

Manulife signs 16-year exclusive bancassurance partnership with VietinBank and agrees to acquire Aviva Vietnam

December 14, 2020



Transaction Summary



Scope

- Manulife Vietnam selected as the exclusive provider of bancassurance solutions to VietinBank customers
- 16-year exclusive partnership
- 100% acquisition of Aviva Vietnam (current partner to VietinBank)



Key Deal Terms

- Ongoing variable performance-based payments to VietinBank
- Subject to regulatory approvals



Expected Timing

- Bancassurance partnership with VietinBank to launch shortly after regulatory approval



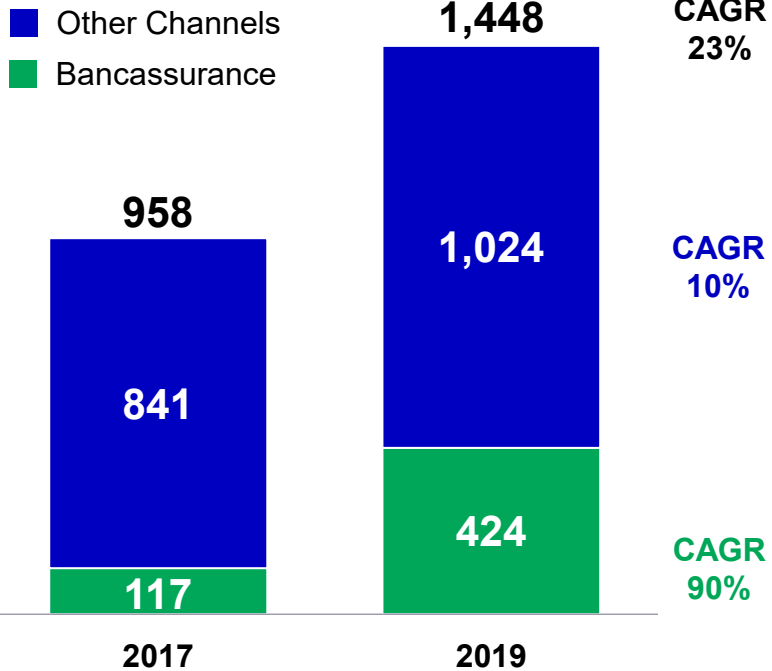
Expected Impact

- Funded with existing, internal resources
- Expected to be accretive to Core EPS¹ in 2022
- Impact to the LICAT ratio is expected to be less than 1%

Vietnam – Growth Market with Strong Untapped Potential

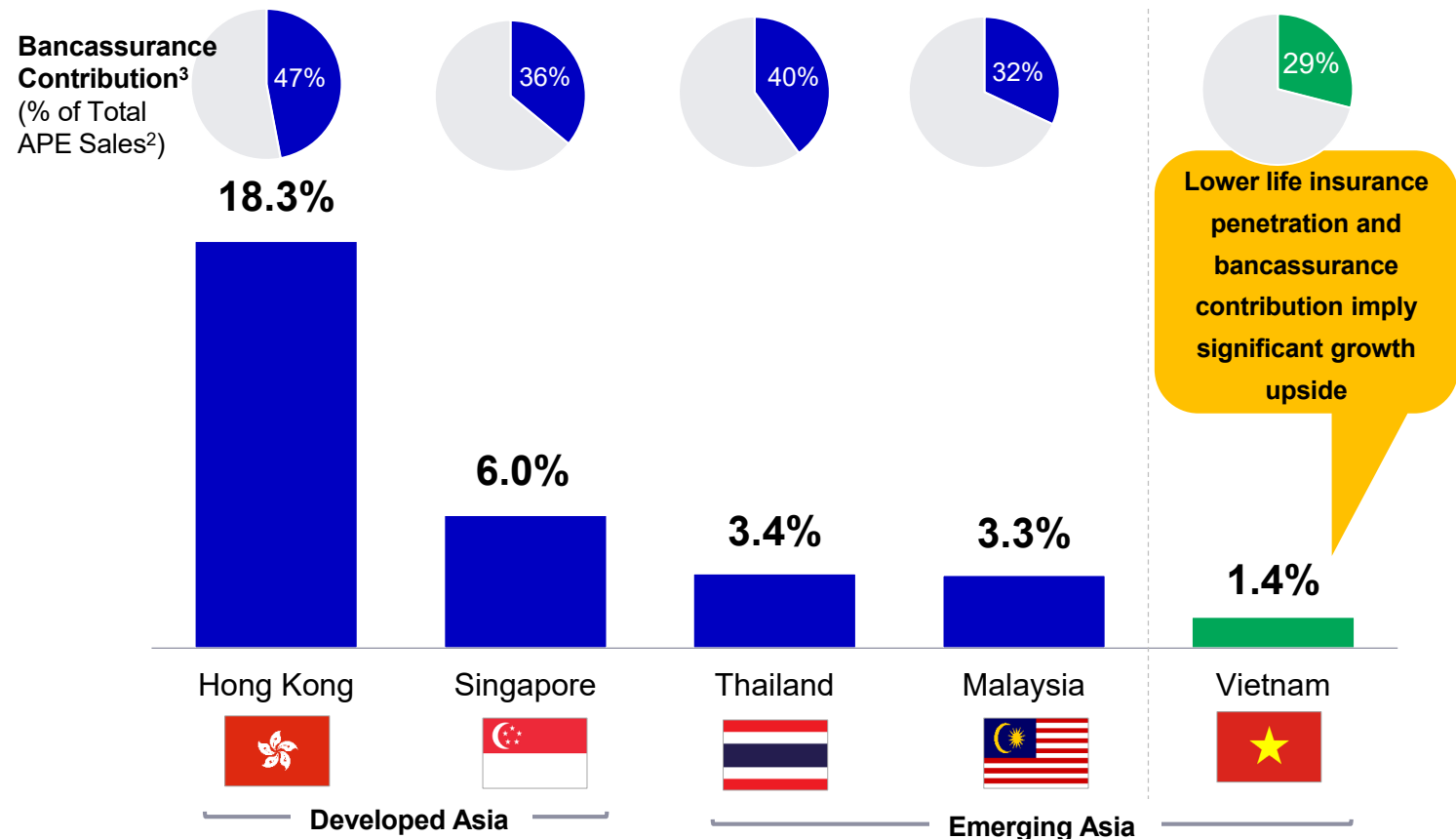
Robust Growth for the Past 2 Years Across Distribution Channels

APE Sales (US\$m^{1,2})



Significant Upside Potential with Bancassurance as a Key Driver Amidst Low Insurance Penetration

Insurance Penetration (%)

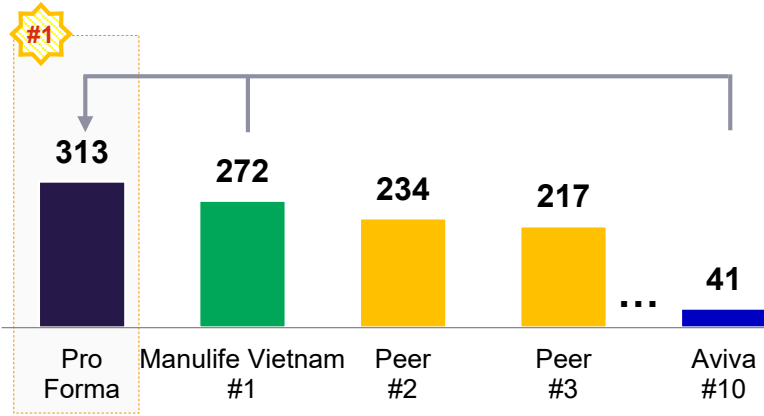


Manulife Vietnam – A Market Leader with Strong Track Record

Increasing Market Leadership¹

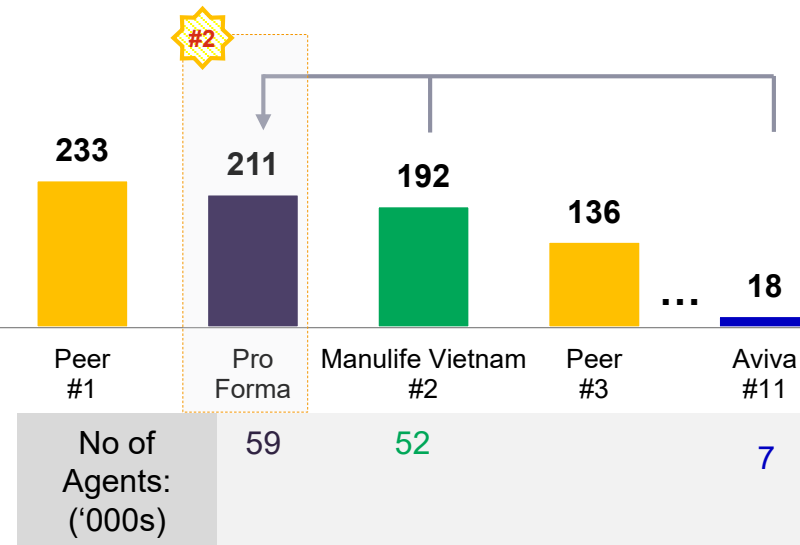
Total Life APE Sales

2019; US\$m²



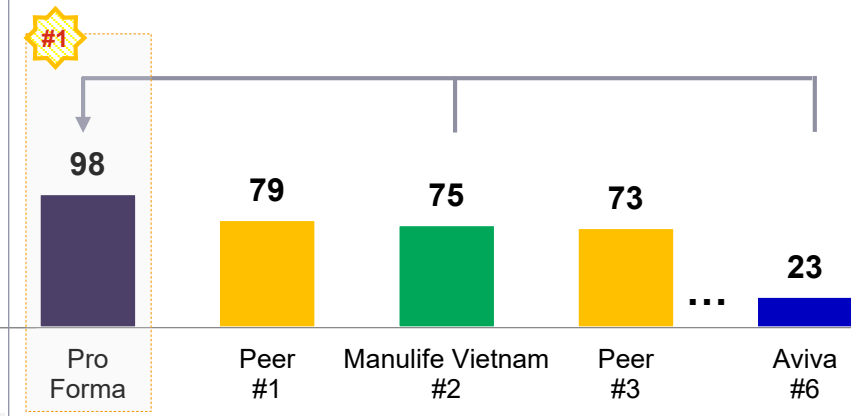
Agency APE Sales

2019; US\$m²



Bancassurance APE Sales

2019; US\$m²



A Proven Track Record

Total APE Sales – Manulife Vietnam

US\$m²



Bancassurance APE Sales – Manulife Vietnam

US\$m²



Source: Informal (Industry exchange) market shared data

Notes:

- "Peer" notation used for anonymity and are not used consistently to represent same insurers across market landscapes presented on this page.
- APE Sales is a Non-GAAP financial measure. For more information on Non-GAAP measures see "Performance and Non-GAAP measures" in our 3Q20 Management Discussion & Analysis.
- Applied an exchange rate of 23,221 VND / USD as of 19 November 2020.

Strategic and Financial Rationale: VietinBank Further Strengthens Manulife Vietnam

1
Strengthening Leadership in a Fast-Growing Market



Description
<ul style="list-style-type: none"> Strong growth potential in Vietnam Builds on Manulife Financial Corporation’s success Increases bancassurance reach in Vietnam

	Current		Pro-forma
Overall Ranking by APE Sales ¹	#1	➔	#1
Bancassurance Ranking by APE Sales ¹	#2	➔	#1
Bancassurance APE Sales (US\$m ^{1,2})	75	➔	98

2
Partnership with a Leading Bank in Vietnam



<ul style="list-style-type: none"> VietinBank is a leader by scale, reach and quality <ul style="list-style-type: none"> #1 by number of branches³ #1 in bancassurance sales⁴ #2 by number of customers ROE of 13% Aligned on digital strategy Complementary footprint to existing bank partners
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1,113 Branch Network⁵

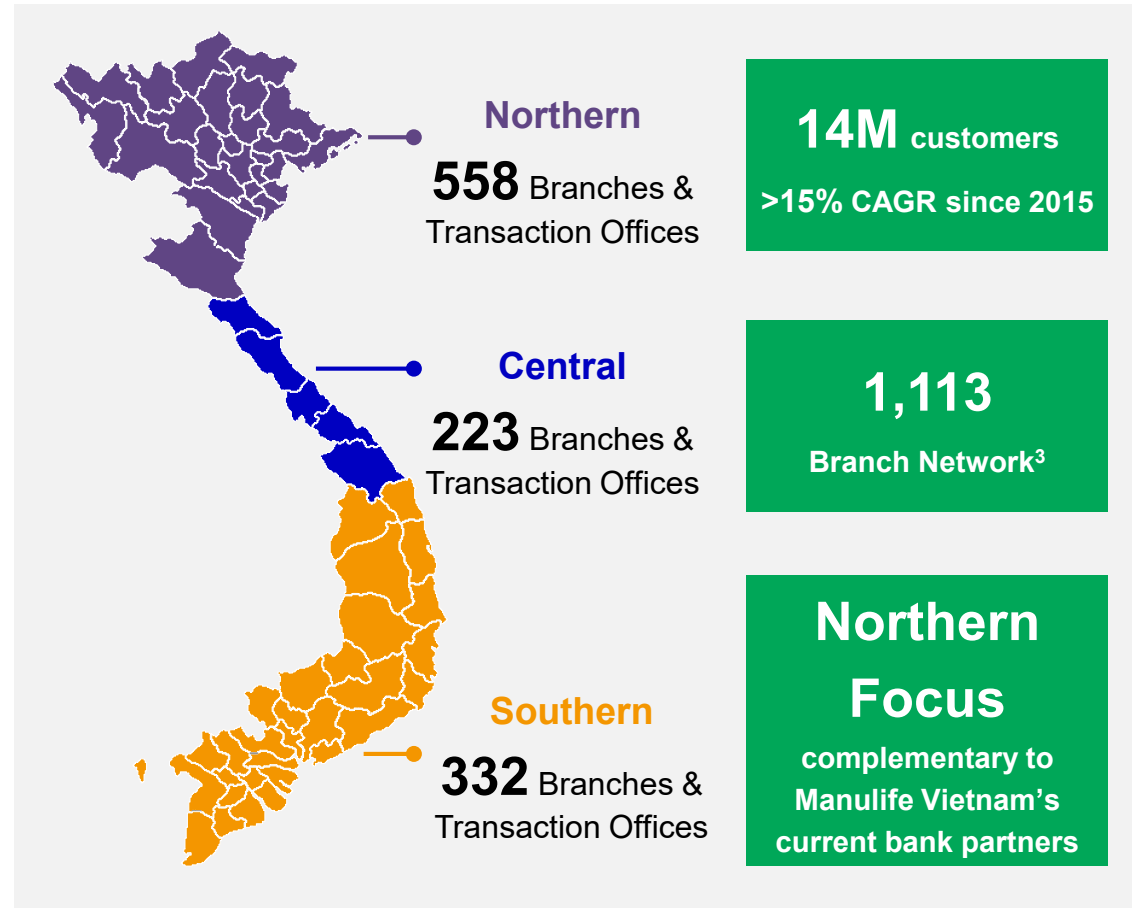
~14m Customers

<0.5% Bank Penetration

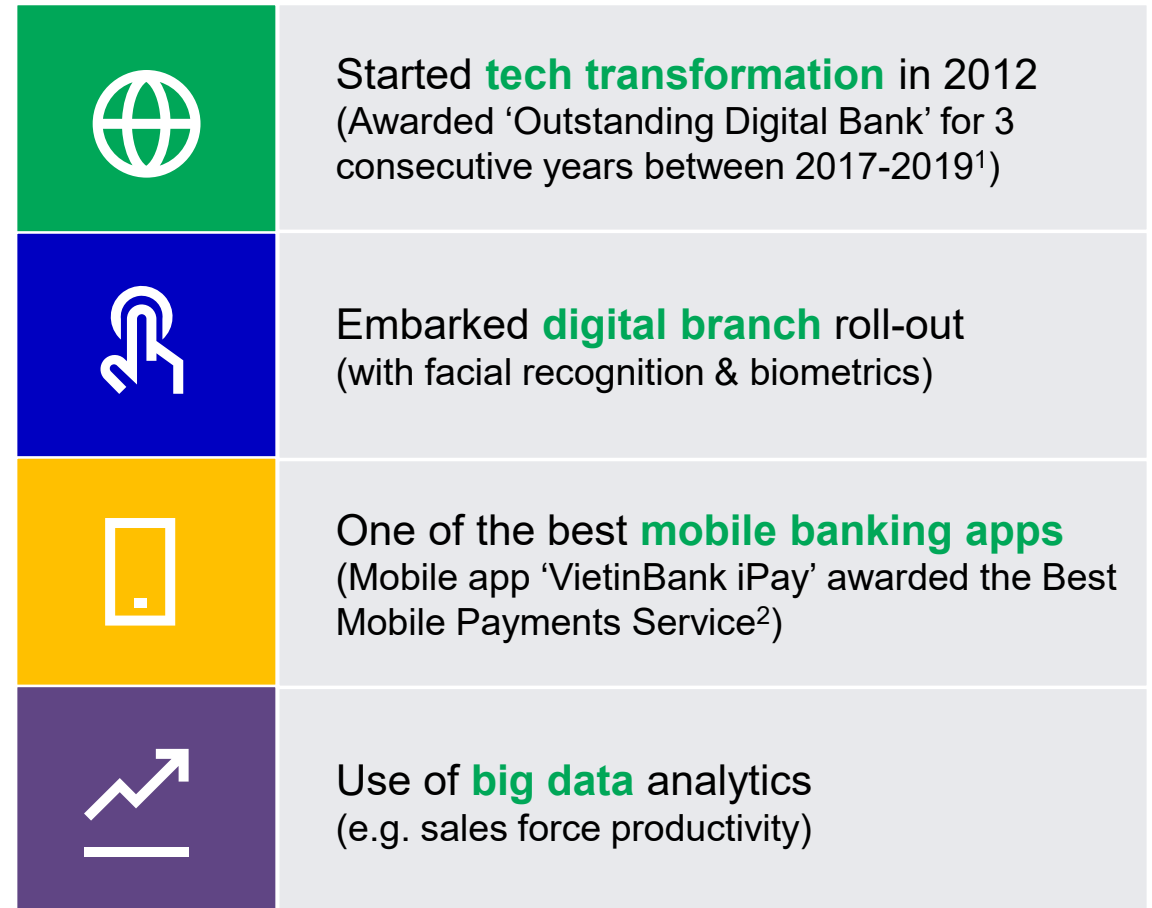
Source: Informal (Industry exchange) market shared data
Notes:
 1. APE Sales is a Non-GAAP financial measure. For more information on Non-GAAP measures see "Performance and Non-GAAP measures" in our 3Q20 Management Discussion & Analysis.
 2. Applied an exchange rate of 23,221 VND / USD as of 19 November 2020.
 3. Based on all joint stock banks.
 4. 2018 and 2019 bancassurance sales amongst all State-owned banks.
 5. Includes branches and transaction offices.

VietinBank is a leading Vietnamese bank with 14 million customers

Leading Bank with Complementary Branch Network



Alignment on Digital Strategy



Caution regarding forward looking statements

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

From time to time, Manulife Financial Corporation makes written and/or oral forward-looking statements, including in this presentation. In addition, our representatives may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of Canadian provincial securities laws and the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements in this presentation include, but are not limited to, statements with respect to the expected financial impact of this transaction and also relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as “will”, “expect”, “estimate”, “believe”, “plan”, “objective”, “continue”, and “goal”, (or the negative thereof) and words and expressions of similar import, and include statements concerning possible or assumed future results.

Although we believe that 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 and they should not be interpreted as confirming market or analysts’ expectations in any way. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: our ability to obtain all necessary regulatory approvals to complete the transaction; general business and economic conditions (including but not limited to the performance, volatility and correlation of equity markets, interest rates, credit and swap spreads, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties); the severity, duration and spread of the COVID-19 outbreak, as well as actions that may be taken by governmental authorities to contain COVID-19 or to treat its impact; changes in laws and regulations; changes in accounting standards applicable in Vietnam; changes in regulatory capital requirements applicable in Vietnam; our ability to execute strategic plans and changes to strategic plans; downgrades in our financial strength or credit ratings; our ability to maintain our reputation; impairments of goodwill or intangible assets or the establishment of provisions against future tax assets; the accuracy of estimates relating to morbidity, mortality and policyholder behaviour; the accuracy of other estimates used in applying accounting policies, actuarial methods and embedded value methods; our ability to implement effective hedging strategies and unforeseen consequences arising from such strategies; our ability to source appropriate assets to back our long-dated liabilities; level of competition and consolidation; our ability to market and distribute products through current and future distribution channels; unforeseen liabilities or asset impairments arising from acquisitions and dispositions of businesses; the realization of losses arising from the sale of investments classified as available-for-sale; our liquidity, including the availability of financing to satisfy existing financial liabilities on expected maturity dates when required; obligations to pledge additional collateral; the availability of letters of credit to provide capital management flexibility; accuracy of information received from counterparties and the ability of counterparties to meet their obligations; the availability, affordability and adequacy of reinsurance; legal and regulatory proceedings, including tax audits, tax litigation or similar proceedings; our ability to adapt products and services to the changing market; our ability to attract and retain key executives, employees and agents; the appropriate use and interpretation of complex models or deficiencies in models used; political, legal, operational and other risks associated with our non-North American operations; acquisitions or divestitures, and our ability to complete transactions; environmental concerns; our ability to protect our intellectual property and exposure to claims of infringement; and our inability to withdraw cash from subsidiaries.

Additional information about material risk factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in our 3Q20 Management’s Discussion and Analysis under “Risk Management and Risk Factors Update” and “Critical Actuarial and Accounting Policies”, under “Risk Management”, “Risk Factors” and “Critical Actuarial and Accounting Policies” in our 2019 Management’s Discussion and Analysis, and in the “Risk Management” note to the Consolidated Financial Statements for the year ended December 31, 2019 as well as elsewhere in our filings with Canadian and U.S. securities regulators. The forward-looking statements in this presentation are, unless otherwise indicated, stated as of the date hereof and are presented for the purpose of assisting investors and others in understanding our financial position and results of operations, our future operations, as well as our objectives and strategic priorities, and may not be appropriate for other purposes. We do not undertake to update any forward-looking statements, except as required by law.

Thank you

 Manulife

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