on the best information available, which might include the Group and the Company's own data.

The following table presents the changes in Level 3 instruments:

<u>Group/Company</u>	As at	AFS As at
	<u>30.06.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000
At the beginning of the financial period/year	18,399	15,898
Fair value gains recognized in other comprehensive income	-	2,501
At the end of the financial period/year	<u>18,399</u>	<u>18,399</u>

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9 CONTROLLED STRUCTURED ENTITIES

The Company has determined that its investment in a wholesale unit trust fund and a retail fund amounting to RM53.3 million (2021: RM47.6 million) and RM15.2 million (2021: RM17.1 million) respectively as disclosed in Note 8 to the financial statements as investment in structured entities ("investee funds"). The Company invests in the investee funds whose objectives range from achieving medium to long-term capital growth and whose investment strategy does not include the use of leverage. The investee funds are managed by RHB Asset Management Sdn Bhd and apply various investment strategies to accomplish their respective investment objectives. The investee funds finance their operations through the creation of investee fund units which entitles the holder to variable returns and fair values in the respective investee fund's net assets.

The Company holds 100% of RHB Income Plus Fund 8 and 95% of RHB Leisure, Lifestyle and Luxury Fund respectively (2021: 100% of RHB Income Plus Fund 8 and 95% of RHB Leisure, Lifestyle and Luxury Fund). All funds were established in Malaysia and the Company has control over these investee funds. The Company is exposed to, or has rights to variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities.

As the Company has control over these investee funds which are considered controlled structured entities, these structured entities are consolidated at Group level.

All investee funds are audited by PricewaterhouseCoopers PLT.

RHB Income Plus Fund 8, a wholesale unit trust fund, is classified as available-for-sale investment and the change in fair value of the investee fund is included in the statement of total comprehensive income in the Company's separate financial statements. RHB Leisure, Lifestyle and Luxury Fund, a retail unit trust fund, is classified as fair value through profit or loss investment and the change in fair value of the investee fund is recognised in the statement of profit or loss in the Company's separate financial statements.

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9 CONTROLLED STRUCTURED ENTITIES (CONTINUED)

The Company's exposure to the investments in the investee funds are disclosed below.

	<u>As at</u> <u>30.06.2022</u> RM'000	<u>As at</u> <u>31.12.2021</u> RM'000
Fair value of underlying net assets:		
Cash equivalents	322	669
Deposits with licensed financial institutions	9,270	6,089
Investments - Unquoted fixed income securities	45,720	42,073
Investments - Quoted investments - foreign	14,276	15,022
Investments - Collective investment schemes - foreign	-	1,375
Other payables	(125)	(62)
	<u>69,463</u>	<u>65,166</u>

The Company's maximum exposure to loss from its interests in the investee funds are equal to the fair value of its investment in the investee funds.

10 REINSURANCE ASSETS

	<u>As at</u> <u>30.06.2022</u> RM'000	<u>Group/Company</u> <u>As at</u> <u>31.12.2021</u> RM'000
Reinsurance of insurance contracts	<u>19,289</u>	<u>22,198</u>

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11 **INSURANCE CONTRACT LIABILITIES**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30.06.2022</u>	<u>As at 31.12.2021</u>	<u>As at 30.06.2022</u>	<u>As at 31.12.2021</u>
	<u>Gross RM'000</u>	<u>Gross RM'000</u>	<u>Gross RM'000</u>	<u>Gross RM'000</u>
Life insurance contract liabilities	<u>7,576,854</u>	<u>7,872,214</u>	<u>7,576,087</u>	<u>7,872,027</u>

The life insurance contract liabilities and the movements are further analysed as follows:

	<u>Group</u>		<u>Company</u>	
	<u>As at 30.06.2022</u>	<u>As at 31.12.2021</u>	<u>As at 30.06.2022</u>	<u>As at 31.12.2021</u>
	<u>Gross RM'000</u>	<u>Gross RM'000</u>	<u>Gross RM'000</u>	<u>Gross RM'000</u>
Actuarial liabilities	5,655,397	5,676,135	5,655,397	5,676,135
Unallocated surplus	332,765	373,595	332,765	373,595
Provision for outstanding claims	355,158	339,835	355,158	339,835
Available-for-sale fair value adjustment	129,942	364,960	129,942	364,960
Asset revaluation surplus adjustment	49,387	49,387	49,387	49,387
Net asset value attributable to unitholders (Note 15)	<u>1,054,205</u>	<u>1,068,302</u>	<u>1,053,438</u>	<u>1,068,115</u>
	<u>7,576,854</u>	<u>7,872,214</u>	<u>7,576,087</u>	<u>7,872,027</u>

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11 **INSURANCE CONTRACT LIABILITIES (CONTINUED)**

<u>Group</u>	<u>Gross</u>		
	<u>With DPF*</u> RM'000	<u>Without DPF*</u> RM'000	<u>Total</u> RM'000
At 1 January 2022	5,168,536	2,703,678	7,872,214
Premiums received	112,585	713,030	825,615
Liabilities paid for death, maturities, surrenders, benefits and claims	(236,510)	(255,821)	(492,331)
Benefits and claims experience variation	40,830	(199,466)	(158,636)
Policy movements	24,779	(113,324)	(88,545)
Movement in unallocated deficit	(40,830)	-	(40,830)
Available-for-sale fair value adjustment	(235,018)	-	(235,018)
Net asset value attributable to unitholders	-	(120,938)	(120,938)
Movement in provision for outstanding claims	10,372	4,951	15,323
	<u>4,844,744</u>	<u>2,732,110</u>	<u>7,576,854</u>
At 1 January 2021	5,466,715	2,324,598	7,791,313
Premiums received	281,517	1,280,759	1,562,276
Liabilities paid for death, maturities, surrenders, benefits and claims	(667,101)	(476,833)	(1,143,934)
Benefits and claims experience variation	(5,514)	(275,317)	(280,831)
Policy movements	212,296	(181,339)	30,957
Adjustments due to changes in assumptions:			
Mortality/morbidity	-	(22,959)	(22,959)
Lapse and surrender rates			
Expenses	(512)	5,831	5,319
Unit fund growth rate	-	(3)	(3)
Others	-	(51)	(51)
Movement in unallocated deficit	(9,611)	-	(9,611)
Available-for-sale fair value adjustment	(141,235)	-	(141,235)
Net asset value attributable to unitholders	-	7,861	7,861
Movement in provision for outstanding claims	29,300	41,131	70,431
Asset revaluation surplus adjustment	2,681	-	2,681
	<u>5,168,536</u>	<u>2,703,678</u>	<u>7,872,214</u>

*Discretionary participation features

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11 **INSURANCE CONTRACT LIABILITIES (CONTINUED)**

<u>Company</u>	<u>Gross</u>		
	<u>With DPF*</u> RM'000	<u>Without DPF*</u> RM'000	<u>Total</u> RM'000
At 1 January 2022	5,168,536	2,703,491	7,872,027
Premiums received	112,585	713,030	825,615
Liabilities paid for death, maturities, surrenders, benefits and claims	(236,510)	(255,821)	(492,331)
Benefits and claims experience variation	40,830	(199,466)	(158,636)
Policy movements	24,779	(113,324)	(88,545)
Movement in unallocated deficit	(40,830)	-	(40,830)
Available-for-sale fair value adjustment	(235,018)	-	(235,018)
Net asset value attributable to unitholders	-	(121,518)	(121,518)
Movement in provision for outstanding claims	10,372	4,951	15,323
	<u>4,844,744</u>	<u>2,731,343</u>	<u>7,576,087</u>
At 30 June 2022			
At 1 January 2021	5,466,715	2,325,088	7,791,803
Premiums received	281,517	1,280,759	1,562,276
Liabilities paid for death, maturities, surrenders, benefits and claims	(667,101)	(476,833)	(1,143,934)
Benefits and claims experience variation	(5,514)	(275,317)	(280,831)
Policy movements	212,296	(181,339)	30,957
Adjustments due to changes in assumptions:			
Mortality/morbidity	-	(22,959)	(22,959)
Lapse and surrender rates			
Expenses	(512)	5,831	5,319
Unit fund growth rate	-	(3)	(3)
Others	-	(51)	(51)
Movement in unallocated deficit	(9,611)	-	(9,611)
Available-for-sale fair value adjustment	(141,235)	-	(141,235)
Net asset value attributable to unitholders	-	7,184	7,184
Movement in provision for outstanding claims	29,300	41,131	70,431
Asset revaluation surplus adjustment	2,681	-	2,681
	<u>5,168,536</u>	<u>2,703,491</u>	<u>7,872,027</u>
At 31 December 2021			

* Discretionary participation features

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12 CAPITAL COMMITMENTS

Capital expenditure not provided for in the financial statements are as follows:

	<u>Group/Company</u>	
	<u>As at</u>	<u>As at</u>
	<u>30.06.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000
Authorised and contracted but not provided for:		
- Computer hardware and software	2,038	1,487
- Renovation	1,335	333
	<u>3,373</u>	<u>1,820</u>

13 CAPITAL MANAGEMENT

The Group and the Company's capital management objective is to maintain a strong capital position with optimum buffer to meet obligations towards policyholders and to comply with the required capital requirements.

A. Investment Management

The investment portfolio of the Group and the Company which forms the largest asset pool is managed by an investment team through setting of investment policy and strategic asset allocation. The investment limits are set and monitored at various levels to ensure that all investment activities are within the guidelines set by the local statutory requirements governed by BNM.

B. Regulatory Capital Framework

Regulatory capital is the minimum amount of assets that must be held throughout the financial year to meet statutory solvency requirements governed under the RBC Framework. As part of the statutory requirements, the Company is required to provide its capital position on a quarterly basis to BNM.

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13 CAPITAL MANAGEMENT (CONTINUED)

B. Regulatory Capital Framework (continued)

The capital structure of the Company, consisting of all funds, as at the date of statements of financial position, as prescribed under the RBC Framework is provided below:

	<u>Group/Company</u>	
	<u>As at</u> <u>30.06.2022</u> RM'000	<u>As at</u> <u>31.12.2021</u> RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	226,000	226,000
Reserves, including retained earnings	2,401,047	2,262,182
Tier 2 Capital	130,557	469,577
Amount deducted from capital	(53,946)	(65,952)
Total capital available	<u>2,703,658</u>	<u>2,891,807</u>

The Company has met both the minimum and internal capital requirements specified in the RBC Framework for six months period ended 30 June 2022 and for the financial year ended 31 December 2021.

14 INSURANCE FUND

The Group and the Company's activities are organised by funds and segregated into the Life Fund and Shareholders' Fund ("SHF") in accordance with the Financial Services Act, 2013 and Insurance Regulations, 1996. The Group and the Company's statement of financial position and statement of comprehensive income have been further analysed by funds which includes Life Fund and the SHF. The Life insurance business offers a wide range of participating and non-participating Whole of Life, Term Assurance, Endowment and Investment-linked products.

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer (Chief Operating decision maker). The Group and the Company have two operating segments comprises Life Fund and Shareholders' Fund in Malaysia.

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of Financial Position by Funds

Group	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS								
Property, plant and equipment	-	-	161,256	163,170	-	-	161,256	163,170
Right-of-use assets	-	-	10,750	10,883	-	-	10,750	10,883
Investment properties	-	-	174,345	174,345	-	-	174,345	174,345
Intangible assets	42,000	50,400	11,946	15,552	-	-	53,946	65,952
Financial investments								
AFS financial assets	165,498	140,190	5,370,281	5,780,001	-	-	5,535,779	5,920,191
FVTPL financial assets	-	-	1,773,407	1,860,259	-	-	1,773,407	1,860,259
HTM financial assets	-	-	931,132	931,288	-	-	931,132	931,288
Loans and receivables	173	383	379,296	383,711	-	-	379,469	384,094
Reinsurance assets	-	-	19,289	22,198	-	-	19,289	22,198
Tax recoverable	-	-	20,041	10,282	-	-	20,041	10,282
Insurance receivables	-	-	23,124	21,394	-	-	23,124	21,394
Other receivables	8,568	122,444	4,980	5,517	(2,467)	(117,675)	11,081	10,286
Cash and bank balances	9,299	7,842	617,586	461,637	-	-	626,885	469,479
TOTAL ASSETS	225,538	321,259	9,497,433	9,840,237	(2,467)	(117,675)	9,720,504	10,043,821

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of Financial Position by Funds (continued)

<u>Group</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES								
Share capital	226,000	226,000	-	-	-	-	226,000	226,000
Retained (deficits)/earnings	(7,209)	83,228	989,000	829,428	-	-	981,791	912,656
Available-for-sale reserve	(6,038)	(3,266)	(37,840)	43,682	-	-	(43,878)	40,416
Asset revaluation reserve	-	-	3,526	3,526	-	-	3,526	3,526
TOTAL EQUITY	212,753	305,962	954,686	876,636	-	-	1,167,439	1,182,598
Insurance contract liabilities	-	-	7,576,854	7,872,214	-	-	7,576,854	7,872,214
Insurance payables	-	-	640,885	614,502	-	-	640,885	614,502
Lease liabilities	-	-	1,305	1,337	-	-	1,305	1,337
Other payables	511	23	67,897	192,360	(2,467)	(117,675)	65,941	74,708
Other financial liabilities	1	1	612	933	-	-	613	934
Provision for agency long association benefits	-	-	37,313	36,719	-	-	37,313	36,719
Current tax liabilities/(tax recoverable)	14,130	16,467	(14,130)	(13,814)	-	-	-	2,653
Deferred tax (assets)/liabilities	(1,857)	(1,194)	232,011	259,350	-	-	230,154	258,156
TOTAL POLICYHOLDERS' FUNDS AND LIABILITIES	12,785	15,297	8,542,747	8,963,601	(2,467)	(117,675)	8,553,065	8,861,223

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14 INSURANCE FUNDS (CONTINUED)

Statement of Financial Position by Funds (continued)

<u>Group</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	<u>225,538</u>	<u>321,259</u>	<u>9,497,433</u>	<u>9,840,237</u>	<u>(2,467)</u>	<u>(117,675)</u>	<u>9,720,504</u>	<u>10,043,821</u>
Additional information:								
Purchase of property, plant and equipment	-	-	1,038	1,534	-	-	1,038	1,534
Purchase of intangible assets	-	-	429	5,253	-	-	429	5,253

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of profit or loss by Funds

<u>Group</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross earned premium revenue	-	-	824,333	714,927	-	-	824,333	714,927
Premiums ceded to reinsurers	-	-	(24,968)	(23,980)	-	-	(24,968)	(23,980)
Net earned revenue	-	-	799,365	690,947	-	-	799,365	690,947
Investment income	2,020	2,579	180,898	181,415	-	-	182,918	183,994
Net realised (losses)/gains	(150)	1,763	(1,600)	46,127	-	-	(1,750)	47,890
Net fair value (losses)/gains	-	-	(215,613)	13,397	-	-	(215,613)	13,397
Commission income	-	-	1,868	893	-	-	1,868	893
Other income/(expenses)	1,870	4,342	(34,447)	241,832	-	-	(32,577)	246,174
Gross benefits and claims paid	-	-	(496,928)	(606,729)	-	-	(496,928)	(606,729)
Claims ceded to reinsurers	-	-	16,258	15,119	-	-	16,258	15,119
Gross change to insurance contract liabilities	-	-	75,914	21,045	-	-	75,914	21,045
Net insurance benefits and claims	-	-	(404,756)	(570,565)	-	-	(404,756)	(570,565)

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of profit or loss by Funds (continued)

<u>Group</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Commission and agency expenses	(2,332)	(2,239)	(80,788)	(76,093)	-	-	(83,120)	(78,332)
Management expenses	(10,265)	(9,261)	(84,645)	(75,300)	-	-	(94,910)	(84,561)
Other operating (expenses)/income- net	-	-	(1,402)	73	-	-	(1,402)	73
Other expenses	(12,597)	(11,500)	(166,835)	(151,320)	-	-	(179,432)	(162,820)
(Loss)/profit before taxation	(10,727)	(7,158)	193,327	210,894	-	-	182,600	203,736
Taxation	290	(370)	(33,755)	(55,320)	-	-	(33,465)	(55,690)
Net profit/(loss) for the financial period	(10,437)	(7,528)	159,572	155,574	-	-	149,135	148,046

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of total Comprehensive Income by Funds

<u>Group</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit for the financial period	(10,437)	(7,528)	159,572	155,574	-	-	149,135	148,046
Other comprehensive loss:								
<u>Items that will be reclassified subsequently to profit or loss</u>								
Fair value change on available-for-sale financial assets:								
Net losses arising during financial period	(3,584)	(3,749)	(367,818)	(196,405)	-	-	(371,402)	(200,154)
Realised gains/(losses) transferred to profit or loss	150	(1,763)	(45,158)	(76,290)	-	-	(45,008)	(78,053)
Impairment losses transferred to profit or loss	-	-	46,758	30,163	-	-	46,758	30,163
Tax effects thereon	663	1,126	49,677	33,016	-	-	50,340	34,142
Fair value losses, net of tax	(2,771)	(4,386)	(316,541)	(209,516)	-	-	(319,312)	(213,902)
Change in insurance contract liabilities arising from net fair value losses	-	-	235,018	155,063	-	-	235,018	155,063
Net fair value change	(2,771)	(4,386)	(81,523)	(54,453)	-	-	(84,294)	(58,839)

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14 INSURANCE FUNDS (CONTINUED)

Statement of total Comprehensive Income by Funds (continued)

<u>Group</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other comprehensive loss: (continued)								
Total other comprehensive loss	(2,771)	(4,386)	(81,523)	(54,453)	-	-	(84,294)	(58,839)
Total comprehensive (loss)/income for the financial year	(13,208)	(11,914)	78,049	101,121	-	-	64,841	89,207
Additional information:								
Interest income	382	302	145,870	139,102	-	-	146,252	139,404
Interest expenses	-	-	(577)	(531)	-	-	(577)	(531)
Depreciation	-	-	(3,293)	(3,542)	-	-	(3,293)	(3,542)
Amortisation	(8,400)	(8,400)	(2,506)	(1,680)	-	-	(10,906)	(10,080)

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of Financial Position by Funds (continued)

Company	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS								
Property, plant and equipment	-	-	161,256	163,170	-	-	161,256	163,170
Right-of-use assets	-	-	10,750	10,883	-	-	10,750	10,883
Investment properties	-	-	174,345	174,345	-	-	174,345	174,345
Intangible assets	42,000	50,400	11,946	15,552	-	-	53,946	65,952
Financial investments								
AFS financial assets	172,674	145,682	5,370,281	5,780,001	-	-	5,542,955	5,925,683
FVTPL financial assets	-	-	1,774,329	1,860,981	-	-	1,774,329	1,860,981
HTM financial assets	-	-	931,132	931,288	-	-	931,132	931,288
Loans and receivables	173	383	379,296	383,711	-	-	379,469	384,094
Reinsurance assets	-	-	19,289	22,198	-	-	19,289	22,198
Tax recoverable	-	-	20,041	10,282	-	-	20,041	10,282
Insurance receivables	-	-	23,124	21,394	-	-	23,124	21,394
Other receivables	8,568	122,444	4,969	4,878	(2,467)	(117,675)	11,070	9,647
Cash and bank balances	2,104	2,326	615,189	460,395	-	-	617,293	462,721
TOTAL ASSETS	225,519	321,235	9,495,947	9,839,078	(2,467)	(117,675)	9,718,999	10,042,638
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES								
Share capital	226,000	226,000	-	-	-	-	226,000	226,000
Retained (deficits)/earnings	(7,367)	83,742	989,000	829,428	-	-	981,633	913,170
Available-for-sale reserve	(5,880)	(3,780)	(37,840)	43,682	-	-	(43,720)	39,902
Asset revaluation reserve	-	-	3,526	3,526	-	-	3,526	3,526
TOTAL EQUITY	212,753	305,962	954,686	876,636	-	-	1,167,439	1,182,598

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of Financial Position by Funds (continued)

<u>Company</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>	<u>30.06.2022</u>	<u>31.12.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Insurance contract liabilities	-	-	7,576,087	7,872,027	-	-	7,576,087	7,872,027
Insurance payables	-	-	640,885	614,502	-	-	640,885	614,502
Lease liabilities	-	-	1,305	1,337	-	-	1,305	1,337
Other payables	493	-	67,790	192,321	(2,467)	(117,675)	65,816	74,646
Provision for agency long association benefits	-	-	37,313	36,719	-	-	37,313	36,719
Current tax liabilities/(tax recoverable)	14,130	16,467	(14,130)	(13,814)	-	-	-	2,653
Deferred tax (assets)/liabilities	(1,857)	(1,194)	232,011	259,350	-	-	230,154	258,156
TOTAL POLICYHOLDERS' FUNDS AND LIABILITIES	12,766	15,273	8,541,261	8,962,442	(2,467)	(117,675)	8,551,560	8,860,040
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	225,519	321,235	9,495,947	9,839,078	(2,467)	(117,675)	9,718,999	10,042,638

Additional information:

Purchase of property, plant and equipment	-	-	1,038	1,534	-	-	1,038	1,534
Purchase of intangible assets	-	-	429	5,253	-	-	429	5,253

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14 **INSURANCE FUNDS (CONTINUED)**

Statement of Profit or Loss by Funds

<u>Company</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross earned premium revenue	-	-	824,333	714,927	-	-	824,333	714,927
Premiums ceded to reinsurers	-	-	(24,968)	(23,980)	-	-	(24,968)	(23,980)
Net earned revenue	-	-	799,365	690,947	-	-	799,365	690,947
Investment income	1,307	1,791	180,816	181,353	-	-	182,123	183,144
Net realised (losses)/gains	(171)	1,665	(1,600)	46,127	-	-	(1,771)	47,792
Net fair value (losses)/gains	-	-	(216,085)	13,185	-	-	(216,085)	13,185
Commission income	-	-	1,868	893	-	-	1,868	893
Other income/(expenses)	1,136	3,456	(35,001)	241,558	-	-	(33,865)	245,014
Gross benefits and claims paid	-	-	(496,928)	(606,729)	-	-	(496,928)	(606,729)
Claims ceded to reinsurers	-	-	16,258	15,119	-	-	16,258	15,119
Gross change to insurance contract liabilities	-	-	76,245	21,106	-	-	76,245	21,106
Net insurance benefits and claims	-	-	(404,425)	(570,504)	-	-	(404,425)	(570,504)

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30 JUNE 2022 (CONTINUED)

14 **INSURANCE FUNDS (CONTINUED)**

Statement of Profit or Loss by Funds (continued)

<u>Company</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Commission and agency expenses	(2,332)	(2,239)	(80,788)	(76,093)	-	-	(83,120)	(78,332)
Management expenses	(10,203)	(9,195)	(84,443)	(75,108)	-	-	(94,646)	(84,303)
Other operating (expenses)/income- net	-	-	(1,381)	94	-	-	(1,381)	94
Other expenses	(12,535)	(11,434)	(166,612)	(151,107)	-	-	(179,147)	(162,541)
(Loss)/profit before taxation	(11,399)	(7,978)	193,327	210,894	-	-	181,928	202,916
Taxation	290	(370)	(33,755)	(55,320)	-	-	(33,465)	(55,690)
Net (loss)/profit for the financial year	(11,109)	(8,348)	159,572	155,574	-	-	148,463	147,226

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30 JUNE 2022 (CONTINUED)

14 **INSURANCE FUNDS (CONTINUED)**

Statement of total Comprehensive Income by Funds

<u>Company</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Net (loss)/profit for the financial period	(11,109)	(8,348)	159,572	155,574	-	-	148,463	147,226
Other comprehensive loss:								
<u>Items that will be reclassified subsequently to profit or loss</u>								
Fair value change on available-for-sale financial assets:								
Net losses arising during financial year	(2,933)	(3,027)	(367,818)	(196,405)	-	-	(370,751)	(199,432)
Realised losses/(gains) transferred to profit or loss	171	(1,665)	(45,158)	(76,290)	-	-	(44,987)	(77,955)
Impairment losses transferred to profit or loss	-	-	46,758	30,163	-	-	46,758	30,163
Tax effects thereon	663	1,126	49,677	33,016	-	-	50,340	34,142
Fair value losses, net of tax	(2,099)	(3,566)	(316,541)	(209,516)	-	-	(318,640)	(213,082)
Change in insurance contract liabilities arising from net fair value losses	-	-	235,018	155,063	-	-	235,018	155,063
Net fair value change	(2,099)	(3,566)	(81,523)	(54,453)	-	-	(83,622)	(58,019)

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30 JUNE 2022 (CONTINUED)

14 **INSURANCE FUNDS (CONTINUED)**

Statement of total Comprehensive Income by Funds (continued)

<u>Company</u>	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>	<u>30.06.2022</u>	<u>30.06.2021</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other comprehensive loss: (continued)								
Total other comprehensive loss	(2,099)	(3,566)	(81,523)	(54,453)	-	-	(83,622)	(58,019)
Total comprehensive (loss)/income for the financial period	(13,208)	(11,914)	78,049	101,121	-	-	64,841	89,207
Additional information:								
Interest income	382	302	145,870	139,102	-	-	146,252	139,404
Interest expenses	-	-	(577)	(531)	-	-	(577)	(531)
Depreciation	-	-	(3,293)	(3,542)	-	-	(3,293)	(3,542)
Amortisation	(8,400)	(8,400)	(2,506)	(1,680)	-	-	(10,906)	(10,080)

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NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30 JUNE 2022 (CONTINUED)

15 INVESTMENT-LINKED FUND

The statement of financial position and statement of profit or loss of investment-linked fund represent the assets, liabilities and net asset values of TokioMarine Orient Fund (“TMOF”), TokioMarine Enterprise Fund (“TMEF”), TokioMarine Bond Fund (“TMBF”), TokioMarine Dana Ikhtiar (“TMDI”) and TokioMarine Luxury Fund (“TMLX”).

The statement of financial position of the investment-linked fund is represented by:

	Group		Company	
	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000	As at 30.06.2022 RM'000	As at 30.06.2021 RM'000
ASSETS				
Fair value through profit and loss financial assets	970,927	985,384	971,849	986,107
Other receivables	737	996	727	356
Cash and cash equivalents	77,634	88,150	75,237	86,908
TOTAL ASSETS	1,049,298	1,074,530	1,047,813	1,073,371
LIABILITIES				
Other payables	1,513	960	1,407	921
Other financial liabilities (Tax recoverable)/ current tax liabilities	612 (87)	933 972	- (87)	- 972
Deferred tax (assets)/liabilities	(6,945)	3,363	(6,945)	3,363
TOTAL LIABILITIES	(4,907)	6,228	(5,625)	5,256
Net asset value of funds (Note 11)	1,054,205	1,068,302	1,053,438	1,068,115

The statement of financial position has been adjusted for the following assets, liabilities and net asset value of TokioMarine Managed Fund (“TMMF”) which have been eliminated as TMMF invested mainly in TMEF and TMBF during the financial period/year:

	Group/Company	
	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
ASSETS		
Investments in other linked funds of insurer	487,002	490,080
Cash and cash equivalents	1	2
Net asset value of TMMF	487,003	490,082

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15 INVESTMENT-LINKED FUND (CONTINUED)

The statement of profit or loss of the investment-linked fund is represented by:

	<u>Group</u>		<u>Company</u>	
	6 months ended <u>30.06.2022</u> RM'000	6 months ended <u>30.06.2021</u> RM'000	6 months ended <u>30.06.2022</u> RM'000	6 months ended <u>30.06.2021</u> RM'000
Investment income	16,042	14,870	15,960	14,807
Fair value losses on investments	(141,860)	(14,200)	(142,332)	(14,412)
Other operating gains - net	250	11	23	32
Other (loss)/income	(125,568)	681	(126,349)	427
Management fees	(6,069)	(5,123)	(6,069)	(5,123)
Management expenses	(215)	(207)	(14)	(14)
Other expenses	(6,284)	(5,330)	(6,083)	(5,137)
Loss before tax	(131,852)	(4,649)	(132,432)	(4,710)
Taxation	10,914	802	10,914	802
Net loss for the financial period	<u>(120,938)</u>	<u>(3,847)</u>	<u>(121,518)</u>	<u>(3,908)</u>

The statement of profit or loss have been adjusted for TokioMarine Managed Fund (“TMMF”) which have been eliminated as TMMF invested mainly in TMEF and TMBF during the financial period/year:

	<u>Group/Company</u>	
	6 months ended <u>30.06.2022</u> RM'000	6 months ended <u>30.06.2021</u> RM'000
Fair value loss on investments	(54,553)	(5,050)
Management expenses	(3)	(3)
Net loss for the financial period	<u>(54,556)</u>	<u>(5,053)</u>

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**NOTES TO THE CONDENSED UNAUDITED FINANCIAL STATEMENTS – 30
JUNE 2022 (CONTINUED)**

16 **ADDITIONAL DISCLOSURE UNDER AMENDMENTS TO MFRS 4 INSURANCE CONTRACT
LIABILITIES**

The following additional disclosures, required by Amendments to MFRS 4 for entity qualified and elected the temporary exemption from applying MFRS 9, present the Group and the Company's financial assets by their contractual cash flows characteristics, which indicate if they are solely payments of principal and interest on the principal outstanding ("SPPI"):

30 June 2022

Group/Company	Financial assets with SPPI cash flows (RM'000)	All other financial assets (RM'000)
Fair value at end of reporting date	6,031,675	2,845,821
Fair value changes during the financial period	(206,369)	(441,265)
Gross carrying amount under MFRS 139 by credit risk rating grades as defined in MFRS 7	6,031,675	2,845,821
Financial assets defined in MFRS 9 B5.5.22, to separately disclose the following financial assets that do not have low credit risk:		
- Fair value	-	-
- Gross carrying amount	-	-

31 December 2021

Group/Company	Financial assets with SPPI cash flows (RM'000)	All other financial assets (RM'000)
Fair value at end of reporting date	5,955,663	3,299,930
Fair value changes during the financial period	(237,062)	(127,071)
Gross carrying amount under MFRS 139 by credit risk rating grades as defined in MFRS 7	5,891,317	3,299,930
Financial assets defined in MFRS 9 B5.5.22, to separately disclose the following financial assets that do not have low credit risk:		
- Fair value	-	-
- Gross carrying amount	-	-

* Insurance receivables, reinsurance assets and policy loans have been excluded from the above assessment as they are under the scope of MFRS 4 'Insurance Contracts'.

* Other than the financial assets included in the table above and assets that are within the scope of MFRS 4 'Insurance Contracts', all other assets in the statement of financial position are non-financial asset.

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16 **ADDITIONAL DISCLOSURE UNDER AMENDMENTS TO MFRS 4 INSURANCE CONTRACT LIABILITIES (CONTINUED)**

Financial assets with SPPI cash flows

Group/Company

	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Government Guaranteed</u>	<u>Unrated</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>30 June 2022</u>						
Investments						
Malaysian Government Securities	-	-	-	-	572,310	572,310
Malaysian Government Guaranteed Bond	-	-	-	1,588,421	-	1,588,421
Government Investment Issues	-	-	-	-	397,612	397,612
Corporate debt securities	1,027,452	1,499,159	262,268	-	55,373	2,844,252
Loans and receivables	-	-	-	-	717	717
Other receivables	-	-	-	-	11,070	11,070
Cash and cash equivalents	377,461	234,840	4,519	-	473	617,293
	<u>1,404,913</u>	<u>1,733,999</u>	<u>266,787</u>	<u>1,588,421</u>	<u>1,037,555</u>	<u>6,031,675</u>
<u>31 December 2021</u>						
Investments						
Malaysian Government Securities	-	-	-	-	578,159	578,159
Malaysian Government Guaranteed Bond	-	-	-	1,664,664	-	1,664,664
Government Investment Issues	-	-	-	-	425,445	425,445
Corporate debt securities	1,037,002	1,431,374	224,832	-	56,546	2,749,754
Loans and receivables	-	-	-	-	927	927
Other receivables	-	-	-	-	9,647	9,647
Cash and cash equivalents	332,866	129,772	-	-	83	462,721
	<u>1,369,868</u>	<u>1,561,146</u>	<u>224,832</u>	<u>1,664,664</u>	<u>1,070,807</u>	<u>5,891,317</u>

All financial assets with SPPI cash flows of the Group and the Company as at 30 June 2022 and 31 December 2021 have low credit risk.