

REPL::TENDER/ ACQUISITION/ TAKEOVER/ PURCHASE OFFER::VOLUNTARY

Issuer & Securities

Issuer/ Manager

GREAT EASTERN HOLDINGS LIMITED

Security

GREAT EASTERN HLDGS LTD - SG1I55882803 - G07

Announcement Details

Announcement Title

Voluntary Tender/ Acquisition/ Takeover/ Purchase Offer

Date & Time of Broadcast

09-Jun-2025 17:30:07

Status

Replacement

Corporate Action Reference

SG250606TENDVIAA

Submitted By (Co./ Ind. Name)

Wong Chuen Shya

Designation

Assistant Company Secretary

Percentage Sought (%)

100

Financial Year End

31/12/2024

Event Narrative

Narrative Type	Narrative Text
Offeror	Oversea-Chinese Banking Corporation Limited
Additional Text	Please refer to the following attachments:- 1. Notice of EGM; 2. Proxy Form; 3. Circular to Shareholders; 4. Despatch of Notice of Electronic Dissemination of Circular; and 5. Notification to Shareholders.

Disbursement Details

Closing Time

00:00:00

Existing Security Details

Disbursement Type

Cash

Cash Payment Details

Offer Price

SGD 30.15

Attachments

[GEH Notice of EGM.pdf](#)

[GEH Proxy Form.pdf](#)

[GEH Circular to Shareholders.pdf](#)

[GEH Despatch of Notice of Electronic Dissemination of Circular.pdf](#)

[GEH Notification to Shareholders.pdf](#)

Total size = 13861K MB

Related Announcements

Related Announcements

[06/06/2025 07:35:24](#)

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199903008M)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Great Eastern Holdings Limited (the “**Company**”) will be held at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on 8 July 2025 at 2.00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions.

All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Company’s circular to Shareholders dated 9 June 2025 (the “**Circular**”).

A. DELISTING RESOLUTION

That:

- (i) the voluntary delisting of the Company from the Official List of the SGX-ST under Rules 1307 and 1309 of the Listing Manual (the “**Delisting**”), pursuant to which the Exit Offer would be made to the Shareholders on the terms and conditions described in the Circular, be and is hereby approved; and
- (ii) the Directors and each of them be and is hereby authorised and empowered to complete and to do all such acts and things as they or he/she may consider necessary or expedient to give effect to the Delisting and/or this Delisting Resolution, with such modification thereto (if any) as they or he/she shall think fit in the interests of the Company.

IN THE EVENT THE DELISTING RESOLUTION IS NOT APPROVED AT THE EGM, THE FOLLOWING RESUMPTION OF TRADING RESOLUTIONS WILL BE PUT TO VOTE:

B. SPECIAL RESOLUTION – ADOPTION OF NEW CONSTITUTION RESOLUTION

That subject to and contingent upon the passing of the Bonus Issue Resolution:

- (i) the New Constitution, for the purpose of identification, subscribed by the Chairman thereof, be approved and adopted as the Constitution in substitution for, and to the exclusion of, the Existing Constitution; and
- (ii) the Directors and each of them be and is hereby authorised and empowered to complete and do all such acts and things and exercise such discretion as they or he/she may consider necessary or expedient to give effect to the Proposed Adoption of New Constitution and/or this Adoption of New Constitution Resolution.

C. SPECIAL RESOLUTION – BONUS ISSUE RESOLUTION

That subject to and contingent upon the passing of the Adoption of New Constitution Resolution:

- (i) the bonus issue of up to 473,319,069 Bonus Ordinary Shares and/or Class C Non-Voting Shares on the basis of one (1) Bonus Ordinary Share or one (1) Class C Non-Voting Share, at each Shareholder's election and to be credited as fully paid, for every one (1) existing Share held by such Shareholder as at the Bonus Issue Record Date, be and is hereby approved;
- (ii) the conversion of Class C Non-Voting Shares into Converted Ordinary Shares pursuant to the exercise of the Conversion Right and in accordance with the terms of the Class C Non-Voting Shares (the "**Class C Conversion**"), be and is hereby approved; and
- (iii) the Directors and each of them be and is hereby authorised and empowered to complete and do all such acts and things and exercise such discretion as they or he/she may consider necessary or expedient to give effect to the Proposed Bonus Issue, the Class C Conversion and/or this Bonus Issue Resolution.

Shareholders should note that:

- (1) if the Delisting Resolution is approved by Independent Shareholders at the EGM, the Resumption of Trading Resolutions (i.e. the Adoption of New Constitution Resolution and the Bonus Issue Resolution) will not be put to vote at the EGM; and**
- (2) the Resumption of Trading Resolutions are inter-conditional on each other. This means that if either of the Adoption of New Constitution Resolution or the Bonus Issue Resolution is not approved, neither of these resolutions will be carried out.**

By Order of the Board

Jennifer Wong Pakshong
Company Secretary

Singapore
9 June 2025

Notes:

Format of EGM

1. The EGM will be held, in a wholly physical format, at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Tuesday, 8 July 2025 at 2.00 p.m. Shareholders, including CPFIS Investors and SRS Investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the EGM by attending the EGM in person. There will be no option for Shareholders to participate virtually.
2. Printed copies of this Notice of EGM and the accompanying Proxy Form will be sent by post to Shareholders. These documents will also be published on the Company's website at the URL <https://www.greatasteallife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements>.

Appointment of Proxy or Proxies

3. (a) A Shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's instrument appointing a proxy or proxies appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A Shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's instrument appointing a proxy or proxies appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument. "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act. A Shareholder who wishes to appoint a proxy or proxies must complete the instrument appointing a proxy or proxies, before submitting it in the manner set out below.
4. A proxy need not be a Shareholder. A Shareholder may choose to appoint the Chairman of the EGM as his/her/its proxy.
5. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

(a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or

(b) if submitted electronically, be submitted via email to the Company at GEH_meetings@greatasteallife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. on 5 July 2025, being 72 hours before the time appointed for holding the EGM. Completion and submission of a Proxy Form by a Shareholder will not prevent him/her from attending and voting in person at the EGM if he/she so wishes, in place of his/her proxy.
6. CPFIS Investors and SRS Investors may:

(a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxies; or

(b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 26 June 2025.

Submission of Questions

7. Shareholders, including CPFIS Investors and SRS Investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the EGM in advance of the EGM:

(a) via email to the Company at GEH_meetings@greatasteallife.com; or

(b) by post to the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659.

When submitting questions via email or by post, Shareholders should also provide the following details: (i) the Shareholder's full name (as per NRIC/passport); (ii) the Shareholder's correspondence address; and (iii) the manner in which the Shareholder holds Shares in the Company (e.g. via CDP, CPF, SRS and/or scrip), for verification purposes. All questions submitted in advance must be received by 23 June 2025.

8. The Company will address all substantial and relevant questions received from Shareholders by the 23 June 2025 deadline by publishing its responses to such questions on the Company's website at the URL <https://www.greateasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy or proxies. The Company will respond to questions or follow-up questions received after the 23 June 2025 deadline either within a reasonable timeframe before the EGM, or at the EGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
9. Shareholders, including CPFIS Investors and SRS Investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the EGM substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, at the EGM itself.

Refreshments

10. Please note that only coffee and tea will be provided at the EGM, and no food will be served.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy or proxies and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy or proxies and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy or proxies and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy or proxies and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

GREAT EASTERN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 199903008M)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Company's circular to Shareholders dated 9 June 2025 (the "**Circular**").

Arrangements for the EGM

2. The EGM will be held, in a wholly physical format, at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Tuesday, 8 July 2025 at 2.00 p.m.

There will be no option for Shareholders to participate virtually.

3. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy or proxies.

CPFIS Investors and SRS Investors

4. This Proxy Form is not valid for use by CPFIS Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

5. CPFIS Investors and SRS Investors may:

- (a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxies; or
- (b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 26 June 2025.

Personal Data

6. By submitting an instrument appointing a proxy or proxies and/or representative(s), the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 9 June 2025.

I/We, _____ (Name),

NRIC/Passport No./Company Registration No.: _____

of _____ (Address)

being a member/members of Great Eastern Holdings Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	No. of Shares Represented	Proportion of Shareholdings (%)

and/or (delete as appropriate)

or failing him/her/them, the Chairman of the EGM as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the EGM of the Company to be held on 8 July 2025 at 2.00 p.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against, or abstain from voting on, the resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any matter arising at the EGM and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
A.	Delisting Resolution			
IN THE EVENT THE DELISTING RESOLUTION IS NOT APPROVED AT THE EGM, THE FOLLOWING RESUMPTION OF TRADING RESOLUTIONS WILL BE PUT TO VOTE:				
B.	Adoption of New Constitution Resolution			
C.	Bonus Issue Resolution			

Note: Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/proxies is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the EGM and at any adjournment thereof.

Dated this _____ day of _____ 2025

Total No. of Shares Held:

Signature(s) of Member(s)/Corporation's Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF.

NOTES:

1. (a) A Shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's instrument appointing a proxy or proxies appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (b) A Shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's instrument appointing a proxy or proxies appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

A Shareholder who wishes to appoint a proxy or proxies must complete the instrument appointing a proxy or proxies, before submitting it in the manner set out below.

2. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

- (a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
- (b) if submitted electronically, be submitted via email to the Company at GEH_meetings@greateasternlife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. on 5 July 2025, being 72 hours before the time appointed for holding the EGM.

1st fold here

3. A proxy need not be a Shareholder of the Company. A Shareholder may choose to appoint the Chairman of the EGM as his/her/its proxy.
4. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by CDP), you should insert that number of Shares. If you have Shares registered in your name in the Register (maintained by or on behalf of the Company), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register, you should insert the aggregate number of Shares. If no number is inserted, this instrument of proxy shall be deemed to relate to all the Shares held by you.
5. Completion and submission of the instrument appointing a proxy or proxies does not preclude a Shareholder from attending, speaking and voting at the EGM if he/she so wishes. The appointment of the proxy or proxies for the EGM will be deemed to be revoked if the Shareholder attends the EGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy or proxies to the EGM.
6. The instrument appointing a proxy or proxies must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of a director or an officer or attorney duly authorised in writing.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
8. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (including any related attachment). In addition, in the case of a Shareholder whose Shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the Shareholder, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register 72 hours before the time appointed for holding the EGM as certified by CDP to the Company.

2nd fold here

**Proxy Form
EGM**

**BUSINESS REPLY SERVICE
PERMIT NO. 01008**



THE COMPANY SECRETARY
Great Eastern Holdings Limited
c/o The Great Eastern Life Assurance Company Limited
1 Pickering Street
#01-01 Great Eastern Centre
Singapore 048659

Postage will
be paid by
addressee.
For posting in
Singapore only.

3rd fold and glue overleaf. Do not staple.

3rd fold and glue overleaf. Do not staple.

3rd fold and glue overleaf. Do not staple.

CIRCULAR DATED 9 JUNE 2025

THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS AND THE ADVICE OF ERNST & YOUNG CORPORATE FINANCE PTE LTD TO THE INDEPENDENT DIRECTORS IN RELATION TO THE EXIT OFFER, AND THE RECOMMENDATION OF THE DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF NEW CONSTITUTION AND THE PROPOSED BONUS ISSUE. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Great Eastern Holdings Limited. If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Unless otherwise defined, capitalised terms used on this cover are defined in this Circular under the section entitled "DEFINITIONS".

Please note that no printed copies of this Circular will be despatched to Shareholders. Only printed copies of the Offeror Notification, the Relevant Acceptance Forms, the Company Notification, the Notice of EGM and the accompanying Proxy Form will be despatched to Shareholders.

If you have sold or transferred all your Shares held through CDP, you need not forward the printed copy of the Offeror Notification to the purchaser or transferee of your Shares as arrangements will be made by CDP for a separate Offeror Notification to be sent to the purchaser or transferee of your Shares. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward the printed copy of the Offeror Notification to the purchaser or transferee of your Shares, or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee of your Shares.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.

This Circular, the Exit Offer Letter, the Offeror Notification, the Company Notification and the Relevant Acceptance Forms shall not be construed as, may not be used for the purpose of, and do not constitute, a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstance in which such a notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or not authorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation.

In-principle approval has been obtained from the SGX-ST for the listing and quotation of the Bonus Ordinary Shares and the Converted Ordinary Shares to be issued on the Mainboard of the SGX-ST. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Proposed Transactions, the Bonus Ordinary Shares, the Class C Non-Voting Shares, the Converted Ordinary Shares, the Company and/or its subsidiaries.



GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199903008M)

CIRCULAR TO SHAREHOLDERS

in relation to

- (1) THE PROPOSED VOLUNTARY DELISTING OF GREAT EASTERN HOLDINGS LIMITED PURSUANT TO RULES 1307 AND 1309 OF THE SGX-ST LISTING MANUAL;**
- (2) THE PROPOSED ADOPTION OF A NEW CONSTITUTION; AND**
- (3) THE PROPOSED BONUS ISSUE OF UP TO 473,319,069 BONUS ORDINARY SHARES AND/OR CLASS C NON-VOTING SHARES ON THE BASIS OF ONE (1) BONUS ORDINARY SHARE OR ONE (1) CLASS C NON-VOTING SHARE, AT EACH SHAREHOLDER'S ELECTION, FOR EVERY ONE (1) EXISTING SHARE HELD BY SUCH SHAREHOLDER AS AT THE BONUS ISSUE RECORD DATE.**

Financial Adviser to Great Eastern Holdings Limited

*Independent Financial Adviser to the Independent Directors
in respect of the Exit Offer*

BofA SECURITIES 

MERRILL LYNCH (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 198602883D)



**ERNST & YOUNG CORPORATE FINANCE
PTE LTD**
(Incorporated in the Republic of Singapore)
(Company Registration No. 199702967E)

IMPORTANT DATES, TIMES AND VENUE

Last date and time for lodgement of Proxy Form : 5 July 2025 at 2.00 p.m.

Date and time of Extraordinary General Meeting : 8 July 2025 at 2.00 p.m.

Venue of Extraordinary General Meeting : 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659

MESSAGE FROM THE BOARD



“We are pleased to present you with a comprehensive proposal aimed at resolving the current situation faced by GEH and providing a clear and decisive outcome for GEH and its Shareholders.”

Dear Shareholders,

Following Oversea-Chinese Banking Corporation Limited's ("OCBC") voluntary unconditional general offer which closed on 12 July 2024 ("Previous Offer"), GEH no longer meets the requirement under the SGX-ST Listing Manual for at least 10% of the Shares to be held by the public ("Free Float Requirement"). As a result, trading in our Shares has been suspended since 15 July 2024.

We recognise that this prolonged and ongoing suspension is unsatisfactory.

Over the past several months, we have worked with our external advisers and engaged with OCBC to explore the options available.

After careful evaluation, and with the support of OCBC, we are pleased to present you with a comprehensive proposal aimed at resolving the current situation faced by GEH. This proposal is intended to provide a clear and decisive outcome for GEH and its Shareholders.

Your Choice: Two Clear Pathways

There are two possible pathways:

- **GEH's Delisting** or
- **Resumption of Trading** of GEH's Shares on the SGX-ST.

The resolutions to be tabled at the EGM empower you, our Shareholders, to decide collectively on the pathway for the Company which you wish to have.

At the EGM, you will be asked to vote sequentially on three resolutions:

Resolution A: Delisting

- A resolution for the delisting of GEH, which is accompanied by an Exit Offer at S\$30.15 per Share ("Exit Offer Price") made by OCBC.
- If this resolution is approved by at least 75% of the Shares held by Independent Shareholders present and voting, either in person or by proxy at the EGM, GEH will be delisted.
- OCBC and its concert parties will abstain from voting.
- If this resolution is approved, you can either sell all, part or none of your Shares at the Exit Offer Price. If you do not sell all of your Shares through the Exit Offer, unless your remaining Shares are subsequently acquired by OCBC pursuant to Section 215(1) or

Section 215(3) of the Companies Act (if and to the extent such provisions are applicable), you will remain as a Shareholder in GEH, which will be an unlisted company going forward.

Please refer to Section 6 of this Circular for the financial aspects of the Exit Offer as evaluated by OCBC and Appendix I to this Circular for the IFA Letter containing the advice of the IFA to the Independent Directors on the Exit Offer.

Please refer to Section 7.2 of this Circular for more information on Sections 215(1) and 215(3) of the Companies Act.

If Resolution A is approved, Resolutions B and C will not proceed to be voted on.

If Resolution A is not approved, (1) the Exit Offer will lapse and GEH will not be delisted and (2) you will be asked to vote on Resolutions B and C in order to facilitate GEH's Resumption of Trading.

Resolutions B and C: Resumption of Trading (comprising adoption of New Constitution to create Class C Non-Voting Shares and undertaking of the Proposed Bonus Issue)

- Resolution B proposes the adoption of a New Constitution by GEH, which is largely comprised of the existing provisions of GEH's Existing Constitution, as updated, among others, to introduce Class C Non-Voting Shares – a non-listed, non-voting, convertible class of preference shares – designed to facilitate the implementation of Resolution C.
- Resolution C proposes a one-for-one bonus issue for all Shareholders.
- If Resolutions B and C are approved, you will receive Bonus Ordinary Shares unless you elect to receive bonus Class C Non-Voting Shares, on a one-for-one basis for each Share you currently hold.
- Bonus Ordinary Shares are identical to your existing Shares and will count towards meeting the Free Float Requirement whereas bonus Class C Non-Voting Shares (being preference shares) will not count towards the free float.
- OCBC has agreed to only accept bonus Class C Non-Voting Shares to facilitate the Resumption of Trading.

- OCBC intends to vote all its Shares in favour of both Resolutions B and C.
- Shareholders should note that while the Class C Non-Voting Shares will offer the same entitlements to dividends and distributions as the Bonus Ordinary Shares and carry a nominal liquidation preference of S\$0.10 per Class C Non-Voting Share, Class C Non-Voting Shares will not be listed, will not be redeemable, will not carry any voting rights at general meetings (except as required under applicable law) and will have restrictions on convertibility. Please refer to Section 10.4 of this Circular for more details of the Class C Non-Voting Shares.
- If the Free Float Requirement is met following the Proposed Bonus Issue, trading of the Shares on the SGX-ST can resume.
- If either of Resolution B or Resolution C is not approved, status quo remains (that is, trading remains suspended).

IFA Advice on Exit Offer

The IFA is of the opinion that the financial terms of the Exit Offer are, on balance, fair and reasonable and has advised the Independent Directors to recommend that Shareholders vote in favour of the Delisting Resolution and accept the Exit Offer.

Recommendations by the Board of Directors

- The Independent Directors recommend that you **Vote FOR Resolution A** and **ACCEPT** the Exit Offer.
- If Resolution A is not approved, the Directors recommend that you **Vote FOR Resolutions B and C**, which would facilitate GEH's resumption of trading.
- The Directors recommend that you **DO NOT ELECT to receive Class C Non-Voting Shares**.

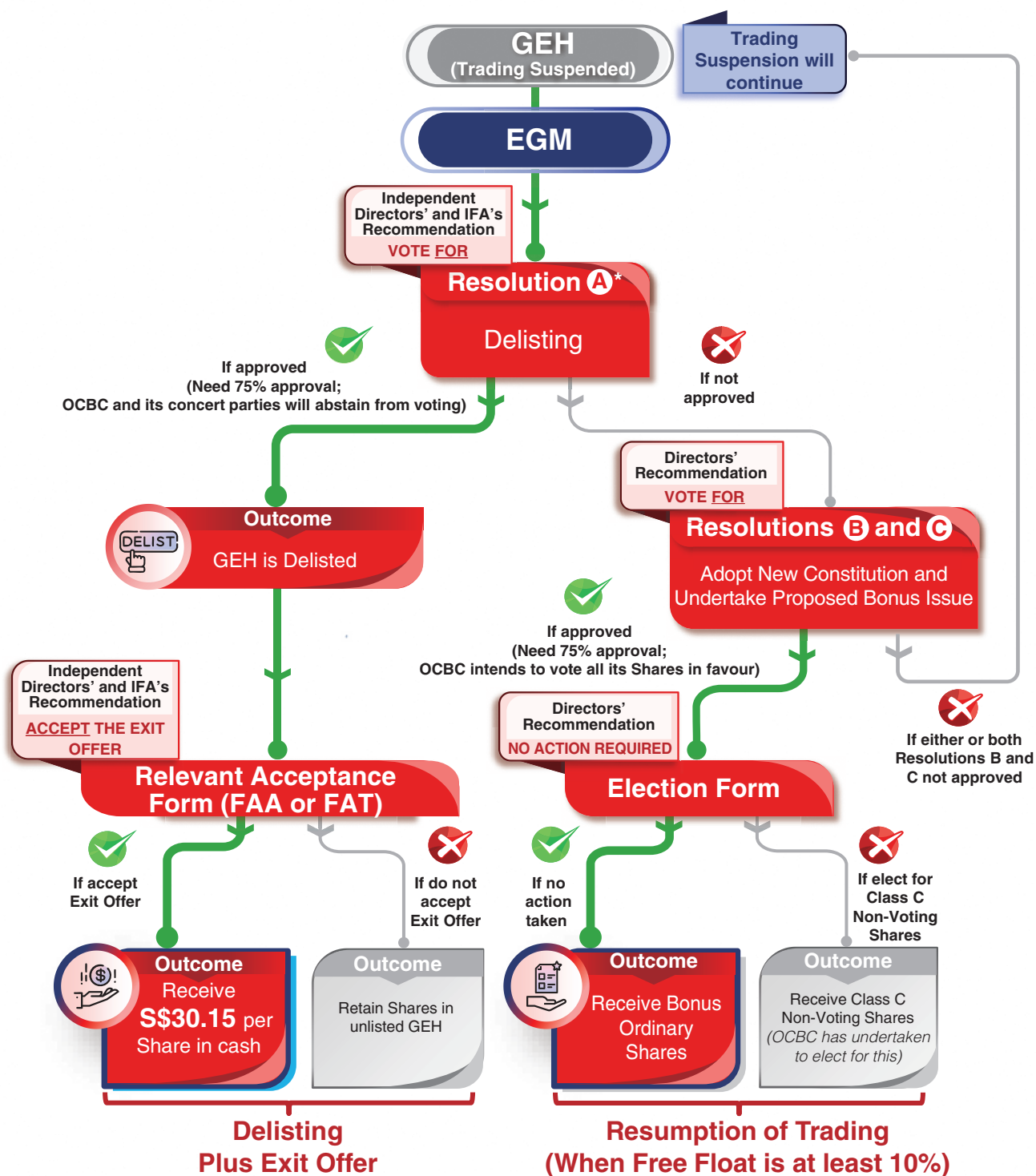
We thank you for your continued patience and trust.

This upcoming EGM represents a pivotal moment in determining GEH's future. We look forward to your participation and hope that you will make your vote count.

Yours faithfully,

Board of Directors
Great Eastern Holdings Limited

RECOMMENDATIONS AND OUTCOMES



The arrows in **GREEN** indicate the pathways if Shareholders follow the recommendations given to Shareholders by the Independent Directors and the Directors (as the case may be) for each of the resolutions.

* If Resolution A is approved, Resolutions B and C will not proceed to be voted on.

FREQUENTLY ASKED QUESTIONS (FAQs)

Q: I would like to sell my Shares at the Exit Offer Price. Why must I vote for Resolution A – the Delisting Resolution?

A: If Resolution A is not approved at the EGM, the Exit Offer will lapse, and you will not get to sell your Shares at the Exit Offer Price.

Therefore, approval of Resolution A is important and you should vote in favour of Resolution A to support if you wish to sell your Shares at the Exit Offer Price.

Q: If I vote in favour of Resolution A, does it mean I have sold my Shares?

A: No, if you vote in favour of Resolution A, it does not mean you have accepted the Exit Offer. If you wish to accept the Exit Offer, you must complete and submit the Relevant Acceptance Form. Please refer to the procedures for the acceptance of the Exit Offer set out in Appendix II to this Circular.

Q: If I do not vote “for” Resolution A, can I still accept the Exit Offer?

A: Yes, even if you do not vote in favour of Resolution A, you may still accept the Exit Offer.

But if you wish to accept the Exit Offer, it makes sense for you to add your vote in favour of Resolution A. Resolution A needs the approval of 75% of the total number of Shares held by Independent Shareholders present and voting, either in person or by proxy at the EGM. If Resolution A is not approved at the EGM, the Exit Offer will lapse and you do not get to sell your Shares through the Exit Offer.

Q: If Resolution A is approved, why must I still submit the Relevant Acceptance Form to accept the Exit Offer?

A: The approval of Resolution A allows the Exit Offer to proceed, but the Exit Offer must still be accepted. Therefore, you will have to complete and submit the Relevant Acceptance Form.

FREQUENTLY ASKED QUESTIONS (FAQs)

Q: If I wish to tender only part of my Shares under the Exit Offer, how should I vote on Resolution A?

A: As the Exit Offer will only proceed if Resolution A is approved, even if you wish to tender only part of your Shares for the Exit Offer, you should vote all your Shares in favour of Resolution A to add your support for Resolution A.

Q: If Resolution A is not approved, will trading of the Shares automatically resume?

A: No. If Resolution A is not approved, trading will not automatically resume. For resumption of trading of the Shares:

- both Resolutions B and C (the Resumption of Trading Resolutions) must be approved at the EGM; and
- at least 10% of the Shares must be held by the public.

If Resolution A is not approved, OCBC intends to vote all its Shares in favour of both Resolutions B and C and at GEH's request, has also undertaken to elect to only receive Class C Non-Voting Shares to facilitate the resumption of trading.

Q: If Resolution A is not approved but I still wish to sell my Shares, what can I do?

A: If Resolution A is not approved but Resolutions B and C are approved at the EGM, GEH will proceed with the Proposed Bonus Issue and seek a resumption of trading once at least 10% of the Shares are held by the public.

Once trading has resumed, you may sell your Shares on the open market.

Q: I do not like the Exit Offer Price and I want to wait for a higher offer price in the future. How should I vote?

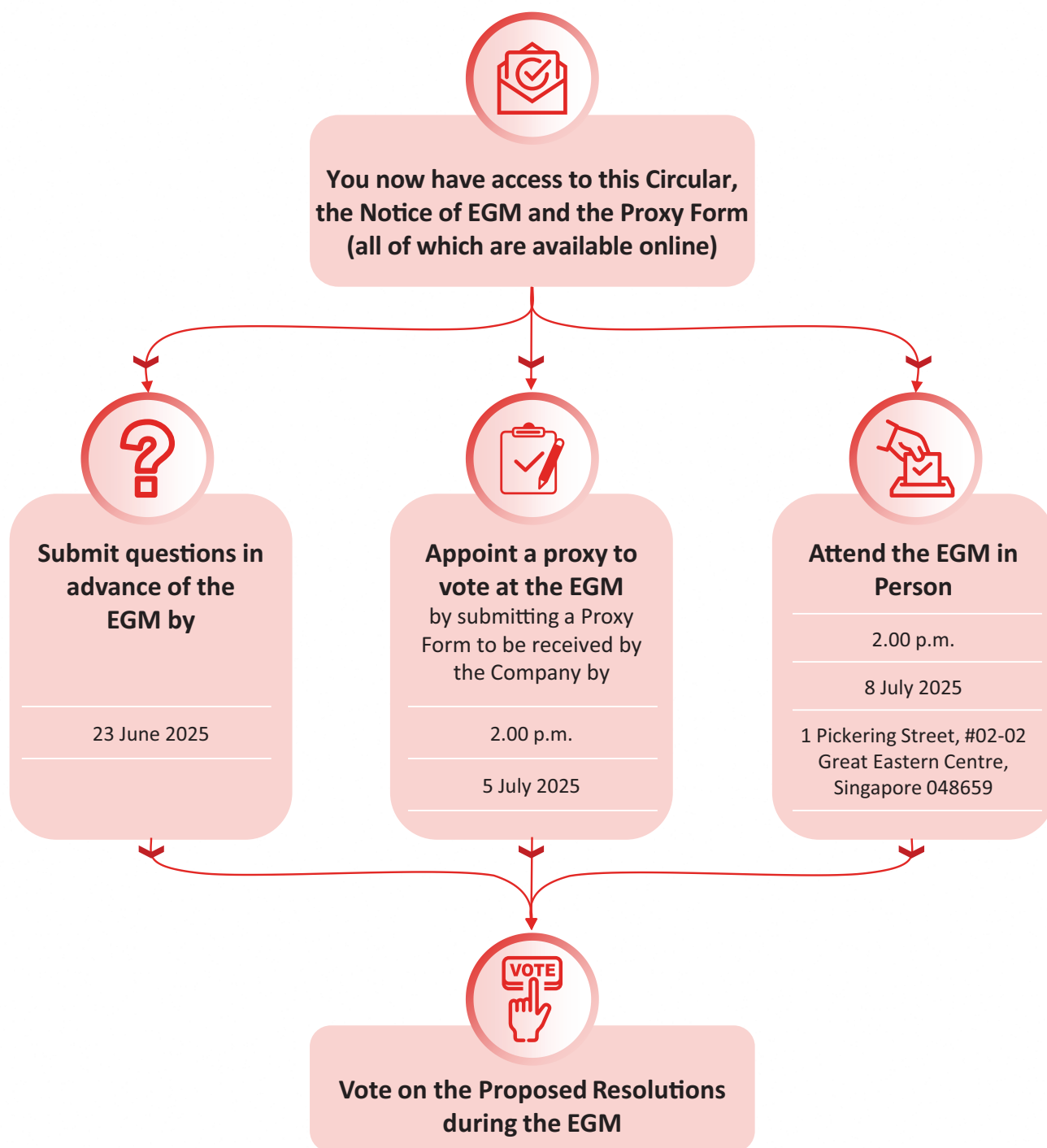
A: If Resolution A is not approved, the Exit Offer will lapse, and Resolutions B and C will be voted on.

If Resolution A is not approved, you should vote for Resolutions B and C.

If both Resolutions B and C are approved and if at least 10% of the Shares are held by the public after the completion of the Proposed Bonus Issue, trading of the Shares will resume.

Shareholders should note that OCBC has stated in the Exit Offer Letter that it has no intention of making another general offer for the Company in the foreseeable future if trading is resumed.

WHAT DO YOU NEED TO DO?



If Resolution A is approved, Relevant Acceptance Forms for the Exit Offer must be received by 5.30 p.m. (Singapore time) on 22 July 2025. Please refer to Appendix II [Procedures for Acceptance and Settlement of the Exit Offer] to this Circular for more details.

WHAT IF YOU ARE UNABLE TO ATTEND THE EGM?

If you are unable to attend the EGM in person, you may appoint someone you know, or the Chairman of the EGM, to vote on your behalf by completing the Proxy Form.

Step 1 Locate the Proxy Form

Printed copies of the Proxy Form, together with the Notice of EGM, will be despatched to Shareholders.

The Proxy Form can also be downloaded from the Company's website at <https://www.greateasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the website of the SGX-ST at <https://www.sgx.com>.

Step 2 Complete the Proxy Form

PROXY FORM

GREAT EASTERN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 1999000088)

PROXY FORM
EXTRAORDINARY GENERAL MEETING

IMPORTANT:
The Proxy Form must be used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meaning assigned to them as in the Company's Constitution and the Securities and Futures Act 2001 (the "SFA").
1. The EGM will be held at a venue physical form at 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659 on Tuesday, 5 July 2025 at 2.00 p.m.
2. There will be no option for Shareholders to participate virtually.
3. Please read the notes contained within the Proxy Form and the instructions on the reverse side, the appointment of a proxy or proxies.
4. CPFIS Investors and SRS Investors
5. This Proxy Form is not valid for use by CPFIS Investors and SRS Investors and should be indicated for all intents and purposes if used or purported to be used by them.
6. CPFIS Investors and SRS Investors must
(a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxies; or
(b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM in which case they should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 26 June 2025.
7. **Important Note:**
By submitting an instrument appointing a proxy or proxies, unless otherwise indicated, the Shareholder appoints an agent to act generally and proxy forms are not in the Notice of EGM dated 5 June 2025.

I/We, _____ (Name),
NRIC/Passport No./Company Registration No.: _____
of _____ (Address),
being a member/member of Great Eastern Holdings Limited (the "Company"), hereby appoint:

Name	Address	NRIC/Passport No.	No. of Shares Represented	Proportion of Shareholdings (%)
and/or (delete as appropriate)				

or failing him/her/them, the Chairman of the EGM as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the EGM of the Company to be held on 5 July 2025 at 2.00 p.m. and at any adjournment thereof.
I/We direct my/our proxy/proxies to vote for or against, or abstain from voting on, the resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will see fit in the interest of the Company and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
A.	Delisting Resolution			
IN THE EVENT THE DELISTING RESOLUTION IS NOT APPROVED AT THE EGM, THE FOLLOWING RESUMPTION OF TRADING RESOLUTIONS WILL BE PUT TO VOTE.				
B.	Adoption of New Constitution Resolution			
C.	Business Review Resolution			

Note: Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes you wish to cast with an "X" in the "Abstain" box provided in respect of that resolution. If you wish your proxy/proxies to exercise discretion as to how to vote on the resolutions, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain at the discretion of the proxy/proxies themselves. In any of the above resolutions if no voting instruction is specified, and no other matter arising at the EGM and at any adjournment thereof.
Dated this _____ day of _____ 2025.
Total No. of Shares Held: _____
Signature(s) of Member(s)/Corporation's Common Seal
IMPORTANT: PLEASE READ NOTES OVERLEAF.

A. Fill in your name and particulars.

B. You may fill in the details of your appointed proxy or leave this section blank. The Chairman of the EGM will be the appointed proxy if this section is left blank.

C. Indicate your vote in the box labelled **FOR** or **AGAINST** for each of the Resolutions.

D. If you are an individual, you or your attorney **MUST SIGN** and indicate the date. If you are a corporation, the Proxy Form must be executed under your common seal or signed by a director or a duly authorised officer or attorney.

E. Indicate the number of Shares you hold.

Step 3 Submit the Completed and Signed Proxy Form to the Company



Submit the completed and signed Proxy Form to the Company personally, by post or electronically. **THE PROXY FORM MUST BE DEPOSITED WITH OR RECEIVED BY THE COMPANY BY 2.00 P.M. ON 5 JULY 2025.** Postage is prepaid only for posting in Singapore. Please affix sufficient postage if posting from outside of Singapore.

The Proxy Form must be submitted to the Company in the following manner:

- if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
- if submitted electronically, be submitted via email to the Company at GEH_meetings@greateasternlife.com.

CPFIS Investors and SRS Investors should note that they may (i) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxies; or (ii) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 26 June 2025.

THE INFORMATION PRESENTED IN THIS SECTION IS QUALIFIED IN ITS ENTIRETY BY, AND SHOULD BE READ IN CONJUNCTION WITH, THE FULL INFORMATION CONTAINED IN THE REST OF THIS CIRCULAR. IF THERE SHOULD BE ANY INCONSISTENCY OR CONFLICT BETWEEN THE INFORMATION CONTAINED IN THIS SECTION AND THE INFORMATION CONTAINED IN THE REST OF THIS CIRCULAR, THE INFORMATION CONTAINED IN THE REST OF THIS CIRCULAR SHALL PREVAIL.

Shape the Journey Ahead. Vote at the EGM.

If you require further assistance or
information, please contact:

BofA Securities

Tel: (65) 6678 0462

CONTENT PAGE

<u>HEADING</u>	<u>PAGE</u>
DEFINITIONS	1
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	13
INDICATIVE TIMETABLE	14
LETTER TO SHAREHOLDERS	16
PART I – INTRODUCTION	16
1. INTRODUCTION	16
PART II – THE DELISTING AND THE EXIT OFFER	23
2. THE DELISTING	23
3. THE EXIT OFFER	24
4. INFORMATION ON THE OFFEROR AND OFFEROR'S INTENTIONS FOR THE COMPANY	28
5. OFFEROR'S RATIONALE FOR THE DELISTING AND THE EXIT OFFER	29
6. OFFEROR'S FINANCIAL EVALUATION OF THE EXIT OFFER	31
7. IMPLICATIONS OF DELISTING AND COMPULSORY ACQUISITION FOR SHAREHOLDERS	34
8. ADVICE OF THE IFA TO THE INDEPENDENT DIRECTORS ON THE EXIT OFFER	37
PART III – THE RESUMPTION OF TRADING	42
9. RATIONALE FOR THE PROPOSED ADOPTION OF NEW CONSTITUTION AND THE PROPOSED BONUS ISSUE	42
10. PROPOSED BONUS ISSUE	43
11. FINANCIAL EFFECTS OF THE PROPOSED BONUS ISSUE	52
12. PROPOSED ADOPTION OF NEW CONSTITUTION	55
PART IV – DIRECTORS' RECOMMENDATIONS AND ACTION TO BE TAKEN BY SHAREHOLDERS	59
13. DIRECTORS' RECOMMENDATIONS	59
14. ACTION TO BE TAKEN BY SHAREHOLDERS	61
PART V – OTHER INFORMATION FOR SHAREHOLDERS TO NOTE	64
15. EXTRAORDINARY GENERAL MEETING	64
16. INFORMATION IN RESPECT OF THE DIRECTORS	64
17. FHC ACT	65

18.	OVERSEAS SHAREHOLDERS	67
19.	DIRECTORS' RESPONSIBILITY STATEMENT	69
20.	CONSENTS	70
21.	DOCUMENTS AVAILABLE FOR INSPECTION	70
22.	ADDITIONAL INFORMATION	71
APPENDIX I	LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RELATION TO THE EXIT OFFER	I-1
APPENDIX II	PROCEDURES FOR ACCEPTANCE AND SETTLEMENT OF THE EXIT OFFER	II-1
APPENDIX III	ADDITIONAL INFORMATION ON THE COMPANY AND THE GEH GROUP	III-1
APPENDIX IV	EXTRACTS FROM THE COMPANY'S EXISTING CONSTITUTION	IV-1
APPENDIX V	EXTRACT OF ARTICLES IN THE NEW CONSTITUTION WHICH ARE NEW OR SIGNIFICANTLY DIFFERENT FROM THE CORRESPONDING EXISTING ARTICLES IN THE EXISTING CONSTITUTION.....	V-1
APPENDIX VI	EXTRACT OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GEH GROUP FOR FY24	VI-1
APPENDIX VII	1Q25 FINANCIAL SUMMARY	VII-1
NOTICE OF EXTRAORDINARY GENERAL MEETING		
PROXY FORM		

DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

<u>"Adjusted Price"</u>	: Shall have the meaning ascribed to it in Section 10.10 of this Circular
<u>"Adjustment Event"</u>	: Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Adjustment Event Ratio"</u>	: Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Adoption of New Constitution Resolution"</u>	: The resolution of Shareholders to be proposed at the EGM in respect of the Proposed Adoption of New Constitution, which will be proposed as a special resolution
<u>"Annual Report"</u>	: The annual report of the Company
<u>"Articles"</u>	: Shall have the meaning ascribed to it in Section 12.2 of this Circular
<u>"Bonus Issue Record Date"</u>	: The record date to be announced by the Company subject to Shareholders' approval of the Resumption of Trading Resolutions at the EGM, being the time and date at and on which the Share Transfer Books and the Register will be closed for the purpose of determining the entitlements of the Shareholders under the Proposed Bonus Issue
<u>"Bonus Issue Resolution"</u>	: The resolution of Shareholders to be proposed at the EGM in respect of (a) the Proposed Bonus Issue; and (b) the conversion of Class C Non-Voting Shares into Converted Ordinary Shares pursuant to the exercise of the Conversion Right, in accordance with the terms of the Class C Non-Voting Shares, which will be proposed as a special resolution in accordance with Sections 64A(3) and 74A(2) of the Companies Act
<u>"Bonus Ordinary Shares"</u>	: New Shares of the Company to be issued pursuant to the Proposed Bonus Issue
<u>"Business Day"</u>	: A day (other than Saturday or Sunday) on which banks are open for general business in Singapore
<u>"Capitalisation Event"</u>	: Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"CDP"</u>	: The Central Depository (Pte) Limited

<u>"CDP Operation of Securities Account Terms"</u>	:	The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions, as amended from time to time
<u>"CE"</u>	:	Comprehensive Equity
<u>"Circular"</u> or <u>"Offeree Circular"</u>	:	This circular to Shareholders dated 9 June 2025 issued by the Company to the Shareholders in relation to the Delisting and the Exit Offer, the Proposed Adoption of New Constitution and the Proposed Bonus Issue
<u>"Class A Preference Shares"</u>	:	Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Class B Preference Shares"</u>	:	Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Class C Liquidation Preference"</u>	:	Shall have the meaning ascribed to it in Section 9(c)(iii) of this Circular
<u>"Class C Non-Voting Shares"</u>	:	Non-listed, non-voting convertible preference shares in the capital of the Company, having the rights and restrictions set out in the New Constitution
<u>"Class C Non-Voting Shares Election"</u>	:	Under the Proposed Bonus Issue, the right of each Entitled Shareholder, during the Election Period, to elect to receive one (1) Class C Non-Voting Share in lieu of one (1) Bonus Ordinary Share for every one (1) existing Share held by such Entitled Shareholder as at the Bonus Issue Record Date
<u>"Class C Shareholders"</u>	:	Registered holders of the Class C Non-Voting Shares
<u>"Class C Shareholders' Conversion Event"</u>	:	Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Class C Shareholders' Conversion Right"</u>	:	Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Closing Date"</u>	:	5.30 p.m. on 22 July 2025, such date being the last day for the lodgement of acceptances of the Exit Offer
<u>"Code"</u>	:	The Singapore Code on Take-overs and Mergers
<u>"Companies Act"</u>	:	The Companies Act 1967 of Singapore
<u>"Company"</u> or <u>"GEH"</u>	:	Great Eastern Holdings Limited (Company Registration No. 199903008M)

<u>"Company Board"</u>	: The board of directors of the Company as at the Joint Announcement Date
<u>"Company Notification"</u>	: The hardcopy notification to be despatched by the Company on 16 June 2025 containing addresses and instructions for the electronic retrieval of this Circular and its related documents
<u>"Company Securities"</u>	: (a) Shares; (b) other securities which carry voting rights in the Company; and (c) convertible securities, warrants, options and derivatives in respect of the Shares or securities which carry voting rights in the Company
<u>"Company's Conversion Event"</u>	: Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Company's Conversion Right"</u>	: Shall have the meaning ascribed to it in Section 10.4 of this Circular
<u>"Constitution"</u>	: The constitution of the Company, as amended, modified or supplemented from time to time
<u>"Conversion Event"</u>	: A Class C Shareholders' Conversion Event or a Company's Conversion Event, as the case may be
<u>"Conversion Right"</u>	: The Class C Shareholders' Conversion Right or the Company's Conversion Right, as the case may be
<u>"Converted Ordinary Shares"</u>	: Shall have the meaning ascribed to it in Section 1.5 of this Circular
<u>"CPF"</u>	: The Central Provident Fund
<u>"CPF Agent Banks"</u>	: The banks approved by CPF to be its agent banks, being DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited
<u>"CPFIS"</u>	: CPF Investment Scheme
<u>"CPFIS Investors"</u>	: Investors who purchase Shares using their CPF savings under the CPFIS
<u>"CSM"</u>	: Contractual Service Margin
<u>"DCS"</u>	: Direct Crediting Service

<u>"Delisting"</u>	: The proposed voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual
<u>"Delisting Proposal"</u>	: The formal proposal dated 5 June 2025 presented by the Offeror to the Directors to support the Delisting of the Company by providing the Exit Offer, which also includes the Offeror Undertaking
<u>"Delisting Resolution"</u>	: The resolution of Shareholders to be proposed at the EGM in respect of the Delisting
<u>"Despatch Date"</u>	: 16 June 2025, being the date of electronic dissemination and despatch of the printed copies of the Offeror Notification and the Relevant Acceptance Forms to Shareholders
<u>"Directors"</u>	: The directors of the Company as at the Joint Announcement Date
<u>"Dissenting Shareholders"</u>	: Shall have the meaning ascribed to it in Section 7.2 of this Circular
<u>"Distributions"</u>	: Any dividends, rights, other distributions and/or return of capital, whether in cash or in kind
<u>"EGM"</u>	: The extraordinary general meeting of the Company to be held on 8 July 2025, notice of which is set out in this Circular, and any adjournment thereof
<u>"Election Form"</u>	: An election form to be despatched by the Company to all Entitled Shareholders (other than Excluded Overseas Shareholders) following the Bonus Issue Record Date in the event the Resumption of Trading Resolutions are approved by Shareholders at the EGM, which an Entitled Shareholder shall complete and submit if such Entitled Shareholder wishes to exercise the Class C Non-Voting Shares Election and receive Class C Non-Voting Shares in lieu of Bonus Ordinary Shares pursuant to the Proposed Bonus Issue
<u>"Election Period"</u>	: The period to be announced by the Company in the event the Resumption of Trading Resolutions are approved by Shareholders at the EGM, commencing from a date to be determined by the Company (which is expected to be a date on or after the date of despatch of the Election Form) and ending on a date to be determined by the Company (such date being the last date and time by which the duly completed Election Form must be received by the Registrar for Entitled Shareholders to exercise the Class C Non-Voting Shares Election)

<u>"Encumbrance"</u>	: Any claim, charge, pledge, mortgage, encumbrance, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or any agreement, arrangement or obligation to create any of the foregoing
<u>"Entitled Shareholders"</u>	: Shareholders whose names appear in the Register or who have Shares entered against their names in the Depository Register maintained by CDP as at the Bonus Issue Record Date
<u>"EPS"</u>	: Earnings per Share
<u>"EV"</u>	: Embedded Value
<u>"Excluded Overseas Shareholders"</u>	: Shall have the meaning ascribed to it in Section 18.2 of this Circular
<u>"Existing Articles"</u>	: Shall have the meaning ascribed to it in Section 12.2 of this Circular
<u>"Existing Constitution"</u>	: The Constitution which was adopted by special resolution passed by the Shareholders on 19 April 2016
<u>"Exit Offer"</u>	: The conditional exit offer made by the Offeror for the Offer Shares on the terms and subject to the conditions set out in the Exit Offer Letter, the FAA and the FAT, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
<u>"Exit Offer Letter"</u>	: The document dated 9 June 2025, including the FAA and the FAT, and any other document(s) as may be issued by or on behalf of the Offeror to amend, revise, supplement or update such document(s) from time to time
<u>"Exit Offer Price"</u>	: SGD30.15 for each Offer Share
<u>"FAA"</u>	: Form of Acceptance and Authorisation for Offer Shares in respect of the Exit Offer, applicable to Shareholders whose Offer Shares are deposited with CDP and which forms part of the Exit Offer Letter
<u>"FAT"</u>	: Form of Acceptance and Transfer for Offer Shares in respect of the Exit Offer, applicable to Shareholders whose Offer Shares are registered in their own names in the Register and are not deposited with CDP and which forms part of the Exit Offer Letter

<u>"FHC Act"</u>	:	The Financial Holding Companies Act 2013 of Singapore
<u>"Foreign Address Shareholders"</u>	:	Shall have the meaning ascribed to it in Section 18.2 of this Circular
<u>"Free Float Requirement"</u>	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
<u>"FY22"</u>	:	The financial year ended 31 December 2022
<u>"FY23"</u>	:	The financial year ended 31 December 2023
<u>"FY24"</u>	:	The financial year ended 31 December 2024
<u>"FY25"</u>	:	The financial year ending 31 December 2025
<u>"GEH Group"</u>	:	The Company and its subsidiaries
<u>"IFA"</u>	:	Ernst & Young Corporate Finance Pte Ltd (Company Registration No. 199702967E), the independent financial adviser to the Independent Directors in respect of the Exit Offer
<u>"IFA Letter"</u>	:	The letter dated 6 June 2025 from the IFA to the Independent Directors in relation to the Exit Offer as set out in Appendix I to this Circular
<u>"IFRS"</u>	:	International Financial Reporting Standards
<u>"Independent Directors"</u>	:	The Directors who are considered independent for the purposes of making recommendations to Shareholders in respect of the Exit Offer, namely Mr. Soon Tit Koon, Dr. Chong Yoke Sin, Dr. Lim Kuo Yi, Mr. Ng Chee Peng, Mr. Tam Chee Chong and Mrs. Teoh Lian Ee
<u>"Independent Shareholders"</u>	:	Shareholders entitled to vote on the Delisting Resolution, being Shareholders other than the Offeror Concert Party Group
<u>"Interested Person"</u>	:	As defined in the Note on Rule 23.12 of the Code, an Interested Person, in relation to a company, is: (a) a director, chief executive officer, or substantial shareholder of the company; (b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company;

- (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary;
- (d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or
- (f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more

<u>"J.P. Morgan"</u>	: J.P. Morgan Securities Asia Private Limited (Company Registration No. 197300590K)
<u>"Joint Announcement"</u>	: The joint announcement made by the Offeror and the Company in connection with the Proposed Transactions on the Joint Announcement Date
<u>"Joint Announcement Date"</u>	: 6 June 2025, being the date on which the Joint Announcement was released
<u>"Last Trading Date"</u>	: 12 July 2024, being the last full trading day of the Shares on the SGX-ST prior to the Suspension Date
<u>"Latest Practicable Date"</u>	: 30 May 2025, being the latest practicable date prior to the electronic dissemination of this Circular to Shareholders
<u>"Listing Manual"</u>	: The SGX-ST Listing Manual
<u>"Market Day"</u>	: A day on which the SGX-ST is open for the trading of securities
<u>"MAS"</u>	: The Monetary Authority of Singapore
<u>"Minimum Price"</u>	: Shall have the meaning ascribed to it in Section 10.10 of this Circular
<u>"New Constitution"</u>	: The new Constitution proposed to be adopted by Shareholders at the EGM
<u>"Notice of EGM"</u>	: The notice of EGM which is set out in this Circular

"NTA"	: Net tangible assets
"Offer Shares"	: All Shares as at the date of the Exit Offer, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries
"Offeror"	: Oversea-Chinese Banking Corporation Limited (Company Registration No. 193200032W)
"Offeror Concert Party Group"	: The Offeror and parties acting in concert with it
"Offeror Directors"	: The directors of the Offeror as at the Joint Announcement Date
"Offeror Group"	: The Offeror and its subsidiaries
"Offeror Notification"	: The hardcopy notification to be issued by the Offeror on 16 June 2025 containing addresses and instructions for the electronic retrieval of the Exit Offer Letter and its related documents
"Offeror Options"	: Share options in respect of Offeror Shares granted under the OCBC Share Option Scheme 2001
"Offeror Securities"	: (a) Offeror Shares; (b) other securities which carry voting rights in the Offeror; and (c) convertible securities, warrants, options and derivatives in respect of the Offeror Shares or securities which carry voting rights in the Offeror
"Offeror Shares"	: Issued ordinary shares in the share capital of the Offeror
"Offeror Undertaking"	: Shall have the meaning ascribed to it in Section 1.5 of this Circular
"Overseas Shareholders"	: Shareholders whose addresses are outside Singapore, as shown in the Register or, as the case may be, in the records of CDP
"Permitted Reorganisation"	: A solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Company are transferred to a successor entity which assumes all the obligations of the Company under the Class C Non-Voting Shares

<u>"Previous IFA"</u>	: Ernst & Young Corporate Finance Pte Ltd, the independent financial adviser appointed by the Company to advise the directors of the Company who were considered independent for the purposes of the Previous Offer
<u>"Previous IFA Letter"</u>	: The letter dated 14 June 2024 from the Previous IFA to the directors of the Company who were considered independent for the purposes of the Previous Offer
<u>"Previous Offer"</u>	: Shall have the meaning ascribed to it in Section 1.1 of this Circular
<u>"Previous Offer Announcement Date"</u>	: 10 May 2024, being the date on which the Offeror had previously launched the Previous Offer
<u>"Previous Offer Price"</u>	: The offer price for the Shares in the Previous Offer
<u>"Proposed Adoption of New Constitution"</u>	: The proposed adoption of the New Constitution in substitution of the Existing Constitution
<u>"Proposed Bonus Issue"</u>	: The proposed bonus issue of up to 473,319,069 Bonus Ordinary Shares and/or Class C Non-Voting Shares on the basis of one (1) Bonus Ordinary Share or one (1) Class C Non-Voting Share, at each Shareholder's election and to be credited as fully paid, for every one (1) existing Share held by such Shareholder as at the Bonus Issue Record Date
<u>"Proposed Transactions"</u>	: Collectively, the Delisting, the Resumption of Trading, the Proposed Adoption of New Constitution and the Proposed Bonus Issue
<u>"Proxy Form"</u>	: The proxy form in respect of the EGM which is set out in this Circular
<u>"P/CE"</u>	: Price-to-Comprehensive Equity
<u>"P/E"</u>	: Price-to-Earnings
<u>"P/EV"</u>	: Price-to-Embedded Value
<u>"P/NAV"</u>	: Price-to-Net Asset Value
<u>"Register"</u>	: The register of holders of Shares, as maintained by the Registrar
<u>"Registrar"</u> or <u>"Receiving Agent"</u>	: Boardroom Corporate & Advisory Services Pte. Ltd.

<u>"Relevant Acceptance Forms"</u>	:	The FAA and/or the FAT, as the case may be
<u>"Relevant Directors"</u>	:	The Directors who are exempted from the requirement to make a recommendation on the Exit Offer to the Shareholders, namely Mr. Lee Kok Keng Andrew, Ms. Wong Pik Kuen Helen, Mr. Lee Lap Wah, George and Mr. Choo Nyen Fui
<u>"Resumption of Trading"</u>	:	The resumption of trading of the Shares on the SGX-ST following the Trading Suspension
<u>"Resumption of Trading Resolutions"</u>	:	Collectively, the Adoption of New Constitution Resolution and the Bonus Issue Resolution
<u>"Section 215(3) Documents"</u>	:	Shall have the meaning ascribed to it in Section 7.2 of this Circular
<u>"Securities Account"</u>	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
<u>"SFA"</u>	:	The Securities and Futures Act 2001 of Singapore
<u>"SFRS(I)"</u>	:	The Singapore Financial Reporting Standards (International)
<u>"SGD"</u> or <u>"S\$"</u> and <u>"cents"</u>	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
<u>"SGX-ST"</u>	:	The Singapore Exchange Securities Trading Limited
<u>"SGXNET"</u>	:	Singapore Exchange Network
<u>"Share Transfer Books"</u>	:	The share transfer books of the Company
<u>"Shareholders"</u>	:	Holders of Shares as indicated on the Register and Depositors who have Shares entered against their names in the Depository Register
<u>"Shares"</u>	:	Issued ordinary shares in the capital of the Company
<u>"SIC"</u>	:	The Securities Industry Council of Singapore
<u>"SRS"</u>	:	The Supplementary Retirement Scheme
<u>"SRS Agent Banks"</u>	:	Agent banks included under the SRS
<u>"SRS Investors"</u>	:	Investors who purchase Shares pursuant to the SRS

"<u>Suspension Date</u>"	: 15 July 2024, being the day of the suspension of trading of the Shares
"<u>TEBP</u>"	: Shall have the meaning ascribed to it in Section 10.10 of this Circular
"<u>Trading Suspension</u>"	: Shall have the meaning ascribed to it in Section 1.1 of this Circular
"<u>VWAP</u>"	: Volume weighted average price
"<u>%</u>" or "<u>per cent.</u>"	: Percentage or per centum
"<u>1Q25</u>"	: The first quarter of FY25 ended 31 March 2025
"<u>1Q25 Financial Summary</u>"	: The financial summary of the GEH Group for 1Q25, as announced by the Company on 8 May 2025 and reproduced in Appendix VII to this Circular

Acting in Concert. The expression "**acting in concert**" shall have the meaning ascribed to it in the Code.

Announcements by Offeror. References to the making of an announcement or the giving of a notice by the Offeror shall include the release of an announcement by J.P. Morgan or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, telex, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

Capitalised Terms. Statements which are reproduced in their entirety from the Exit Offer Letter, the IFA Letter and the Constitution are set out in this Circular within quotes and in italics and capitalised terms used within these reproduced statements bear the meanings ascribed to them in the Exit Offer Letter, the IFA Letter and the Constitution respectively.

Depositors, etc. The expressions "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Expressions. Words importing the singular shall, where applicable, include the plural and vice versa. Words importing a single gender shall, where applicable, include any or all genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Rounding. Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, any figure shown as a total may not be an arithmetic aggregation of the figures that precede it.

Shareholders. References to "you" and "your" in this Circular are, as the context so determines, to Shareholders.

Statutes. Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision as for the time being amended or re-enacted, unless the context otherwise requires. Any word defined under the Companies Act, the Code, the Listing Manual, the SFA, the FHC Act or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to that word under the Companies Act, the Code, the Listing Manual, the SFA, the FHC Act or that modification, as the case may be, unless the context otherwise requires.

Subsidiaries, Related Corporations. The expressions "subsidiary" and "related corporation" shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date respectively unless otherwise specified.

Total Number of Shares and Percentage. In this Circular, the total number of Shares is a reference to a total of 473,319,069 Shares¹ in issue as at the Joint Announcement Date unless the context otherwise requires. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on 473,319,069 Shares¹ in issue as at the Joint Announcement Date.

¹ As at the Joint Announcement Date, the Company has no outstanding treasury shares, preference shares or convertible equity securities.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast", "target" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Company should not place undue reliance on such forward-looking statements. Neither the Company nor the IFA guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

INDICATIVE TIMETABLE

Last date and time for lodgement of Proxy Forms for the EGM ⁽¹⁾	:	5 July 2025 at 2.00 p.m.
Date and time of the EGM	:	8 July 2025 at 2.00 p.m.
Closing Date (if the Delisting Resolution is approved at the EGM)	:	22 July 2025 at 5.30 p.m.
Expected date for the Delisting (if the Delisting Resolution is approved at the EGM)	:	Approximately two (2) to three (3) weeks after the Closing Date, or such other date as may be announced from time to time by or on behalf of the Company
Date(s) for the payment of the Exit Offer Price, in respect of valid acceptances of the Exit Offer (if the Delisting Resolution is approved at the EGM)	:	Within seven (7) Business Days: (a) after the Delisting Resolution has been approved at the EGM (where valid acceptances of the Exit Offer are tendered on or prior to the date of the Delisting Resolution being approved at the EGM); or (b) after the date of receipt of valid acceptances of the Exit Offer (where such acceptances are tendered after the Delisting Resolution has been approved at the EGM but before the close of the Exit Offer)

Shareholders should note that the expected date for the Delisting (if the Delisting Resolution is approved at the EGM) is indicative only and may be subject to change. Please refer to future announcement(s) by the Company for the exact date and time for the Delisting (if the Delisting Resolution is approved at the EGM).

If the Delisting Resolution is not approved, and the Resumption of Trading Resolutions are approved by the Shareholders at the EGM, the Company will separately inform Shareholders of the timetable for the Proposed Bonus Issue through announcements on SGXNET.

Note:

- (1) The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
- (a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
 - (b) if submitted electronically, be submitted via email to the Company at GEH_meetings@greateasternlife.com.

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. on 5 July 2025, being 72 hours before the time appointed for holding the EGM. Completion and submission of a Proxy Form by a Shareholder will not prevent him/her from attending and voting in person at the EGM if he/she so wishes, in place of his/her proxy.

PLEASE NOTE THAT THE DELISTING AND THE EXIT OFFER ARE CONDITIONAL UPON THE DELISTING RESOLUTION BEING APPROVED AT THE EGM. PURSUANT TO RULE 1307 OF THE LISTING MANUAL, THE DELISTING RESOLUTION IS CONSIDERED APPROVED IF IT IS APPROVED BY A MAJORITY OF AT LEAST 75% OF THE TOTAL NUMBER OF SHARES (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS) HELD BY THE INDEPENDENT SHAREHOLDERS PRESENT AND VOTING, ON A POLL, EITHER IN PERSON OR BY PROXY AT THE EGM. THE OFFEROR CONCERT PARTY GROUP MUST ABSTAIN FROM VOTING ON THE DELISTING RESOLUTION. IF THIS CONDITION IS NOT SATISFIED AT THE EGM TO BE CONVENED: (A) THE DELISTING WILL NOT PROCEED AND THE COMPANY WILL REMAIN LISTED ON THE SGX-ST, AND (B) THE EXIT OFFER WILL ALSO LAPSE AND ALL ACCEPTANCES OF THE EXIT OFFER WILL BE RETURNED.

PLEASE ALSO NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER. IF YOU WISH TO ACCEPT THE EXIT OFFER, YOU WILL NEED TO COMPLETE, SIGN AND DELIVER THE RELEVANT ACCEPTANCE FORM IN ACCORDANCE WITH THE PROVISIONS OF AND INSTRUCTIONS IN THE EXIT OFFER LETTER AND THE RELEVANT ACCEPTANCE FORMS ON OR BEFORE THE CLOSING DATE OF THE EXIT OFFER. PLEASE REFER TO SECTION 14.3 OF THIS CIRCULAR ENTITLED "ACCEPTANCE OF THE EXIT OFFER" AND APPENDIX 1 TO THE EXIT OFFER LETTER FOR THE PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER.

IF THE DELISTING RESOLUTION IS APPROVED AT THE EGM, THE COMPANY WILL BE DELISTED, REGARDLESS OF THE ACCEPTANCE LEVEL OF THE EXIT OFFER. FOLLOWING THE DELISTING, SHAREHOLDERS WHO DO NOT ACCEPT THE EXIT OFFER WILL CONTINUE TO HOLD SHARES IN THE COMPANY, WHICH WILL THEN BE AN UNLISTED COMPANY, UNLESS THEIR SHARES ARE SUBSEQUENTLY ACQUIRED BY THE OFFEROR PURSUANT TO SECTION 215(1) OR SECTION 215(3) OF THE COMPANIES ACT (IF AND TO THE EXTENT SUCH PROVISIONS ARE APPLICABLE). PLEASE REFER TO SECTION 7.2 OF THIS CIRCULAR ENTITLED "COMPULSORY ACQUISITION" AND PARAGRAPHS 9.2 AND 9.3 OF THE EXIT OFFER LETTER FOR FURTHER DETAILS ON SECTIONS 215(1) AND 215(3) OF THE COMPANIES ACT.

PLEASE ALSO NOTE THAT THE PROPOSED BONUS ISSUE IS CONDITIONAL UPON BOTH OF THE RESUMPTION OF TRADING RESOLUTIONS BEING APPROVED AT THE EGM TO BE CONVENED. IF THIS CONDITION IS NOT SATISFIED, THE PROPOSED BONUS ISSUE WILL NOT PROCEED, AND THE RESUMPTION OF TRADING OF THE SHARES ON THE SGX-ST WILL NOT OCCUR AS THE FREE FLOAT REQUIREMENT WILL NOT BE SATISFIED.

LETTER TO SHAREHOLDERS

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 199903008M)

Board of Directors:

Mr. Soon Tit Koon (Chairman, Non-Executive Non-Independent Director)
Mr. Ng Chee Peng (Lead Independent Director, Non-Executive Independent Director)
Dr. Chong Yoke Sin (Non-Executive Independent Director)
Mr. Choo Nyen Fui (Non-Executive Non-Independent Director)
Mr. Lee Kok Keng Andrew (Non-Executive Non-Independent Director)
Mr. Lee Lap Wah George (Non-Executive Independent Director)
Dr. Lim Kuo Yi (Non-Executive Independent Director)
Mr. Tam Chee Chong (Non-Executive Independent Director)
Mrs. Teoh Lian Ee (Non-Executive Independent Director)
Ms. Wong Pik Kuen Helen (Non-Executive Non-Independent Director)

Registered Office:

1 Pickering Street
#16-01 Great Eastern
Centre
Singapore 048659

9 June 2025

To: The Shareholders of the Company

Dear Sir / Madam

- (1) **THE PROPOSED VOLUNTARY DELISTING OF THE COMPANY PURSUANT TO RULES 1307 AND 1309 OF THE LISTING MANUAL;**
- (2) **THE PROPOSED ADOPTION OF A NEW CONSTITUTION; AND**
- (3) **THE PROPOSED BONUS ISSUE OF UP TO 473,319,069 BONUS ORDINARY SHARES AND/OR CLASS C NON-VOTING SHARES ON THE BASIS OF ONE (1) BONUS ORDINARY SHARE OR ONE (1) CLASS C NON-VOTING SHARE, AT EACH SHAREHOLDER'S ELECTION, FOR EVERY ONE (1) EXISTING SHARE HELD BY SUCH SHAREHOLDER AS AT THE BONUS ISSUE RECORD DATE.**

PART I – INTRODUCTION

1. INTRODUCTION

1.1 Background

The Offeror had previously launched, on 10 May 2024, a voluntary unconditional general offer (the "**Previous Offer**") for all the Shares, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries. The Previous Offer closed at 5.30 p.m. on 12 July 2024. As the Company had ceased to meet the requirement under Rule 723 of the Listing

Manual for at least 10% of the total number of Shares² to be held by the public (the "**Free Float Requirement**") as at the close of the Previous Offer, trading in the Shares on the SGX-ST has been suspended since 15 July 2024 (the "**Trading Suspension**").

Since the Trading Suspension, the Company, together with its advisers, has been assessing the various possible options available for the Company to comply with the relevant rules of the Listing Manual as the Company Board recognises that the prolonged and ongoing Trading Suspension is not in the interests of Shareholders and a solution must be found. As stated in the announcement made by the Company on 24 January 2025, the Company has also approached the Offeror for assistance in complying with the relevant rules of the Listing Manual.

1.2 Proposed Transactions

After careful evaluation, and with the support of the Offeror, the Company Board would like to put forward a comprehensive set of Proposed Transactions that aim to provide a conclusive resolution of the current situation faced by the Company.

As a prolonged Trading Suspension is not viable, there are only two (2) pathways possible:

- (a) one that leads to a delisting of the Company from the Official List of the SGX-ST; and
- (b) the other which facilitates the satisfaction of the Free Float Requirement, which if satisfied, would allow the Resumption of Trading.

The Proposed Transactions set out in this Circular are designed to address the diverse interests of the Shareholders while allowing for a clear and decisive outcome for the Company and all Shareholders. Through this proposal, the Company Board is empowering Shareholders to decide collectively on the pathway for the Company which they wish to have.

1.3 Resolutions

In connection with the Proposed Transactions, the Company will convene an EGM to seek the approval of Shareholders for the following three (3) resolutions, of which **Resolution A** will lead to the Delisting while **Resolutions B and C** will facilitate the Resumption of Trading, as outlined below:

Resolution	Description	Approval Threshold	Outcome (if approved)
Delisting Resolution (Resolution A)	To seek Independent Shareholders' approval for the Company to delist from the Official List of the SGX-ST.	The Delisting Resolution (i.e. Resolution A) must be approved by a majority of at least 75% of the total number of Shares (excluding treasury shares and subsidiary holdings)	DELISTING

² As at the Joint Announcement Date, the Company has no outstanding treasury shares, preference shares or convertible equity securities.

Resolution	Description	Approval Threshold	Outcome (if approved)
		held by the Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution. If the Delisting Resolution (i.e. Resolution A) is approved by Independent Shareholders at the EGM, the Resumption of Trading Resolutions (i.e. Resolutions B and C) will not be put to vote at the EGM.	
IN THE EVENT THE DELISTING RESOLUTION (I.E. RESOLUTION A) IS NOT APPROVED AT THE EGM, THE FOLLOWING RESUMPTION OF TRADING RESOLUTIONS (I.E. RESOLUTIONS B AND C) WILL BE PUT TO VOTE:			
Adoption of New Constitution Resolution (Resolution B)	To seek Shareholders' approval to adopt the New Constitution, which is largely comprised of the existing provisions of the Existing Constitution, as updated to, <i>inter alia</i> , permit the issuance by the Company of a new class of Class C Non-Voting Shares and set out the rights and restrictions attached to the Class C Non-Voting Shares, including the Conversion Right.	The Resumption of Trading Resolutions (i.e. Resolutions B and C) must each be approved by way of special resolution, i.e. by a majority of at least 75% of the votes cast by Shareholders at the EGM. In particular, the Bonus Issue Resolution (i.e. Resolution C) must be approved by way of special resolution to comply with the following provisions of the Companies Act: (i) Section 64A(3) of the Companies Act, which	RESUMPTION OF TRADING (PROVIDED THAT THE FREE FLOAT REQUIREMENT IS MET)

Resolution	Description	Approval Threshold	Outcome (if approved)
Bonus Issue Resolution (Resolution C)	To seek Shareholders' approval for (a) the Proposed Bonus Issue, and (b) the conversion of Class C Non-Voting Shares into Converted Ordinary Shares pursuant to the exercise of the Conversion Right in accordance with the terms of the Class C Non-Voting Shares.	prescribes that the issuance by a public company of any shares that confer special, limited or conditional voting rights or that confer no voting rights must be approved by the members of the public company by special resolution; and (ii) Section 74A(2) of the Companies Act, which prescribes that the conversion by a public company of one (1) class of shares into another class of shares requires approval by special resolution. The Resumption of Trading Resolutions (i.e. Resolutions B and C) are inter-conditional on each other. This means that if either of the Adoption of New Constitution Resolution (i.e. Resolution B) or the Bonus Issue Resolution (i.e. Resolution C) is not approved, neither of these resolutions will be carried out.	

1.4 Delisting

For the Delisting Resolution, minority Shareholders will be given the opportunity to vote on whether to delist the Company from the Official List of the SGX-ST. The outcome of the Delisting Resolution will be determined solely by the minority Shareholders as the Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

In connection with the foregoing, on the Joint Announcement Date, the Company and the Offeror jointly announced, *inter alia*, the Delisting and that the Offeror would make the Exit Offer in connection with the Delisting to acquire the Offer Shares at the Exit Offer Price of **SGD30.15** in cash for each Offer Share.

Shareholders should note that if the Delisting Resolution is approved by Independent Shareholders at the EGM, the Resumption of Trading Resolutions will not be put to vote at the EGM, and the Company will be delisted on or after the close of the Exit Offer. Shareholders may accept the Exit Offer and sell their Shares to the Offeror at the Exit Offer Price, or choose not to accept the Exit Offer, in which case, unless all of their Shares are subsequently acquired by the Offeror pursuant to Section 215(1) or Section 215(3) of the Companies Act (if and to the extent such provisions are applicable), they will continue to hold Shares in the Company, which will become an unlisted company following the Delisting. Further details on Sections 215(1) and 215(3) of the Companies Act are set out in **Section 7.2** of this Circular.

If the Delisting Resolution is not approved by Independent Shareholders at the EGM, Shareholders will be asked to vote on the Resumption of Trading Resolutions (which comprise the Adoption of New Constitution Resolution and the Bonus Issue Resolution) to facilitate compliance by the Company with the relevant rules of the Listing Manual.

1.5 Resumption of Trading

The Resumption of Trading will require the Company to meet the Free Float Requirement. As stated in the Joint Announcement, in order to meet the Free Float Requirement, the Company is proposing to undertake the Proposed Bonus Issue on the following basis:

- (a) one (1) Bonus Ordinary Share; or
- (b) one (1) Class C Non-Voting Share,

at each Shareholder's election, to be credited as fully paid, for every one (1) existing Share held by such Shareholder as at the Bonus Issue Record Date.

To assist the Company to meet the Free Float Requirement, in the event the Delisting Resolution is not approved at the EGM, the Offeror intends to vote all its Shares in favour of the Resumption of Trading Resolutions and at the request of the Company, has also undertaken to the Company to exercise the Class C Non-Voting Shares Election to receive Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares pursuant to the Proposed Bonus Issue (the "**Offeror Undertaking**").

The Class C Non-Voting Shares will not carry any voting rights at any general meeting of the Company (except as required under applicable law), will not be listed, will not be redeemable and will be convertible into fully paid Shares for no additional consideration (the "**Converted Ordinary Shares**") at the option of the Company or the Class C Shareholders only upon the occurrence of specific Conversion Events. Unless an earlier Conversion Event occurs, the Class C Non-Voting Shares will only be convertible at the option of the Class C Shareholders after the fifth (5th) anniversary of the first issuance of Class C Non-Voting Shares by the Company. The Class C Non-Voting Shares will however carry the Class C Liquidation

Preference (i.e. a nominal liquidation preference of SGD0.10 per Class C Non-Voting Share) and offer the same economic benefits to dividends and other distributions as the Bonus Ordinary Shares. Please refer to **Section 10.4** of this Circular for further details of the principal terms of the Class C Non-Voting Shares, including the Conversion Events.

As the Class C Non-Voting Shares are preference shares (which are excluded from the computation of free float under Rule 723 of the Listing Manual), they will not be taken into account in the determination of the Free Float Requirement. Accordingly, the Offeror Undertaking is intended to help the Company to satisfy the Free Float Requirement upon completion of the Proposed Bonus Issue, by reducing the percentage of listed Shares held by the Offeror relative to the percentage of listed Shares held by public Shareholders who elect to receive Bonus Ordinary Shares. Therefore, if the Resumption of Trading Resolutions are both approved by Shareholders at the EGM, on the assumption that other than the Offeror, the other Shareholders do not exercise the Class C Non-Voting Shares Election to receive Class C Non-Voting Shares, it is expected that the Free Float Requirement will be met.

Shareholders are advised to carefully examine the differences in the terms and conditions of the Bonus Ordinary Shares and the Class C Non-Voting Shares, and to seek independent professional advice accordingly.

Shareholders should note the following:

In the event that the Delisting Resolution is not approved, and the Resumption of Trading Resolutions are approved at the EGM, the Company will despatch the Election Form to Entitled Shareholders (other than Excluded Overseas Shareholders) and issue further announcement(s) on the administrative procedures for the Proposed Bonus Issue and the Election Period.

Entitled Shareholders who wish to receive only Bonus Ordinary Shares under the Proposed Bonus Issue NEED NOT TAKE ANY ACTION. They should not complete and submit the Election Form.

Entitled Shareholders who do not exercise the Class C Non-Voting Shares Election in respect of all or any portion of their Shares within the Election Period shall be deemed to have elected to receive Bonus Ordinary Shares in respect of all or such portion of their Shares (as the case may be).

Accordingly, the Proposed Transactions represent a comprehensive and holistic solution to conclusively resolve the current Trading Suspension.

A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com.

1.6 Consultation with the SGX-ST

The Company has consulted the SGX-ST on the Proposed Transactions and the proposed conduct of the EGM. In relation thereto, the Company has sought, *inter alia*, the following approvals and/or confirmations from the SGX-ST:

- (a) approval for the Company to table the Delisting Resolution and the Resumption of Trading Resolutions at the same EGM, with the Delisting Resolution being separate and independent from the Resumption of Trading Resolutions, and voted on prior to the Resumption of Trading Resolutions; and
- (b) confirmation that the Resumption of Trading will take effect after completion of the Proposed Bonus Issue, when the total percentage of Shares held by public Shareholders reaches at least 10% and the Free Float Requirement is satisfied.

The SGX-ST has informed the Company that based on the Company's submissions and representations to the SGX-ST, the SGX-ST has no further comments on the Proposed Transactions and the proposed conduct of the EGM, subject to the SGX-ST's review of this Circular.

Following its review of this Circular, the SGX-ST has also informed the Company that based on the assumption that the Proposed Transactions comply with the rules of the Listing Manual and all the information required by the rules of the Listing Manual has been disclosed in this Circular, the SGX-ST has no comment on this Circular.

Please note that the SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.

1.7 Purpose of this Circular and EGM

The purpose of this Circular is to provide Shareholders with relevant information regarding the Proposed Transactions and to seek Shareholders' approval at the EGM for either (a) the Delisting Resolution; or (b) the Resumption of Trading Resolutions. It will also set out, *inter alia*, the recommendation of the Independent Directors on the advice of the IFA in respect of the Exit Offer, and the recommendation of the Directors on the Proposed Adoption of New Constitution and the Proposed Bonus Issue.

If you are in any doubt in respect of this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

1.8 Advisers

Merrill Lynch (Singapore) Pte. Ltd. (known as BofA Securities) has been appointed as the financial adviser to the Company in relation to the Proposed Transactions.

Ernst & Young Corporate Finance Pte Ltd has been appointed as the independent financial adviser to the Independent Directors in relation to the Exit Offer.

WongPartnership LLP has been appointed as the legal adviser to the Company in relation to the Proposed Transactions.

PART II – THE DELISTING AND THE EXIT OFFER

2. THE DELISTING

2.1 Rules 1307 and 1309 of the Listing Manual

Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if:

- (a) the Company convenes the EGM to obtain Shareholders' approval for the Delisting; and
- (b) the Delisting Resolution has been approved by a majority of at least 75% of the total number of Shares (excluding treasury shares and subsidiary holdings) held by the Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

In addition, under Rule 1309 of the Listing Manual, if the Company is seeking to delist from the Official List of the SGX-ST:

- (i) an exit offer must be made to the Shareholders. The Exit Offer must:
 - (A) be fair and reasonable; and
 - (B) include a cash alternative as the default alternative; and
- (ii) the Company must appoint an independent financial adviser to advise on the Exit Offer, and the independent financial adviser must opine that the Exit Offer is fair and reasonable.

2.2 Approval of the SGX-ST for the Delisting

The Company has made an application to the SGX-ST to seek approval for the Delisting, and the SGX-ST has informed the Company that it has approved in-principle the Delisting, subject to the following:

- (a) compliance with the SGX-ST's listing requirements;
- (b) the Delisting Resolution being approved by at least 75% of the total number of Shares held by Independent Shareholders. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution; and
- (c) an exit offer that includes a cash alternative as the default alternative being made, with the IFA opining that the exit offer is fair and reasonable.

Please note that the SGX-ST's decision is not an indication of the merits of the Delisting.

3. **THE EXIT OFFER**

3.1 **Exit Offer Letter**

The Exit Offer Letter and the Relevant Acceptance Forms set out, among others, the terms and conditions of the Exit Offer and the procedures for acceptance of the Exit Offer. Hardcopies of the Relevant Acceptance Forms will be despatched to Shareholders concurrently with the Offeror Notification on 16 June 2025. The principal terms and conditions of the Exit Offer are set out in **paragraph 2** of the Exit Offer Letter, and the procedures for acceptance of the Exit Offer are set out in **Appendix 1** to the Exit Offer Letter.

Electronic copies of the Exit Offer Letter and this Circular are available on the website of the SGX-ST at www.sgx.com.

Shareholders should read this Circular, the Exit Offer Letter and the IFA Letter set out in Appendix I to this Circular carefully and consider the opinion and advice of the IFA provided pursuant to Rule 1309(2) of the Listing Manual and the recommendation of the Independent Directors in respect of the Exit Offer, before deciding whether to accept or reject the Exit Offer.

3.2 **Terms of the Exit Offer**

The information relating to the terms of the Exit Offer has been extracted from **paragraphs 2.1 to 2.3** of the Exit Offer Letter and is reproduced in italics below.

"2. TERMS OF THE EXIT OFFER

2.1 *Exit Offer.* *The Offeror hereby makes the Exit Offer to acquire all the Offer Shares, on the terms and subject to the conditions set out in this Exit Offer Letter (including the Relevant Acceptance Forms) and on the basis set out in this **paragraph 2**.*

2.2 *Offer Shares.* *The Exit Offer is extended to all Shares as at the date of the Exit Offer, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries (the "**Offer Shares**").*

2.3 *Exit Offer Price.* *The consideration for the Offer Shares validly tendered in acceptance of the Exit Offer will be:*

For each Offer Share: SGD 30.15 in cash ("**Exit Offer Price**").

THE OFFEROR DOES NOT INTEND TO REVISE THE EXIT OFFER PRICE WHICH IS MADE IN COMPLIANCE WITH RULE 1309 OF THE LISTING MANUAL."

3.3 **Conditions and Details of the Exit Offer**

The information relating to the conditions and details of the Exit Offer has been extracted from **paragraphs 2.4 to 2.7** of the Exit Offer Letter and is reproduced in italics below.

"2.4 **No Encumbrances.** *The Offer Shares will be acquired:*

- (i) *fully paid;*
- (ii) *free from any Encumbrances; and*
- (iii) *together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by GEH in respect of the Offer Shares on or after the Joint Announcement Date.*

If any Distribution is announced, declared, made or paid by the Company on or after the Joint Announcement Date, and the books closure date in respect of such Distribution falls before the settlement date in respect of the Offer Shares tendered in acceptance of the Exit Offer, the Offeror reserves the right to reduce the Exit Offer Price for the relevant Offer Shares by the amount of such Distribution.

2.5 **Conditional.** *The Delisting and Exit Offer are conditional upon the resolution to approve the Delisting (the "**Delisting Resolution**") being approved by a majority of at least 75 per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror and any other person acting in concert with the Offeror must abstain from voting on the Delisting Resolution.*

Shareholders are to note that if the Delisting Resolution is not approved, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.

2.6 **Warranty.** *A Shareholder who tenders his Offer Shares in acceptance of the Exit Offer will be deemed to unconditionally and irrevocably warrant that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof:*

- (i) *fully paid;*
- (ii) *free from any Encumbrances; and*
- (iii) *together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by GEH in respect of the Offer Shares on or after the Joint Announcement Date.*

2.7 **Choices in relation to the Exit Offer.** *A Shareholder can, in relation to all or part of his/her/its Offer Shares, either:*

- (i) *accept the Exit Offer in respect of such Offer Shares in full or in part, in accordance with the procedures set out in **Appendix 1** to this Exit Offer Letter; or*
- (ii) *take no action and let the Exit Offer lapse in respect of his/her/its Offer Shares.*

*Subject to the Delisting Resolution being approved at the EGM, Shareholders should note that the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer. In such an event, Shareholders who do not accept the Exit Offer will be left holding Shares in an unlisted company, unless their Shares are subsequently acquired by the Offeror pursuant to Section 215(1) or Section 215(3) of the Companies Act, if and to the extent such provisions are applicable. Please refer to **paragraphs 9.2 and 9.3** for further details on Sections 215(1) and 215(3) of the Companies Act.*

Shareholders should also note that:

- (a) *voting in favour of the Delisting Resolution does NOT constitute an acceptance of the Exit Offer; and*
- (b) *voting against the Delisting Resolution does NOT prohibit a Shareholder from accepting the Exit Offer.*

*In each case, Shareholders who wish to accept the Exit Offer must tender their acceptances in accordance with the procedures set out in **Appendix 1** to this Exit Offer Letter. Subject to the Delisting Resolution being approved at the EGM, all Shareholders (regardless of their votes on the Delisting Resolution) are entitled to accept or reject the Exit Offer for all or any part of their Offer Shares."*

3.4 Duration and Closing Date of the Exit Offer

The information relating to the duration and Closing Date of the Exit Offer has been extracted from **paragraph 2.8** of the Exit Offer Letter and is reproduced in italics below.

"2.8 *Duration and Closing Date.* *The Exit Offer will be open for acceptance from 16 June 2025 (being the Despatch Date). Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances would be conditional and if the Delisting Resolution is not approved, the Exit Offer will lapse and all the Shareholders as well as the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.*

Shareholders who intend to submit the Relevant Acceptance Forms prior to the EGM are reminded that they should also attend and vote in person at the EGM or submit their votes in respect of the Delisting Resolution using the proxy form for the EGM. Shareholders are reminded that their Shares will only be acquired pursuant to the Exit Offer if the Delisting Resolution is approved.

If the Delisting Resolution is approved, the Exit Offer will continue to be open for acceptance by the Shareholders for 14 days after the date of the announcement of the approval of the Delisting Resolution.

Accordingly, in the event the Delisting Resolution is approved and such approval is announced on 8 July 2025 (being the date of the EGM), the Exit Offer will close at 5.30 p.m. on the Closing Date, being 22 July 2025. The Exit Offer will not be extended beyond the Closing Date."

3.5 Procedures for Acceptance and Settlement

Please refer to **Appendix 1** to the Exit Offer Letter and the accompanying FAA and/or FAT (as the case may be) for the procedures relating to acceptance and settlement of the Exit Offer.

3.6 Rulings from the SIC in relation to the Exit Offer

As stated in the Exit Offer Letter, an application was made by the Offeror to the SIC to seek certain rulings in relation to the Exit Offer. The information relating to the rulings from the SIC has been extracted from **paragraph 10** of the Exit Offer Letter and is reproduced in italics below.

"10. RULINGS FROM THE SIC

An application was made by the Offeror to the SIC to seek clarification regarding the extent to which the provisions of the Code applied to the Exit Offer. The SIC has ruled, inter alia, that the Exit Offer is exempted from compliance with Rules 20.1, 22, 28 and 29 of the Code, subject to the following conditions:

- (i) Shareholders' approval for the Delisting Resolution being obtained within 3 months from the date of the Joint Announcement;*
- (ii) the Exit Offer remaining open for at least:*
 - (a) 21 days after the Despatch Date, if the Exit Offer Letter is despatched after Shareholders' approval for the Delisting Resolution has been obtained; or*
 - (b) 14 days after the date of the announcement of Shareholders' approval of the Delisting if the Exit Offer Letter is despatched on the same date as the Offeree Circular; and*
- (iii) disclosure in the Offeree Circular of:*
 - (a) the consolidated NTA per share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Offeree Circular; and*
 - (b) particulars of all known material changes as of the latest practicable date which may affect the consolidated NTA per share referred to in*

the preceding paragraph or a statement that there are no such known material changes."

4. INFORMATION ON THE OFFEROR AND OFFEROR'S INTENTIONS FOR THE COMPANY

4.1 Information on the Offeror

The information relating to the Offeror has been extracted from **paragraph 4** of the Exit Offer Letter and is reproduced in italics below.

"4. INFORMATION ON THE OFFEROR

4.1 The Offeror. *The Offeror was incorporated in Singapore on 31 October 1932 and is listed on the Mainboard of the SGX-ST. The Offeror Group offers a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services. The Offeror Group's key markets comprise Singapore, Malaysia, Indonesia and Greater China, with close to 420 branches and representative offices in 19 countries and regions.*

4.2 Share Capital. *As at the Latest Practicable Date, the Offeror has an issued and fully paid-up share capital of SGD 18.6 billion, comprising 4,514,995,829 Offeror shares (including 16,084,587 treasury shares).*

4.3 Shareholding in GEH. *As at the Joint Announcement Date, the Offeror owns 443,602,605³ Shares, representing approximately 93.72 per cent. of the Shares in the capital of GEH.*

4.4 Directors. *As at the Joint Announcement Date, the Offeror Directors are:*

Name	Description
<i>Lee Kok Keng Andrew</i>	<i>Chairman, Non-Executive Independent Director</i>
<i>Chong Chuan Neo</i>	<i>Non-Executive Independent Director</i>
<i>Chua Kim Chiu</i>	<i>Non-Executive Independent Director</i>
<i>Khoo Cheng Hoe Andrew</i>	<i>Non-Executive Independent Director</i>
<i>Lee Tih Shih</i>	<i>Non-Executive Non-Independent Director</i>
<i>Lian Wee Cheow</i>	<i>Non-Executive Independent Director</i>
<i>Seck Wai Kwong</i>	<i>Non-Executive Independent Director</i>
<i>Pramukti Surjaudaja</i>	<i>Non-Executive Non-Independent Director</i>
<i>Tan Yen Yen</i>	<i>Non-Executive Independent Director</i>
<i>Wong Pik Kuen Helen</i>	<i>Executive Non-Independent Director</i>

- 4.5 **Additional Information.** *Appendix 2 to this Exit Offer Letter sets out additional information on the Offeror."*

³ *Shares registered in the name of Citibank Nominees Singapore Pte Ltd. This excludes the Offeror's deemed interest in 122,860 Shares held by its subsidiary, BOS Trustee Limited, as trustee of The Ong Trust.*

4.2 Offeror's Intentions for the Company

The information relating to the Offeror's intentions for the Company has been extracted from **paragraph 8** of the Exit Offer Letter and is reproduced in italics below.

"8. OFFEROR'S INTENTIONS FOR GEH

It is the strategic intention of the Offeror to delist the Company. The Offeror will continue to develop and grow the businesses of the GEH Group as part of the One Group strategy, strengthening its unique position as an integrated financial services group. The Offeror has no current intentions to (i) introduce any major changes to the existing business of GEH, (ii) redeploy the fixed assets of GEH or (iii) discontinue the employment of the existing employees of the GEH Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to at any time consider undertaking a strategic and operational review of GEH with a view to realising synergies, economies of scale, cost efficiencies and growth potential."

5. OFFEROR'S RATIONALE FOR THE DELISTING AND THE EXIT OFFER

The information relating to the Offeror's rationale for the Delisting and the Exit Offer has been extracted from **paragraph 6** of the Exit Offer Letter and is reproduced in italics below:

"6. RATIONALE FOR THE DELISTING AND EXIT OFFER

6.1 **Exit Offer is in line with the Offeror's corporate strategy and strengthens its business pillars of banking, wealth management and insurance**

The Offeror's corporate strategy is focused on four growth drivers aimed at harnessing regional trade, investment, and wealth flows. One of these drivers focuses on tapping into the growing wealth in Asia through its hubs in Singapore, Hong Kong, and Dubai, along with its digital offerings. Insurance is also a key enabler for the Offeror to capture the rising wealth in Asia to drive its ambitions.

In a fast-growing region with increasing demand for products and solutions that enhance and preserve wealth, aligning more closely with GEH supports the Offeror's long-term vision of becoming a leading player in wealth management, allowing it to drive synergistic collaborations as One Group, offering integrated value propositions across the wealth continuum.

GEH plays a crucial role and is a strategic pillar within the Offeror Group, providing the Offeror with both economies of scale and scope. As complexities and macroeconomic uncertainties continue to rise, having a larger customer base, largest on-the-ground agency force and broader product scope becomes essential to drive market competitiveness and market position. By achieving economies of scale and scope through GEH's in-house product manufacturing capabilities and customer service, the Offeror can diversify commercial and financial risks, broaden its range of products and services, and reach a wider array of customer segments. This ultimately accelerates the Offeror's growth into a significantly larger integrated financial services organisation.

Having been part of the Offeror's portfolio for decades, the relationship between the Offeror and the GEH Group is synergistic. This allows the Offeror to provide a comprehensive range of investment, insurance, and estate planning solutions tailored to its clients, driving higher insurance penetration in existing and new-to-bank customers, while the GEH Group benefits from expanded access to the Offeror's wide retail and commercial customer base.

6.2 Exit Offer enhances returns and optimises capital allocation of the Offeror

GEH provides diversification to the Offeror's earnings base to deliver balanced earnings growth through economic cycles.

The Exit Offer presents an opportunity for the Offeror to deploy its capital to generate greater returns for its shareholders, solidifying its strategy of combining banking, insurance and wealth management under One Group. By increasing its investment in GEH, the Offeror can further capture the benefits from ongoing synergies and have a greater share of GEH's value.

6.3 Exit Offer to help GEH resolve months-long impasse over suspension in share trading

Trading in the Shares on the SGX-ST has been suspended since the Suspension Date. Since the Trading Suspension, the Company, together with its advisers, has been assessing the various possible options available for the Company to comply with the relevant rules of the Listing Manual as the Company Board recognises that the prolonged and ongoing Trading Suspension is not in the interests of Shareholders and a solution must be found.

After careful consideration, the Company approached the Offeror for support to enable the Company to comply with the relevant rules of the Listing Manual. The Company provided the Offeror with a comprehensive set of proposed transactions and the Exit Offer is launched as part of its comprehensive plan to resolve the Trading Suspension.

Upon the passing of the Delisting Resolution, the Exit Offer will provide Independent Shareholders who wish to sell their Shares with the opportunity to exit at a valuation that is (i) in compliance with Rule 1309 of the Listing Manual⁶ and (ii) at a premium to both its historical levels and the median valuation levels of comparable companies⁷ as outlined in the Previous IFA Letter. Additionally, those who prefer to retain their Shares

can choose to remain as shareholders of the unlisted Company if they decide not to accept the Exit Offer, unless the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the Offer Shares of the Dissenting Shareholders under Section 215(1) of the Companies Act. Further details on Section 215(1) of the Companies Act are set out in **paragraph 9.2**.

Based on disclosures by the Company, there were 838 Shareholders as at 5 March 2025 with the top 20 Shareholders (excluding the Offeror) holding 5.09 per cent. of Shares⁸. In contrast, there were 3,466 Shareholders as at 5 March 2024 with the top 20 Shareholders (excluding the Offeror) holding 7.39 per cent. of Shares⁹. Taking into account (i) the more concentrated shareholding structure of the Company following the Previous Offer and (ii) current macroeconomic uncertainties and market volatility, the Offeror is of the view that the liquidity and trading volume of the Shares may not improve in the event the Delisting Resolution is not approved, and trading of the Shares resumes after the Proposed Bonus Issue takes place.

The Offeror has no intention of making another general offer for the Company in the foreseeable future if trading is resumed. There is also no assurance that the Shares will trade at or above the Exit Offer Price or the Previous Offer Price. As a point of reference, prior to the Previous Offer and without taking into account the Proposed Bonus Issue¹⁰, the Shares were traded at SGD 18.47, SGD 18.29, SGD 17.99 and SGD 17.64 (being the 1-month, 3-month, 6-month and 12-month VWAP up to and including the last full trading day of the Shares on the SGX-ST prior to the Previous Offer Announcement Date respectively, as stated in the Previous IFA Letter¹¹), implying a P/EV (23A) multiple of between 0.49x to 0.51x¹²."

⁶ Rule 1309 of the Listing Manual provides that an exit offer must include a cash alternative as the default alternative and an independent financial adviser appointed by the issuer must opine that the exit offer is fair and reasonable.

⁷ AIA Group Limited ("**AIA**"), Manulife Financial Corporation ("**Manulife**"), Prudential plc ("**Prudential**"), Dai-ichi Life Holdings, Inc. ("**Dai-ichi Life**"), T&D Holdings, Inc. ("**T&D**"), Samsung Life Insurance Co., Ltd. ("**Samsung Life**"), Japan Post Insurance Co., Ltd. ("**Japan Post**"), Thai Life Insurance Public Company Limited ("**Thai Life**"), Hanwha Life Insurance Co., Ltd. ("**Hanwha Life**"), Bangkok Life Assurance Public Company Limited ("**Bangkok Life**"), and Allianz Malaysia Berhad ("**Allianz Malaysia**").

⁸ Page 219 of GEH's Annual Report for FY24.

⁹ Page 226 of GEH's Annual Report for FY23.

¹⁰ Please refer to Section 10.10 of the Offeree Circular.

¹¹ Paragraph 9.1.1 of the Previous IFA Letter.

¹² Paragraph 9.2.2 of the Previous IFA Letter.

6. **OFFEROR'S FINANCIAL EVALUATION OF THE EXIT OFFER**

The information relating to certain financial aspects of the Exit Offer, as evaluated by the Offeror, has been extracted from **paragraph 7** of the Exit Offer Letter and is reproduced in italics below.

"7. FINANCIAL EVALUATION OF THE EXIT OFFER

7.1 **Premia / Discount Over Historical Market Prices and Previous Offer Price**

The Exit Offer Price represents the following premia / (discount) over certain historical market prices of the Shares as set out below:

Description	Benchmark Price (SGD)¹³	Premia / (Discount) over Benchmark Price (%)¹⁴
Last traded price of the Shares on the SGX-ST on 9 May 2024, the last trading date before the Previous Offer Announcement Date	18.70	61.2
Previous Offer Price	25.60	17.8
Last traded price of the Shares on the SGX-ST on the Last Trading Date	25.80	16.9
VWAP for the one-month period up to and including the Last Trading Date	25.67	17.4
VWAP for the three-month period up to and including the Last Trading Date	25.53	18.1
VWAP for the six-month period up to and including the Last Trading Date	24.95	20.8
VWAP for the 12-month period up to and including the Last Trading Date	24.12	25.0

7.2 **Exit Offer should be assessed holistically based on the implied multiples for all the metrics**

The valuation benchmarking for life insurance companies generally involves a triangulation of various metrics: accounting multiples (such as P/E and P/NAV), cash-based multiples (like Price-to-Dividend), and actuarial multiples (including Price-to-Comprehensive Equity ("**P/CE**") and P/EV). It is important to note that the independent financial advisers involved in the previous offers for GEH in 2004 and 2006 considered a wider array of metrics and took into account the prevailing market conditions to assess the fairness of those offers. The Exit Offer should be evaluated comprehensively based on the implied multiples for all the aforementioned metrics rather than relying on any single metric in isolation.

Actuarial multiples, particularly EV, are influenced by long-term profit forecasts and various assumptions, such as fees associated with bancassurance, future claims and benefits, investment returns, operating expenses, capital requirements, and risk discount rates.

The variations in methodologies, assumptions, and risk discount rates across different insurers render EV an imperfect metric for comparison among life insurers. Many insurers' share prices are currently trading at a discount to their EV. This decline in valuation may be due to the market recalibrating EV assumptions perceived as overly optimistic, leading to a reduction in EV before accounting for future business prospects. The Previous IFA Letter issued in connection with the Previous Offer also acknowledged a consistent decline in the P/EV ratios of GEH and comparable companies.

Under IFRS 17, Comprehensive Equity ("**CE**") is an accounting-based metric defined as Shareholders' Equity plus Contractual Service Margin ("**CSM**") net of tax. CSM represents the discounted present value of future profits associated with in-scope in-force insurance policies and is an accounting practice under IFRS 17. CSM is subject to audit and compliance requirements as part of a listed insurance company's financial reporting process. Similar to EV, CE can be utilised to assess the value of the long-term business of insurance companies. With the implementation of IFRS 17, certain insurance companies globally have ceased to report EV.

As set out in the Company's Annual Report for FY24, the CE of the GEH Group as of 31 December 2024 is SGD 14,098.6 million (2023: SGD 13,384.6 million), implying a FY24 P/CE of 1.0x at the Exit Offer Price. For comparison purposes, the public market value¹⁵ of AIA and Prudential, being the IFRS 17 comparable companies as set out in the Previous IFA Letter, implies a P/CE of 1.0x and 0.8x, respectively, based on disclosed CE as of 31 December 2024. On the basis of P/CE, the Exit Offer Price is in line with the market value of AIA and represents a premium to Prudential.

Lastly, given that GEH is much smaller compared to its comparables such as AIA, Manulife and Prudential, consideration, in line with market practices, should be given to account for differences in scale, growth prospects, geographic exposure, profitability, and capital structure to provide a meaningful valuation assessment of the target company relative to its peers.

The Exit Offer Price of SGD 30.15 represents a premium of 17.8 per cent. over the Previous Offer Price, surpassing the Straits Times Index increase of 11.3 per cent. for the period from the closing date of the Previous Offer to the Latest Practicable Date. It also implies an FY24 P/EV, P/NAV and P/E of 0.8x, 1.6x, and 14.3x respectively. These implied FY24 P/EV, P/NAV, and P/E ratios of the Exit Offer Price also represent a premium compared to the median FY24 P/EV, P/NAV, and P/E ratios of comparable companies outlined in the Previous IFA Letter. Please refer to the table below for further details.

Comparable Companies¹⁶	P/EV Ratio¹⁷ (times)	P/NAV Ratio¹⁸ (times)	P/E Ratio¹⁹ (times)
AIA	1.3	2.2	12.9
Manulife	n.a.	1.4	13.9
Prudential	0.7	1.6	12.9

<i>Dai-ichi Life</i>	<i>0.5</i>	<i>1.1</i>	<i>13.0</i>
<i>T&D</i>	<i>0.4</i>	<i>1.2</i>	<i>17.1</i>
<i>Samsung Life</i>	<i>n.a.</i>	<i>0.5</i>	<i>8.4</i>
<i>Japan Post</i>	<i>0.3</i>	<i>0.4</i>	<i>13.9</i>
<i>Thai Life</i>	<i>0.7</i>	<i>1.1</i>	<i>10.7</i>
<i>Hanwha Life</i>	<i>n.a.</i>	<i>0.2</i>	<i>2.6</i>
<i>Bangkok Life</i>	<i>0.4</i>	<i>0.6</i>	<i>7.7</i>
<i>Allianz Malaysia</i>	<i>n.a.</i>	<i>0.6</i>	<i>4.5</i>
Low	0.3	0.2	2.6
High	1.3	2.2	17.1
Average	0.6	1.0	10.7
Median	0.5	1.1	12.9
GEH – Implied by the Exit Offer Price	0.8	1.6	14.3

Source: Capital IQ, company announcements, company reports"

¹³ *Rounded to the nearest two decimal places.*

¹⁴ *Rounded to the nearest one decimal place.*

¹⁵ *As at the Latest Practicable Date.*

¹⁶ *"n.a." means not available.*

¹⁷ *P/EV Ratio is the ratio of a company's share price as at the Latest Practicable Date divided by its EV per share as at the latest available financial results.*

¹⁸ *P/NAV Ratio is the ratio of a company's share price as at the Latest Practicable Date divided by its consolidated net asset value attributed to the company per share as at the latest available financial results.*

¹⁹ *Net profit attributable to shareholders of the comparable companies and the Company are obtained from their respective latest available financial results, and the Company's audited consolidated results for FY24 respectively.*

7. IMPLICATIONS OF DELISTING AND COMPULSORY ACQUISITION FOR SHAREHOLDERS

7.1 Delisting

Shareholders should note that if the Delisting Resolution is approved in accordance with the requirements of the Listing Manual, the Company will be delisted on or after the close of the Exit Offer. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold Shares in the Company, which will then be an unlisted company, unless their Shares are subsequently acquired by the Offeror pursuant to Section 215(1) or Section 215(3) of the Companies Act (if and to the extent such provisions are applicable). Please refer to **Section 7.2** of this Circular for further details on Sections 215(1) and 215(3) of the Companies Act.

Shareholders should note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. **Following the Delisting:**

- (a) **it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit; and**
- (b) **even if such Shareholders were to be able to sell their Shares, they may receive a lower price as compared to the Exit Offer Price. Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.**

Shareholders should also note that, under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the close of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer.

As an unlisted company, the Company will no longer be obliged to comply with the listing requirements of the SGX-ST, including the continuing corporate disclosure requirements under Chapter 7 and Appendices 7.1, 7.2, 7.4.1 and 7.4.2 of the Listing Manual. Nonetheless, the Company will still need to comply with the Companies Act and the Constitution. As a designated financial holding company regulated by the MAS, the Company will also continue to comply with the FHC Act and its related regulations, and in the event that it becomes a public unlisted company following the close of the Exit Offer, the Company may also be subject to the provisions of the Code. Accordingly, the interests of Shareholders who do not accept the Exit Offer will be protected to the extent provided for by the Companies Act, the Constitution, the FHC Act and its related regulations and the Code, to the extent applicable. The rights of Shareholders in respect of capital, dividends and voting under the Constitution are set out in **Appendix IV** to this Circular.

In particular, Shareholders should note that:

- (i) among other requirements, the Companies Act requires every company to call an annual general meeting once in every calendar year and to lay before the company at its annual general meeting the financial statements for the financial year in respect of which the annual general meeting is held; and
- (ii) Shareholders will continue to receive dividends if and when declared by the Company Board, and in the case of final dividends, approved by Shareholders in general meeting. The Company's current dividend policy is to pay a more steady dividend payment twice yearly. Each twice-yearly payment will be of an amount that targets a full-year payout to Shareholders that is based on the sustainable profit level of the GEH Group, and dividends will be progressive in line with the profit trend of the GEH Group. Barring unforeseen circumstances, the Company aims to maintain each dividend amount to be no lower than the preceding one. As at the Latest Practicable Date, the Company has no intention to amend its stated dividend policy even if it is delisted.

In addition to complying with these statutory and regulatory requirements, the Company intends to maintain a high standard of financial transparency and governance disclosure. With a wide range of stakeholders, including Shareholders, policyholders, distribution partners, reinsurers, debt investors and regulators, it is important for the Company to practise good financial disclosure to ensure adequate transparency and accountability to gain and retain the support and confidence of its stakeholders. The Company intends to continue to make available key and relevant financial metrics on a quarterly and annual basis, to ensure that its stakeholders are kept informed of the Company's financial performance throughout the year. On an annual basis, the Company will continue to publish an Annual Report, which will include the financial statements of the Company and the GEH Group for the financial year, as well as other pertinent information and disclosures to enable Shareholders to have a better understanding of the GEH Group's business and performance. On a quarterly basis, the Company will continue to provide summarised updates on key and relevant financial metrics. These updates will be published on the Company's corporate website.

If the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one (1) share certificate representing his delisted Shares. The Registrar will arrange to forward the share certificates to such Shareholders who are not CPFIS Investors or SRS Investors, by ordinary post and at the Shareholder's own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors or SRS Investors will be forwarded to the CPF Agent Banks or SRS Agent Banks (as the case may be) for their safekeeping.

Shareholders who are in doubt on their position should seek independent professional advice.

7.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Exit Offer or acquires Shares from the Despatch Date otherwise than through valid acceptances of the Exit Offer in respect of not less than 90% of the total number of Shares (excluding treasury shares) as at the final Closing Date (other than those already held by the Offeror, its related corporations or their respective nominees³ as at the Despatch Date), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Exit Offer Price, all Offer Shares held by Shareholders who have not accepted the Exit Offer (the "**Dissenting Shareholders**"). **The Offeror, if so entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.**

In addition, pursuant to Section 215(3) of the Companies Act, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Offer Shares at the Exit Offer Price in the event that the Offeror, its related corporations or their respective nominees³ acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees³, comprise 90% or more of the total number of Shares.

³

And other persons required to be excluded under Section 215(9A) of the Companies Act.

In the event the Delisting Resolution is approved at the EGM and valid acceptances are received pursuant to the Exit Offer, the Offeror will despatch the prescribed notice and relevant forms ("**Section 215(3) Documents**") to Dissenting Shareholders within one (1) month from the date that the first batch of Offer Shares are transferred to the Offeror pursuant to valid acceptances received pursuant to the Exit Offer. Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

Please refer to **paragraphs 9.2 and 9.3** of the Exit Offer Letter for details on, *inter alia*, the rights of the Offeror and Shareholders under Sections 215(1) and 215(3) of the Companies Act.

8. ADVICE OF THE IFA TO THE INDEPENDENT DIRECTORS ON THE EXIT OFFER

Ernst & Young Corporate Finance Pte Ltd has been appointed as the independent financial adviser to advise the Independent Directors in relation to the Exit Offer. The advice of the IFA to the Independent Directors in respect of the Exit Offer is set out in the IFA Letter annexed as **Appendix I** to this Circular. Shareholders are advised to read and consider carefully, in its entirety, the advice of the IFA contained in the IFA Letter. An extract of the IFA's advice in relation to the Exit Offer and the key factors it has taken into consideration is reproduced in italics below.

"12 OUR OPINION AND ADVICE ON THE EXIT OFFER

In arriving at our advice on the Exit Offer pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Independent Directors, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the Exit Offer. The factors we have considered in our evaluation are discussed in detail in the earlier sections of this letter.

In determining the fairness of the Exit Offer from a financial point of view, we have considered, among others, the following factors:

- (a) The Exit Offer Price of SGD30.15 per Offer Share is within the derived range of values for the Shares. We have determined the range of values of the Shares to be from SGD30.10 per Share to SGD37.63 per Share.*
- (b) The lower end of the range of values of SGD30.10 per Share is based on the application of the average P/EV Ratio of the relevant Comparable Companies of 0.8 times to the reported Embedded Value of the GEH Group as at 31 December 2024 and adjusted for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group), while the higher end of the range of values of approximately SGD37.63 per Share is based on the reported Embedded Value of the GEH Group as at 31 December 2024 and adjusted for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group).*

- (c) *The P/EV Ratio implied by the Exit Offer Price of 0.8 times is higher than the average P/EV Ratios of the Company over the 10-year Period.*

*After having considered carefully the information above, we are of the view that the Exit Offer is **fair**.*

In determining the reasonableness of the Exit Offer, we have considered, among others, the following factors:

- (a) **Trading Suspension and minority interest.** *The Previous Offer closed on 12 July 2024 and as the Free Float Requirement under Rule 723 of the Listing Manual for at least 10% of the total number of issued Shares to be held by the public was not satisfied as at the close of the Previous Offer, trading in the Shares on the SGX-ST has been suspended since the Trading Suspension Date, being 15 July 2024. As at the Latest Practicable Date, the Offeror owns 443,602,605 Shares, representing approximately 93.72% of the Shares in the capital of GEH.*

- (b) **Historical P/EV Ratio of the GEH Group.** *While the Exit Offer Price represents an implied discount of 20.0% to the reported Embedded Value per Share as at 31 December 2024, the Shares had consistently traded below the Embedded Value per Share since January 2020 up to the Last Trading Date.*

The P/EV Ratio implied by the Exit Offer Price is above the average and median daily P/EV Ratios of 0.6 times for the period from 1 January 2020 up to the Last Trading Date.

- (c) **Historical P/VOYNB Ratio of the GEH Group.** *The Shares had consistently traded below the implied P/VOYNB Ratio of 23.0 times based on the Exit Offer Price since January 2020 up to the Last Trading Date.*

The P/VOYNB Ratio implied by the Exit Offer Price is above the average and median daily P/VOYNB Ratios of 13.2 times and 12.7 times, respectively for the period from 1 January 2020 up to the Last Trading Date.

- (d) **Historical Share price performance prior to the Trading Suspension.** *The Exit Offer Price represents a premium of approximately 17.8% over the Previous Offer Price.*

The Exit Offer Price represents a premium of approximately 16.9% over the last transacted price as at the Last Trading Date.

The Exit Offer Price represents premiums of approximately 17.4%, 18.1%, 20.8%, 25.0%, 34.6% and 38.2% over the VWAPs for the periods one (1) month, three (3) months, six (6) months, one (1) year, two (2) years and five (5) years prior to and including the Last Trading Date.

The Exit Offer Price represents a premium of approximately 61.2% over the VWAP on the Last Undisturbed Date.

The Exit Offer Price represents premiums of approximately 63.3%, 64.9%, 67.6%, 70.9%, 67.6% and 52.0% over the VWAPs for the periods one (1) month, three (3) months, six (6) months, one (1) year, two (2) years and five (5) years prior to and including the Last Undisturbed Date;

The Exit Offer Price represents a premium of approximately 33.8% over the VWAP for the ten-year period preceding the Last Trading Date.

The last time the Shares traded at the Exit Offer Price was on 5 April 2018.

The last time the Shares traded over the Exit Offer Price was on 12 June 2018.

- (e) **Historical valuation measures of the GEH Group.** *The Shares had consistently traded below the implied P/NAV Ratio based on the Exit Offer Price since 1 January 2020 up until the Last Trading Date. The P/NAV Ratio implied by the Exit Offer Price is above the average and median daily P/NAV Ratios for the period from 1 January 2020 up to the Last Trading Date.*

The Shares had also generally traded below the implied P/E Ratio based on the Exit Offer Price from 1 January 2020 until the Last Trading Date. The P/E Ratio implied by the Exit Offer Price is above the average and median daily P/E Ratios for the period from 1 January 2020 up to the Last Trading Date.

- (f) **Comparison of valuation measures of the GEH Group against the Comparable Transactions.** *We note the lack of publicly available information on announced and/or completed transactions involving targets that are directly comparable to the GEH Group. Only one of two Comparable Transactions has information on the Embedded Value of the target. The P/EV Ratio of the GEH Group implied by the Exit Offer Price is below the P/EV Ratio of the Comparable Transaction with available Embedded Value of the target.*

The P/NAV Ratio and P/E Ratio of the GEH Group implied by the Exit Offer Price is below the implied P/NAV and P/E Ratios of the Comparable Transactions. We note that the valuation measures of the GEH Group and the Comparable Transactions may not be comparable as the derivations of such valuation measures may be based on different accounting standards and policies, given the adoption by the GEH Group of SFRS(I) 17 on 1 January 2023.

- (g) **Comparison of valuation measures of the GEH Group against the Comparable Companies.** *The P/EV Ratio of the GEH Group implied by the Exit Offer Price is within the range of the P/EV Ratios of the Comparable Companies and above the average and median P/EV Ratios.*

The P/VOYNB Ratio of the GEH Group implied by the Exit Offer Price is within the range of the P/VOYNB Ratios of the Comparable Companies and above the average and median P/VOYNB Ratios.

- (h) **Comparison of valuation measures of the GEH Group against the IFRS 17 Comparable Companies.** *The P/NAV Ratio of the GEH Group implied by the Exit Offer Price is within the range of the P/NAV Ratios of the IFRS 17 Comparable Companies and above the average and median P/NAV Ratios.*

The P/E Ratio of the GEH Group implied by the Exit Offer Price is above the range of the P/E Ratios of the IFRS 17 Comparable Companies.

- (i) **Comparison with the Precedent Privatisation Transactions.** *The premium implied by the Exit Offer Price against the last transacted price of the Shares on the Last Trading Date is within the range of premiums of the Precedent Privatisation Transactions.*

The premiums implied by the Exit Offer Price against the 1-month, 3-month, 6-month and 12-month VWAPs of the Shares prior to the Last Trading Date are within the range of premiums of the Precedent Privatisation Transactions.

The premium implied by the Exit Offer Price against the last transacted price of the Shares prior to the Last Undisturbed Date is higher than the average and median premiums of the Precedent Privatisation Transactions for the different periods.

The P/NAV Ratio implied by the Exit Offer Price over the NAV per Share as at 31 December 2024 is within the range of, above the median, and below the average P/NAV Ratios of the Precedent Privatisation Transactions.

- (j) **Dividend track record.** *The Company has paid dividends in FY2023 and FY2024 in accordance with the Dividend Policy, with dividend yields of 4.20% and 4.34% in FY2023 and FY2024, respectively.*

The Company's dividend yields are within the range and above the average and median dividend yields of the Comparable Companies in FY2023 and FY2024.

The Dividend Policy of the Company provides the declaration and payment of steady dividend twice yearly. Each twice-yearly payment will be on an amount that targets a full year payout to the Shareholders that is based on sustainable profit level of the Company, and dividends will be progressive in line with the profit trend.

- (k) **Offeror's intentions regarding the listing status of the Company and on compulsory acquisition.** *The Offeror has stated its strategic intention to delist the Company. The Offeror also stated that it will continue to develop and grow the businesses of the GEH Group as part of the One Group Strategy,*

strengthening its unique position as part an integrated financial services group. The Offeror has no current intentions to (a) introduce any major changes to the existing businesses of GEH, (b) redeploy the fixed assets of GEH or (c) discontinue the employment of the existing employees of GEH Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to, at any time, consider undertaking a strategy and operational review of GEH with a view to realising synergies, economies of scale, cost efficiencies and growth potential.

- (l) **Likelihood of competing offers.** Given the Offeror's shareholding representing approximately 93.72% of the total number of issued Shares as at the Latest Practicable Date, we note that there is no other offer that will be capable of turning unconditional or succeeding.
- (m) **The implications and/or potential consequences for Shareholders set out in Section 11.8.3 of this letter which may arise in the event of Delisting and compulsory acquisition.**

After having carefully considered the information above, we are of the view that the Exit Offer is **reasonable**.

Having regard to the considerations set out in this letter and as discussed above, the information available to us as at the Latest Practicable Date and subject to the qualifications made herein, we are of the opinion that the financial terms of the Exit Offer are, on balance, **fair and reasonable**. Taking the factors we have considered, we advise the Independent Directors to recommend that Shareholders **vote in favour of the Delisting Resolution and accept the Exit Offer.**"

PART III – THE RESUMPTION OF TRADING

9. RATIONALE FOR THE PROPOSED ADOPTION OF NEW CONSTITUTION AND THE PROPOSED BONUS ISSUE

As stated in **Section 1.1** of this Circular, trading in the Shares has been suspended since 15 July 2024 as the Free Float Requirement was not met as at the close of the Previous Offer. In the event the Delisting Resolution is not approved at the EGM, the Proposed Adoption of New Constitution and the Proposed Bonus Issue have been proposed as a means for the Company to resolve the current Trading Suspension, by facilitating the satisfaction by the Company of the Free Float Requirement, which if satisfied, would allow a Resumption of Trading.

To assist the Company to meet the Free Float Requirement, in the event the Delisting Resolution is not approved at the EGM, the Offeror intends to vote all its Shares in favour of the Resumption of Trading Resolutions and at the request of the Company, has also provided the Offeror Undertaking to the Company, whereby it has undertaken to exercise the Class C Non-Voting Shares Election to receive the Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares pursuant to the Proposed Bonus Issue. The Offeror Undertaking will help the Company to satisfy the Free Float Requirement upon completion of the Proposed Bonus Issue, by reducing the percentage of listed Shares held by the Offeror relative to the percentage of listed Shares held by public Shareholders who elect to receive Bonus Ordinary Shares. Please refer to **Section 10.3** of this Circular for further details of the Offeror Undertaking.

The Directors are of the view that the Proposed Adoption of New Constitution and the Proposed Bonus Issue constitute a feasible and practical means for the Company to satisfy the Free Float Requirement for the following reasons:

- (a) as stated in **Section 1.6** of this Circular, the SGX-ST has indicated that it has no further comments on the Proposed Transactions and proposed conduct of the EGM. The Proposed Transactions contemplate that the Resumption of Trading will take place after completion of the Proposed Bonus Issue, as the Free Float Requirement is expected to be satisfied following the Proposed Bonus Issue in view of the Offeror Undertaking;
- (b) all the Shareholders will be treated equally under the Proposed Bonus Issue, and the right to elect to receive Class C Non-Voting Shares in lieu of Bonus Ordinary Shares will be offered equally to all Shareholders;
- (c) the Class C Non-Voting Shares will rank *pari passu* with the Shares in all respects (including with respect to dividends and distributions), save that:
 - (i) the Class C Non-Voting Shares will not be listed, will not be redeemable and will not carry any voting rights at any general meeting of the Company (except as required under applicable law);
 - (ii) the Class C Non-Voting Shares will be convertible into Converted Ordinary Shares at the option of the Company or the Class C Shareholders upon the

occurrence of specific Conversion Events. Unless an earlier Conversion Event occurs, the Class C Non-Voting Shares will only be convertible at the option of the Class C Shareholders after the fifth (5th) anniversary of the first issuance of Class C Non-Voting Shares by the Company; and

- (iii) in the event of a dissolution or winding-up of the Company (other than pursuant to a Permitted Reorganisation), each Class C Non-Voting Share is entitled to receive a nominal liquidation preference of SGD0.10 (the "**Class C Liquidation Preference**") prior and in priority to any distribution in respect of the Shares. If there are any assets and funds of the Company available for distribution after the payment of the Class C Liquidation Preference, the Class C Non-Voting Shares shall rank *pari passu* with the Shares, and the Class C Shareholders and the Shareholders shall be entitled to participate *pro rata* in such residual assets and funds of the Company.

Please refer to **Section 10.4** of this Circular for further details of the principal terms of the Class C Non-Voting Shares; and

- (d) as no placement of new Shares or other capital raising exercise will be required in connection with the Proposed Bonus Issue, the implementation of the Proposed Bonus Issue is less likely to be subject to or dependent on market conditions or investor sentiment, and the related costs and expenses incurred by the Company will be relatively lower than if the Company were to undertake a placement of new Shares or other capital raising exercise.

10. PROPOSED BONUS ISSUE

10.1 Details of the Proposed Bonus Issue

In the event the Delisting Resolution is not approved at the EGM, the Company is proposing to undertake the Proposed Bonus Issue on the basis of one (1) Bonus Ordinary Share or one (1) Class C Non-Voting Share, at each Shareholder's election, to be credited as fully paid, for every one (1) existing Share held by such Shareholder as at the Bonus Issue Record Date.

As at the Joint Announcement Date, the Company has an issued and paid-up share capital comprising 473,319,069 Shares. Purely for illustrative purposes, if the Resumption of Trading Resolutions are approved by Shareholders at the EGM and assuming there is no change in the number of Shares from the Joint Announcement Date up to the Bonus Issue Record Date, up to 473,319,069 Bonus Ordinary Shares and/or Class C Non-Voting Shares will be issued pursuant to the Proposed Bonus Issue. This would amount to 100% of the existing issued and paid-up share capital of the Company or 50% of the enlarged share capital of the Company. The actual number of Bonus Ordinary Shares and/or Class C Non-Voting Shares to be issued by the Company will depend on the total number of Shares as at the Bonus Issue Record Date.

The Bonus Ordinary Shares and/or Class C Non-Voting Shares, as the case may be, will be allotted and issued to the Entitled Shareholders (other than Excluded Overseas Shareholders) on the basis of the number of Shares registered in their names or standing to the credit of their

Securities Accounts as at the Bonus Issue Record Date. Notice of the Bonus Issue Record Date will be given at a later date, if the Delisting Resolution is not approved, and the Resumption of Trading Resolutions are approved by Shareholders at the EGM. Please refer to **Section 18.2** of this Circular for further information in respect of Excluded Overseas Shareholders.

10.2 Right of Election for Class C Non-Voting Shares

Under the Proposed Bonus Issue, each Entitled Shareholder will be entitled, during the Election Period, to elect to receive one (1) Class C Non-Voting Share in lieu of one (1) Bonus Ordinary Share for every one (1) existing Share held by it as at the Bonus Issue Record Date.

Shareholders should note the following:

In the event that the Delisting Resolution is not approved, and the Resumption of Trading Resolutions are approved at the EGM, the Company will despatch the Election Form to Entitled Shareholders (other than Excluded Overseas Shareholders) and issue further announcement(s) on the administrative procedures for the Proposed Bonus Issue and the Election Period.

Entitled Shareholders who wish to receive only Bonus Ordinary Shares under the Proposed Bonus Issue NEED NOT TAKE ANY ACTION. They should not complete and submit the Election Form.

Entitled Shareholders who do not exercise the Class C Non-Voting Shares Election in respect of all or any portion of their Shares within the Election Period shall be deemed to have elected to receive Bonus Ordinary Shares in respect of all or such portion of their Shares (as the case may be).

10.3 Offeror Undertaking

To assist the Company to meet the Free Float Requirement, in the event the Delisting Resolution is not approved at the EGM, the Offeror intends to vote all its Shares in favour of the Resumption of Trading Resolutions and at the request of the Company, has also provided the Offeror Undertaking to the Company, pursuant to which it has undertaken to exercise the Class C Non-Voting Shares Election to receive Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares pursuant to the Proposed Bonus Issue.

The Offeror Undertaking is intended, in the event the Delisting Resolution is not approved at the EGM, to facilitate the satisfaction by the Company of the Free Float Requirement upon completion of the Proposed Bonus Issue, by reducing the percentage of listed Shares held by the Offeror relative to the percentage of listed Shares held by public Shareholders who elect to receive Bonus Ordinary Shares.

For illustrative purposes only, based on the information available to the Company as at the Joint Announcement Date, in the event that: (a) the Offeror elects to receive Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares; and (b) no other Entitled Shareholder elects to receive any Class C Non-Voting Shares, the change in shareholding

structure of the Company and corresponding change in free float of the Shares following the Proposed Bonus Issue will be as follows:

Before the Proposed Bonus Issue

Shareholder	No. of Shares	Shareholding Percentage ⁽¹⁾ (%)
Public Shareholders⁽²⁾	29,588,604	6.25
Non-Public Shareholders⁽²⁾		
Offeror	443,602,605	93.72
BOS Trustee Limited, as trustee of The Ong Trust ⁽³⁾	122,860	0.03
Estate of the spouse of Mrs. Teoh Lian Ee ⁽⁴⁾	5,000	n.m. ⁽⁵⁾
Sub-total for Non-Public Shareholders	443,730,465	93.75
Total	473,319,069	100.00

After the Proposed Bonus Issue

Shareholder	No. of Shares	Shareholding Percentage ⁽¹⁾ (%)	No. of Class C Non-Voting Shares ⁽⁶⁾	Shareholding Percentage ⁽¹⁾ (%)
Public Shareholders⁽²⁾	59,177,208	11.76	0	0.00
Non-Public Shareholders⁽²⁾				
Offeror	443,602,605	88.19	443,602,605	100.00
BOS Trustee Limited, as trustee of The Ong Trust ⁽³⁾	245,720	0.05	0	0.00
Estate of the spouse of Mrs. Teoh Lian Ee ⁽⁴⁾	10,000	n.m. ⁽⁵⁾	0	0.00
Sub-total for Non-Public Shareholders	443,858,325	88.24	443,602,605	100.00

Total	503,035,533	100.00	443,602,605	100.00

Notes:

- (1) Rounded to the nearest two (2) decimal places.
- (2) "Public" is defined in the Listing Manual to mean, *inter alia*, persons other than: (a) directors, chief executive officer, substantial shareholders, or controlling shareholders of the issuer or its subsidiary companies; and (b) associates of the persons in (a) above.
- (3) As at the Joint Announcement Date, BOS Trustee Limited, as trustee of The Ong Trust, holds 122,860 Shares. BOS Trustee Limited is not a public Shareholder as it is a subsidiary and therefore, an associate of the Offeror.
- (4) As at the Joint Announcement Date, 5,000 Shares are held in the estate of the spouse of Mrs. Teoh Lian Ee, who is a Director.
- (5) Not meaningful.
- (6) Each Class C Non-Voting Share shall be convertible into one (1) fully paid Converted Ordinary Share upon exercise of the Conversion Right in accordance with the terms of the Class C Non-Voting Shares.

10.4 Principal Terms of the Class C Non-Voting Shares

The principal terms of the Class C Non-Voting Shares are as follows:

Listing	The Class C Non-Voting Shares shall not be listed on the SGX-ST or any other stock exchange or quotation system.
Voting Rights	The Class C Non-Voting Shares shall not carry any voting rights (except as provided in Article 9C(4) of the New Constitution).
Dividend Rights	The rights of Class C Shareholders shall rank on a <i>pari passu</i> basis with the rights of Shareholders in respect of dividends and other distributions (whether from capital or from profit, and in whatever form) and Class C Non-Voting Shares shall be entitled to receive the same dividends and distributions as those payable on the Shares.
Liquidation Rights	In the event of the commencement of any dissolution or winding-up of the Company (other than pursuant to a Permitted Reorganisation), the Class C Non-Voting Shares shall rank as regards participation in assets and funds of the Company: (a) junior to all creditors (including the holders of subordinated debt) of the Company; (b) junior to any class A preference shares in the capital of the Company ("Class A Preference Shares")⁴ and class B

⁴ As at the Joint Announcement Date, the Company has no outstanding Class A Preference Shares or Class B Preference Shares.

	preference shares in the capital of the Company ("<u>Class B Preference Shares</u>")⁴ and any preference shares or other similar obligations of the Company that are expressed to rank <i>pari passu</i> with the Class A Preference Shares and the Class B Preference Shares; and (c) each Class C Non-Voting Share shall be entitled to receive in Singapore dollars an amount equal to the Class C Liquidation Preference (i.e. SGD0.10 per Class C Non-Voting Share), prior and in priority to any distribution in respect of the Shares. If there are any assets and funds of the Company available for distribution after the payment of the Class C Liquidation Preference, the Class C Non-Voting Shares shall rank <i>pari passu</i> with the Shares, and the Class C Shareholders and the Shareholders shall be entitled to participate <i>pro rata</i> in such residual assets and funds of the Company.
Conversion Right	The Company shall have the right, at its option, to convert all or part of the Class C Non-Voting Shares into Converted Ordinary Shares (the "<u>Company's Conversion Right</u>"): (a) if at any time the aggregate number of Class C Non-Voting Shares in issue is less than 5,000,000; (b) if at any time the Shares cease to be listed on any stock exchange; or (c) upon the receipt by the Company of any notice, certificate or direction from any competent authority with jurisdiction over the Company (including, without limitation, the MAS) directing the Company to exercise the Company's Conversion Right or otherwise, to convert all or part of the Class C Non-Voting Shares into Converted Ordinary Shares, (each of the events in sub-paragraphs (a) to (c) above, a "<u>Company's Conversion Event</u>"). In addition, each Class C Shareholder shall have the right, at its option, to convert all or part of its Class C Non-Voting Shares into Converted Ordinary Shares (the "<u>Class C Shareholders' Conversion Right</u>") at any time after the date on which any of the following events occur, whichever is earliest: (i) the fifth (5th) anniversary of the first issuance of Class C Non-Voting Shares by the Company;

	(ii) the announcement of a general offer, scheme of arrangement, merger, amalgamation or other transaction that results or may result in a change in Control (as defined in the New Constitution) of the Company; (iii) the announcement by the Company of any act, matter, event or transaction, or proposed act, matter, event or transaction (including, but not limited to, any appointment, resignation and/or removal of directors and/or management personnel) which would result in a change in (A) the composition of a majority of the board of directors of the Company from time to time or (B) management control of the Company; (iv) the Company enters into or resolves to enter into any arrangement, composition or compromise with or assignment for the benefit of its creditors or any class of them in any relevant jurisdiction, or any steps are taken for the dissolution of the Company, or any receiver, judicial manager, trustee, administrator, liquidator (including a provisional liquidator), agent or similar officer is appointed over the Company (as the case may be); (v) the Company being unable to pay its debts as they fall due or the value of the Company's assets being less than the value of its liabilities (including contingent liabilities), or the Company failing to comply with any applicable minimum asset or capital requirements imposed by law and/or the MAS (including, but not limited to, any applicable minimum asset and capital requirements under or imposed pursuant to Part VI of the FHC Act), or any event having occurred which constitutes an event of default, or otherwise gives rise to an obligation to repay, under any loan or facility arrangements and/or agreements to which the Company is a party; or (vi) the receipt by the Company of any notice, certificate or direction from any competent authority with jurisdiction over the Company (including, without limitation, the MAS) directing the Company to allow the Class C Shareholders to exercise the Class C Shareholders' Conversion Right or otherwise to convert all or part of their Class C Non-Voting Shares into Converted Ordinary Shares, (each of the events in sub-paragraphs (i) to (vi) above, a "<u>Class C Shareholders' Conversion Event</u>").

	Each Class C Non-Voting Share shall be convertible into one (1) fully paid Converted Ordinary Share and, except as required under applicable laws, no additional consideration shall be payable upon such conversion. ⁵
Transfer	An instrument of transfer of the Class C Non-Voting Shares which is in certificated form must be in writing in any usual form or other form approved by the directors of the Company and must be executed by or on behalf of the transferor and by or on behalf of the transferee. The transferor shall remain the holder of the Class C Non-Voting Shares transferred until the name of the transferee is entered in the Register in respect thereof.
Adjustment Events	In the event of any consolidation, subdivision, redesignation or reclassification of the Shares which alters the number of Shares in issue (each such event, an " Adjustment Event ", and the ratio of the number of Shares in issue immediately after the Adjustment Event as compared to the number of Shares in issue immediately before such Adjustment Event, an " Adjustment Event Ratio "), the same Adjustment Event Ratio shall be applied to alter the number of Class C Non-Voting Shares on the same basis as if the Class C Non-Voting Shares were Shares.
Capitalisation Events	In the event of any (a) bonus issue of shares to Shareholders; or (b) offering of securities, whether by way of rights or preferential offering, to Shareholders (" Capitalisation Event "), each Class C Non-Voting Share shall rank on a <i>pari passu</i> basis with the rights of Shareholders in respect of their entitlements under the Capitalisation Event on the same terms and conditions applicable to the Shares, provided that where the Capitalisation Event relates to an offering or issuance of Shares, each Class C Non-Voting Share shall, in lieu of Shares, be entitled to an offering or issuance of Class C Non-Voting Shares on the same terms and conditions.

Please refer to Article 9C of the New Constitution, as extracted in **Appendix V** to this Circular, for the full terms of the Class C Non-Voting Shares.

⁵ Assuming that all Shareholders elect to receive Class C Non-Voting Shares, and there is no change in the number of Shares from the Joint Announcement Date up to the Bonus Issue Record Date, a maximum number of 473,319,069 Class C Non-Voting Shares may be allotted and issued pursuant to the Proposed Bonus Issue and a maximum number of 473,319,069 Converted Ordinary Shares may be allotted and issued in the event the Conversion Right is exercised in respect of all such Class C Non-Voting Shares.

10.5 Capitalisation of Reserves

The Bonus Ordinary Shares will be allotted and issued as fully paid at nil consideration to Entitled Shareholders (other than Excluded Overseas Shareholders) without capitalisation of the Company's reserves.

Upon exercise of the Conversion Right in respect of any Class C Non-Voting Shares, the relevant Converted Ordinary Shares will be allotted and issued as fully paid at nil consideration to the holders of such Class C Non-Voting Shares without capitalisation of the Company's reserves.

The Class C Non-Voting Shares will be allotted and issued as fully paid at nil consideration to Entitled Shareholders (other than Excluded Overseas Shareholders). The issue of the Class C Non-Voting Shares will involve the capitalisation of an amount of up to SGD47,331,906.90 out of the retained earnings of the Company, which will be applied towards payment in full for the Class C Non-Voting Shares, at an amount of SGD0.10 per Class C Non-Voting Share.

10.6 Status of the Bonus Ordinary Shares, the Class C Non-Voting Shares and the Converted Ordinary Shares

The Bonus Ordinary Shares and the Converted Ordinary Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares and with each other.

The Class C Non-Voting Shares will rank *pari passu* with the Shares in all respects (including with respect to dividends and distributions), save that:

- (a) the Class C Non-Voting Shares will not be listed, will not be redeemable and will not carry any voting rights at any general meeting of the Company (except as required under applicable law);
- (b) the Class C Non-Voting Shares will be convertible into Converted Ordinary Shares at the option of the Company or the Class C Shareholders upon the occurrence of specific Conversion Events. Unless an earlier Conversion Event occurs, the Class C Non-Voting Shares will only be convertible at the option of the Class C Shareholders after the fifth (5th) anniversary of the first issuance of Class C Non-Voting Shares by the Company; and
- (c) in the event of a dissolution or winding-up of the Company (other than pursuant to a Permitted Reorganisation), each Class C Non-Voting Share is entitled to receive an amount equal to the Class C Liquidation Preference (i.e. SGD0.10 per Class C Non-Voting Share) prior and in priority to any distribution in respect of the Shares. If there are any assets and funds of the Company available for distribution after the payment of the Class C Liquidation Preference, the Class C Non-Voting Shares shall rank *pari passu* with the Shares, and the Class C Shareholders and the Shareholders shall be entitled to participate *pro rata* in such residual assets and funds of the Company.

The Bonus Ordinary Shares, the Class C Non-Voting Shares and the Converted Ordinary Shares, when allotted and issued, will not be entitled to any dividends, rights, allotments or

other distributions, the record date of which falls on a date before the date on which the Bonus Ordinary Shares, the Class C Non-Voting Shares and/or the Converted Ordinary Shares (as the case may be) are allotted and issued.

10.7 Conditions to the Proposed Bonus Issue

The Proposed Bonus Issue is subject to and conditional upon both of the Resumption of Trading Resolutions being approved at the EGM.

In the event that this condition is not satisfied, the Proposed Bonus Issue will not proceed, and the Resumption of Trading will not take place as the Free Float Requirement will not be satisfied.

10.8 Approval of the SGX-ST

The SGX-ST has approved in-principle the listing and quotation of up to 473,319,069 Bonus Ordinary Shares and up to 473,319,069 Converted Ordinary Shares on the Official List of the Mainboard of the SGX-ST, subject to the following:

- (a) compliance with the SGX-ST's continuing listing requirements;
- (b) the Delisting Resolution is not approved by Independent Shareholders at the EGM, while the Resumption of Trading Resolutions are approved by Shareholders at the EGM; and
- (c) submission of a written confirmation by the Company to the SGX-ST that the listing and quotation of the Bonus Ordinary Shares and the Converted Ordinary Shares on the Official List of the Mainboard of the SGX-ST is in compliance with the Companies Act.

The approval in-principle granted by the SGX-ST is only for the listing and quotation of the Bonus Ordinary Shares and the Converted Ordinary Shares on the Official List of the Mainboard of the SGX-ST. Shareholders should note that the SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Proposed Transactions, the Bonus Ordinary Shares, the Class C Non-Voting Shares, the Converted Ordinary Shares, the Company and/or its subsidiaries.

10.9 Regulatory Capital

After the completion of the Proposed Bonus Issue, the GEH Group will continue to be able to comply with the capital requirements prescribed by the MAS. In particular, the GEH Group's capital adequacy ratio will remain above the regulatory minimum ratios set out under MAS Notice No. FHC-N133 – Notice on Valuation and Capital Framework for Designated Financial Holding Companies (Licensed Insurer) issued on 15 November 2023.

10.10 Compliance with Rule 838 of the Listing Manual

Pursuant to Rule 838 of the Listing Manual, an issuer must satisfy the SGX-ST that the daily weighted average price of its shares, adjusted for the bonus issue (the "**Adjusted Price**"), will

not be less than SGD0.50 (the "**Minimum Price**"). The issuer should compute the Adjusted Price based on the proposed bonus issue ratio and the issuer's lowest daily weighted share price of the shares for a month preceding the issuer's proposed bonus issue application.

As the Shares have been suspended from trading since 15 July 2024, the Company has computed the Adjusted Price based on the lowest daily weighted share price of the Shares for the month preceding the close of the Previous Offer.

For illustrative purposes only, the lowest daily weighted share price of the Shares in the month preceding 12 July 2024, being the date of the close of the Previous Offer, is SGD25.5938 and accordingly, the theoretical ex-bonus price ("**TEBP**") would be calculated as follows:

$$\text{TEBP} = \frac{\text{SGD}25.5938}{2} \times 1 = \text{SGD}12.7969$$

Accordingly, the TEBP will be above the Minimum Price. Further, the Company confirms that there is no reason to believe that the TEBP is likely to fall below the Minimum Price after the month preceding the close of the Previous Offer, since as mentioned above, the Shares have been suspended from trading since 15 July 2024.

11. **FINANCIAL EFFECTS OF THE PROPOSED BONUS ISSUE**

The following *pro forma* financial effects of the Proposed Bonus Issue are for illustrative purposes only and do not reflect the actual future results or financial position of the Company or the GEH Group after the completion of the Proposed Bonus Issue. These *pro forma* financial effects have been prepared based on the audited consolidated financial statements of the GEH Group for FY24 as extracted from the Annual Report for FY24 and set out in **Appendix VI** to this Circular, and the following assumptions:

- (a) there is no change in the total number of Shares from the Joint Announcement Date to the Bonus Issue Record Date;
- (b) the Offeror elects to receive Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares, and no other Entitled Shareholder elects to receive any Class C Non-Voting Shares under the Proposed Bonus Issue;
- (c) for the purposes of illustrating the effect of the Proposed Bonus Issue on the NTA per Share, it is assumed that the Proposed Bonus Issue had been completed on 31 December 2024; and
- (d) for the purposes of illustrating the effect of the Proposed Bonus Issue on EPS, it is assumed that the Proposed Bonus Issue had been completed on 1 January 2024.

Share Capital

The effect of the Proposed Bonus Issue on the share capital of the Company is illustrated as follows:

	As at the Joint Announcement Date	Immediately after the Proposed Bonus Issue
Share capital	SGD152.7 million	SGD197.1 million
Number of issued Shares and Class C Non-Voting Shares (excluding treasury shares)	473,319,069	946,638,138
Number of treasury shares	0	0

Net Tangible Assets

The effect of the Proposed Bonus Issue on the NTA per Share of the GEH Group is illustrated as follows:

	Before the Proposed Bonus Issue	Immediately after the Proposed Bonus Issue
NTA	SGD8,453.6 million	SGD8,453.6 million
Number of issued Shares and Class C Non-Voting Shares (excluding treasury shares)	473,319,069	946,638,138
NTA per Share	SGD17.86	SGD8.93

Earnings per Share

The effect of the Proposed Bonus Issue on the EPS of the GEH Group is illustrated as follows:

	Before the Proposed Bonus Issue	Immediately after the Proposed Bonus Issue
Profits attributable to Shareholders (after minority interests)	SGD995.3 million	SGD995.3 million
Number of issued Shares and Class C Non-Voting Shares (excluding treasury shares)	473,319,069	946,638,138
EPS	SGD2.10	SGD1.05

Gearing

As the Shareholders' equity will remain unchanged following the Proposed Bonus Issue, the Proposed Bonus Issue will not have any effect on the gearing of the GEH Group.

Dividend

The Company's dividend record for the last two (2) financial years is as follows:

In respect of	Gross Dividend Amount		
	Interim	Final	Total
FY23	SGD0.35	SGD0.40	SGD0.75
FY24	SGD0.45	SGD0.45	SGD0.90

The Company's current dividend policy is to pay a more steady dividend payment twice yearly. Each twice-yearly payment will be of an amount that targets a full-year payout to Shareholders that is based on the sustainable profit level of the GEH Group, and dividends will be progressive in line with the profit trend of the GEH Group. Barring unforeseen circumstances, the Company aims to maintain each dividend amount to be no lower than the preceding one. As at the Latest Practicable Date, the Company has no intention to amend its stated dividend policy.

Accordingly, barring any unforeseen circumstances, the Company expects to maintain the quantum of dividend declared and paid in FY24 in respect of FY25. On a post-Proposed Bonus Issue basis, the quantum of dividend per Share or Class C Non-Voting Share would be halved, as the total number of Shares and Class C Non-Voting Shares in issue following the Proposed Bonus Issue would be twice the number of Shares in issue pre-Proposed Bonus Issue.

For illustrative purposes only, assuming that the Company announces an interim dividend of SGD0.45 per Share in FY25 on a pre-Bonus Issue basis, and the Bonus Ordinary Shares and Class C Non-Voting Shares are allotted and issued before the record date for the determination of entitlements to such interim dividend, each Shareholder and Class C Shareholder would receive SGD0.225 per Share or Class C Non-Voting Share (as the case may be) on a post-Proposed Bonus Issue basis.

As seen from the illustration above, as the Proposed Bonus Issue is made equally to all Entitled Shareholders on a one (1) for one (1) basis, barring any unforeseen circumstances, each Entitled Shareholder (other than Excluded Overseas Shareholders) will receive at least the same quantum of dividends in respect of FY25 on a post-Proposed Bonus Issue basis as what they would have received on a pre-Proposed Bonus Issue basis. Please refer to **Section 18.2** of this Circular for further information in respect of Excluded Overseas Shareholders.

12. **PROPOSED ADOPTION OF NEW CONSTITUTION**

12.1 **Background**

As stated in the Joint Announcement, in the event the Delisting Resolution is not approved at the EGM, the Company is proposing to adopt the New Constitution, which is largely comprised of the existing provisions of the Existing Constitution, as updated to:

- (a) provide for the issue of Class C Non-Voting Shares by the Company and set out the rights attached to the Class C Non-Voting Shares; and
- (b) incorporate various other changes, primarily to give effect to the designation of the Company as a designated financial holding company by the MAS under Section 4(1) of the FHC Act with effect from 1 July 2022⁶, as well as various legislative changes to the Companies Act and changes to the Listing Manual. In addition, other general amendments have been made to streamline and rationalise certain provisions in the New Constitution, including for greater clarity.

The adoption of the New Constitution is subject to the approval by the Shareholders of the Adoption of New Constitution Resolution.

12.2 **Summary of Key Changes Reflected in the New Constitution**

Key provisions in the New Constitution (the "**Articles**", and each, an "**Article**") which differ significantly from the provisions in the Existing Constitution (the "**Existing Articles**", and each, an "**Existing Article**") are summarised in **Sections 12.3 to 12.6** of this Circular. This summary should be read together with **Appendix V** to this Circular, which sets out the Articles in the New Constitution which are new or significantly different from the corresponding Existing Articles in the Existing Constitution.

12.3 **Changes relating to the Class C Non-Voting Shares**

The following Articles have been amended or introduced in connection with the proposed allotment and issue by the Company of Class C Non-Voting Shares pursuant to the Proposed Bonus Issue:

- (a) Article 9C. A new Article 9C has been introduced to set out the rights attached to the Class C Non-Voting Shares as required under Section 64A of the Companies Act, which provides that different classes of shares in a public company may be issued only if (i) the issue of the class or classes of shares is provided for in the constitution of the public company; and (ii) the constitution of the public company sets out in respect of each class of shares the rights attached to that class of shares.
- (b) Articles 9A and 9B (Existing Articles 9A and 9B). Articles 9A and 9B, which set out the rights attached to any Class A Preference Shares and Class B Preference Shares to be issued by the Company, have been amended to reflect the creation of a new class

⁶ Pursuant to the Financial Holding Companies (Designated Financial Holding Companies) Order 2022.

of Class C Non-Voting Shares and to clarify the ranking and priority of the Class A Preference Shares and Class B Preference Shares relative to the Class C Non-Voting Shares as regards, among others, participation in profits, dividends and distributions, and upon a liquidation of the Company.

12.4 Changes to Ensure Consistency with the Companies Act and/or Listing Manual

The following Articles have been updated to ensure consistency with the Companies Act and/or the Listing Manual.

(a) Articles 7, 8, 12(B), 16 and 141(A) (Existing Articles 7, 8, 12(B), 16 and 141(A)). Article 7, which relates to the issue of shares of the Company, is amended to incorporate the following new provisions:

- (i) a new Article 7(A) clarifying that the Company has the power to issue different classes of shares, including shares which confer special, limited or conditional voting rights, or which do not confer voting rights. This has been introduced for consistency with the provisions of Section 64A(2) of the Companies Act; and
- (ii) a new Article 7(C) clarifying that the issuance of any shares that confer special, limited or conditional voting rights or that confer no voting rights must be approved by the members of the Company by special resolution. This has been introduced for consistency with the provisions of Section 64A(3) of the Companies Act.

Consequential amendments to Existing Articles 8 and 16 have also been made to provide that the Company may issue shares which confer special, limited or conditional voting rights, or which do not confer voting rights, as well as to Articles 12(B) and 141(A) to clarify that the issuance of such shares by the Company is subject to Article 7(C).

(b) Article 55 (Existing Article 55). Existing Article 55 provides that annual general meetings of the Company shall be held once in every year, at such time (within a period of not more than 15 months (or such other period as may be prescribed by the Companies Act and every other Act for the time being in force concerning companies and affecting the Company, and/or any stock exchange upon which shares in the Company may be listed)) after the holding of the last preceding annual general meeting. The amended Article 55 provides that annual general meetings will be held in accordance with the provisions of the Companies Act and for so long as the shares of the Company are listed on the SGX-ST, the Listing Manual, so as to better align with the requirements of Section 175(1) of the Companies Act and paragraph 10 of Appendix 2.2 of the Listing Manual.

(c) Article 58(A) (Existing Article 58(A)). Existing Article 58(A), which relates to notices of general meetings, is amended to clarify that where the Company has one (1) or more classes of shares that confer special, limited or conditional voting rights, or that confer no voting rights, any notice calling a general meeting shall also specify the special, limited or conditional voting rights, or the absence of voting rights, in respect of each such class of shares for so long as any shares of any such class are issued or

outstanding. This has been introduced to align with the requirements of Section 64A(4) of the Companies Act.

12.5 Changes relating to the FHC Act

The following Articles have been amended in view of the designation of the Company as a designated financial holding company by the MAS under Section 4(1) of the FHC Act with effect from 1 July 2022⁷:

- (a) Article 1 (Existing Article 1). Article 1, which defines terms used in the New Constitution, contains the following new or amended provisions:
 - (i) a new provision defining "Financial Holding Companies Act" to mean the "Financial Holding Companies Act 2013 of Singapore, as amended from time to time", together with the deletion of the existing definitions of "Banking Act" and "Minister", to reflect the designation of the Company as a designated financial holding company that is subject to the provisions of the FHC Act; and
 - (ii) an amended provision clarifying that the term "Prescribed Limits", which relates to shareholding limits applicable to the Company and shares of the Company, refers to the limits prescribed under the FHC Act from time to time.
- (b) Articles 6, 8(a), 44 and 136(D) (Existing Articles 6, 8(a), 44 and 136(D)). Article 6, which relates to the shareholding limits applicable to the Company and shares of the Company, is amended to align with the requirements of Sections 20 and 21 of the FHC Act for the approval of the MAS to be obtained for a person to hold, have an interest in, or control shares in the Company in excess of such limits.

Consequential amendments have also been made to Article 8(a) and Article 136(D) to ensure, among others, that new allotments and issuances of shares comply with the requirements of the FHC Act.

Article 44, which relates to the powers of the directors of the Company in the event of a breach of the applicable provisions in respect of shareholding limits, is amended to align with the requirements of Sections 20 and 21 of the FHC Act, as well as to cover a situation where such limits are breached as a result of a conversion of Class C Non-Voting Shares into Converted Ordinary Shares in accordance with Article 9C.

- (c) Articles 11, 14(B), 83, 92, 104(A), 110(A), 112 and 113 (Existing Articles 11, 14(B), 83, 92, 104(A), 110(A), 112 and 113). These Articles are amended to clarify that certain rights of the Company and/or the directors of the Company, including rights in respect of treasury shares, the purchase or acquisition by the Company of its issued shares, the appointment of directors of the Company, alternate directors of the Company, chief executive officers and the chairman and deputy chairman of the board of directors of the Company, and the establishment and holding of meetings of committees of the directors of the Company, are subject to the provisions of the FHC Act, the Financial

⁷

Pursuant to the Financial Holding Companies (Designated Financial Holding Companies) Order 2022.

Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022 and/or regulatory consent (as applicable). These amendments have been introduced for consistency with the provisions of Sections 35, 59 and 63 of the FHC Act and the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022.

- (d) Articles 96 and 99(b) (Existing Articles 96 and 99(b)). Article 96, which relates to the circumstances in which the office of a director of the Company shall be vacated, is amended to provide that the office of a director of the Company shall also be vacated if he shall become disqualified from acting as a director under, among others, the FHC Act, unless regulatory consent has been obtained.

Article 99(b) is amended to provide that a retiring director of the Company shall not be deemed to be re-elected under such Article where such director of the Company is disqualified under the FHC Act from holding office as a director.

These amendments have been introduced for consistency with the provisions of Section 62 of the FHC Act.

12.6 Other Amendments

The Articles below have been updated, rationalised and streamlined for better clarity:

- (a) Articles 9A(2)(l), 9A(7), 9B(2)(l) and 9B(7) (Existing Articles 9A(2)(l), 9A(7), 9B(2)(l) and 9B(7)). Existing Articles 9A(2)(l) and 9B(2)(l), which relate to the imputation of tax on distributions made by the Company to holders of Class A Preference Shares and Class B Preference Shares, have been deleted as the transition period for Singapore-resident companies to remain on the imputation system of tax had ended on 31 December 2007, and all Singapore-resident companies (including the Company) have been moved to the one (1)-tier corporate tax system under which the tax paid by companies will not be imputed to shareholders who receive dividends and such shareholders will not be taxed on the dividends received. Accordingly, such provisions are no longer applicable. Consequential amendments have also been made to Articles 9A(7) and 9B(7) to reflect the above deletions.
- (b) Articles 1, 9A(2)(f) and 9B(2)(f) (Existing Articles 1, 9A(2)(f) and 9B(2)(f)). References to Singapore statutes in these Articles have been amended to conform with the new citations for Acts of Parliament following the 2020 Revised Edition of Acts of Parliament, which took effect on 31 December 2021. The short title of a revised Act now includes the year the Act was enacted, while Chapter numbers are no longer required.

12.7 Extracts of Articles in the New Constitution which are New or Significantly Different from the Corresponding Existing Articles in the Existing Constitution

Extracts of the Articles in the New Constitution which are new or significantly different from the corresponding Existing Articles in the Existing Constitution are set out in **Appendix V** to this Circular.

**PART IV – DIRECTORS' RECOMMENDATIONS AND ACTION TO BE TAKEN BY
SHAREHOLDERS**

13. DIRECTORS' RECOMMENDATIONS

13.1 Independent Directors' Recommendation on the Exit Offer

As discussed in **Section 1** of this Circular entitled "Introduction", a prolonged and ongoing Trading Suspension is not viable and not in the interests of Shareholders and there are only two (2) pathways possible:

- (a) one that leads to a delisting of the Company from the Official List of the SGX-ST; and
- (b) the other which facilitates the satisfaction of the Free Float Requirement, which would if satisfied, allow the resumption of trading in the Shares.

The Delisting Resolution is proposed to be approved by Independent Shareholders at the EGM. If the Delisting Resolution is approved by Independent Shareholders at the EGM, the Resumption of Trading Resolutions will not be put to vote at the EGM, and the Company will be delisted on or after the close of the Exit Offer.

If the Delisting Resolution is not approved by Independent Shareholders, the Resumption of Trading Resolutions will be put to vote by Shareholders at the EGM. The Resumption of Trading will require the Company to meet the Free Float Requirement. To assist the Company to meet the Free Float Requirement, in the event the Delisting Resolution is not approved at the EGM, the Offeror intends to vote all its Shares in favour of the Resumption of Trading Resolutions and at the request of the Company, has also undertaken to the Company to exercise the Class C Non-Voting Shares Election to receive Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares pursuant to the Proposed Bonus Issue.

Shareholders are advised by the Independent Directors to read and consider carefully the following recommendation of the Independent Directors and the advice of the IFA contained in the IFA Letter as reproduced in **Appendix I** to this Circular in its entirety. In particular, the Independent Directors advise the Shareholders to review **paragraph 12** of the IFA Letter, as extracted and set out in **Section 8** of this Circular, carefully. The Independent Directors also draw the attention of the Shareholders to **Section 1** of this Circular entitled "Introduction" and **Section 7** of this Circular entitled "Implications of Delisting and Compulsory Acquisition for Shareholders".

In reaching the recommendation set out below, the Independent Directors have considered carefully, amongst other things, the terms of the Delisting Proposal including the Exit Offer and the advice given by the IFA.

Having taken the IFA's advice on the Exit Offer and the terms of the Delisting Proposal into consideration, the Independent Directors concur with the advice of the IFA in relation to the Exit Offer.

Accordingly, the Independent Directors recommend that Shareholders **VOTE IN FAVOUR** of the Delisting Resolution and **ACCEPT** the Exit Offer.

13.2 Directors' Recommendation on the Proposed Adoption of New Constitution and the Proposed Bonus Issue

Having carefully considered, among others, the rationale for and terms of the Proposed Adoption of New Constitution and the Proposed Bonus Issue as set out in **Sections 9, 10 and 12** of this Circular, the Directors are of the view that in the event the Delisting Resolution is not approved at the EGM, the Proposed Adoption of New Constitution and the Proposed Bonus Issue are in the best interests of the Company, as they would facilitate the satisfaction of the Free Float Requirement, which if satisfied, would enable a Resumption of Trading, thereby resolving the current Trading Suspension.

Accordingly, if the Delisting Resolution is not approved, the Directors recommend that Shareholders **VOTE IN FAVOUR** of the Adoption of New Constitution Resolution and the Bonus Issue Resolution.

In addition, the Directors recommend that Shareholders (other than the Offeror) **DO NOT ELECT** to receive the Class C Non-Voting Shares pursuant to the Proposed Bonus Issue. Shareholders should note that:

- (a) while the Class C Non-Voting Shares will carry the Class C Liquidation Preference (i.e. a nominal liquidation preference of SGD0.10 per Class C Non-Voting Share) and offer the same economic benefits to dividends and other distributions as the Bonus Ordinary Shares, the Class C Non-Voting Shares:
 - (i) **will not carry any voting rights at any general meeting of the Company (except as required under applicable law).** In this regard:
 - (A) the Offeror has undertaken to the Company, in the event the Delisting Resolution is not approved at the EGM, to elect to receive the Class C Non-Voting Shares at the expense of diluting its own voting rights, so as to enable the Company to meet the Free Float Requirement; and
 - (B) **Shareholders should thus note that if they elect to receive any Class C Non-Voting Shares, their voting rights would be diluted relative to other Shareholders who receive their full entitlements to Bonus Ordinary Shares;**
 - (ii) **will not be listed, and therefore will not be easily tradeable;**
 - (iii) **will not be redeemable; and**
 - (iv) **will only be convertible into Shares at the option of the Class C Shareholders after the fifth (5th) anniversary of the first issuance of Class C Non-Voting Shares by the Company or earlier upon the occurrence of other specific Conversion Events.**

Accordingly, Shareholders should note that if they elect to receive any Class C Non-Voting Shares, they may have to continue holding such Class C Non-Voting Shares for at least five (5) years unless an earlier Conversion Event occurs; and

- (b) the separate class of Class C Non-Voting Shares has been created for the purpose of facilitating the satisfaction by the Company of the Free Float Requirement, which if satisfied, would allow a Resumption of Trading. If Shareholders (other than the Offeror) elect to receive the Class C Non-Voting Shares pursuant to the Proposed Bonus Issue, there is a risk that the Company may not be able to satisfy the Free Float Requirement, and as a result, the Trading Suspension will continue.

13.3 Note to Shareholders

In rendering the above advice and giving the above recommendations, the Independent Directors and the Directors (as the case may be) have not taken into consideration nor had regard to the general or specific investment objectives, financial situation, risk profiles, tax position and/or particular or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment profiles and objectives, the Independent Directors and the Directors (as the case may be) recommend that any Shareholder who may require specific advice in relation to the Exit Offer, the Delisting, the Proposed Adoption of New Constitution and/or the Proposed Bonus Issue consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

14. ACTION TO BE TAKEN BY SHAREHOLDERS

14.1 Circular, Notice of EGM, Proxy Form and Company Notification

This Circular has been electronically disseminated to Shareholders via publication on the website of the SGX-ST at www.sgx.com and the Company's website at <https://www.greateasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html>. Printed copies of this Circular will **NOT** be sent to Shareholders. Only printed copies of the Company Notification, the Notice of EGM and the accompanying Proxy Form will be despatched by the Company to Shareholders on 16 June 2025.

Shareholders may also obtain printed copies of this Circular, during normal business hours and up to the Closing Date, from the Company c/o The Great Eastern Life Assurance Company Limited, at its office located at 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659, or by submitting a request to the Company by email (GEH_meetings@greateasternlife.com).

14.2 Voting at the EGM

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his/her/its behalf, he/she/it should complete, sign and submit the attached Proxy Form to the Company in accordance with the instructions printed thereon.

Specifically, the Proxy Form must be submitted to the Company in the following manner:

- (a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
- (b) if submitted electronically, be submitted via email to the Company at GEH_meetings@greateasternlife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. on 5 July 2025, being 72 hours before the time appointed for holding the EGM.

Completion and submission of a Proxy Form by a Shareholder will not prevent him/her from attending and voting in person at the EGM if he/she so wishes, in place of his/her proxy.

14.3 Acceptance of the Exit Offer

In connection with the electronic dissemination of the Exit Offer Letter, the Offeror Notification, together with the Relevant Acceptance Forms and a pre-addressed envelope which is pre-paid for posting in Singapore only, will be posted by the Offeror to Shareholders on 16 June 2025. Printed copies of the Exit Offer Letter will **NOT** be sent to Shareholders.

As stated in the Exit Offer Letter, if you have Offer Shares standing to the credit of the "Free Balance" of your Securities Account, you should receive the Offeror Notification together with the FAA. If you do not receive the FAA, you may obtain a copy of the FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services (asksgx@sgx.com). An electronic copy of the FAA may also be obtained from the website of the SGX-ST at www.sgx.com.

If you hold Offer Shares which are not deposited with CDP, in scrip form, you should receive the Offeror Notification together with the FAT. If you do not receive the FAT, you may obtain a copy of the FAT, upon production of satisfactory evidence that you are a Shareholder, from the Registrar at its office located at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632. An electronic copy of the FAT may also be obtained from the website of the SGX-ST at www.sgx.com.

If you wish to accept the Exit Offer, you should complete, sign and deliver the Relevant Acceptance Form in accordance with the provisions of and instructions in the Exit Offer Letter and that Relevant Acceptance Form.

The Exit Offer is open for acceptance from the Despatch Date. **Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances would be conditional and if the Delisting Resolution is not approved, the Exit Offer will lapse and all the Shareholders as well as the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.**

Those Offer Shares in respect of which acceptances have been received shall be returned to the relevant Shareholders in accordance with the procedures set out in the Exit Offer Letter and the Relevant Acceptance Forms.

If the Delisting Resolution is approved, the Exit Offer will continue to be open for acceptance by the Shareholders for 14 days after the date of the announcement of the approval of the Delisting Resolution.

Accordingly, the Exit Offer will close at 5.30 p.m. on the Closing Date, being 22 July 2025. The Exit Offer will not be extended beyond the Closing Date.

If you decide not to accept the Exit Offer, you do not have to take any action. In the event that the Delisting Resolution is approved at the EGM, and the Company is delisted, you will continue to hold unlisted Shares in the Company as an unlisted company unless: (a) the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the Offer Shares of the Dissenting Shareholders under Section 215(1) of the Companies Act; or (b) you, as a Dissenting Shareholder, become entitled to, and exercise your right to require the Offeror to acquire all your Offer Shares under Section 215(3) of the Companies Act. Please refer to **Section 7.2** of this Circular for further details on Sections 215(1) and 215(3) of the Companies Act.

If you hold Shares that are deposited with CDP, one (1) share certificate representing your delisted Shares will be sent, by ordinary post and at your own risk, to your address as such address appears in the records of CDP for your physical safekeeping after the Company has been delisted from the Official List of the SGX-ST. If you are a CPFIS Investor or a SRS Investor, such share certificates will be forwarded to your CPF Agent Bank or SRS Agent Bank (as the case may be) for their safekeeping.

The detailed procedures for acceptance and additional information on settlement of the Exit Offer are set out in (i) **Appendix 1** to the Exit Offer Letter entitled "Procedures for Acceptance", and (ii) **Appendix II** to this Circular entitled "Procedures for Acceptance and Settlement of the Exit Offer" for your information.

14.4 Information relating to CPFIS Investors and SRS Investors

Information on the Exit Offer relating to CPFIS Investors and SRS Investors is set out in **paragraph 15** of the Exit Offer Letter entitled "Information Relating to CPF and SRS Investors".

PART V – OTHER INFORMATION FOR SHAREHOLDERS TO NOTE

15. EXTRAORDINARY GENERAL MEETING

The EGM, as convened by the notice attached to this Circular, will be held at 2.00 p.m. on 8 July 2025 at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659. The purpose of the EGM is for Shareholders to consider and, if thought fit, pass, on a poll, with or without amendments, the resolutions set out in the Notice of EGM.

The Offeror Concert Party Group will abstain from voting on the Delisting Resolution at the EGM. As at the Joint Announcement Date, the Offeror Concert Party Group collectively owns 444,557,196 Shares, representing approximately 93.92% of the total number of Shares. Please refer to **paragraph 12.1** and **Appendix 4** of the Exit Offer Letter for further details of the holdings of the Offeror Concert Party Group in the Shares.

Shareholders should note that:

- (a) if the Delisting Resolution is approved by Independent Shareholders at the EGM, the Resumption of Trading Resolutions will not be put to vote at the EGM; and**
- (b) the Resumption of Trading Resolutions are inter-conditional on each other. This means that if either of the Adoption of New Constitution Resolution or the Bonus Issue Resolution is not approved, neither of these resolutions will be carried out.**

16. INFORMATION IN RESPECT OF THE DIRECTORS

16.1 Independence of Directors

The Independent Directors are independent for the purposes of the Exit Offer and are required to make a recommendation to Shareholders in relation to the Exit Offer. The SIC has ruled that the Relevant Directors are exempted from the requirement to make a recommendation to the Shareholders in connection with the Exit Offer as:

- (a) Ms. Wong Pik Kuen Helen, a Non-Executive Non-Independent Director of the Company, is also the Group Chief Executive Officer and an executive director of the Offeror;**
- (b) Mr. Lee Kok Keng Andrew, a Non-Executive Non-Independent Director of the Company, is also the Chairman of the board of directors of the Offeror;**
- (c) Mr. Lee Lap Wah George, a Non-Executive Independent Director of the Company, is also a director and the Chairman of OCBC Bank (Malaysia) Berhad and OCBC Al-Amin Bank Berhad, which are subsidiaries of the Offeror; and**
- (d) Mr. Choo Nyen Fui, a Non-Executive Non-Independent Director of the Company, was an advisor to the Group Chief Executive Officer of the Offeror from January 2023 to January 2024, the Group Chief Risk Officer of the Offeror from 2014 to 2022 and the Group Chief Information Security Officer of the Offeror from 2021 to 2022, and had also**

served as a member of the Offeror's investment committee. He was also a director of Bank of Singapore Limited, a subsidiary of the Offeror, from 2014 to 2023 as well as its interim Chief Executive Officer from January to March 2023.

Accordingly, the Relevant Directors may face, or may reasonably be perceived to face, a conflict of interest that may render it inappropriate for them to join the remainder of the Directors in making a recommendation on the Exit Offer to the Shareholders. Nevertheless, each of the Directors (including the Relevant Directors) must still assume responsibility for the accuracy of facts stated and opinions expressed in documents and advertisements issued by, or on behalf of, the Company to the Shareholders in connection with the Exit Offer.

16.2 Directors' Interests

Further details on the Directors including, *inter alia*, the Directors' direct and deemed interests in the Offeror Securities and the Company Securities as at the Latest Practicable Date are set out in **Appendix III** to this Circular.

17. FHC ACT

17.1 Designation of the Company as a Financial Holding Company

Shareholders should note that the Company is designated as a financial holding company under Section 4(1) of the FHC Act through the Financial Holding Companies (Designated Financial Holding Companies) Order 2022, and:

- (a) under Section 20(1) of the FHC Act, no person shall become a substantial shareholder of the Company without first obtaining the approval of the MAS;
- (b) under Section 20(3) of the FHC Act, no person shall enter into any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any person with respect to the acquisition or holding of, or the exercise of rights in relation to, their interest in an aggregate of 5% or more of the Shares without first obtaining the approval of the MAS; and
- (c) under Section 20(4) of the FHC Act, no person shall enter into any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any person with respect to the disposal of their interest in an aggregate of 5% or more of the Shares without first notifying the MAS.

It is the responsibility of all Shareholders to inform themselves of and ensure compliance with all legal requirements that may be applicable to them in respect of the Proposed Transactions, including Sections 20(1), 20(3) and 20(4) of the FHC Act, at their own expense and without liability to the Company. The Company expressly disclaims any liability whatsoever for any loss howsoever suffered by a Shareholder as a result of that Shareholder not being in compliance with any legal requirement arising from the Proposed Transactions.

17.2 Delisting and Exit Offer

As stated in **paragraph 13** of the Exit Offer Letter:

- (a) all Shareholders who accept the Exit Offer are deemed to have assented to the Offeror making the notification required under Section 20(4) of the FHC Act on their behalf to the MAS prior to the Joint Announcement Date; and
- (b) all persons who intend to act together with any other person to sell 5% or more of the Shares (other than by way of an acceptance of the Exit Offer) should inform themselves about and ensure that they are in compliance with all applicable legal requirements, including Section 20(4) of the FHC Act.

17.3 Proposed Bonus Issue

Under the FHC Act read with Section 81 of the Companies Act, a person is a substantial shareholder of the Company if (a) the person has an interest or interests in one (1) or more Shares; and (b) the total votes attached to that Share, or those Shares, are not less than 5% of the total votes attached to all the Shares.

Shareholders should note that the Offeror has undertaken to the Company, in the event the Delisting Resolution is not approved at the EGM, to exercise the Class C Non-Voting Shares Election to receive Class C Non-Voting Shares in lieu of all of its entitlements to the Bonus Ordinary Shares pursuant to the Proposed Bonus Issue. Accordingly, this will result in an increase in the percentage shareholding of Shares held by Shareholders who elect to receive Bonus Ordinary Shares under the Proposed Bonus Issue.

In view of the above, Shareholders who are in doubt about their positions, including whether their receipt of Bonus Ordinary Shares under the Proposed Bonus Issue may result in them becoming substantial shareholders of the Company, should consult their own professional advisers regarding the potential implications of the Proposed Bonus Issue in order to ensure their compliance with all applicable legal requirements. In this regard, Shareholders should also take note of the disclosure obligations imposed on substantial shareholders under the Companies Act and the SFA.

Further, Entitled Shareholders who do not exercise the Class C Non-Voting Shares Election in respect of all or any portion of their Shares within the Election Period shall be deemed to have elected to receive Bonus Ordinary Shares in respect of all or such portion of their Shares (as the case may be). Such Entitled Shareholders are deemed to be entering into an arrangement to act together with other Entitled Shareholders who do not exercise the Class C Non-Voting Shares Election in respect of all or any portion of their Shares and will be subject to the approval requirement under Section 20(3) of the FHC Act, if their aggregate interest in the Shares increases (as a result of receiving Bonus Ordinary Shares pursuant to the Proposed Bonus Issue) by 5% or more of the total Shares. All Shareholders are deemed to have assented to the Offeror making an application prior to the Joint Announcement Date for approval under Section 20(3) of the FHC Act on their behalf to acquire an interest of, collectively, 5% or more in the Company, in relation to their acquisition of the Bonus Ordinary Shares.

18. **OVERSEAS SHAREHOLDERS**

18.1 **Information in respect of the Exit Offer**

The information relating to Overseas Shareholders in respect of the Exit Offer has been extracted from **paragraph 14** of the Exit Offer Letter and is reproduced in italics below.

"14. OVERSEAS SHAREHOLDERS

- 14.1 **Overseas Shareholders.** *This Exit Offer Letter, the Relevant Acceptance Forms and/or any related documents do not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Exit Offer is not being proposed in any jurisdiction in which the introduction or implementation of the Exit Offer would not be in compliance with the laws of such jurisdiction. Where there are potential restrictions on sending this Exit Offer Letter, the Relevant Acceptance Forms and/or any related documents to any overseas jurisdictions, the Offeror and J.P. Morgan each reserves the right not to send this Exit Offer Letter, the Relevant Acceptance Forms and/or any related documents to such overseas jurisdictions.*

*The availability of the Exit Offer to Shareholders whose addresses are outside Singapore as shown in the Register or, as the case may be, in the records of CDP (collectively, "Overseas Shareholders") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions. **Appendix 8** of this Exit Offer Letter also sets out additional information for Overseas Shareholders for certain jurisdictions.*

For the avoidance of doubt, the Exit Offer is open to all Shareholders, including those to whom this Exit Offer Letter and the Relevant Acceptance Forms have not been, or will not be, sent.

- 14.2 **Copies of this Exit Offer Letter and Relevant Acceptance Forms.** *Shareholders (including Overseas Shareholders) may (subject to compliance with applicable laws) obtain electronic copies of this Exit Offer Letter (on and from the date of this Exit Offer Letter) and the Relevant Acceptance Forms (on and from the Despatch Date) and any related documents from the website of the SGX-ST at www.sgx.com.*
- 14.3 **Compliance with Applicable Laws.** *It is the responsibility of any Overseas Shareholder who wishes to (i) request for this Exit Offer Letter, the Relevant Acceptance Forms and/or any related documents or (ii) accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements, or the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall also be liable for any taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including J.P. Morgan, CDP and the Registrar/Receiving Agent) shall be fully*

indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments that may be required to be paid and the Offeror shall be entitled to set-off any such amounts against any sum payable to the Overseas Shareholder pursuant to the Exit Offer and/or any acquisition of Shares pursuant to Section 215(1) or 215(3) of the Companies Act. In (a) requesting for this Exit Offer Letter, the Relevant Acceptance Forms and/or any related documents and/or (b) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, J.P. Morgan, CDP and the Registrar/Receiving Agent that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

14.4 **Notice.** *The Offeror and J.P. Morgan each reserves the right to notify any matter, including the fact that the Exit Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including Overseas Shareholders) to receive or see such announcement or advertisement."*

18.2 Information in respect of the Proposed Bonus Issue

The Proposed Bonus Issue to Overseas Shareholders may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Overseas Shareholders are required to inform themselves of, and to observe, any such prohibition or restriction at their own expense and without liability to the Company.

For practical reasons and in order to avoid violating applicable securities laws outside Singapore, this Circular will **not** be distributed to, and the Election Form will **not** be despatched to, Overseas Shareholders who have not, at least three (3) Market Days prior to the Bonus Issue Record Date, provided the Registrar, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, or CDP (as the case may be) with addresses in Singapore for the service of notices or documents in accordance with the foregoing ("**Foreign Address Shareholders**").

In addition, any Shareholder whose registered address (as recorded in the Register or in the Depository Register maintained by CDP) is in Singapore or who has provided CDP or the Registrar, as the case may be, with an address in Singapore for the service of documents or notices, but who is located or resident in any jurisdiction in which an allotment or issue of Bonus Ordinary Shares and/or Class C Non-Voting Shares pursuant to the Proposed Bonus Issue may not be lawfully made is required to notify the Company in writing of such fact no later than three (3) Market Days prior to the Bonus Issue Record Date (any such notifying Shareholders, together with the Foreign Address Shareholders, the "**Excluded Overseas Shareholders**").

The Excluded Overseas Shareholders will be deemed by the Company not to have exercised their right to elect to receive Class C Non-Voting Shares and if practicable, the Bonus Ordinary

Shares which would otherwise have been allotted to the Excluded Overseas Shareholders pursuant to the Proposed Bonus Issue will be sold by the Company at its sole discretion on the SGX-ST. The net proceeds from such sales, after deduction of all expenses, will be pooled and thereafter distributed among Excluded Overseas Shareholders in proportion to their respective entitlements to the Bonus Ordinary Shares as at the Bonus Issue Record Date. Where such Bonus Ordinary Shares are sold on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Excluded Overseas Shareholder shall have any claim whatsoever against the Company, the directors of the Company or CDP in respect of such sale. If such Bonus Ordinary Shares cannot be or are not sold on the SGX-ST as aforesaid for any reason, the Bonus Ordinary Shares shall be dealt with in such manner as the directors of the Company may, in their absolute discretion, deem fit in the interests of the Company and no Excluded Overseas Shareholder shall have any claim whatsoever against the Company, the directors of the Company or CDP in connection therewith.

In the absence of any such notification, each Entitled Shareholder whose registered address (as recorded in the Register or in the Depository Register maintained by CDP) is in Singapore as at the Bonus Issue Record Date or who has provided CDP or the Registrar, as the case may be, with an address in Singapore for the service of documents or notices shall be deemed to represent and warrant to the Company that he is not located or resident in any jurisdiction in which an allotment or issue of Bonus Ordinary Shares and/or Class C Non-Voting Shares pursuant to the Proposed Bonus Issue may not be lawfully made. For the avoidance of doubt, in the event the directors of the Company become aware that the issue of Bonus Ordinary Shares and/or Class C Non-Voting Shares to any Entitled Shareholder may infringe any relevant foreign law or may necessitate compliance with conditions or requirements which the directors of the Company, in their sole discretion, regard as onerous by reason of costs, delay or otherwise, such Entitled Shareholder shall be deemed to be an Excluded Overseas Shareholder for the purposes of this **Section 18.2**.

EXCLUDED OVERSEAS SHAREHOLDERS WHO ARE IN DOUBT ABOUT THEIR POSITIONS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS IN THE RELEVANT JURISDICTIONS.

19. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of the preparation of this Circular) collectively and individually accept full responsibility for the accuracy of the information given in this Circular (other than the information in the Exit Offer Letter and any information relating to or opinions expressed by the Offeror and the IFA) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions and the GEH Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources (including, without limitation, the Exit Offer Letter) or obtained from a named source (including, without limitation, the Offeror), the sole responsibility of the Directors has

been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Proposed Transactions and the GEH Group are fair and accurate.

The recommendation of the Independent Directors to Shareholders in respect of the Exit Offer as set out in **Section 13.1** of this Circular is the sole responsibility of the Independent Directors.

20. CONSENTS

- 20.1** The IFA, Ernst & Young Corporate Finance Pte Ltd, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, its advice to the Independent Directors on the Exit Offer set out in **Section 8** of this Circular, the "Letter from the IFA to the Independent Directors in relation to the Exit Offer" set out in **Appendix I** to this Circular and all references thereto in the form and context in which they appear in this Circular.
- 20.2** The financial adviser to the Company, Merrill Lynch (Singapore) Pte. Ltd., has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, and all references thereto in the form and context in which they appear in this Circular.
- 20.3** The legal adviser to the Company, WongPartnership LLP, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, and all references thereto in the form and context in which they appear in this Circular.
- 20.4** The Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, and all references thereto in the form and context in which they appear in this Circular.

21. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered address of the Company at 1 Pickering Street, #16-01 Great Eastern Centre, Singapore 048659 during normal business hours, from the date of this Circular until the date of the EGM:

- (a) the Existing Constitution;
- (b) the New Constitution;
- (c) the Annual Reports for FY22, FY23 and FY24;
- (d) the 1Q25 Financial Summary as set out in **Appendix VII** to this Circular;
- (e) the Delisting Proposal;

- (f) the Exit Offer Letter;
- (g) the letters of consent referred to in **Sections 20.1 to 20.4** of this Circular;
- (h) the IFA Letter as set out in **Appendix I** to this Circular; and
- (i) the Joint Announcement.

22. ADDITIONAL INFORMATION

Your attention is drawn to the Appendices which form part of this Circular.

Yours faithfully,

**For and on behalf of the Board of Directors of
Great Eastern Holdings Limited**

Soon Tit Koon
Chairman

APPENDIX I

**LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RELATION TO THE EXIT
OFFER**

6 June 2025

**The Independent Directors of
Great Eastern Holdings Limited**
1 Pickering Street
#16-01 Great Eastern Centre
Singapore 048659

Dear Sirs:

**THE PROPOSED VOLUNTARY DELISTING OF GREAT EASTERN HOLDINGS LIMITED PURSUANT
TO RULES 1307 AND 1309 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE
SECURITIES TRADING LIMITED**

1 INTRODUCTION

On 6 June 2025 (the **"Joint Announcement Date"**), Great Eastern Holdings Limited (**"GEH"** or the **"Company"**) and Oversea-Chinese Banking Corporation Limited (the **"Offeror"**) jointly announced (the **"Joint Announcement"**), *inter alia*, the Delisting (as defined in the Joint Announcement) and the Exit Offer (as defined in the Joint Announcement).

1.1 Background

The Offeror had previously launched, on 10 May 2024 (the **"Previous Offer Announcement Date"**), a voluntary unconditional general offer for all the issued ordinary shares in the capital of the Company (the **"Shares"**), other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries (the **"Previous Offer"**). The Previous Offer closed at 5.30 p.m. (Singapore time) on 12 July 2024. As the Company has ceased to meet the requirement under Rule 723 of the listing manual of the Singapore Exchange Securities Trading Limited (**"SGX-ST"**), as amended from time to time (the **"Listing Manual"**) for at least 10% of the total number of Shares¹ to be held by the public (the **"Free Float Requirement"**) as at the close of the Previous Offer, trading in the Shares on the SGX-ST has been suspended since 15 July 2024 (the **"Trading Suspension"**, and 15 July 2024, the **"Trading Suspension Date"**).

As set out in the Joint Announcement, since the Trading Suspension, the Company, together with its advisers, has been assessing the various possible options available for the Company to comply with the relevant rules of the Listing Manual as the board of directors of the Company (the **"Company Board"** or **"Company Directors"**) recognises that the prolonged and ongoing Trading Suspension is not in the interests of the shareholders of the Company (the **"Shareholders"** and each, a **"Shareholder"**) and a solution must be found. As stated in the announcement made by the Company on 24 January 2025, the Company has also approached the Offeror for assistance in complying with the relevant rules of the Listing Manual.

¹ As at 6 June 2025, being the Joint Announcement Date, the Company has no outstanding treasury shares, preference shares and/or convertible equity securities.

1.2 Proposed Transactions

As set out in the Joint Announcement, after careful evaluation, and with the support of the Offeror, the Company Board has put forward a comprehensive set of Proposed Transactions (as defined in the Joint Announcement) that aim to provide a conclusive resolution of the current situation faced by the Company.

As a prolonged Trading Suspension is not viable, there are only two (2) pathways possible:

- (a) one that leads to a delisting of the Company from the Official List of the SGX-ST (the “**Delisting**”); and
- (b) the other which facilitates the satisfaction of the Free Float Requirement, which if satisfied, would allow the resumption of trading in the Shares (the “**Resumption of Trading**”).

As set out in the Joint Announcement, the Proposed Transactions are designed to address the diverse interests of the Shareholders while allowing for a clear and decisive outcome for the Company and all Shareholders.

1.3 Resolutions

In connection with the Proposed Transactions, the Company intends to convene an extraordinary general meeting (the “**EGM**”) to seek the approval of Shareholders for three (3) resolutions, where **Resolution A** will lead to the Delisting, which involves the voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual (the “**Delisting Resolution**”), while **Resolutions B and C** will lead to the Resumption of Trading (the “**Resumption of Trading Resolutions**”).

For the Delisting Resolution, minority Shareholders will be given the opportunity to vote on whether to delist the Company from the Official List of the SGX-ST. The outcome of the Delisting Resolution will be determined solely by the Shareholders other than the Offeror and parties acting in concert with it (the “**Offeror Concert Party Group**”), as the Offeror Concert Party Group must abstain from voting on the Delisting Resolution. The Shareholders other than the Offeror Concert Party Group are referred to as the “**Independent Shareholders**”.

1.4 Delisting

In connection with the foregoing, the Company and the Offeror jointly announced on the Joint Announcement Date, *inter alia*, that to support the Delisting of the Company, the Offeror is making a conditional exit offer (the “**Exit Offer**”) at the Company’s request, to acquire all Shares as at the date of the Exit Offer, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries (the “**Offer Shares**”).

Shareholders should note that if the Delisting Resolution is approved by the Independent Shareholders at the EGM, the Resumption of Trading Resolutions will not be put to vote at the EGM, and the Company will be delisted on or after the close of the Exit Offer. If the Delisting Resolution is not approved by the Independent Shareholders at the EGM, Shareholders will be asked to vote on the Resumption of Trading Resolutions (which comprise the Adoption of New Constitution Resolution (as defined in the Joint Announcement) and the Bonus Issue Resolution (as defined in the Joint Announcement)) to facilitate compliance by the Company with the relevant rules of the Listing Manual. Details on the Delisting Resolution are set out in the Joint Announcement.

1.5 Independent Financial Adviser to the Independent Directors in relation to the Exit Offer

In connection with the Exit Offer, the Company has appointed Ernst & Young Corporate Finance Pte Ltd (“**EYCF**”) as the Independent Financial Adviser (“**IFA**”) pursuant to Rule 1309(2) of the Listing Manual in respect of the Exit Offer, as well as to advise the Directors who are considered

independent with respect to the Exit Offer (the “Independent Directors”) on whether the Exit Offer is fair and reasonable. **For the avoidance of doubt, EYCF is only providing an opinion in relation to the Exit Offer, and it is not within our terms of reference nor have we been requested to provide an opinion and/or recommendation in relation to the Resumption of Trading Resolutions, and/or any matter other than the Exit Offer.**

This letter is addressed to the Independent Directors and sets out, *inter alia*, our evaluation and advice on the financial terms of the Exit Offer. It will form part of the circular to be made available to Shareholders on 9 June 2025 (the “Circular”), which will provide, *inter alia*, the relevant information pertaining to the Exit Offer and the recommendation of the Independent Directors in relation to the Exit Offer.

In the Joint Announcement and this letter, the total number of Shares is a reference to a total of 473,319,069 Shares in issue as at the Joint Announcement Date.

Unless otherwise defined or the context otherwise requires, all terms in this letter have the same meaning as defined in the Joint Announcement. For illustrative purposes, foreign currency amounts have been translated into Singapore dollars (“SGD”).

2 TERMS OF REFERENCE

EYCF has been appointed pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Independent Directors on the Exit Offer and to opine on whether the Exit Offer is fair and reasonable. **For the avoidance of doubt, EYCF is only providing an opinion in relation to the Exit Offer, and it is not within our terms of reference nor have we been requested to provide an opinion and/or recommendation in relation to the Resumption of Trading Resolutions, and/or any matter other than the Exit Offer.**

Our views as set forth in this letter are based on the prevailing market conditions, economic conditions, and financial conditions, and our evaluation of the Exit Offer, as well as information provided to us by the Company, the Directors and/or the management of the Company (the “Management”), as at 30 May 2025, being the latest practicable date prior to the Joint Announcement (the “Latest Practicable Date”). Accordingly, our opinion does not take into account any event or condition which occurs after the Latest Practicable Date, and we assume no responsibility to update, revise or reaffirm our opinion as a result of any subsequent development after the Latest Practicable Date. Shareholders should take note of any announcement and/or event relevant to their consideration of the Exit Offer which may be released after the Latest Practicable Date.

We have confined our evaluation and analysis of the Exit Offer to the financial terms thereof. It is not within our terms of reference to assess the rationale for, commercial merits and/or commercial risks of the Exit Offer, and to comment on the financial merits and/or financial risks of the Exit Offer where the assessment of such financial merits and/or financial risks involves our reviewing of non-publicly available information of the companies involved to which we have no access and with which we have not been furnished. It is also not within our terms of reference to compare the relative merits of the Exit Offer vis-à-vis any alternative transaction that the Company may consider in the future (including the Resumption of Trading, the Proposed Adoption of New Constitution and/or the Proposed Bonus Issue), and as such, we do not express an opinion thereon. We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Shares.

The scope of our appointment does not require us to express, and we do not express, a view on the future prospects of the Company and its subsidiaries (the “GEH Group”). We are, therefore, not expressing any view herein as to the future financial performance of the Company and/or the GEH Group upon completion of the Exit Offer. No financial or profit forecasts, business plans or management accounts of the Company and/or GEH Group have been specifically prepared for the purpose of evaluating the Exit Offer. Accordingly, we will not be able to comment on the expected future performance or prospects of the Company and/or GEH Group arising from the Exit Offer or

otherwise. However, we may draw upon the views of the Directors and/or the Management, to the extent deemed necessary and appropriate by us, in arriving at our opinion as set out in this letter.

In the course of our evaluation, we have held discussions with the Directors and the Management. We have also examined and relied on publicly available information in respect of the GEH Group collated by us as well as information provided to us by the Company, including information in relation to the Exit Offer. We have not independently verified such information furnished by the Directors and/or the Management or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not warrant or accept responsibility for the accuracy or completeness of such information, representation or assurance. Nevertheless, the Directors have confirmed to us, after making all reasonable enquiries that, to the best of their knowledge and belief, all material information relating to the GEH Group has been disclosed to us, that such information constitutes a full and true disclosure, in all material respects, of all material facts about the GEH Group in the context of the Exit Offer, and there is no material information the omission of which would make any of the information contained herein, in the Joint Announcement, or in the Circular misleading in any material respect. The Directors have jointly and severally accepted such responsibility accordingly.

We have also made reasonable enquiries and exercised reasonable judgement in assessing such information and have found no reason to doubt the reliability of such information. We have further assumed that all statements of fact, belief, opinion and intention made by the Directors in relation to the Exit Offer have been reasonably made after due and careful enquiry. We have not conducted a comprehensive review of the business, operations and financial condition of the GEH Group or any of its associated or joint venture companies. We have also not made an independent valuation or appraisal of the embedded value ("**Embedded Value**") and the comprehensive equity ("**Comprehensive Equity**") of the GEH Group and the assets and liabilities of the Company, its subsidiaries or any of its associated or joint venture companies.

The Company has been separately advised in the preparation of the Joint Announcement and the Circular (other than this letter). We were not involved and have not provided any advice, whether financial or otherwise, in the preparation, review and verification of the Joint Announcement and the Circular (other than this letter). Accordingly, we do not take any responsibility for, and express no views on, whether expressed or implied, the contents of the Joint Announcement and the Circular (other than this letter).

In preparing this letter, we have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, we would advise the Independent Directors to recommend that any individual Shareholder who may require specific advice in relation to his Shares should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

This letter and our opinion are addressed to the Independent Directors and are for their use and benefit in connection with and for the purpose of their consideration of the Exit Offer. The recommendation made by the Independent Directors to the Shareholders with regard to the Exit Offer shall remain the responsibility of the Independent Directors. This letter is not addressed to and may not be relied on as a recommendation to, or confer any rights or remedies upon, any Shareholder as to what the Shareholder should do in relation to the Exit Offer or any matters related thereto. Nothing herein shall confer or be deemed or is intended to confer, any right or benefit to any third party.

Our opinion in relation to the Exit Offer should be considered in the context of the entirety of this letter, the Joint Announcement, and the Circular.

3 INFORMATION ON THE COMPANY

The details on the Company are set out in paragraph 2 of the Joint Announcement.

3.1 The Company

The Company is an investment holding company and has been listed on the SGX-ST since 29 November 1999. Founded in 1908, the GEH Group is a well-established market leader and trusted brand for insurance products and related financial advisory services in Singapore and Malaysia. The GEH Group also operates in Indonesia and Brunei. The GEH Group provides insurance solutions to customers through three (3) distribution channels – a tied agency force, bancassurance, and a financial advisory firm, Great Eastern Financial Advisers Private Limited. The Company's asset management subsidiary, Lion Global Investors Limited, is an asset management company that provides Asian-centric investment solutions.

3.2 Share Capital

As at the Joint Announcement Date, the Company has an issued and paid-up share capital of approximately SGD152.7 million, comprising 473,319,069 Shares².

3.3 Company Directors

As at the Joint Announcement Date, the Company Directors are:

- (a) Mr. Soon Tit Koon (Chairman, Non-Executive Non-Independent Director);
- (b) Mr. Ng Chee Peng (Lead Independent Director, Non-Executive Independent Director);
- (c) Dr. Chong Yoke Sin (Non-Executive Independent Director);
- (d) Mr. Choo Nyen Fui (Non-Executive Non-Independent Director);
- (e) Mr. Lee Kok Keng Andrew (Non-Executive Non Independent Director);
- (f) Mr. Lee Lap Wah George (Non-Executive Independent Director);
- (g) Dr. Lim Kuo Yi (Non-Executive Independent Director);
- (h) Mr. Tam Chee Chong (Non-Executive Independent Director);
- (i) Mrs. Teoh Lian Ee (Non-Executive Independent Director); and
- (j) Ms. Wong Pik Kuen Helen (Non-Executive Non-Independent Director).

4 INFORMATION ON THE OFFEROR

The details on the Offeror are set out in paragraph 3 of the Joint Announcement.

4.1 The Offeror

The Offeror was incorporated in Singapore on 31 October 1932 and is listed on the Mainboard of the SGX-ST. The Offeror and its subsidiaries (collectively, the “**Offeror Group**”) offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset

² As at the Joint Announcement Date, the Company has no treasury shares.

management and stockbroking services. The Offeror Group's key markets comprise Singapore, Malaysia, Indonesia and Greater China, with close to 420 branches and representative offices in 19 countries and regions.

4.2 Share Capital

As at 30 May 2025, the Offeror has an issued and fully paid-up share capital of SGD18.6 billion, comprising 4,514,995,829 ordinary shares (including 16,084,587 treasury shares).

4.3 Shareholding in GEH

As at the Joint Announcement Date, the Offeror owns 443,602,605³ Shares, representing approximately 93.72% of the total number of issued Shares.

4.4 Offeror Directors

As at the Joint Announcement Date, the directors of the Offeror (the “**Offeror Directors**”) are:

- (a) Mr. Lee Kok Keng Andrew (Chairman, Non-Executive Independent Director);
- (b) Ms. Chong Chuan Neo (Non-Executive Independent Director);
- (c) Mr. Chua Kim Chiu (Non-Executive Independent Director);
- (d) Dr. Khoo Cheng Hoe Andrew (Non-Executive Independent Director);
- (e) Dr. Lee Tih Shih (Non-Executive Non-Independent Director);
- (f) Mr. Lian Wee Cheow (Non-Executive Independent Director);
- (g) Mr. Seck Wai Kwong (Non-Executive Independent Director);
- (h) Mr. Pramukti Surjaudaja (Non-Executive Non-Independent Director);
- (i) Ms. Tan Yen Yen (Non-Executive Independent Director); and
- (j) Ms. Wong Pik Kuen Helen (Executive Non-Independent Director).

5 THE DELISTING

The details on the Delisting are set out in paragraph 4 of the Joint Announcement, and are reproduced in italics below.

“4. **THE DELISTING**”

4.1 Rules 1307 and 1309 of the Listing Manual

Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if:

- (a) *the Company convenes the EGM to obtain Shareholders’ approval for the Delisting; and*

³ Shares registered in the name of Citibank Nominees Singapore Pte. Ltd. This excludes the Offeror’s deemed interest in 122,860 Shares held by its subsidiary, BOS Trustee Limited, as trustee of The Ong Trust.

- (b) *the Delisting Resolution has been approved by a majority of at least 75% of the total number of Shares (excluding treasury shares and subsidiary holdings) held by the Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.*

In addition, under Rule 1309 of the Listing Manual, if the Company is seeking to delist from the Official List of the SGX-ST:

- (i) *an exit offer must be made to the Shareholders. The Exit Offer must:*
 - (A) *be fair and reasonable; and*
 - (B) *include a cash alternative as the default alternative; and*
- (ii) *the Company must appoint an independent financial adviser to advise on the Exit Offer, and the independent financial adviser must opine that the Exit Offer is fair and reasonable.*

4.2 Approval of the SGX-ST for the Delisting

The Company has made an application to the SGX-ST to seek approval for the Delisting, and the SGX-ST has informed the Company that it has approved in-principle the Delisting, subject to the following:

- (a) *compliance with the SGX-ST's listing requirements;*
- (b) *the Delisting Resolution being approved by at least 75% of the total number of Shares held by Independent Shareholders. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution; and*
- (c) *an exit offer that includes a cash alternative as the default alternative being made, with the IFA opining that the exit offer is fair and reasonable.*

Please note that the SGX-ST's decision is not an indication of the merits of the Delisting."

6 THE EXIT OFFER

The details on the Exit Offer are set out in paragraph 5 of the Joint Announcement, and relevant sections are reproduced in italics below.

“5. THE EXIT OFFER

5.1 Offer Shares

The Exit Offer, when made, will be extended to the Offer Shares, being all Shares as at the date of the Exit Offer, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries.

5.2 Exit Offer Price.

The consideration payable by the Offeror for the Offer Shares validly tendered in acceptance of the Exit Offer will be:

For each Offer Share: SGD30.15 in cash (the “Exit Offer Price”).

THE OFFEROR DOES NOT INTEND TO REVISE THE EXIT OFFER PRICE WHICH IS MADE IN COMPLIANCE WITH RULE 1309 OF THE LISTING MANUAL.

5.3 No Encumbrances

The Offer Shares will be acquired:

- (a) *fully paid;*
- (b) *free from any Encumbrances⁴; and*
- (c) *together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions⁵ (if any) declared, paid or made by the Company in respect of the Offer Shares on or after the Joint Announcement Date.*

If any Distribution is announced, declared, made or paid by the Company on or after the Joint Announcement Date, and the books closure date in respect of such Distribution falls before the settlement date in respect of the Offer Shares tendered in acceptance of the Exit Offer, the Offeror reserves the right to reduce the Exit Offer Price for the relevant Offer Shares by the amount of such Distribution.

5.4 Conditional

The Delisting and the Exit Offer will be conditional upon the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

Shareholders are to note that if the Delisting Resolution is not approved, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.

5.5 Warranty

A Shareholder who tenders his Offer Shares in acceptance of the Exit Offer will be deemed to unconditionally and irrevocably warrant that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof:

- (a) *fully paid;*
- (b) *free from any Encumbrances; and*
- (c) *together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any) declared, paid or made by the Company in respect of the Offer Shares on or after the Joint Announcement Date*

5.6 Exit Offer Letter

*Further details on the Exit Offer will be set out in the exit offer letter (the “**Exit Offer Letter**”) to be issued by the Offeror to the Shareholders as well as the relevant acceptance form(s).*

5.7 Duration and Closing Date

*It is intended that the Exit Offer Letter (without the relevant acceptance form(s)) will be electronically disseminated to Shareholders on the same day as the circular to be issued by the Company in connection with the Proposed Transactions (the “**Circular**”) containing, inter alia, further information on the Proposed Transactions.*

*However, the Exit Offer will be open for acceptance by Shareholders only from the date of despatch of the printed copies of the relevant acceptance form(s) (the “**Despatch Date**”). Further details on the Despatch Date and procedures for acceptance of the Exit Offer will be set out in the Exit Offer Letter.*

Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances would be conditional and if the Delisting Resolution is not approved at the EGM, the Exit Offer will lapse and all the Shareholders as well as the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.

If the Delisting Resolution is approved, the Exit Offer will continue to be open for acceptance by the Shareholders for 14 days after the date of the announcement of the approval of the Delisting Resolution.

5.8 Choices in relation to the Exit Offer

A Shareholder can, in relation to all or part of his/her/its Offer Shares, either:

- (a) accept the Exit Offer in respect of such Offer Shares in full or in part, in accordance with the procedures set out in the Exit Offer Letter; or*
- (b) take no action and let the Exit Offer lapse in respect of his/her/its Offer Shares.*

*Subject to the Delisting Resolution being approved at the EGM, Shareholders should note that the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer. In such an event, Shareholders who do not accept the Exit Offer will be left holding Shares in an unlisted company, unless their Shares are subsequently acquired by the Offeror pursuant to Section 215(1) or Section 215(3) of the Companies Act 1967 of Singapore (the “**Companies Act**”), if and to the extent such provisions are applicable. Please refer to **paragraph 9.2** of this Joint Announcement for further details on Sections 215(1) and 215(3) of the Companies Act.*

Shareholders should also note that:

- (i) voting in favour of the Delisting Resolution will NOT constitute an acceptance of the Exit Offer; and*
- (ii) voting against the Delisting Resolution will NOT prohibit a Shareholder from accepting the Exit Offer.*

In each case, Shareholders who wish to accept the Exit Offer must tender their acceptances in accordance with the procedures set out in the Exit Offer Letter. Subject to the Delisting Resolution being approved at the EGM, all Shareholders (regardless of their votes on the Delisting Resolution) are entitled to accept or reject the Exit Offer for all or any part of their Offer Shares.”

⁴ “**Encumbrances**” means any claim, charge, pledge, mortgage, encumbrances, lien, option, equity, power of sale, declaration of trust, hypothecation, retention of title, right of pre-emption, right of first refusal, moratorium or other third party right or security interest of any kind or any agreement, arrangement or obligation to create any of the foregoing.

⁵ “**Distributions**” means any dividends, rights, other distributions and/or return of capital, whether in cash or in kind.

7 OFFEROR'S RATIONALE FOR THE DELISTING AND THE EXIT OFFER

The details on the Offeror's rationale for the Delisting and the Exit Offer are set out in paragraph 6 of the Joint Announcement, and is reproduced in italics below.

"6. OFFEROR'S RATIONALE FOR THE DELISTING AND EXIT OFFER"

6.1 *Exit Offer is in line with the Offeror's corporate strategy and strengthens its business pillars of banking, wealth management and insurance*

The Offeror's corporate strategy is focused on four (4) growth drivers aimed at harnessing regional trade, investment, and wealth flows. One (1) of these drivers focuses on tapping into the growing wealth in Asia through its hubs in Singapore, Hong Kong, and Dubai, along with its digital offerings. Insurance is also a key enabler for the Offeror to capture the rising wealth in Asia to drive its ambitions.

In a fast-growing region with increasing demand for products and solutions that enhance and preserve wealth, aligning more closely with GEH supports the Offeror's long-term vision of becoming a leading player in wealth management, allowing it to drive synergistic collaborations as One Group, offering integrated value propositions across the wealth continuum.

GEH plays a crucial role and is a strategic pillar within the Offeror Group, providing the Offeror with both economies of scale and scope. As complexities and macroeconomic uncertainties continue to rise, having a larger customer base, largest on-the-ground agency force and broader product scope becomes essential to drive market competitiveness and market position. By achieving economies of scale and scope through GEH's in-house product manufacturing capabilities and customer service, the Offeror can diversify commercial and financial risks, broaden its range of products and services, and reach a wider array of customer segments. This ultimately accelerates the Offeror's growth into a significantly larger integrated financial services organisation.

Having been part of the Offeror's portfolio for decades, the relationship between the Offeror and the GEH Group is synergistic. This allows the Offeror to provide a comprehensive range of investment, insurance, and estate planning solutions tailored to its clients, driving higher insurance penetration in existing and new-to-bank customers, while the GEH Group benefits from expanded access to the Offeror's wide retail and commercial customer base.

6.2 *Exit Offer enhances returns and optimises capital allocation of the Offeror*

GEH provides diversification to the Offeror's earnings base to deliver balanced earnings growth through economic cycles.

The Exit Offer presents an opportunity for the Offeror to deploy its capital to generate greater returns for its shareholders, solidifying its strategy of combining banking, insurance and wealth management under One Group. By increasing its investment in GEH, the Offeror can further capture the benefits from ongoing synergies and have a greater share of GEH's value.

6.3 *Exit Offer to help GEH resolve months-long impasse over suspension in share trading*

*As stated in **paragraph 1.1** of this Joint Announcement, trading in the Shares on the SGX-ST has been suspended since 15 July 2024. Since the Trading Suspension, the Company, together with its advisers, has been assessing the various possible options available for the Company to comply with the relevant rules of the Listing Manual as the Company Board recognises that the prolonged and ongoing Trading Suspension is not in the interests of Shareholders and a solution must be found.*

After careful consideration, the Company approached the Offeror for support to enable the Company to comply with the relevant rules of the Listing Manual. The Company provided the Offeror with a comprehensive set of proposed transactions and the Exit Offer is launched as part of its comprehensive plan to resolve the Trading Suspension.

Upon the passing of the Delisting Resolution, the Exit Offer will provide Independent Shareholders who wish to sell their Shares with the opportunity to exit at a valuation that is (a) in compliance with Rule 1309 of the Listing Manual⁶ and (b) at a premium to both its historical levels and the median valuation levels of comparable companies⁷ as outlined in the letter dated 14 June 2024 from Ernst & Young Corporate Finance Pte Ltd to the Company Directors who were considered independent for the purposes of the Previous Offer (the "**Previous IFA Letter**"). Additionally, those who prefer to retain their Shares can choose to remain as shareholders of the unlisted Company if they decide not to accept the Exit Offer, unless the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the Offer Shares of the Dissenting Shareholders (as defined in **paragraph 9.2** of this Joint Announcement) under Section 215(1) of the Companies Act. Further details on Section 215(1) of the Companies Act are set out in **paragraph 9.2** of this Joint Announcement.

Based on disclosures by the Company, there were 838 Shareholders as at 5 March 2025 with the top 20 Shareholders (excluding the Offeror) holding 5.09% of Shares⁸. In contrast, there were 3,466 Shareholders as at 5 March 2024 with the top 20 Shareholders (excluding the Offeror) holding 7.39% of Shares⁹. Taking into account (i) the more concentrated shareholding structure of the Company following the Previous Offer and (ii) current macroeconomic uncertainties and market volatility, the Offeror is of the view that the liquidity and trading volume of the Shares may not improve in the event the Delisting Resolution is not approved, and trading of the Shares resumes after the Proposed Bonus Issue takes place.

The Offeror has no intention of making another general offer for the Company in the foreseeable future if trading is resumed. There is also no assurance that the Shares will trade at or above the Exit Offer Price or the offer price for the Shares in the Previous Offer (the "**Previous Offer Price**"). As a point of reference, prior to the Previous Offer and without taking into account the Proposed Bonus Issue¹⁰, the Shares were traded at SGD18.47, SGD18.29, SGD17.99 and SGD17.64 (being the one (1)-month, three (3)-month, six (6)-month and 12-month volume weighted average price ("**VWAP**") up to and including the last full trading day of the Shares on the SGX-ST prior to 10 May 2024, being the date of announcement of the Previous Offer (the "**Previous Offer Announcement Date**") respectively), as stated in the Previous IFA Letter¹¹, implying a Price-to-Embedded Value ("**P/EV**") (23A) multiple of between 0.49x to 0.51x¹²."

6 Rule 1309 of the Listing Manual provides that an exit offer must include a cash alternative as the default alternative and an independent financial adviser appointed by the issuer must opine that the exit offer is fair and reasonable.

7 AIA Group Limited ("**AIA**"), Manulife Financial Corporation ("**Manulife**"), Prudential plc ("**Prudential**"), Dai-ichi Life Holdings, Inc. ("**Dai-ichi Life**"), T&D Holdings, Inc. ("**T&D**"), Samsung Life Insurance Co., Ltd. ("**Samsung Life**"), Japan Post Insurance Co., Ltd. ("**Japan Post**"), Thai Life Insurance Public Company Limited ("**Thai Life**"), Hanwha Life Insurance Co., Ltd. ("**Hanwha Life**"), Bangkok Life Assurance Public Company Limited ("**Bangkok Life**"), and Allianz Malaysia Berhad ("**Allianz Malaysia**").

8 Page 219 of GEH's annual report for the financial year ended 31 December 2024 ("**FY24**").

9 Page 226 of GEH's annual report for the financial year ended 31 December 2023.

10 Please refer to paragraph 14.9 of this Joint Announcement.

11 Paragraph 9.1.1 of the Previous IFA Letter.

12 Paragraph 9.2.2 of the Previous IFA Letter.

8 OFFEROR'S INTENTIONS FOR THE COMPANY

The details on the Offeror's intentions for the Company are set out in paragraph 8 of the Joint Announcement, and are reproduced in italics below.

"8. OFFEROR'S INTENTIONS FOR THE COMPANY"

It is the strategic intention of the Offeror to delist the Company. The Offeror will continue to develop and grow the businesses of the GEH Group as part of the One Group strategy, strengthening its unique position as an integrated financial services group. The Offeror has no current intentions to (a) introduce any major changes to the existing business of GEH, (b) redeploy the fixed assets of GEH or (c) discontinue the employment of the existing employees of the GEH Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to at any time consider undertaking a strategic and operational review of GEH with a view to realising synergies, economies of scale, cost efficiencies and growth potential."

9 LISTING STATUS, COMPULSORY ACQUISITION AND SECTION 215(3) SHAREHOLDER RIGHTS

The details on the listing status and Trading Suspension, and compulsory acquisition are set out in paragraph 9 of the Joint Announcement.

10 RULINGS FROM THE SECURITIES INDUSTRY COUNCIL OF SINGAPORE

The details relating to the rulings by the Securities Industry Council ("**SIC**") are set out in paragraph 10 of the Joint Announcement, and is reproduced in italics below.

"10. RULINGS FROM THE SECURITIES INDUSTRY COUNCIL OF SINGAPORE"

The Securities Industry Council of Singapore has ruled, inter alia, that:

- (a) the Exit Offer is exempted from compliance with Rules 20.1, 22, 28 and 29 of the Code, subject to the following conditions:*
 - (i) Shareholders' approval for the Delisting Resolution being obtained within three (3) months from the Joint Announcement Date;*
 - (ii) the Exit Offer remaining open for at least:*
 - (A) 21 days after the Despatch Date, if the Exit Offer Letter is despatched after Shareholders' approval for the Delisting Resolution has been obtained; or*
 - (B) 14 days after the date of the announcement of Shareholders' approval of the Delisting if the Exit Offer Letter is despatched on the same date as the Circular; and*
 - (iii) disclosure in the Circular of:*
 - (A) the consolidated net tangible assets ("**NTA**") per share of the group comprising the Company, its subsidiaries and associated companies based on the latest published accounts prior to the date of the Circular; and*

- (B) *particulars of all known material changes as of the latest practicable date which may affect the consolidated NTA per share referred to in the preceding paragraph or a statement that there are no such known material changes; and*
- (b) *Ms. Wong Pik Kuen Helen, Mr. Lee Kok Keng Andrew, Mr. Lee Lap Wah George and Mr. Choo Nyen Fui (collectively, the “**Relevant Company Directors**”) are exempted from the requirement to make a recommendation to the Shareholders in connection with the Exit Offer as:*
- (i) Ms. Wong Pik Kuen Helen, a Non-Executive Non-Independent Company Director, is also the Group Chief Executive Officer and an executive director of the Offeror;*
 - (ii) Mr. Lee Kok Keng Andrew, a Non-Executive Non-Independent Company Director, is also the Chairman of the board of directors of the Offeror;*
 - (iii) Mr. Lee Lap Wah George, a Non-Executive Independent Company Director, is also a director and the chairman of OCBC Bank (Malaysia) Berhad and OCBC Al-Amin Bank Berhad, which are subsidiaries of the Offeror; and*
 - (iv) Mr. Choo Nyen Fui, a Non-Executive Non-Independent Company Director, was an advisor to the Group Chief Executive Officer of the Offeror from January 2023 to January 2024, the Group Chief Risk Officer of the Offeror from 2014 to 2022 and the Group Chief Information Security Officer of the Offeror from 2021 to 2022, and had also served as a member of the Offeror’s investment committee. He was also a director of Bank of Singapore Limited, a subsidiary of the Offeror, from 2014 to 2023 as well as its interim Chief Executive Officer from January to March 2023.*

Accordingly, the Relevant Company Directors may face, or may reasonably be perceived to face, a conflict of interest that may render it inappropriate for them to join the remainder of the Company Directors in making a recommendation on the Exit Offer to the Shareholders. Nevertheless, each of the Company Directors (including the Relevant Company Directors) must still assume responsibility for the accuracy of facts stated and opinions expressed in documents and advertisements issued by, or on behalf of, the Company to the Shareholders in connection with the Exit Offer.”

11 EVALUATION OF THE FINANCIAL TERMS OF THE EXIT OFFER

In our analysis and evaluation of the financial terms of the Exit Offer, and our opinion thereon, we have taken into consideration the following factors based on publicly available information and information provided to us by the Company as at the Latest Practicable Date:

- (a) Historical trading activity and the Trading Suspension of the Shares;
- (b) Analysis of the Embedded Value and value of One Year’s New Business of the GEH Group;
- (c) Analysis of the Company’s valuation measures;
- (d) Comparison of valuation measures of the GEH Group against those of selected comparable transactions;
- (e) Comparison of valuation measures of the GEH Group against those of selected listed comparable companies;

- (f) Comparison with recent privatisation transactions for companies listed on the SGX-ST;
- (g) Range of values of the Shares; and
- (h) Other relevant considerations in relation to the Exit Offer.

The factors above are discussed in more detail in the following sections.

We wish to highlight that the figures and information used in our analysis, including share prices, trading volumes, free float data, underlying financial data for computation of financial ratios and company announcements and reports have been extracted from Capital IQ, company websites and SGX-ST website as at the Latest Practicable Date. We do not make representations or warranties, express or implied, as to the completeness and/or accuracy of such information.

11.1 Historical trading activity and the Trading Suspension of the Shares

As set out in the Joint Announcement, the Previous Offer closed at 5.30 p.m. on 12 July 2024. As the Company has ceased to meet the Free Float Requirement under Rule 723 of the Listing Manual for at least 10% of the total number of issued Shares to be held by the public as at the close of the Previous Offer, trading in the Shares on the SGX-ST has been suspended since the Trading Suspension Date. As at the Latest Practicable Date, the Offeror holds an aggregate of 443,602,605 Shares, representing approximately 93.72% of the Shares in the capital of the Company.

We set out below a chart which shows the daily closing prices for the Shares and volume traded (excluding married trades) for the period from 1 January 2020 and up to Latest Practicable Date. We have also marked dates during the given period where significant events occurred.



Source: Capital IQ, Company announcements

Notes:

- (1) On 25 June 2020, the Company announced that its wholly-owned subsidiary, Great Eastern Digital Private Limited, entered into a share subscription agreement to subscribe for a stake of 21.875% in the share capital of Boost Holdings Sdn Bhd, a company incorporated in Malaysia and wholly-owned by Axiata Digital Services Sdn Bhd for a cash consideration of approximately SGD97.0 million.
- (2) On 20 June 2023, a disclosure for change in the percentage level of the Offeror's stake held in the Company was made due to an off-market transaction of SGD39.9 million to acquire approximately 2.3 million Shares at SGD16.99 per Share.
- (3) On 3 August 2023, the Company announced its financial results for the half-year ended 30 June 2023 and stated that the Company has applied the Singapore Financial Reporting Standards (International) 17 Insurance Contract ("**SFRS (I) 17**"), including any consequential amendments to other standards, from 1 January 2023. The Company also announced that the standards have brought significant changes to the accounting for its insurance and reinsurance contracts.
- (4) On 2 October 2023, the Company announced that its subsidiaries, Great Eastern Life Assurance (Malaysia) Berhad ("**GELM**") and Great Eastern Takaful Berhad ("**GETB**"), entered into an implementation agreement (the "**Implementation Agreement**") with AMAB Holdings Sdn Bhd ("**AMAB**") (a wholly-owned subsidiary of AMMB Holdings Berhad) and MetLife International Holdings, LLC ("**MetLife**") for a proposed acquisition by GELM of 100% of the shares in AmMetLife Insurance Berhad; and the proposed acquisition by GETB of 100% of the shares in AmMetLife Takaful Berhad, from AMAB and MetLife. The proposed consideration for the acquisition and exclusive 20-year distribution partnership was approximately SGD325.0 million.
- (5) On 10 May 2024, J.P. Morgan Securities Asia Private Limited announced, for and on behalf of the Offeror, the Previous Offer at the offer price of SGD25.60 per Share.
- (6) On 12 July 2024 at 5.30 p.m. (Singapore time), the Previous Offer closed, and on 15 July 2024, the Trading Suspension took effect.
- (7) Significant events between the Trading Suspension Date and the Joint Announcement Date:
 - (a) On 2 August 2024, the Company announced that it received a letter from the SGX-ST that SGX-ST has no objection to granting the Company until 23 October 2024 to explore options available to it to comply with the requirements of the Listing Manual.
 - (b) On 28 August 2024, the Company announced that Greg Hingston will be appointed Group Chief Executive on 1 November 2024, succeeding Khor Hock Seng.
 - (c) On 21 October 2024, the Company announced that it received a letter from the SGX-ST that SGX-ST has no objection to granting the Company until 24 January 2025 to explore options available to it to comply with the requirements of the Listing Manual.
 - (d) On 24 January 2025, the Company announced that it received a letter from the SGX-ST that SGX-ST has no objection to granting the Company until 25 May 2025 to explore options available to it to comply with the requirements of the Listing Manual.
 - (e) On 3 February 2025, the Company referred to its announcement dated 2 October 2023 on the entry into the Implementation Agreement by its subsidiaries, GELM and GETB, with AMAB and MetLife, in relation to the proposed acquisition by GELM of 100% of the shares in AmMetLife Insurance Berhad and the proposed acquisition by GETB of 100% of the shares in AmMetLife Takaful Berhad from AMAB and MetLife. The Company announced that the Implementation Agreement has been terminated, and parties to the Implementation Agreement have mutually agreed not to pursue the proposed acquisition.
 - (f) On 28 March 2025, the Company released its annual report for the financial year ended 31 December 2024 ("**FY2024**", and the annual report, the "**AR2024**").
 - (g) On 23 May 2025, the Company announced that it received a letter from the SGX-ST that SGX-ST has no objection to granting the Company until 8 June 2025 to explore options available to it to comply with the requirements of the Listing Manual.
- (8) On 6 June 2025, the Joint Announcement was made by the Company and the Offeror.

Additional information on the volume-weighted average price (“VWAP”) of the Shares and other trading statistics are set out below:

Reference period	VWAP ⁽¹⁾ (SGD)	Premium/ (Discount) of Exit Offer Price over/to VWAP (%)	Highest Transacted Price (SGD)	Lowest Transacted Price (SGD)	Average Daily Trading Volume ⁽²⁾ (Shares)
A. Periods up to and including the Last Undisturbed Date⁽³⁾					
Last 5 years	19.84	52.0	26.01	16.45	21,123
Last 2 years	17.99	67.6	20.39	16.86	21,865
Last 1 year	17.64	70.9	18.88	16.86	28,634
Last 6 months	17.99	67.6	18.78	17.16	20,098
Last 3 months	18.29	64.9	18.78	17.77	23,725
Last 1 month	18.47	63.3	18.78	18.12	31,700
Last Undisturbed Date	18.70	61.2	18.70	18.70	53,000
B. Previous Offer Price	25.60	17.8	-	-	-
C. Periods up to and including the Last Trading Date⁽⁴⁾					
Last 5 years	21.82	38.2	26.42	16.45	31,505
Last 2 years	22.39	34.6	26.42	16.86	47,376
Last 1 year	24.12	25.0	26.42	17.16	69,352
Last 6 months	24.95	20.8	26.42	17.51	123,561
Last 3 months	25.53	18.1	26.42	18.12	227,926
Last 1 month	25.67	17.4	26.17	25.60	277,390
Last Trading Date	25.80	16.9	25.80	25.80	272,500

Source: Capital IQ, EYCF analysis

Notes:

- (1) The VWAP is calculated based on the price of the Shares and the traded volume for the relevant trading days for each period.
- (2) The average daily trading volume of the Shares is calculated based on the total volume of Shares traded during the given period divided by the number of market days during that period.
- (3) “**Last Undisturbed Date**” means 9 May 2024, being the last full trading date prior to the Previous Offer Announcement Date.
- (4) “**Last Trading Date**” means 12 July 2024, being the last full trading day prior to the Trading Suspension.

We note the following:

- (a) The Trading Suspension has been in effect since 15 July 2024, and the last full trading day prior to the Trading Suspension was on 12 July 2024;
- (b) The Exit Offer Price represents a premium of approximately 16.9% over the last transacted price as at the Last Trading Date, being 12 July 2024;
- (c) The Exit Offer Price represents premiums of approximately 17.4%, 18.1%, 20.8%, 25.0%, 34.6% and 38.2% over the VWAPs for the periods one (1) month, three (3) months, six (6) months, one (1) year, two (2) years and five (5) years prior to and including the Last Trading Date;

- (d) The VWAPs for the different periods prior to and including the Last Trading Date are affected by the Previous Offer and the traded prices of the Shares have significantly increased following the Previous Offer Announcement Date. For the period following the Previous Offer Announcement Date up to the Last Trading Date, the Shares traded between SGD25.60 per Share and SGD26.42 per Share;
- (e) Given item (iv) above and the Trading Suspension, we have also considered the Previous Offer Price and the historical trading prices of the Shares for the periods prior to the Previous Offer Announcement Date, which are not affected by the Previous Offer;
- (f) The Exit Offer Price represents a premium of approximately 17.8% over the Previous Offer Price;
- (g) The Exit Offer Price represents a premium of approximately 61.2% over the VWAP on the Last Undisturbed Date, being 9 May 2024;
- (h) The Exit Offer Price represents premiums of approximately 63.3%, 64.9%, 67.6%, 70.9%, 67.6% and 52.0% over the VWAPs for the periods one (1) month, three (3) months, six (6) months, one (1) year, two (2) years and five (5) years prior to and including the Last Undisturbed Date;
- (i) The last time the Shares traded at the Exit Offer Price was on 5 April 2018; and
- (j) The last time the Shares traded over the Exit Offer Price was on 12 June 2018.

We have also considered the trading prices and volume traded (excluding married deals) of the Shares for the ten-year period from 13 July 2014 up to the Last Trading Date. We note that the Exit Offer Price represents a premium of approximately 33.8% over the VWAP for the ten-year period from 13 July 2014 up to the Last Trading Date, and the closing prices of the Shares are between a low of SGD16.45 (on 23 March 2020) and a high of SGD31.49 (on 19 April 2018).

We wish to highlight that the analysis on the historical trading performance of the Shares serves only as an illustrative guide and should not be relied upon in any way as an indication of the future trading performance and liquidity of the Shares. There is no assurance that the market price as at the Last Trading Date will remain at the same levels after the close or lapse of the Exit Offer. We also wish to highlight that from the Trading Suspension Date up to and including the Latest Practicable Date, there were no market prices for the Shares to analyse. As such, the Trading Suspension should also be taken into account in the analysis on the historical trading performance of the Shares.

Shareholders should note that if the Delisting Resolution is approved in accordance with the requirements of the Listing Manual, the Company will be delisted. Following the Delisting, Shareholders who do not accept the Exit Offer will continue to hold Shares in what will then be an unlisted company.

Shareholders should also note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of the lack of marketability. Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares as there is no arrangement for Shareholders to exit. If the Company is delisted, even if such Shareholders were able to sell their Shares, they may receive a lower price as compared to the Exit Price. Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

11.2 Analysis of the Embedded Value and Economic Value of One Year's New Business of the GEH Group

Embedded Value or “EV” is a commonly used actuarial technique to assess the economic value of the existing business of a life insurance company. Embedded Value has been developed as a way to assess the long-term economic value of a life insurance company for the existing blocks of business.

11.2.1 Embedded Value and Economic Value of One Year's New Business of the GEH Group as at 31 December 2024

As set out on page 32 of the AR2024, “Embedded value is a commonly used actuarial technique to assess the economic value of the existing business of a life insurance company. Looking at a company's distributable profits for a year, or even a few years, is not a reliable guide to its long-term economic value. This is because the timing of distributable profits arising from a profitable insurance policy may involve accounting losses in the initial policy years and higher accounting profits in later years that will make the policy profitable overall. Losses in the initial years could be due to the initial expenses from writing new business, combined with the need to meet capital requirements. As a result, in any one year, high growth of business may tend to lower distributable profits. Embedded value has therefore been developed as a way to assess the long-term economic value of a life insurance company for the existing blocks of business.”

We note that the Embedded Value of the GEH Group has been determined using the traditional deterministic cash flow methodology comprising the sum of the ‘value of In-force Business’ and the ‘value of the adjusted Shareholders’ Funds’.

The “**Value of In-Force Business**” represents an estimate of the economic value of projected distributable profits to shareholders, i.e., after-tax cash flows less increases in statutory reserves and capital requirements attributable to shareholders, from the in-force business at the valuation date. For the GEH Group, the valuation date is 31 December 2024. The cash flows represent a deterministic projection, using best estimate assumptions of future operating experience and are discounted at a risk-adjusted discount rate. The use of a risk-adjusted discount rate, together with an allowance for the cost of holding statutory reserves and meeting capital requirements, represent the allowance for risk in the Value of In-Force Business together with an implicit allowance for the cost of options and guarantees provided to policyholders. It should be noted that this allowance for risk is approximate and may not correspond precisely with the allowance determined using capital market consistent techniques.

The “**Adjusted Shareholders’ Funds**” represents the value of assets over and above that required to meet statutory reserves, capital requirements and other liabilities.

We note that the assumptions adopted by the GEH Group for the calculations have been determined taking into account the recent experience of, and expected future outlook for, the life insurance business of the companies involved, i.e., The Great Eastern Life Assurance Company Limited in Singapore, Great Eastern Life Assurance (Malaysia) Berhad and Great Eastern Takafal Berhad in Malaysia, and PT Great Eastern Life Indonesia in Indonesia. Investment returns assumed are based on the long-term strategic asset mix and their expected future returns and appropriate risk-adjusted discount rates are used for the different countries.

As reported in the AR2024, the total Embedded Value of the GEH Group, which is calculated as the sum of Value of In-Force Business and Adjusted Shareholders’ Funds, as at 31 December 2024 is SGD18,023.6 million (2023: SGD17,319.5 million) or SGD38.08 per Share (2023: SGD36.59 per Share).

The “**Value of One Year's New Business**” or “**VOYNB**” is defined as the value of projected shareholder distributable profits from new business sold in the year and is used to determine the estimated value of future distributable profits from new sales.

As reported in the AR2024 and using the same best estimate, reserving and capital requirement assumptions as those used in the calculation of Embedded Value as at 31 December 2024, the Economic Value of One Year's New Business of the GEH Group as at 31 December 2024 is SGD621.5 million (2023: SGD682.8 million) or SGD1.31 per Share (2023: SGD1.44 per Share) as reported in the AR2024.

As set out in the AR2024, we note that the Embedded Value, the Economic Value of One Year's New Business and the analysis of change in embedded value during the year were determined by the GEH Group, and an independent party performed an independent review of the methodology used (based on the traditional deterministic embedded value reporting approach), the assumptions and procedures adopted, the materiality thresholds and limitations and performed a high level review of the results of the GEH Group's calculations.

We understand from the Company that, in their view, there is no material change to the reported Embedded Value between 31 December 2024 and the Latest Practicable Date.

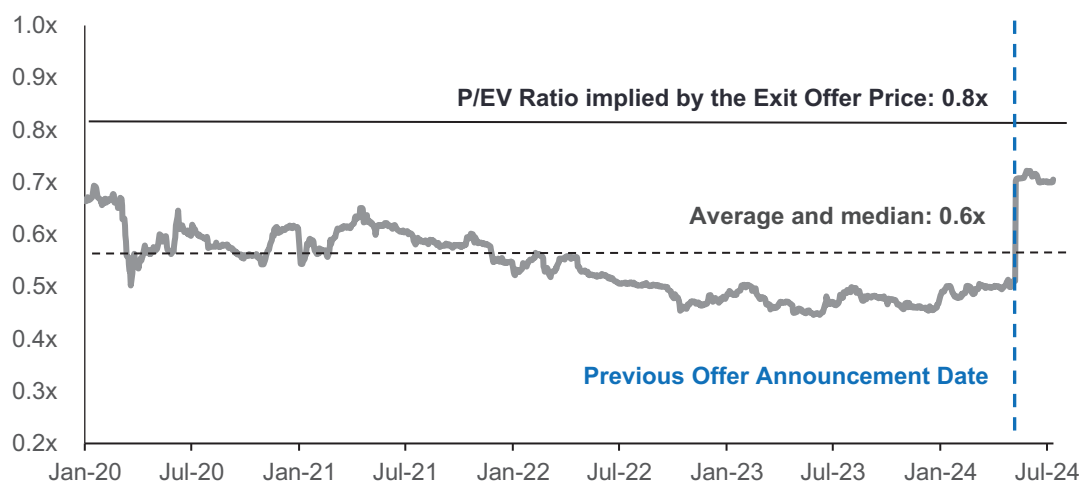
11.2.2 Historical Price to Embedded Value and Price to Value of One Year's New Business Ratios

In our evaluation, we have considered the following:

Valuation Measure	Description
Price-to-Embedded Value Ratio ("P/EV Ratio")	EV is a commonly used actuarial technique to assess the economic value of the existing business of a life insurance company. The GEH Group has determined EV using the traditional deterministic cash flow methodology comprising the sum of the Value of In-force Business and the Adjusted Shareholders' Funds. P/EV Ratio refers to the ratio of a company's share price divided by Embedded Value per share.
Price-to-Value of One Year's New Business Ratio ("P/VOYNB Ratio")	VOYNB refers to the value of projected shareholder distributable profits from new business sold in the year and is used to determine the estimated value of future distributable profits from new sales. P/VOYNB Ratio refers to the ratio of a company's share price divided by Value of One Year's New Business per share.

We have analysed the historical P/EV Ratio of the GEH Group for the period between 1 January 2020 and the Last Trading Date. The chart highlights the GEH Group's historical P/EV Ratio, based on the GEH Group's reported Embedded Value for the relevant periods, against the P/EV Ratio of 0.80 times implied by the Exit Offer Price based on the GEH Group's reported Embedded Value as at 31 December 2024.

Historical Price to Embedded Value Ratio

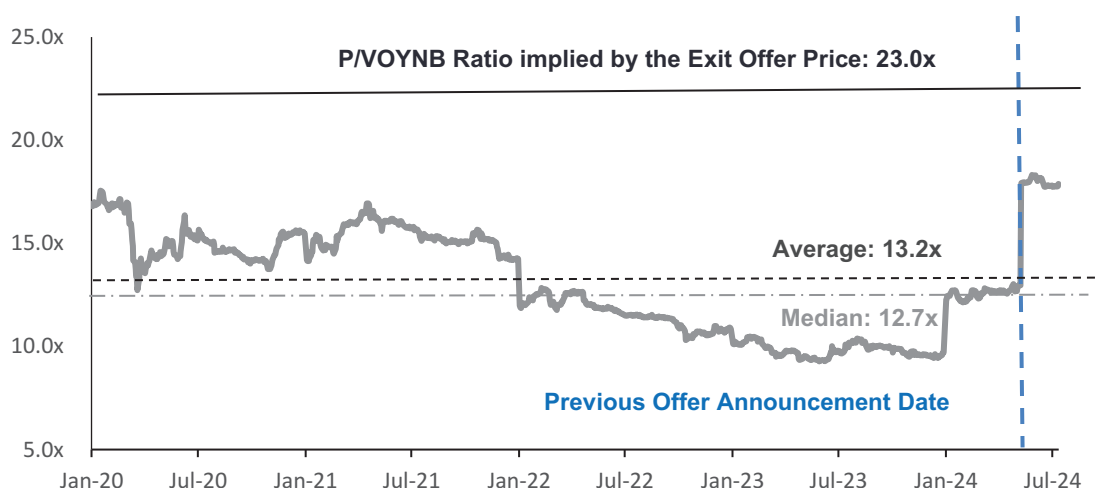


Source: Capital IQ and company reports

We note that the Shares had consistently traded below the implied P/EV Ratio based on the Exit Offer Price of 0.8 times since 1 January 2020 up to the Last Trading Date. We also note that P/EV Ratio implied by the Exit Offer Price is above the average and median daily P/EV Ratios of 0.6 times for both for the period from 1 January 2020 to the Last Trading Date.

We have also analysed the historical P/VOYNB Ratio of the Company for the period between 1 January 2020 and the Last Trading Date. The chart highlights the GEH Group's historical P/VOYNB Ratio, based on the GEH Group's reported VOYNB for the relevant periods, against the P/VOYNB Ratio of 23.0 times implied by the Exit Offer Price based on the GEH Group's VOYNB as at 31 December 2024.

Historical Price to Value of One Year's New Business Ratio



Source: Capital IQ and company reports

We note that the Shares had consistently traded below the implied P/VOYNB Ratio based on the Exit Offer Price of 23.0 times since 1 January 2020 up to the Last Trading Date. We also note that P/VOYNB Ratio implied by the Exit Offer Price is above the average and median daily P/VOYNB Ratios of 13.2 times and 12.7 times, respectively for the period from 1 January 2020 to the Last Trading Date.

11.3 Analysis of the Company's valuation measures

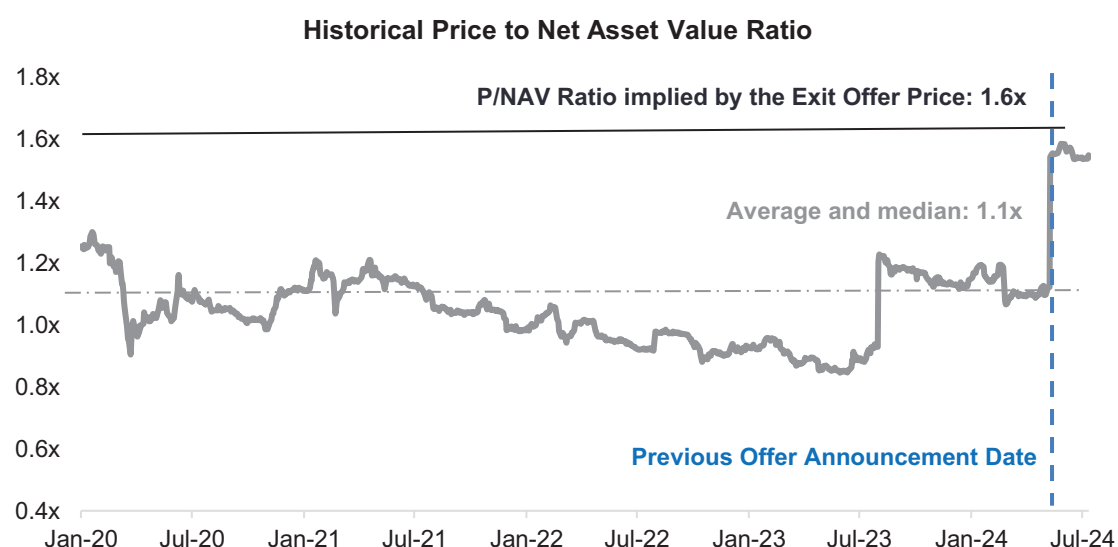
We have considered the implied valuation measures based on the Exit Offer Price in comparison to the Company's historical levels.

In our evaluation, we have considered the following widely used valuation measures:

Valuation Measure	Description
Price-to-NAV Ratio ("P/NAV Ratio")	Net Asset Value (" NAV ") refers to consolidated net asset value, which is calculated as total assets of a company less total liabilities. P/NAV Ratio refers to the ratio of a company's share price divided by net asset value per share.
Price-to-Earnings Ratio ("P/E Ratio")	P/E Ratio or earnings multiple is the ratio of a company's market capitalisation divided by the historical consolidated net profit attributable to shareholders.

11.3.1 Historical Price to Net Asset Value Ratio

We have analysed the historical P/NAV Ratio of the Company for the period between 1 January 2020 and the Last Trading Date. The chart highlights the GEH Group's historical P/NAV Ratio, based on the GEH Group's reported NAV for the relevant periods, against the P/NAV Ratio of 1.6 times implied by the Exit Offer Price based on the GEH Group's reported NAV as at 31 December 2024.

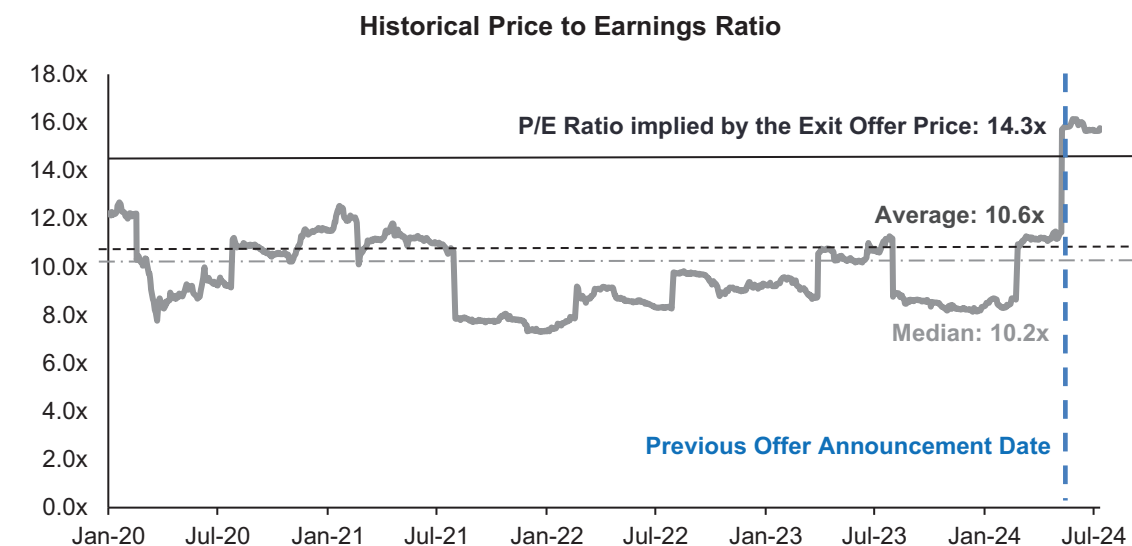


Source: Capital IQ and company reports

We note that the Shares had consistently traded below the implied P/NAV Ratio based on the Exit Offer Price of 1.6 times since 1 January 2020 up until the Last Trading Date. We also note that the P/NAV Ratio implied by the Exit Offer Price is above the average and median daily P/NAV Ratios of 1.1 times for the period from 1 January 2020 to the Last Trading Date.

11.3.2 Historical Price to Earnings Ratio

We have analysed the historical P/E Ratio of the Company for the period between 1 January 2020 and the Last Trading Date. The chart highlights the GEH Group's historical P/E Ratio, based on the GEH Group's trailing 12-month earnings per Share for the relevant periods, against the P/E Ratio of 14.3 times implied by the Exit Offer Price based on the GEH Group's earnings per Share for FY2024.



We note that the Shares had generally traded below the implied P/E Ratio based on the Exit Offer Price of 14.3 times since 1 January 2020 up to the Last Trading Date. We also note that the P/E Ratio implied by the Exit Offer Price is above the average and median daily P/E Ratio of 10.6 and 10.2 times respectively, for the period from 1 January 2020 to the Last Trading Date.

11.4 Comparison of valuation measures of the GEH Group against those of selected comparable transactions

We have also observed transactions in the period from five (5) years prior and up to the Latest Practicable Date for which information is publicly available that have been announced and/or completed involving the acquisition of controlling and non-controlling stakes in targets that we believe are broadly comparable to the GEH Group in terms of scope of business (predominantly life insurance business), total assets size and geographic market (the “**Comparable Transactions**”). The selection criteria of the Comparable Transactions include, among others, transactions involving targets that predominantly engage in life insurance business with presence mainly in Asia, excluding high-growth markets, and with a minimum transaction value of approximately SGD1,000.0 million.

We wish to highlight that the Comparable Transactions are not directly comparable to the terms and conditions of the Delisting and the Exit Offer. The Independent Directors and Shareholders should note that due to the differences in, *inter alia*, business activities, scale of operations, geographical spread of activities, track record and future prospects, accounting standards and policies, any comparison made with respect to the Comparable Transactions are for illustrative purposes only. The premium any offeror is prepared to pay for in any particular offer transaction depends on various factors, including prevailing market conditions and general economic, regulatory and business risks. The conclusions drawn from such comparisons, therefore, may not necessarily reflect the perceived or implied market valuation for the Company. In addition, we also wish to highlight that the list of Comparable Transactions is by no means exhaustive and

information relating to the Comparable Transactions was compiled from publicly available information.

Accordingly, for the purposes of our evaluation, we have considered the following Comparable Transactions involving targets which, in our view (and as explained above), are broadly comparable to the GEH Group:

Target	Acquirer	Closed Date	Pre-acquisition Stake (%)	Brief business description
Singlife Financial Pte. Ltd ("Singlife")	Sumitomo Life Insurance Company ("Sumitomo")	Mar 2024	64.5% ⁽¹⁾	Singlife provides life insurance policies. It offers individual critical illness, disability, and personal accident insurance.
Aviva Ltd ("Aviva")	Consortium of investors led by Singapore Life Pte. Ltd ("Singlife Consortium")	Nov 2020	-	Aviva's Singapore-based insurance company, Aviva Singapore, owns two financial advisory firms in Singapore, Aviva Financial Advisers and Professional Investment Advisory Services.

Source: Capital IQ, company reports and company websites

Notes:

(1) Sumitomo's pre-acquisition stake of 64.5% includes other purchases from various sellers in 2023 and 2024.

Valuation Measures of the Comparable Transactions in Comparison with the Valuation Measures of the Company implied by the Exit Offer Price

Closed Date	Target	Acquirer	Stake Acquired	Total Transaction Value (in SGD millions)	P/EV Ratio (times)	P/NAV Ratio (times)	P/E Ratio (times)
Mar 2024	Singlife	Sumitomo	35.5%	1,645.6	<i>n.a.</i>	2.2	17.5
Nov 2020	Aviva	Singlife Consortium	75.0%	2,625.4	1.5	1.9	18.7
					Low	1.5	17.5
					High	1.5	18.7
					Average	1.5	18.1
					Median	1.5	18.1
GEH – Implied by the Exit Offer Price			6.28%	896.0	0.8	1.6	14.3

Source: Capital IQ, company announcements, company reports

(a) Comparison of P/EV Ratios

We note that only one of the Comparable Transactions has information on the Embedded Value of the target. The P/EV Ratio of the GEH Group implied by the Exit Offer Price of 0.8 times is below the implied P/EV Ratio of 1.5 times for the Aviva-Singlife Consortium transaction. It should be emphasised that the stake acquired in the Aviva-Singlife Consortium transaction is approximately 75.0%, to which a control premium may be ascribed.

(b) Comparison of P/NAV RATIOS

We note that for the Comparable Transactions, the range of implied P/NAV Ratios is between 1.9 times and 2.2 times, while the implied average and median P/NAV Ratios are both 2.1 times.

The P/NAV Ratio of the GEH Group implied by the Exit Offer Price of 1.6 times is below the range of the implied P/NAV Ratios of the Comparable Transactions.

(c) Comparison of P/E RATIOS

We note that for the Comparable Transactions, the range of implied P/E Ratios is between 17.5 times and 18.7 times, while the implied average and median P/E Ratios are both 18.1 times.

The P/E Ratio of the GEH Group implied by the Exit Offer Price of 14.3 times is below the range of the implied P/E Ratios of the Comparable Transactions .

We wish to highlight that the comparison of valuation measures of the GEH Group against those of selected Comparable Transactions are for illustrative purposes only, as the Comparable Transactions are not directly comparable to the terms and conditions of the Delisting and the Exit Offer. We also wish to highlight that the valuation measures of the Comparable Transactions are based on the applicable accounting standards and policies at the time of the Comparable Transactions, while the valuation measures of the GEH Group are based on current accounting standards and policies, being SFRS(I) 17. The respective acquirers for the Comparable Transactions also had their own considerations in determining the purchase price for the target, including any premium that had been ascribed for a controlling stake, the prevailing market conditions, and general economic, regulatory and business risks.

11.5 Comparison of valuation measures of the GEH Group against those of selected listed comparable companies

Based on our discussions with the Management and a search for comparable listed companies on Capital IQ and other available databases, we recognise that there is no particular listed company that we may consider to be directly comparable to the GEH Group in terms of the composition of the business activities, asset categories, company size, scale of operations, service range, customer base, risk profile, geographical spread of activities, accounting standards and policies used, and such other relevant criteria. However, after discussions with the Management, we have selected companies which we believe are broadly comparable to the Company in terms of scope of business, total assets size and geographic market (the “**Comparable Companies**”). Our selection criteria for the Comparable Companies include, among others, listed companies that predominantly engage in life insurance business with primary presence in Asia (excluding high-growth markets) and with a minimum market capitalisation of approximately SGD1,000.0 million.

The Independent Directors and Shareholders should note that any comparison made with respect to the Comparable Companies is for illustrative purposes only as there is no one company with the exact scope of business, scale of operations, geographical spread of activities, track record and future prospects and use of exact accounting standards and policies as those of the GEH Group. The conclusions drawn from such comparisons, therefore, may not necessarily reflect the perceived or implied market valuation of the Company as at the Latest Practicable Date. In addition, we wish to highlight that the list of Comparable Companies is by no means exhaustive.

Accordingly, for the purposes of our evaluation, we have considered the following Comparable Companies which, in our view (and as explained above), are broadly comparable to the GEH Group:

Selected Comparable Companies / Exchange Location	Brief business description	Market Capitalisation (SGD million)
AIA Group Limited (" AIA ") Hong Kong	AIA provides life insurance based financial services. The company sells its products through a network of agents and partners in Mainland China, Hong Kong, Macau, Thailand, Singapore, Malaysia, Australia, Cambodia, Indonesia, Myanmar, New Zealand, the Philippines, South Korea, Sri Lanka, Taiwan, Brunei, Vietnam, and India.	114,140
Manulife Financial Corporation (" Manulife ") Canada	Manulife provides financial products and services in the United States, Canada, Asia, and internationally. The company operates through wealth and asset management businesses; insurance and annuity products; and corporate and other segments.	70,194
Prudential plc (" Prudential ") London	Prudential provides life and health insurance, and asset management solutions to individuals in Asia and Africa.	37,931
Dai-ichi Life Holdings, Inc. (" Dai-ichi Life ") Tokyo	Dai-ichi engages in the provision of insurance products in Japan, the United States, and internationally. It operates through its segments, domestic and overseas insurance business and other business.	37,162
T&D Holdings, Inc. (" T&D ") Tokyo	T&D provides life insurance products and services primarily in Japan. The company offers comprehensive coverage, including death benefit and medical/nursing care products; term life insurance, disability benefit, etc.; and savings and protection type products.	15,115
Samsung Life Insurance Co., Ltd. (" Samsung Life ") South Korea	Samsung Life engages in the life insurance business in Korea and internationally. The company operates through domestic insurance; credit card service, instalment financing, and leasing; and overseas segments.	16,609
Japan Post Insurance Co., Ltd. (" Japan Post ") Tokyo	Japan Post provides life insurance products and services in Japan. It also offers agency services for other insurance companies, including foreign insurance and financial services companies, as well as loan guarantees.	10,856
Thai Life Insurance Public Company Limited (" Thai Life ") Thailand	Thai Life provides life insurance products and services in Thailand. The company offers life, retirement, investment, retail, health, accident, inheritance planning, critical illness, and elderly insurance products, as well as insurance products for savings and tax deductions, and kids.	4,905
Hanwha Life Insurance Co., Ltd. (" Hanwha Life ") South Korea	Hanwha Life provides various insurance products to individual and corporate customers in South Korea, Vietnam, China, Indonesia, and internationally. The company offers health, retirement, investment, group, accident, pension, and savings insurance products; retirement pension plans; consulting services; asset management products; and undertakes related reinsurance contracts.	2,077
Bangkok Life Assurance Public Company Limited (" Bangkok Life ") Thailand	Bangkok Life provides life insurance services to individuals and corporates in Thailand. The company's life insurance products include protection, savings, education, pension, accident plans, total permanent disability, and health and critical illness products.	1,101
Allianz Malaysia Berhad (" Allianz Malaysia ") Malaysia	Allianz Malaysia engages in general and life insurance business in Malaysia. The company offers personal insurance products, business insurance products, group personal accident insurance, bonds and liability insurance.	1,061

Source: Capital IQ, company reports and company websites

**Valuation Measures of the Comparable Companies in Comparison with
the P/EV and P/VOYNB Measures of the Company implied by the Exit Offer Price**

Comparable Companies	Market Capitalisation (SGD millions)	P/EV Ratio ⁽¹⁾ (times)	P/VOYNB Ratio ⁽²⁾ (times)
AIA	114,140	1.3	18.8
Manulife	70,194	<i>n.a.</i>	24.3
Prudential	37,931	0.7	9.6
Dai-ichi Life	37,162	0.5	<i>n.m.</i>
T&D	15,115	0.4	10.4
Samsung Life	16,609	<i>n.a.</i>	<i>n.a.</i>
Japan Post	10,856	0.3	<i>n.m.</i>
Thai Life	4,905	0.7	17.0
Hanwha Life	2,077	<i>n.a.</i>	<i>n.a.</i>
Bangkok Life	1,101	0.4	14.8
Allianz Malaysia	1,061	<i>n.a.</i>	<i>n.a.</i>
Low		0.3	9.6
High		1.3	24.3
Average		0.6	15.8
Median		0.5	15.9
GEH – Implied by the Exit Offer Price	14,271	0.8	23.0

Source: Capital IQ, company announcements, company reports

Notes:

- (1) P/EV Ratio is the ratio of a company's share price as at the Latest Practicable Date divided by its Embedded Value per share as at the latest available financial results.
- (2) P/VOYNB Ratio is the ratio of a company's share price as at the Latest Practicable Date divided by its value of one-year new business per share as at the latest available financial results.
- (3) "*n.m.*" means not meaningful.
- (4) "*n.a.*" means not available.

11.5.1 Comparison of P/EV and P/VOYNB Ratios

Comparison of P/EV Ratio implied by the Exit Offer Price against the P/EV Ratios of the Comparable Companies

The P/EV Ratio illustrates the ratio of the market value of an entity's business in relation to its Embedded Value, which comprises of the Value of In-force Business and the value of the Adjusted Shareholders' Funds.

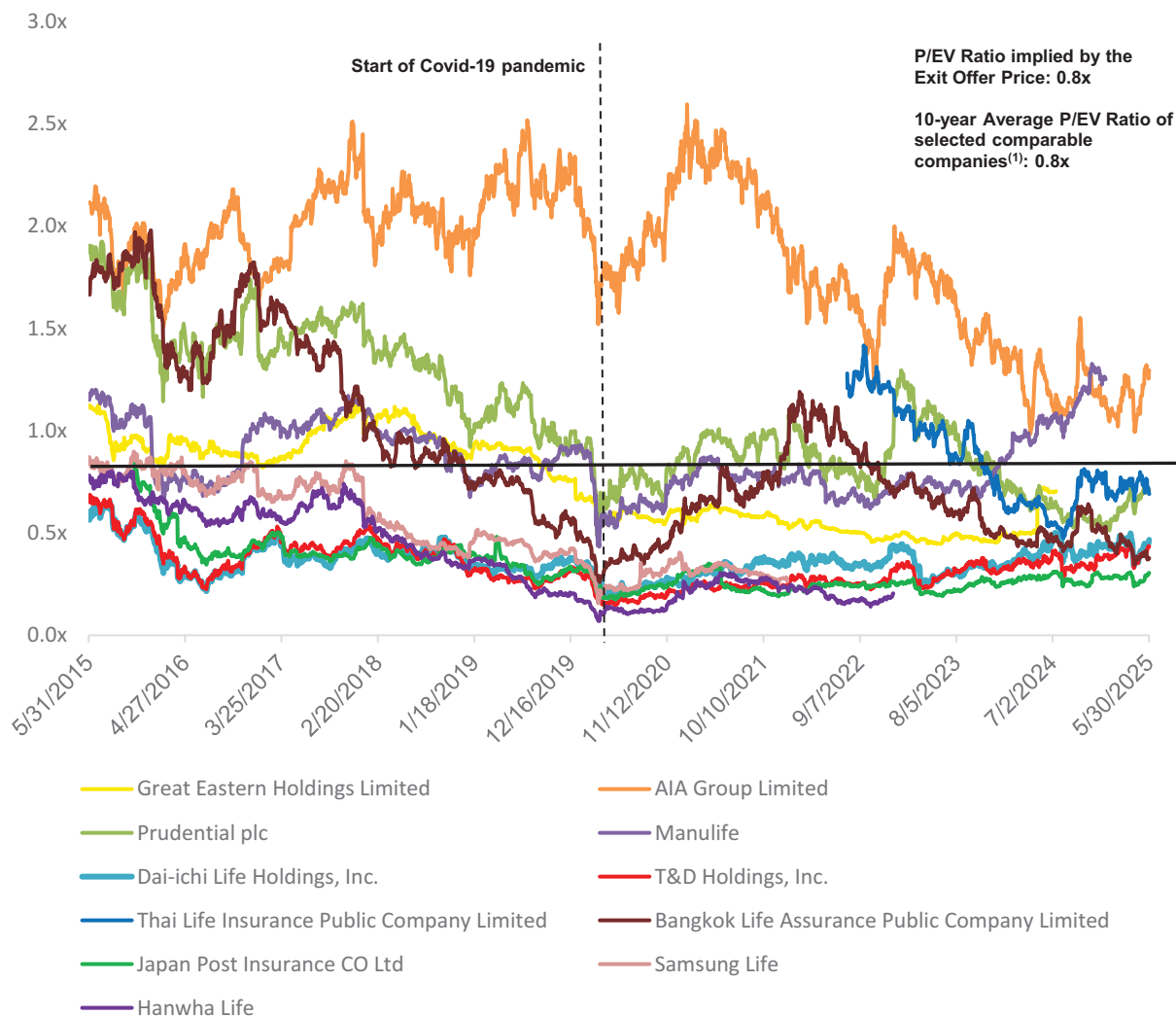
We note that for the Comparable Companies, the range of P/EV Ratios is between 0.3 times and 1.3 times, while the average and median P/EV Ratios are 0.6 times and 0.5 times, respectively.

The P/EV Ratio of the GEH Group implied by the Exit Offer Price of 0.8 times is within the range of the P/EV Ratios of the Comparable Companies and higher than the average and median P/EV Ratios.

Historical P/EV Ratio of the GEH Group against the Comparable Companies

We have also considered the historical P/EV Ratio of the GEH Group against the historical P/EV Ratios of the Comparable Companies over the period of ten years prior and up to the Latest Practicable Date (the "**10-year Period**").

Comparison of P/EV Ratio of the GEH Group against Comparable Companies



Source: Capital IQ, company reports and company websites

Notes:

(1) Average P/EV Ratio for the comparable companies which have consistently reported their respective Embedded Values over the 10-year Period.

We note that over the 10-year Period, the Comparable Companies appear to have experienced a steady decline in their respective P/EV Ratios. We also note that, as at the Latest Practicable Date, only AIA is trading above 1 time its Embedded Value. We further note that since achieving a P/EV Ratio of higher than 2.0 times in mid-2021, AIA's P/EV Ratios have reflected a downward trend.

Moreover, we note that there are certain Comparable Companies which have not reported their respective Embedded Values throughout the 10-year Period, including Manulife which has ceased reporting Embedded Value effective 2024. For the Comparable Companies which have consistently reported their respective Embedded Values over the 10-year Period, the average P/EV Ratio is 0.8 times.

For the GEH Group, the average P/EV Ratio based on historical traded price of the Shares and historical Embedded Values for the same 10-year Period (save for the period between the Trading Suspension Date and the Latest Practicable Date as there is no traded price for the Shares during such period) is 0.7 times.

We note that, based on the Embedded Value of the GEH Group as at 31 December 2024, the P/EV Ratio of 0.8 times implied by the Exit Offer Price is in line with the 10-year Period average P/EV Ratios of the relevant Comparable Companies.

Comparison of P/VOYNB Ratio implied by the Exit Offer Price against the P/VOYNB Ratios of the Comparable Companies

The P/VOYNB Ratio illustrates the ratio of the market capitalisation of an entity in relation to the Value of One Year's New Business of a company.

We note that as at the Latest Practicable Date, the range of P/VOYNB Ratios of the Comparable Companies is between 9.6 times and 24.3 times.

The P/VOYNB Ratio of the GEH Group implied by the Exit Offer Price of 23.0 times is within the range of the P/VOYNB Ratios of the Comparable Companies and higher than the average and median P/VOYNB Ratios.

11.5.2 Comparison of P/NAV and P/E Ratios

On 1 January 2023, the GEH Group adopted the SFRS(I) 17. SFRS(I) 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the GEH Group.

Given the above, for the purposes of our evaluation of certain valuation measures of the GEH Group, particularly P/NAV and P/E Ratios, we have further selected companies among the Comparable Companies which have also adopted SFRS(I) 17 or the International Financial Reporting Standards 17 'Insurance Contracts' ("IFRS 17" and the relevant comparable companies, the "IFRS 17 Comparable Companies").

Valuation Measures of the IFRS 17 Comparable Companies in Comparison with the Valuation Measures of the Company implied by the Exit Offer Price

IFRS 17 Comparable Companies	Market Capitalisation ⁽¹⁾ (SGD millions)	P/NAV Ratio ⁽²⁾ (times)	P/E Ratio ⁽³⁾ (times)
AIA	114,140	2.2	12.9
Manulife	70,194	1.4	13.9
Prudential	37,931	1.6	12.9
Samsung Life	16,609	0.5	8.4
Hanwha Life	2,077	0.2	2.6
Allianz Malaysia	1,061	0.6	4.5
Low		0.2	2.6
High		2.2	13.9
Average		1.1	9.2
Median		1.0	10.7
GEH – Implied by the Exit Offer Price	14,271	1.6	14.3

Source: Capital IQ, company announcements, company reports

Notes:

- (1) Market capitalisation for the IFRS 17 Comparable Companies is based on the outstanding number of shares and the closing price as at the Latest Practicable Date, as obtained from Capital IQ. Market capitalisation of the Company is approximately SGD14,271 million based on the Exit Offer Price and the total outstanding shares of 473,319,069 as at the Joint Announcement Date.
- (2) P/NAV Ratio is the ratio of a company's share price as at the Latest Practicable Date divided by its consolidated net asset value attributed to the company per share as at the latest available financial results.
- (3) Net profit attributable to shareholders of the IFRS 17 Comparable Companies and the Company are obtained from their respective latest available financial results, and the Company's audited consolidated results for FY2024 respectively.
- (4) "*n.m.*" means not meaningful.
- (5) "*n.a.*" means not available.

Comparison of P/NAV Ratio implied by the Exit Offer Price against the P/NAV Ratios of the IFRS 17 Comparable Companies

The P/NAV Ratio represents an asset-based relative valuation which takes into consideration the net assets of a company.

We note that for the IFRS 17 Comparable Companies, the range of P/NAV Ratios is between 0.2 times and 2.2 times, while the average and median P/NAV Ratios are 1.1 and 1.0 times respectively.

The P/NAV Ratio of the GEH Group implied by the Exit Offer Price of 1.6 times is within the range of the P/NAV Ratios of the IFRS 17 Comparable Companies and above the average and median P/NAV Ratios.

Comparison of P/E Ratio implied by the Exit Offer Price against the P/E Ratios of the IFRS 17 Comparable Companies

The P/E Ratio illustrates the ratio of the market capitalisation of an entity in relation to the historical net profit attributable to its shareholders.

We note that for the IFRS 17 Comparable Companies, the range of P/E Ratios is between 2.6 times and 13.9 times.

The P/E Ratio of the GEH Group implied by the Exit Offer Price of 14.3 times is above the range of the P/E Ratios of the IFRS 17 Comparable Companies.

On Comprehensive Equity

Following the implementation of IFRS 17 (from 1 January 2023 for the implementation of SFRS(I) 17 in Singapore), we note that certain IFRS 17 Comparable Companies, namely AIA and Prudential, have reported Comprehensive Equity or "**CE**" in their latest annual reports. For FY2024, the Company has also started to report Comprehensive Equity, as a supplementary disclosure. As set out on page 11 of the AR2024, Comprehensive Equity is a measurement that provides additional insights to the Company's Shareholders and analysts, complementing the GEH Group's Embedded Value disclosures and improving transparency under the new accounting framework.

Comprehensive Equity is defined as shareholders' equity plus net contract service margin ("**CSM**"). CSM is a component of the carrying amount of the asset or liability for a company for insurance contracts issued representing the unearned profit that the GEH Group will recognise as it provides insurance contract services in the future. For the GEH Group, net CSM is CSM net of reinsurance, non-controlling interest and tax under SFRS(I) 17.

We note that Comprehensive Equity may be considered by some to be a potential reconciliation between IFRS 17 shareholders' equity and an insurance company's embedded value framework, which is commonly used for valuations. We also note that Comprehensive Equity is expected to assume part of the role Embedded Value has played in supplementing information for shareholders and investors.

As set out in the AR2024, the Comprehensive Equity of the GEH Group as at 31 December 2024 is SGD14,098.6 million (2023: SGD13,384.6 million).

We set out below the Comprehensive Equity as at 31 December 2024 of the IFRS 17 Comparable Companies that have reported Comprehensive Equity (being AIA and Prudential), for comparison with the Comprehensive Equity of the GEH Group as at 31 December 2024:

Company	Market Capitalisation ⁽¹⁾ (SGD millions)	Comprehensive Equity ⁽²⁾ (SGD millions)	P/CE Ratio ⁽³⁾ (times)
AIA	114,140	113,013	1.0
Prudential	37,931	47,295 ⁽⁴⁾	0.8
GEH	14,271⁽⁵⁾	14,099	1.0

Source: Company reports

Notes:

- (1) As at the Latest Practicable Date.
- (2) As at 31 December 2024.
- (3) "**P/CE Ratio**" is the ratio of market capitalisation as at the Latest Practicable Date over the Comprehensive Equity as at 31 December 2024. For the Company, the implied P/CE Ratio is based on the Exit Offer Price.
- (4) Referred to as "Adjusted shareholders' equity" by Prudential.
- (5) Implied based on Exit Offer Price.

For illustrative purposes only and based on the table above, we note that the P/CE Ratio of the GEH Group implied by the Exit Offer Price of 1.0 time is in line with and higher than the P/CE Ratio of the IFRS 17 Comparable Companies that have reported Comprehensive Equity, being AIA and Prudential respectively. We note that, as set out in the Company's AR2024, Comprehensive Equity is a measurement that provides additional insights to the Company's Shareholders and analysts, complementing the GEH Group's Embedded Value disclosures and improving transparency under the new accounting framework.

11.6 Comparison with recent privatisation transactions for companies listed on the SGX-ST

In assessing the Exit Offer Price, we have also examined recent similar transactions by listed companies on the SGX-ST involving successful privatisation transactions announced and completed in the period between 1 January 2022 and the Latest Practicable Date, and wherein the offerors had indicated their intentions to delist and/or privatise the target companies (the "**Precedent Privatisation Transactions**"). Privatisation transactions of companies listed on the SGX-ST are generally carried out by way of voluntary general offer under the Singapore on Takeovers and Mergers (the "**Code**") ("**VGO**"), mandatory general offer under the Code ("**MGO**"), scheme of arrangement under Section 210 of The Companies Act 1967 of Singapore (the "**Companies Act**") ("**SOA**"), or voluntary delisting under the Listing Manual ("**VD**"). Our analysis of the Precedent Privatisation Transactions is to illustrate the premiums/discounts represented by each of the respective offer prices over/to the traded prices prior to the announcements of such Precedent Privatisation Transactions.

The Independent Directors and Shareholders should note that due to the differences in, *inter alia*, business activities, scale of operations, geographical spread of activities, track record and future prospects, accounting standards and policies, any comparison made with respect to the Precedent Privatisation Transactions are for illustrative purposes only. The Precedent Privatisation Transactions are not directly comparable to the terms and conditions of the Exit Offer. The premium any offeror is prepared to pay for in any particular offer transaction depends on various factors, including prevailing market conditions and general economic and business risks. The conclusions drawn from such comparisons, therefore, may not necessarily reflect the perceived or implied market valuation for the Company. In addition, we wish to highlight that the list of Precedent Privatisation Transactions is by no means exhaustive and information relating to the Precedent Privatisation Transactions was compiled from publicly available information.

Company name	Announcement date ⁽¹⁾	Premium/(Discount) of the offer price over/(to) relevant prices prior to announcement ⁽¹⁾					P/NAV Ratio (times)
		Last Transacted Price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	12-month VWAP (%)	
Shinvest Holding Ltd	16 Feb 22	12.9	8.5	10.2	10.1	14.3	<i>n.a</i>
Singapore O&G Limited	7 Mar 22	15.7	14.8	12.2	11.3	11.3	3.3
Excelpoint Technology Limited	13 Apr 22	21.4	36.6	31.3	45.9	72.3	1.5
Hwa Hong Corporation Limited	17 May 22	36.5	36.1	32.0	22.0	24.6	1.4
TTJ Holdings Limited	20 May 22	36.1	33.6	28.8	28.0	29.4	0.6
GYP Properties Limited	8 Jul 22	12.8	15.9	12.0	7.7	9.8	0.6
SP Corporation Limited	20 Aug 22	169.5	163.7	162.8	156.9	140.5	1.0
Silkroad Nickel Ltd.	29 Aug 22	2.4	4.7	5.0	(5.6)	(3.2)	5.1
Memories Group Limited	12 Sep 22	34.3	67.9	74.1	74.1	74.1	1.0
Singapore Medical Group Limited	13 Sep 22	23.1	28.1	28.9	25.8	27.5	1.1
Moya Holdings Asia Limited	14 Sep 22	41.5	43.8	48.1	48.6	47.0	1.0
MS Holdings Limited	3 Oct 22	16.7	<i>n.a.</i>	25.2	25.4	24.6	0.5
Asian Healthcare Specialists Limited	6 Oct 22	17.5	18.3	21.3	22.3	19.5	2.1
Colex Holdings Limited	12 Oct 22	25.0	13.9	13.3	<i>n.a.</i>	<i>n.a.</i>	1.6
Golden Energy and Resources Limited	9 Nov 22	15.8	23.0	44.6	48.3	63.8	4.5
Chip Eng Seng Corporation Ltd	2 Dec 22	5.6	13.1	26.5	33.7	42.6	0.8
Global Dragon Limited	10 Feb 23	14.3	15.4	22.4	17.6	17.6	1.0
GK Goh Holdings Limited	28 Feb 23	38.5	38.8	39.2	37.6	34.8	1.0
Global Palm Resources Holdings Limited	29 Mar 23	93.8	86.6	70.1	70.1	30.2	0.9
Lian Beng Group Ltd	11 Apr 23	19.3	26.9	28.5	29.8	30.3	0.4
Challenger Technologies Limited	30 May 23	9.1	10.5	11.9	14.3	13.4	1.5
Sysma Holdings Limited	1 Jun 23	34.4	40.0	34.4	30.2	28.2	0.7
LHN Logistics Limited	4 Jun 23	34.9	35.7	39.0	44.3	39.0	2.9
Healthway Medical Corporation Limited	3 Jul 23	45.5	45.5	45.5	41.2	37.1	1.1
Boustead Projects Limited	14 Nov 23	23.6	24.1	25.7	26.6	26.9	0.9
Best World International Ltd	22 Mar 24	44.6	47.1	46.3	48.8	36.9	1.9
Isetan Singapore Limited	1 Apr 24	150.3	173.4	171.1	168.9	152.4	2.8
RE&S Holdings Limited	19 May 24	56.5	65.1	50.0	45.2	38.5	3.3
Second Chance Properties	10 Jul 24	39.5	40.8	37.0	33.3	28.2	1.0
Silverlake Axis	26 Aug 24	20.0	28.1	25.0	31.9	31.9	2.8

Company name	Announcement date ⁽¹⁾	Premium/(Discount) of the offer price over/(to) relevant prices prior to announcement ⁽¹⁾					P/NAV Ratio (times)
		Last Transacted Price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	12-month VWAP (%)	
Dyna-Mac Holdings Ltd	14 Oct 24	35.4	18.6	27.4	44.4	67.5	6.0
5E Resources Limited	25 Oct 24	22.6	22.2	21.8	26.2	31.9	1.6
Low		2.4	4.7	5.0	(5.6)	(3.2)	0.4
High		169.5	173.5	171.1	168.9	152.5	6.0
Average		36.5	40.0	39.7	40.8	40.1	1.8
Median		24.3	28.1	28.9	31.9	30.3	1.1
GEH - Implied by Exit Offer Price, for periods up to and including:							
(a) Last Trading Date (being 12 July 2024)		16.9	17.4	18.1	20.8	25.0	1.6
(b) Last Undisturbed Date (being 9 May 2024)		61.2	63.3	64.9	67.6	70.9	-

Source: Capital IQ, company circulars and company reports

Notes:

- (1) Market premium/discount is calculated based on the share price on either the last trading date or unaffected day for the given periods, as defined in the respective circulars.

We note the following with regard to the Precedent Privatisation Transactions:

- (a) the Company has ceased to meet the Free Float Requirement at the close of the Previous Offer, and the trading of the Shares has been suspended since the Trading Suspension Date; As such, for the purpose of our evaluation against the Precedent Privatisation Transactions, we have considered the latest available Share prices and VWAPs as at the Last Trading Date and the different periods prior to the Last Trading Date, as well as the historical Share prices and VWAPs as at the Last Undisturbed Date (being the last full trading day prior to the Prior Offer Announcement Date) and the different periods prior to the Last Undisturbed Date;
- (b) the premium of 16.9% implied by the Exit Offer Price against the last transacted price of the Shares on the Last Trading Date is within the range of premiums of the Precedent Privatisation Transactions and below the average and median premiums of the Precedent Privatisation Transactions;
- (c) the premiums of 17.4%, 18.1%, 20.8% and 25.0% implied by the Exit Offer Price against the 1-month, 3-month, 6-month and 12-month VWAPs of the Shares prior to the Last Trading Date are within the range of premiums of the Precedent Privatisation Transactions and below the average and median premiums of the Precedent Privatisation Transactions for the different periods;
- (d) the premium implied by the Exit Offer Price against the last transacted price of the Shares on the Last Undisturbed Date is 61.2% is within the range of premiums of the Precedent Privatisation Transactions and above the average and median premiums of the Precedent Privatisation Transactions;
- (e) the premiums of 63.3%, 64.9%, 67.6% and 70.9% implied by the Exit Offer Price against the 1-month, 3-month, 6-month and 12-month VWAPs of the Shares prior to the Last Undisturbed Date are within the range of premiums of the Precedent Privatisation Transactions and above the average and median premiums of the Precedent Privatisation Transactions for the different periods;
- (f) the 1.6 times implied by the Exit Offer Price over the NAV per Share as at 31 December 2024 is within the range of, above the median, and below average P/NAV Ratios of the Precedent Privatisation Transactions.

11.7 Range of values of the Shares

As set out in sections 11.1 to 11.6 of this letter, we have taken into consideration different factors in our evaluation of the financial terms of the Exit Offer, being the Exit Offer Price of SGD30.15 per Offer Share.

We have considered the historical traded prices of the Shares prior and up to the Last Trading Date, being on 12 July 2024. However, based on our analyses as set out in this letter, it would appear that the historical trading price of the Shares prior and up to the Last Trading Date and the Trading Suspension on 15 July 2024 may not be fully reflective of the value of the Shares given the relatively low free float of the Company prior to the Previous Offer, with the Offeror's 88.44% stake in the Company as at the Previous Offer Announcement Date. Accordingly, we considered that the resulting premiums to historical traded prices of the Shares may not be the appropriate basis in determining the range of values of the Shares. We also considered that there were no recent market prices for the Shares to analyse given the Trading Suspension since 15 July 2024 up to and including the Latest Practicable Date.

In determining the range of value for the Shares, we have considered the reported Embedded Value of the GEH Group as at 31 December 2024. As set out in section 11.2 of this letter, Embedded Value is a commonly used actuarial technique to assess the economic value of the existing business of a life insurance company and is developed as a way to assess the long-term economic value of a life insurance company for the existing blocks of business. We note the Embedded Value of the GEH Group has been determined using the traditional deterministic cash flow methodology comprising the sum of the Value of In-force Business and the Adjusted Shareholders' Funds. The Value of In-force Business represents an estimate of the economic value of projected distributable profits to shareholders from the in-force business at the valuation date, being 31 December 2024, while the Adjusted Shareholders' Funds represents the value of assets over and above that required to meet statutory reserves, capital requirements and other liabilities.

In our evaluation of the Exit Offer, we have taken into consideration the Embedded Value per Share of the GEH Group as at 31 December 2024 of SGD38.08 and made an adjustment for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group). As such, the higher limit for the valuation for the Shares is **SGD37.63 per Share**.

At the lower end of the valuation range for the Shares, we have taken into consideration the historical P/EV Ratios of the Comparable Companies over the 10-year Period prior and up to the Latest Practicable Date, as set out in section 11.5.1 of this letter. We note that over the 10-year Period observed prior and up to the Latest Practicable Date, the GEH Group and the Comparable Companies appear to have experienced a steady decline in their respective P/EV Ratios. We also note that as at the Latest Practicable Date, only AIA is trading above 1 time its Embedded Value among the Comparable Companies which have reported their respective Embedded Values. Save for AIA, the rest of the Comparable Companies which reported Embedded Values are trading at discounts to their respective Embedded Values and have been largely doing so since the Covid-19 pandemic.

We note that the average P/EV Ratio of the Comparable Companies which have consistently reported their Embedded Values over the 10-year Period is 0.8 times. When the multiple of 0.8 times is applied to the reported Embedded Value per Share of the GEH Group as at 31 December 2024 of SGD38.08 and after adjusting for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group), the resulting value is **SGD30.10 per Share**.

Based on the foregoing, we have determined the range of values of the Shares to be from approximately **SGD30.10 per Share** (based on application of the average P/EV Ratio of the relevant Comparable Companies of 0.8 times to the reported Embedded Value of the GEH Group as at 31 December 2024 and adjusted for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group)) to approximately **SGD37.63 per Share** (based on the reported Embedded Value of the GEH Group as at 31 December 2024 and adjusted for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group)).

As such, the Exit Offer Price of SGD30.15 per Offer Share is within our estimated range of value for the Shares of between SGD30.10 per Share and SGD37.63 per Share.

11.8 Other Relevant Considerations in relation to the Exit Offer

We have also considered the following in our evaluation of the Exit Offer:

11.8.1 Dividend track record of the Company

We set out below the information on the dividend per Share as declared and paid by the Company for the last two financial years, for the financial years ended 31 December 2023 (“FY2023”) and FY2024:

Dividend Declared (SGD)	FY2024	FY2023
Interim dividend per Share	0.45	0.35
Final dividend per Share	0.45	0.40
Total	0.90	0.75
Dividend yield⁽¹⁾ (%)	4.34	4.20

Source: Annual reports, company announcements

Notes:

- (1) Dividend yields for FY2023 and FY2024 are computed based on the total dividend declared for the respective financial years divided by the average share price for the respective financial years. For FY2024, average Share price was computed from 1 January 2024 up to and including the Last Trading Date.

We note that the dividends declared by the Company for FY2023 and FY2024 is in accordance with the dividend policy of the Company as announced on 3 August 2023 (the “**Dividend Policy**”), which states that the Company will pay dividends twice yearly. We also note that the Company aims for each dividend paid by the Company to be no lower than the preceding dividend payment.

Based on the above, we note that the Company has paid dividends in FY2023 and FY2024, with dividends per Share of SGD0.75 and SGD0.90, respectively. Dividend yields were 4.20% and 4.34% in FY2023 and FY2024, respectively.

We set out below the comparison of the dividend yields of the Company against those of the Comparable Companies:

Comparable Companies	Latest Financial Year ⁽¹⁾ Dividend Yield (%)	Previous Financial Year ⁽¹⁾ Dividend Yield (%)
AIA	3.02	2.11
Manulife	4.31	5.68
Prudential	2.56	1.56
Dai-ichi Life	3.38	3.35
Samsung Life ²	-	-
T&D	3.09	3.77
Japan Post	3.79	4.19
Thai Life	5.49	4.14
Hanwha Life ²	-	-
Bangkok Life	3.42	1.86
Allianz Malaysia	1.28	6.63
Low	1.28	1.56
High	5.49	6.63
Median	3.38	3.77
Average	3.37	3.70
GEH	4.34	4.20

Source: Annual reports, company announcements

Note:

- (1) Based on the last two financial years by the Comparable Companies. Dividend yields are computed based on the total dividend declared for the respective financial years divided by the average share price for the respective financial years. For the Company, average Share price was computed from 1 January 2024 up to and including the Last Trading Date.
- (2) Dividends for Samsung Life and Hanwha Life, if any, were not disclosed.

Based on the above, we note that the Company's dividend yields are within the range of and above the average and median dividend yields of the Comparable Companies in FY2023 and FY2024.

We note that the Company has a sustainable dividend policy that will enhance long-term shareholder value. The Dividend Policy of the Company provides the declaration and payment of steady dividend twice yearly. Each twice-yearly payment will be of an amount that targets a full year payout to the Shareholders that is based on the sustainable profit level of the Company, and dividends will be progressive in line with the profit trend. Barring unforeseen circumstances, we note that the Company aims to maintain each dividend amount to be no lower than the preceding one.

We wish to highlight that the above dividend analysis is for illustrative purposes only and there is no assurance that the Company will pay dividends in the future.

11.8.2 Intention of the Offeror for the Company

As set out in paragraph 8 of the Joint Announcement, we note that *"It is the strategic intention of the Offeror to delist the Company. The Offeror will continue to develop and grow the businesses of the GEH Group as part of the One Group strategy, strengthening its unique position as an integrated financial services group. The Offeror has no current intentions to (a) introduce any major changes to the existing business of GEH, (b) redeploy the fixed assets of GEH or (c) discontinue the employment of the existing employees of the GEH Group, other than in the ordinary and usual*

course of business. However, the Offeror retains the flexibility to at any time consider undertaking a strategic and operational review of GEH with a view to realising synergies, economies of scale, cost efficiencies and growth potential."

11.8.3 Implications of Delisting and compulsory acquisition for Shareholders

As set out in the Joint Announcement, we note that the Delisting and the Exit Offer will be conditional upon the Delisting Resolution being approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by the Independent Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

Shareholders should note that if the Delisting Resolution is approved by the Independent Shareholders at the EGM, the Resumption of Trading Resolutions will not be put to vote at the EGM, and the Company will be delisted on or after the close of the Exit Offer. If the Delisting Resolution is not approved, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned. Also, if the Delisting Resolution is not approved, Shareholders will be asked to vote on the Resumption of Trading Resolutions to facilitate compliance by the Company with the relevant rules of the Listing Manual.

Shareholders should also note the following:

- (a) Shareholders may choose to accept the Exit Offer before the EGM. However, such acceptances would be conditional and if the Delisting Resolution is not approved at the EGM, the Exit Offer will lapse and all the Shareholders as well as the Offeror will cease to be bound by any prior acceptances of the Exit Offer by any Shareholder.
- (b) If the Delisting Resolution is approved, the Exit Offer will continue to be open for acceptance by the Shareholders for 14 days after the date of the announcement of the approval of the Delisting Resolution.
- (c) A Shareholder can, in relation to all or part of his/her/its Offer Shares, either:
 - (i) accept the Exit Offer in respect of such Offer Shares in full or in part, in accordance with the procedures set out in the Exit Offer Letter; or
 - (ii) take no action and let the Exit Offer lapse in respect of his/her/its Offer Shares.
- (d) Subject to the Delisting Resolution being approved at the EGM, Shareholders should note that the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer. In such event, Shareholders who do not accept the Exit Offer will be left holding Shares in an unlisted company, unless their Shares are subsequently acquired by the Offeror pursuant to Section 215(1) or Section 215(3) of the Companies Act, if and to the extent such provisions are applicable.
- (e) Voting in favour of the Delisting Resolution will NOT constitute an acceptance of the Exit Offer, and voting against the Delisting Resolution will NOT prohibit a Shareholder from accepting the Exit Offer.
- (f) Shareholders who wish to accept the Exit Offer must tender their acceptances in accordance with the procedures set out in the Exit Offer Letter. Subject to the Delisting Resolution being approved at the EGM, all Shareholders (regardless of their votes on the Delisting Resolution) are entitled to accept or reject the Exit Offer for all or any part of their Offer Shares.

- (g) **In the event the Delisting Resolution is approved at the EGM, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer.**

If the Company is delisted, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act and (in the event that it becomes a public unlisted company following the close of the Exit Offer) may be subject to the provisions of the Code, but will no longer be subject to the provisions of the Listing Manual.

Shareholders who do not accept the Exit Offer should note that, unless their Shares are subsequently acquired by the Offeror pursuant to Section 215(1) or Section 215(3) of the Companies Act (if and to the extent such provisions are applicable), they will continue to hold their Shares and remain shareholders of the Company but will not be able to trade such Shares on the SGX-ST.

- (h) **In the event the Delisting Resolution is NOT approved at the EGM BUT the Resumption of Trading Resolutions are approved at the EGM, the Proposed Bonus Issue will take place.**
- (i) Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Exit Offer or acquires Shares from the date of despatch of the Exit Offer Letter (the “**Despatch Date**”) otherwise than through valid acceptances of the Exit Offer, in respect of not less than 90% of the total number of Shares in issue (excluding those Shares already held by the Offeror, its related corporations or their respective nominees⁴ as at the Despatch Date), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Exit Offer Price, all Offer Shares held by Shareholders who have not accepted the Exit Offer (the “**Dissenting Shareholders**”).
- (j) The Offeror, if so entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.
- (k) Pursuant to Section 215(3) of the Companies Act, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Offer Shares at the Exit Offer Price in the event that the Offeror, its related corporations or their respective nominees⁴ acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees⁴, comprise 90% or more of the total number of Shares.

Shareholders who are in doubt on their position should seek independent professional advice and independent legal advice in relation to the compulsory acquisition provisions under the Companies Act.

11.8.4 Likelihood of competing offers

We understand from the Directors that, as at the Latest Practicable Date, there is no other alternative offer or proposal received by the Company. We also note that there is no publicly available evidence of an alternative offer for the Shares from any third party.

Given the Offeror’s shareholding representing approximately 93.72% of the total number of Shares as at the Latest Practicable Date, we note that there is no other offer that will be capable of turning unconditional or succeeding.

⁴ And other persons required to be excluded under Section 215(9A) of the Companies Act.

12 OUR OPINION AND ADVICE ON THE EXIT OFFER

In arriving at our advice on the Exit Offer pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Independent Directors, we have reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the Exit Offer. The factors we have considered in our evaluation are discussed in detail in the earlier sections of this letter.

In determining the fairness of the Exit Offer from a financial point of view, we have considered, among others, the following factors:

- (a) The Exit Offer Price of SGD30.15 per Offer Share is within the derived range of values for the Shares. We have determined the range of values of the Shares to be from SGD30.10 per Share to SGD37.63 per Share.
- (b) The lower end of the range of values of SGD30.10 per Share is based on the application of the average P/EV Ratio of the relevant Comparable Companies of 0.8 times to the reported Embedded Value of the GEH Group as at 31 December 2024 and adjusted for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group), while the higher end of the range of values of approximately SGD37.63 per Share is based on the reported Embedded Value of the GEH Group as at 31 December 2024 and adjusted for the dividend of SGD0.45 per Share paid on 6 May 2025 (being after 31 December 2024, which is the date used for the reported Embedded Value of the GEH Group).
- (c) The P/EV Ratio implied by the Exit Offer Price of 0.8 times is higher than the average P/EV Ratios of the Company over the 10-year Period.

After having considered carefully the information above, we are of the view that the Exit Offer is **fair**.

In determining the reasonableness of the Exit Offer, we have considered, among others, the following factors:

- (a) **Trading Suspension and minority interest.** The Previous Offer closed on 12 July 2024 and as the Free Float Requirement under Rule 723 of the Listing Manual for at least 10% of the total number of issued Shares to be held by the public was not satisfied as at the close of the Previous Offer, trading in the Shares on the SGX-ST has been suspended since the Trading Suspension Date, being 15 July 2024. As at the Latest Practicable Date, the Offeror owns 443,602,605 Shares, representing approximately 93.72% of the Shares in the capital of GEH.
- (b) **Historical P/EV Ratio of the GEH Group.** While the Exit Offer Price represents an implied discount of 20.0% to the reported Embedded Value per Share as at 31 December 2024, the Shares had consistently traded below the Embedded Value per Share since January 2020 up to the Last Trading Date.

The P/EV Ratio implied by the Exit Offer Price is above the average and median daily P/EV Ratios of 0.6 times for the period from 1 January 2020 up to the Last Trading Date.

- (c) **Historical P/VOYNB Ratio of the GEH Group.** The Shares had consistently traded below the implied P/VOYNB Ratio of 23.0 times based on the Exit Offer Price since January 2020 up to the Last Trading Date.

The P/VOYNB Ratio implied by the Exit Offer Price is above the average and median daily P/VOYNB Ratios of 13.2 times and 12.7 times, respectively for the period from 1 January 2020 up to the Last Trading Date.

- (d) **Historical Share price performance prior to the Trading Suspension.** The Exit Offer Price represents a premium of approximately 17.8% over the Previous Offer Price.

The Exit Offer Price represents a premium of approximately 16.9% over the last transacted price as at the Last Trading Date.

The Exit Offer Price represents premiums of approximately 17.4%, 18.1%, 20.8%, 25.0%, 34.6% and 38.2% over the VWAPs for the periods one (1) month, three (3) months, six (6) months, one (1) year, two (2) years and five (5) years prior to and including the Last Trading Date.

The Exit Offer Price represents a premium of approximately 61.2% over the VWAP on the Last Undisturbed Date.

The Exit Offer Price represents premiums of approximately 63.3%, 64.9%, 67.6%, 70.9%, 67.6% and 52.0% over the VWAPs for the periods one (1) month, three (3) months, six (6) months, one (1) year, two (2) years and five (5) years prior to and including the Last Undisturbed Date;

The Exit Offer Price represents a premium of approximately 33.8% over the VWAP for the ten-year period preceding the Last Trading Date.

The last time the Shares traded at the Exit Offer Price was on 5 April 2018.

The last time the Shares traded over the Exit Offer Price was on 12 June 2018.

- (e) **Historical valuation measures of the GEH Group.** The Shares had consistently traded below the implied P/NAV Ratio based on the Exit Offer Price since 1 January 2020 up until the Last Trading Date. The P/NAV Ratio implied by the Exit Offer Price is above the average and median daily P/NAV Ratios for the period from 1 January 2020 up to the Last Trading Date.

The Shares had also generally traded below the implied P/E Ratio based on the Exit Offer Price from 1 January 2020 until the Last Trading Date. The P/E Ratio implied by the Exit Offer Price is above the average and median daily P/E Ratios for the period from 1 January 2020 up to the Last Trading Date.

- (f) **Comparison of valuation measures of the GEH Group against the Comparable Transactions.** We note the lack of publicly available information on announced and/or completed transactions involving targets that are directly comparable to the GEH Group. Only one of two Comparable Transactions has information on the Embedded Value of the target. The P/EV Ratio of the GEH Group implied by the Exit Offer Price is below the P/EV Ratio of the Comparable Transaction with available Embedded Value of the target.

The P/NAV Ratio and P/E Ratio of the GEH Group implied by the Exit Offer Price is below the implied P/NAV and P/E Ratios of the Comparable Transactions. We note that the valuation measures of the GEH Group and the Comparable Transactions may not be comparable as the derivations of such valuation measures may be based on different accounting standards and policies, given the adoption by the GEH Group of SFRS(I) 17 on 1 January 2023.

- (g) **Comparison of valuation measures of the GEH Group against the Comparable Companies.** The P/EV Ratio of the GEH Group implied by the Exit Offer Price is within the range of the P/EV Ratios of the Comparable Companies and above the average and median P/EV Ratios.

The P/VOYNB Ratio of the GEH Group implied by the Exit Offer Price is within the range of the P/VOYNB Ratios of the Comparable Companies and above the average and median P/VOYNB Ratios.

- (h) **Comparison of valuation measures of the GEH Group against the IFRS 17 Comparable Companies.** The P/NAV Ratio of the GEH Group implied by the Exit Offer Price is within the range of the P/NAV Ratios of the IFRS 17 Comparable Companies and above the average and median P/NAV Ratios.

The P/E Ratio of the GEH Group implied by the Exit Offer Price is above the range of the P/E Ratios of the IFRS 17 Comparable Companies.

- (i) **Comparison with the Precedent Privatisation Transactions.** The premium implied by the Exit Offer Price against the last transacted price of the Shares on the Last Trading Date is within the range of premiums of the Precedent Privatisation Transactions.

The premiums implied by the Exit Offer Price against the 1-month, 3-month, 6-month and 12-month VWAPs of the Shares prior to the Last Trading Date are within the range of premiums of the Precedent Privatisation Transactions.

The premium implied by the Exit Offer Price against the last transacted price of the Shares prior to the Last Undisturbed Date is higher than the average and median premiums of the Precedent Privatisation Transactions for the different periods.

The P/NAV Ratio implied by the Exit Offer Price over the NAV per Share as at 31 December 2024 is within the range of, above the median, and below the average P/NAV Ratios of the Precedent Privatisation Transactions.

- (j) **Dividend track record.** The Company has paid dividends in FY2023 and FY2024 in accordance with the Dividend Policy, with dividend yields of 4.20% and 4.34% in FY2023 and FY2024, respectively.

The Company's dividend yields are within the range and above the average and median dividend yields of the Comparable Companies in FY2023 and FY2024.

The Dividend Policy of the Company provides the declaration and payment of steady dividend twice yearly. Each twice-yearly payment will be on an amount that targets a full year payout to the Shareholders that is based on sustainable profit level of the Company, and dividends will be progressive in line with the profit trend.

- (k) **Offeror's intentions regarding the listing status of the Company and on compulsory acquisition.** The Offeror has stated its strategic intention to delist the Company. The Offeror also stated that it will continue to develop and grow the businesses of the GEH Group as part of the One Group Strategy, strengthening its unique position as part an integrated financial services group. The Offeror has no current intentions to (a) introduce any major changes to the existing businesses of GEH, (b) redeploy the fixed assets of GEH or (c) discontinue the employment of the existing employees of GEH Group, other than in the ordinary and usual course of business. However, the Offeror retains the flexibility to, at any time, consider undertaking a strategy and operational review of GEH with a view to realising synergies, economies of scale, cost efficiencies and growth potential.

- (l) **Likelihood of competing offers.** Given the Offeror's shareholding representing approximately 93.72% of the total number of issued Shares as at the Latest Practicable Date, we note that there is no other offer that will be capable of turning unconditional or succeeding.

- (m) **The implications and/or potential consequences for Shareholders set out in Section 11.8.3 of this letter which may arise in the event of Delisting and compulsory acquisition.**

After having carefully considered the information above, we are of the view that the Exit Offer is **reasonable**.

Having regard to the considerations set out in this letter and as discussed above, the information available to us as at the Latest Practicable Date and subject to the qualifications made herein, we are of the opinion that the financial terms of the Exit Offer are, on balance, **fair and reasonable**. Taking the factors we have considered, we advise the Independent Directors to recommend that Shareholders **vote in favour of the Delisting Resolution** and **accept the Exit Offer**.

The Independent Directors should note that we have arrived at our recommendation based on information made available to us prior to, and including, the Latest Practicable Date. Our advice on the Exit Offer cannot and does not take into account any subsequent developments after the Latest Practicable Date, as these are governed by factors beyond the scope of our review, and would not fall within our terms of reference in connection with our evaluation of the Exit Offer.

Independent Shareholders should note that if the Delisting Resolution is approved at the EGM, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer. If the Delisting Resolution is not approved at the EGM, the Delisting will not proceed and the Company will remain listed on the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned. Also, if the Delisting Resolution is not approved, Shareholders will be asked to vote on the Resumption of Trading Resolutions to facilitate compliance by the Company with the relevant rules of the Listing Manual.

For the avoidance of doubt, EYCF is only providing an opinion in relation to the Exit Offer, and it is not within our terms of reference nor have we been requested to provide an opinion and/or recommendation in relation to the Resumption of Trading Resolutions, and/or any matter other than the Exit Offer.

This letter is addressed to the Independent Directors for their benefit, in connection with and for the purposes of their consideration of the Exit Offer. The recommendations made by the Independent Directors to the Shareholders in respect of the Exit Offer and the Delisting Resolution shall remain their responsibility. A copy of this letter may be reproduced in the Circular.

Whilst a copy of this letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any purpose other than in relation to the Exit Offer at any time and in any manner without our prior written consent in each specific case.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
Ernst & Young Corporate Finance Pte Ltd

Luke Pais
Chief Executive Officer

Elisa Montano
Associate Partner

APPENDIX II

PROCEDURES FOR ACCEPTANCE AND SETTLEMENT OF THE EXIT OFFER

PLEASE TAKE NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER.

IF YOU WISH TO ACCEPT THE EXIT OFFER, YOU WILL NEED TO COMPLETE, SIGN AND DELIVER THE RELEVANT ACCEPTANCE FORM IN ACCORDANCE WITH THE PROVISIONS OF AND INSTRUCTIONS IN THE EXIT OFFER LETTER AND THE RELEVANT ACCEPTANCE FORMS ON OR BEFORE THE CLOSING DATE OF THE EXIT OFFER.

The following section on the procedures for the acceptance of the Exit Offer is reproduced from **Appendix 1** to the Exit Offer Letter.

"1. PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY DEPOSITORS

- 1.1 **Depositors whose Securities Accounts are credited with Offer Shares.** If you have Offer Shares standing to the credit of the "Free Balance" of your Securities Account, you should receive the Offeror Notification together with the FAA. If you do not receive the FAA, you may obtain a copy of the FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services (asksgx@sgx.com). An electronic copy of the FAA may also be obtained from the website of the SGX-ST at www.sgx.com.

Acceptance. If you wish to accept the Exit Offer, you should:

- (i) complete the FAA in accordance with this Exit Offer Letter and the instructions printed on the FAA (which provisions and instructions shall be deemed to form part of the terms and conditions of the Exit Offer). In particular, you must state in **Section C** of the FAA, the number of Offer Shares in respect of which you wish to accept the Exit Offer.

(a) If you:

- (1) do not specify such number; or
- (2) specify a number which exceeds the number of Offer Shares standing to the credit of the "Free Balance" of your Securities Account on the date of receipt of the FAA by CDP ("**Date of Receipt**") or, in the case where the Date of Receipt is on the Closing Date, by 5.30 p.m. (Singapore time) on the Closing Date,

you shall be deemed to have accepted the Exit Offer in respect of all the Offer Shares standing to the credit of the "Free Balance" of your Securities Account on the Date of Receipt or 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date).

- (b) if **paragraph 1.1(i)(a)(2)** of this **Appendix 1** applies and at the time of verification by CDP of the FAA on the Date of Receipt, there are outstanding settlement instructions with CDP to receive further Offer Shares into the "Free Balance" of your Securities Account ("**Unsettled Buy Position**"), and the Unsettled Buy Position settles such that the Offer Shares in the Unsettled Buy Position are transferred to the "Free Balance" of your Securities Account at any time during the period the Exit Offer is open, up to 5.30 p.m. (Singapore time) on the Closing Date ("**Settled Shares**"), you shall be deemed to have accepted the Exit Offer in respect of the balance number of Offer Shares inserted in **Section C** of the FAA which have not yet been accepted pursuant to **paragraph 1.1(i)(a)(2)** of this **Appendix 1**, or the number of Settled Shares, whichever is less;
- (ii) if you are submitting the FAA in physical form, sign the FAA in accordance with this **Appendix 1** and the instructions printed on the FAA; and
- (iii) submit the completed FAA:
 - (a) **by post**, in the enclosed pre-addressed envelope at your own risk, to Oversea-Chinese Banking Corporation Limited c/o The Central Depository (Pte) Limited, Privy Box No. 920764, Singapore 929292; or
 - (b) **in electronic form**, via SGX-ST's Investor Portal at <investors.sgx.com> (in respect of individual and joint-alt account holders only),

in each case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date. If the completed and signed FAA is delivered by post to the Offeror, please use the pre-addressed envelope which is enclosed with the FAA and which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting from outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror, J.P. Morgan and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

If you have sold or transferred all your Offer Shares held through CDP, you need not forward the Offeror Notification and the accompanying FAA to the purchaser or transferee, as CDP will arrange for a separate Offeror Notification and FAA to be sent to the purchaser or transferee.

If you are a Depository Agent, you may accept the Exit Offer via Electronic Acceptance. CDP has been authorised by the Offeror to receive Electronic Acceptances on its behalf and such Electronic Acceptances must be submitted not later than 5.30 p.m. (Singapore time) on the Closing Date. Such Electronic Acceptances submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the FAA and this Exit Offer Letter as if the FAA had been completed and delivered to CDP.

1.2 **Depositors whose Securities Accounts will be credited with Offer Shares.** If you have purchased Offer Shares on the SGX-ST and such Offer Shares are in the process of being credited to the "Free Balance" of your Securities Account, you should also receive the Offeror Notification together with the FAA. If you do not receive the FAA, you may obtain a copy of the FAA, upon production of satisfactory evidence that you have purchased the Offer Shares on the SGX-ST, from CDP by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services (asksgx@sgx.com). An electronic copy of the FAA may also be obtained on the website of the SGX-ST at www.sgx.com.

Acceptance. If you wish to accept the Exit Offer in respect of such Offer Shares, you should, **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares:

- (i) complete the FAA in accordance with **paragraph 1.1** of this **Appendix 1** and the instructions printed on the FAA; and
- (ii) submit the completed FAA:
 - (a) **by post**, in the enclosed pre-addressed envelope at your own risk, to Oversea-Chinese Banking Corporation Limited c/o The Central Depository (Pte) Limited, Privy Box No. 920764, Singapore 929292; or
 - (b) **in electronic form**, via SGX-ST's Investor Portal at <investors.sgx.com> (in respect of individual and joint-alt account holders only),

in each case so as to arrive not later than 5.30 p.m. (Singapore time) on the Closing Date. If the completed and signed FAA is delivered by post to the Offeror, please use the pre-addressed envelope which is enclosed with the FAA and which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting from outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. If you submit the FAA in electronic form, you accept the risk of defects or delays caused by failure or interruption of electronic systems, and you agree to hold the Offeror, J.P. Morgan and CDP harmless against any losses directly or indirectly caused by such failure or interruption of electronic systems.

Rejection. If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been or will not be, credited to the "Free Balance" of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected. None of the Offeror, J.P. Morgan and CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the "Free Balance" of your Securities Account is not credited with such Offer Shares by the Date of Receipt or by 5.30 p.m. (Singapore time) on the Closing Date (if the FAA is received by CDP on the Closing Date), unless **paragraph 1.1(i)(a)(2)** read together with **paragraph 1.1(i)(b)** of this **Appendix 1** apply. If the Unsettled Buy Position does not settle by 5.30 p.m. (Singapore time) on the Closing Date,

your acceptance in respect of such Offer Shares will be rejected. None of the Offeror, J.P. Morgan and CDP accepts any responsibility or liability in relation to such a rejection, including the consequences thereof.

- 1.3 **Depositors whose Securities Accounts are and will be credited with Offer Shares.** If you have Offer Shares credited to your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the Exit Offer in respect of the Offer Shares standing to the credit of the "Free Balance" of your Securities Account and may accept the Exit Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only **AFTER** the "Free Balance" of your Securities Account has been credited with such number of Offer Shares.
- 1.4 **FAAs received on Saturday, Sunday and Public Holidays.** For the avoidance of doubt, FAAs received by CDP on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next Business Day.
- 1.5 **General.** No acknowledgement will be given by CDP for submissions of FAAs. All communications, notices, documents and payments to be delivered or sent to you will be sent by ordinary post at your own risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify such number in your Securities Account: (i) through CDP Online if you have registered for the CDP Internet Access Service, or (ii) through the CDP Phone Service using SMS OTP, under the option "To check your securities balance".
- 1.6 **Blocked Balance.** Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Exit Offer from the "Free Balance" of your Securities Account to the "Blocked Balance" of your Securities Account. Such Offer Shares will be held in the "Blocked Balance" until the consideration for such Offer Shares has been despatched to you.
- 1.7 **Notification.** If you have accepted the Exit Offer in accordance with the provisions contained in this **Appendix 1** and the FAA, upon the Exit Offer becoming or being declared to be unconditional in all respects in accordance with its terms, CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Exit Offer Price which will be credited directly into your designated bank account for SGD via CDP's DCS on the payment date as soon as practicable and in any event:
- (i) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **on or before** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven Business Days of that date; or
 - (ii) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **after** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven Business Days of the Date of Receipt.

In the event you are not subscribed to CDP's DCS, any monies to be paid shall be credited to your Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions ("Cash Ledger" and "Cash Distribution" are as defined therein).

- 1.8 **Return of Offer Shares.** In the event the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, CDP will return the aggregate number of Offer Shares in respect of which you have accepted the Exit Offer and tendered for acceptance under the Exit Offer to the "Free Balance" of your Securities Account as soon as possible but in any event within 14 days from the lapse or withdrawal of the Exit Offer.
- 1.9 **No Securities Account.** If you do not have an existing Securities Account in your own name at the time of acceptance of the Exit Offer, your acceptance as contained in the FAA will be rejected.

2. PROCEDURES FOR ACCEPTANCE OF THE EXIT OFFER BY SCRIPHOLDERS

- 2.1 **Shareholders whose Shares are not deposited with CDP.** If you hold Offer Shares which are not deposited with CDP ("in scrip form"), you should receive the Offeror Notification together with the FAT. If you do not receive the FAT, you may obtain a copy of the FAT, upon production of satisfactory evidence that you are a Shareholder, from the Registrar, at its office located at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632. An electronic copy of the FAT may also be obtained from the website of the SGX-ST at www.sgx.com.

- 2.2 **Acceptance.** If you wish to accept the Exit Offer, you should:

- (i) complete the FAT in accordance with this Exit Offer Letter and the instructions printed on the FAT (which provisions and instructions shall be deemed to form part of the terms and conditions of the Exit Offer). In particular, you must state in **Part A** of the FAT, the number of Offer Shares in respect of which you wish to accept the Exit Offer and state in **Part B** of the FAT, the share certificate number(s) of the relevant share certificate(s). If you:

- (a) do not specify a number in **Part A** of the FAT; or
- (b) specify a number in **Part A** of the FAT which exceeds the number of Offer Shares represented by the attached share certificate(s) accompanying the FAT,

you shall be deemed to have accepted the Exit Offer in respect of the total number of Offer Shares represented by the share certificate(s) accompanying the FAT;

- (ii) sign the FAT in accordance with this **Appendix 1** and the instructions printed on the FAT; and
- (iii) deliver:

- (a) the completed and signed FAT in its entirety (no part may be detached or otherwise mutilated);
- (b) the share certificate(s), other document(s) of title and/or other relevant document(s) required by the Offeror and/or the Receiving Agent relating to the Offer Shares in respect of which you wish to accept the Exit Offer. If you are recorded in the Register as holding Offer Shares but do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to procure GEH to issue such share certificate(s) in accordance with the constitution of GEH and then deliver such share certificate(s) in accordance with the procedures set out in this Exit Offer Letter and the FAT;
- (c) where such Offer Shares are not registered in your name, a transfer form, duly executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it); and
- (d) any other relevant document(s),

either:

- (1) **by hand**, to Oversea-Chinese Banking Corporation Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or
- (2) **by post**, in the enclosed pre-addressed envelope at your own risk, to Oversea-Chinese Banking Corporation Limited c/o Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632,

in each case so as to arrive no later than 5.30 p.m. (Singapore time) on the Closing Date. If the completed and signed FAT is delivered by post to the Offeror, please use the pre-addressed envelope which is enclosed with the FAT and which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if posting from outside of Singapore. Proof of posting is not proof of receipt by the Offeror at the above address. Settlement of the Exit Offer Price for such Offer Shares cannot be made until all relevant documents have been properly completed and delivered.

- 2.3 **Receipt.** No acknowledgement of receipt of any FAT, share certificate(s), other document(s) of title, transfer form(s) and/or any other accompanying document(s) will be given by the Offeror, J.P. Morgan or the Receiving Agent.
- 2.4 **Risk of Posting.** All communications, certificates, notices, documents, payments and remittances to be delivered or sent to you (or your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first-named in the Register, as the case may be) will be sent by ordinary post to your respective addresses as

they appear in the records of the Registrar (or for the purposes of payments only, to such address as may be specified in the FAT) at your own risk.

- 2.5 **FATs received on Saturday, Sunday and Public Holidays.** For the avoidance of doubt, FATs received by the Receiving Agent on a Saturday, Sunday or public holiday in Singapore will only be processed and validated on the next Business Day.

- 2.6 **Return of Offer Shares.** In the event the Exit Offer does not become or is not declared to be unconditional in all respects in accordance with its terms, the FAT, share certificate(s) and/or any other accompanying document(s) will be returned to you by ordinary post to the address stated in the FAT or if none is stated, to you (or in the case of joint accepting Shareholders, to the one first named in the Register) by ordinary post at the relevant address maintained in the Register, at your own risk as soon as possible but in any event within 14 days from the lapse or withdrawal of the Exit Offer.

3. SETTLEMENT FOR THE EXIT OFFER

- 3.1 Subject to the Exit Offer becoming or being declared to be unconditional in all respects in accordance with its terms and to the receipt by the Offeror of valid acceptances and all relevant documents required by the Offeror which are complete and valid in all respects and in accordance with such requirements as may be stated in this Exit Offer Letter and the relevant FAA and/or FAT (as the case may be), including, without limitation, (in the case of a Shareholder holding Offer Shares in scrip form) the receipt by the Offeror of share certificate(s) relating to the Offer Shares tendered by such Shareholder in acceptance of the Exit Offer and (in the case of a Depositor) the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares tendered by such Depositor in acceptance of the Exit Offer are standing to the credit of the "Free Balance" of the Depositor's Securities Account at the relevant time, then pursuant to Rule 30 of the Code, remittances for the appropriate amounts will be despatched to Accepting Shareholders (or, in the case of Accepting Shareholders holding Offer Shares in scrip form, their designated agents, as they may direct) by means of (in the case of Depositors) credit directly into the Depositor's designated bank account for Singapore Dollars via CDP's DCS in the case of Depositors who are subscribed to CDP's DCS or in such other manner as the Accepting Shareholders may have agreed with CDP for the payment of any cash distributions, or (in the case of scrip holders), a Singapore Dollar crossed cheque drawn on a bank in Singapore and sent by ordinary post to the address stated in the respective FATs, or, if none is set out, to the respective addresses maintained in the Register, at the risk of the Accepting Shareholders, as soon as practicable and in any event:

- (i) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **on or before** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven Business Days of that date; or
- (ii) in respect of acceptances of the Exit Offer which are complete and valid in all respects and are received **after** the date on which the Exit Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but on or before the Closing Date, within seven Business Days of the date of such receipt.

3.2 In respect of such cheques referred to in **paragraph 3.1** of this **Appendix 1** posted to Accepting Shareholders who are scrip holders:

- (i) on and after the date falling six calendar months after the posting of such cheques relating to the acceptances of the Exit Offer, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Offeror's name with a licensed bank in Singapore selected by the Offeror;
- (ii) the Offeror or its successor entities shall hold such moneys until the expiration of six years from the date of posting of such cheques relating to the acceptances of the Exit Offer and shall, prior to such date, make payments therefrom of the sums payable pursuant to **paragraph 3.2(i)** of this **Appendix 1** to persons who satisfy the Offeror or its successor entities that they are entitled thereto and that the cheques referred to in this **paragraph 3** for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Offeror hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to this **paragraph 3**; and
- (iii) on the expiry of six years from the date of posting of such cheques relating to the acceptances of the Exit Offer, the Offeror shall be released from any further obligation to make any payments to the Accepting Shareholders in respect of such Offer Shares tendered in acceptance of the Exit Offer.

4. GENERAL

4.1 **Open for Acceptances. The Exit Offer will be open for acceptance from 16 June 2025 (being the Despatch Date).**

4.2 **Disclaimer and Discretion.** The Offeror, J.P. Morgan, the Registrar/Receiving Agent and/or CDP will be entitled, in their sole and absolute discretion, to reject or treat as valid any acceptance of the Exit Offer through the FAA and/or the FAT, as the case may be, which is not entirely in order or which does not comply with the terms of this Exit Offer Letter and the Relevant Acceptance Forms or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. If you wish to accept the Exit Offer, it is your responsibility to ensure that the FAA and/or the FAT, as the case may be, is properly completed and submitted in all respects and that the FAA and/or the FAT, as the case may be, should be submitted with original signature(s) and that all required documents, where applicable, are provided. Any decision to reject or treat as valid any acceptance will be final and binding and none of the Offeror, J.P. Morgan, the Registrar/Receiving Agent and/or CDP accepts any responsibility or liability for such a decision, including the consequences of such a decision. The Offeror and J.P. Morgan each reserves the right to treat acceptances of the Exit Offer as valid if received by or on behalf of any of them at any place or places determined by them otherwise than as stated in this Exit Offer Letter and in the FAA and/or the FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Exit Offer Letter and in the FAA and/or the FAT, as the case may be.

- 4.3 **Scrip and Scripless Shares.** If you hold some Offer Shares in scrip form and others with CDP, you should complete a FAT for the former and a FAA for the latter in accordance with the respective procedures set out in this **Appendix 1** and the Relevant Acceptance Forms if you wish to accept the Exit Offer in respect of such Offer Shares.
- 4.4 **Deposit Time.** If you hold Offer Shares in scrip form, the Offer Shares may not be credited into your Securities Account with CDP in time for you to accept the Exit Offer by way of the FAA if you were to deposit your share certificate(s) with CDP after the Despatch Date and ending on the Closing Date (both dates inclusive). If you wish to accept the Exit Offer in respect of such Offer Shares held in scrip form, you should complete a FAT and follow the procedures set out in **paragraph 2** of this **Appendix 1**.
- 4.5 **Correspondences.** All communications, certificates, notices, documents and remittances to be delivered or sent to you (or in the case of scrip holders, your designated agent or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first named in the records of CDP or the Register, as the case may be) will be sent by ordinary post to your respective mailing addresses as they appear in the records of CDP or the Register, as the case may be, at the risk of the person entitled thereto (or for the purposes of remittances only, to such different name and addresses as may be specified by you in the FAA and/or the FAT, as the case may be, at your own risk).
- 4.6 **Evidence of Title.** Delivery of the completed and signed FAA and/or FAT, together with the relevant share certificate(s) and/or other documents of title (where applicable) and/or other relevant document(s) required by the Offeror, J.P. Morgan, CDP and/or the Registrar/Receiving Agent, to the Offeror, J.P. Morgan, CDP and/or the Registrar/Receiving Agent, as the case may be, shall be conclusive evidence in favour of the Offeror, J.P. Morgan, CDP and/or the Registrar/Receiving Agent, as the case may be, of the right and title of the person(s) signing it to deal with the same and with the Offer Shares to which it relates. The Offeror, J.P. Morgan, CDP and/or the Registrar/Receiving Agent shall be entitled to assume the accuracy of any information and/or documents submitted together with any FAA and/or FAT, as the case may be, and shall not be required to verify or question the validity of the same.
- 4.7 **Loss of Transmission.** The Offeror, J.P. Morgan, the Registrar/Receiving Agent and/or CDP, as the case may be, shall not be liable for any loss in transmission of the FAA and/or the FAT.
- 4.8 **Acceptances Irrevocable.** Except as expressly provided in this Exit Offer Letter and the Code, the acceptance of the Exit Offer made by you using the FAA and/or the FAT, as the case may be, shall be irrevocable and any instructions or subsequent FAA(s) and/or FAT(s) received by CDP and/or the Registrar/Receiving Agent, as the case may be, after the FAA and/or the FAT, as the case may be, has been received shall be disregarded.
- 4.9 **Personal Data Privacy.** By completing and delivering a Relevant Acceptance Form, each person:
- (i) consents to the collection, use and disclosure of his personal data by CDP, the Registrar/Receiving Agent, the Offeror, J.P. Morgan and GEH ("**Relevant Persons**") for the purpose of facilitating his acceptance of the Exit Offer, and in order for the Relevant Persons to comply with any applicable laws, regulations and/or guidelines;

- (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable laws, regulations and/or guidelines; and
- (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty."

APPENDIX III

ADDITIONAL INFORMATION ON THE COMPANY AND THE GEH GROUP

1. DIRECTORS

The names, addresses and descriptions of the Directors as at the Joint Announcement Date are set out below:

Name	Address	Designation
Mr. Soon Tit Koon	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Chairman, Non-Executive Non-Independent Director
Mr. Ng Chee Peng	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Lead Independent Director, Non-Executive Independent Director
Dr. Chong Yoke Sin	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Non-Executive Independent Director
Mr. Choo Nyen Fui	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Non-Executive Non- Independent Director
Mr. Lee Kok Keng Andrew	c/o 65 Chulia Street #08-00 OCBC Centre Singapore 049513	Non-Executive Non- Independent Director
Mr. Lee Lap Wah George	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Non-Executive Independent Director
Dr. Lim Kuo Yi	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Non-Executive Independent Director
Mr. Tam Chee Chong	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Non-Executive Independent Director
Mrs. Teoh Lian Ee	c/o 1 Pickering Street #16-01 Great Eastern Centre Singapore 048659	Non-Executive Independent Director

Ms. Wong Pik Kuen Helen	c/o 65 Chulia Street #08-00 OCBC Centre Singapore 049513	Non-Executive Independent Director	Non-

2. **DESCRIPTION OF THE COMPANY**

The Company is an investment holding company and has been listed on the SGX-ST since 29 November 1999. Founded in 1908, the GEH Group is a well-established market leader and trusted brand for insurance products and related financial advisory services in Singapore and Malaysia. The GEH Group also operates in Indonesia and Brunei. The GEH Group provides insurance solutions to customers through three (3) distribution channels – a tied agency force, bancassurance, and a financial advisory firm, Great Eastern Financial Advisers Private Limited. GEH's asset management subsidiary, Lion Global Investors Limited, is an asset management company that provides Asian-centric investment solutions.

3. **SHARE CAPITAL**

3.1 **Issued Share Capital**

The issued and paid-up share capital of the Company as at the Joint Announcement Date is approximately SGD152.7 million, comprising 473,319,069 Shares, based on publicly available information on the Company as at the Joint Announcement Date⁸.

3.2 **Capital, Dividends and Voting Rights**

The rights of Shareholders in respect of capital, dividends and voting are contained in the Existing Constitution. An extract of the relevant provisions in the Existing Constitution relating to the rights of Shareholders in respect of capital, dividends and voting has been reproduced in **Appendix IV** to this Circular.

3.3 **Number of Shares Issued Since the End of the Last Financial Year**

As at the Joint Announcement Date, the Company has not issued any new Shares since 31 December 2024, being the end of the last financial year of the Company.

3.4 **Options and Convertible Instruments**

The Company has not issued any instruments convertible into, rights to subscribe for, and options in respect of, the Shares and securities which carry voting rights affecting the Shares that are outstanding as at the Joint Announcement Date.

⁸ As at the Joint Announcement Date, the Company has no treasury shares.

4. **DISCLOSURE OF INTERESTS**

4.1 **Interests of the Company in Offeror Securities**

As at the Latest Practicable Date, the Company does not hold any Offeror Securities.

4.2 **Dealings in Offeror Securities by the Company**

As at the Latest Practicable Date, the Company has not dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

4.3 **Interests of the Directors in Offeror Securities**

Save as disclosed below, none of the Directors has any direct or deemed interest in any Offeror Securities as at the Latest Practicable Date:

(a) Interests of the Directors in Offeror Shares

Name	Direct Interest		Deemed Interest	
	No. of Offeror Shares	% ⁽¹⁾	No. of Offeror Shares	% ⁽¹⁾
Mr. Soon Tit Koon	472	n.m. ⁽²⁾	-	-
Mr. Choo Nyen Fui	757,545	0.02	32,545 ⁽³⁾	n.m. ⁽²⁾
Mr. Lee Kok Keng				
Andrew	562,380	0.01	-	-
Mr. Lee Lap Wah				
George	85,143	n.m. ⁽²⁾	-	-
Mr. Ng Chee Peng	13,109	n.m. ⁽²⁾	1,500 ⁽⁴⁾	n.m. ⁽²⁾
Mrs. Teoh Lian Ee	24,711	n.m. ⁽²⁾	299 ⁽⁵⁾	n.m. ⁽²⁾
Ms. Wong Pik Kuen				
Helen	881,937	0.02	769,401 ⁽³⁾	0.02

Notes:

- (1) Based on a total of 4,498,911,242 Offeror Shares (excluding treasury shares) in issue as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.
- (2) Not meaningful.
- (3) Comprises deemed interest in Offeror Shares subject to award(s) granted under the OCBC Deferred Share Plan.
- (4) Mr. Ng Chee Peng is deemed interested in 1,500 Offeror Shares held by his spouse.
- (5) Mrs. Teoh Lian Ee is deemed interested in 299 Offeror Shares held in the estate of her spouse.

(b) Interests of the Directors in Offeror Options

Name	Number of Offeror Options	Exercise Period	Exercise Price (SGD)
Mr. Choo Nyen Fui	51,157	23/03/2018 - 22/03/2027	9.5980
Mr. Choo Nyen Fui	75,724	22/03/2019 - 21/03/2028	13.3400
Mr. Lee Kok Keng Andrew	23,085	16/03/2017 - 15/03/2026	8.8140

4.4 Dealings in Offeror Securities by the Directors

Save as disclosed below, none of the Directors has dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date:

Name	Transaction Date	Transaction Type	No. of Offeror Shares	Transaction Price Per Offeror Share (SGD)	% ⁽¹⁾
Mr. Choo Nyen Fui	17 March 2025	Vesting of share awards ⁽²⁾	29,513	Not applicable	n.m. ⁽⁴⁾
Mr. Choo Nyen Fui	24 March 2025	Vesting of share awards ⁽²⁾	32,545	Not applicable	n.m. ⁽⁴⁾
Mr. Lee Kok Keng Andrew	21 April 2025	Issue of bonus shares ⁽³⁾	6,000	Not applicable	n.m. ⁽⁴⁾
Ms. Wong Pik Kuen Helen	21 April 2025	Grant of share awards ⁽²⁾	261,894	Not applicable	0.01
Ms. Wong Pik Kuen Helen	25 April 2025	Vesting of share awards ⁽²⁾	100,959	Not applicable	n.m. ⁽⁴⁾
Ms. Wong Pik Kuen Helen	28 April 2025	Vesting of share awards ⁽²⁾	162,276	Not applicable	n.m. ⁽⁴⁾

Notes:

- (1) Based on a total of 4,498,911,242 Offeror Shares (excluding treasury shares) in issue as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.
- (2) These refer to share awards granted to Mr. Choo Nyen Fui and Ms. Wong Pik Kuen Helen respectively under the OCBC Deferred Share Plan.
- (3) Mr. Lee Kok Keng Andrew was issued 6,000 Offeror Shares as bonus shares, which comprise part of his remuneration as a non-executive director of the Offeror for FY24.
- (4) Not meaningful.

4.5 Interests of the Directors in Company Securities

Save as disclosed below, none of the Directors has any direct or deemed interest in any Company Securities as at the Latest Practicable Date:

Name	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mrs. Teoh Lian Ee	-	-	5,000 ⁽²⁾	n.m. ⁽³⁾

Notes:

- (1) Based on a total of 473,319,069 Shares in issue as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.
- (2) Mrs. Teoh Lian Ee is deemed interested in 5,000 Shares held in the estate of her spouse.
- (3) Not meaningful.

4.6 Dealings in Company Securities by the Directors

None of the Directors has dealt for value in any Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

4.7 Company Securities owned or controlled by the IFA

As at the Latest Practicable Date, none of the IFA or any funds whose investments are managed by the IFA on a discretionary basis owns or controls any Company Securities.

4.8 Dealings in Company Securities by the IFA

During the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date, none of the IFA or any funds whose investments are managed by the IFA on a discretionary basis has dealt for value in the Company Securities.

4.9 Intentions of the Directors in relation to the Exit Offer

Mrs. Teoh Lian Ee has a deemed interest in 5,000 Shares held in the estate of her spouse. As at the Latest Practicable Date, Mrs. Teoh Lian Ee has informed the Company that the estate does not intend to accept the Exit Offer.

5. OTHER DISCLOSURES

5.1 Directors' Service Contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any of the Directors or proposed directors with the Company or any of its subsidiaries which have more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation; and
- (b) there are no such contracts entered into or amended during the period between the start of six (6) months preceding the Joint Announcement Date and ending on the Latest Practicable Date.

5.2 No Payment or Benefit to Directors

There is no payment or other benefit which will be made or given to any Director or to any director of any other corporation which is, by virtue of Section 6 of the Companies Act, deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Exit Offer as at the Latest Practicable Date.

5.3 No Agreement Conditional upon Outcome of Exit Offer

There are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Exit Offer as at the Latest Practicable Date.

5.4 Material Contracts entered into by Offeror

There are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect, as at the Latest Practicable Date.

6. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date, save as disclosed in the Annual Reports for FY22, FY23 and FY24 and any other information on the GEH Group which is publicly available (including without limitation, the 1Q25 Financial Summary and the announcements released by the Company on SGXNET at www.sgx.com), neither the Company nor any of the Company's subsidiaries has entered into any material contracts with Interested Persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

7. **MATERIAL LITIGATION**

As at the Latest Practicable Date, save as disclosed in publicly available information on the GEH Group, the Directors are not aware of any material litigation, claims or proceedings pending or threatened against, or made by, the Company or any of its subsidiaries or any facts likely to give rise to any such material litigation, claims or proceedings, which might materially and adversely affect the financial position of the GEH Group, taken as a whole.

8. **FINANCIAL INFORMATION**

8.1 **Consolidated Profit or Loss Statements**

Certain financial information extracted from the audited consolidated financial statements of the GEH Group for the last three (3) financial years (FY24, FY23 and FY22) is summarised below. The financial information referred to in this paragraph should be read in conjunction with the audited consolidated financial statements of the GEH Group and the accompanying notes as set out in the Annual Reports for FY24, FY23 and FY22 respectively. The (a) audited consolidated financial statements of the GEH Group for FY24 as extracted from the Annual Report for FY24; and (b) 1Q25 Financial Summary are reproduced in **Appendix VI** and **Appendix VII** to this Circular respectively.

	Audited FY24	Audited FY23	Audited FY22 (Restated)⁽¹⁾
Insurance Service Results (SGD 'm)	885.2	574.8	810.0
Profit before income tax (SGD 'm)	1,502.4	1,070.5	810.0
Profit after income tax (SGD 'm)	1,023.0	789.2	612.7
Attributable to:			
Shareholders (SGD 'm)	995.3	774.6	610.0
Non-controlling interests (SGD 'm)	27.7	14.6	2.7
Basic earnings per Share (SGD)	2.10	1.64	1.29
Dividends per Share (cents)	90.0	75.0	65.0

Note:

- (1) As stated in Note 2.2 to the audited consolidated financial statements of the GEH Group for FY23, the GEH Group had applied, among others, SFRS(I) 17 – Insurance Contracts and the interpretations relating thereto for the first time for the annual financial period beginning on 1 January 2023. The GEH Group has restated the comparative figures for FY22, applying the transitional provisions in SFRS(I) 17 – Insurance Contracts. Please refer to paragraph 8.4 of this **Appendix III** for further details.

8.2 **Statements of Assets and Liabilities**

A summary of the audited consolidated balance sheet of the GEH Group as at 31 December 2024 is set out below. The audited consolidated balance sheet of the GEH Group as at 31 December 2024 should be read in conjunction with the audited consolidated financial statements of the GEH Group for FY24 as extracted from the Annual Report for FY24 and set

out in **Appendix VI** to this Circular, and the accompanying notes as set out in the Annual Report for FY24.

	Audited 31 Dec 2024
(SGD 'm)	
Share Capital	152.7
Reserves	
Other reserves	(577.8)
Retained earnings	9,110.8
SHAREHOLDERS' EQUITY	8,685.7
NON-CONTROLLING INTERESTS	98.4
TOTAL EQUITY	8,784.1
LIABILITIES	
Other creditors	1,380.7
Income tax payable	220.9
Derivative financial liabilities	726.8
Provision for agents' retirement benefits	343.4
Deferred tax liabilities	490.8
Borrowings	521.7
Reinsurance contract liabilities	178.1
Insurance contract liabilities	101,262.4
TOTAL LIABILITIES	105,124.8
TOTAL EQUITY AND LIABILITIES	113,908.9
ASSETS	
Cash and cash equivalents	4,398.9
Other debtors	1,486.9
Loans	1,336.1
Derivative financial assets	370.8
Investments	102,319.6
Income tax recoverable	24.9
Deferred tax assets	12.2
Reinsurance contract assets	1,107.6
Insurance contract assets	102.9
Investment in associate	68.3
Intangible assets	232.1
Investment properties	1,938.8
Property, plant and equipment	509.8
TOTAL ASSETS	113,908.9

8.3 Consolidated NTA per Share

The consolidated NTA per Share of the GEH Group based on the latest published accounts prior to the Latest Practicable Date (being the audited consolidated financial statements of the GEH Group for FY24 as extracted from the Annual Report for FY24 and set out in **Appendix**

VI to this Circular) is SGD17.86. As at the Latest Practicable Date, the Directors are not aware of any material changes which may affect the above stated consolidated NTA per Share.

8.4 Significant Accounting Policies

The Company prepares its financial statements in accordance with SFRS(I) as required by the Companies Act. The significant accounting policies of the GEH Group are disclosed in Note 2 to the audited consolidated financial statements of the GEH Group for FY24 as extracted from the Annual Report for FY24 and set out in **Appendix VI** to this Circular.

Save as disclosed in this Circular and in any information on the GEH Group which is publicly available (including, without limitation, the 1Q25 Financial Summary and any announcements released by the Company on SGXNET at www.sgx.com), there are no significant accounting policies or any points from the notes of the financial statements of the GEH Group which are of major relevance for the interpretation of the financial statements of the GEH Group.

8.5 Changes in Accounting Policies

The changes in the significant accounting policies of the GEH Group are disclosed in Note 2.2 to the audited consolidated financial statements of the GEH Group for FY24 as extracted from the Annual Report for FY24 and set out in **Appendix VI** to this Circular.

As at the Latest Practicable Date, save as disclosed in this Circular and as disclosed in any information on the GEH Group which is publicly available (including, without limitation, the 1Q25 Financial Summary as set out in **Appendix VII** to this Circular and the announcements released by the Company on SGXNET at www.sgx.com), there is no change in the accounting policy of the GEH Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

8.6 Material Change in Financial Position

As at the Latest Practicable Date, save as disclosed in this Circular and in any information on the GEH Group which is publicly available (including, without limitation, the 1Q25 Financial Summary as set out in **Appendix VII** to this Circular and the announcements released by the Company on SGXNET at www.sgx.com), there has not been, within the knowledge of the Company, any material change in the financial position or prospects of the Company since 31 December 2024, being the date of the last audited consolidated financial statements of the Company laid before the Shareholders in general meeting.

9. COSTS AND EXPENSES

Save as disclosed in this Circular, all costs and expenses incurred by the Company in relation to the Delisting, the Exit Offer and the Resumption of Trading will be borne by the Company.

APPENDIX IV

EXTRACTS FROM THE COMPANY'S EXISTING CONSTITUTION

The rights of Shareholders in respect of capital, dividends and voting are extracted from the Existing Constitution of the Company and reproduced below. All capitalised terms used in the following extracts shall have the same meanings ascribed to them in the Existing Constitution, a copy of which is available for inspection at the registered address of the Company at 1 Pickering Street, #16-01 Great Eastern Centre, Singapore 048659.

1. RIGHTS IN RESPECT OF CAPITAL

PRESCRIBED LIMITS

6. (A) *Subject to Article 6(B), no person shall, whether alone or together with his associates (as defined in the Banking Act), hold or control shares in the Company in excess of any of the Prescribed Limits without first obtaining the approval of the Minister.* *Prescribed Limits*

(B) *Notwithstanding any other provisions of this Constitution, such person or persons approved by the Minister shall be entitled to hold or control such number of shares in the Company which reaches or exceeds any of the Prescribed Limits, subject to such terms and conditions as may be imposed by the Minister. Any person or persons who have an interest in shares in the Company which reaches or exceeds any of the Prescribed Limits shall provide the Company evidence of such approvals as the Directors may reasonably require.* *Approval from Minister*

ISSUE OF SHARES

7. (A) *The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.* *Shares of a class other than ordinary shares*

(B) *The Company may issue shares for which no consideration is payable to the Company.* *Issue of shares for no consideration*

8. *Subject to the Statutes and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 12, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided always that:-* *Issue of shares*

(a) *except with the prior approval of the Minister or except as permitted by Article 6(B), no shares shall be issued to a person if, in the opinion of the Directors, such issue would result in a person or, as the case may be, in a person together with his associates, having an interest, directly or indirectly, in the shares in the Company for the time being which reaches or exceeds any of the Prescribed Limits;*

(b) *(subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be*

to the number of shares of such class then held by them and the provisions of the second sentence of Article 12(A) with such adaptations as are necessary shall apply; and

- (c) *any other issue of shares, the aggregate of which would exceed the limits referred to in Article 12(B), shall be subject to the approval of the Company in General Meeting.*

9. (A) *Preference shares may be issued subject to such limitation thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is in arrear for more than six months (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed).*

Preference shares

(B) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*

Issue of further preference capital

VARIATION OF RIGHTS

10. (A) *Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Statutes, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of this Constitution relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters of the issued shares of the class concerned within two months (or such period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) of such General Meeting shall be as valid and effectual as a Special Resolution carried at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.*

Variation of rights

(B) *The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.*

Issue of further shares ranking pari passu

TREASURY SHARES

11. *The Company shall not exercise any right in respect of treasury shares other than as provided by the Companies Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act.*

Treasury shares

ALTERATION OF SHARE CAPITAL

12. (A) Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the listing rules of any Stock Exchange upon which shares in the Company may be listed, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 12(A).

Offer of new shares to members

(B) Notwithstanding Article 12(A) but subject to the Statutes, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-

General authority

- (a) (i) issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
- (b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

Provided that:-

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited;
- (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and this Constitution; and
- (3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(C) Except so far as otherwise provided by the conditions of issue or by this Constitution, all new shares shall be subject to the provisions of the Statutes and of this Constitution with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.	New shares subject to the Statutes and this Constitution
13. (A) The Company may by Ordinary Resolution:- (a) consolidate and divide all or any of its shares; (b) sub-divide its shares, or any of them (subject, nevertheless, to the provisions of the Statutes and this Constitution), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and (c) subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.	Power to consolidate, sub-divide and redenominate shares
(B) The Company may by Special Resolution, subject to and in accordance with the Statutes, convert one class of shares into another class of shares.	Power to convert shares
14. (A) The Company may reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law and to any regulatory consent. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to this Constitution, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.	Power to reduce capital
(B) The Company may, subject to and in accordance with the Companies Act, and subject to any regulatory consent and consent required by law, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Companies Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Companies Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Companies Act.	Power to repurchase shares

SHARES

15. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by this Constitution or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) the person whose name is entered in the Depository Register in respect of that share.	Absolute owner of shares
16. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution or, if required by the Statutes, by Special Resolution determine (or, in the absence of any such determination,	Rights and privileges of new shares

but subject to the Statutes, as the Directors may determine) and subject to the provisions of the Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.

17. Subject to the provisions of this Constitution and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

Power of Directors to issue shares

18. The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

Power to pay commission and brokerage

19. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by any Stock Exchange upon which shares in the Company may be listed) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

Allotment of shares

SHARE CERTIFICATES

20. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up, and the amount (if any) unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class.

Share certificates

21. (A) The Company shall not be bound to register more than three persons as the registered holders of a share except in the case of executors or administrators (or trustees) of the estate of a deceased member.

Joint holders

(B) In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.

Issue of certificate to joint holders

22. Every person whose name is entered as a member in the Register of Members shall be entitled to receive, within ten Market Days (or such other period as may be approved by any Stock Exchange upon which shares in the Company may be listed) of the closing date of any application for shares or, as the case may be, after the date of lodgement of a registrable transfer, one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay a maximum fee of S\$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed.

Entitlement to certificate

23. (A) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge. Consolidation of share certificates
- (B) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S\$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed. Sub-division of share certificates
- (C) In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders. Requests by joint holders
24. Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any Stock Exchange upon which shares in the Company may be listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding S\$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss. Replacement share certificates

CALLS ON SHARES

25. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments. Calls on shares
26. Each member shall (subject to receiving at least 14 days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine. Notice of calls
27. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten per cent. per annum) as the Directors may determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part. Interest on unpaid calls
28. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. When calls made and payable
29. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment. Power of Directors to differentiate

30. The Directors may if they think fit receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.	<i>Payment of calls in advance</i>

FORFEITURE AND LIEN

31. If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.	<i>Notice requiring payment of calls</i>

32. The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.	<i>Notice to state place and time of payment</i>

33. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.	<i>Forfeiture on non-compliance with notice</i>

34. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.	<i>Sale of forfeited shares</i>

35. A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at eight per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at that time of forfeiture or surrender or waive payment in whole or in part.	<i>Rights and liabilities of members whose shares have been forfeited</i>

36. The Company shall have a first and paramount lien on every share (not being a fully paid share) and dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.	<i>Company to have paramount lien</i>

37. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.	<i>Sale of shares subject to lien</i>

38. <i>The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.</i>	<i>Application of sale proceeds</i>
39. <i>A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.</i>	<i>Title to forfeited or surrendered shares</i>
TRANSFER OF SHARES	
40. <i>All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by any Stock Exchange upon which shares in the Company may be listed or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, Provided that an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.</i>	<i>Form and execution of transfer</i>
41. <i>The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, Provided always that such Register shall not be closed for more than 30 days (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) in any calendar year, Provided always that the Company shall give prior notice of such closure as may be required to any Stock Exchange upon which shares in the Company may be listed, stating the period and purpose or purposes for which the closure is made.</i>	<i>Closure of transfer books and Register of Members</i>
42. <i>There shall be no restriction on the transfer of fully paid-up shares (except where required by law, the listing rules of any Stock Exchange upon which shares in the Company may be listed or the rules and/or bye-laws governing any Stock Exchange upon which shares in the Company may be listed) but the Directors may, in their sole discretion, decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid-up may refuse to register a transfer to a transferee of whom they do not approve, Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within ten Market Days (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) beginning with the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.</i>	<i>Directors' power to decline to register a transfer</i>
43. <i>The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:-</i> (a) <i>such fee not exceeding S\$2 (or such other amount as may from time to time be prescribed by any Stock Exchange upon which shares in the Company may be listed) as the Directors may from time to time require, is paid to the Company in respect thereof;</i>	<i>When Directors may refuse to register a transfer</i>

- (b) *the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;*
 - (c) *the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and*
 - (d) *the instrument of transfer is in respect of only one class of shares.*
44. (A) *The Directors may, if it shall come to their notice that:-*
- (a) *any person or, as the case may be, any person together with his associates (as defined in the Banking Act) hold or control shares of the Company in excess of any of the Prescribed Limits without first obtaining the approval of the Minister; or*
 - (b) *any person is in breach of any condition imposed by the Minister in relation to the holding or control of his shares,*
- take all steps and do all acts or things as they may, in their absolute discretion, deem necessary to ensure that the provisions of the Banking Act are or will be complied with. Without prejudice to the foregoing, the Directors shall take such action as may be directed by the Minister, including but not limited to the following:-*
- (i) *to require such person or persons (as the case may be) to dispose such number of his shares within such period of time as may be specified by the Minister;*
 - (ii) *pending the aforesaid disposal, to suspend the voting rights of the shares held by such person or persons (as the case may be); and/or*
 - (iii) *to restrict the transfer of the shares held by such person or persons (as the case may be),*
- on such terms and conditions as the Directors may, in their absolute discretion, deem necessary or appropriate.*
- (B) *For the purpose of effecting any disposal under Article 44(A)(i):-*
- (a) *the Directors may authorise in writing some person to execute or effect on behalf of the relevant person or persons, as the case may be, a transfer or transfers (if required) of such shares to any purchaser or purchasers and may (if required) issue new share certificates to the purchaser or purchasers, notwithstanding the absence of any share certificate in respect of such shares. Upon the sale by the Company of such shares, the share certificates relating thereto (if applicable) may (if required) be cancelled by the Company to the extent of the shares sold and the Company may (if necessary) issue replacement share certificates for the balance (if any) of the shares comprised in such share certificates. The title of the purchaser or purchasers shall not be affected by any irregularity or invalidity in the proceedings relating thereto;*
 - (b) *the net proceeds of the disposal of any such shares shall be received by the Company whose receipt shall be a good discharge for the purchase moneys*

*Breach of
Prescribed
Limits*

and (subject to any direction by the Minister, if any) shall be paid by the Company (after deduction of any expenses incurred by the Directors in the sale) to the relevant person, as the case may be, (in the case of joint holders, the first of them named in the Register of Members or, as the case may be, the Depository Register) upon surrender (if required) of the certificates for such shares but such proceeds shall under no circumstances carry interest against the Company; and

- (c) if, in relation to a disposal to be made pursuant to the provisions hereof, the Directors are entitled to give notice to more than one person pursuant to the provisions of Article 44(A)(i), it shall be for the Directors to decide the persons and (if more than one person, the proportion of) the shares which shall be the subject of such notice, and in making any such decision, the Directors shall apply such criterion or criteria as they shall consider appropriate and their decision shall be final and conclusive.

45.	<i>If the Directors refuse to register a transfer of any shares, they shall within ten Market Days (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) after the date on which the transfer was lodged with the Company send to the transferor and the transferee notice of the refusal as required by the Statutes.</i>	<i>Notice of refusal to register a transfer</i>
46.	<i>All instruments of transfer which are registered may be retained by the Company.</i>	<i>Retention of transfers</i>
47.	<i>There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding S\$2 as the Directors may from time to time require or prescribe.</i>	<i>Fees for registration of transfer</i>
48.	<i>The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company; Provided always that:-</i>	<i>Destruction of transfers</i>
(a)	<i>the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;</i>	
(b)	<i>nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and</i>	
(c)	<i>references herein to the destruction of any document include references to the disposal thereof in any manner.</i>	

TRANSMISSION OF SHARES

49. (A) *In the case of the death of a member whose name is entered in the Register of Members, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.* *Survivor or legal personal representatives of deceased member*
- (B) *In the case of the death of a member who is a Depositor, the survivors or survivor where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.* *Survivor or legal personal representatives of deceased Depositor*
- (C) *Nothing in this Article shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.* *Estate of deceased holder*
50. *Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register of Members had not occurred and the notice or transfer were a transfer executed by such person.* *Transmission of shares*
51. *Save as otherwise provided by or in accordance with this Constitution, a person becoming entitled to a share pursuant to Article 49(A) or (B) or Article 50 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.* *Rights of person on transmission of shares*

STOCK

52. *The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares.* *Conversion of shares to stock and re-conversion*
53. *The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.* *Transfer of stock*
54. *The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by the number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.* *Rights of stockholders*

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

141. (A) The Directors may, with the sanction of an Ordinary Resolution of the Company, including any Ordinary Resolution passed pursuant to Article 12(B) (but subject to the Statutes):-

Power to issue free bonus shares and/or to capitalise reserves

(a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 12(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

(b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 12(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(B) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Article 141(A), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

Power of Directors to give effect to bonus issues and capitalisations

142. In addition and without prejudice to the powers provided for by Article 141, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue:-

Power to issue free shares and/or to capitalise reserves for share-based incentive plans and Directors' remuneration

(a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit; or

- (b) be held by or for the benefit of non-executive Directors as part of their remuneration under Article 85 and/or Article 86(A) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

2. RIGHTS IN RESPECT OF VOTING

GENERAL MEETINGS

55. Save as otherwise permitted under the Companies Act, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.

Annual General Meeting and Extraordinary General Meeting

56. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

Calling Extraordinary General Meeting

NOTICE OF GENERAL MEETINGS

57. Any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by 21 days' (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by 14 days' (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of this Constitution and the Companies Act entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

Notice of General Meeting

- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. of the total voting rights of all the members having a right to vote at that meeting,

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. So long as the shares in the Company are listed on any Stock Exchange, at least 14 days' (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) notice of any General Meeting shall be given by advertisement in the daily press and furnished to any Stock Exchange upon which shares in the Company may be listed.

58. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a

Contents of notice for General Meeting

member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.

(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.	Contents of notice for Annual General Meeting
(C) In the case of any General Meeting at which business other than ordinary business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.	Notice of General Meeting for special business and Special Resolutions
59. Ordinary business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-	Ordinary business
(a) declaring dividends; (b) receiving and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements; (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise; (d) appointing or re-appointing the Auditor; (e) fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and (f) fixing the remuneration of the Directors proposed to be paid in respect of their office as such under Article 85 and/or Article 86(A).	
60. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.	Statement regarding effect of special business

PROCEEDINGS AT GENERAL MEETINGS

61. The Chairman of the Board of Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.	Chairman of General Meeting
62. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy. Provided that (a) a proxy representing more than one member shall only count as one member for the purpose of determining the quorum; and (b) where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.	Quorum
63. If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to	If quorum not present, adjournment or

<i>the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than ten days' notice appoint. At the adjourned meeting any one or more members present in person or by proxy shall be a quorum.</i>	<i>dissolution of meeting</i>
64. <i>The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.</i>	<i>Business at adjourned meeting</i>
65. <i>Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</i>	<i>Notice of adjournment not required</i>
66. <i>If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.</i>	<i>Amendment of resolutions</i>
67. (A) <i>If required by the listing rules of any Stock Exchange upon which shares in the Company may be listed, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by such Stock Exchange).</i>	<i>Mandatory polling</i>
(B) <i>Subject to Article 67(A), at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-</i>	<i>Method of voting where mandatory polling not required</i>
(a) <i>the chairman of the meeting; or</i> (b) <i>not less than two members present in person or by proxy and entitled to vote at the meeting; or</i> (c) <i>a member present in person or by proxy and representing not less than five per cent. of the total voting rights of all the members having the right to vote at the meeting; or</i> (d) <i>a member present in person or by proxy and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid up on all the shares conferring that right.</i>	
<i>A demand for a poll made pursuant to this Article 67(B) may be withdrawn only with the approval of the chairman of the meeting, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.</i>	
68. <i>Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be</i>	<i>Taking a poll</i>

the resolution of the meeting at which the poll was taken. The chairman of the meeting may (and, if required by the listing rules of any Stock Exchange upon which shares in the Company may be listed or if so directed by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

69. A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately.

Timing for taking a poll

70. In the case of an equality of votes, whether on a poll or on a show of hands, the chairman of the meeting at which the poll or show of hands takes place shall be entitled to a casting vote.

Casting vote of chairman

VOTES OF MEMBERS

71. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 11, each member entitled to vote may vote in person or by proxy. Every member who is present in person or by proxy shall:-

How members may vote

(a) on a poll, have one vote for every share which he holds or represents; and

(b) on a show of hands, have one vote, Provided that:-

(i) in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and

(ii) in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.

For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company.

72. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share.

Voting rights of joint holders

73. Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

Voting by receivers

74. No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.

Entitlement of members to vote

75.	No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.	When objection to admissibility of votes may be made
76.	On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.	Vote on a poll
77.	(A) Save as otherwise provided in the Companies Act:- (a) a member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and (b) a member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.	Appointment of proxies
	(B) In any case where a member is a Depositor, the Company shall be entitled and bound:- (a) to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.	Shares entered in Depository Register
	(C) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.	Notes and instructions
	(D) A proxy need not be a member of the Company.	Proxy need not be a member
78.	(A) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:- (a) in the case of an individual, shall be:- (i) signed by the appointor or his attorney if the instrument is delivered personally or sent by post; or	Execution of proxies

- (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and
- (b) in the case of a corporation, shall be:-
 - (i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of Articles 78(A)(a)(ii) and 78(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(B) The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Article 79(A), failing which the instrument may be treated as invalid.

Witness and authority

(C) The Directors may, in their absolute discretion:-

- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
- (b) designate the procedure for authenticating an instrument appointing a proxy,

Directors may approve method and manner, and designate procedure, for electronic communications

as contemplated in Articles 78(A)(a)(ii) and 78(A)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), Article 78(A)(a)(i) and/or (as the case may be) Article 78(A)(b)(i) shall apply.

79. (A) An instrument appointing a proxy:-

Deposit of proxies

- (a) if sent personally or by post, must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or
- (b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

and in either case, not less than 72 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided always that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this Article 79 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(B) The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Article 79(A)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), Article 79(A)(a) shall apply.	Directors may specify means for electronic communications

80. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.	Rights of proxies

81. A vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.	Intervening death or mental disorder

CORPORATIONS ACTING BY REPRESENTATIVES

82. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of this Constitution (but subject to the Companies Act) be deemed to be present in person at any such meeting if a person so authorised is present thereat.	Corporations acting by representatives

NOTICES

148. (A) Any notice or document (including a share certificate) may be served on or delivered to any member by the Company either personally or by sending it through the post in a prepaid cover addressed to such member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted.	Service of notices

(B) Without prejudice to the provisions of Article 148(A), but subject otherwise to the Companies Act and any regulations made thereunder and (where applicable) the listing rules of any Stock Exchange upon which shares in the Company may be listed relating to electronic communications, any notice or document (including, without limitation, any accounts, balance-sheet, financial statements or report) which is required or permitted to be given, sent or served under the Companies Act or under this Constitution by the Company, or by the Directors, to a member may be given, sent or served using electronic communications:-	Electronic communications

(a) to the current address of that person; or

(b) by making it available on a website prescribed by the Company from time to time,

in accordance with the provisions of this Constitution, the Companies Act and/or any other applicable regulations or procedures.

(C) For the purposes of Article 148(B) above, a member shall be deemed to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document.	<i>Implied consent</i>
(D) Notwithstanding Article 148(C) above, the Directors may, at their discretion, at any time give a member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and a member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document.	<i>Deemed consent</i>
(E) Where a notice or document is given, sent or served by electronic communications:- (a) to the current address of a person pursuant to Article 148(B)(a), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under the Companies Act and/or any other applicable regulations or procedures; and (b) by making it available on a website pursuant to Article 148(B)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, unless otherwise provided under the Companies Act and/or any other applicable regulations or procedures.	<i>When notice given by electronic communications deemed served</i>
(F) Where a notice or document is given, sent or served to a member by making it available on a website pursuant to Article 148(B)(b), the Company shall give separate notice to the member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:- (a) by sending such separate notice to the member personally or through the post pursuant to Article 148(A); (b) by sending such separate notice to the member using electronic communications to his current address pursuant to Article 148(B)(a); (c) by way of advertisement in the daily press; and/or (d) by way of announcement on the Stock Exchange upon which shares in the Company may be listed.	<i>Notice to be given of service on website</i>
149. Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded.	<i>Service of notices in respect of joint holders</i>

150. A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the member but for his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any member or given, sent or served to any member using electronic communications in pursuance of this Constitution shall, notwithstanding that such member be then dead or bankrupt or in liquidation, and whether or not the Company shall have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member in the Register of Members or, where such member is a Depositor, entered against his name in the Depository Register as sole or first-named joint holder.

Service of notices after death, bankruptcy, etc.

151. A member who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices shall not be entitled to receive notices or other documents from the Company.

No notice to members with no registered address in Singapore

3. RIGHTS IN RESPECT OF DIVIDENDS

RESERVES

126. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions (if any) of the Statutes.

Reserves

DIVIDENDS

127. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

Declaration of dividends

128. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

Interim dividends

129. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Companies Act:-

Apportionment of dividends

(a) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

(b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

130.	<i>No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.</i>	<i>Dividends payable out of profits</i>
131.	<i>No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.</i>	<i>No interest on dividends</i>
132.	(A) <i>The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</i>	<i>Retention of dividends on shares subject to lien</i>
	(B) <i>The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.</i>	<i>Retention of dividends pending transmission</i>
133.	<i>The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.</i>	<i>Waiver of dividends</i>
134.	<i>The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable shall be forfeited and shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date such dividend or other moneys are first payable.</i>	<i>Unclaimed dividends or other moneys</i>
135.	<i>The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.</i>	<i>Payment of dividend in specie</i>
136.	(A) <i>Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:-</i>	<i>Scrip dividend scheme</i>
	(a) <i>the basis of any such allotment shall be determined by the Directors;</i>	
	(b) <i>the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully</i>	

paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article 136;

- (c) *the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and*
- (d) *the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and, in lieu and in satisfaction thereof, shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose and notwithstanding the provisions of Article 141, the Directors shall (i) capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.*

(B) *The shares of the relevant class allotted pursuant to the provisions of Article 136(A) shall rank pari passu in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.*

Ranking of shares

(C) *The Directors may, on any occasion when they resolve as provided in Article 136(A), determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares, the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of Article 136 shall be read and construed subject to such determination.*

Record date

(D) *The Directors may, on any occasion when they resolve as provided in Article 136(A), further determine that no allotment of shares or rights of election for shares under Article 136(A) shall be made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of*

Eligibility

the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

(E) *Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of Article 136(A) in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of Article 136(A).*

Disapplication

(F) *The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of this Article 136(A), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).*

Fractional entitlements

137. *Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.*

Dividends payable by cheque or warrant

138. *Notwithstanding the provisions of Article 137 and the provisions of Article 140, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.*

Payment to Depository good discharge

139. *If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.*

Payment of dividends to joint holders

140. *Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.*

Resolution declaring dividends

APPENDIX V

EXTRACT OF ARTICLES IN THE NEW CONSTITUTION WHICH ARE NEW OR SIGNIFICANTLY DIFFERENT FROM THE CORRESPONDING EXISTING ARTICLES IN THE EXISTING CONSTITUTION

The Articles in the New Constitution which are new or significantly different from the corresponding Existing Articles in the Existing Constitution are set out below. Insertions are reflected as underlined and deletions are reflected as struck-through.

1. Article 1

1. In this Constitution (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively. Interpretation

"Banking Act"	~~The Banking Act, Chapter 19, as amended from time to time.~~
"Companies Act"	The Companies Act, ~~Chapter 50~~ <u>1967 of Singapore</u> , as amended from time to time.
"Financial Holding Companies Act"	<u>The Financial Holding Companies Act 2013 of Singapore, as amended from time to time</u>
"Income Tax Act"	<u>The Income Tax Act 1947 of Singapore, as amended from time to time.</u>
"Minister"	~~The Minister referred to in the Banking Act~~
"Prescribed Limits"	Shareholding limits applicable to the Company and shares of the Company as prescribed by the ~~Banking~~ <u>Financial Holding Companies Act</u> from time to time.

The expressions "Depositor", "Depository", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in the Securities and Futures Act, ~~Chapter 289~~ 2001 of Singapore.

2. Article 6

6. (A) Subject to Article 6(B), no person shall, whether alone or together with his associates (as defined in the ~~Banking~~ Financial Holding Companies Act), hold, have an interest in, or control shares in the Company in excess of any of the Prescribed Limits without first obtaining the approval of the ~~Minister~~ MAS, as the case may be. Prescribed Limits

(B) Notwithstanding any other provisions of this Constitution, such person or persons approved by the ~~Minister~~MAS shall be entitled to hold, have an interest in, or control such number of shares in the Company which reaches or exceeds any of the Prescribed Limits, subject to such terms and conditions as may be imposed by the ~~Minister~~MAS. Any person or persons who hold, have an interest in, or control such number of shares in the Company which reaches or exceeds any of the Prescribed Limits shall provide the Company evidence of such approvals as the Directors may reasonably require.

Approval from
~~Minister~~the MAS

3. Article 7

7. (A) The Company has the power to issue different classes of shares, including shares which confer special, limited or conditional voting rights, or which do not confer voting rights.

Issue of different classes of shares

(AB) The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.

Shares of a class other than ordinary shares

(C) Notwithstanding anything in Articles 7(A) and 7(B), the Company shall not undertake any issuance of shares that confer special, limited or conditional voting rights, or that confer no voting rights, unless it is approved by the members of the Company by Special Resolution.

Special Resolution required for issuance of shares with special voting rights etc.

(BD) The Company may issue shares for which no consideration is payable to the Company.

Issue of shares for no consideration

4. Article 8

8. Subject to the Statutes and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 12, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions, or which confer special, limited or conditional voting rights, or which do not confer voting rights, as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided always that:-

Issue of shares

(a) except with the prior approval of the ~~Minister~~MAS or except as permitted by Article 6(B), no shares shall be issued to a person if, in the opinion of the Directors, such issue would result in a person or, as the case may be,

in a person together with his associates, having an interest, directly or indirectly, in the shares in the Company for the time being which reaches or exceeds any of the Prescribed Limits;

- (b) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 12(A) with such adaptations as are necessary shall apply; and
- (c) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 12(B), shall be subject to the approval of the Company in General Meeting.

5. **Article 9A(2)(e)**

- (e) **Ranking.** The Class A Preference Shares shall rank as regards participation in profits *pari passu* with all other shares of the Company to the extent that they are expressed to rank *pari passu* therewith and in priority to the Company's ordinary shares and Class C Non-Voting Shares. The Company may from time to time and at any time create or issue any other shares ranking, as to participation in the profits or the assets of the Company, *pari passu* with or junior to:-

Class A
Preference
Shares

- (i) the Class A Preference Shares; or
- (ii) any other Parity Obligations (as defined below),

in each case without the prior approval of the Class A Preference Shareholders and the holders of all other Parity Obligations and the creation or issue by the Company of such shares (regardless of the dividends and other amounts payable in respect of such shares and whether and when such dividends and other amounts may be so payable) shall be deemed not to constitute a variation of the rights attached to the Class A Preference Shares.

The Company shall not create or issue any other shares ranking, as to participation in the profits or the assets of the Company, senior or in priority to:-

- (aa) the Class A Preference Shares; or
- (bb) any other Parity Obligations,

unless approved by the Class A Preference Shareholders and the holders of all other Parity Obligations, acting as a single class in accordance with **Article 9A(5)** below.

"Parity Obligations" means (I) any preference shares or other similar obligations of the Company that are expressed to rank *pari passu* with the Class A Preference Shares and in priority to the Company's ordinary shares and Class C Non-Voting Shares (including, without limitation, the Class A Preference Shares and the Class B Preference Shares) or are not expressly stated to rank in all material respects senior or junior to the Class A Preference Shares and the Class B Preference Shares or (II) any preference shares or other similar obligations of any subsidiary of the Company that are not expressly stated to rank in all material respects senior or junior to the Class A Preference Shares and the Class B Preference Shares.

6. **Article 9A(2)(f)**

- (f) **Dividend Restrictions.** Dividends may only be declared and paid out of Distributable Reserves (as defined below). Notwithstanding that the Board may have declared or resolved to distribute any Dividend on any Dividend Date, the Company shall not be obliged to pay, and shall not pay, such Dividend on that Dividend Date (and such Dividend shall not be considered to be due or payable for the purposes of this **Article 9A**) if the aggregate of the amount of such Dividend (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or part) during the Company's then-current fiscal year on the Class A Preference Shares or Parity Obligations, would exceed the Distributable Reserves as of the relevant Dividend Determination Date (as defined below).

Class A
Preference
Shares

"Distributable Reserves" means, at any time, the amounts for the time being available to the Company for distribution as a dividend in compliance with Section 403 of the Companies Act, ~~Chapter 50 of Singapore~~ (**"Available Amounts"**) as of the date of the Company's latest audited balance sheet; provided that if the Board reasonably believes that the Available Amounts as of any Dividend Determination Date are lower than the Available Amounts as of the date of the Company's latest audited balance sheet and are insufficient to pay the Dividend and for payments on Parity Obligations on the relevant Dividend Date, then two Directors of the Company shall be required to provide a certificate, on or prior to such Dividend Determination Date, to the Class A Preference Shareholders accompanied by a certificate of the Company's auditors for the time being of the Available Amounts as of such Dividend Determination Date (which certificate of the two Directors shall be binding absent manifest error) and **"Distributable Reserves"** as of such Dividend Determination Date for the

purposes of such Dividend shall mean the Available Amounts as set forth in such certificate.

"Dividend Determination Date" means, with respect to any Dividend Date, the day falling two Business Days prior to the Dividend Date.

7. **Article 9A(2)(g)**

- (g) **Dividend Limitation Notice.** Without prejudice to the discretion of the Board under **Article 9A(2)(d)** above, if the Company does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares and Class C Non-Voting Shares, the Company shall give, on or before the relevant Dividend Determination Date, a notice ("**Dividend Limitation Notice**") to the share registrar of the Company for the time being ("**Registrar**") and the Class A Preference Shareholders that the Company will pay no dividends or less than full dividends on such Dividend Date, in which case no dividends or less than full dividends as set out in the Dividend Limitation Notice shall become due and payable on such Dividend Date. The Dividend Limitation Notice shall include a statement to the effect that the Company does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares and Class C Non-Voting Shares and identify the specific dividend on the ordinary shares and Class C Non-Voting Shares that will not be paid.

Class A
Preference
Shares

Each Dividend Limitation Notice shall be given in writing by mail to each Class A Preference Shareholder, except that where the Class A Preference Shares are listed on one or more stock exchanges, the Company may, in lieu of giving notice in writing by mail to such shareholder, determine to publish such notice on such stock exchange(s). So long as the Class A Preference Shares are listed on one or more stock exchanges and the rules of such stock exchange(s) so require, notices shall also be published in such manner as the rules of such stock exchange(s) may require. In addition, for so long as the Class A Preference Shares are listed on Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the rules of the SGX-ST so require, each Dividend Limitation Notice shall be published in accordance with **Article 9A(10)(b)** below.

8. **Article 9A(2)(j)**

- (j) **Dividend Stopper.** In the event any Dividend is not paid in full for any reason on any Dividend Date, the Company shall not:-
- (i) declare or pay any dividends or other distributions in respect of, or (if permitted) repurchase or redeem, its ordinary shares, Class

Class A
Preference
Shares

C Non-Voting Shares or any other security of the Company ranking *pari passu* or junior to the Class A Preference Shares (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any such shares or securities); or

- (ii) declare or pay, or permit any subsidiary of the Company (other than a subsidiary of the Company that carries on insurance business) to declare or pay any dividends or other distributions in respect of any Parity Obligations, or (if permitted) repurchase or redeem any Parity Obligations (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any Parity Obligations),

in each case until it has paid Dividends in full in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months (or an amount equivalent to the Dividends to be paid in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months has been paid or irrevocably set aside in a separately designated trust account for payment to the Class A Preference Shareholders).

9. **Article 9A(2)(I)**

~~(I) — Net Dividends. For the avoidance of doubt:-~~

Class A
Preference
Shares

~~(i) — while the Company remains on the imputation system of taxation (which shall not be longer than the Transition Period (as defined below)), all references in this Article 9A to any amount of Dividends payable by the Company shall be construed as references to net Dividend amounts, exclusive of Tax Credits (as defined below); and~~

~~(ii) — nothing in this Constitution obliges the Company (whether during or after the Transition Period):-~~

~~(aa) — to pay, or make available to any Class A Preference Shareholders, any Tax Credits in respect of any Dividends or otherwise to compensate any Class A Preference Shareholders for not paying or not making available such Tax Credits;~~

~~(bb) — to remain on the imputation system of taxation, regardless of whether the Company has any Tax Credits; or~~

~~(cc) to ensure that it has any Tax Credits at any time, regardless of whether any Class A Preference Shares are outstanding as of such time.~~

~~"Tax Credits" means the amounts representing tax paid by the Company which is imputed to, and deemed to be paid on behalf of, the Class A Preference Shareholders when the Company distributes taxed income as dividends or other moneys payable on or in respect of a Class A Preference Share.~~

~~"Transition Period" means the five-year transitional period from 1 January 2003 to 31 December 2007 allowed by the Inland Revenue Authority of Singapore in its circular of 15 August 2002 for Singapore resident companies with unutilised Section 44 of the Income Tax Act balances as of 31 December 2002 to remain on the imputation system (before moving to the new one-tier corporate tax system) for the purpose of paying franked dividends (that is, dividends that carry tax credit).~~

10. **Article 9A(3)(a)**

- (a) **Rights Upon Liquidation.** In the event of the commencement of any dissolution or winding-up of the Company (other than pursuant to a Permitted Reorganisation (as defined below)) before any redemption of the Class A Preference Shares, the Class A Preference Shares shall rank:-
- Class A
Preference
Shares
- (i) junior to all creditors (including the holders of subordinated debt) of the Company;
 - (ii) *pari passu* with all Parity Obligations of the Company; and
 - (iii) senior to the holders of the Company's ordinary shares, Class C Non-Voting Shares and any other securities or obligations of the Company that are subordinated to the Class A Preference Shares.

On such a dissolution or winding-up, each Class A Preference Share shall be entitled to receive in Singapore dollars an amount equal to the Liquidation Distribution.

"**Liquidation Distribution**" means, upon a dissolution or winding-up of the Company, the Liquidation Preference together with, subject to the restrictions in **Article 9A(2)(f)** above and unless a Dividend Limitation Notice is in effect, an amount equal to any accrued but unpaid Dividend (whether or not declared) from, and including, the commencement date of the Dividend Period in which the date of the dissolution or winding-up falls to but excluding the date of actual payment.

"Permitted Reorganisation" means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Company are transferred to a successor entity which assumes all the obligations of the Company under the Class A Preference Shares.

11. **Article 9A(7)**

(7) Taxation

Class A
Preference
Shares

All payments in respect of the Class A Preference Shares shall be made after deducting or withholding all amounts for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Singapore or any authority thereof or therein having power to tax and which are required by applicable law to be deducted or withheld.

The Company shall not pay any additional amounts in respect of any such deduction or withholding from payments in respect of the Class A Preference Shares for or on account of any such present or future taxes, duties, assessments or governmental charges.

No payment in respect of the Class A Preference Shares shall be made by the Company to any Class A Preference Shareholder without deduction or withholding for or on account of any such present or future taxes, duties, assessments or governmental charges unless such Class A Preference Shareholder shall have provided a statutory declaration or other evidence satisfactory to the Company that the beneficial owner of such payment:-

- (a) is a resident in Singapore for tax purposes; or
- (b) is otherwise entitled to receive such payment free of any such deduction or withholding.

If requested by a Class A Preference Shareholder, the Company shall procure that such person shall be furnished with a certificate specifying the gross amount of such payment, the amount of tax deducted or withheld and the net amount of such payment.

~~For the avoidance of doubt, this **Article 9A(7)** shall not apply in respect of any deduction of tax made or deemed to be made under Section 44 of the Income Tax Act (which gives effect to the imputation system referred to in **Article 9A(2)(i)** above).~~

12. **Article 9B(2)(e)**

- (e) **Ranking.** The Class B Preference Shares shall rank as regards participation in profits *pari passu* with all other shares of the Company to the extent that they are expressed to rank *pari passu* therewith and in priority to the Company's ordinary shares and Class C Non-Voting Shares. The Company may from time to time and at any time create or issue any other shares ranking, as to participation in the profits or the assets of the Company, *pari passu* with or junior to:-

- (i) the Class B Preference Shares; or
- (ii) any other Parity Obligations (as defined below),

in each case without the prior approval of the Class B Preference Shareholders and the holders of all other Parity Obligations and the creation or issue by the Company of such shares (regardless of the dividends and other amounts payable in respect of such shares and whether and when such dividends and other amounts may be so payable) shall be deemed not to constitute a variation of the rights attached to the Class B Preference Shares.

The Company shall not create or issue any other shares ranking, as to participation in the profits or the assets of the Company, senior or in priority to:-

- (aa) the Class B Preference Shares; or
- (bb) any other Parity Obligations,

unless approved by the Class B Preference Shareholders and the holders of all other Parity Obligations, acting as a single class in accordance with **Article 9B(5)** below.

"Parity Obligations" means (I) any preference shares or other similar obligations of the Company that are expressed to rank *pari passu* with the Class B Preference Shares and in priority to the Company's ordinary shares and Class C Non-Voting Shares (including, without limitation, the Class A Preference Shares and the Class B Preference Shares) or are not expressly stated to rank in all material respects senior or junior to the Class A Preference Shares and the Class B Preference Shares or (II) any preference shares or other similar obligations of any subsidiary of the Company that are not expressly stated to rank in all material respects senior or junior to the Class A Preference Shares and the Class B Preference Shares.

13. **Article 9B(2)(f)**

- (f) **Dividend Restrictions.** Dividends may only be declared and paid out of Distributable Reserves (as defined below). Notwithstanding that the Board may have declared or resolved to distribute any Dividend on any Dividend Date, the Company shall not be obliged to pay, and shall not pay, such Dividend on that Dividend Date (and such Dividend shall not be considered to be due or payable for the purposes of this **Article 9B**) if the aggregate of the amount of such Dividend (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or part) during the Company's then-current fiscal year on the Class B Preference Shares or Parity Obligations, would exceed the Distributable Reserves as of the relevant Dividend Determination Date (as defined below).

"Distributable Reserves" means, at any time, the amounts for the time being available to the Company for distribution as a dividend in compliance with Section 403 of the Companies Act, ~~Chapter 50 of Singapore~~ (**"Available Amounts"**) as of the date of the Company's latest audited balance sheet; provided that if the Board reasonably believes that the Available Amounts as of any Dividend Determination Date are lower than the Available Amounts as of the date of the Company's latest audited balance sheet and are insufficient to pay the Dividend and for payments on Parity Obligations on the relevant Dividend Date, then two Directors of the Company shall be required to provide a certificate, on or prior to such Dividend Determination Date, to the Class B Preference Shareholders accompanied by a certificate of the Company's auditors for the time being of the Available Amounts as of such Dividend Determination Date (which certificate of the two Directors shall be binding absent manifest error) and **"Distributable Reserves"** as of such Dividend Determination Date for the purposes of such Dividend shall mean the Available Amounts as set forth in such certificate.

"Dividend Determination Date" means, with respect to any Dividend Date, the day falling two Business Days prior to the Dividend Date.

14. **Article 9B(2)(g)**

- (g) **Dividend Limitation Notice.** Without prejudice to the discretion of the Board under **Article 9B(2)(d)** above, if the Company does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares and Class C Non-Voting Shares, the Company shall give, on or before the relevant Dividend Determination Date, a notice (**"Dividend Limitation Notice"**) to the share registrar of the Company for the time being (**"Registrar"**) and the Class B Preference Shareholders that the Company will pay no dividends or less than full dividends on such Dividend Date, in which case no dividends or less than

full dividends as set out in the Dividend Limitation Notice shall become due and payable on such Dividend Date. The Dividend Limitation Notice shall include a statement to the effect that the Company does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares and Class C Non-Voting Shares and identify the specific dividend on the ordinary shares and Class C Non-Voting Shares that will not be paid.

Each Dividend Limitation Notice shall be given in writing by mail to each Class B Preference Shareholder except that where the Class B Preference Shares are listed on one or more stock exchanges, the Company may, in lieu of giving notice in writing by mail to such shareholder, determine to publish such notice on such stock exchange(s). So long as the Class B Preference Shares are listed on one or more stock exchanges and the rules of such stock exchange(s) so require, notices shall also be published in such manner as the rules of such stock exchange(s) may require. In addition, for so long as the Class B Preference Shares are listed on Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the rules of the SGX-ST so require, each Dividend Limitation Notice shall be published in accordance with **Article 9B(10)(b)** below.

15. **Article 9B(2)(j)**

- (j) **Dividend Stopper.** In the event any Dividend is not paid in full for any reason on any Dividend Date, the Company shall not:-
- Class B
Preference
Shares
- (i) declare or pay any dividends or other distributions in respect of, or (if permitted) repurchase or redeem, its ordinary shares, Class C Non-Voting Shares or any other security of the Company ranking *pari passu* or junior to the Class B Preference Shares (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any such shares or securities); or
 - (ii) declare or pay, or permit any subsidiary of the Company (other than a subsidiary of the Company that carries on insurance business) to declare or pay, any dividends or other distributions in respect of any Parity Obligations, or (if permitted) repurchase or redeem any Parity Obligations (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any Parity Obligations),

in each case until it has paid Dividends in full in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months (or an amount equivalent to the Dividends to be paid in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months has been paid or irrevocably set aside in a

separately designated trust account for payment to the Class B Preference Shareholders).

16. **Article 9B(2)(I)**

~~(I) — Net Dividends. For the avoidance of doubt:—~~

Class B
Preference
Shares

~~(i) — while the Company remains on the imputation system of taxation (which shall not be longer than the Transition Period (as defined below)), all references in this Article 9B to any amount of Dividends payable by the Company shall be construed as references to net Dividend amounts, exclusive of Tax Credits (as defined below); and~~

~~(ii) — nothing in this Constitution obliges the Company (whether during or after the Transition Period):—~~

~~(aa) — to pay, or make available to any Class B Preference Shareholders, any Tax Credits in respect of any Dividends or otherwise to compensate any Class B Preference Shareholders for not paying or not making available such Tax Credits;—~~

~~(bb) — to remain on the imputation system of taxation, regardless of whether the Company has any Tax Credits; or~~

~~(cc) — to ensure that it has any Tax Credits at any time, regardless of whether any Class B Preference Shares are outstanding as of such time.~~

~~"Tax Credits" means the amounts representing tax paid by the Company which is imputed to, and deemed to be paid on behalf of, the Class B Preference Shareholders when the Company distributes taxed income as dividends or other moneys payable on or in respect of a Class B Preference Share.~~

~~"Transition Period" means the five year transitional period from 1 January 2003 to 31 December 2007 allowed by the Inland Revenue Authority of Singapore in its circular of 15 August 2002 for Singapore resident companies with unutilised Section 44 of the Income Tax Act balances as of 31 December 2002 to remain on the imputation system (before moving to the new one tier corporate tax system) for the purpose of paying franked dividends (that is, dividends that carry tax credit).~~

17. **Article 9B(3)(a)**

- (a) **Rights Upon Liquidation.** In the event of the commencement of any dissolution or winding-up of the Company (other than pursuant to a Permitted Reorganisation (as defined below)) before any redemption of the Class B Preference Shares, the Class B Preference Shares shall rank:-
- (i) junior to all creditors (including the holders of subordinated debt) of the Company;
 - (ii) *pari passu* with all Parity Obligations of the Company; and
 - (iii) senior to the holders of the Company's ordinary shares, Class C Non-Voting Shares and any other securities or obligations of the Company that are subordinated to the Class B Preference Shares.

On such a dissolution or winding-up, each Class B Preference Share shall be entitled to receive in Singapore dollars an amount equal to the Liquidation Distribution.

"Liquidation Distribution" means, upon a dissolution or winding-up of the Company, the Liquidation Preference together with, subject to the restrictions in **Article 9B(2)(f)** above and unless a Dividend Limitation Notice is in effect, an amount equal to any accrued but unpaid Dividend (whether or not declared) from, and including, the commencement date of the Dividend Period in which the date of the dissolution or winding-up falls to but excluding the date of actual payment.

"Permitted Reorganisation" means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Company are transferred to a successor entity which assumes all the obligations of the Company under the Class B Preference Shares.

18. **Article 9B(7)**

- (7) **Taxation**
- All payments in respect of the Class B Preference Shares shall be made after deducting or withholding all amounts for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Singapore or any authority thereof or therein having power to tax and which are required by applicable law to be deducted or withheld.

The Company shall not pay any additional amounts in respect of any such deduction or withholding from payments in respect of the Class B

Preference Shares for or on account of any such present or future taxes, duties, assessments or governmental charges.

No payment in respect of the Class B Preference Shares shall be made by the Company to any Class B Preference Shareholder without deduction or withholding for or on account of any such present or future taxes, duties, assessments or governmental charges unless such Class B Preference Shareholder shall have provided a statutory declaration or other evidence satisfactory to the Company that the beneficial owner of such payment:-

- (a) is a resident in Singapore for tax purposes; or
- (b) is otherwise entitled to receive such payment free of any such deduction or withholding.

If requested by a Class B Preference Shareholder, the Company shall procure that such person shall be furnished with a certificate specifying the gross amount of such payment, the amount of tax deducted or withheld and the net amount of such payment.

~~For the avoidance of doubt, this **Article 9B(7)** shall not apply in respect of any deduction of tax made or deemed to be made under Section 44 of the Income Tax Act (which gives effect to the imputation system referred to in **Article 9B(2)(i)** above).~~

19. Article 9C

9C. Class C Non-Voting Shares

Class C Non-Voting
Shares

The Class C Non-Voting Shares shall have the following rights and be subject to the following restrictions.

(1) Dividends

(a) The rights of holders of the Class C Non-Voting Shares (each, a "Class C Shareholder") shall rank on a *pari passu* basis with the rights of holders of ordinary shares in respect of dividends and other distributions (whether from capital or from profit, and in whatever form) and Class C Non-Voting Shares shall be entitled to receive the same dividends and distributions as those payable on the Company's ordinary shares. For the avoidance of doubt, dividends and other distributions payable on a Class C Non-Voting Share are non-cumulative.

(b) No dividends or distributions (in whatever form) shall be declared and/or paid to the holders of the ordinary shares

unless a *pro rata* share of such dividends or distributions is simultaneously declared and/or paid (as the case may be) in full to the Class C Shareholders. The provisions of Article 134 in relation to unclaimed dividends or other moneys payable on or in respect of an ordinary share of the Company shall apply to any unclaimed dividends or other moneys payable on or in respect of a Class C Non-Voting Share.

(2) Ranking and Liquidation Distributions

(a) Ranking. The Class C Non-Voting Shares shall rank as regards participation in profits *pari passu* with the ordinary shares of the Company.

(b) Rights Upon Liquidation. In the event of the commencement of any dissolution or winding-up of the Company (other than pursuant to a Permitted Reorganisation (as defined below)):

(i) the Class C Non-Voting Shares shall rank as regards participation in assets and funds of the Company:

(aa) junior to all creditors (including the holders of subordinated debt) of the Company; and

(bb) junior to the Class A Preference Shares, the Class B Preference Shares and any preference shares or other similar obligations of the Company that are expressed to rank *pari passu* with the Class A Preference Shares and the Class B Preference Shares; and

(ii) each Class C Non-Voting Share shall be entitled to receive in Singapore dollars an amount equal to the Class C Liquidation Preference, prior and in priority to any distribution in respect of the ordinary shares of the Company. If there are any assets and funds of the Company available for distribution after the payment of the Class C Liquidation Preference, the Class C Non-Voting Shares shall rank *pari passu* with the ordinary shares of the Company, and the holders of the Class C Non-Voting Shares and the ordinary shares of the Company shall be entitled to participate *pro rata* in such residual assets and funds of the Company.

"Class C Liquidation Preference" means a liquidation preference of S\$0.10 per Class C Non-Voting Share.

"Permitted Reorganisation" means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Company are transferred to a successor entity which assumes all the obligations of the Company under the Class C Non-Voting Shares.

(3) Redemption

The Class C Non-Voting Shares shall not be redeemable by the Company or by a Class C Shareholder.

(4) Voting

(a) General. Except as provided in this Article 9C(4), the Class C Shareholders shall not be entitled to vote at general meetings of the Company.

(b) Class Meetings. The Class C Shareholders shall be entitled to attend class meetings of the Class C Shareholders. Every Class C Shareholder who is present in person at such class meetings shall have on a show of hands one vote and on a poll one vote for every Class C Non-Voting Share of which he is the holder.

(c) General Meetings. Notwithstanding Article 9C(4)(a) above, the Class C Shareholders shall have the right to receive notice of, attend and speak at any general meeting of the Company and to be counted for the purposes of a quorum at such general meeting. Every Class C Shareholder who is present in person at such general meeting shall have the right to vote and shall have on a show of hands one vote and on a poll one vote for every Class C Non-Voting Share of which he is the holder if (but only if):

- (i)** the resolution in question varies or abrogates the rights attached to the Class C Non-Voting Shares;
- (ii)** the resolution in question is for the winding-up of the Company; or
- (iii)** as required by the Companies Act.

(5) Variations of Rights and Further Issues

Unless otherwise required by applicable law, any variation or abrogation of the rights, preferences and privileges of the Class C

Non-Voting Shares by way of amendment of this Constitution or otherwise shall require:

- (a) the consent in writing of the holders of at least 75 per cent. of the outstanding Class C Non-Voting Shares; or
- (b) the sanction of a special resolution passed at a separate class meeting of the Class C Shareholders (the quorum at such class meeting to be such number of Class C Shareholders holding or representing not less than two-thirds of the outstanding Class C Non-Voting Shares).

provided that:-

- (i) no such consent or sanction shall be required for the creation or issue of further shares of the Company ranking *pari passu* with the Class C Non-Voting Shares (the creation or issue of such other shares, regardless of the dividends and other amounts payable in respect of such shares and whether and when such dividends and other amounts may be so payable, shall not be deemed to be a variation or abrogation of the rights, preferences and privileges of the Class C Non-Voting Shares); and
- (ii) no such consent or sanction shall be required for the purchase or cancellation of the Class C Non-Voting Shares in accordance with this Constitution.

The Company shall cause a notice of any meeting at which any Class C Shareholder is entitled to vote, and any voting forms to be circulated to each Class C Shareholder in accordance with **Article 9C(11)** below. Each such notice shall include a statement setting forth (aa) the date, time and place of such meeting, (bb) a description of any resolution to be proposed for adoption at such meeting on which such holders are entitled to vote, and (cc) instructions for the delivery of proxies.

(6) Conversion into Ordinary Shares

- (a) **Conversion Right of Class C Shareholders.** Each Class C Shareholder shall have the right, at its option, to convert all or part of its Class C Non-Voting Shares into ordinary shares of the Company by delivering a Conversion Notice to the Company at any time after the Relevant Date, where "Relevant Date" means the date on which any of the following events occurs, whichever is earliest:

- (i) the fifth anniversary of the first issuance of Class C Non-Voting Share(s) by the Company;
- (ii) the announcement of a general offer, scheme of arrangement, merger, amalgamation or other transaction that results or may result in a change in Control (as defined below) of the Company;
- (iii) the announcement by the Company of any act, matter, event or transaction, or proposed act, matter, event or transaction (including, but not limited to, any appointment, resignation and/or removal of directors and/or management personnel) which would result in a change in (A) the composition of a majority of the Board from time to time or (B) management control of the Company;
- (iv) the Company enters into or resolves to enter into any arrangement, composition or compromise with or assignment for the benefit of its creditors or any class of them in any relevant jurisdiction, or any steps are taken for the dissolution of the Company, or any receiver, judicial manager, trustee, administrator, liquidator (including a provisional liquidator), agent or similar officer is appointed over the Company (as the case may be);
- (v) the Company being unable to pay its debts as they fall due or the value of the Company's assets being less than the value of its liabilities (including contingent liabilities), or the Company failing to comply with any applicable minimum asset or capital requirements imposed by law and/or the MAS (including, but not limited to, any applicable minimum asset and capital requirements under or imposed pursuant to Part VI of the Financial Holding Companies Act), or any event having occurred which constitutes an event of default, or otherwise gives rise to an obligation to repay, under any loan or facility arrangements and/or agreements to which the Company is a party; or
- (vi) the receipt by the Company of any notice, certificate or direction from any competent authority with jurisdiction over the Company (including, without limitation, the MAS) directing the Company to allow the Class C Shareholders to exercise their rights, whether under this **Article 9C(6)(a)** or otherwise to convert all or part

of its Class C Non-Voting Shares into ordinary shares of the Company.

"Control" means, in respect of a person, the authority or ability, whether exercised or not, to control or direct such person's business, affairs, management or policies, which authority or ability shall conclusively be deemed to exist upon possession of beneficial ownership or power to direct the vote of more than 50% of the votes entitled to be cast or to control the composition of the board of directors.

(b) Conversion Right of the Company. The Company shall have the right, at its option, to convert all or part of the Class C Non-Voting Shares into ordinary shares of the Company by delivering a Conversion Notice to the Class C Shareholders:

- (i) if at any time the aggregate number of Class C Non-Voting Shares in issue is less than 5,000,000;
- (ii) if at any time the ordinary shares of the Company cease to be listed on any stock exchange; or
- (iii) upon the receipt by the Company of any notice, certificate or direction from any competent authority with jurisdiction over the Company (including, without limitation, the MAS) directing the Company to exercise its right, whether under this **Article 9C(6)(b)** or otherwise, to convert all or part of the Class C Non-Voting Shares into ordinary shares of the Company.

(c) Conversion Rate. Each Class C Non-Voting Share shall be convertible into one fully paid ordinary share of the Company and, for the avoidance of doubt, except as required under applicable laws, no additional consideration shall be payable upon such conversion.

(d) Conversion Notice. For the purpose of this **Article 9C(6)**, a "Conversion Notice" means a notice of conversion for the conversion of Class C Non-Voting Shares into ordinary shares of the Company. The Conversion Notice shall specify the number of Class C Non-Voting Shares to be converted and the date on which the Class C Non-Voting Shares are to be converted, being a date falling at least 14 Market Days after the date of the Conversion Notice ("**Conversion Date**"). A Conversion Notice given pursuant to **Article 9C(6)(a)** may not be withdrawn without the Company's written consent.

(e) **Conversion Procedure.** The Class C Shareholder issuing the Conversion Notice (in the case of a Conversion Notice issued pursuant to **Article 9C(6)(a)**) or all of the Class C Shareholders (in the case of a Conversion Notice issued pursuant to **Article 9C(6)(b)**) (the "**Converting Class C Shareholder(s)**") shall, as soon as is practicable (and in any event, no later than five (5) Market Days prior to the Conversion Date) deliver to the Company (i) the relevant share certificate(s) for the relevant Class C Non-Voting Shares (or in the case of a lost certificate, the documents and evidence required under Article 24 and subject to the requirements of Article 24); and (ii) if the New Ordinary Shares (as defined below) are to be held in scripless form, notice in writing of the securities account designated by it to receive the New Ordinary Shares (the "**Relevant Securities Account**").

The Company shall on the Conversion Date effect the conversion of the relevant Class C Non-Voting Shares into the number of ordinary shares to which the holder is entitled upon conversion and pay all declared but unpaid dividends on the relevant Class C Non-Voting Shares that are so converted.

The Converting Class C Shareholder(s) will become the holder on record of the number of ordinary shares issuable upon conversion of the relevant Class C Non-Voting Shares (the "**New Ordinary Shares**") with effect on and from the date on which the relevant number of New Ordinary Shares issuable upon conversion is credited into the Relevant Securities Account or (if none) the date he is or they are registered as such in the Company's register of members (the "**Registration Date**"). The New Ordinary Shares will (i) in all respects rank *pari passu* with the ordinary shares in issue as of the relevant Registration Date; (ii) be credited as fully paid and free from all encumbrances; and (iii) entitle the holder of such New Ordinary Shares to be paid a *pro rata* share of all dividends and other distributions declared, made or paid on ordinary shares the record date of which falls on or after the Registration Date. A holder of New Ordinary Shares shall not be entitled to any dividends or other distributions the record date for which precedes the relevant Registration Date. In the event that the ordinary shares of the Company are listed on the SGX-ST on the Registration Date, the Company shall use its reasonable endeavours to obtain a listing for the New Ordinary Shares.

(7) Adjustment Events

In the event of any consolidation, subdivision, redesignation or reclassification of the ordinary shares which alters the number of ordinary shares in issue (each such event, an "Adjustment Event", and the ratio of the number of ordinary shares in issue immediately after the Adjustment Event as compared to the number of ordinary shares in issue immediately before such Adjustment Event, an "Adjustment Event Ratio"), the same Adjustment Event Ratio shall be applied to alter the number of Class C Non-Voting Shares on the same basis as if the Class C Non-Voting Shares were ordinary shares.

(8) Capitalisation Events

- (a) In the event of any Capitalisation Event, each Class C Non-Voting Share shall rank on a *pari passu* basis with the rights of holders of ordinary shares in respect of their entitlements under the Capitalisation Event on the same terms and conditions applicable to the Company's ordinary shares, provided that where the Capitalisation Event relates to an offering or issuance of ordinary shares, each Class C Non-Voting Share shall, in lieu of ordinary shares, be entitled to an offering or issuance of Class C Non-Voting Shares on the same terms and conditions.
- (b) For the purposes of the above, a "Capitalisation Event" shall mean any of the following:
 - (i) a bonus issue of shares to holders of ordinary shares;
or
 - (ii) an offering of securities, whether by way of rights or preferential offering, to holders of ordinary shares.

(9) No Listing of Class C Non-Voting Shares

The Class C Non-Voting Shares shall not be listed on the SGX-ST or any other stock exchange or quotation system.

(10) Transfer of Class C Non-Voting Shares

An instrument of transfer of a share which is in certificated form must be in writing in any usual form or other form approved by the Directors of the Company and must be executed by or on behalf of the transferor and by or on behalf of the transferee. The transferor shall remain the holder of the shares transferred until the name of

the transferee is entered in the register of members of the Company in respect thereof.

The Directors of the Company may, in the case of transfers of Class C Non-Voting Shares in certificated form, at their absolute discretion and without assigning any reason therefor, refuse to register:

(a) any transfer of a Class C Non-Voting Share (not being a fully paid Class C Non-Voting Share); and

(b) any transfer of a Class C Non-Voting Share on which the Company has a lien.

The Directors of the Company may also decline to register a transfer unless the instrument of transfer is duly stamped (if so required).

The Class C Non-Voting Shares are in registered form. The registration of share transfers may be suspended at such times and for such periods as the Directors of the Company may determine not exceeding 30 days in any year.

(11) Notices or Other Documents

Any notice or other document may be served by the Company upon any Class C Shareholder in the manner provided in this Constitution. Any such notice or document shall be deemed to be served and delivered in accordance with this Constitution.

(12) Others

In the event of any conflict or inconsistency between the provisions of this **Article 9C** and the other provisions of this Constitution, then the provisions of this **Article 9C** shall prevail.

20. Article 11

11. The Company shall not exercise any right in respect of treasury shares other than as provided by the Companies Act and the Financial Holding Companies Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act and the Financial Holding Companies Act.

Treasury
shares

21. Article 12(B)

(B) Notwithstanding Article 12(A) but subject to Article 7(C) and the Statutes, the Company may by Ordinary Resolution in General Meeting give to the Directors

General authority

a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-

- (a) (i) issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
- (b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

Provided that:-

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited;
- (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and this Constitution; and
- (3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

22. **Article 14(B)**

(B) The Company may, subject to and in accordance with the Companies Act and the Financial Holding Companies Act, and subject to any regulatory consent and consent required by law, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Companies Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Companies Act, be deemed to be cancelled immediately on purchase or acquisition by the

Power to
repurchase shares

Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Companies Act and the Financial Holding Companies Act.

23. Article 16

16. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special, limited or conditional rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, or which do not confer voting rights, as the Company may from time to time by Ordinary Resolution or, if required by the Statutes, by Special Resolution determine (or, in the absence of any such determination, but subject to the Statutes, as the Directors may determine) and subject to the provisions of this Constitution and the Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.

Rights and
privileges of
new shares

24. Article 44

44. (A) The Directors may, if it shall come to their notice that:-

Breach of
Prescribed Limits

- (a) any person or, as the case may be, any person, whether alone or together with his associates (as defined in the ~~Banking Act~~ Financial Holding Companies Act), holds, has an interest in, or controls shares of in the Company in excess of any of the Prescribed Limits without having first ~~obtaining~~ obtained the approval of the ~~Minister~~ MAS; or
- (b) any person is in breach of any condition imposed by the ~~Minister~~ MAS in relation to the holding or control of his shares, in the Company; or
- (c) as a result of any conversion of Class C Non-Voting Shares to ordinary shares in accordance with Article 9C(6), any person or, as the case may be, any person, whether alone or together with his associates (as defined in the Financial Holding Companies Act), holds, has an interest in, or controls shares in the Company in excess of any of the Prescribed Limits without having first obtained the approval of the MAS,

take all steps and do all acts or things as they may, in their absolute discretion, deem necessary to ensure that the provisions of the ~~Banking~~Financial Holding Companies Act are or will be complied with. Without prejudice to the foregoing, the Directors shall take such action as may be directed by the ~~Minister~~MAS, including but not limited to the following:-

- (i) to require such person or persons (as the case may be) to dispose such number of his shares within such period of time or subject to such conditions as may be specified by the ~~Minister~~MAS;
- (ii) pending the aforesaid disposal, to suspend the voting rights of the shares held by such person or persons (as the case may be); and/or
- (iii) to restrict the transfer of the shares held by such person or persons (as the case may be),

on such terms and conditions as the Directors may, in their absolute discretion, deem necessary or appropriate.

(B) For the purpose of effecting any disposal under Article 44(A)(i):-

- (a) the Directors may authorise in writing some person to execute or effect on behalf of the relevant person or persons, as the case may be, a transfer or transfers (if required) of such shares to any purchaser or purchasers and may (if required) issue new share certificates to the purchaser or purchasers, notwithstanding the absence of any share certificate in respect of such shares. Upon the sale by the Company of such shares, the share certificates relating thereto (if applicable) may (if required) be cancelled by the Company to the extent of the shares sold and the Company may (if necessary) issue replacement share certificates for the balance (if any) of the shares comprised in such share certificates. The title of the purchaser or purchasers shall not be affected by any irregularity or invalidity in the proceedings relating thereto;
- (b) the net proceeds of the disposal of any such shares shall be received by the Company whose receipt shall be a good discharge for the purchase moneys and (subject to any direction by the ~~Minister~~MAS, if any) shall be paid by the Company (after deduction of any expenses incurred by the Directors in the sale) to the relevant person, as the case may be, (in the case of joint holders, the first of them named in the Register of Members or, as the case may be, the

Depository Register) upon surrender (if required) of the certificates for such shares but such proceeds shall under no circumstances carry interest against the Company; and

- (c) if, in relation to a disposal to be made pursuant to the provisions hereof, the Directors are entitled to give notice to more than one person pursuant to the provisions of Article 44(A)(i), it shall be for the Directors to decide the persons and (if more than one person, the proportion of) the shares which shall be the subject of such notice, and in making any such decision, the Directors shall apply such criterion or criteria as they shall consider appropriate and their decision shall be final and conclusive.

25. Article 55

55. Save as otherwise permitted under the Companies Act, an Annual General Meeting shall be held ~~once in every year, at such time (within a period of not more than 15 months (or such other period as may be prescribed by the Statutes and/or any Stock Exchange upon which shares in the Company may be listed) after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors~~ in accordance with the provisions of the Companies Act and for so long as the shares of the Company are listed on the SGX-ST, the Listing Manual of the SGX-ST. All other General Meetings shall be called Extraordinary General Meetings.

Annual General Meeting and Extraordinary General Meeting

26. Article 58(A)

58. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company. Where the Company has one or more classes of shares that confer special, limited or conditional voting rights, or that confer no voting rights, the notice shall also specify the special, limited or conditional voting rights, or the absence of voting rights, in respect of each such class of shares for so long as any shares of any such class are issued or outstanding.

Contents of notice for General Meeting

27. Article 83

83. The number of Directors of the Company shall not be less than two. All Directors of the Company shall be natural persons. All appointments and re-appointments of Directors shall be subject to such provisions of the ~~Banking (Corporate Governance) Regulations 2005~~ Financial Holding Companies

Number of Directors/ appointment of Directors

(Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022 (as modified from time to time) (the "~~Banking (Corporate Governance) Regulations~~Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations") and such other regulatory requirements as may be applicable to the Company.

28. Article 92

92. The Directors may from time to time, subject to regulatory consent, appoint one or more of their body to be the Chief Executive Officer or Chief Executive Officers (or other equivalent position) of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. Where an appointment is for a fixed term such term shall not exceed five years.

Appointment of
Chief Executive
Officer

29. Article 96

96. The office of a Director shall be vacated in any of the following events, namely:-

When office of
Director to be
vacated

- (a) if he shall become prohibited by law from acting as a Director or if the Company receives a directive from the MAS to remove the Director from office; or
- (b) if he shall become disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds; or
- (c) if he shall become disqualified from acting as a director under the provisions of the Statutes (including the Financial Holding Companies Act, unless regulatory consent has been obtained); or
- (ed) if (not being a Director holding any executive office for a fixed term) he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer; or
- (de) if he shall have a bankruptcy order made against him or if he shall make any arrangement or composition with his creditors generally; or
- (ef) if he becomes mentally disordered and incapable of managing himself or his affairs or if in Singapore or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or

(f) if he is removed by the Company in General Meeting pursuant to this Constitution.

30. **Article 99(b)**

99. The Company at the meeting at which a Director retires under any provision of this Constitution may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

Filling vacated office

(b) where such Director is disqualified under the Companies Act and/or the ~~Monetary Authority of Singapore~~ Financial Holding Companies Act, Chapter 486 from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected; or

31. **Article 104(A)**

104. (A) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (other than another Director) to be his Alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved, and subject to obtaining the MAS' approval for such appointment, whichever is the later. A person shall not act as Alternate Director to more than one Director at the same time.

Appointment of Alternate Directors

32. **Article 110(A)**

110. (A) ~~The~~ Subject to the Financial Holding Companies Act and the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations, the Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

Chairman and Deputy Chairman

33. **Article 112**

112. The Directors shall establish committees comprising such members of their body and having such functions and responsibilities as may be

Power to appoint committees

prescribed under the ~~Banking (Corporate Governance) Regulations~~Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations. Subject to the foregoing, the Directors shall have the power to delegate any of their powers or discretion to such other committees consisting of one or more members of their body as the Directors shall deem fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors and (if required) the provisions of the ~~Banking (Corporate Governance) Regulations~~Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations and such other regulatory requirements as may be applicable to the Company.

34. Article 113

113. The meetings and proceedings of any such committee consisting of two or more members shall be governed *mutatis mutandis* by the provisions of this Constitution regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article or such provisions of the ~~Banking (Corporate Governance) Regulations~~Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations and such other regulatory requirements as may be applicable to the Company.

Proceedings at
committee
meetings

35. Article 136(D)

(D) The Directors may, on any occasion when they resolve as provided in Article 136(A), further determine that:

Eligibility

(a) no allotment of shares or rights of election for shares under Article 136(A) shall be made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared; and

(b) no allotment of shares or rights of election for shares under Article 136(A) shall be made available or made to any person, or any person and his associates (as defined in the Financial Holding Companies Act), if such allotment or rights of election would in the opinion of the Directors cause such person, or such person and his associates, to hold, have an interest in, or control voting shares in excess of any of the Prescribed Limits, without the approval of the MAS.

36. **Article 141(A)**

141. (A) The Directors may, with the sanction of an Ordinary Resolution of the Company, including any Ordinary Resolution passed pursuant to Article 12(B) (but subject to Article 7(C) and the Statutes):-

Power to issue free
bonus shares
and/or to
capitalise reserves

(a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided);
or

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 12(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

(b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided);
or

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 12(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

APPENDIX VI

EXTRACT OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GEH GROUP FOR FY24

CONSOLIDATED PROFIT OR LOSS STATEMENT

For the financial year ended 31 December 2024

in Singapore Dollars (millions)	Note	2024	2023
Insurance revenue	4	6,903.3	6,259.9
Insurance service expenses	6	(5,997.5)	(5,050.5)
Net expenses from reinsurance contracts held		(20.6)	(634.6)
Insurance service result		885.2	574.8
Interest revenue on			
Financial assets not measured at FVTPL		698.3	718.8
Financial assets measured at FVTPL		1,723.1	1,664.8
Other investment revenue		4,096.5	3,497.1
Decrease/(increase) in provision for impairment of financial assets		1.1	(13.6)
Change in third-party interests in consolidated investment funds		(0.6)	(1.2)
Net investment income	5	6,518.4	5,865.9
Finance expenses from insurance contracts issued	5	(5,837.3)	(5,253.8)
Finance income from reinsurance contracts held	5	30.8	14.6
Net insurance financial result		(5,806.5)	(5,239.2)
Net insurance and investment result		1,597.1	1,201.5
Fees and other income		33.0	19.0
Finance costs		(16.2)	–
Other expenses	6	(111.5)	(150.0)
Other income and expenses		(94.7)	(131.0)
Profit before income tax		1,502.4	1,070.5
Income tax expense	7	(479.4)	(281.3)
Profit after income tax		1,023.0	789.2
Attributable to:			
Shareholders	8	995.3	774.6
Non-controlling interests		27.7	14.6
		1,023.0	789.2
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)	8	\$2.10	\$1.64

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

in Singapore Dollars (millions)	Note	2024	2023
Profit after income tax for the year		1,023.0	789.2
Other comprehensive income/(loss):			
Items that will not be reclassified to the Profit or Loss Statement:			
Exchange differences arising on translation of overseas entities attributable to non-controlling interests		0.5	(0.8)
Revaluation gain on equity instruments at fair value through other comprehensive income		267.9	68.4
Income tax related to the above		(45.0)	(11.6)
Items that may be reclassified subsequently to the Profit or Loss Statement:			
Exchange differences arising on translation of overseas entities		75.6	(70.5)
Debt instruments at fair value through other comprehensive income:			
Changes in fair value		(20.7)	352.0
Changes in allowance for expected credit losses	5	(10.0)	1.2
Reclassification of realised loss on disposal of investments to the Profit or Loss Statement		10.5	50.6
Net insurance financial result:			
Finance (expenses)/income from insurance contracts issued	5	(85.0)	64.7
Finance expenses from reinsurance contracts held	5	(0.4)	(19.4)
Income tax related to the above		14.3	(74.6)
Other comprehensive income for the year, after tax		207.7	360.0
Total comprehensive income for the year		1,230.7	1,149.2
Total comprehensive income attributable to:			
Shareholders		1,202.5	1,135.4
Non-controlling interests		28.2	13.8
		1,230.7	1,149.2

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 December 2024

in Singapore Dollars (millions)	Note	Group		Company	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Share capital	9	152.7	152.7	152.7	152.7
Reserves					
Other reserves	10	(577.8)	(721.4)	419.2	419.2
Retained earnings		9,110.8	8,454.2	4,053.9	2,851.7
SHAREHOLDERS' EQUITY		8,685.7	7,885.5	4,625.8	3,423.6
NON-CONTROLLING INTERESTS		98.4	103.5	–	–
TOTAL EQUITY		8,784.1	7,989.0	4,625.8	3,423.6
LIABILITIES					
Other creditors	11	1,380.7	1,912.5	10.1	9.3
Income tax payable		220.9	164.6	–	–
Derivative financial liabilities	18	726.8	179.7	–	–
Provision for agents' retirement benefits	13	343.4	297.6	–	–
Deferred tax liabilities	7	490.8	268.7	–	–
Borrowings	12	521.7	–	–	–
Reinsurance contract liabilities	14	178.1	220.1	–	–
Insurance contract liabilities	14	101,262.4	98,001.6	–	–
TOTAL LIABILITIES		105,124.8	101,044.8	10.1	9.3
TOTAL EQUITY AND LIABILITIES		113,908.9	109,033.8	4,635.9	3,432.9
ASSETS					
Cash and cash equivalents		4,398.9	6,302.9	33.6	25.7
Other debtors	15	1,486.9	1,111.5	–	–
Amount due from subsidiaries	16	–	–	3,602.1	2,380.1
Loans	17	1,336.1	511.0	–	–
Derivative financial assets	18	370.8	963.9	–	–
Investments	19	102,319.6	96,535.6	–	–
Income tax recoverable		24.9	–	–	–
Deferred tax assets	7	12.2	16.6	–	–
Reinsurance contract assets	14	1,107.6	868.7	–	–
Insurance contract assets	14	102.9	39.6	–	–
Investment in associate	20	68.3	95.1	–	–
Investment in subsidiaries	21	–	–	1,000.2	1,027.1
Intangible assets	23	232.1	212.5	–	–
Investment properties	24	1,938.8	1,880.7	–	–
Property, plant and equipment	25	509.8	495.7	–	–
TOTAL ASSETS		113,908.9	109,033.8	4,635.9	3,432.9

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY – GROUP

For the financial year ended 31 December 2024

		Attributable to shareholders of the Company								
			Other reserves							
in Singapore Dollars (millions)	Note	Share Capital	Currency Translation Reserve	Fair Value Reserve	Insurance Finance Reserve	Total Other Reserves	Retained Earnings	Total	Non-Controlling Interests	Total Equity
Balance at 1 January 2024		152.7	(144.6)	(525.1)	(51.7)	(721.4)	8,454.2	7,885.5	103.5	7,989.0
Profit for the year		-	-	-	-	-	995.3	995.3	27.7	1,023.0
Other comprehensive income/ (loss) for the year		-	75.6	207.5	(75.9)	207.2	-	207.2	0.5	207.7
Total comprehensive income/(loss) for the year		-	75.6	207.5	(75.9)	207.2	995.3	1,202.5	28.2	1,230.7
Reclassification of net change in fair value of equity instruments upon derecognition	19	-	-	(63.6)	-	(63.6)	63.6	-	-	-
Distributions to shareholders										
Dividends paid during the year:										
Final one-tier tax exempt dividend for the previous year	32	-	-	-	-	-	(189.3)	(189.3)	-	(189.3)
Interim one-tier tax exempt dividend	32	-	-	-	-	-	(213.0)	(213.0)	-	(213.0)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(33.3)	(33.3)
Total distributions to shareholders		-	-	-	-	-	(402.3)	(402.3)	(33.3)	(435.6)
Total transactions with shareholders in their capacity as shareholders		-	-	-	-	-	(402.3)	(402.3)	(33.3)	(435.6)
Balance at 31 December 2024		152.7	(69.0)	(381.2)	(127.6)	(577.8)	9,110.8	8,685.7	98.4	8,784.1

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY – GROUP

For the financial year ended 31 December 2024

		Attributable to shareholders of the Company								
		Other reserves								
		Share Capital	Currency Translation Reserve	Fair Value Reserve	Insurance Finance Reserve	Total Other Reserves	Retained Earnings	Total	Non-Controlling Interests	Total Equity
in Singapore Dollars (millions)	Note									
Balance at 1 January 2023		152.7	(74.1)	(922.1)	(88.5)	(1,084.7)	8,108.1	7,176.1	99.2	7,275.3
Profit for the year		-	-	-	-	-	774.6	774.6	14.6	789.2
Other comprehensive (loss)/income for the year		-	(70.5)	394.5	36.8	360.8	-	360.8	(0.8)	360.0
Total comprehensive (loss)/income for the year		-	(70.5)	394.5	36.8	360.8	774.6	1,135.4	13.8	1,149.2
Reclassification of net change in fair value of equity instruments upon derecognition	19	-	-	2.5	-	2.5	(2.5)	-	-	-
Distributions to shareholders										
Dividends paid during the year:										
Final one-tier tax exempt dividend for the previous year	32	-	-	-	-	-	(260.3)	(260.3)	-	(260.3)
Interim one-tier tax exempt dividend	32	-	-	-	-	-	(165.7)	(165.7)	-	(165.7)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(9.5)	(9.5)
Total distributions to shareholders		-	-	-	-	-	(426.0)	(426.0)	(9.5)	(435.5)
Total transactions with shareholders in their capacity as shareholders		-	-	-	-	-	(426.0)	(426.0)	(9.5)	(435.5)
Balance at 31 December 2023		152.7	(144.6)	(525.1)	(51.7)	(721.4)	8,454.2	7,885.5	103.5	7,989.0

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY – COMPANY

For the financial year ended 31 December 2024

in Singapore Dollars (millions)	Note	Share Capital	Merger Reserve	Retained Earnings	Total Equity
Balance at 1 January 2024		152.7	419.2	2,851.7	3,423.6
Profit for the year		-	-	1,604.5	1,604.5
Total comprehensive income for the year		-	-	1,604.5	1,604.5
Distributions to shareholders					
Dividends paid during the year:					
Final one-tier tax exempt dividend for the previous year	32	-	-	(189.3)	(189.3)
Interim one-tier tax exempt dividend	32	-	-	(213.0)	(213.0)
Total distributions to shareholders		-	-	(402.3)	(402.3)
Total transactions with shareholders in their capacity as shareholders		-	-	(402.3)	(402.3)
Balance at 31 December 2024		152.7	419.2	4,053.9	4,625.8
Balance at 1 January 2023		152.7	419.2	2,962.5	3,534.4
Profit for the year		-	-	315.2	315.2
Total comprehensive income for the year		-	-	315.2	315.2
Distributions to shareholders					
Dividends paid during the year:					
Final one-tier tax exempt dividend for the previous year	32	-	-	(260.3)	(260.3)
Interim one-tier tax exempt dividend	32	-	-	(165.7)	(165.7)
Total distributions to shareholders		-	-	(426.0)	(426.0)
Total transactions with shareholders in their capacity as shareholders		-	-	(426.0)	(426.0)
Balance at 31 December 2023		152.7	419.2	2,851.7	3,423.6

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

in Singapore Dollars (millions)	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		1,502.4	1,070.5
<i>Adjustments for non-cash items:</i>			
Gain on sale of investments and changes in fair value		(3,141.7)	(2,960.6)
(Decrease)/increase in provision for impairment of assets	5	(1.1)	13.6
Increase in provision for agents' retirement benefits	6	65.1	44.0
Gain on sale of investment properties and changes in fair value	5	(34.0)	(36.3)
Depreciation and amortisation expenses	6	87.8	87.8
(Gain)/loss on exchange differences	5	(189.7)	77.2
Dividend income	5	(707.2)	(618.0)
Interest income	5	(2,421.4)	(2,383.6)
Finance costs		16.2	–
Interest expense on lease liabilities	6	1.6	1.6
Changes in fair value of associates	5	32.0	27.4
		(4,790.0)	(4,676.4)
Changes in working capital:			
Other debtors		(140.3)	(288.9)
Other creditors		(176.3)	411.3
Insurance and reinsurance contract assets/liabilities		2,935.6	3,797.7
Cash used in operations		(2,171.0)	(756.3)
Income tax paid		(274.7)	(241.4)
Interest paid on lease liabilities		(1.6)	(1.6)
Agents' retirement benefits paid	13	(39.8)	(23.5)
Net cash flows used in operating activities		(2,487.1)	(1,022.8)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

in Singapore Dollars (millions)	Note	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturities and sale of investments		52,921.3	45,124.5
Purchase of investments		(55,422.6)	(49,894.6)
Proceeds from sale of property, plant and equipment and intangible assets		1.3	0.2
Proceeds from sale of investment property		-	92.6
Purchase of property, plant and equipment and investment properties	24, 25	(59.6)	(36.1)
Acquisition of intangible assets	23	(61.7)	(57.6)
Interest income received		2,429.2	2,318.1
Dividends received		713.0	619.5
Net cash flows provided by/(used in) investing activities		520.9	(1,833.4)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	32	(402.3)	(426.0)
Dividends paid to non-controlling interests		(33.3)	(9.5)
Principal element of lease payments		(12.0)	(13.3)
Finance costs paid		(11.9)	-
Proceeds from borrowings		521.7	-
Net cash flows provided by/(used in) financing activities		62.2	(448.8)
Net decrease in cash and cash equivalents		(1,904.0)	(3,305.0)
Cash and cash equivalents at the beginning of the year		6,302.9	9,607.9
Cash and cash equivalents at the end of the year		4,398.9	6,302.9
Cash and cash equivalents comprise:			
Cash and bank balances		1,607.4	1,815.9
Cash on deposit		1,608.9	2,579.6
Short term instruments		1,182.6	1,907.4
		4,398.9	6,302.9

Included in the cash and cash equivalents are bank deposits amounting to \$3.5 million (31 December 2023: \$3.2 million) which are lodged with the regulator as statutory deposits, which are not available for use by the Group.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

1 GENERAL

Great Eastern Holdings Limited (the “Company” or “GEH”) is a limited liability company which is incorporated and domiciled in the Republic of Singapore. The notes refer to the Company and the Group unless otherwise stated. The registered office and principal place of business of the Company is located at 1 Pickering Street, #16-01, Great Eastern Centre, Singapore 048659.

The principal activity of the Company is that of an investment holding company. The principal activities of the significant subsidiaries within the Group are stated in Note 3. There have been no significant changes in the nature of these activities during the financial year.

The Company’s immediate and ultimate holding company is Oversea-Chinese Banking Corporation Limited (“OCBC”), which prepares financial statements for public use.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) and SFRS(I) Interpretations as issued by the Accounting Standards Council. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or \$) and all values are rounded to the nearest \$0.1 million except as otherwise stated.

2.2 Changes in Accounting Policies

2.2.1 New Standards and Amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual financial periods beginning on or after 1 January 2024.

SFRS(I)	Title	Effective date (Annual periods beginning on or after)
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 16	Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback	1 January 2024
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants	1 January 2024
SFRS(I) 1-7, SFRS(I) 7	Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangement	1 January 2024

The adoption of the new standards did not have any material impact on the financial performance or position of the Group and the Company.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2.2 SFRS(I) not yet effective

The Group and the Company have not applied the following SFRS(I) that have been issued but which are not yet effective:

SFRS(I)	Title	Effective date (Annual periods beginning on or after)
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Various	Annual Improvements to SFRS(I)s—Volume 11	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Directors expect that the adoption of the new standards above will not have any material impact on the financial statements in the year of initial application.

2.3 Basis of Consolidation and Business Combinations

2.3.1 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances. A list of the Company's significant subsidiaries is shown in Note 3.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.3 Basis of Consolidation and Business Combinations (continued)

2.3.1 Basis of Consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in profit or loss.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.18. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.4 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses, if any.

2.5 Structured Entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control and is generally established for a narrow and well-defined objective.

For the purpose of disclosure, the Group would be considered to sponsor a structured entity if it has a key role in establishing the structured entity or its name appears in the overall structure of the structured entity.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.6 Associates

Associates are entities over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investment in associates using the equity method from the date on which it becomes an associate. If the investment in an associate is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the Group may elect to measure that investment at fair value through profit or loss in accordance with SFRS(I) 9. The Group will make this election separately for each associate, at initial recognition of the associate.

On acquisition of the investment, an excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, investments in associates are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in an associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and the respective carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures the retained investment at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

2.7 Transactions with Non-Controlling Interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to shareholders of the Company, and is presented separately in the Consolidated Profit or Loss Statement, Consolidated Statement of Comprehensive Income and within equity in the Consolidated Balance Sheet, separately from Shareholders' Equity. An exception to this occurs when non-controlling interests arise through minority unit holders' interest in consolidated investment funds, when they are recognised as a liability, reflecting the net assets of the consolidated entity. These interests qualify as a financial liability as they give the holder the right to put the instrument back to the issuer for cash. Changes in these liabilities are recognised in the Consolidated Profit or Loss Statement as expenses.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.7 Transactions with Non-Controlling Interests (continued)

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

2.8 Foreign Currency Conversion and Translation

2.8.1 Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's consolidated financial statements are presented in Singapore Dollars, which is also the Company's functional and presentation currency.

2.8.2 Transactions and Balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the Profit or Loss Statement except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation. Exchange differences on non-monetary items such as equity investments classified as fair value through other comprehensive income is included in the fair value reserve in equity.

2.8.3 Consolidated Financial Statements

For consolidation purposes, the assets and liabilities of foreign operations are translated into Singapore Dollars at the rate of exchange ruling at the end of the reporting period. The Profit or Loss Statement is translated at the exchange rates prevailing at the dates of the transactions. The exchange differences arising from the translation are recognised in the Statement of Comprehensive Income as foreign currency translation reserve.

On disposal of a foreign operation, the cumulative amount of exchange differences recognised in other comprehensive income relating to that particular foreign operation is recognised in the Profit or Loss Statement as gain or loss on disposal of the operation.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences is re-attributed to non-controlling interest and is not recognised in Profit or Loss Statement. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the Profit or Loss Statement.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts

2.9.1 Definition and Classification

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance contracts may be issued and reinsurance contracts may be initiated by the Group, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued, initiated or acquired by the Group, unless otherwise stated.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts, and they follow financial instruments accounting under SFRS(I) 9. The Group does not have any contracts that fall under this category.

Contracts are subject to different requirements depending on whether they are classified as direct participating contracts or contracts without direct participation features. Insurance contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which the Group promises an investment return based on underlying items; they are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Direct participating contracts issued by the Group are contracts with direct participation features where the Group holds the pool of underlying assets and accounts for these group of contracts under the Variable Fee Approach ("VFA"). The VFA modifies the accounting model in SFRS(I) 17 to reflect that the consideration that the Group receives for the contracts is a variable fee.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the Premium Allocation Approach ("PAA") model (see Note 2.9.7). The PAA is an optional simplified measurement model in SFRS(I) 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria. This approach is used for insurance contracts which have a coverage period of one year or less, or where the PAA provides a measurement that is not materially different from that under the General Measurement Model ("GMM").

2.9.2 Separating Components from Insurance and Reinsurance Contracts

The Group assesses its insurance and reinsurance contracts to determine whether they contain components which must be accounted for under another SFRS(I) rather than SFRS(I) 17 (distinct non insurance components). After separating any distinct components, the Group applies SFRS(I) 17 to all remaining components of the (host) insurance contract. Currently, the Group's contracts do not include distinct components that require separation.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.2 Separating Components from Insurance and Reinsurance Contracts (continued)

Some life contracts issued by the Group include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component in SFRS(I) 17. SFRS(I) 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance service expenses. The surrender options are considered non-distinct investment components as the Group is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

For premium refund or experience refund components which are not subject to any conditions in the contracts, these have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

2.9.3 Level of Aggregation

2.9.3.1 Insurance contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into quarterly cohorts (by quarter of issuance) for life insurance or into annual cohorts (by year of issuance) for non-life insurance, into three groups based on the expected profitability of the contracts:

- (i) contracts that are onerous at initial recognition;
- (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- (iii) remaining group of contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. The profitability groupings are not reassessed under subsequent remeasurement.

Level of aggregation is also affected by law or regulation which specifically constrains the Group's practical ability to set a different price or level of benefits for policyholders with different characteristics.

The Group broadly groups its insurance contracts by how the contracts are managed, product type, currency, measurement model and insurance risks. For life insurance contracts, sets of contracts usually correspond to pricing risk groups that the Group determines to have similar insurance risk and that are priced together by assessing the profitability of a best estimate pool of contracts on the same basis. The Group determines the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming more onerous at the level of these pricing groups, with no information available at a more granular level. This level of granularity determines sets of contracts.

For non-life insurance contracts, sets of contracts usually correspond to the risk class or product type.

Non-life insurance contracts are measured under the PAA model (see Note 2.9.7). An assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at the product type level.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.3 Level of Aggregation (continued)

2.9.3.2 Reinsurance contracts

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts into quarterly cohorts (by quarter of issuance) for life reinsurance treaties or into annual cohorts (by year of issuance) for non-life reinsurance contracts into groups of:

- (i) contracts for which there is a net gain at initial recognition, if any;
- (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual reinsurance treaty basis.

2.9.4 Recognition

A group of insurance contracts issued by the Group is recognised from the earliest of:

- the beginning of its coverage period (i.e. the period during which the Group provides services in respect of any premiums within the contract boundary (see Note 2.9.5));
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- when facts and circumstances indicate that the contract is onerous.

The Group recognises a group of reinsurance contracts held 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 in the group of reinsurance contracts held at or before that date.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Composition of the groups is not reassessed in subsequent periods.

2.9.5 Contract Boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within an insurance contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group 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
- Both of the following criteria are satisfied:
 - The Group 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.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.5 Contract Boundary (continued)

Fulfilment cash flows outside the insurance contract boundary are not recognised. Such amounts relate to future insurance contracts.

For life insurance contracts with renewal periods, the Group assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by the Group by considering all the risks covered for the policyholder by the Group, that the Group would consider when underwriting equivalent contracts on the renewal dates for the remaining service. Therefore, the cash flows related to renewals of insurance contracts will not be included in the contract boundary.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer. A substantive right to receive services from the reinsurer ends either when the reinsurer can reprice the contract to fully reflect the reinsured risk, or when the reinsurer has a substantive right to terminate coverage.

The Group reassesses contract boundary of each group at the end of each reporting period.

2.9.6 Measurement

2.9.6.1 Measurement – contracts not measured under the PAA

On initial recognition, the Group measures a group of insurance contracts as the total of (a) the fulfilment cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the Contractual Service Margin (“CSM”) (see Note 2.9.6.3). The fulfilment cash flows of a group of insurance contracts do not incorporate the Group’s non-performance risk.

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 2.26.

On initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts – Loss component section in Note 2.9.6.4 below).

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.6 Measurement (continued)

2.9.6.2 Fulfilment Cash Flows ("FCF")

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- (a) are based on a probability-weighted mean of the full range of possible outcomes;
- (b) are determined from the perspective of the Group, provided that the estimates are consistent with observable market prices for market variables; and
- (c) reflect conditions existing at the measurement date.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgment and estimation. Refer to Note 2.26(a).

2.9.6.3 Contractual Service Margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:

- (a) the initial recognition of the FCF;
- (b) cash flows arising from the contracts in the group at that date;
- (c) the derecognition of any insurance acquisition cash flows asset; and
- (d) the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

- (a) the initial recognition of the FCF;
- (b) cash flows arising from the contracts in the group at that date;
- (c) the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
- (d) any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.6 Measurement (continued)

2.9.6.4 Subsequent Measurement – contracts not measured under the PAA

Subsequently, 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 (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The LIC includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

- The FCF of groups of contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in FCF are recognised as follows:

Changes relating to future service	Adjusted against CSM (or recognised in the insurance service result in profit or loss if the group is onerous).
Changes relating to current or past services	Recognised in the insurance service result in profit or loss.
Effects of the time value of money, financial risk and changes therein on estimated cash flows	Recognised as insurance finance income or expenses in profit or loss, except for certain portfolios measured using the GMM where the Other Comprehensive Income (“OCI”) option is applied.

- The CSM is adjusted subsequently only for changes in FCF that relate to future services and other specified amounts and is recognised in profit or loss as services are provided. The CSM at each reporting date represents the profit in the group of contracts that has not yet been recognised in profit or loss because it relates to future services.

The Group reports its financial results on a quarterly basis. The Group has elected to treat every quarter as a discrete interim reporting period, and estimates made by the Group in previous interim financial results are not changed when applying SFRS(I) 17 in subsequent interim periods or in the annual financial statements.

Onerous contracts – Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

- expected incurred claims and other directly attributable expenses for the period;
- changes in the risk adjustment for non-financial risk for the risk expired; and
- finance income/(expenses) from insurance contracts issued.

The amounts of the loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.6 Measurement (continued)

2.9.6.5 Reinsurance Contracts

The Group will apply the same accounting policies to measure a group of reinsurance contracts, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage ("ARC") and the asset for incurred claims ("AIC"). The ARC comprises (a) the FCF that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

The Group will measure the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

The risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance income or expenses as it receives insurance contract services from the reinsurer in the future.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

2.9.6.6 Insurance Acquisition Cash Flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. If insurance acquisition cash flows are directly attributable to a group of contracts, then they are allocated to that group.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated to that group; and to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

The insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and tested for recoverability, whereas other insurance acquisition cash flows are included in the estimates of the present value of future cash flows as part of the measurement of the related insurance contracts.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.6 Measurement (continued)

2.9.6.6 Insurance Acquisition Cash Flows (continued)

The Group assesses at each reporting date whether facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Group:

- (a) recognises an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
- (b) if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Group reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions no longer exist or have improved.

2.9.7 Measurement – contracts measured under the PAA

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows. The LRC is discounted to reflect the time value of money and the effect of financial risk.

The Group estimates the LIC as the fulfilment cash flows related to incurred claims. The FCF incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group, and include an explicit adjustment for non-financial risk (the risk adjustment). The Group adjusts the future cash flows for the time value of money and the effect of financial risk for the measurement of LIC, unless when they are expected to be paid within one year or less from the date of which the claims are incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the FCF. A loss component is established by the Group for the LRC for such onerous group depicting the losses recognised.

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid net of commission, plus broker fees paid to a party other than the reinsurer.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of the LRC and the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of the ARC and the AIC, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- (a) increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
- (b) decreased for insurance acquisition cash flows paid in the period;
- (c) decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period;
- (d) increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses; and
- (e) increased for net insurance finance expenses recognised during the period.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.7 Measurement – contracts measured under the PAA (continued)

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- (a) increased for ceding premiums, net of commission, paid in the period;
- (b) increased for broker fees paid in the period;
- (c) decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period; and
- (d) increased for net reinsurance finance income recognised during the period.

2.9.8 Derecognition and Contract Modification

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria discussed below are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- (a) if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
 - (i) is not within the scope of SFRS(I) 17;
 - (ii) results in different separable components;
 - (iii) results in a different contract boundary; or
 - (iv) belongs to a different group of contracts;
- (b) the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
- (c) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When a new contract is required to be recognised as a result of modification and it is within the scope of SFRS(I) 17, the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification, including the VFA eligibility and component separation requirements (see Note 2.9.2) and contract aggregation requirements (see Note 2.9.3).

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

- (a) adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group;

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.8 Derecognition and Contract Modification (continued)

- (b) adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:
 - (i) if the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service;
 - (ii) if the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party; or
 - (iii) if the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium that the Group would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification; when recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received; and
- (c) adjusts the number of coverage units for the expected remaining insurance contract services, to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

- (a) if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
- (b) if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
- (c) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

2.9.9 Presentation and Disclosure

For presentation in the balance sheet, the Group aggregates portfolios of insurance contracts issued and reinsurance contracts held and presents separately:

- Portfolios of insurance contracts issued that are assets;
- Portfolios of reinsurance contracts held that are assets;
- Portfolios of insurance contracts issued that are liabilities; and
- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the SFRS(I) 17 requirements.

In the Consolidated Profit or Loss statement, the following are presented separately:

- Insurance revenue;
- Insurance service expense;
- Insurance finance income or expense; and
- Income or expenses from reinsurance contracts held.

The Group provides disaggregated qualitative and quantitative information in the notes to the financial statements about:

- The amounts recognised in its financial statements from insurance contracts and reinsurance contracts; and
- Significant judgments, and changes in those judgments made when applying the standard.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.9 Insurance and Reinsurance Contracts (continued)

2.9.10 Transition

The Group's transition approaches applied at the date of transition to SFRS(I) 17 on 1 January 2022 continue to impact a significant part of how the CSM balance as at 31 December 2024 and 31 December 2023 has been determined. The accounting policies for how the CSM on the date of transition was determined for groups measured applying the modified retrospective approach and the fair value approach are summarised as follows:

Modified Retrospective Approach

The modified retrospective approach was applied to certain groups of insurance contracts that were originated less than 10 years prior to the transition date.

The Group has used the following procedures to determine the CSM at initial recognition for these contracts:

- Estimated future cash flows at the date of initial recognition as the amount of the future cash flows at the transition date, adjusted by the cash flows that have occurred between the date of initial recognition and the transition date. The cash flows that are known to have occurred include cash flows resulting from contracts that ceased to exist before the transition date;
- Estimated historical discount rates applied to cash flows in the period prior to 2012 using an observable market interest curve for that period, adjusted by the spread between observable market yield curves and the yield curve used to determine current discount rates for the years between 1 January 2012 and 1 January 2022; and
- Estimated the risk adjustment for non-financial risk at the date of initial recognition by adjusting the risk adjustment at the transition date by the expected release of risk in the periods before the transition date. The expected release of risk was determined with reference to the release of risk for similar contracts that the Group has issued subsequent to the transition date.

The CSM at the transition date has been further determined by:

- Using the modified discount rates determined at initial recognition to accrete interest on the CSM; and
- Applying the amount of the CSM recognised in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at that date with the coverage units provided under the group of contracts before the transition date.

Fair Value Approach

The Group applied the fair value approach to the remaining insurance contracts. Under the fair value approach, the Group determined the CSM of the liability for remaining coverage ("LRC") at the date of transition, as the difference between the fair value of a group of insurance contracts, measured in accordance with SFRS(I) 13 Fair Value Measurement, and its fulfilment cash flows ("FCF") at that date.

The Group has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition.

For the application of the fair value approach, the Group has used reasonable and supportable information available at the transition date in order to:

- Identify groups of insurance contracts;
- Determine whether any contracts are direct participating insurance contracts; and
- Identify any discretionary cash flows for insurance contracts without direct participation features.

The discount rate for the group of contracts inception after 2012 applying the fair value approach was determined based on the inception year discount rate. Whereas, the discount rate for the group of contracts inception before 2012 applying the fair value approach was determined on transition date.

The discount rate used for accretion of interest on the CSM is determined using the bottom-up approach at inception.

The Group used the income approach to determine the fair value amount used for establishing the insurance contract liabilities at the transition date.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense

2.10.1 Insurance Service Result from Insurance Contracts Issued

Insurance revenue

As the Group provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

- Amounts relating to the changes in the LRC:
 - (a) expected claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
 - amounts allocated to the loss component;
 - repayments of investment components and policyholder rights to withdraw an amount;
 - amounts of transaction-based taxes collected in a fiduciary capacity;
 - insurance acquisition expenses; and
 - amounts related to the risk adjustment for non-financial risk (see (b));
 - (b) changes in the risk adjustment for non-financial risk, excluding:
 - changes included in insurance finance income/(expenses);
 - changes that relate to future coverage (which adjust the CSM); and
 - amounts allocated to the loss component;
 - (c) amounts of the CSM recognised for the services provided in the period;
 - (d) experience adjustments – arising from premiums received in the period other than those that relate to future service; and
 - (e) other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows in a systematic way on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, the Group recognises revenue based on the passage of time over the coverage period of a group of contracts.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense (continued)

2.10.1 Insurance Service Result from Insurance Contracts Issued (continued)

Insurance service expenses

Insurance service expenses include the following:

- (a) incurred claims and benefits, excluding investment components reduced by loss component allocations;
- (b) other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- (c) insurance acquisition cash flows amortisation;
- (d) changes that relate to past service – changes in the FCF relating to the LIC;
- (e) changes that relate to future service – changes in the FCF that results in onerous contract losses or reversals of those losses; and
- (f) insurance acquisition cash flows assets impairment.

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses based on the passage of time.

Other expenses not meeting the above categories are included in other expenses in the consolidated statement of profit or loss.

2.10.2 Insurance Service Result from Reinsurance Contracts Held

Net income/(expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income/(expenses) from reinsurance contracts held, comprising the following amounts:

- (a) reinsurance expenses;
- (b) for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- (c) incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
- (d) other incurred directly attributable expenses;
- (e) changes that relate to past service – changes in the FCF relating to incurred claims recovery; and
- (f) amounts relating to accounting for onerous groups of underlying insurance contracts issued:
 - i. income on initial recognition of onerous underlying contracts;
 - ii. reinsurance contracts held under the GMM: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and
 - iii. reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. Additionally, for reinsurance contracts held measured under the PAA, broker fees are included in reinsurance expenses.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense (continued)

2.10.2 Insurance Service Result from Reinsurance Contracts Held (continued)

Net income/(expenses) from reinsurance contracts held (continued)

For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

- (a) claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
 - amounts allocated to the loss-recovery component;
 - repayments of investment components; and
 - amounts related to the risk adjustment for non-financial risk (see (b));
- (b) changes in the risk adjustment for non-financial risk, excluding:
 - changes included in finance income/(expenses) from reinsurance contracts held;
 - changes that relate to future coverage (which adjust the CSM); and
 - amounts allocated to the loss-recovery component;
- (c) amounts of the CSM recognised for the services received in the period; and
- (d) experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

2.10.3 Insurance Finance Income or Expenses

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.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

- (a) interest accreted on the FCF and the CSM;
- (b) the effect of changes in interest rates and other financial assumptions; and
- (c) foreign exchange differences.

For contracts measured under the VFA, insurance finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

- (a) interest accreted on the FCF; and
- (b) the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service results and insurance finance income or expenses for life insurance. For non-life insurance, the entire change in the risk adjustment for non-financial risk is included in insurance service results.

For life and non-life insurance contracts, the Group includes all insurance finance income or expenses for the period in profit or loss, except for certain portfolios measured using the GMM where the OCI option is applied. This is expected to reduce accounting mismatches in profit or loss, considering that many of the supporting financial assets will be debt investments measured at fair value through other comprehensive income ("FVOCI").

The Group systematically allocates expected total insurance finance income or expenses over the duration of the group of contracts to profit or loss using discount rates determined on initial recognition of the group of contracts.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense (continued)

2.10.3 Insurance Finance Income or Expenses (continued)

In the event of transfer of a group of insurance contracts or derecognition of an insurance contract, the Group reclassifies the insurance finance income or expenses to profit or loss as a reclassification adjustment to any remaining amounts for the group (or contract) that were previously recognised in other comprehensive income.

The groups of insurance contracts, including the CSM, that generate cash flows in a foreign currency are treated as monetary items.

2.10.4 Interest Revenue

Interest revenue is recognised using the effective interest method.

2.10.5 Other Investment Revenue

2.10.5.1 Dividend Income

Dividend income is recognised as investment income when the Group's right to receive the payment is established. Dividend income from the Company's subsidiaries is recognised when the dividend is declared payable.

2.10.5.2 Rental Income

Rental income from operating leases is recognised on a straight-line basis over the lease term. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

2.10.5.3 Gain/Loss on Sale of Investments

Gains or losses on sale of investments are derived from the difference between net sales proceeds and the purchase or amortised cost. They are recognised on trade date.

2.10.6 Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment test for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the Profit or Loss Statement.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the Profit or Loss Statement. Unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.10.7 Impairment of Financial Assets

The Group recognises loss allowances for expected credit losses ("ECL") on the following financial instruments that are not measured at FVTPL:

- (i) Debt instruments measured at FVOCI and amortised cost;
- (ii) Loans and receivables measured at amortised cost; and
- (iii) Loan commitments.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense (continued)

2.10.7 Impairment of Financial Assets (continued)

The Group assesses on a forward looking basis the ECL associated with its loans and debt instruments carried at amortised cost and FVOCI and its loan commitments. For trade receivables, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses. The Group recognises a loss allowance for ECL at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group measures loss allowances at an amount equal to lifetime ECL, except for financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL represents the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Note 30(h) provides more details on how the expected loss allowance is measured.

Not credit-impaired financial assets

For financial assets that are not credit-impaired at the reporting date, the ECL is the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Modified financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made whether the financial asset should be derecognised and ECL is measured as follows.

- If the expected modification will not result in derecognition of the existing asset then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected modification will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets measured at amortised cost and debt financial assets measured at FVOCI are credit-impaired. 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. The Group considers factors such as probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

For financial assets that are credit-impaired at the reporting date, the ECL is the difference between the gross carrying amount and the present value of estimated future cash flows.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense (continued)

2.10.8 Fees and Other Income

Fees and other income comprise mainly management and advisory fee income. Management and advisory fee income includes income earned from the provision of administration services, investment management services, surrenders and other contract fees. This fee income is recognised as revenue over the period in which the services are rendered. If the fees are for services to be provided in future periods, then they are deferred and recognised over those periods.

2.10.9 Employee Benefits

Defined Contribution Plans under Statutory Regulations

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore and Malaysia companies in the Group make contributions respectively to the Central Provident Fund and Employees' Provident Fund, which are defined contribution pension schemes. These contributions are recognised as an expense in the period in which the service is rendered.

Employee Leave Entitlements

An employee's entitlement to annual leave and long-service leave is estimated and accrued according to the Group's Human Resource policy.

Share Options

Senior executives of the Group are granted share options in the OCBC's Share Option Scheme as consideration for services rendered. Options granted are exercisable for up to 10 years. The options may be exercised after the first anniversary of the date of the grant, and generally vest in one-third increments over a 3-year period. The cost of these options are recognised as expense in the Profit or Loss Statement based on the fair value of the options at the date of the grant. The share options are cash-settled share-based payment transactions. The expense is recognised over the vesting period of the grant, with a corresponding increase in liabilities.

OCBC has ceased granting share options under the scheme effective from financial year 2018 remuneration. Share options granted in prior years continue to be outstanding until the options lapse or are exercised by the recipients. The share options have a validity period of 10 years from date of grant and will lapse immediately on the termination of employment or appointment, except in the event of retirement, redundancy, death, or where approved by OCBC's Remuneration Committee.

Deferred Share Plan

In addition to the OCBC's Share Option Scheme, certain employees within the Group are granted OCBC shares under the OCBC Deferred Share Plan ("DSP"). The deferred share awards are granted as part of variable performance bonus. Half of the share awards will vest two years from the grant date and the remaining half will vest at the end of three years from the grant date. The cost of the DSP is recognised in the Profit or Loss Statement on the straight-line basis over the vesting period of the DSP.

At each balance sheet date, the cumulative expense is adjusted for the estimated number of shares granted under the DSP that have vested and/or lapsed.

Employee Share Purchase Plan

The OCBC Employee Share Purchase Plan ("ESPP") was implemented for all employees of the participating companies in OCBC Group, including executive Directors.

The ESPP is a saving-based share ownership plan to help employees own ordinary shares in OCBC through their monthly contributions via deductions from payroll. The employees have the option to convert the contributions to ordinary shares after one year or to withdraw the contributions at any time. As a further incentive to employees to enrol in the ESPP, OCBC pays interest on the amounts saved at a preferential interest rate. The duration of the offering period is 24 months. The expense is recognised over the offering period of the plan, with a corresponding increase in liabilities.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.10 Recognition of Income and Expense (continued)

2.10.10 Leases

At 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.

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 at 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 incentives 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. The Group generally uses its incremental borrowing rate as the discount rate.

Subsequently, the right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. 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 'property, plant and equipment' and lease liabilities in 'other creditors' in the balance sheet.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease 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.

As Lessor

The Group classifies 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 included in 'rental income'.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.11 Taxes

2.11.1 Current Income Tax

Current income tax assets and liabilities for the current and prior periods 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 end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.11.2 Deferred Tax

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Exceptions include:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to taxable income in the year when the asset is realised or the liability is settled, based on tax rates (and applicable tax laws and jurisdictions) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.11 Taxes (continued)

2.11.2 Deferred Tax (continued)

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

2.11.3 Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits and short-term, highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

2.14 Financial Assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial asset. The Group determines the classification of its financial assets at initial recognition. At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs for financial assets carried at fair value through profit or loss are recognised as expense in the Profit or Loss Statement.

Classification

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.14 Financial Assets (continued)

Classification (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI only if it meets both of the following conditions and is not designated as measured at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity security that is not held for trading may, by irrevocable election, be designated as measured at FVOCI. This election is made on an investment-by-investment basis. The Group has designated certain equity securities held for strategic purposes as measured at FVOCI.

A financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI may, by irrevocable election, be designated as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Group has designated certain debt securities which are held with the intent to hold to collect contractual cash flows and sell as measured at FVTPL.

All other financial assets are classified as measured at FVTPL.

Business model assessment

The Group assesses the objective of the business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed, and whose performance is evaluated on a fair value basis, are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

The business model assessment is based on reasonably expected scenarios without taking "worst case" or "stress case" scenarios into account. If the cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.14 Financial Assets (continued)

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers the following key aspects:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;
- Terms that limit the Group's claim to cash flows from specified assets; and
- Features that modify consideration of the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Subsequent measurement

2.14.1 Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

- (i) **Amortised cost**
Debt instruments that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest method. Interest revenue, foreign exchange gains and losses and impairment are recognised in profit or loss. Gains or losses are also recognised in profit or loss when the assets are derecognised.
- (ii) **Fair value through other comprehensive income (FVOCI)**
Debt instruments that are held for collection of contractual cash flows and for sale, where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Any gains or losses from changes in fair value are recognised in other comprehensive income and accumulated in fair value reserve. Impairment, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss when the financial asset is derecognised.
- (iii) **Fair value through profit or loss (FVTPL)**
Debt instruments that do not meet the criteria for classification as amortised cost or FVOCI are measured at FVTPL. Any gains or losses from changes in fair value and interest are recognised in profit or loss.

2.14.2 Equity Instruments

The Group subsequently measures all equity instruments at fair value. On initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Equity instruments are not subjected to impairment. Dividends, when representing a return from such investments are to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in fair value of equity instruments at FVTPL are recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.14 Financial Assets (continued)

2.14.3 Derivatives and Hedging Activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated. The Group has not adopted hedge accounting.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or has been transferred such that substantially all of the risks and rewards of ownership of the financial asset are transferred.

On derecognition of a financial asset, except for equity securities measured at FVOCI, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in Profit or Loss Statement.

On derecognition of equity securities measured at FVOCI, any cumulative gain/loss recognised in OCI is not recognised in Profit or Loss Statement, but retained in OCI.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.15 Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when the Group becomes a party to the contractual obligations of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

The Group's financial liabilities include other creditors, provision for agents' retirement benefits, derivative financial liabilities and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

2.15.1 Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term and include derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in the Profit or Loss Statement.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.15 Financial Liabilities (continued)

Subsequent measurement (continued)

2.15.2 Financial Liabilities at Amortised Cost

After initial recognition, other financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Profit or Loss Statement.

2.16 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.17 Determination of Fair Value of Financial Instruments

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted or published bid prices on the balance sheet date. If quoted prices are not available over the counter, broker or dealer price quotations are used.

For units in unit trusts and shares in open-ended investment companies, fair value is determined by reference to published bid-values.

For financial instruments where there is no active market, the fair value is determined by using valuation techniques. Such techniques include using recent arm's length transactions, reference to the current market value of another instrument which is substantially the same, discounted cash flow analysis and/or option pricing models. For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument. Certain financial instruments, including derivative financial instruments, are valued using pricing models that consider, among other factors, contractual, market prices, correlation, time value of money, credit risk, yield curve volatility factors and/or prepayment rates of the underlying positions. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with financial institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest-bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the balance sheet date.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.18 Intangible Assets

2.18.1 Goodwill

Goodwill is initially measured at cost. Following 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 the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the Profit or Loss Statement. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operation disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments which arose on acquisitions of foreign subsidiaries before 1 January 2005 are deemed to be assets and liabilities of the parent company and are recorded in SGD at the rates prevailing at the date of acquisition.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the balance sheet date.

2.18.2 Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

No amortisation is provided on capital works in progress as the assets are not yet available for use. Amortisation of an asset begins when it is available for use and calculated on a straight-line basis over the estimated useful life of an asset. The useful lives are as follows:

Computer software and software development costs	3 to 10 years
Distribution platform	6.5 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite useful life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Profit or Loss Statement.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.19 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Freehold land has an unlimited useful life and is not depreciated. No depreciation is provided for 999-year leasehold land. No depreciation is provided on capital works in progress as the assets are not yet available for use.

Depreciation of an asset begins when it is available for use and is calculated on a straight-line basis over the estimated useful life of an asset. The useful lives are as follows:

Buildings	50 years
Office furniture, fittings and equipment	5 to 10 years
Renovation	3 to 5 years
Computer equipment and software development costs	3 to 10 years
Motor vehicles	5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate. This is to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the Profit or Loss Statement in the year the asset is derecognised.

2.20 Investment Properties

Investment properties are properties that are owned by the Group in order to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in the Profit or Loss Statement in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses on the retirement or disposal of an investment property are recognised in the Profit or Loss Statement in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.19 up to the date of change in use.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.21 Provision for Agents' Retirement Benefits

Provision for agents' retirement benefits is set aside for agents and is calculated in accordance with the terms and conditions in the respective agent's agreement ("the Agreement"). The terms and conditions of the Agreement stipulate that upon the agent maintaining his position for the qualifying year and achieving the required personal sales and minimum new business, the agent shall be allocated a deferred benefit/retirement benefit. The deferred benefit/retirement benefit accumulated at Balance Sheet date includes accrued interest. The accrued deferred benefit shall only become payable provided the Agreement has been in force for certain continuous contract years and the agent has attained the minimum retirement age stipulated in the Agreement. The carrying amount is based on amortised cost.

2.22 Related Parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

In the Company's financial statements, loans to subsidiaries are stated at fair value at inception. The difference between the fair value and the loan amount at inception is recognised as additional investment in subsidiaries in the Company's financial statements. Subsequently, these loans are measured at amortised cost using the effective interest method. The unwinding of the difference is recognised as interest revenue in the Profit or Loss Statement over the expected repayment period.

2.23 Segment Reporting

2.23.1 Business Segment

For management purposes, the Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products for the different markets. The Group's principal operations are organised into Life Insurance, Non-life Insurance and Shareholders segments. The results of these segments are reported separately in internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

- (a) Life Insurance Segment
The Life Insurance segment provides different types of products, comprising life insurance, long-term health and accident insurance, annuity business written and includes the unit-linked business. All revenues in the Life Insurance segment are from external customers.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.23 Segment Reporting (continued)

2.23.1 Business Segment (continued)

- (b) Non-Life Insurance Segment
Under the Non-Life Insurance business, the Group issues short term property and casualty contracts which protect the policyholder against the risk of loss of property premises due to fire or theft in the form of fire or burglary insurance contract and/or business interruption contract; risk of liability to pay compensation to a third party for bodily harm or property damage in the form of public liability insurance contract. The Group also issues short term medical and personal accident non-life insurance contracts.
- (c) Shareholders Segment
The Shareholders segment provides fund management services for absolute return/balanced mandates with different risk-return characteristics and manages a range of products, including Asia Pacific equities, Asian and global fixed income securities portfolios. Clients include Singapore statutory boards, government-linked corporations, public and private companies, insurance companies and charity organisations.

The Shareholders segment also comprises activities not related to the core business segments, and includes general corporate income and expense items.

2.23.2 Geographical Segment

The Group's risks and rewards are affected by operating conditions in different countries and geographical areas. Therefore, for management purposes, the Group is also organised on a geographical basis into Singapore, Malaysia and Other Asia, based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the respective location of its customers.

2.23.3 Segment Accounting Policies, Allocation Basis and Transfer Pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax and deferred tax assets and liabilities, interest-bearing loans and related expenses. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

2.24 Share Capital and Share Issuance Expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.25 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.26 Critical Accounting Estimates and Judgment

In the preparation of the Group's financial statements, management makes estimates, assumptions and judgment that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. Estimates, assumptions and judgment are continually evaluated and based on internal studies of actual historical experience and other factors. Best estimates and assumptions are constantly reviewed to ensure that they remain relevant and valid. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(a) Insurance business

The Group makes estimates, assumptions and judgment in its estimates of FCF, discount rates used, risk adjustments for non-financial risk, and CSM. For the sensitivities with regard to the assumptions made that have the most significant impact on measurement under SFRS(I) 17, refer to Note 30.

Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the observable market yields of government securities in the currency of the insurance contract liabilities.

The Group adopts a bottom-up approach in which discount rates are based on the relevant currency's risk-free yield curves and an adjustment for illiquidity premium.

- (a) For the Singapore segment, for deriving risk-free yield curves and Ultimate Forward Rate ("UFR"), references are made in particular to the Monetary Authority of Singapore Risk Based Capital Framework ("MAS RBC 2") which is also aligned with the approach taken by the International Associations of Insurance Supervisors ("IAIS") on the design of the global insurance capital standards ("ICS").

For the Malaysia segment, for deriving risk-free yield curves and UFR, references are made to the approach taken by the IAIS on the design of the global ICS, with rates for the first 15 years being referenced to the Bank Negara Malaysia Risk Based Capital Framework ("BNM RBC").

- (b) For illiquidity premium, illiquidity buckets ("illiquidity application ratio") are assigned using an objective scoring system that is based on illiquidity characteristics of products on each portfolio. Market observable illiquidity premium levels are derived every month-end based on a credit-risk adjusted market spread of reference assets for each currency.

The adjustment of illiquidity premium in (b) is added as a layer in addition to the risk-free yield curves in (a) based on the illiquidity application ratio of each portfolio.

The yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

2024					
Currency	1 year	5 years	10 years	15 years	20 years
SGD	2.72% – 3.23%	2.75% – 3.19%	2.85% – 3.05%	2.89% – 3.43%	2.80% – 3.69%
USD	4.11% – 4.68%	4.34% – 4.98%	4.55% – 5.46%	4.78% – 5.74%	4.90% – 5.93%
MYR	3.28% – 3.50%	3.66% – 4.04%	3.85% – 4.19%	4.03% – 4.76%	4.15% – 5.07%

2023					
Currency	1 year	5 years	10 years	15 years	20 years
SGD	3.55% – 4.44%	2.63% – 3.80%	2.67% – 3.45%	2.73% – 3.57%	2.71% – 3.60%
USD	4.70% – 5.25%	3.79% – 4.58%	3.84% – 4.97%	4.10% – 5.22%	4.22% – 5.30%
MYR	3.30% – 3.61%	3.65% – 4.08%	3.74% – 4.05%	4.05% – 4.80%	4.22% – 4.97%

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.26 Critical Accounting Estimates and Judgment (continued)

(a) Insurance business (continued)

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates. The Group does not consider the effect of reinsurance in the risk adjustment for non-financial risk of the underlying insurance contracts.

The confidence level technique is used to derive the overall risk adjustment for non-financial risk. The risk adjustment is the excess of the value at risk at the target confidence level over the expected present value of the future cash flows. The target confidence level will be at 85th percentile.

Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience updated to reflect current expectations of future events.

The estimates of future cash flows will reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Group takes into account current expectations of future events that might affect cash flows. Cash flows within a contract boundary are those that relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics.

The Group derives the mortality and morbidity assumptions from the recent experience where credible. Reference to industry tables, reinsurance rates, or pricing basis is made where historical experience is not credible. Mortality and morbidity rates are generally differentiated between policyholder groups, based on gender and smoker status.

Lapses and surrender are derived based on the Group's own experience where credible. Where historical experience is not credible or not available, experience for similar product type is used as reference to derive the assumptions. Lapse and surrender assumptions generally vary by product type as well as policy years.

NOTES TO FINANCIAL STATEMENTS

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.26 Critical Accounting Estimates and Judgment (continued)

(a) Insurance business (continued)

Coverage units

In determination of the coverage units, the type of service is identified based on the terms and features of the insurance contracts. Management then applied judgment in determining the appropriate coverage unit against the type of service identified.

The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, determined by considering the quantity of the benefits provided by each contract in the group and its expected coverage duration. The coverage units are assessed at each reporting period-end prospectively by considering:

- (a) the quantity of benefits provided by contracts in the group;
- (b) the expected coverage period of contracts in the group; and
- (c) the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for quantifying benefits with respect to insurance coverage.

(b) Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgment is required in determining the deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which the determination is made.

(c) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, see Note 30(h).

(d) Property classification

Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased separately under a finance lease), the Group would account for these portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

NOTES TO FINANCIAL STATEMENTS

3 SUBSIDIARIES AND ASSOCIATES

			Effective interest held by GEH	
			2024	2023
	Country of Incorporation	Principal Activities	%	%
(i)	<u>SIGNIFICANT SUBSIDIARIES</u>			
	<u>Held by the Company</u>			
	The Great Eastern Life Assurance Company Limited ^(3.1)	Singapore	Life assurance	100.0
	Great Eastern General Insurance Limited ^(3.1)	Singapore	Composite insurance	100.0
	Lion Global Investors Limited ^(3.1)	Singapore	Asset management	70.0
	The Great Eastern Trust Private Limited ^(3.1)	Singapore	Investment holding	100.0
	<u>Held through subsidiaries</u>			
	Great Eastern Life Assurance (Malaysia) Berhad ^(3.2)	Malaysia	Life assurance	100.0
	Great Eastern General Insurance (Malaysia) Berhad ^(3.2)	Malaysia	General insurance	100.0
	P.T. Great Eastern Life Indonesia ^(3.2)	Indonesia	Life assurance	99.5
	P.T. Great Eastern General Insurance Indonesia ^(3.2)	Indonesia	General insurance	95.0
	Straits Eastern Square Private Limited ^(3.1)	Singapore	Property investment	100.0
	218 Orchard Private Limited ^(3.1)	Singapore	Property investment	100.0
	Great Eastern Takaful Bhd ^(3.2)	Malaysia	Family Takaful business	70.0
	Aminstitutional Income Bond SRI Fund ^(3.3) (formerly known as Amlnstitutional Income Bond Fund)	Malaysia	Wholesale fixed income fund	87.6
	AHAM Wholesale Income Fund ^(3.2) (formerly known as Affin Hwang Wholesale Income Fund)	Malaysia	Wholesale fixed income fund	100.0
	AHAM Wholesale Equity Fund 2 ^(3.2) (formerly known as Affin Hwang Wholesale Equity Fund 2)	Malaysia	Wholesale equity fund	93.6
(ii)	<u>SIGNIFICANT ASSOCIATES</u>			
	<u>Held through subsidiaries</u>			
	Boost Holdings Sdn Bhd ^{(3.2)(3.4)}	Malaysia	Digital Financial Services	19.9

^(3.1) Audited by PricewaterhouseCoopers ("PwC") LLP, Singapore.

^(3.2) Audited by firms within the worldwide network of PricewaterhouseCoopers firms and entities.

^(3.3) Audited by Ernst & Young PLT, Malaysia.

^(3.4) Boost Holdings Sdn Bhd is considered to be an associate as the Group is deemed to have significant influence over it in accordance with SFRS(I) 1-28.

NOTES TO FINANCIAL STATEMENTS

4 INSURANCE REVENUE

in Singapore Dollars (millions)	Note	Group					
		2024			2023		
		Life	Non-Life	Total	Life	Non-Life	Total
Contracts not measured under the PAA							
Amounts relating to the changes in the liability for remaining coverage:							
– Expected incurred claims and other insurance service expenses		4,481.9	–	4,481.9	4,181.4	–	4,181.4
– Change in the risk adjustment for non-financial risk for the risk expired		522.0	–	522.0	426.2	–	426.2
– CSM recognised in profit or loss for the services provided		728.0	–	728.0	772.9	–	772.9
Insurance acquisition cash flows recovery		535.3	–	535.3	455.5	–	455.5
Insurance revenue from contracts not measured under the PAA		6,267.2	–	6,267.2	5,836.0	–	5,836.0
Insurance revenue from contracts measured under the PAA		193.1	443.0	636.1	–	423.9	423.9
Total insurance revenue	14	6,460.3	443.0	6,903.3	5,836.0	423.9	6,259.9

5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT

The table below presents an analysis of net investment income and net insurance financial result recognised in profit or loss and OCI in the year:

in Singapore Dollars (millions)	Note	Group					
		2024			2023		
		Recognised in Profit or loss	Recognised in OCI	Total	Recognised in Profit or loss	Recognised in OCI	Total
Investment income							
Interest revenue	5.1	2,421.4	–	2,421.4	2,383.6	–	2,383.6
Other investment revenue	5.2	4,096.5	257.7	4,354.2	3,497.1	471.0	3,968.1
Decrease/(Increase) in provision for impairment of financial assets	30	1.1	(10.0)	(8.9)	(13.6)	1.2	(12.4)
Change in third-party interests in consolidated investment funds		(0.6)	–	(0.6)	(1.2)	–	(1.2)
Total investment income		6,518.4	247.7	6,766.1	5,865.9	472.2	6,338.1
Finance (expenses)/income from insurance contracts issued	5.3	(5,837.3)	(85.0)	(5,922.3)	(5,253.8)	64.7	(5,189.1)
Finance income/(expenses) from reinsurance contracts held	5.4	30.8	(0.4)	30.4	14.6	(19.4)	(4.8)
Net insurance finance (expenses)/income		(5,806.5)	(85.4)	(5,891.9)	(5,239.2)	45.3	(5,193.9)
Total net investment and insurance financial result		711.9	162.3	874.2	626.7	517.5	1,144.2

NOTES TO FINANCIAL STATEMENTS

5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)

in Singapore Dollars (millions)	Note	Group					
		2024			2023		
		Recognised in Profit or loss	Recognised in OCI	Total	Recognised in Profit or loss	Recognised in OCI	Total
Interest revenue							
Financial assets not measured at FVTPL							
Financial assets measured at FVOCI		472.2	–	472.2	454.0	–	454.0
Financial assets measured at AC		226.1	–	226.1	264.8	–	264.8
Total interest revenue calculated using the effective interest rate		698.3	–	698.3	718.8	–	718.8
Financial assets measured at FVTPL		1,723.1	–	1,723.1	1,664.8	–	1,664.8
Total interest revenue		2,421.4	–	2,421.4	2,383.6	–	2,383.6
Other investment revenue							
<u>Underlying assets for contracts with direct participation features</u>							
Dividend income		605.0	–	605.0	507.6	–	507.6
Changes in fair value of investments							
– Mandatorily measured at FVTPL		2,718.0	–	2,718.0	1,718.6	–	1,718.6
– Designated as at FVTPL		255.1	–	255.1	951.4	–	951.4
Changes in fair value of investment properties	24	29.3	–	29.3	6.2	–	6.2
Realised gain on sale of investment properties		–	–	–	17.6	–	17.6
Rental income		40.6	–	40.6	39.4	–	39.4
Loss on exchange differences		24.5	–	24.5	(6.9)	–	(6.9)
		3,672.5	–	3,672.5	3,233.9	–	3,233.9
<u>Other investments</u>							
Dividend income		102.2	–	102.2	110.4	–	110.4
Changes in fair value of investments							
– Mandatorily measured at FVTPL		87.7	–	87.7	178.2	–	178.2
– Designated as at FVTPL		91.4	–	91.4	92.4	–	92.4
– Measured at FVOCI		–	247.2	247.2	–	420.4	420.4
Net loss on sale of debt securities measured at FVOCI		(10.5)	10.5	–	(50.6)	50.6	–
Changes in fair value of investment properties	24	4.7	–	4.7	10.1	–	10.1
Changes in fair value of associates		(32.0)	–	(32.0)	(27.4)	–	(27.4)
Realised gain on sale of investment properties		–	–	–	2.4	–	2.4
Rental income		15.3	–	15.3	18.0	–	18.0
Gain/(Loss) on exchange differences		165.2	–	165.2	(70.3)	–	(70.3)
		424.0	257.7	681.7	263.2	471.0	734.2
Total other investment revenue		4,096.5	257.7	4,354.2	3,497.1	471.0	3,968.1

NOTES TO FINANCIAL STATEMENTS

5 NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)

in Singapore Dollars (millions)	Note	Group					
		2024			2023		
		Recognised in Profit or loss	Recognised in OCI	Total	Recognised in Profit or loss	Recognised in OCI	Total
5.3 Finance (expenses)/income from insurance contracts issued							
Changes in value of underlying assets of contracts with direct participation features		(4,828.3)	–	(4,828.3)	(4,344.7)	–	(4,344.7)
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates		1.3	(62.3)	(61.0)	(96.5)	304.8	208.3
Interest accreted		(701.6)	–	(701.6)	(685.9)	–	(685.9)
Effect of changes in interest rates and other financial assumptions		(238.4)	(26.2)	(264.6)	(166.7)	(244.0)	(410.7)
Exchange differences		(70.3)	3.5	(66.8)	40.0	3.9	43.9
Total finance (expenses)/income from insurance contracts issued	14	(5,837.3)	(85.0)	(5,922.3)	(5,253.8)	64.7	(5,189.1)

5.4 Finance income/(expenses) from reinsurance contracts held

Interest accreted to reinsurance contracts using locked-in rate		20.5	–	20.5	17.8	–	17.8
Effect of changes in interest rates and other financial assumptions		4.5	1.5	6.0	2.8	(20.0)	(17.2)
Changes in non-performance risk of reinsurer		1.4	(1.0)	0.4	(4.5)	–	(4.5)
Exchange differences		4.4	(0.9)	3.5	(1.5)	0.6	(0.9)
Total finance income/(expenses) from reinsurance contracts held	14	30.8	(0.4)	30.4	14.6	(19.4)	(4.8)

During the year ended 31 December 2024, \$13.2 million (31 December 2023: \$6.9 million) of the dividend income relates to equity investments measured at FVOCI which were derecognised during the year.

5.5 Investment return in OCI related to insurance and reinsurance contracts measured under the modified retrospective or fair value transition approach

On transition to SFRS(I) 17, for certain groups of insurance and reinsurance contracts measured using the GMM where the OCI option is applied, the Group determined the cumulative insurance finance income and expenses recognised in OCI at 1 January 2022 using the modified retrospective approach or the fair value approach. The movement in the fair value reserve for the debt investments at FVOCI related to those groups of contracts was as follows.

in Singapore Dollars (millions)	Group	
	2024	2023
Balance at 1 January	(232.8)	(387.9)
Net (losses)/gains on investments in debt securities measured at FVOCI	(17.4)	114.6
Changes in allowance for expected credit losses	4.9	2.1
Net (gains)/losses on investments in debt securities measured at FVOCI reclassified to profit or loss	(4.6)	25.2
Income tax relating to these items	2.4	13.2
Balance at 31 December	(247.5)	(232.8)

NOTES TO FINANCIAL STATEMENTS

6 EXPENSES

in Singapore Dollars (millions)	Note	Group	
		2024	2023
An analysis of the expenses incurred by the Group in the reporting year is included below:			
Claims and benefits		4,072.6	3,078.0
Commissions and distribution expenses		1,415.2	1,360.7
Fees paid to auditors		7.2	7.5
Audit fees paid to Auditor of the Company		4.6	4.8
Audit fees paid to other auditors		1.4	1.7
Non-audit fees paid to Auditor of the Company		0.8	0.8
Non-audit fees paid to other auditors		0.4	0.2
Staff costs and related expenses		501.6	499.6
Salaries, wages, bonuses and other costs net of government grant		451.5	443.4
Central Provident Fund/Employee Provident Fund		47.5	48.2
Share-based payments		2.6	8.0
Depreciation and amortisation expenses		87.8	87.8
Depreciation	25	43.6	43.6
Amortisation	23	44.2	44.2
Interest expense on lease liability	25	1.6	1.6
Losses on onerous contracts and reversal of those losses		583.4	543.8
Investment related expenses		88.6	125.7
Agents' retirement benefits	13	65.1	44.0
Others		229.2	429.1
Total		7,052.3	6,177.8
Amounts attributed to insurance acquisition cash flows incurred during the year			
		(1,636.2)	(1,591.7)
Amortisation of insurance acquisition cash flows		692.9	614.4
		6,109.0	5,200.5
Represented by:			
Insurance service expenses	14	5,997.5	5,050.5
Other expenses		111.5	150.0
		6,109.0	5,200.5

NOTES TO FINANCIAL STATEMENTS

7 INCOME TAX

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2024 and 31 December 2023 are:

in Singapore Dollars (millions)	Group	
	2024	2023
(a) Income tax attributable to policyholders' returns:		
Current income tax:		
– Current income taxation	214.5	127.9
– Over provision in respect of previous years	(1.8)	(8.2)
	212.7	119.7
Deferred income tax:		
– Origination and reversal of temporary differences	76.1	11.5
	76.1	11.5
	288.8	131.2
(b) Income tax attributable to shareholders' profits:		
Current income tax:		
– Current income taxation	107.2	86.8
– Over provision in respect of previous years	(5.5)	(0.6)
	101.7	86.2
Deferred income tax:		
– Origination and reversal of temporary differences	88.9	63.9
	88.9	63.9
	190.6	150.1
Total tax charge for the year recognised in the Profit or Loss Statement	479.4	281.3

Relationship between income tax expense and accounting profit

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 is as follows:

Profit before income tax	1,502.4	1,070.5
Income tax attributable to policyholders' returns	288.8	131.2
Profit before income tax attributable to shareholders' profits	1,213.6	939.3
Tax at the domestic rates applicable to profits in the countries where the Group operates	243.9	192.9
<u>Adjustments:</u>		
Foreign tax paid not recoverable	9.3	5.0
Permanent differences	(8.3)	(11.8)
Tax exempt income	(24.9)	(14.3)
Over provision in respect of previous years	(5.5)	(0.6)
Others	(23.9)	(21.1)
Income tax attributable to shareholders' profits	190.6	150.1
Income tax attributable to policyholders' returns	288.8	131.2
Total tax charge for the year recognised in the Profit or Loss Statements	479.4	281.3

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

NOTES TO FINANCIAL STATEMENTS

7 INCOME TAX (continued)

Deferred tax assets and liabilities are offset when there is a legal enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

in Singapore Dollars (millions)	Group	
	2024	2023
Presented after appropriate offsetting as follows:		
Deferred tax assets	12.2	16.6
Deferred tax liabilities	490.8	268.7
Net deferred tax liabilities	478.6	252.1

Deferred Tax

The movement in the net deferred tax is as follows:

Balance at the beginning of the year	252.1	52.5
Change in tax basis*	–	123.3
Balance at the beginning of the year	252.1	175.8
Currency translation reserve adjustment	4.9	(5.1)
Deferred tax charge taken to the Profit or Loss Statement:		
Other temporary differences	163.2	71.2
Fair value changes	1.8	4.2
Deferred tax on fair value changes of investments at FVOCI	15.6	17.7
Deferred tax on insurance/reinsurance finance reserve	8.3	36.4
Utilisation of tax losses/(Unutilised tax losses carried forward)	32.7	(48.1)
Balance at the end of the year	478.6	252.1

Deferred taxes at 31 December related to the following:

	Balance Sheet	
Deferred tax liabilities:		
Differences in depreciation for tax purposes	21.4	19.4
Net unrealised gains on investments	310.2	192.7
Differences in tax basis for insurance/reinsurance contract liabilities	203.1	121.5
Deferred tax liabilities	534.7	333.6
Deferred tax assets:		
Unutilised tax losses carried forward	50.4	75.4
Net amortisation on fixed income investments	0.9	1.8
Other accruals and provisions	4.6	3.8
Leases	0.2	0.5
Deferred tax assets	56.1	81.5
Net deferred tax liabilities	478.6	252.1

* With effect from 1 January 2023, Singapore insurers use the insurance returns filed with MAS for regulatory purposes ("MAS Statutory Returns") instead of their financial statements prepared in accordance with the SFRS(I) as the basis for preparing tax computations. With the change in taxation basis effective 1 January 2023, a one-time adjustment of \$123.3 million of deferred tax asset was reclassified to current income tax in the Balance Sheet. As the Group's subsidiaries, The Great Eastern Life Assurance Company Limited ("GEL") and Great Eastern General Insurance Limited were in an overall tax loss position for Year of Assessment 2024, there was no current tax provision as at 31 December 2023. As at 31 December 2024, the Group recognised a deferred tax asset of \$50.4m on tax losses (2023: \$75.4m).

NOTES TO FINANCIAL STATEMENTS

7 INCOME TAX (continued)

in Singapore Dollars (millions)	Group	
	2024	2023
	Profit or Loss Statement	
<u>Deferred tax liabilities:</u>		
Differences in depreciation for tax purposes	2.0	1.0
Accrued investment income	-	(0.6)
Net unrealised gain on investments	97.8	35.5
Other accruals and provisions	(0.8)	-
Differences in tax basis for insurance/reinsurance contract liabilities	73.3	47.2
<u>Deferred tax assets:</u>		
Unutilised tax losses carried forward	(7.7)	(7.0)
Net amortisation on fixed income investments	0.9	(0.3)
Other accruals and provisions	(0.8)	(0.3)
Leases	0.3	(0.1)
Deferred tax expense	165.0	75.4

Unrecognised tax losses

At the balance sheet date, the Group has tax losses of approximately \$60.1 million (31 December 2023: \$37.2 million) expiring in 2025 – 2027 (31 December 2023: 2024 – 2027) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

OECD Pillar Two model rules

The Group is part of Oversea-Chinese Banking Corporation Limited ("OCBC") and its subsidiaries, a multinational enterprise group that is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules. Pillar Two legislation was enacted in Singapore, the jurisdiction in which the Company is incorporated, and came into effect from 1 January 2025.

The Group applies the SFRS(I) 1-12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group does not have any exposure to Pillar Two legislation as at 31 December 2024.

Based on Group's assessment, the Group does not expect any material impact from exposure to Pillar Two legislation in the financial year 2025.

NOTES TO FINANCIAL STATEMENTS

8 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted and basic earnings per share are the same as there are no dilutive potential ordinary shares.

The following reflects the profit for the year attributable to ordinary shareholders and the weighted average number of shares outstanding during the year, used in the computation of basic and diluted earnings per share for the years ended 31 December:

		Group	
		2024	2023
Profit attributable to ordinary shareholders for computation of basic and diluted earnings per share	(in millions of Singapore Dollars)	995.3	774.6
Weighted average number of ordinary shares on issue applicable to basic and diluted earnings per share	(in millions)	473.3	473.3
Basic and diluted earnings per share	(in Singapore Dollars)	\$2.10	\$1.64

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

9 SHARE CAPITAL

Group and Company			
2024		2023	
Number of shares	Amount \$'mil	Number of shares	Amount \$'mil

Ordinary shares: Issued and fully paid

Balance at the beginning and end of the year	473,319,069	152.7	473,319,069	152.7

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

In accordance with the Companies Act 1967, the shares of the Company have no par value.

10 OTHER RESERVES

10.1 Currency translation reserve

The currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. The currency translation reserve is also used to record the effect of hedging of net investment in foreign operations.

10.2 Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of financial assets measured at FVOCI and the related loss allowance recognised in the Profit or Loss Statement until the assets are derecognised, net of tax.

10.3 Insurance finance reserve

The insurance finance reserve comprises the cumulative insurance finance income and expenses recognised in OCI.

NOTES TO FINANCIAL STATEMENTS

11 OTHER CREDITORS

in Singapore Dollars (millions)	Note	Group		Company	
		2024	2023	2024	2023
Other creditors comprise the following:					
Accrued expenses and other creditors		729.3	727.9	10.1	9.3
Investment creditors		482.9	1,012.7	–	–
Finance cost payable on borrowings	12	4.3	–	–	–
Amount due to holding company ⁽¹⁾		2.3	3.9	–	–
Third-party interests in consolidated investment funds ⁽²⁾		36.7	35.9	–	–
Lease liabilities		47.6	51.5	–	–
Premiums in suspense		74.0	77.7	–	–
Provision for reinstatement costs		3.6	2.9	–	–
		1,380.7	1,912.5	10.1	9.3

⁽¹⁾ Amount due to holding company is non-trade related, unsecured, interest-free, repayable upon demand and is to be settled in cash.

⁽²⁾ Third-party interests in consolidated investment funds consist of third-party unit holders' interests in consolidated investment funds which are reflected as a liability since they can be put back to the Group for cash.

12 BORROWINGS

in Singapore Dollars (millions)	Issue Date	Maturity Date	Group	
			2024	2023
Issued by the Group's subsidiaries				
\$500.0 million 3.928% subordinated fixed rate notes ⁽¹⁾	17 Apr 2024	17 Apr 2039	498.8	–
MYR75.0 million 4.58% Medium Term Note ⁽²⁾	25 Apr 2024	25 Apr 2029	22.9	–
			521.7	

⁽¹⁾ On 17 April 2024, one of the Group's subsidiaries, The Great Eastern Life Assurance Company Limited ("GEL") issued \$500.0 million subordinated fixed rate notes (the "Series 001 Notes") due 2039 first callable in 2034.

The Series 001 Notes will initially bear interest at a fixed rate of 3.928% per annum, payable semi-annually. If the Series 001 Notes are not redeemed or purchased or cancelled on 17 April 2034, the interest rate from that date shall be reset at a fixed rate per annum equal to the aggregate of the then prevailing 5-year Singapore Overnight Rate Average Overnight Index Swap ("SORA-OIS") benchmark rate and 0.731%. The subordinated notes qualify as Tier 2 capital for the Group's subsidiary.

⁽²⁾ On 25 April 2024, another subsidiary, Great Eastern Capital (Malaysia) Sdn. Bhd. ("GEC") issued MYR75.0 million Medium Term Note ("MTN Series No.1") due in 25 April 2029. The MTN Series No.1 will bear interest at coupon rate of 4.58% per annum. The first coupon payment date will be on 25 October 2024 and payable semi-annually.

If the borrowings issued were carried at fair value, the carrying amounts would be as follows:

in Singapore Dollars (millions)	Group	
	2024	2023
Borrowings	542.4	–

NOTES TO FINANCIAL STATEMENTS

12 BORROWINGS (continued)

Reconciliation of liabilities arising from financing activities

in Singapore Dollars (millions)	Note	Group	
		2024	2023
Borrowings			
Balance at the beginning of the year		-	-
Proceeds from borrowings		521.7	-
Balance at the end of the year		521.7	-
Finance cost payable on borrowings			
Balance at the beginning of the year		-	-
Finance costs		16.2	-
Finance costs paid		(11.9)	-
Balance at the end of the year	11	4.3	-

13 PROVISION FOR AGENTS' RETIREMENT BENEFITS

in Singapore Dollars (millions)	Note	Group	
		2024	2023
Balance at the beginning of the year		297.6	295.8
Currency translation reserve adjustment		20.5	(18.7)
Increase in provision for the year	6	65.1	44.0
Paid during the year		(39.8)	(23.5)
Balance at the end of the year		343.4	297.6

As at 31 December 2024, \$178.1million (31 December 2023: \$151.6 million) of the above provision for agents' retirement benefits is payable within one year.

14 INSURANCE AND REINSURANCE CONTRACTS

The breakdown of groups of insurance contracts issued and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

in Singapore Dollars (millions)	Note	2024			2023		
		Life	Non-life	Total	Life	Non-life	Total
Insurance contract liabilities		100,680.2	582.2	101,262.4	97,383.3	618.3	98,001.6
Insurance contract assets		(68.0)	(34.9)	(102.9)	(12.4)	(27.2)	(39.6)
Total insurance contracts issued	14.1.1, 14.2.1	100,612.2	547.3	101,159.5	97,370.9	591.1	97,962.0
Reinsurance contract assets		828.9	278.7	1,107.6	512.4	356.3	868.7
Reinsurance contract liabilities		(142.0)	(36.1)	(178.1)	(165.9)	(54.2)	(220.1)
Total reinsurance contracts held	14.1.2, 14.2.2	686.9	242.6	929.5	346.5	302.1	648.6

Detailed reconciliations of changes in insurance and reinsurance contract balances during the year are included in Notes 14.1 and 14.2.

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.1 Life insurance

14.1.1 Life insurance – insurance contracts issued

14.1.1.1 Reconciliation of the liabilities for remaining coverage and incurred claims

		2024							2023		
		Liabilities for remaining coverage		Liabilities for incurred claims			Total	Liabilities for remaining coverage		Liabilities for incurred claims	
				Contracts not under PAA	Contracts under PAA					Contracts not under PAA	
		Excluding loss component	Loss component		Estimates of the present value of future cash flows	Risk adjustment		Excluding loss component	Loss component		
in Singapore Dollars (millions)	Note										Total
Insurance contract liabilities as at 1 January		89,706.4	466.1	7,210.8	-	-	97,383.3	86,736.6	308.4	7,110.1	94,155.1
Insurance contract assets as at 1 January		(33.8)	31.3	(9.9)	-	-	(12.4)	(370.6)	24.9	(9.2)	(354.9)
Net insurance contract liabilities/(assets) as at 1 January		89,672.6	497.4	7,200.9	-	-	97,370.9	86,366.0	333.3	7,100.9	93,800.2
Insurance revenue											
Contracts under modified retrospective approach		(1,073.1)	-	-	-	-	(1,073.1)	(1,155.1)	-	-	(1,155.1)
Contracts under fair value transition approach		(3,002.3)	-	-	-	-	(3,002.3)	(3,094.8)	-	-	(3,094.8)
Other contracts		(1,950.2)	-	(246.8)	(187.9)	-	(2,384.9)	(1,586.1)	-	-	(1,586.1)
	4	(6,025.6)	-	(246.8)	(187.9)	-	(6,460.3)	(5,836.0)	-	-	(5,836.0)
Insurance service expenses											
Incurred claims and other expenses		-	(330.2)	4,570.0	146.9	-	4,386.7	-	(375.4)	3,967.9	3,592.5
Amortisation of insurance acquisition cash flows		587.8	-	-	-	-	587.8	514.8	-	-	514.8
Losses on onerous contracts and reversals of those losses		-	560.7	-	-	-	560.7	-	515.6	-	515.6
Changes to liabilities for incurred claims		-	-	124.3	39.8	1.0	165.1	-	-	135.6	135.6
	6	587.8	230.5	4,694.3	186.7	1.0	5,700.3	514.8	140.2	4,103.5	4,758.5
Insurance service result		(5,437.8)	230.5	4,447.5	(1.2)	1.0	(760.0)	(5,321.2)	140.2	4,103.5	(1,077.5)
Finance expenses from insurance contracts issued	5	5,664.4	5.9	231.9	-	-	5,902.2	4,938.7	31.5	196.5	5,166.7
Effect of movements in exchange rates		1,266.1	7.9	332.8	0.1	-	1,606.9	(1,290.7)	(7.1)	(256.8)	(1,554.6)
Total changes in the statement of profit or loss and OCI		1,492.7	244.3	5,012.2	(1.1)	1.0	6,749.1	(1,673.2)	164.6	4,043.2	2,534.6
Investment components		(14,293.2)	-	14,293.2	-	-	-	(9,449.6)	-	9,449.6	-
Cash flows											
Premiums received		16,532.6	-	-	-	-	16,532.6	15,893.6	-	-	15,893.6
Claims and other expenses paid		-	-	(18,521.9)	(35.6)	-	(18,557.5)	-	-	(13,439.0)	(13,439.0)
Insurance acquisition cash flows		(1,628.8)	-	-	-	-	(1,628.8)	(1,477.3)	-	-	(1,477.3)
Total cash flows		14,903.8	-	(18,521.9)	(35.6)	-	(3,653.7)	14,416.3	-	(13,439.0)	977.3
Other movements		19.3	(14.6)	231.1	(89.9)	-	145.9	13.1	(0.5)	46.2	58.8
Net insurance contract liabilities/(assets) as at 31 December		91,795.2	727.1	8,215.5	(126.6)	1.0	100,612.2	89,672.6	497.4	7,200.9	97,370.9
Insurance contract liabilities as at 31 December		91,865.4	707.0	8,233.4	(126.6)	1.0	100,680.2	89,706.4	466.1	7,210.8	97,383.3
Insurance contract assets as at 31 December		(70.2)	20.1	(17.9)	-	-	(68.0)	(33.8)	31.3	(9.9)	(12.4)
Net insurance contract liabilities/(assets) as at 31 December		91,795.2	727.1	8,215.5	(126.6)	1.0	100,612.2	89,672.6	497.4	7,200.9	97,370.9

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.1 Life insurance (continued)

14.1.1 Life insurance – insurance contracts issued (continued)

14.1.1.2 Reconciliation of the measurement components of insurance contract balances – contracts not measured under the PAA

in Singapore Dollars (millions)	2024				2023			
	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total
Insurance contract liabilities as at 1 January	86,469.7	4,156.2	6,757.4	97,383.3	83,362.3	3,925.3	6,867.5	94,155.1
Insurance contract assets as at 1 January	(246.5)	124.2	109.9	(12.4)	(580.0)	117.7	107.4	(354.9)
Net insurance contract liabilities as at 1 January	86,223.2	4,280.4	6,867.3	97,370.9	82,782.3	4,043.0	6,974.9	93,800.2
Changes that relate to current services								
CSM recognised for services provided	–	–	(728.0)	(728.0)	–	–	(772.9)	(772.9)
Risk adjustment recognised for the risk expired	–	(573.6)	–	(573.6)	–	(503.0)	–	(503.0)
Experience adjustments	(168.2)	–	–	(168.2)	(450.8)	–	–	(450.8)
Changes that relate to future services								
Contracts initially recognised in the period	(1,009.1)	702.6	526.8	220.3	(862.8)	659.8	461.2	258.2
Changes in estimates that adjust the CSM	337.8	(84.6)	(253.2)	–	(247.9)	39.8	208.1	–
Changes that result in onerous losses or reversal of such losses	302.1	17.4	–	319.5	202.9	52.5	–	255.4
Changes that relate to past services								
Adjustments to liabilities for incurred claims	169.2	0.8	–	170.0	142.0	(6.4)	–	135.6
Insurance service result	(368.2)	62.6	(454.4)	(760.0)	(1,216.6)	242.7	(103.6)	(1,077.5)
Finance expenses from insurance contract issued	5,649.1	97.5	155.6	5,902.2	4,794.9	170.2	201.6	5,166.7
Effect of movements in exchange rates	1,244.8	176.9	185.2	1,606.9	(1,186.4)	(175.5)	(192.7)	(1,554.6)
Total changes in the statement of profit or loss and OCI	6,525.7	337.0	(113.6)	6,749.1	2,391.9	237.4	(94.7)	2,534.6
Cash flows								
Premiums received	16,433.9	–	–	16,433.9	15,893.6	–	–	15,893.6
Claims and other expenses paid	(18,521.9)	–	–	(18,521.9)	(13,439.0)	–	–	(13,439.0)
Insurance acquisition cash flows	(1,628.8)	–	–	(1,628.8)	(1,477.3)	–	–	(1,477.3)
Total cash flows	(3,716.8)	–	–	(3,716.8)	977.3	–	–	977.3
Other movements	121.8	(0.3)	(6.9)	114.6	71.7	–	(12.9)	58.8
Net insurance contract liabilities as at 31 December	89,153.9	4,617.1	6,746.8	100,517.8	86,223.2	4,280.4	6,867.3	97,370.9
Insurance contract liabilities as at 31 December	89,434.5	4,497.7	6,653.6	100,585.8	86,469.7	4,156.2	6,757.4	97,383.3
Insurance contract assets as at 31 December	(280.6)	119.4	93.2	(68.0)	(246.5)	124.2	109.9	(12.4)
Net insurance contract liabilities as at 31 December	89,153.9	4,617.1	6,746.8	100,517.8	86,223.2	4,280.4	6,867.3	97,370.9

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.1 Life insurance (continued)

14.1.1 Life insurance – insurance contracts issued (continued)

14.1.1.3 Impact of contracts recognised during the year – contracts not measured under the PAA

in Singapore Dollars (millions)	Contracts issued					
	2024			2023		
	Non- onerous	Onerous	Total	Non- onerous	Onerous	Total
Claims and other directly attributable expenses	7,294.9	6,757.0	14,051.9	8,048.7	5,266.8	13,315.5
Insurance acquisition cash flows	1,376.9	271.3	1,648.2	1,240.5	333.5	1,574.0
Estimates of present value of future cash outflows	8,671.8	7,028.3	15,700.1	9,289.2	5,600.3	14,889.5
Estimates of present value of future cash inflows	(9,677.8)	(7,031.4)	(16,709.2)	(10,177.3)	(5,575.0)	(15,752.3)
Risk adjustment	479.2	223.4	702.6	426.9	232.9	659.8
CSM	526.8	–	526.8	461.2	–	461.2
Increase in insurance contract liabilities from contracts recognised during the year	–	220.3	220.3	–	258.2	258.2

14.1.1.4 Amounts determined on transition to SFRS(I) 17

The Group's transition approaches applied at the date of transition to SFRS(I) 17 on 1 January 2022 continue to impact how the CSM balance as at 31 December 2024 and 31 December 2023 has been determined. An analysis of the CSM by transition method is set out in the following table:

in Singapore Dollars (millions)	2024				2023			
	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total
CSM as at 1 January	2,443.5	2,817.4	1,606.4	6,867.3	2,819.8	3,047.3	1,107.8	6,974.9
Changes that relate to current services								
CSM recognised for services provided	(241.0)	(289.2)	(197.8)	(728.0)	(252.9)	(290.0)	(230.0)	(772.9)
Changes that relate to future services								
Contracts initially recognised in the period	–	–	526.8	526.8	–	0.5	460.7	461.2
Changes in estimates that adjust the CSM	(322.0)	(143.9)	212.7	(253.2)	(87.5)	15.2	280.4	208.1
Insurance service result	(563.0)	(433.1)	541.7	(454.4)	(340.4)	(274.3)	511.1	(103.6)
Finance expenses from insurance contracts issued	86.7	25.8	43.1	155.6	124.9	67.1	9.6	201.6
Effect of movements in exchange rates	121.7	25.7	37.8	185.2	(153.4)	(20.5)	(18.8)	(192.7)
Total changes in the statement of profit or loss or OCI	(354.6)	(381.6)	622.6	(113.6)	(368.9)	(227.7)	501.9	(94.7)
Other movements	–	–	(6.9)	(6.9)	(7.4)	(2.2)	(3.3)	(12.9)
CSM as at 31 December	2,088.9	2,435.8	2,222.1	6,746.8	2,443.5	2,817.4	1,606.4	6,867.3

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.1 Life insurance (continued)

14.1.2 Life insurance – reinsurance contracts held

14.1.2.1 Reconciliation of the assets for remaining coverage and incurred claims

in Singapore Dollars (millions)	Note	2024				2023			
		Assets for remaining coverage		Assets for incurred claims	Total	Assets for remaining coverage		Assets for incurred claims	Total
		Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA		Excluding loss-recovery component	Loss-recovery component	Contracts not under PAA	
Reinsurance contract assets as at 1 January		265.1	68.5	178.8	512.4	618.6	4.5	188.3	811.4
Reinsurance contract liabilities as at 1 January		(274.9)	(0.1)	109.1	(165.9)	(506.9)	–	61.9	(445.0)
Net reinsurance contract (liabilities)/assets as at 1 January		(9.8)	68.4	287.9	346.5	111.7	4.5	250.2	366.4
Allocation of reinsurance premiums		(532.6)	–	–	(532.6)	(767.9)	–	–	(767.9)
Amounts recoverable from reinsurers									
Recoveries of incurred claims and other insurance service expenses		–	–	449.8	449.8	–	–	377.6	377.6
Recoveries and reversals of recoveries of losses on onerous underlying contracts		–	176.9	–	176.9	–	64.1	–	64.1
Adjustments to assets for incurred claims		–	–	18.6	18.6	–	–	(206.6)	(206.6)
Net (expenses)/income from reinsurance contracts held		(532.6)	176.9	468.4	112.7	(767.9)	64.1	171.0	(532.8)
Finance income/(expenses) from reinsurance contracts held	5	13.9	(0.1)	0.2	14.0	(13.4)	(0.2)	(0.2)	(13.8)
Effect of movements in exchange rates		(10.0)	(0.1)	10.3	0.2	(1.8)	–	(45.7)	(47.5)
Total changes in the statement of profit or loss and OCI		(528.7)	176.7	478.9	126.9	(783.1)	63.9	125.1	(594.1)
Cash flows									
Premiums paid		537.5	–	–	537.5	375.4	–	–	375.4
Amounts received		–	–	(399.7)	(399.7)	–	–	(309.0)	(309.0)
Total cash flows		537.5	–	(399.7)	137.8	375.4	–	(309.0)	66.4
Other movements		(40.5)	–	116.2	75.7	286.2	–	221.6	507.8
Net reinsurance contract (liabilities)/assets as at 31 December		(41.5)	245.1	483.3	686.9	(9.8)	68.4	287.9	346.5
Reinsurance contract assets as at 31 December		229.2	242.6	357.1	828.9	265.1	68.5	178.8	512.4
Reinsurance contract liabilities as at 31 December		(270.7)	2.5	126.2	(142.0)	(274.9)	(0.1)	109.1	(165.9)
Net reinsurance contract (liabilities)/assets as at 31 December		(41.5)	245.1	483.3	686.9	(9.8)	68.4	287.9	346.5

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.1 Life insurance (continued)

14.1.2 Life insurance – reinsurance contracts held (continued)

14.1.2.2 Reconciliation of the measurement components of reinsurance contract balances – contracts not measured under the PAA

in Singapore Dollars (millions)	2024				2023			
	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total
Reinsurance contract assets as at 1 January	115.9	573.2	(176.7)	512.4	415.8	550.3	(154.7)	811.4
Reinsurance contract liabilities as at 1 January	(217.1)	25.1	26.1	(165.9)	(482.7)	18.9	18.8	(445.0)
Net reinsurance contract (liabilities)/assets as at 1 January	(101.2)	598.3	(150.6)	346.5	(66.9)	569.2	(135.9)	366.4
Changes that relate to current services								
CSM recognised for services provided	–	–	21.3	21.3	–	–	19.0	19.0
Risk adjustment recognised for the risk expired	–	(60.8)	–	(60.8)	–	(58.3)	–	(58.3)
Experience adjustments	(29.7)	–	–	(29.7)	(99.5)	–	–	(99.5)
Changes that relate to future services								
Contracts initially recognised in the period	53.6	93.8	(65.0)	82.4	59.0	92.7	(87.7)	64.0
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	94.4	–	–	94.4	–	–	–	–
Changes in estimates that adjust the CSM	(77.9)	46.6	31.3	–	(36.8)	(13.4)	50.2	–
Changes that relate to past services								
Adjustments to assets for incurred claims	5.6	–	–	5.6	(457.5)	0.1	–	(457.4)
Net income/(expense) from reinsurance contracts held	46.0	79.6	(12.4)	113.2	(534.8)	21.1	(18.5)	(532.2)
Finance (expenses)/income from reinsurance contracts held	(2.0)	20.5	(4.5)	14.0	(31.0)	23.4	(6.2)	(13.8)
Effect of movements in exchange rates	(10.2)	19.9	(9.5)	0.2	(42.1)	(15.4)	10.0	(47.5)
Total changes in the statement of profit or loss and OCI	33.8	120.0	(26.4)	127.4	(607.9)	29.1	(14.7)	(593.5)
Cash flows								
Premiums paid	537.0	–	–	537.0	374.8	–	–	374.8
Amounts received	(399.7)	–	–	(399.7)	(309.0)	–	–	(309.0)
Total cash flows	137.3	–	–	137.3	65.8	–	–	65.8
Other movements	75.7	–	–	75.7	507.8	–	–	507.8
Net reinsurance contract assets/(liabilities) as at 31 December	145.6	718.3	(177.0)	686.9	(101.2)	598.3	(150.6)	346.5
Reinsurance contract assets as at 31 December	351.8	689.7	(212.6)	828.9	115.9	573.2	(176.7)	512.4
Reinsurance contract liabilities as at 31 December	(206.2)	28.6	35.6	(142.0)	(217.1)	25.1	26.1	(165.9)
Net reinsurance contract assets/(liabilities) as at 31 December	145.6	718.3	(177.0)	686.9	(101.2)	598.3	(150.6)	346.5

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.1 Life insurance (continued)

14.1.2 Life insurance – reinsurance contracts held (continued)

14.1.2.3 Impact of contracts recognised during the year – contracts not measured under the PAA

in Singapore Dollars (millions)	2024			2023		
	Contracts originated not in a net gain	Contracts originated in a net gain	Total	Contracts originated not in a net gain	Contracts originated in a net gain	Total
Estimates of present value of future cash outflows	(279.3)	(316.5)	(595.8)	(307.0)	(193.1)	(500.1)
Estimates of present value of future cash inflows	271.5	377.9	649.4	317.3	241.8	559.1
Risk adjustment	27.8	66.0	93.8	49.4	43.3	92.7
CSM	(20.0)	(45.0)	(65.0)	(59.7)	(28.0)	(87.7)
Increase in reinsurance contract assets from contracts recognised during the year	–	82.4	82.4	–	64.0	64.0

14.1.2.4 Amounts determined on transition to SFRS(I) 17

The Group's transition approaches applied at the date of transition to SFRS(I) 17 on 1 January 2022 continue to impact how the CSM balance as at 31 December 2024 and 31 December 2023 has been determined. An analysis of the CSM by transition method is set out in the following table:

in Singapore Dollars (millions)	2024			2023		
	Contracts using the fair value approach	All other contracts	Total	Contracts using the fair value approach	All other contracts	Total
CSM as at 1 January	101.8	(252.4)	(150.6)	97.8	(233.7)	(135.9)
Changes that relate to current services						
CSM recognised for services received	(14.4)	35.7	21.3	(14.3)	33.3	19.0
Changes that relate to future services						
Contracts initially recognised in the period	–	(65.0)	(65.0)	–	(87.7)	(87.7)
Changes in estimates that adjust the CSM	(11.0)	42.3	31.3	16.4	33.8	50.2
	(25.4)	13.0	(12.4)	2.1	(20.6)	(18.5)
Finance income/(expenses) from reinsurance contracts held	3.5	(8.0)	(4.5)	1.9	(8.1)	(6.2)
Effect of movements in exchange rates	–	(9.5)	(9.5)	–	10.0	10.0
Total changes in the statement of profit or loss or OCI	(21.9)	(4.5)	(26.4)	4.0	(18.7)	(14.7)
CSM as at 31 December	79.9	(256.9)	(177.0)	101.8	(252.4)	(150.6)

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.2 Non-life insurance

14.2.1 Non-life insurance – insurance contracts issued

14.2.1.1 Reconciliation of the liabilities for remaining coverage and incurred claims

		2024					2023				
		Liabilities for remaining coverage		Liabilities for incurred claims		Total	Liabilities for remaining coverage		Liabilities for incurred claims		Total
		Excluding loss component	Loss component	Contracts under PAA			Excluding loss component	Loss component	Contracts under PAA		
				Estimates of the present value of future cash flows	Risk adjustment				Estimates of the present value of future cash flows	Risk adjustment	
in Singapore Dollars (millions)	Note										
Insurance contract liabilities as at 1 January		134.0	17.1	420.0	47.2	618.3	96.8	29.3	460.5	64.1	650.7
Insurance contract assets as at 1 January		(27.2)	-	-	-	(27.2)	(17.7)	-	-	-	(17.7)
Net insurance contract liabilities/(assets) as at 1 January		106.8	17.1	420.0	47.2	591.1	79.1	29.3	460.5	64.1	633.0
Insurance revenue											
Other contracts		(443.0)	-	-	-	(443.0)	(423.9)	-	-	-	(423.9)
	4	(443.0)	-	-	-	(443.0)	(423.9)	-	-	-	(423.9)
Insurance service expenses											
Incurred claims and other expenses		-	(24.5)	255.3	13.5	244.3	-	(41.2)	242.3	15.9	217.0
Amortisation of insurance acquisition cash flows		105.1	-	-	-	105.1	99.6	-	-	-	99.6
Losses on onerous contracts and reversals of those losses		-	22.7	-	-	22.7	-	28.2	-	-	28.2
Changes to liabilities for incurred claims		-	-	(44.8)	(30.1)	(74.9)	-	-	(19.4)	(33.4)	(52.8)
	6	105.1	(1.8)	210.5	(16.6)	297.2	99.6	(13.0)	222.9	(17.5)	292.0
Insurance service result		(337.9)	(1.8)	210.5	(16.6)	(145.8)	(324.3)	(13.0)	222.9	(17.5)	(131.9)
Finance expenses from insurance contracts issued	5	5.6	0.6	12.4	1.5	20.1	5.4	1.3	13.6	2.1	22.4
Effect of movements in exchange rates		2.7	0.5	13.3	0.9	17.4	(2.4)	(0.5)	(14.9)	(1.5)	(19.3)
Total changes in the statement of profit or loss and OCI		(329.6)	(0.7)	236.2	(14.2)	(108.3)	(321.3)	(12.2)	221.6	(16.9)	(128.8)
Investment components		(0.5)	-	0.5	-	-	(0.9)	-	0.9	-	-
Cash flows											
Premiums received		454.8	-	-	-	454.8	439.3	-	-	-	439.3
Claims and other expenses paid		-	-	(292.1)	-	(292.1)	-	-	(263.0)	-	(263.0)
Insurance acquisition cash flows		(98.2)	-	-	-	(98.2)	(89.4)	-	-	-	(89.4)
Total cash flows		356.6	-	(292.1)	-	64.5	349.9	-	(263.0)	-	86.9
Net insurance contract liabilities/(assets) as at 31 December		133.3	16.4	364.6	33.0	547.3	106.8	17.1	420.0	47.2	591.1
Insurance contract liabilities as at 31 December		168.3	16.3	364.6	33.0	582.2	134.0	17.1	420.0	47.2	618.3
Insurance contract assets as at 31 December		(35.0)	0.1	-	-	(34.9)	(27.2)	-	-	-	(27.2)
Net insurance contract liabilities/(assets) as at 31 December		133.3	16.4	364.6	33.0	547.3	106.8	17.1	420.0	47.2	591.1

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.2 Non-life insurance (continued)

14.2.2 Non-life insurance – reinsurance contracts held

14.2.2.1 Reconciliation of the assets for remaining coverage and incurred claims

	in Singapore Dollars (millions)	Note	2024					2023				
			Assets for remaining coverage		Assets for incurred claims			Assets for remaining coverage		Assets for incurred claims		
			Excluding loss component	Loss component	Contracts under PAA			Excluding loss component	Loss component	Contracts under PAA		
					Estimates of the present value of future cash flows	Risk adjustment	Total			Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 1 January			74.3	4.1	241.1	36.8	356.3	24.2	10.8	312.5	49.8	397.3
Reinsurance contract liabilities as at 1 January			(65.0)	0.4	9.7	0.7	(54.2)	(38.4)	0.4	1.4	-	(36.6)
Net reinsurance contract assets/(liabilities) as at 1 January			9.3	4.5	250.8	37.5	302.1	(14.2)	11.2	313.9	49.8	360.7
Allocation of reinsurance premiums			(161.8)	-	-	-	(161.8)	(160.4)	-	-	-	(160.4)
Amounts recoverable from reinsurers												
Recoveries of incurred claims and other insurance service expenses			-	(3.1)	92.0	6.3	95.2	-	(8.8)	99.2	11.0	101.4
Recoveries and reversals of recoveries of losses on onerous underlying contracts			-	2.1	-	-	2.1	-	1.7	-	-	1.7
Adjustments to assets for incurred claims			-	-	(43.2)	(25.6)	(68.8)	-	-	(20.5)	(24.0)	(44.5)
Net (expenses)/income from reinsurance contracts held			(161.8)	(1.0)	48.8	(19.3)	(133.3)	(160.4)	(7.1)	78.7	(13.0)	(101.8)
Finance income from reinsurance contracts held	5		2.0	0.2	13.2	1.0	16.4	2.2	0.5	4.6	1.7	9.0
Effect of movements in exchange rates			0.7	-	7.4	1.7	9.8	0.1	(0.1)	(11.1)	(1.0)	(12.1)
Total changes in the statement of profit or loss and OCI			(159.1)	(0.8)	69.4	(16.6)	(107.1)	(158.1)	(6.7)	72.2	(12.3)	(104.9)
Cash flows												
Premiums paid			169.6	-	-	-	169.6	182.0	-	-	-	182.0
Amounts received			-	-	(122.0)	-	(122.0)	-	-	(135.7)	-	(135.7)
Total cash flows			169.6	-	(122.0)	-	47.6	182.0	-	(135.7)	-	46.3
Other movements			-	-	-	-	-	(0.4)	-	0.4	-	-
Net reinsurance contract assets/(liabilities) as at 31 December			19.8	3.7	198.2	20.9	242.6	9.3	4.5	250.8	37.5	302.1
Reinsurance contract assets as at 31 December			49.5	3.6	205.8	19.8	278.7	74.3	4.1	241.1	36.8	356.3
Reinsurance contract liabilities as at 31 December			(29.7)	0.1	(7.6)	1.1	(36.1)	(65.0)	0.4	9.7	0.7	(54.2)
Net reinsurance contract assets/(liabilities) as at 31 December			19.8	3.7	198.2	20.9	242.6	9.3	4.5	250.8	37.5	302.1

NOTES TO FINANCIAL STATEMENTS

14 INSURANCE AND REINSURANCE CONTRACTS (continued)

14.3 Expected recognition of the contractual service margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table:

in Singapore Dollars (millions)	2024						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
Insurance contracts issued							
Life	580.1	510.3	469.2	430.3	387.4	4,369.5	6,746.8
Total insurance contracts issued	580.1	510.3	469.2	430.3	387.4	4,369.5	6,746.8
Reinsurance contracts held							
Life	3.1	12.7	12.1	11.0	10.1	128.0	177.0
Total reinsurance contracts held	3.1	12.7	12.1	11.0	10.1	128.0	177.0

in Singapore Dollars (millions)	2023						Total
	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
Insurance contracts issued							
Life	601.6	489.4	448.8	418.3	387.9	4,521.3	6,867.3
Total insurance contracts issued	601.6	489.4	448.8	418.3	387.9	4,521.3	6,867.3
Reinsurance contracts held							
Life	17.3	6.4	8.9	9.0	8.0	101.0	150.6
Total reinsurance contracts held	17.3	6.4	8.9	9.0	8.0	101.0	150.6

14.4 Underlying items

The following table sets out the composition and the fair value of underlying items of the Group's contracts with direct participation features.

in Singapore Dollars (millions)	Group	
	2024	2023
Cash and cash equivalents	2,581.9	3,222.0
Derivative financial instruments	(421.7)	578.2
Equity securities	13,340.2	10,706.0
Debt securities	43,499.2	42,989.0
Collective investment schemes	21,598.3	17,184.5
Loans	905.9	392.3
Investment properties	1,426.8	1,375.7
Property, plant and equipment	861.8	841.4
	83,792.4	77,289.1

NOTES TO FINANCIAL STATEMENTS

15 OTHER DEBTORS

in Singapore Dollars (millions)	Note	Group	
		2024	2023
Other debtors comprise the following:			
Financial Assets:			
Accrued interest and dividend receivable		637.2	651.2
Investment debtors		761.5	379.2
Other receivables		33.7	31.3
Deposits collected		3.6	3.5
	17	1,436.0	1,065.2
Non-Financial Assets:			
Prepayments and others		50.9	46.3
		1,486.9	1,111.5

16 AMOUNT DUE FROM SUBSIDIARIES

The amounts due from subsidiaries are non-trade related, unsecured, interest-free, repayable on demand and are to be settled in cash.

17 LOANS AND OTHER FINANCIAL ASSETS AT AMORTISED COST

in Singapore Dollars (millions)	Note	Group		Company	
		2024	2023	2024	2023
Loans comprise the following:					
Secured loans		1,007.8	375.4	–	–
Unsecured loans		335.5	146.3	–	–
		1,343.3	521.7	–	–
less: Provision for impairment of secured loans		7.1	2.6	–	–
Provision for impairment of unsecured loans		0.1	8.1	–	–
		1,336.1	511.0	–	–

If loans were carried at fair value, the carrying amounts would be as follows:

Loans		1,345.5	524.7	-	-
Loans and other financial assets at Amortised Cost:					
Cash and cash equivalents		4,398.9	6,302.9	33.6	25.7
Other debtors	15	1,436.0	1,065.2	-	-
Loans		1,336.1	511.0	-	-
Debt securities	19	509.5	1,218.2	-	-
Amount due from subsidiaries	16	-	-	3,602.1	2,380.1
Total loans and other financial assets at Amortised Cost		7,680.5	9,097.3	3,635.7	2,405.8

NOTES TO FINANCIAL STATEMENTS

17 LOANS AND OTHER FINANCIAL ASSETS AT AMORTISED COST (continued)

17.1 Loans analysed by interest rate sensitivity and geography

in Singapore Dollars (millions)	Note	Group		Company	
		2024	2023	2024	2023
Fixed					
Singapore		4.3	14.5	-	-
Malaysia		69.8	120.6	-	-
		74.1	135.1	-	-
Floating					
Singapore		1,262.0	375.9	-	-
Total		1,336.1	511.0	-	-

The analysis by interest rate sensitivity is based on where the transactions are booked and where the credit risk resides.

18 DERIVATIVE FINANCIAL INSTRUMENTS

in Singapore Dollars (millions)	Notional Amount	Derivative Financial Assets	Derivative Financial Liabilities
31 December 2024			
Foreign exchange:			
Forwards	31,820.1	143.9	(431.2)
Currency swaps	3,429.8	97.2	(11.7)
Exchange traded futures	7.4	-	(0.1)
Interest rates:			
Swaps	1,639.6	46.2	(40.9)
Exchange traded futures	4,140.6	4.0	(221.8)
Equity:			
Swaps	467.6	37.6	(2.7)
Futures	1,840.4	4.3	(18.1)
Options	541.0	37.6	-
Bond:			
Forwards	39.6	-	(0.3)
	43,926.1	370.8	(726.8)
31 December 2023			
Foreign exchange:			
Forwards	28,477.2	392.5	(124.5)
Currency swaps	1,982.2	96.1	(14.0)
Interest rates:			
Swaps	909.6	23.7	(32.7)
Exchange traded futures	3,703.6	371.1	(4.1)
Equity:			
Swaps	20.5	-	(0.6)
Futures	1,079.8	13.8	(3.0)
Options	472.2	54.6	-
Credit:			
Swaps	10.0	9.9	-
Bond:			
Forwards	175.0	2.2	(0.8)
	36,830.1	963.9	(179.7)

NOTES TO FINANCIAL STATEMENTS

18 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The table above shows the fair value of derivative financial instruments, recorded as assets or liabilities together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and the basis upon which changes in the value of derivatives are measured.

The fair value of derivatives shown above represents the current risk exposure but not the maximum risk exposure that would arise in the future as a result of the changes in value.

19 INVESTMENTS

in Singapore Dollars (millions)	Group	
	2024	2023

19.1 Financial assets at FVOCI

Equity securities designated at FVOCI		
(i) Quoted equity securities	1,755.3	1,883.8
(ii) Unquoted equity securities	19.6	22.3
	1,774.9	1,906.1
Debt securities at FVOCI		
(iii) Quoted debt securities ⁽¹⁾	8,350.8	9,419.1
(iv) Unquoted debt securities	3,798.9	4,576.1
	12,149.7	13,995.2
Total securities measured at FVOCI	13,924.6	15,901.3

During the financial years ended 31 December 2024 and 2023, the Group sold listed equity securities as the underlying investments are no longer aligned with the Group's long-term investment strategy. These investments had a fair value of \$2,048.6 million (31 December 2023: \$930.2 million) at the date of disposal. The cumulative gain on disposal of \$63.6 million (31 December 2023: loss of \$2.5 million) was reclassified from fair value reserve to retained earnings.

19.2 Financial assets at FVTPL

Mandatorily measured at FVTPL

Equity securities		
(i) Quoted equity securities	13,865.4	11,505.9
(ii) Unquoted equity securities	28.5	24.8
	13,893.9	11,530.7
Debt securities		
(iii) Quoted debt securities	3,766.5	3,937.5
(iv) Unquoted debt securities	3,805.3	3,239.7
	7,571.8	7,177.2
Other investments		
(v) Collective investment schemes ⁽²⁾	24,530.0	19,244.9
Total financial assets mandatorily measured at FVTPL	45,995.7	37,952.8

Designated at FVTPL

Debt securities		
(i) Quoted debt securities	25,721.2	27,820.2
(ii) Unquoted debt securities	16,168.6	13,643.1
Total financial assets designated at FVTPL	41,889.8	41,463.3
Total financial assets at FVTPL	87,885.5	79,416.1

⁽¹⁾ Included in quoted debt securities are quoted government securities amounting to \$48.3 million (2023: \$42.6 million) which are lodged with the regulator as statutory deposits.

⁽²⁾ Collective investment schemes include but are not limited to hedge funds, private equity funds, private debt funds, infrastructure funds, unit trusts, real estate investment funds, exchange traded funds and open-ended investment company funds.

NOTES TO FINANCIAL STATEMENTS

19 INVESTMENTS (continued)

		Group	
in Singapore Dollars (millions)	Note	2024	2023
Financial assets at Amortised Cost			
Debt securities			
(i) Quoted debt securities		486.4	1,033.1
(ii) Unquoted debt securities		23.1	185.1
Total financial assets at Amortised Cost ⁽¹⁾	17	509.5	1,218.2
TOTAL INVESTMENTS		102,319.6	96,535.6

⁽¹⁾ If these financial assets are measured using market value, the carrying amount would be as follows:

in Singapore Dollars (millions)	Group	
	2024	2023
Quoted debt securities	440.9	1,014.3
Unquoted debt securities	23.2	184.5
	464.1	1,198.8

20 INVESTMENT IN ASSOCIATE

in Singapore Dollars (millions)	Group	
	2024	2023
Investment in shares, at fair value	68.3	95.1
Carrying amount at 31 December	68.3	95.1

The Group's associate is as follows:

Name of associate	Principal place of business	Nature of the relationship with the Group	Effective % interest held	
			2024	2023
Boost Holdings Sdn Bhd	Malaysia	Strategic investment in digital payment solutions	19.9	21.9

The Group has elected to measure its investment in associate, Boost Holdings Sdn Bhd ("BHSB"), at fair value through profit or loss in accordance with SFRS(I) 9 as it is held through its venture capital organisation.

During the year, the Group's effective interest in BHSB was reduced from 21.9% to 19.9% following an increase in BHSB's issued and paid-up share capital. Thus, BHSB ceased to be an associated company of the Group in accordance with the Listing Manual of SGX-ST. However, BHSB is still considered to be an associate of the Group as the Group is deemed to have significant influence over it in accordance with SFRS(I) 1-28.

The changes in fair value through profit or loss includes the impact of the reduction in interest.

Information about the Group's investment in associate is as follows:

in Singapore Dollars (millions)	Group	
	2024	2023
Loss after income tax from continuing operations	(50.5)	(51.4)
Other comprehensive (loss)/income	(0.2)	0.3
Total comprehensive loss	(50.7)	(51.1)

NOTES TO FINANCIAL STATEMENTS

21 INVESTMENT IN SUBSIDIARIES

in Singapore Dollars (millions)	Company	
	2024	2023
Investment in shares, at cost	1,331.1	1,331.1
Provision for impairment	(49.1)	(22.2)
Distribution from pre-acquisition reserve	(281.8)	(281.8)
	<u>1,000.2</u>	<u>1,027.1</u>
Investment in shares, at cost:		
Balance at the beginning of the year	1,331.1	1,323.4
Acquisition	–	7.7
Balance at the end of the year	<u>1,331.1</u>	<u>1,331.1</u>
Provision for impairment:		
Balance at the beginning of the year	(22.2)	–
Impairment loss recognised during the year	(26.9)	(22.2)
Balance at the end of the year	<u>(49.1)</u>	<u>(22.2)</u>

Significant restrictions:

The ability of insurance subsidiaries to transfer funds to the Group in the form of cash dividends is subject to local insurance laws and regulations and solvency requirements in certain jurisdictions in which the subsidiaries operate. These requirements do not constitute a material limitation on the ability of the subsidiaries to transfer funds to the Group.

21.1 Interest in subsidiary with material non-controlling interest (NCI)

The Group has the following subsidiary that has NCI that is material to the Group.

Name of Subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit allocated to NCI during the reporting year	Accumulated NCI at the end of the reporting year	Dividends paid to NCI
in Singapore Dollars (millions)					
31 December 2024					
Lion Global Investors Limited	Singapore	30%	17.4	69.4	33.3
31 December 2023					
Lion Global Investors Limited	Singapore	30%	13.7	85.3	9.5

Significant restrictions:

There are no significant restrictions on the Group's ability to use or access assets and settle liabilities of subsidiaries with material non-controlling interests.

NOTES TO FINANCIAL STATEMENTS

21 INVESTMENT IN SUBSIDIARIES (continued)

21.2 Summarised financial information about subsidiaries with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

in Singapore Dollars (millions)	Lion Global Investors Ltd	
	2024	2023
Summarised balance sheet		
Current		
Assets	274.8	328.7
Liabilities	(40.9)	(42.1)
Net current assets	233.9	286.6
Non-current		
Assets	2.1	2.5
Liabilities	-	-
Net non-current assets	2.1	2.5
Net assets	236.0	289.1
Summarised statement of comprehensive income		
Revenue	128.4	103.8
Profit before income tax	67.0	55.0
Income tax expense	(9.0)	(9.2)
Profit after income tax from continuing operations	58.0	45.8
Total comprehensive income	58.0	45.8
Other summarised information		
Net cash flows from operations	47.5	44.5

22 INTERESTS IN STRUCTURED ENTITIES

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements. The Group has interests in unconsolidated structured entities as described below.

The Group holds shares or units in investment vehicles, which consist of:

- Debt securities which comprise: Mortgage-Backed-Securities ("MBS"), Asset Backed Securities ("ABS") and Structured Deposits ("SD").
- Collective Investment Schemes which comprise: hedge funds, private equity funds, private debt funds, infrastructure funds, unit trusts, Real Estate Investment Trusts ("REITs"), Exchange Traded Funds ("ETF") and Open Ended Investment Companies ("OEIC").

The Group's holdings in investment vehicles are subject to the terms and conditions of the respective investment vehicle's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those investment vehicles.

NOTES TO FINANCIAL STATEMENTS

22 INTERESTS IN STRUCTURED ENTITIES (continued)

The investment vehicles in the investment portfolio are managed by portfolio managers who are compensated by the respective investment vehicles for their services. Such compensation generally consists of an asset-based fee and a performance-based incentive fee, and is reflected in the valuation of the investment vehicles.

22.1 Interests in unconsolidated structured entities

As part of its investment activities, the Group invests in unconsolidated structured entities. As at 31 December 2024, the Group's total interest in unconsolidated structured entities was \$26,276.7 million (31 December 2023: \$20,771.7 million) on the Group's balance sheet.

The Group does not sponsor any of the unconsolidated structured entities.

A summary of the Group's interest in unconsolidated structured entities is as follows:

in Singapore Dollars (millions)	Group	
	2024	2023
Debt securities		
<i>Analysed as:</i>		
MBS	553.6	571.3
ABS	103.4	125.2
SD	1,089.7	830.3
Collective investment schemes		
<i>Analysed as:</i>		
Hedge funds	2,131.3	1,778.4
Private equity funds	3,082.0	2,912.5
Private debt funds	713.1	–
Infrastructure funds	17.9	–
Unit trusts	3,982.5	3,647.6
REITs	827.3	854.0
ETF	1,340.9	1,093.4
OEIC	12,435.0	8,959.0
Total	26,276.7	20,771.7

The Group's maximum exposure to loss on the interests presented above is the carrying amount of the Group's investments.

The Group has not provided any financial or other support to the unconsolidated structured entities as at the reporting date, and there are no intentions to provide support in the foreseeable future.

22.2 Other interests in unconsolidated structured entities

The Group receives management fees in respect of its asset management business. The Group does not sponsor any of the funds or investment vehicles from which it receives fees. Management fees received for investments that the Group manages but does not have a holding in also represent an interest in unconsolidated structured entities. As these investments are not held by the Group, the investment risk is borne by the external investors and therefore the Group's maximum exposure to loss relates to future management fees. The table below shows the assets under management of entities that the Group manages but does not have a holding in and the fees earned from those entities.

in Singapore Dollars (millions)	Assets under Management		Investment Management Fees	
	2024	2023	2024	2023
Collective investment schemes	4,966.3	2,885.4	23.7	19.2
Total	4,966.3	2,885.4	23.7	19.2

NOTES TO FINANCIAL STATEMENTS

23 INTANGIBLE ASSETS

in Singapore Dollars (millions)	Note	Group	
		2024	2023
Goodwill	23.1	26.7	26.4
Other intangible assets	23.3	205.4	186.1
Carrying amount at 31 December		232.1	212.5

23.1 Goodwill

Cost:

At 1 January	33.2	33.5
Currency translation reserve adjustment	0.3	(0.3)
At 31 December	33.5	33.2

Impairment:

At 1 January and 31 December	(6.8)	(6.8)

Net carrying amount:

At 31 December	23	26.7	26.4

23.2 Impairment test for goodwill

Subsidiary – Lion Global Investors Limited

Carrying value of capitalised goodwill as at 31 December 2024	\$18.9 million
Basis on which recoverable values are determined ⁽¹⁾	Value in use
Terminal growth rate ⁽²⁾	2%
Discount rate ⁽³⁾	5%

Business acquired – Tahan Insurance Malaysia Berhad

Carrying value of capitalised goodwill as at 31 December 2024	\$5.5 million
Basis on which recoverable values are determined ⁽¹⁾	Value in use
Terminal growth rate ⁽²⁾	5%
Discount rate ⁽³⁾	9%

Subsidiary – PT Great Eastern General Insurance Indonesia

Carrying value of capitalised goodwill as at 31 December 2024	\$2.3 million
Basis on which recoverable values are determined ⁽¹⁾	Value in use
Terminal growth rate ⁽²⁾	5%
Discount rate ⁽³⁾	8%

⁽¹⁾ The value-in-use calculation applies a discounted cash flow model using cash flow projections based on financial budget and forecast approved by management covering a five-year period. Cash flows beyond the fifth year are extrapolated using the terminal growth rate stated above.

⁽²⁾ The terminal growth rates used do not exceed the long term average past growth rates of the industries and countries in which Lion Global Investors Limited, Great Eastern General Insurance (Malaysia) Berhad and PT Great Eastern General Insurance Indonesia operate.

⁽³⁾ The discount rate applied to the cash flow projections is pre-tax and is derived from the cost of capital plus a reasonable risk premium. This is the benchmark used by management to assess the operating performance.

No impairment loss (2023: nil) was recognised for the financial year ended 31 December 2024 against the amounts of goodwill recorded above to write down the carrying value to recoverable value. A reasonably possible change in key assumptions will not cause the carrying values above to materially exceed the recoverable amounts.

NOTES TO FINANCIAL STATEMENTS

23 INTANGIBLE ASSETS (continued)

23.3 Other intangible assets

		Group				
in Singapore Dollars (millions)	Note	Software	Capital works in progress	Club Membership	Distribution Platform	Total
Cost						
At 1 January 2023		473.7	65.5	0.6	3.8	543.6
Additions		8.2	49.4	–	–	57.6
Disposals		(12.5)	–	(0.1)	–	(12.6)
Reclassification		46.1	(46.1)	–	–	–
Reclassification to property, plant and equipment	25	–	(0.1)	–	–	(0.1)
Currency translation reserve adjustment		(9.0)	(2.0)	–	(0.2)	(11.2)
At 31 December 2023 and 1 January 2024		506.5	66.7	0.5	3.6	577.3
Additions		11.8	49.9	–	–	61.7
Disposals		(9.6)	(0.3)	–	–	(9.9)
Reclassification		47.5	(47.5)	–	–	–
Currency translation reserve adjustment		8.9	2.2	–	0.2	11.3
At 31 December 2024		565.1	71.0	0.5	3.8	640.4
Accumulated amortisation and impairment loss						
At 1 January 2023		(364.8)	–	(0.1)	(1.8)	(366.7)
Amortisation charge for the year	6	(43.7)	–	–	(0.5)	(44.2)
Disposals		12.5	–	–	–	12.5
Provision for impairment		–	–	–	(0.2)	(0.2)
Currency translation reserve adjustment		7.3	–	–	0.1	7.4
At 31 December 2023 and 1 January 2024		(388.7)	–	(0.1)	(2.4)	(391.2)
Amortisation charge for the year	6	(43.7)	–	–	(0.5)	(44.2)
Disposals		8.6	–	–	–	8.6
Currency translation reserve adjustment		(8.0)	–	–	(0.2)	(8.2)
At 31 December 2024		(431.8)	–	(0.1)	(3.1)	(435.0)
Net book value						
At 31 December 2023	23	117.8	66.7	0.4	1.2	186.1
At 31 December 2024	23	133.3	71.0	0.4	0.7	205.4

NOTES TO FINANCIAL STATEMENTS

24 INVESTMENT PROPERTIES

in Singapore Dollars (millions)	Note	Group	
		2024	2023
Balance sheet:			
At 1 January		1,880.7	1,881.2
Additions (subsequent expenditure)		7.2	1.1
Net gain from fair value adjustments	5	34.0	16.3
Currency translation reserve adjustment		16.9	(17.9)
At 31 December		1,938.8	1,880.7
Profit or Loss Statement:			
Rental income from investment properties:			
– Minimum lease payments		48.7	49.9
Direct operating expenses (including repairs and maintenance) arising from:			
– Rental generating properties		(18.2)	(17.5)
– Non-rental generating properties		-	(0.1)
		(18.2)	(17.6)

Investment properties collectively form an asset class which is an integral part of the overall investment strategy for the asset-liability management of the life insurance business.

Investment properties are stated at fair value, which has been determined based on objective valuation undertaken by independent valuers as at the balance sheet date. Valuations are performed by accredited independent valuers with recent experience in the location and category of the properties being valued.

NOTES TO FINANCIAL STATEMENTS

25 PROPERTY, PLANT AND EQUIPMENT

in Singapore Dollars (millions)	Note	Group								
		Right-Of-Use Assets			Property, Plant and Equipment Owned					
		Leasehold Land ⁽¹⁾	Office space	Other Right-Of-Use Assets	Freehold Land ⁽¹⁾	Capital Works in Progress	Buildings ⁽¹⁾	Computer Equipment	Other Assets ⁽²⁾	Total
Cost										
At 1 January 2023		37.6	102.6	1.2	60.3	5.0	598.0	146.2	111.3	1,062.2
Additions		-	0.7	-	-	14.4	1.3	8.4	10.2	35.0
Disposals/assets written off		-	-	-	-	-	-	(3.8)	(6.1)	(9.9)
Reclassification		-	-	-	-	(1.0)	-	-	1.0	-
Reclassification from intangible assets	23	-	-	-	-	-	-	0.1	-	0.1
Currency translation reserve adjustment		(0.3)	-	(0.1)	(0.2)	-	(8.1)	(5.2)	(2.7)	(16.6)
At 31 December 2023 and 1 January 2024		37.3	103.3	1.1	60.1	18.4	591.2	145.7	113.7	1,070.8
Additions		-	10.0	-	-	15.7	-	13.1	13.6	52.4
Disposals/assets written off		-	(0.1)	(0.2)	-	-	-	(1.1)	(3.3)	(4.7)
Reclassification		-	-	-	-	(17.4)	-	-	17.4	-
Currency translation reserve adjustment		0.3	-	0.1	0.2	-	7.6	5.0	2.6	15.8
At 31 December 2024		37.6	113.2	1.0	60.3	16.7	598.8	162.7	144.0	1,134.3
Accumulated Depreciation and Impairment Loss										
At 1 January 2023		(2.1)	(39.7)	(1.2)	(1.4)	-	(310.8)	(124.0)	(73.6)	(552.8)
Depreciation charge for the year	6	-	(12.3)	(0.1)	-	-	(12.1)	(11.0)	(8.1)	(43.6)
Disposals/assets written off		-	-	-	-	-	-	3.8	5.9	9.7
Currency translation reserve adjustment		-	-	0.2	-	-	3.7	5.0	2.7	11.6
At 31 December 2023 and 1 January 2024		(2.1)	(52.0)	(1.1)	(1.4)	-	(319.2)	(126.2)	(73.1)	(575.1)
Depreciation charge for the year	6	-	(10.5)	(0.1)	-	-	(12.1)	(11.3)	(9.6)	(43.6)
Disposals/assets written off		-	0.1	0.2	-	-	-	1.1	3.2	4.6
Currency translation reserve adjustment		-	(0.1)	-	-	-	(3.6)	(4.1)	(2.6)	(10.4)
At 31 December 2024		(2.1)	(62.5)	(1.0)	(1.4)	-	(334.9)	(140.5)	(82.1)	(624.5)
Net Book Value										
At 31 December 2023		35.2	51.3	-	58.7	18.4	272.0	19.5	40.6	495.7
At 31 December 2024		35.5	50.7	-	58.9	16.7	263.9	22.2	61.9	509.8

⁽¹⁾ If the freehold land, leasehold land and buildings were measured using market value, the carrying amount would be as follows:

in Singapore Dollars (millions)	Group	
	2024	2023
Freehold land, Leasehold land and Buildings	866.2	847.6

⁽²⁾ Other assets include motor vehicles, office furniture, fittings and equipment.

NOTES TO FINANCIAL STATEMENTS

25 PROPERTY, PLANT AND EQUIPMENT (continued)

25.1 Leases

This note provides information for leases where the Group is a lessee.

The Group has entered into operating lease agreements for computer equipment and office rental. These non-cancellable leases have remaining non-cancellable lease terms of between 1 and 5 years. There are several lease contracts that include extension and termination options.

The Group also has certain leases of office rental with lease terms of 12 months or less and leases of computer equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases respectively.

The following are the amounts recognised in the Profit or Loss Statement:

in Singapore Dollars (millions)	Note	Group	
		2024	2023
Depreciation expense of right-of-use assets		10.6	12.4
Interest expense on lease liabilities	6	1.6	1.6
Expense relating to short-term leases		2.3	2.6
Expense relating to leases of low-value assets		0.2	0.1
Total amount recognised in the Profit or Loss Statement		14.7	16.7

The total cash outflow for leases in 2024 was \$12.0 million (2023: \$13.3 million).

26 EXECUTIVES' SHARE OPTION SCHEME

26.1 OCBC Share Option Scheme

In April 2005, the GEH Optionholders were nominated to participate in the OCBC Share Option Scheme (2001) ("OCBC Option Scheme"). OCBC has ceased granting share options under the OCBC Option Scheme effective from financial year 2018 remuneration. Share options granted in prior years continue to be outstanding until the options lapse or are exercised by the recipients. The share options have a validity period of 10 years from date of grant.

Information with respect to the number of options granted under the OCBC Option Scheme to GEH Optionholders is as follows:

	2024		2023	
	Number of Options	Average Price	Number of Options	Average Price
Number of shares comprised in options:				
At beginning of year	1,053,788	\$11.017	1,900,145	\$10.433
Lapsed during the year	–	–	(10,224)	\$10.018
Exercised during the year	(555,905)	\$11.010	(836,133)	\$9.702
Outstanding at end of year	497,883	\$11.025	1,053,788	\$11.017
Exercisable at end of year	497,883	\$11.025	1,053,788	\$11.017
Average share price underlying the options exercised during the financial year		\$14.263		\$12.619

NOTES TO FINANCIAL STATEMENTS

26 EXECUTIVES' SHARE OPTION SCHEME (continued)

26.1 OCBC Share Option Scheme (continued)

Details of the options outstanding as at 31 December 2024 are as follows:

Grant Year	Grant Date	Exercise Period	Acquisition Price	2024	
				Outstanding	Exercisable
2015	16.03.2015	16.03.2016 – 15.03.2025	\$10.378	65,818	65,818
2016	16.03.2016	16.03.2017 – 15.03.2026	\$8.814	71,970	71,970
2017	23.03.2017	23.03.2018 – 22.03.2027	\$9.598	168,909	168,909
2018	22.03.2018	22.03.2019 – 21.03.2028	\$13.340	191,186	191,186
				497,883	497,883

The carrying amount of the liability recognised on the Group's balance sheet related to the above options at 31 December 2024 is \$2.3 million (31 December 2023: \$3.9 million).

As at 31 December 2024, the weighted average remaining contractual life of outstanding options was 2.2 years (2023: 2.9 years). There were no options held by directors of the Company as at 31 December 2024 (2023: 43,512).

26.2 OCBC Deferred Share Plan ("DSP")

Deferred compensation for eligible executives as approved by the GEH Remuneration Committee are administered through the OCBC Deferred Share Plan ("DSP"). DSP, apart from being a tool to manage deferral of variable compensation in line with regulatory guidelines, also aims to increase the performance-orientation and retention factor in compensation packages of executives, and foster an ownership culture within the GEH Group of companies. The costs of acquisition of the shares to fulfil the awards made to GEH Group's executives are cash-settled with OCBC, amortised and recognised in the Profit or Loss Statement over the relevant vesting periods.

During the financial year, 413,566 (2023: 429,882) OCBC ordinary shares were granted to eligible executives of GEH Group under the DSP, of which none (2023: nil) were granted to a director of the Company. The fair value of the shares at grant date was \$5.4 million (2023: \$5.4 million).

26.3 OCBC Employee Share Purchase Plan ("ESPP")

GEH Group adopts the OCBC Employee Share Purchase Plan ("ESPP"), which is implemented by OCBC for all employees of the participating companies in the OCBC Group, including executive Directors.

The ESPP is a saving-based share ownership plan to help employees own ordinary shares in OCBC through their monthly contributions via deductions from payroll and/or from Central Provident Fund ("CPF"). Deductions from CPF has ceased with effect from ESPP offering commencing in 2024. The employees have the option to convert the contributions to ordinary shares after one year or to withdraw the contributions at any time. As a further incentive to employees to enrol in the ESPP, interest is paid on the amounts saved at a preferential interest rate. The duration of the offering period is 24 months.

NOTES TO FINANCIAL STATEMENTS

26 EXECUTIVES' SHARE OPTION SCHEME (continued)

26.3 OCBC Employee Share Purchase Plan ("ESPP") (continued)

In July 2024, OCBC launched its nineteenth offering of ESPP, which commenced on 1 September 2024 and will expire on 31 August 2026. Under the offering, 983,065 (2023: 1,030,817) rights to acquire ordinary shares in OCBC were granted to the GEH Group's employees. The fair value of the rights, determined using the binomial valuation model was \$0.6 million (2023: \$0.8 million). Significant inputs to the valuation model are set out below.

	2024	2023
Acquisition price (\$)	14.45	12.47
Share price (\$)	14.80	12.94
Expected volatility based on last 250 days historical volatility as of acceptance date (%)	13.19	12.97
Singapore government bond yields (%)	2.83	3.36
Expected dividend yield (%)	6.54	4.91

A summary of the movement in the number of acquisition rights of the ESPP issued to GEH Group's employees is as follows:

	2024		2023	
	Number of Subscription Rights	Weighted Average Subscription Price	Number of Subscription Rights	Weighted Average Subscription Price
At 1 January	1,763,612	\$12.282	1,853,893	\$11.837
Subscriptions	983,065	\$14.450	1,030,817	\$12.470
Exercised and conversion upon expiry	(853,593)	\$12.100	(859,390)	\$11.603
Forfeited	(141,022)	\$12.707	(261,708)	\$12.101
At 31 December	1,752,062	\$13.553	1,763,612	\$12.282

Average share price underlying acquisition rights exercised during the financial year	\$14.820	\$12.649

As at 31 December 2024, the weighted average remaining contractual life of outstanding acquisition rights was 1.2 years (2023: 1.2 years). No director of GEH Group has acquisition rights under the ESPP (2023: nil).

NOTES TO FINANCIAL STATEMENTS

27 OTHER MATTERS

	Group	
in Singapore Dollars (millions)	2024	2023

27.1 Capital commitments

Commitments for capital expenditure not provided for in the financial statements:

– Investment properties	7.9	11.0
– Property, plant and equipment	98.8	107.0
	106.7	118.0

27.2 Investment commitments

Commitments for investments not provided for in the financial statements:

– Private equity	1,326.4	945.6
– Private real estate investment trust ("REITs")	739.8	359.4
– Private debt	1,927.6	250.6
– Private infrastructure fund	186.1	–
– Loans	10.6	10.5
	4,190.5	1,566.1

27.3 Minimum lease receivable

Future minimum lease receivable under non-cancellable operating leases are as follows as of 31 December:

Within one year	39.8	40.2
After one year but not more than five years	20.4	27.0
	60.2	67.2

27.4 Acquisition of AmMetLife Insurance Berhad and AmMetLife Takaful Berhad by Great Eastern Life Assurance (Malaysia) Berhad and Great Eastern Takaful Berhad

On 2 October 2023, the Group's subsidiaries, Great Eastern Life Assurance (Malaysia) Berhad ("GELM") and Great Eastern Takaful Berhad ("GETB") entered into an implementation agreement ("Implementation Agreement") with AMAB Holdings Sdn Bhd ("AMAB") and MetLife International Holdings, LLC ("MetLife"), in relation to the proposed acquisition by GELM and GETB of 100% of the shares in AmMetLife Insurance Berhad ("AML") and AmMetLife Takaful Berhad ("AMT") respectively.

On 3 February 2025, it was announced that the Implementation Agreement has been terminated and parties to the Implementation Agreement have mutually agreed not to pursue the proposed acquisition.

NOTES TO FINANCIAL STATEMENTS

27 OTHER MATTERS (continued)

27.5 Voluntary Unconditional General Offer

On 10 May 2024, OCBC announced a voluntary unconditional general offer (the "Offer") for all the issued ordinary shares (the "Shares") in the capital of the Company, other than those Shares already owned or agreed to be acquired by OCBC or its subsidiaries, at the Offer price of \$25.60 per share. The Offer closed on 12 July 2024 (the "Closing Date") and the total number of Shares held by OCBC amounted to approximately 93.32%* of the total number of Shares of the Company. As the percentage of the total number of issued Shares held in public hands had fallen to below 10%, pursuant to the rules of the Listing Manual, the trading of the Shares on Singapore Exchange Securities Trading Limited (the "SGX-ST") was suspended with effect from 15 July 2024, being the market day after the Closing Date. On 23 July 2024, OCBC despatched the relevant documents in relation to the right of the shareholders who have not accepted the Offer under Section 215(3) of the Companies Act 1967 of Singapore to require OCBC to acquire their Shares which have not been tendered in acceptance of the Offer (the "Section 215(3) Exercise"). After the expiry of the Section 215(3) Exercise on 23 October 2024, the total number of Shares held by OCBC amounted to 93.72% of the total number of Shares of the Company.

The Company had made applications to the SGX-ST to seek approval for an extension of time for the Company to explore options to comply with the requirements of the Listing Manual. SGX-ST had no objection in granting the Company a further extension until 25 May 2025 to comply with the requirements of the Listing Manual.

The above recent developments have no impact on the Group's insurance business and operations. The \$500.0 million 3.928% subordinated notes due 2039 first callable in 2034 issued by the Company's subsidiary, The Great Eastern Life Assurance Company Limited, on 17 April 2024 (refer Note 12) remain listed on the SGX-ST.

* This excludes OCBC's deemed interest in 56,900 Shares held by its subsidiary, BOS Trustee Limited, as trustee of The SOME Trust for 49,900 Shares and as trustee of The Kudzu 2022 Trust for 7,000 Shares.

NOTES TO FINANCIAL STATEMENTS

28 RELATED PARTY TRANSACTIONS

The Group enters into transactions with its related parties in the normal course of business.

28.1 Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

in Singapore Dollars (millions)	Group		Company	
	2024	2023	2024	2023
Fees and commission and other income received from:				
– holding company	–	0.4	–	–
Premium received from:				
– holding company	1.4	1.2	–	–
– related parties of the holding company	32.5	16.6	–	–
– key management personnel	0.6	0.9	–	–
Interest expense paid to:				
– holding company	2.9	0.5	–	–
– related parties of the holding company	0.2	–	–	–
Fees and commission expense paid to:				
– holding company	183.8	185.9	–	–
– related parties of the holding company	42.5	48.0	–	–
Interest income received from:				
– holding company	18.7	5.5	0.2	0.1
– related parties of the holding company	2.2	3.5	–	–
Rental income received from:				
– related parties of the holding company	0.3	0.2	–	–
Other expenses paid to:				
– holding company	8.4	8.2	–	–
– related parties of the holding company	7.7	9.9	–	–
– associate	1.8	1.3	–	–
Dividend income from subsidiaries	–	–	1,641.1	335.8

NOTES TO FINANCIAL STATEMENTS

28 RELATED PARTY TRANSACTIONS (continued)

28.2 Balance sheet balances with related parties

Balance sheet balances with related parties as at 31 December are as follows:

in Singapore Dollars (millions)	Group		Company	
	2024	2023	2024	2023
Cash and cash equivalents held with:				
– holding company	732.5	786.4	33.6	25.7
– related parties of the holding company	156.8	232.5	–	–
Investments in debt securities of:				
– related parties of the holding company	98.9	105.3	–	–
Derivative financial assets held with:				
– holding company	226.3	312.8	–	–
Derivative financial liabilities held with:				
– holding company	208.6	18.0	–	–
Borrowings issued to:				
– holding company	7.8	–	–	–
– related parties of the holding company	7.6	–	–	–

Outstanding balances at balance sheet date are unsecured and interest free. Settlement will take place in cash.

There was no provision for doubtful debts at the balance sheet date and no bad debt expense for the year (31 December 2023: nil).

28.3 Compensation of key management personnel

Short-term employee benefits	31.8	27.5	2.3	2.6
Other long-term benefits	1.0	0.8	–	–
Central Provident Fund/Employee Provident Fund	2.3	1.3	–	–
Share-based payments	3.0	4.5	–	–
	38.1	34.1	2.3	2.6
Comprises amounts paid to:				
Directors of the Company	3.4	3.8	2.3	2.6
Other key management personnel	34.7	30.3	–	–
	38.1	34.1	2.3	2.6

NOTES TO FINANCIAL STATEMENTS

29 SEGMENTAL INFORMATION

(1) By Business Segments

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations ⁽¹⁾		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Insurance revenue	-	-	443.0	423.9	6,461.2	5,837.3	(0.9)	(1.3)	6,903.3	6,259.9
Insurance service expenses	-	-	(297.2)	(292.0)	(5,740.6)	(4,810.8)	40.3	52.3	(5,997.5)	(5,050.5)
Net (expenses)/income from reinsurance contracts held	-	-	(133.3)	(101.8)	112.7	(532.8)	-	-	(20.6)	(634.6)
Insurance service result	-	-	12.5	30.1	833.3	493.7	39.4	51.0	885.2	574.8
Interest revenue on										
Financial assets not measured at FVTPL	139.7	99.1	16.3	15.1	536.8	604.6	5.5	-	698.3	718.8
Financial assets measured at FVTPL	31.5	30.2	2.2	2.0	1,689.4	1,632.6	-	-	1,723.1	1,664.8
Other investment revenue	190.1	54.9	2.4	1.6	3,904.0	3,440.6	-	-	4,096.5	3,497.1
(Increase)/decrease in provision for impairment of financial assets	(2.3)	(0.1)	0.7	(0.7)	2.7	(12.8)	-	-	1.1	(13.6)
Change in third-party interests in consolidated investment funds	(0.4)	(1.2)	-	-	(0.2)	-	-	-	(0.6)	(1.2)
Net investment income	358.6	182.9	21.6	18.0	6,132.7	5,665.0	5.5	-	6,518.4	5,865.9
Finance (expenses)/income from insurance contracts issued	-	-	(20.1)	(22.4)	(5,832.7)	(5,245.4)	15.5	14.0	(5,837.3)	(5,253.8)
Finance income from reinsurance contracts held	-	-	16.4	9.0	14.4	5.6	-	-	30.8	14.6
Net insurance financial result	-	-	(3.7)	(13.4)	(5,818.3)	(5,239.8)	15.5	14.0	(5,806.5)	(5,239.2)
Net insurance and investment result	358.6	182.9	30.4	34.7	1,147.7	918.9	60.4	65.0	1,597.1	1,201.5
Fees and other income	456.3	443.1	-	-	-	-	(423.3)	(424.1)	33.0	19.0
Finance costs	(15.3)	-	-	-	(0.9)	-	-	-	(16.2)	-
Other expenses	(443.5)	(435.6)	(1.1)	-	(29.8)	(73.5)	362.9	359.1	(111.5)	(150.0)
Other income and expenses	(2.5)	7.5	(1.1)	-	(30.7)	(73.5)	(60.4)	(65.0)	(94.7)	(131.0)
Profit before income tax	356.1	190.4	29.3	34.7	1,117.0	845.4	-	-	1,502.4	1,070.5
Income tax expense	(60.5)	(46.0)	(5.3)	(7.0)	(413.6)	(228.3)	-	-	(479.4)	(281.3)
Profit after income tax	295.6	144.4	24.0	27.7	703.4	617.1	-	-	1,023.0	789.2

⁽¹⁾ Inter-segment income and expenses comprising mainly dividend and management fee income are eliminated on consolidation.

NOTES TO FINANCIAL STATEMENTS

29 SEGMENTAL INFORMATION (continued)

(1) By Business Segments (continued)

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations ⁽¹⁾		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Other material items:										
Staff costs and related expenses	47.4	42.7	44.0	41.9	409.1	414.3	1.1	0.7	501.6	499.6
Non-cash items:										
Depreciation and amortisation expenses	3.7	4.0	4.0	4.4	80.1	79.4	-	-	87.8	87.8
Increase/(decrease) in provision for impairment of financial assets	2.3	0.1	(0.7)	0.7	(2.7)	12.8	-	-	(1.1)	13.6
Changes in fair value of investments:										
– through profit or loss statement	160.5	71.2	2.0	1.3	2,989.7	2,868.1	-	-	3,152.2	2,940.6
– through equity	173.3	57.4	2.2	8.4	71.7	354.6	-	-	247.2	420.4
Assets and liabilities:										
Segment assets	8,655.2	7,516.4	929.8	966.8	104,243.3	100,440.2	0.1	(1.3)	113,828.4	108,922.1
Investment in associate	68.3	95.1	-	-	-	-	-	-	68.3	95.1
Deferred tax assets	0.4	10.6	3.9	2.2	7.9	3.8	-	-	12.2	16.6
Total assets	8,723.9	7,622.1	933.7	969.0	104,251.2	100,444.0	0.1	(1.3)	113,908.9	109,033.8
Segment liabilities	752.9	130.1	733.4	789.6	103,147.7	99,691.8	-	-	104,634.0	100,611.5
Deferred tax liabilities	67.4	36.7	6.9	(1.8)	416.5	398.4	-	-	490.8	433.3
Total liabilities	820.3	166.8	740.3	787.8	103,564.2	100,090.2	-	-	105,124.8	101,044.8
Other segment information:										
Additions to non-current assets										
– property, plant and equipment	2.4	1.7	2.6	0.7	47.4	32.6	-	-	52.4	35.0
– investment properties	-	-	-	-	7.2	1.1	-	-	7.2	1.1
– goodwill and intangible assets	5.4	2.6	2.2	2.6	54.1	52.4	-	-	61.7	57.6

⁽¹⁾ Inter-segment income and expenses comprising mainly dividend and management fee income are eliminated on consolidation.

(2) By Geographical Segments

in Singapore Dollars (millions)	Group									
	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Insurance revenue from customers	3,412.5	3,202.3	3,269.7	2,819.0	222.0	239.9	(0.9)	(1.3)	6,903.3	6,259.9
Dividend from subsidiaries	43.2	295.4	-	-	-	-	(43.2)	(295.4)	-	-
Total revenue	3,455.7	3,497.7	3,269.7	2,819.0	222.0	239.9	(44.1)	(296.7)	6,903.3	6,259.9
Profit after income tax	626.4	683.0	428.9	374.9	10.9	26.7	(43.2)	(295.4)	1,023.0	789.2
Non-current assets	2,206.7	2,152.9	470.4	439.2	16.9	13.4	(1.1)	-	2,692.9	2,605.5

Non-current assets information presented above consist of intangible assets, investment properties, property, plant and equipment and deferred tax assets as presented in the consolidated balance sheet.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES

Governance framework

Managing risk is an integral part of the Group's core business. As stated in the Enterprise Risk Management ("ERM") Framework, the Group shall:

- Operate within parameters and limits that are calibrated to the risk appetite approved by the Board; and
- Pursue appropriate risk-adjusted returns.

Group Risk Management department spearheads the development and implementation of the ERM Framework for the Group.

The Board provides oversight in ensuring that the activities of the Group are consistent with the strategic intent, risk appetite, operating environment, effective internal controls, capital sufficiency and regulatory requirements. The Board may delegate this responsibility to the Risk Management Committee ("RMC") and Senior Management for the execution of these initiatives. At the Group level, detailed risk management and oversight activities are undertaken by the following Group Management committees, all of which are chaired by the Group Chief Executive Officer and comprise key Senior Management Executives:

- Group Management Committee ("GMC")
- Group Asset-Liability Committee ("Group ALC")
- Group Investment Committee ("Group IC")
- Group Product Management and Approval Committee ("Group PMAC")
- Group Technology Strategy Committee ("Group TSC")

GMC is responsible for providing leadership, and direction with regards to all major operational and business issues and sustainable performance of the Group. The GMC ensures that the Group is operating within parameters and limits set out in the risk appetite approved by the Board; and in compliance with Group's frameworks, policies and regulatory requirements. The GMC is supported by the Group IC, Group ALC, Group PMAC, Group TSC, Local Senior Management Team ("SMT"), Local ALC, Local Product Development Committee ("PDC") and Local IT Steering Committee ("ITSC").

Group IC is responsible for the oversight of all investment management activities involving the asset side returns and risks of the Group, with the fiduciary responsibility to act in the best interest of the clients, to achieve returns commensurate with the assumed risks. It is also responsible to provide transparency and disclosure and the monitoring and the review of the insurance funds.

Group ALC is responsible for Balance Sheet Management, involving interactions between assets and liabilities (including Asset-Liability Management, Liquidity Management, and Investment Management). Specifically, Group ALC reviews and formulates technical frameworks, policies and methodology relating to balance sheet management. Group ALC is supported by the Local ALC.

Group TSC is responsible for assisting GMC in approving IT related issues and initiatives, providing overall strategic direction on technology in alignment to Group strategy and manage technology related risk. Local ITSC supports Group TSC in the alignment of overall direction and approval of all IT related issues and initiatives at the local operating subsidiaries.

Group PMAC is responsible for reviewing, approving and managing new and existing products, ensuring the business operates within the risk appetite to deliver the annual business targets. Local PDC is responsible for reviewing and endorsing new products at the local operating subsidiaries.

Regulatory framework

As set out in its Compliance Risk Management Framework, the Group operates its business on a sound and responsible basis, which entails compliance with the applicable laws, regulations, rules and standards.

Insurers are required to comply with the Insurance Act 1966 and relevant regulatory requirements. The Board exercises oversight of compliance with the applicable laws, regulations, rules and standards to safeguard the interests of policyholders and shareholders.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The objectives of GEH's capital management policy are to create shareholder value, deliver sustainable returns to shareholders, and maintain a strong capital position with sufficient buffer to meet policyholders' obligations and regulatory requirements.

The Group has increased its focus on improving capital efficiency and has issued Tier 2 debt in 2024 to diversify the capital mix and improve the return on ordinary share capital. In addition, there is also increasing focus to centralise the surplus capital at Group holding level for more efficient management of surplus capital.

Regulatory Capital

The Group and its insurance subsidiaries are required to comply with the capital requirements prescribed by the Insurance Regulations of the jurisdictions in which they operate. The Capital Adequacy Ratios of the Group and its insurance subsidiaries in Singapore, Malaysia and Indonesia are above the regulatory minimum ratios under the Risk-based Capital Frameworks established by the Monetary Authority of Singapore, Bank Negara Malaysia and Otoritas Jasa Keuangan, Indonesia respectively.

The Group's approach to capital management is to maintain an adequate level of capital to meet minimum regulatory requirements with sufficient buffer for business purposes. To this end, the Group manages asset liability decisions and the associated risks in a coordinated way by assessing and monitoring the available and required capital (of the Group and each regulated entity) on a regular basis and, where necessary, taking appropriate actions to adjust the asset liability positions of the Group and/or the entity in response to changes in economic conditions and risk characteristics.

The primary sources of capital of the Group are shareholders' equity and alternative capital raised. The Group defines available capital as the amount of assets in excess of liabilities measured in accordance with the Insurance Regulations of the respective jurisdictions in which the insurance subsidiaries operate.

The MAS Group Capital Framework ("GCF") has been implemented effective 1 January 2024, which revises the rules for capital adequacy ratio and other relevant solvency ratio calculations at the Group level.

Dividend

GEH's dividend guideline aims to pay a steady dividend amount twice yearly. Each twice yearly payment will be an amount that targets a full year payout to shareholders that is based on the sustainable profit level of the Group, and the dividends will be progressive in line with the profit trend. Barring unforeseen circumstances, the Company aims to maintain each dividend amount to be no lower than the preceding one.

The following sections provide details of the Group's and Company's exposure to insurance and key financial risks, as well as the objectives, policies and processes for managing these risks.

There has been no change to the Group's exposure to these insurance and key financial risks or the manner in which it manages and measures the risks.

Insurance Risk

The principal activity of the Group is the provision of insurance products and related financial advisory services. The products cover risks such as mortality, morbidity (health, disability, critical illness, personal accident), property and casualty, and wealth accumulation guarantees.

The Group's underwriting strategy is designed to ensure that risks are well diversified across the types of risk and level of insurance exposure. This is largely achieved through diversification across industry sectors and geography. Additionally, the use of medical screening ensures that pricing takes into account current health conditions and family medical history. There is also regular review of actual claims experience, as well as detailed claims handling procedures. Underwriting limits are also established to enforce appropriate risk acceptance criteria. For example, the Group has the right to reject renewal of insurance policy, impose deductibles and reject payment of fraudulent claims.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Risks inherent in the Group's activities include but are not limited to the following:

Insurance Risks of Life Insurance Contracts

Insurance risks arise when the Group underwrites insurance contracts. The types of risks insured, assumptions used in pricing the insurance products and subsequent setting aside of provisions may give rise to potential shortfalls in provision for future claims and expenses when actual claims experience are worse than projections. Assumptions that may cause insurance risks to be underestimated include assumptions on policy lapses, mortality, morbidity and expenses.

The Group utilises reinsurance to manage the mortality and morbidity risks. The Group's reinsurance management strategy and policy are reviewed annually by Group ALC and RMC. Reinsurance is structured according to the type of risk reinsured. Catastrophe reinsurance is procured to limit catastrophic losses.

In general, reinsurance business will only be ceded to reinsurers with a minimum credit rating of S&P A- or equivalent. The Group limits its risk to any one reinsurer by ceding different products to different reinsurers or to a panel of reinsurers.

Group ALC reviews the actual experience of mortality, morbidity, and persistency and ensures that the policies, guidelines and limits established for managing the risks remain adequate and appropriate. GMC reviews and monitors expenses.

A substantial portion of the Group's life insurance funds is participating in nature. In the event of volatile investment climate and/or unusual claims experience, the insurer has the option of revising the bonus payable to policyholders.

For non-participating funds, the risk is that the guaranteed policy benefits must be met even when investment portfolios perform below expectations, or claims experience is higher than expected.

For the universal life portfolio, the Group has the discretion of revising the crediting rates or cap rates to policyholders in the event of adverse experience subject to the minimum guaranteed crediting rate or cap rate.

For investment-linked funds, the risk exposure for the Group is limited only to the underwriting aspect as all investment risks are borne by policyholders. Nevertheless, the fees earned by the Group for managing the investment-linked funds would fluctuate with the changes in underlying fund values.

Stress testing is performed at least once a year to assess the solvency of the life insurance fund under various stress scenarios. The stress scenarios include regulatory prescribed scenarios, as well as scenarios depicting drastic changes in key parameters such as new business volume, market volatilities, expense patterns, mortality/morbidity patterns and lapse rates.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risks of Life Insurance Contracts (continued)

TABLE 30(A): The table below sets out the concentration of the insurance contract liabilities by distribution of various life insurance risk as at the balance sheet date:

(i) by Class of business:

in Singapore Dollar (millions)	Gross	Reinsurance	Net
2024			
Whole life	65,557.1	(94.1)	65,463.0
Endowment	32,316.5	(25.2)	32,291.3
Term	2,265.1	(568.1)	1,697.0
Annuity	380.2	–	380.2
Others	93.3	0.5	93.8
Total	100,612.2	(686.9)	99,925.3
2023			
Whole life	59,278.6	(10.0)	59,268.6
Endowment	35,797.7	(63.8)	35,733.9
Term	1,831.7	(272.7)	1,559.0
Annuity	385.0	–	385.0
Others	77.9	–	77.9
Total	97,370.9	(346.5)	97,024.4

(ii) by Country:

in Singapore Dollar (millions)	Gross	Reinsurance	Net
2024			
Singapore	70,211.3	(655.3)	69,556.0
Malaysia	28,964.9	(30.4)	28,934.5
Others	1,436.0	(1.2)	1,434.8
Total	100,612.2	(686.9)	99,925.3
2023			
Singapore	70,520.7	(337.0)	70,183.7
Malaysia	25,603.9	(8.7)	25,595.2
Others	1,246.3	(0.8)	1,245.5
Total	97,370.9	(346.5)	97,024.4

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risks of Life Insurance Contracts (continued)

The sensitivity analysis below shows the impact of changes in key parameters on the value of insurance contract liabilities, and hence on the profit or loss statement and equity.

TABLE 30(B1): Profit/(loss) after tax and equity sensitivity for the Singapore segment:

Impact on 1-year's profit/(loss) after tax and equity

in Singapore Dollars (millions)	Change in assumptions	Impact on profit/(loss) after tax			Impact on equity		
		Gross Impact	Reinsurance Ceded	Net Impact	Gross Impact	Reinsurance Ceded	Net Impact
2024							
Scenario 1 – Mortality and Morbidity	+ 10%	(267.0)	146.4	(120.6)	(248.8)	137.0	(111.8)
Scenario 2 – Mortality and Morbidity	– 10%	145.6	(91.6)	54.0	124.9	(80.7)	44.2
Scenario 3 – Accident and Health	+ 10%	(37.1)	0.5	(36.6)	(37.1)	0.5	(36.6)
Scenario 4 – Accident and Health	– 10%	36.1	(0.3)	35.8	36.1	(0.3)	35.8
Scenario 5 – Persistency	+ 25%	(81.1)	90.3	9.2	(96.5)	86.5	(10.0)
Scenario 6 – Persistency	– 25%	4.3	(57.0)	(52.7)	16.9	(53.9)	(37.0)
Scenario 7 – Renewal Expenses	+ 10%	(60.6)	13.4	(47.2)	(61.4)	13.4	(48.0)
2023							
Scenario 1 – Mortality and Morbidity	+ 10%	(191.9)	95.1	(96.8)	(177.7)	91.5	(86.2)
Scenario 2 – Mortality and Morbidity	– 10%	94.0	(41.8)	52.2	77.6	(37.6)	40.0
Scenario 3 – Accident and Health	+ 10%	(37.4)	1.0	(36.4)	(37.4)	1.0	(36.4)
Scenario 4 – Accident and Health	– 10%	33.2	(0.3)	32.9	33.2	(0.3)	32.9
Scenario 5 – Persistency	+ 25%	(24.4)	61.4	37.0	(50.1)	58.8	8.7
Scenario 6 – Persistency	– 25%	(41.1)	(27.5)	(68.6)	(21.5)	(25.5)	(47.0)
Scenario 7 – Renewal Expenses	+ 10%	(45.3)	4.2	(41.1)	(45.7)	4.2	(41.5)

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risks of Life Insurance Contracts (continued)

TABLE 30(B2): Profit/(loss) after tax and equity sensitivity for the Malaysia segment:

Impact on 1-year's profit/(loss) after tax and equity

		Impact on profit/(loss) after tax			Impact on equity		
in Singapore Dollars (millions)	Change in assumption	Gross Impact	Reinsurance Ceded	Net Impact	Gross Impact	Reinsurance Ceded	Net Impact
2024							
Scenario 1 – Mortality and Morbidity	+ 10%	(60.6)	9.0	(51.6)	(68.9)	15.7	(53.2)
Scenario 2 – Mortality and Morbidity	– 10%	15.5	(4.1)	11.4	23.9	(10.9)	13.0
Scenario 3 – Accident and Health	+ 10%	(105.3)	4.2	(101.1)	(129.6)	5.0	(124.6)
Scenario 4 – Accident and Health	– 10%	6.0	(0.1)	5.9	30.3	(0.9)	29.4
Scenario 5 – Persistency	+ 25%	(6.4)	(0.9)	(7.3)	(6.5)	0.3	(6.2)
Scenario 6 – Persistency	– 25%	(22.0)	2.6	(19.4)	(21.7)	1.6	(20.1)
Scenario 7 – Renewal Expenses	+ 10%	(15.3)	0.8	(14.5)	(19.2)	0.8	(18.4)
2023							
Scenario 1 – Mortality and Morbidity	+ 10%	(69.8)	11.4	(58.4)	(78.0)	16.0	(62.0)
Scenario 2 – Mortality and Morbidity	– 10%	15.5	(3.7)	11.8	23.9	(8.4)	15.5
Scenario 3 – Accident and Health	+ 10%	(81.0)	3.6	(77.4)	(103.6)	4.2	(99.4)
Scenario 4 – Accident and Health	– 10%	5.6	(0.3)	5.3	28.3	(0.9)	27.4
Scenario 5 – Persistency	+ 25%	(6.5)	(0.5)	(7.0)	(1.3)	0.5	(0.8)
Scenario 6 – Persistency	– 25%	(28.3)	2.9	(25.4)	(32.5)	2.0	(30.5)
Scenario 7 – Renewal Expenses	+ 10%	(15.8)	0.9	(14.9)	(19.7)	0.9	(18.8)

The above tables demonstrate the sensitivity of the Group's profit or loss after tax and equity to a change in actuarial valuation assumptions on an individual basis with all other variables held constant.

The methodology for deriving sensitivities for each scenario has not changed from the previous year. Certain assumptions have been updated to reflect more reasonably possible scenarios.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risk of Non-Life Insurance Contracts

Risks under non-life insurance policies usually cover a twelve-month duration. The risk inherent in non-life insurance contracts is reflected in the insurance contract liabilities which include the liability for remaining coverage and liability for incurred claims, as set out under Note 14 of the financial statements.

TABLE 30(C1): The table below sets out the distribution of the various categories of the non-life insurance risk for insurance contract liabilities as at the balance sheet date:

(i)by Class of business:

in Singapore Dollars (millions)	Gross	Reinsurance	Net
2024			
Fire	82.7	(32.9)	49.8
Motor	112.3	(4.1)	108.2
Marine & aviation	14.4	(7.6)	6.8
Workmen's compensation	29.6	(8.5)	21.1
Personal accident & health	57.7	(3.0)	54.7
Surety	28.9	(13.0)	15.9
Engineering	65.4	(40.6)	24.8
Liability	10.8	(5.6)	5.2
Miscellaneous	145.5	(127.3)	18.2
Total	547.3	(242.6)	304.7
2023			
Fire	118.1	(83.4)	34.7
Motor	93.7	(1.5)	92.2
Marine & aviation	22.1	(4.3)	17.8
Workmen's compensation	37.0	(10.6)	26.4
Personal accident & health	61.1	(8.4)	52.7
Surety	30.5	(20.9)	9.6
Engineering	53.4	(31.8)	21.6
Liability	13.1	1.8	14.9
Miscellaneous	162.1	(143.0)	19.1
Total	591.1	(302.1)	289.0

(ii)by Country:

in Singapore Dollars (millions)	Gross	Reinsurance	Net
2024			
Singapore	221.4	(67.8)	153.6
Malaysia	290.9	(164.1)	126.8
Indonesia	35.0	(10.7)	24.3
Total	547.3	(242.6)	304.7
2023			
Singapore	262.2	(120.9)	141.3
Malaysia	284.0	(164.6)	119.4
Indonesia	44.9	(16.6)	28.3
Total	591.1	(302.1)	289.0

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risk of Non-Life Insurance Contracts (continued)

Key Assumptions

Non-life insurance contract liabilities are determined based on claims experience, knowledge of existing events, terms and conditions of the relevant policies and interpretation of circumstances. Of particular relevance is past experience with similar cases, trends in historical claims, legislative changes, judicial decisions, economic conditions and claims handling procedures. The estimates of the non-life insurance contract liabilities are therefore sensitive to various factors. The actual future premium and claims liabilities will not develop exactly as projected and may vary from initial estimates.

Insurance risk of non-life insurance contracts is mitigated by achieving a large and well-diversified portfolio of insurance contracts across various industries and geographical areas. The risks are further mitigated by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. Comprehensive assessment of new and on-going claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to further reduce the risk exposure of the Group. In addition, the Group further enforces a policy of active management and prompt pursuit of claims to reduce its exposure to unpredictable future developments that can negatively impact the Group.

The Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events such as hurricanes, earthquakes and flood damages.

TABLE 30(C2): The sensitivity analysis below shows the impact of changes in key assumptions on profit/(loss) after tax and equity.

in Singapore Dollars (millions)	Change in assumptions	Impact on profit/(loss) after tax			Impact on equity		
		Gross Impact	Reinsurance Ceded	Net Impact	Gross Impact	Reinsurance Ceded	Net Impact
As at 31 December 2024							
Risk adjustment	+20%	(9.1)	4.9	(4.2)	(9.1)	4.9	(4.2)
Loss ratio ⁽¹⁾	+10%	(29.4)	10.0	(19.4)	(29.4)	10.0	(19.4)
As at 31 December 2023							
Risk adjustment	+20%	(11.6)	7.3	(4.3)	(11.6)	7.3	(4.3)
Loss ratio ⁽¹⁾	+10%	(28.8)	9.6	(19.2)	(28.8)	9.6	(19.2)

The above tables demonstrate the sensitivity of the Group's profit or loss after tax and equity to a change in actuarial valuation assumptions on an individual basis with all other variables held constant.

The methodology for deriving sensitivities for each scenario has not changed from the previous year. Certain assumptions have been updated to reflect more reasonably possible scenarios

⁽¹⁾ Best estimate reserves and current accident year payments.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risk of Non-Life Insurance Contracts (continued)

TABLE 30(C3): The table below shows the cumulative claims estimates, at each balance sheet date, together with cumulative payments to date.

Gross non-life liabilities for incurred claims as at 31 December 2024:

in Singapore Dollars (millions)	2017	2018	2019	2020	2021	2022	2023	2024	Total
Estimate of cumulative claims									
Accident Year	206.4	177.8	211.1	258.9	241.3	247.2	233.8	235.0	
One year later	204.4	157.7	219.8	232.7	218.6	234.5	210.0	–	
Two years later	185.2	150.6	222.5	262.9	211.9	231.8	–	–	
Three years later	190.1	238.7	226.0	258.8	206.0	–	–	–	
Four years later	191.3	239.0	220.6	244.1	–	–	–	–	
Five years later	189.0	235.2	215.9	–	–	–	–	–	
Six years later	183.5	232.0	–	–	–	–	–	–	
Seven years later	179.7	–	–	–	–	–	–	–	
Current estimate of cumulative claims	179.7	232.0	215.9	244.1	206.0	231.8	210.0	235.0	
Cumulative payments	176.4	139.6	198.6	225.6	192.0	200.4	155.0	97.9	
Non-life gross claims liabilities	3.3	92.4	17.3	18.5	14.0	31.4	55.0	137.1	369.0
Gross claim liabilities – prior years									6.4
Effect of discounting									(10.3)
Effect of the risk adjustment margin for non-financial risk									32.5
Non-life liabilities for incurred claims, gross									397.6

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Insurance Risk (continued)

Insurance Risk of Non-Life Insurance Contracts (continued)

TABLE 30(C3): The table below shows the cumulative claims estimates, at each balance sheet date, together with cumulative payments to date. (continued)

Net non-life liabilities for incurred claims as at 31 December 2024:

in Singapore Dollars (millions)	2017	2018	2019	2020	2021	2022	2023	2024	Total
Estimate of cumulative claims									
Accident Year	118.8	115.7	117.7	104.6	99.3	128.1	139.3	149.1	
One year later	120.6	110.2	113.2	100.9	93.3	119.2	128.7	–	
Two years later	117.0	108.1	116.3	96.4	90.9	115.3	–	–	
Three years later	115.9	109.7	116.3	95.2	88.3	–	–	–	
Four years later	115.7	109.4	113.3	92.7	–	–	–	–	
Five years later	113.3	106.6	111.7	–	–	–	–	–	
Six years later	110.8	104.1	–	–	–	–	–	–	
Seven years later	109.2	–	–	–	–	–	–	–	
Current estimate of cumulative claims	109.2	104.1	111.7	92.7	88.3	115.3	128.7	149.1	
Cumulative payments	108.4	101.6	106.2	86.9	80.9	99.5	97.6	61.7	
Non-life net claims liabilities	0.8	2.5	5.5	5.8	7.4	15.8	31.1	87.4	156.3
Net claim liabilities – prior years									3.4
Non-performing risk									1.8
Effect of discounting									(5.1)
Effect of the risk adjustment margin for non-financial risk									14.4
Others									7.7
Non-life liabilities for incurred claims, net									178.5

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk

Market risk arises when market values of assets and liabilities are adversely affected by changes in financial markets. Changes in interest rates, foreign exchange rates, equity prices and prices of alternative investment assets can impact present and future earnings of the insurance operations, as well as shareholders' equity.

The Group is exposed to market risk through its investment portfolios, as well as in the mismatches between assets and liabilities of the Insurance Funds. In the case of the third-party funds managed by Lion Global Investors, investment risks are borne by investors and the Group does not assume any liability in the event of occurrence of loss or write-down in market valuations.

Group ALC, Group IC and Local ALCs actively manage market risks through the setting of investment policies and asset allocations, approving portfolio construction, risk measurement methodologies, as well as hedging and alternative risk transfer strategies. Investment limits are monitored at various levels to ensure that all investment activities are conducted within the Group's risk appetite and in line with the Group's management principles and philosophies. Compliance with established limits forms an integral part of the risk governance and financial reporting framework. The approach adopted by the Group in managing the various types of risk, including interest rate risk, foreign exchange risk, equity price risk, credit risk, alternative investment risk and liquidity risk, is briefly described below:

- (a) **Interest rate risk (including asset liability mismatch risk and basis risk).** The Group is exposed to interest rate risk through (i) investments in fixed income instruments, (ii) use of derivatives to manage asset liability mismatch and (iii) policy liabilities in the Insurance Funds. Since the Shareholders' Fund has exposure to investments in fixed income instruments but no exposure to insurance policy liabilities, it will incur economic losses when interest rates rise. Given the long duration of policy liabilities and the uncertainties in the cash flows of Insurance Funds, it is not possible to hold assets with duration or same reference interest rate that perfectly matches the duration of the policy liabilities. This results in interest rate risk, asset liability mismatch risk and basis risk, which are managed and monitored by Group ALC and Local ALCs.

Where the liabilities of the portfolios are predominantly measured using the VFA and the backing assets are measured at FVTPL, the changes in liabilities due to interest rates are expected to closely match the changes in assets.

For portfolios whose liabilities are predominantly measured using the GMM and Modified GMM, and have elected to disaggregate the insurance finance income and expenses between Profit or Loss and Other Comprehensive Income, the backing assets would also have a similar option elected. Therefore, the effect of changes in assets due to interest rates are also expected to closely match changes in liabilities in profit or loss.

Managing interest rate benchmark reform

i) Overview

A fundamental reform of major interest rate benchmarks had been undertaken globally, including the replacement of some interbank offered rates (IBOR) with alternative nearly risk-free rates (referred to as "IBOR reform"). The Group has moderate exposure to IBORs on its financial instruments that will be reformed as part of this market-wide initiative. Most reforms affecting the Group had been completed by the end of 2021. In 2023, Federal Libor Act came into force, establishing benchmark replacements for contracts governed by U.S. law that reference certain tenors of U.S. dollar LIBOR, which will assist with the transition for tough legacy contracts with no fallback arrangements. While the transition deadlines for USD LIBOR and SIBOR have ended in June 2023 and end December 2024 respectively, some instruments with reset dates beyond 2024 may only transit after the deadline.

The Group anticipates that IBOR reform will have low to moderate operational, risk management and accounting impacts across all of its business lines. The main risks to which the Group is exposed as a result of IBOR reform are operational. For example, the bilateral renegotiation with private debt issuers, updating of contractual terms, updating of systems that use IBOR curves and revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(a) Interest rate risk (including asset liability mismatch risk and basis risk) (continued)

Managing interest rate benchmark reform (continued)

i) Overview (continued)

The Group established a cross-functional IBOR Working Group to manage its transition to alternative rates. The objectives of the IBOR Working Group include evaluating the extent to which fixed income holdings, derivatives and liabilities reference IBOR cash flows, whether such contracts need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

ii) Non-derivative financial assets

The Group's IBOR exposures on bonds/FRN holdings include SGD Swap Offer Rate ("SOR"), USD LIBOR, EUR LIBOR and GBP LIBOR primarily at Great Eastern Life Singapore ("GEL").

The alternative reference rate for SOR and SIBOR is the Singapore Overnight Rate Average ("SORA"); and for USD LIBOR is the Secured Overnight Financing Rate (SOFR). The changes to the contractual terms of financial assets indexed to SOR, SIBOR, and USD LIBOR to incorporate new benchmark rates are still in progress as at 31 December 2024.

The Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. The Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an 'unreformed contract').

The following table shows the total amounts of unreformed non-derivative financial assets as at 31 December 2024. The amounts of trading assets and investment securities are shown at their carrying amounts.

in Singapore Dollars (millions)	Group		
	Gross carrying amount		
	SOR	USD LIBOR	Total
Debt securities	384.0	254.9	638.9

iii) Non-derivative financial liabilities

The Group does not have any floating-rate liabilities which would be impacted by the IBOR reform.

iv) Derivatives

The Group holds derivatives for risk management and efficient portfolio management purposes, which are not designated as hedging instruments in hedging relationships. The instruments used principally include interest rate, cross-currency, and total return swaps, which have floating legs that are indexed to various IBORs. Typically, derivative transactions that reference interest rate benchmarks incorporate standard terms such as the 2006 ISDA Definitions published by ISDA. ISDA has reviewed such definitions in light of IBOR reform and issued an IBOR fallback protocol on 23 October 2020 and a supplement to amend the 2006 ISDA Definitions effective 25 January 2021. This sets out how the amendments to new alternative benchmark rates (e.g. SORA, SOFR) in the 2006 ISDA Definitions will be accomplished. The effect of the supplement is to create fallback provisions in derivatives that describe what floating rates will apply on the permanent discontinuation of certain key IBORs or on ISDA declaring a non-representative determination of an IBOR. The Group has adhered to the protocol to implement the fallbacks to derivative contracts that were entered into before the effective date of the supplement, where the existing derivative counterparties have also adhered to the protocol. All new derivative contracts entered into on or after the effective date of the supplement that reference the 2006 ISDA Definitions will also include the fallback.

As at 31 December 2024, The Group has no unreformed derivatives.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

- (b) **Foreign exchange risk.** The foreign exchange risk inherent in foreign currency fixed income portfolio is typically hedged using currency forwards and swaps wherever practical and cost-effective. Foreign exchange instruments are also used for efficient portfolio management.

The SGD and MYR positions predominately arose from the entities within the Group with the same respective functional currencies.

Limits are set on the total amount of foreign currency (net of liabilities) to cap the Group's foreign exchange risk.

TABLE 30(D): The tables below show the foreign exchange position of the Group's financial and insurance-related assets and liabilities by major currencies:

in Singapore Dollars (millions)	SGD	MYR	USD	Others	Total
As at 31 December 2024					
FINANCIAL AND INSURANCE-RELATED ASSETS					
Financial assets at FVOCI					
Equity securities	157.8	263.3	375.7	978.1	1,774.9
Debt securities	5,554.8	1,873.2	4,217.2	504.5	12,149.7
Financial assets at FVTPL					
Equity securities	993.3	7,715.9	1,522.5	3,662.2	13,893.9
Debt securities	15,858.9	16,833.3	12,609.6	4,159.8	49,461.6
Other investments	12,582.1	302.2	9,718.8	1,926.9	24,530.0
Financial assets at Amortised Cost					
Debt securities	2.0	-	454.3	53.2	509.5
Derivative financial assets	2,164.5	74.7	4,514.9	(6,383.3)	370.8
Loans	506.5	69.8	-	759.8	1,336.1
Other debtors	456.5	237.4	655.8	86.3	1,436.0
Cash and cash equivalents	1,829.0	1,265.8	938.1	366.0	4,398.9
Insurance contract assets	-	69.2	18.1	15.6	102.9
Reinsurance contract assets	700.3	290.6	108.5	8.2	1,107.6
	40,805.7	28,995.4	35,133.5	6,137.3	111,071.9
FINANCIAL AND INSURANCE-RELATED LIABILITIES					
Other creditors	832.0	335.8	97.0	38.3	1,303.1
Derivative financial liabilities	(21,752.4)	(50.5)	22,657.3	(127.6)	726.8
Provision for agents' retirement benefits	3.3	340.1	-	-	343.4
Borrowings	498.8	22.9	-	-	521.7
Insurance contract liabilities	66,552.5	29,325.0	4,563.9	821.0	101,262.4
Reinsurance contract liabilities	71.1	96.1	10.9	-	178.1
	46,205.3	30,069.4	27,329.1	731.7	104,335.5

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(b) Foreign exchange risk. (continued)

TABLE 30(D): The tables below show the foreign exchange position of the Group's financial and insurance-related assets and liabilities by major currencies (continued):

in Singapore Dollars (millions)	SGD	MYR	USD	Others	Total
As at 31 December 2023					
FINANCIAL AND INSURANCE-RELATED ASSETS					
Financial assets at FVOCI					
Equity securities	152.8	246.3	427.3	1,079.7	1,906.1
Debt securities	6,441.3	1,955.8	4,864.0	734.1	13,995.2
Financial assets at FVTPL					
Equity securities	798.9	6,297.7	1,011.7	3,422.4	11,530.7
Debt securities	19,145.2	14,850.2	11,532.5	3,112.6	48,640.5
Other investments	9,307.5	215.7	8,089.2	1,632.5	19,244.9
Financial assets at Amortised Cost					
Debt securities	438.8	-	747.2	32.2	1,218.2
Derivative financial assets	19,513.0	2.2	(19,617.3)	1,066.0	963.9
Loans	201.0	120.6	-	189.4	511.0
Other debtors	342.2	206.2	409.9	106.9	1,065.2
Cash and cash equivalents	3,813.3	881.2	1,171.1	437.3	6,302.9
Insurance contract assets	6.5	11.1	8.1	13.9	39.6
Reinsurance contract assets	505.9	308.7	45.6	8.5	868.7
	60,666.4	25,095.7	8,689.3	11,835.5	106,286.9
FINANCIAL AND INSURANCE-RELATED LIABILITIES					
Other creditors	816.6	380.8	548.6	85.9	1,831.9
Derivative financial liabilities	(3,092.0)	(101.3)	(2,631.6)	6,004.6	179.7
Provision for agents' retirement benefits	1.6	296.0	-	-	297.6
Insurance contract liabilities	67,331.5	25,899.0	4,035.0	736.1	98,001.6
Reinsurance contract liabilities	91.4	135.2	(6.6)	0.1	220.1
	65,149.1	26,609.7	1,945.4	6,826.7	100,530.9

The financial assets and financial liabilities of the Company are not material.

- (c) **Equity price risk.** Exposure to equity price risk exists in investment assets through direct equity, equity derivatives and fund investments, where the Group, through investments, bears all or most of the equity volatility and investment risks. Equity price risk also exists in investment-linked products where the revenues of the insurance operations are linked to the performances of underlying equity funds since this has an impact on the level of fees earned. Limits are set for single security holdings as a percentage of total equity holdings.
- (d) **Credit spread risk.** Exposure to credit spread risk exists in the Group's bond investments and credit derivatives. Credit spread is the difference between the quoted yields of a credit and a government bond of the same maturity. Credit spreads widen when the default risk of credit bonds increases. Hence, widening credit spreads will result in mark-to-market losses in the Group's bond portfolio.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

- (e) **Alternative investment risk.** The Group is exposed to alternative investment risk through investments in real estate that it owns in Singapore and Malaysia, and through real estate funds, private equities, private debt, infrastructure and hedge funds. A monitoring process is established to manage foreign exchange, country and manager concentration risks. This process and the acquisition or divestment of alternative investments are reviewed and approved by RMC and Group IC.
- (f) **Commodity risk.** The Group does not have any exposure to commodity risk.
- (g) **Liquidity risk.** Liquidity risk arises when the Group is unable to meet its cash flow demands, or if the assets backing the liabilities cannot be sold quickly enough without incurring significant losses. For an insurance company, the greatest liquidity needs typically arise from its insurance liabilities. Demands for funds can usually be met through ongoing normal operations via premiums received, sale of assets or borrowings. Unexpected demands for liquidity may be triggered by surrender of insurance policies due to negative publicity, deterioration of the economy, adverse news on other companies in the same or similar lines of business, unanticipated policy claims, other unexpected cash demands from policyholders or derivative margin requirements.

Expected liquidity demands are managed through a combination of treasury, investment and asset-liability management practices, which are monitored on an ongoing basis. Actual and projected cash inflows and outflows are regularly monitored, and a reasonable amount of liquid assets are maintained at all times. The projected cash flows from the in-force insurance policy contract liabilities consist of renewal premiums, commissions, claims, maturities and surrenders. Renewal premiums, commissions, claims and maturities are generally stable and predictable. Surrenders can be more uncertain although these have been quite stable over the past several years.

Unexpected liquidity demands are mitigated through product design, risk diversification, credit facilities, investment strategies and systematic monitoring. Surrender penalty in insurance contracts also protects the Group from losses due to unexpected surrender trends and reduces the sensitivity of surrenders to changes in interest rates.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(g) Liquidity risk. (continued)

Maturity Profile

TABLE 30(E1): The following tables show the expected recovery or settlement of financial assets and maturity profile of the Group's financial liabilities which are presented based on contractual undiscounted cash flows basis.

in Singapore Dollars (millions)	Carrying amount	< 1 Year	1 – 5 Years	> 5 Years	No maturity date	Total
As at 31 December 2024						
FINANCIAL ASSETS						
Financial assets at FVOCI						
Equity securities	1,774.9	–	–	–	1,774.9	1,774.9
Debt securities	12,149.7	2,540.5	4,748.6	9,231.5	–	16,520.6
Financial assets at FVTPL						
Equity securities	13,893.9	–	–	–	13,893.9	13,893.9
Debt securities	49,461.6	4,148.9	17,371.0	46,553.6	1,352.0	69,425.5
Other investments	24,530.0	–	–	–	24,530.0	24,530.0
Financial assets at Amortised Cost						
Debt securities	509.5	18.5	506.4	–	–	524.9
Derivative financial assets	370.8	211.3	102.4	57.1	–	370.8
Loans	1,336.1	123.7	982.1	247.3	–	1,353.1
Other debtors	1,436.0	1,430.2	2.0	3.8	–	1,436.0
Cash and cash equivalents	4,398.9	4,398.9	–	–	–	4,398.9
	109,861.4	12,872.0	23,712.5	56,093.3	41,550.8	134,228.6
FINANCIAL LIABILITIES						
Other creditors	1,255.5	1,214.2	4.1	0.5	36.7	1,255.5
Lease liabilities	47.6	13.3	38.6	–	–	51.9
Derivative financial liabilities	726.8	682.1	5.4	39.3	–	726.8
Provision for agents' retirement benefits	343.4	178.1	63.5	101.8	–	343.4
Borrowings	521.7	19.6	101.4	587.2	–	708.2
	2,895.0	2,107.3	213.0	728.8	36.7	3,085.8

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(g) Liquidity risk. (continued)

Maturity Profile (continued)

TABLE 30(E1): The following tables show the expected recovery or settlement of financial assets and maturity profile of the Group's financial liabilities which are presented based on contractual undiscounted cash flows basis. (continued)

in Singapore Dollars (millions)	Carrying amount	< 1 Year	1 – 5 Years	> 5 Years	No maturity date	Total
As at 31 December 2023						
FINANCIAL ASSETS						
Financial assets at FVOCI						
Equity securities	1,906.1	–	–	–	1,906.1	1,906.1
Debt securities	13,995.2	2,957.2	5,899.2	9,556.7	–	18,413.1
Financial assets at FVTPL						
Equity securities	11,530.7	–	–	–	11,530.7	11,530.7
Debt securities	48,640.5	6,023.3	15,723.3	44,280.1	740.4	66,767.1
Other investments	19,244.9	–	–	–	19,244.9	19,244.9
Financial assets at Amortised Cost						
Debt securities	1,218.2	779.6	158.7	633.8	–	1,572.1
Derivative financial assets	963.9	852.9	77.5	33.5	–	963.9
Loans	511.0	95.5	435.6	12.1	–	543.2
Other debtors	1,065.2	1,060.0	4.4	0.8	–	1,065.2
Cash and cash equivalents	6,302.9	6,302.9	–	–	–	6,302.9
	105,378.6	18,071.4	22,298.7	54,517.0	33,422.1	128,309.2
FINANCIAL LIABILITIES						
Other creditors	1,780.4	1,738.9	5.4	0.2	35.9	1,780.4
Lease liabilities	51.5	11.8	43.7	–	–	55.5
Derivative financial liabilities	179.7	142.0	33.6	4.1	–	179.7
Provision for agents' retirement benefits	297.6	151.6	56.4	89.6	–	297.6
	2,309.2	2,044.3	139.1	93.9	35.9	2,313.2

The Company's financial assets and financial liabilities are not material.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(g) Liquidity risk. (continued)

Maturity Profile for insurance and reinsurance contract liabilities

TABLE 30(E2): The following tables show the maturity profile of insurance contracts issued and reinsurance contracts held that are liabilities of the Group based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

in Singapore Dollars (millions)	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total

As at 31 December 2024

Insurance contract liabilities	11,116.9	6,898.0	2,465.9	3,238.6	3,052.8	63,304.8	90,077.0
Reinsurance contract liabilities held	110.4	17.1	16.8	10.5	10.1	78.5	243.4
Total	11,227.3	6,915.1	2,482.7	3,249.1	3,062.9	63,383.3	90,320.4

As at 31 December 2023

Insurance contract liabilities	15,644.9	5,091.2	2,266.5	2,197.3	3,013.1	58,824.9	87,037.9
Reinsurance contract liabilities held	105.6	22.6	9.2	10.4	28.8	95.5	272.1
Total	15,750.5	5,113.8	2,275.7	2,207.7	3,041.9	58,920.4	87,310.0

Amounts payable on demand

The amounts payable on demand are as follows.

in Singapore Dollars (millions)	2024		2023	
	Amounts payable on demand	Carrying Amount	Amounts payable on demand	Carrying Amount
Universal life contracts	4,090.9	4,297.9	3,493.2	3,692.5
Investment-linked contracts	10,411.0	11,255.6	8,439.7	8,966.0
Participating contracts	51,978.3	60,779.3	54,292.5	65,640.4
Total	66,480.2	76,332.8	66,225.4	78,298.9

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(g) Liquidity risk. (continued)

Current/non-current classification of assets and liabilities

TABLE 30(E3): The following tables show the current/non-current classification of assets and liabilities:

in Singapore Dollars (millions)	Current*	Non-Current	Total
As at 31 December 2024			
ASSETS			
Cash and cash equivalents	4,398.9	–	4,398.9
Other debtors	1,452.6	34.3	1,486.9
Loans	118.7	1,217.4	1,336.1
Derivative financial assets	211.2	159.6	370.8
Investments	18,639.9	83,679.7	102,319.6
Income tax recoverable	24.9	–	24.9
Deferred tax assets	0.3	11.9	12.2
Reinsurance contract assets	283.6	824.0	1,107.6
Insurance contract assets	47.6	55.3	102.9
Investment in associate	–	68.3	68.3
Intangible assets	44.0	188.1	232.1
Investment properties	–	1,938.8	1,938.8
Property, plant and equipment	43.6	466.2	509.8
	25,265.3	88,643.6	113,908.9
LIABILITIES			
Other creditors	1,301.2	79.5	1,380.7
Income tax payable	220.9	–	220.9
Derivative financial liabilities	682.1	44.7	726.8
Provision for agents' retirement benefits	26.5	316.9	343.4
Deferred tax liabilities	135.4	355.4	490.8
Borrowings	–	521.7	521.7
Reinsurance contract liabilities	100.5	77.6	178.1
Insurance contract liabilities	12,822.1	88,440.3	101,262.4
	15,288.7	89,836.1	105,124.8

* expected recovery or settlement within 12 months from the balance sheet date.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(g) Liquidity risk. (continued)

TABLE 30(E3): The following tables show the current/non-current classification of assets and liabilities (continued):

in Singapore Dollars (millions)	Current*	Non-Current	Total
<u>As at 31 December 2023</u>			
<u>ASSETS</u>			
Cash and cash equivalents	6,302.9	–	6,302.9
Other debtors	1,076.4	35.1	1,111.5
Loans	86.9	424.1	511.0
Derivative financial assets	852.9	111.0	963.9
Investments	19,286.0	77,249.6	96,535.6
Deferred tax assets	3.3	13.3	16.6
Reinsurance contract assets	255.6	613.1	868.7
Insurance contract assets	37.9	1.7	39.6
Investment in associate	–	95.1	95.1
Intangible assets	45.3	167.2	212.5
Investment properties	–	1,880.7	1,880.7
Property, plant and equipment	43.8	451.9	495.7
	<u>27,991.0</u>	<u>81,042.8</u>	<u>109,033.8</u>
<u>LIABILITIES</u>			
Other creditors	1,824.6	87.9	1,912.5
Income tax payable	164.6	–	164.6
Derivative financial liabilities	142.0	37.7	179.7
Provision for agents' retirement benefits	19.5	278.1	297.6
Deferred tax liabilities	1.0	267.7	268.7
Reinsurance contract liabilities	95.6	124.5	220.1
Insurance contract liabilities	17,216.5	80,785.1	98,001.6
	<u>19,463.8</u>	<u>81,581.0</u>	<u>101,044.8</u>

* expected recovery or settlement within 12 months from the balance sheet date.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

- (h) **Credit risk.** Credit risk is the risk of loss arising from an obligor failing to discharge an obligation. The Group is mainly exposed to credit risk through (i) investments in cash, bonds and credit derivatives, (ii) corporate lending activities and (iii) exposure to counterparty's credit risk in derivative transactions and reinsurance contracts. For all three types of exposures, financial loss may materialise as a result of a downgrading of credit rating or credit default by the borrower or counterparty.

Group-wide credit risk is managed by Group ALC. The Group establishes internal limits by issuer and counterparty according to their investment credit rating which are actively monitored to manage the credit and concentration risk, and are reviewed on a regular basis. The creditworthiness of reinsurers is assessed on an annual basis by reviewing their financial strength through published credit ratings and other publicly available information. The task of evaluating and monitoring credit risk at the subsidiary level is undertaken by Local ALCs.

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is mitigated through counterparty limits that are reviewed and approved on an annual basis.

Credit risk arising from customer balances incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document or trust deed until expiry, when the policy is either paid up or terminated.

The Group issues unit-linked investment policies in which the policyholder bears the investment risk on the assets held in the unit-linked funds as the policy benefits are directly linked to the value of the assets in the fund. Therefore, the Group has no material credit risk or market risk on unit-linked financial assets.

The loans in the Group's portfolio are generally secured by collateral, with a maximum loan-to-value ratio of 70%. The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. Guidelines on the collateral eligibility have been established, and all collaterals are revalued on a regular basis. Management monitors the market values of collaterals, requests additional collaterals when needed and performs an impairment valuation when applicable. The fair values of collaterals, held by the Group as lender, for which it is entitled to sell or pledge in the event of default is as tabulated below:

in Singapore Dollars (millions)	Type of Collateral	Carrying Amount	Fair Value
As at 31 December 2024			
Secured loans	Properties	943.8	1,705.2
	Others	56.9	64.6
Derivatives	Cash	75.1	75.1
		1,075.8	1,844.9
As at 31 December 2023			
Secured loans	Properties	372.2	882.0
	Others	0.6	0.6
Derivatives	Cash	257.3	257.3
		630.1	1,139.9

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) Credit risk. (continued)

There were no securities lending arrangements as at 31 December 2024 (31 December 2023: nil).

As at the balance sheet date, no investments (2023: nil) were placed as collateral for currency hedging purposes.

The following table sets out information about the credit quality of loans and debt securities measured at amortised cost and debt securities measured at FVOCI. The maximum exposure is shown on a gross basis, before the effect of mitigation through the use of master netting or collateral agreements and the use of credit derivatives.

For explanation of the terms: '12-month ECL', 'lifetime ECL' and 'credit-impaired', refer to Note 2.10.7.

	31 December 2024			
in Singapore Dollars (millions)	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Loans and other receivables at Amortised Cost				
Investment Grade* (BBB to AAA)	1,274.9	65.7	1.2	1,341.8
Not Rated	1.5	–	56.7	58.2
	1,276.4	65.7	57.9	1,400.0
Loss allowance	(0.7)	(5.3)	(57.9)	(63.9)
Carrying amount	1,275.7	60.4	–	1,336.1
Debt securities at Amortised Cost				
Investment Grade* (BBB to AAA)	511.2	–	–	511.2
	511.2	–	–	511.2
Loss allowance	(1.7)	–	–	(1.7)
Carrying amount	509.5	–	–	509.5
Debt securities at FVOCI				
Investment Grade* (BBB to AAA)	12,084.0	65.3	–	12,149.3
Non Investment Grade* (C to BB)	–	0.4	–	0.4
	12,084.0	65.7	–	12,149.7

* Based on internal ratings grades which are equivalent to grades of external rating agencies.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) Credit risk. (continued)

in Singapore Dollars (millions)	31 December 2023			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
<u>Loans and other receivables at Amortised Cost</u>				
Investment Grade* (BBB to AAA)	400.8	116.4	–	517.2
Not Rated	2.1	–	47.2	49.3
	402.9	116.4	47.2	566.5
Loss allowance	(0.5)	(7.8)	(47.2)	(55.5)
Carrying amount	402.4	108.6	–	511.0
<u>Debt securities at Amortised Cost</u>				
Investment Grade* (BBB to AAA)	1,219.4	–	–	1,219.4
	1,219.4	–	–	1,219.4
Loss allowance	(1.2)	–	–	(1.2)
Carrying amount	1,218.2	–	–	1,218.2
<u>Debt securities at FVOCI</u>				
Investment Grade* (BBB to AAA)	13,944.8	48.6	–	13,993.4
Non Investment Grade* (C to BB)	–	1.8	–	1.8
	13,944.8	50.4	–	13,995.2

* Based on internal ratings grades which are equivalent to grades of external rating agencies.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) Credit risk. (continued)

The following table sets out the credit analysis for financial assets and reinsurance contract assets that are not subjected to ECL:

in Singapore Dollars (millions)	Investment Grade (BBB to AAA)	Non Investment Grade (C to BB)	Not Rated	Not subject to credit risk	Total carrying amount
As at 31 December 2024					
Financial assets at FVOCI					
Equity securities	–	–	–	1,774.9	1,774.9
Financial assets at FVTPL					
Equity securities	–	–	–	13,893.9	13,893.9
Debt securities	48,507.4	791.8	162.4	–	49,461.6
Other investments	–	–	–	24,530.0	24,530.0
Derivative financial assets	352.8	–	18.0	–	370.8
Other debtors	3.5	23.4	1,409.1	–	1,436.0
Cash and cash equivalents	4,392.6	6.3	–	–	4,398.9
Reinsurance contract assets	1,107.6	–	–	–	1,107.6
	54,363.9	821.5	1,589.5	40,198.8	96,973.7
As at 31 December 2023					
Financial assets at FVOCI					
Equity securities	–	–	–	1,906.1	1,906.1
Financial assets at FVTPL					
Equity securities	–	–	–	11,530.7	11,530.7
Debt securities	47,626.9	855.0	158.6	–	48,640.5
Other investments	–	–	–	19,244.9	19,244.9
Derivative financial assets	933.7	–	30.2	–	963.9
Other debtors	3.0	12.0	1,050.2	–	1,065.2
Cash and cash equivalents	5,672.9	–	630.0	–	6,302.9
Reinsurance contract assets	868.7	–	–	–	868.7
	55,105.2	867.0	1,869.0	32,681.7	90,522.9

The Company's financial assets are not material.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) **Credit risk.** (continued)

Amounts arising from Expected Credit Losses ("ECL")

ECL provisioning is the setting of allowance for credit-impaired and non-credit impaired exposure in accordance to SFRS(I) 9 through forward-looking ECL models.

Measurement of ECL – Explanation of inputs, assumptions and estimation techniques

The key inputs into the measurement of ECL are the following variables:

- probability of default ('PD');
- loss given default ('LGD'); and
- exposure at default ('EAD').

These parameters are derived from statistical models internally developed by the Group.

PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months ('12M PD'), or over the remaining lifetime ('Lifetime PD') of the obligation. PD estimates are derived from PD models that incorporate both quantitative and qualitative inputs, which are in turn derived from internally and externally compiled data. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

LGD is the magnitude of the likely loss incurred during a default. LGD is expressed as a percentage of loss per unit of exposure at the time of default and represents an estimate of the economic loss in the event of the default of the counterparty. Factors in determining LGDs include claim seniority, availability and quality of collateral, legal enforceability processes in the jurisdiction and industry of borrower and prevailing market conditions. They are estimates at a certain date and are derived using statistical models. These statistical models are developed using internally compiled data and incorporate both quantitative and qualitative factors. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

EAD represents the expected exposure in the event of a default. The Group derives the EAD based on the current exposure to the counterparty and potential future exposure.

The ECL is determined by the PD, LGD and EAD for each individual exposure. The ECLs are first determined from the product of these three components, which are then adjusted to take into account forward-looking information. The ECLs are finally discounted to the reporting date. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Significant increase in credit risk

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default assessed at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information, which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.

A movement of an obligor's credit rating along the rating scale represents a change in the credit risk as measured by the change in PD.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) **Credit risk.** (continued)

Significant increase in credit risk (continued)

The criteria for assessing whether credit risk has increased significantly will be determined by changes in 12M PDs and other qualitative factors. The credit risk of an obligor is deemed to have increased significantly since initial recognition if, based on the Group's quantitative model, the 12M PD is determined to have more than doubled since origination, except when the obligor remains within the investment grade ratings.

Using expert credit judgment and, where possible, relevant historical experience, the Group may determine that an obligor has undergone a significant increase in credit risk based on qualitative factors that are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. The Group uses the watch-list as an additional trigger for the identification of significant increase in credit risk.

The Group considers an obligor to have relatively lower credit risk if it is of investment grade quality, taking into account both internal and external credit ratings.

Credit risk grades

The Group assigns each obligor to a credit risk grade that reflects the PD of the obligor. Credit risk grades are established based on qualitative and quantitative factors that are indicative of default risk. These factors vary depending on the nature of the exposure and the type of counterparty.

Credit risk grades are defined and calibrated such that the default risk increases as credit risk deteriorates. Each exposure is assigned with a credit risk grade at initial recognition, based on available information on the borrower. Obligors are subject to ongoing monitoring and review, and may be assigned with new credit risk grades that better reflects their creditworthiness. The monitoring typically involves the use of information obtained during periodic review, including published financial statements, external rating (where available), as well as qualitative information on an obligor's industry, competitive positioning, management, financial policy and financial flexibility.

Definition of default

The Group considers a financial asset to be in default by assessing the following criteria:

Quantitative criteria

For other receivables, the obligor is said to be in default if it fails to make contractual payments within 6 months after it falls due (i.e. after expiration of the maximum granted credit terms). For bonds and loans, the obligor is said to be in default if it fails to meet its contractual obligation and there are non-payments on another debt obligation of the same issuer to the Group.

Qualitative criteria

The counterparty is in bankruptcy or has indications of potentially significant financial difficulty such as lawsuits or similar actions that threaten the financial viability of the counterparty; distressed exchange, merger or amalgamation without assumption or breach of material loan covenants not rectified within a given timeframe, restructuring with expected principal haircut or a breach in material loan covenant that is not rectified within given timeframe.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Group's expected loss calculations.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) **Credit risk.** (continued)

Incorporating of forward-looking information

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 in its ECL measurement. The Group has performed historical analysis and identified key economic variables impacting credit risk and ECLs for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the “base economic scenario”) are obtained from publicly available economic databases published on a quarterly basis and provide the best estimate view of the economy over the next four to five years, and based on such information to project the economic variables for the full remaining lifetime of each instrument, a mean reversion approach is used. The impact of these economic variables on PDs, EADs and LGDs has been determined via regression analyses.

In addition to the base economic scenario, the Group uses multiple scenarios to ensure non-linear risks are captured. The number of scenarios and their attributes are reviewed at each reporting date. At 31 December 2024, the Group concluded that two particular scenarios are capable of capturing non-linear risks inherent in all portfolios. The scenario weightings are determined by expert credit judgment, taking into account the range of possible outcomes presented by the chosen scenarios. The assessment of significant increase in credit risk is performed using the 12M PD under each scenario multiplied by the associated scenario weights. This determines whether the financial instrument is in Stage 1, 2 or 3, and hence whether 12M or lifetime ECL should be applied. Following this assessment, the Group measures ECL as either a probability-weighted 12M ECL (Stage 1), or a probability-weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of uncertainty and the actual outcomes may be significantly different from projected outcomes. The Group considers these forecasts being representative of the best estimates of the possible outcomes and has analysed the non-linear risks and asymmetries within the various portfolios of the Group 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 material to the Group for the year ended 31 December 2024.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) Credit risk. (continued)

Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

		31 December 2024			
in Singapore Dollars (millions)	Note	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Loans and other receivables at					
Amortised Cost					
Balance at the beginning of the year		0.5	7.8	47.2	55.5
Net remeasurement of loss allowance		(0.1)	(0.9)	10.7	9.7
New financial assets purchased		1.2	0.1	-	1.3
Financial assets that have been derecognised		(0.8)	(1.5)	-	(2.3)
Changes in models/risk parameters		(0.1)	(0.8)	-	(0.9)
Foreign exchange and other movements		-	0.6	-	0.6
Balance at the end of the year		0.7	5.3	57.9	63.9
Debt securities at Amortised Cost					
Balance at the beginning of the year		1.2	-	-	1.2
Net remeasurement of loss allowance		0.7	-	-	0.7
New financial assets purchased		0.1	-	-	0.1
Financial assets that have been derecognised		(0.2)	-	-	(0.2)
Changes in models/risk parameters		(0.1)	-	-	(0.1)
Balance at the end of the year		1.7	-	-	1.7
Debt securities at FVOCI					
Balance at the beginning of the year		10.8	10.1	2.8	23.7
Transfer to 12-month ECL		0.4	(0.4)	-	-
Transfer to lifetime ECL not credit-impaired		(0.1)	0.1	-	-
Additional losses due to transfer		(0.3)	0.4	-	0.1
Net remeasurement of loss allowance		-	3.2	-	3.2
New financial assets purchased		3.2	-	-	3.2
Financial assets that have been derecognised		(4.5)	(6.4)	-	(10.9)
Changes in models/risk parameters		(1.7)	(3.9)	-	(5.6)
Balance at the end of the year		7.8	3.1	2.8	13.7
(Decrease)/Increase in provision for impairment of financial assets for the year	5	(2.3)	(9.5)	10.7	(1.1)

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(h) Credit risk. (continued)

Loss allowance (continued)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

		31 December 2023			
in Singapore Dollars (millions)	Note	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
<u>Loans and other receivables at</u>					
<u>Amortised Cost</u>					
Balance at the beginning of the year		0.6	5.9	36.7	43.2
Net remeasurement of loss allowance		–	1.9	10.5	12.4
New financial assets purchased		0.4	–	–	0.4
Financial assets that have been derecognised		(0.4)	–	–	(0.4)
Changes in models/risk parameters		(0.1)	–	–	(0.1)
Balance at the end of the year		0.5	7.8	47.2	55.5
<u>Debt securities at Amortised Cost</u>					
Balance at the beginning of the year		1.1	–	–	1.1
Net remeasurement of loss allowance		0.3	–	–	0.3
New financial assets purchased		0.2	–	–	0.2
Financial assets that have been derecognised		(0.4)	–	–	(0.4)
Balance at the end of the year		1.2	–	–	1.2
<u>Debt securities at FVOCI</u>					
Balance at the beginning of the year		8.2	11.7	2.8	22.7
Transfer to 12-month ECL		1.1	(1.1)	–	–
Additional losses due to transfer		(1.0)	–	–	(1.0)
Net remeasurement of loss allowance		0.3	0.7	–	1.0
New financial assets purchased		5.8	(0.4)	–	5.4
Financial assets that have been derecognised		(3.4)	(0.7)	–	(4.1)
Changes in models/risk parameters		(0.2)	0.1	–	(0.1)
Foreign exchange and other movements		–	(0.2)	–	(0.2)
Balance at the end of the year		10.8	10.1	2.8	23.7
Increase in provision for impairment of financial assets for the year	5	2.6	0.5	10.5	13.6

The changes in risk parameters may consist of management overlays, including but not limited to, the application of judgment to:

- key economic variables including GDP growth projections;
- scenario weightings;
- obligor's credit rating to reflect a deterioration of credit risk;
- events arose after post-model-run that require adjustment.

Loss allowances are reviewed quarterly, taking into consideration the adequacy of key variables.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

- (i) **Concentration risk.** An important element of managing market, credit and liquidity risks is to actively manage concentration to specific issuers, counterparties, industry sectors, countries and currencies. Both internal and regulatory limits are put in place to manage concentration risk. These limits are reviewed on a regular basis by the respective management committees. The Group's exposures are within the concentration limits set by the respective local regulators.

The Group actively manages its investment mix to ensure that there is no significant concentration in market, credit and liquidity risks.

- (j) **Sensitivity analysis on financial risks.** The sensitivity analysis below shows the impact on the Group's net profit after tax by applying possible shocks to each key variable, with all other variables constant. Co-movement of key variables can significantly affect the fair values and/or amortised cost of financial assets. To demonstrate the impact due to changes in each key variable, the variables are changed individually.

The impact on net profit after tax represents the effect caused by changes in fair value of financial assets whose fair values are recorded in the Profit or Loss Statement, and changes in valuation of insurance and reinsurance contract liabilities/assets. The equity sensitivity represents the impact on net profit after tax and the effect on changes in fair value of financial assets measured at FVOCI and changes in insurance finance reserves.

Market risk sensitivity analysis:

in Singapore Dollars (millions)	Impact on profit after tax					
	2024			2023		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
<u>Change in variables:</u>						
(a) <u>Interest rate</u>						
+ 100 basis points	(3,318.9)	3,228.0	(90.9)	(2,798.7)	2,733.1	(65.6)
- 100 basis points	3,919.4	(3,847.4)	72.0	3,239.0	(3,202.3)	36.7
(b) <u>Foreign Currency</u>						
5% increase in market value of USD denominated assets	132.6	(166.5)	(33.9)	109.1	(146.5)	(37.4)
5% decrease in market value of USD denominated assets	(132.6)	166.3	33.7	(109.2)	146.4	37.2
(c) <u>Equity</u>						
20% increase in market indices	3,942.9	(3,700.0)	242.9	3,219.2	(3,078.6)	140.6
20% decrease in market indices	(3,904.5)	3,659.7	(244.8)	(3,219.2)	3,051.7	(167.5)

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(j) Sensitivity analysis on financial risks. (continued)

Market risk sensitivity analysis (continued):

in Singapore Dollars (millions)	Impact on profit after tax					
	2024			2023		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
Change in variables (continued):						
(d) Credit						
Spread + 100 basis points	(1,520.1)	1,455.9	(64.2)	(1,237.9)	1,191.8	(46.1)
Spread – 100 basis points	1,676.5	(1,594.2)	82.3	1,418.0	(1,366.5)	51.5
(e) Alternative Investments ⁽¹⁾						
10% increase in market value of all alternative investments	541.4	(469.3)	72.1	592.4	(519.4)	73.0
10% decrease in market value of all alternative investments	(541.4)	469.1	(72.3)	(592.4)	519.2	(73.2)

⁽¹⁾ Alternative Investments comprise investments in real estate, private equity, private debt, infrastructure and hedge funds.

The above tables demonstrate the sensitivity of the Group's profit or loss after tax to a change in the specified variables on an individual basis with all other variables held constant.

The methodology for deriving sensitivities have not changed from the previous year, certain variable has been updated to reflect more relevant scenarios for the Group.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market, Credit and Liquidity Risk (continued)

(j) Sensitivity analysis on financial risks. (continued)

in Singapore Dollars (millions)	Impact on equity					
	2024			2023		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
Change in variables:						
(a) Interest rate						
+ 100 basis points	(3,841.0)	3,537.2	(303.8)	(3,374.3)	2,968.5	(405.8)
- 100 basis points	4,515.8	(4,260.2)	255.6	3,888.7	(3,548.6)	340.1
(b) Foreign Currency						
5% increase in market value of USD denominated assets	132.9	(165.6)	(32.7)	109.1	(144.6)	(35.5)
5% decrease in market value of USD denominated assets	(132.8)	165.4	32.6	(109.1)	144.4	35.3
(c) Equity						
20% increase in market indices	4,230.1	(3,708.9)	521.2	3,532.7	(3,086.4)	446.3
20% decrease in market indices	(4,191.6)	3,668.6	(523.0)	(3,274.7)	3,059.5	(215.2)
(d) Credit						
Spread + 100 basis points	(1,891.2)	1,477.8	(413.4)	(1,587.1)	1,223.8	(363.3)
Spread - 100 basis points	2,097.3	(1,625.8)	471.5	1,807.3	(1,421.4)	385.9
(e) Alternative Investments ⁽¹⁾						
10% increase in market value of all alternative investments	564.6	(490.6)	74.0	609.6	(535.1)	74.5
10% decrease in market value of all alternative investments	(564.6)	490.4	(74.2)	(609.6)	535.0	(74.6)

⁽¹⁾ Alternative Investments comprise investments in real estate, private equity, private debt, infrastructure and hedge funds.

The above tables demonstrate the sensitivity of the Group's equity to a change in the specified variables on an individual basis with all other variables held constant.

The methodology for deriving sensitivities have not changed from the previous year, certain variable has been updated to reflect more relevant scenarios for the Group.

NOTES TO FINANCIAL STATEMENTS

30 ENTERPRISE RISK GOVERNANCE AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Operational and Compliance Risk

Operational risk is an event or action that may potentially impact partly or completely the achievement of the organisation's objectives resulting from inadequate or failed internal processes and systems, human factors, or external events.

Compliance risk is any event or action that may potentially impact partly or completely the achievement of the organisation's objectives and its reputation as a result of its failure to comply with the following applicable laws, regulations and standards:

- local laws, regulations and rules governing licensed activities undertaken by the Group;
- foreign laws, regulations and rules that have extraterritorial jurisdiction over the Group's licensed activities;
- codes of practice promoted by industry associations of which the Group are members of; and
- any other applicable regulations which do not specifically govern the licensed activities undertaken by the Group but can expose the organisation to legal, regulatory or reputational loss.

The day-to-day management of operational and compliance risk is through the maintenance of comprehensive internal control frameworks, supported by an infrastructure of systems and procedures to monitor processes and transactions. GMC reviews operational and compliance issues on a group basis at its monthly meetings while local level issues are managed and monitored by the local SMTs. The Internal Audit team reviews the systems of internal controls to assess their ongoing relevance and effectiveness, and reports at least quarterly to the Audit Committee.

Technology, Information and Cyber Risks

Technology risk is defined as risk related to any potential adverse outcome, damage, loss, disruption, violation, system/ hardware failure, capacity deficiency arising from the use of technologies such as electronic hardware/ devices, software, online networks and telecommunications systems.

Information Risk is defined as risk related to confidentiality, integrity and availability of information (in physical or digital form).

Cyber Risk is defined as risk related to acts perpetrated by malicious threat actors including internal sabotage, espionage, malicious attacks, hacking incidents, fraudulent conduct using information and communication technologies.

The Group adopts a risk-based approach in managing technology, risks relating to IT disruption, cyber threats, data loss and third parties. The Group has put in place technical and procedural risk controls to defend against external and insider threats. Key risk indicators related to technology, information and cyber risks are reported to the Board on a regular basis. Independent assessment is performed by internal auditors on the adequacy and effectiveness of the technology risk controls.

Sustainability Risk

Sustainability risk is defined as any environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment and enterprise value.

Great Eastern Holding's Sustainability Report is published on its corporate website (<https://www.greateasternlife.com>). The report is aligned to the Singapore Exchange (SGX) requirements for sustainability reporting. The report provides an update on the Group's ambition for sustainable development, strategy, initiatives and progress. The sustainability governance framework and material ESG factors are embedded in the organisation to effectively manage sustainability-related risks and opportunities across the investment, underwriting and operational activities.

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES

31.1 Fair Value Hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly, quotes from brokers and market makers, cash flow discounting and other valuation techniques commonly used by market participants, and

Level 3 – Unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement would be categorised in its entirety in the same level of the fair value hierarchy as the lowest input that is significant to the entire measurement (with Level 3 being the lowest).

Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

31.2 Assets and Liabilities Measured at Fair Value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year:

in Singapore Dollars (millions)	Group			
	31 December 2024			
	Level 1	Level 2	Level 3	Total
Recurring Fair Value Measurements				
FINANCIAL ASSETS				
Derivative financial assets				
Foreign exchange				
Forwards	–	143.9	–	143.9
Currency swaps	–	97.2	–	97.2
Interest rates				
Swaps	–	46.2	–	46.2
Exchange traded futures	4.0	–	–	4.0
Equity				
Swaps	–	37.6	–	37.6
Futures	4.3	–	–	4.3
Options	–	37.6	–	37.6
	8.3	362.5	–	370.8
Financial assets at FVOCI				
Equity securities	1,755.3	–	19.6	1,774.9
Debt securities	9,634.5	2,515.2	–	12,149.7
	11,389.8	2,515.2	19.6	13,924.6

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.2 Assets and Liabilities Measured at Fair Value (continued)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year (continued):

in Singapore Dollars (millions)	Group			
	31 December 2024			
	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Equity securities	13,865.0	1.1	27.8	13,893.9
Debt securities	29,801.2	19,660.4	-	49,461.6
Other investments	2,356.1	18,360.9	3,813.0	24,530.0
	46,022.3	38,022.4	3,840.8	87,885.5
Financial assets as at 31 December 2024	57,420.4	40,900.1	3,860.4	102,180.9
NON-FINANCIAL ASSETS				
Investment properties	-	-	1,938.8	1,938.8
Investment in associate	-	-	68.3	68.3
Non-financial assets as at 31 December 2024	-	-	2,007.1	2,007.1
FINANCIAL LIABILITIES				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	431.2	-	431.2
Currency swaps	-	11.7	-	11.7
Exchange traded futures	0.1	-	-	0.1
Interest rates				
Swaps	-	40.9	-	40.9
Exchange traded futures	221.8	-	-	221.8
Equity				
Swaps	-	2.7	-	2.7
Futures	18.1	-	-	18.1
Bond				
Forwards	-	0.3	-	0.3
Financial liabilities as at 31 December 2024	240.0	486.8	-	726.8

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.2 Assets and Liabilities Measured at Fair Value (continued)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting year (continued):

in Singapore Dollars (millions)	Group			
	31 December 2023			
	Level 1	Level 2	Level 3	Total
<u>Recurring Fair Value Measurements</u>				
<u>FINANCIAL ASSETS</u>				
Derivative financial assets				
Foreign exchange				
Forwards	-	392.5	-	392.5
Currency swaps	-	96.1	-	96.1
Interest rates				
Swaps	-	23.7	-	23.7
Exchange traded futures	371.1	-	-	371.1
Equity				
Futures	13.8	-	-	13.8
Options	-	54.6	-	54.6
Credit				
Swaps	-	9.9	-	9.9
Bond				
Forwards	-	2.2	-	2.2
	384.9	579.0	-	963.9
Financial assets at FVOCI				
Equity securities	1,883.8	-	22.3	1,906.1
Debt securities	9,234.3	4,760.9	-	13,995.2
	11,118.1	4,760.9	22.3	15,901.3
Financial assets at FVTPL				
Equity securities	11,505.8	3.5	21.4	11,530.7
Debt securities	28,485.2	20,155.3	-	48,640.5
Other investments	1,980.5	14,352.1	2,912.3	19,244.9
	41,971.5	34,510.9	2,933.7	79,416.1
Financial assets as at 31 December 2023	53,474.5	39,850.8	2,956.0	96,281.3
<u>NON-FINANCIAL ASSETS</u>				
Investment properties	-	-	1,880.7	1,880.7
Investment in associate	-	-	95.1	95.1
Non-financial assets as at 31 December 2023	-	-	1,975.8	1,975.8
<u>FINANCIAL LIABILITIES</u>				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	124.5	-	124.5
Currency swaps	-	14.0	-	14.0
Interest rates				
Swaps	-	32.7	-	32.7
Exchange traded futures	4.1	-	-	4.1
Equity				
Swaps	-	0.6	-	0.6
Futures	3.0	-	-	3.0
Bond				
Forwards	-	0.8	-	0.8
Financial liabilities as at 31 December 2023	7.1	172.6	-	179.7

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.3 Level 3 Fair Value Measurements

(i) **Information about significant unobservable inputs used in Level 3 fair value measurements:**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at 31 December 2024	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,938.8	Income approach	Rental per square foot ("p.s.f.") per month	\$2.21 – \$2.25
			Car park bay rental rate	\$94.34
			Monthly outgoing rate p.s.f	\$0.43
			Capitalisation rate	5.75% – 6.00%
			Void rate	5%
		Comparison approach	Estimated per square foot ("psf")	\$10 – \$4,733
		Capitalisation approach	Capitalisation rate	3.25%
Investment in associate	68.3	Income approach	Discount for liquidity	26% – 45%
Investments				
Unquoted equities	47.4	Net asset value⁽¹⁾	Not applicable	Not applicable
Collective Investment Schemes	3,813.0	Net asset value⁽¹⁾	Not applicable	Not applicable

⁽¹⁾ These investments are valued using net asset value. Accordingly, these investments are classified as Level 3 investments within the fair value hierarchy.

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.3 Level 3 Fair Value Measurements (continued)

(i) **Information about significant unobservable inputs used in Level 3 fair value measurements (continued):**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3) (continued):

Description	Fair value as at 31 December 2023	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,880.7	Income approach	Rental per square foot ("p.s.f.") per month	\$2.11 – \$2.13
			Car park bay rental rate	\$88.96
			Monthly outgoing rate p.s.f	\$0.40
			Capitalisation rate	5.75% – 6.00%
			Void rate	5%
		Comparison approach	Estimated per square foot ("psf")	\$11 – \$3,482
			Capitalisation rate	3.25%
Investment in associate	95.1	Income approach	Discount for liquidity	28% – 45%
Investments				
Unquoted equities	43.7	Net asset value ⁽¹⁾	Not applicable	Not applicable
Collective Investment Schemes	2,912.3	Net asset value ⁽¹⁾	Not applicable	Not applicable

⁽¹⁾ These investments are valued using net asset value. Accordingly, these investments are classified as Level 3 investments within the fair value hierarchy.

For investment properties, a significant increase/(decrease) in unobservable inputs would result in a significantly higher/(lower) fair value measurement.

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.3 Level 3 Fair Value Measurements (continued)

(ii) Valuation process:

The valuations of financial instruments are performed by the custodians and the valuations of investment properties are performed by the external valuers. The valuations conducted by the custodians are verified and assessed for reasonableness by Group Finance against available market conditions. The valuations of investment properties are based primarily on the comparison approach and the capitalisation approach. The major inputs of the valuation of investment properties are reviewed by management. The property management department also held discussions with external valuers on any significant fluctuation noted from the independent valuation reports. The valuations conducted by the external valuers are verified and assessed for reasonableness by management against property values of other comparable properties.

(iii) Movements in Level 3 assets and liabilities measured at fair value:

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

in Singapore Dollars (millions)	Group						Total
	31 December 2024						
	Investments			Investment in associate	Investment properties	Asset held for sale	
Unquoted debt securities	Unquoted equities	Collective investment schemes					
Opening balance as at 1 January 2024	–	43.7	2,912.3	95.1	1,880.7	–	4,931.8
Total gain/(loss) for the year:							
Included in Profit or Loss Statement							
– Gain/(loss) on sale of investments and changes in fair value	–	6.4	4.2	(32.0)	34.0	–	12.6
– Increase in provision for impairment of assets	–	(2.6)	–	–	–	–	(2.6)
Included in other comprehensive income							
– Changes in fair value	–	(0.1)	–	–	–	–	(0.1)
Purchases and sales for the year:							
Purchases	–	–	1,158.7	–	7.2	–	1,165.9
Sales	–	–	(262.2)	–	–	–	(262.2)
Transfer to/from during the year:							
Transfer to Level 2	–	–	–	–	–	–	–
Currency translation reserve adjustment	–	–	–	5.2	16.9	–	22.1
Closing balance as at 31 December 2024	–	47.4	3,813.0	68.3	1,938.8	–	5,867.5

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.3 Level 3 Fair Value Measurements (continued)

(iii) Movements in Level 3 assets and liabilities measured at fair value (continued):

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3) (continued):

	Group						
	31 December 2023						
	Investments						
in Singapore Dollars (millions)	Unquoted debt securities	Unquoted equities	Collective investment schemes	Investment in associate	Investment properties	Asset held for sale	Total
Opening balance as at 1 January 2023	645.9	44.5	2,842.2	122.5	1,881.2	72.6	5,608.9
Total gain/(loss) for the year:							
Included in Profit or Loss Statement							
– Gain/(loss) on sale of investments and changes in fair value	14.9	(0.5)	(151.7)	(27.4)	16.3	–	(148.4)
Included in other comprehensive income							
– Changes in fair value	–	(0.3)	–	–	–	–	(0.3)
Purchases and sales for the year:							
Purchases	–	–	221.8	7.8	1.1	–	230.7
Sales	(636.1)	–	–	–	–	(72.6)	(708.7)
Transfer to/from during the year:							
Transfer to Level 2	(24.7)	–	–	–	–	–	(24.7)
Currency translation reserve adjustment	–	–	–	(7.8)	(17.9)	–	(25.7)
Closing balance as at 31 December 2023	–	43.7	2,912.3	95.1	1,880.7	–	4,931.8

NOTES TO FINANCIAL STATEMENTS

31 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

31.4 Assets and Liabilities Not Carried at Fair Value but for which Fair Value is Disclosed

The following table shows an analysis of the Group's assets and liabilities not measured at fair value but for which fair value is disclosed:

in Singapore Dollars (millions)	Group				
	31 December 2024				
	Level 1	Level 2	Level 3	Total	Carrying Amount
Assets					
Debt securities at Amortised Cost	462.8	1.3	–	464.1	509.5
Loans	–	1,345.5	–	1,345.5	1,336.1
Freehold land, leasehold land and buildings	–	–	866.2	866.2	358.3
Liabilities					
Borrowings	542.4	–	–	542.4	521.7

in Singapore Dollars (millions)	Group				Carrying Amount
	31 December 2023				
	Level 1	Level 2	Level 3	Total	
<u>Assets</u>					
Debt securities at Amortised Cost	1,089.2	109.6	–	1,198.8	1,218.2
Loans	–	524.7	–	524.7	511.0
Freehold land, leasehold land and buildings	–	–	847.6	847.6	365.9

NOTES TO FINANCIAL STATEMENTS

32 DIVIDENDS

in Singapore Dollars (millions)	Group and Company	
	2024	2023
Final one-tier tax exempt dividend for the previous year of 40 cents per ordinary share (2023: 55 cents per ordinary share)	189.3	260.3
Interim one-tier tax exempt dividend of 45 cents per ordinary share (2023: 35 cents per ordinary share)	213.0	165.7
	402.3	426.0

The Directors proposed a final one-tier tax exempt dividend of 45 cents per ordinary share amounting to \$213.0 million (2023: \$189.3 million) be paid in respect of the financial year ended 31 December 2024. This has not been recognised as distributions to shareholders.

There are no income tax consequences attached to the dividend to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

33 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to be consistent with current year's presentation.

34 EVENTS AFTER THE REPORTING PERIOD

34.1 Issue of US\$500.0 million Fixed Rate Perpetual Capital Securities

On 22 January 2025, the Group's subsidiary, GEL issued US\$500.0 million fixed rate perpetual capital securities first callable in 2032 (the "Series 002 Securities").

The Series 002 Securities were issued at 100% of their principal amount and confer a right on the holder to receive distributions payable semi-annually in arrears at a fixed rate of 5.398% per annum. If the Series 002 Securities are not redeemed on 22 January 2032 (the "First Reset Date"), the distribution rate will be reset on the First Reset Date and every five years thereafter to a fixed rate per annum equal to the aggregate of the then-prevailing U.S. Treasury Rate (as defined in paragraph 14(i) of the Pricing Supplement) and the initial spread of 0.696%. Distributions may be cancelled by GEL at its sole discretion, subject to the terms and conditions of the Series 002 Securities. Any unpaid distributions are non-cumulative and do not accrue interest. The Series 002 Securities qualify as Additional Tier 1 capital of GEL.

35 AUTHORISATION OF FINANCIAL STATEMENTS

At the Board of Directors' Meeting held on 24 February 2025, the Board authorised these financial statements for issue and that two Directors of the Board, Mr Soon Tit Koon and Mr Tam Chee Chong, sign the Directors' Report on behalf of the Board.

APPENDIX VII

1Q25 FINANCIAL SUMMARY

First Quarter 2025 Financial Summary



8 May 2025



**Reach
for Great**

Disclaimer

This document should be read as an overview of the current business activities and operating environment of Great Eastern Holdings Limited and its related corporations (collectively, “Great Eastern”). The information supplied is in summary form and this overview does not purport to contain complete information or all information that investors or potential investors may require in order to make an informed assessment of Great Eastern’s prospects.

This document should not be solely relied upon by investors or potential investors when making an investment decision. You should seek professional advice from your stockbroker, solicitor, accountant, financial adviser, tax adviser or other independent professional adviser before deciding whether to invest. This document does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer to subscribe for any shares nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or investment decision or commitment whatsoever. Great Eastern accepts no liability whatsoever with respect to the use of, or reliance upon, any information, statement or opinion contained in or omitted from this document. This document shall not be reproduced, republished, uploaded, linked, posted, transmitted, adapted, copied, translated, modified, edited or otherwise displayed or distributed in any manner without Great Eastern’s prior written consent.

Overview of 1Q-25 Financial Results

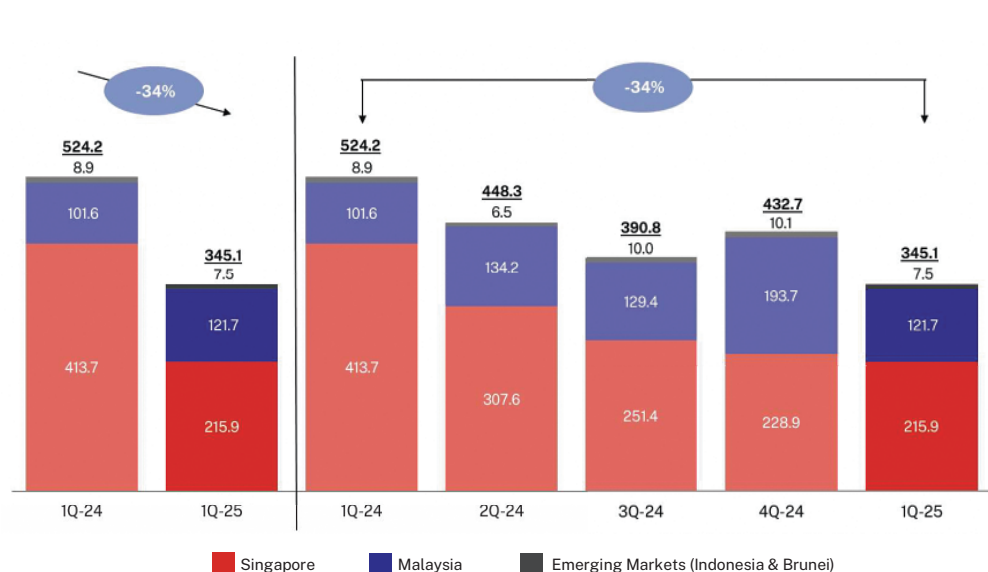
		1Q-25	1Q-24	Δ	
New Business	Total Weighted New Sales ("TWNS")	345.1	524.2	-34%	NBEV growth remains robust despite decline in TWNS, supported by improved sales mix.
	New Business Embedded Value ("NBEV")	148.8	125.5	+19%	
Profit	Profit from Insurance Business	246.8	236.3	+4%	Growth in insurance profits driven by steady growth in insurance business, further boosted by favourable investment performance contributing to higher profits from shareholders' fund.
	Profit from Shareholders' Fund ¹	98.7	70.4	+40%	
	Group Profit Attributable to Shareholders	345.5	306.7	+13%	
Comprehensive Income	Other Comprehensive Income ("OCI")	73.9	70.2	+5%	Higher OCI attributable to mark-to-market gains on bonds from downward shift in interest rates.
	Total Comprehensive Income ("TCI")	419.4	376.9	+11%	

Note:
1. Includes Non-Controlling Interest

Values are denominated in S\$m

3

TWNS Performance by Market

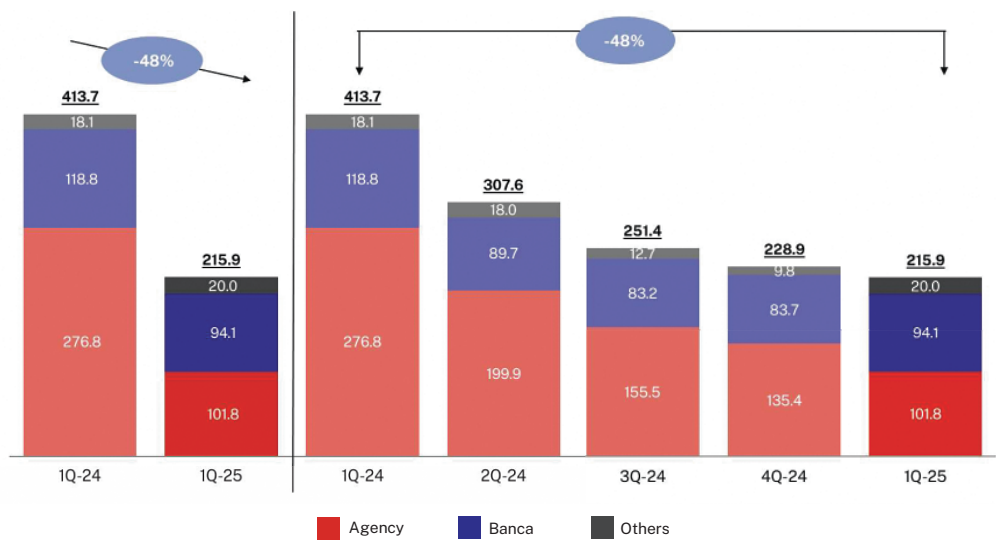


1Q-25 Group's TWNS declined by 34% on a year-on-year basis mainly due to lower single premium sales in Singapore following the shift towards regular premium products.

Values are denominated in S\$m

4

Singapore TWNS – By Channel

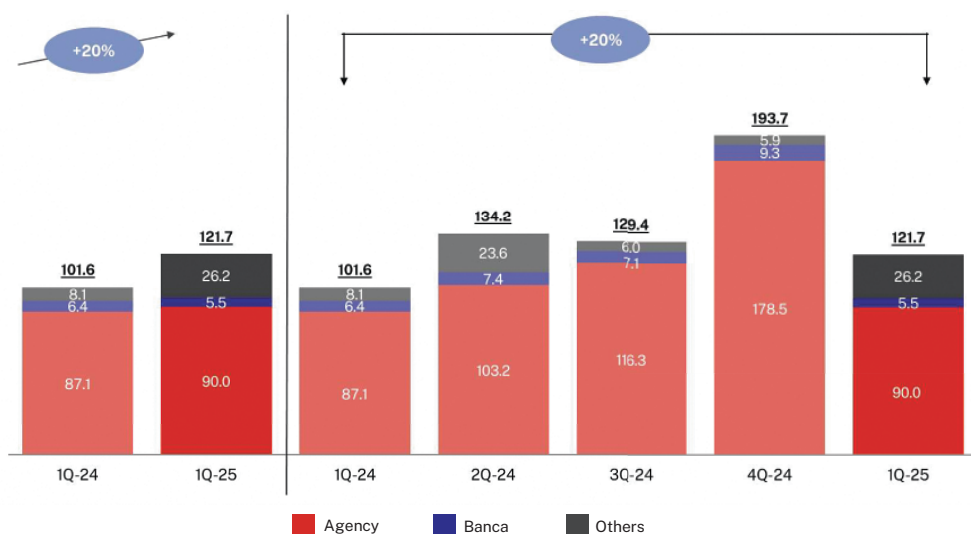


1Q-25 TWNS for Singapore declined by 48% on a year-on-year basis mainly due to lower single premium sales following the shift towards regular premium sales.

Values are denominated in S\$m

5

Malaysia TWNS – By Channel

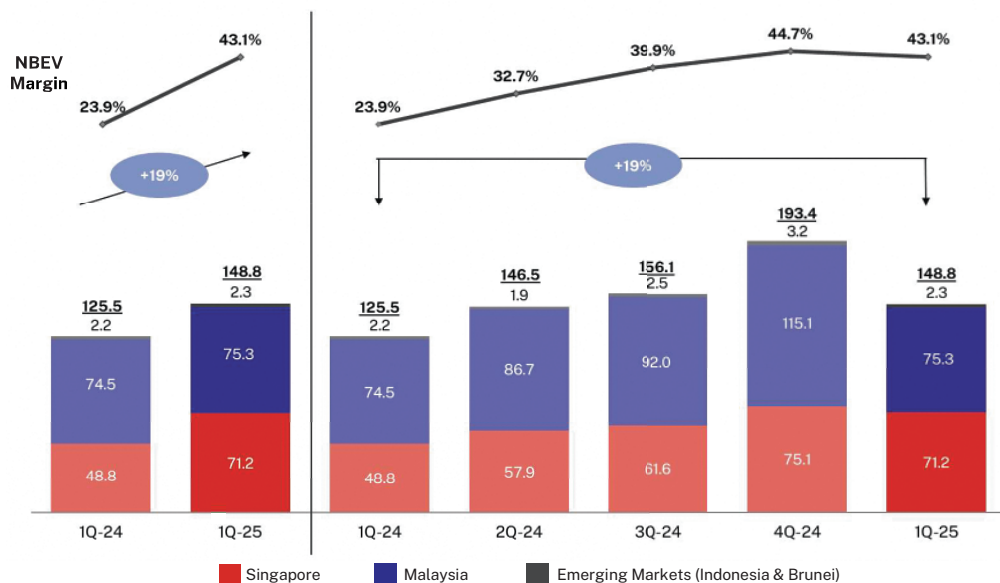


Year-on-year growth in 1Q-25 driven mainly by Group Insurance business, further supported by sustained growth in Agency channel.

Values are denominated in S\$m

6

NBEV – By Market

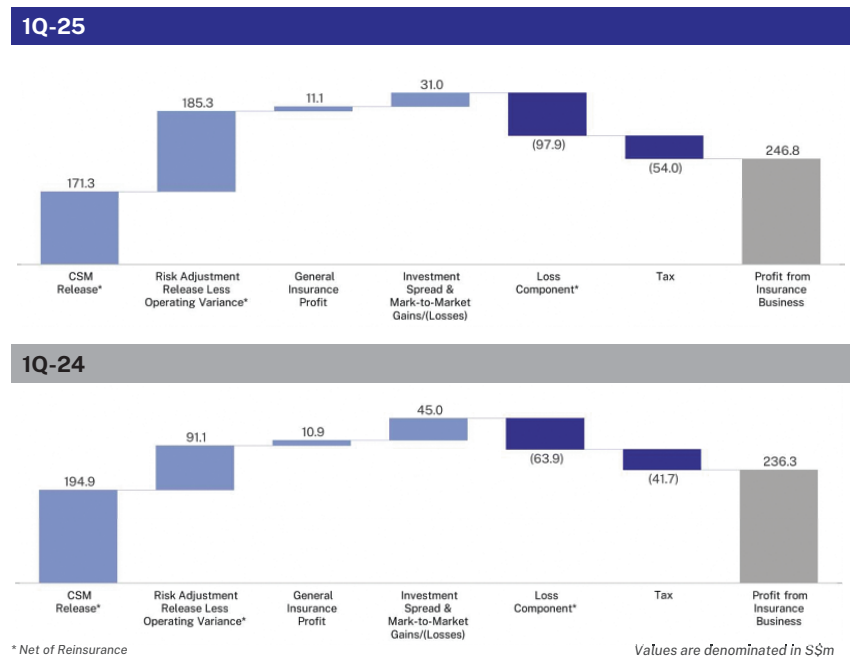


1Q-25 Group NBEV grew by 19% on a year-on-year basis driven by improved product mix.

Values are denominated in S\$m

7

Profit from Insurance Business



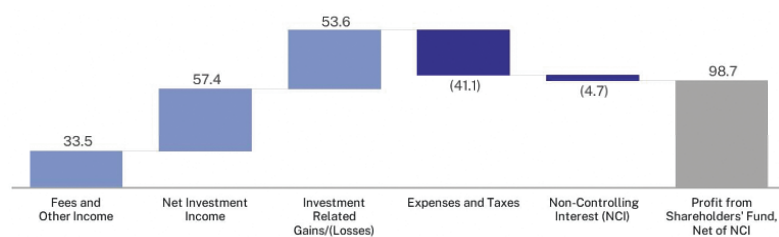
Higher profit from insurance business mainly due to higher release in risk adjustment and improved operating variance from individual life business.

This was partly offset by higher loss component arising from new (renewal) strain from yearly-renewable medical insurance business in both Singapore and Malaysia.

8

Profit from Shareholders' Fund

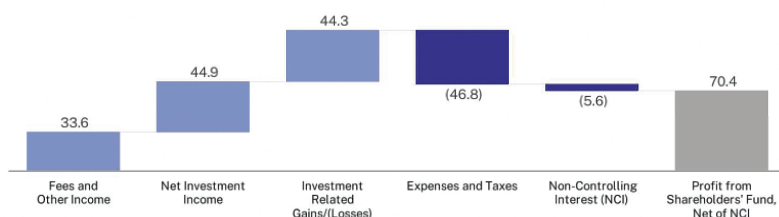
1Q-25



Higher Profit from shareholders' fund in 1Q-25 compared to same period last year mainly due to higher interest income and mark-to-market gains from bonds.

This was partly offset by weaker equity investment performance.

1Q-24



Values are denominated in S\$m

9

Reference Notes

1. TWNS = (Single Premium x 10%) + New Regular Premium.
2. NBEV is a measure of the long-term profitability of new sales.
3. The quarterly NBEV figures for 2024 have been restated to take into account revised actuarial assumptions following the annual review exercise at end of the year (i.e. 4Q-24).
4. TWNS, NBEV and Profit Attributable to Shareholders in foreign currencies are translated using the respective monthly spot rate.

10

Thank you



NOTICE OF EXTRAORDINARY GENERAL MEETING

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199903008M)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Great Eastern Holdings Limited (the “**Company**”) will be held at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on 8 July 2025 at 2.00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions.

All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Company’s circular to Shareholders dated 9 June 2025 (the “**Circular**”).

A. DELISTING RESOLUTION

That:

- (i) the voluntary delisting of the Company from the Official List of the SGX-ST under Rules 1307 and 1309 of the Listing Manual (the “**Delisting**”), pursuant to which the Exit Offer would be made to the Shareholders on the terms and conditions described in the Circular, be and is hereby approved; and
- (ii) the Directors and each of them be and is hereby authorised and empowered to complete and to do all such acts and things as they or he/she may consider necessary or expedient to give effect to the Delisting and/or this Delisting Resolution, with such modification thereto (if any) as they or he/she shall think fit in the interests of the Company.

IN THE EVENT THE DELISTING RESOLUTION IS NOT APPROVED AT THE EGM, THE FOLLOWING RESUMPTION OF TRADING RESOLUTIONS WILL BE PUT TO VOTE:

B. SPECIAL RESOLUTION – ADOPTION OF NEW CONSTITUTION RESOLUTION

That subject to and contingent upon the passing of the Bonus Issue Resolution:

- (i) the New Constitution, for the purpose of identification, subscribed by the Chairman thereof, be approved and adopted as the Constitution in substitution for, and to the exclusion of, the Existing Constitution; and
- (ii) the Directors and each of them be and is hereby authorised and empowered to complete and do all such acts and things and exercise such discretion as they or he/she may consider necessary or expedient to give effect to the Proposed Adoption of New Constitution and/or this Adoption of New Constitution Resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

C. SPECIAL RESOLUTION – BONUS ISSUE RESOLUTION

That subject to and contingent upon the passing of the Adoption of New Constitution Resolution:

- (i) the bonus issue of up to 473,319,069 Bonus Ordinary Shares and/or Class C Non-Voting Shares on the basis of one (1) Bonus Ordinary Share or one (1) Class C Non-Voting Share, at each Shareholder's election and to be credited as fully paid, for every one (1) existing Share held by such Shareholder as at the Bonus Issue Record Date, be and is hereby approved;
- (ii) the conversion of Class C Non-Voting Shares into Converted Ordinary Shares pursuant to the exercise of the Conversion Right and in accordance with the terms of the Class C Non-Voting Shares (the "**Class C Conversion**"), be and is hereby approved; and
- (iii) the Directors and each of them be and is hereby authorised and empowered to complete and do all such acts and things and exercise such discretion as they or he/she may consider necessary or expedient to give effect to the Proposed Bonus Issue, the Class C Conversion and/or this Bonus Issue Resolution.

Shareholders should note that:

- (1) if the Delisting Resolution is approved by Independent Shareholders at the EGM, the Resumption of Trading Resolutions (i.e. the Adoption of New Constitution Resolution and the Bonus Issue Resolution) will not be put to vote at the EGM; and**
- (2) the Resumption of Trading Resolutions are inter-conditional on each other. This means that if either of the Adoption of New Constitution Resolution or the Bonus Issue Resolution is not approved, neither of these resolutions will be carried out.**

By Order of the Board

Jennifer Wong Pakshong
Company Secretary

Singapore
9 June 2025

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

Format of EGM

1. The EGM will be held, in a wholly physical format, at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Tuesday, 8 July 2025 at 2.00 p.m. Shareholders, including CPFIS Investors and SRS Investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the EGM by attending the EGM in person. There will be no option for Shareholders to participate virtually.
2. Printed copies of this Notice of EGM and the accompanying Proxy Form will be sent by post to Shareholders. These documents will also be published on the Company's website at the URL <https://www.greatasteasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements>.

Appointment of Proxy or Proxies

3. (a) A Shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's instrument appointing a proxy or proxies appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A Shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's instrument appointing a proxy or proxies appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the instrument. "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act. A Shareholder who wishes to appoint a proxy or proxies must complete the instrument appointing a proxy or proxies, before submitting it in the manner set out below.
4. A proxy need not be a Shareholder. A Shareholder may choose to appoint the Chairman of the EGM as his/her/its proxy.
5. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

(a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or

(b) if submitted electronically, be submitted via email to the Company at GEH_meetings@greatasteasternlife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. on 5 July 2025, being 72 hours before the time appointed for holding the EGM. Completion and submission of a Proxy Form by a Shareholder will not prevent him/her from attending and voting in person at the EGM if he/she so wishes, in place of his/her proxy.
6. CPFIS Investors and SRS Investors may:

(a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxies; or

(b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 26 June 2025.

Submission of Questions

7. Shareholders, including CPFIS Investors and SRS Investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the EGM in advance of the EGM:

(a) via email to the Company at GEH_meetings@greatasteasternlife.com; or

(b) by post to the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659.

When submitting questions via email or by post, Shareholders should also provide the following details: (i) the Shareholder's full name (as per NRIC/passport); (ii) the Shareholder's correspondence address; and (iii) the manner in which the Shareholder holds Shares in the Company (e.g. via CDP, CPF, SRS and/or scrip), for verification purposes. All questions submitted in advance must be received by 23 June 2025.

NOTICE OF EXTRAORDINARY GENERAL MEETING

8. The Company will address all substantial and relevant questions received from Shareholders by the 23 June 2025 deadline by publishing its responses to such questions on the Company's website at the URL <https://www.greateasternlife.com/sg/en/about-us/investor-relations/agm-and-egm.html> and the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the lodgement/receipt of instruments appointing a proxy or proxies. The Company will respond to questions or follow-up questions received after the 23 June 2025 deadline either within a reasonable timeframe before the EGM, or at the EGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
9. Shareholders, including CPFIS Investors and SRS Investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the EGM substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, at the EGM itself.

Refreshments

10. Please note that only coffee and tea will be provided at the EGM, and no food will be served.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy or proxies and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy or proxies and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy or proxies and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy or proxies and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

PROXY FORM

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 199903008M)

PROXY FORM EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. All capitalised terms used in this Proxy Form which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the Company's circular to Shareholders dated 9 June 2025 (the "**Circular**").

Arrangements for the EGM

2. The EGM will be held, in a wholly physical format, at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Tuesday, 8 July 2025 at 2.00 p.m.
There will be no option for Shareholders to participate virtually.
3. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy or proxies.

CPFIS Investors and SRS Investors

4. This Proxy Form is not valid for use by CPFIS Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. CPFIS Investors and SRS Investors may:
 - (a) vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxies; or
 - (b) appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 26 June 2025.

Personal Data

6. By submitting an instrument appointing a proxy or proxies and/or representative(s), the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 9 June 2025.

I/We, _____ (Name),

NRIC/Passport No./Company Registration No.: _____

of _____ (Address)

being a member/members of Great Eastern Holdings Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.	No. of Shares Represented	Proportion of Shareholdings (%)

and/or (delete as appropriate)

or failing him/her/them, the Chairman of the EGM as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the EGM of the Company to be held on 8 July 2025 at 2.00 p.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against, or abstain from voting on, the resolutions proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any matter arising at the EGM and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
A.	Delisting Resolution			
IN THE EVENT THE DELISTING RESOLUTION IS NOT APPROVED AT THE EGM, THE FOLLOWING RESUMPTION OF TRADING RESOLUTIONS WILL BE PUT TO VOTE:				
B.	Adoption of New Constitution Resolution			
C.	Bonus Issue Resolution			

Note: Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with an "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an "X" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/proxies is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the EGM and at any adjournment thereof.

Dated this _____ day of _____ 2025

Total No. of Shares Held:

Signature(s) of Member(s)/Corporation's Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF.

NOTES:

1. (a) A Shareholder who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's instrument appointing a proxy or proxies appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (b) A Shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's instrument appointing a proxy or proxies appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

A Shareholder who wishes to appoint a proxy or proxies must complete the instrument appointing a proxy or proxies, before submitting it in the manner set out below.

2. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

- (a) if submitted personally or by post, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
- (b) if submitted electronically, be submitted via email to the Company at GEH_meetings@greateasternlife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. on 5 July 2025, being 72 hours before the time appointed for holding the EGM.

1st fold here

3. A proxy need not be a Shareholder of the Company. A Shareholder may choose to appoint the Chairman of the EGM as his/her/its proxy.
4. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by CDP), you should insert that number of Shares. If you have Shares registered in your name in the Register (maintained by or on behalf of the Company), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register, you should insert the aggregate number of Shares. If no number is inserted, this instrument of proxy shall be deemed to relate to all the Shares held by you.
5. Completion and submission of the instrument appointing a proxy or proxies does not preclude a Shareholder from attending, speaking and voting at the EGM if he/she so wishes. The appointment of the proxy or proxies for the EGM will be deemed to be revoked if the Shareholder attends the EGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy or proxies to the EGM.
6. The instrument appointing a proxy or proxies must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of a director or an officer or attorney duly authorised in writing.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
8. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (including any related attachment). In addition, in the case of a Shareholder whose Shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies if the Shareholder, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register 72 hours before the time appointed for holding the EGM as certified by CDP to the Company.

2nd fold here

**Proxy Form
EGM**

**BUSINESS REPLY SERVICE
PERMIT NO. 01008**



THE COMPANY SECRETARY
Great Eastern Holdings Limited
c/o The Great Eastern Life Assurance Company Limited
1 Pickering Street
#01-01 Great Eastern Centre
Singapore 048659

Postage will
be paid by
addressee.
For posting in
Singapore only.

3rd fold and glue overleaf. Do not staple.

3rd fold and glue overleaf. Do not staple.

3rd fold and glue overleaf. Do not staple.

GREAT EASTERN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199903008M)

ELECTRONIC DISSEMINATION OF CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- (1) **THE PROPOSED VOLUNTARY DELISTING OF GREAT EASTERN HOLDINGS LIMITED (THE "COMPANY") PURSUANT TO RULES 1307 AND 1309 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST");**
 - (2) **THE PROPOSED ADOPTION BY THE COMPANY OF A NEW CONSTITUTION; AND**
 - (3) **THE PROPOSED BONUS ISSUE BY THE COMPANY OF UP TO 473,319,069 BONUS ORDINARY SHARES AND/OR CLASS C NON-VOTING SHARES ON THE BASIS OF ONE (1) BONUS ORDINARY SHARE OR ONE (1) CLASS C NON-VOTING SHARE, AT EACH SHAREHOLDER'S ELECTION, FOR EVERY ONE (1) EXISTING SHARE HELD BY SUCH SHAREHOLDER AS AT THE BONUS ISSUE RECORD DATE.**
-

1. INTRODUCTION

1.1 The board of directors (the "**Board**" or "**Directors**") of the Company wishes to refer shareholders of the Company (the "**Shareholders**") to:

- (a) the joint announcement made by the Company and Oversea-Chinese Banking Corporation Limited (the "**Offeror**") on 6 June 2025 in relation to:
 - (i) the proposed voluntary delisting of the Company (the "**Delisting**") from the Official List of the SGX-ST and the conditional exit offer (the "**Exit Offer**") to be made by the Offeror to acquire all the issued ordinary shares in the capital of the Company (the "**Shares**") as at the date of the Exit Offer, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries;
 - (ii) the proposed adoption by the Company of a new constitution of the Company to, *inter alia*, permit the issuance by the Company of a new class of non-listed, non-voting convertible preference shares in the capital of the Company (the "**Class C Non-Voting Shares**") and set out the rights and restrictions attached to the Class C Non-Voting Shares (the "**Proposed Adoption of New Constitution**"); and
 - (iii) the proposed bonus issue (the "**Proposed Bonus Issue**") of up to 473,319,069 Shares (the "**Bonus Ordinary Shares**") and/or Class C Non-Voting Shares on the basis of one (1) Bonus Ordinary Share or one (1) Class C Non-Voting Share, at each Shareholder's election and to be credited as fully paid, for every

one (1) existing Share held by such Shareholder as at the record date to be announced by the Company; and

- (b) the announcement dated 9 June 2025 made for and on behalf of the Offeror in relation to the electronic dissemination of the formal exit offer letter dated 9 June 2025 containing the terms and conditions of the Exit Offer (the "**Exit Offer Letter**") and the despatch of the notification containing the address and instructions for the electronic retrieval of the Exit Offer Letter and the Relevant Acceptance Forms.

- 1.2 Unless otherwise defined, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Circular (as defined below).

2. ELECTRONIC DISSEMINATION OF CIRCULAR AND DESPATCH OF NOTIFICATION TO SHAREHOLDERS

- 2.1 The Board would like to inform Shareholders that the Company has issued a circular dated 9 June 2025 (the "**Circular**") relating to the Delisting, the Resumption of Trading (as defined in the Circular), the Proposed Adoption of New Constitution and the Proposed Bonus Issue (collectively the "**Proposed Transactions**") containing, *inter alia*: (a) further information regarding the Proposed Transactions, (b) the letter from Ernst & Young Corporate Finance Pte Ltd (the "**IFA Letter**"), the independent financial adviser (the "**IFA**") to the Directors who are considered independent for the purposes of the Exit Offer (the "**Independent Directors**"), (c) the recommendation of the Independent Directors in respect of the Exit Offer, (d) the recommendation of the Directors in respect of the Proposed Adoption of New Constitution and the Proposed Bonus Issue, and (e) the notice (the "**Notice of EGM**") of the extraordinary general meeting to be convened by the Company to seek the approval of the Shareholders for the resolutions to approve the Proposed Transactions (the "**EGM**").
- 2.2 Pursuant to the Securities Industry Council's Public Statement on the Further Extension of the Temporary Measure to Allow for Electronic Despatch of Take-over Documents under the Singapore Code on Take-overs and Mergers on 29 June 2021, the Company has opted to electronically disseminate the Circular. **Accordingly, please note that no printed copies of the Circular will be despatched to Shareholders.**
- 2.3 In connection with the electronic dissemination of the Circular, a notification regarding the electronic dissemination of the Circular ("**Notification**") containing addresses and instructions for the electronic retrieval of the Circular will be despatched to Shareholders on 16 June 2025, together with copies of the Notice of EGM and the proxy form in respect of the EGM (the "**Proxy Form**").
- 2.4 The electronic copies of the Notification, the Circular, the Notice of EGM and the Proxy Form are available on the Company's announcement page on the website of the SGX-ST ("**SGXNET**") at <https://www.sgx.com> and on the Company's website at <https://www.greateasternlife.com/sg/en/about-us/investor-relations/regulatory-announcement.html>. Alternatively, you may directly access the page on SGXNET by scanning the following QR code:



2.5 Shareholders may also obtain printed copies of the Circular, during normal business hours and up to the Closing Date (being 5.30 p.m. on 22 July 2025), from the Company c/o The Great Eastern Life Assurance Company Limited, at its office located at 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659, or by submitting a request to the Company by email (GEH_meetings@greateasternlife.com).

2.6 **Shareholders should read the Exit Offer Letter, the Circular and the IFA Letter (as set out in Appendix I to the Circular) carefully and consider the advice of the IFA and the recommendation of the Independent Directors in respect of the Exit Offer, and the recommendation of the Directors in respect of the Proposed Adoption of New Constitution and the Proposed Bonus Issue, as set out in the Circular before deciding whether or not to vote in favour of the Proposed Transactions or to accept the Exit Offer. Shareholders who are in any doubt about the Exit Offer or the Proposed Transactions or as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

3. NOTICE OF EGM AND VOTING AT THE EGM

3.1 The Directors would also like to refer Shareholders to the Notice of EGM dated 9 June 2025.

3.2 As stated in the Notice of EGM, please note that the EGM will be held on 8 July 2025 at 2.00 p.m. (Singapore time) at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659.

3.3 If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his/her/its behalf, he/she/it should complete, sign and submit the Proxy Form to the Company in accordance with the instructions printed thereon.

Specifically, the Proxy Form must be submitted to the Company in the following manner:

- (a) if submitted **personally or by post**, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
- (b) if submitted **electronically**, be submitted via email to the Company at GEH_meetings@greateasternlife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. (Singapore time) on 5 July 2025, being 72 hours before the time appointed for holding the EGM.

Completion and submission of a Proxy Form by a Shareholder will not prevent him/her from attending and voting in person at the EGM if he/she so wishes, in place of his/her proxy.

Please refer to Section 14 of the Circular for further information on the action to be taken by Shareholders in respect of the EGM.

4. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of the preparation of this Announcement) collectively and individually accept full responsibility for the accuracy of the information given in this Announcement (other than the information in the Exit Offer Letter and any information relating to or opinions expressed by the Offeror) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the facts stated and opinions expressed in this Announcement are fair and accurate, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading.

Where information in this Announcement has been extracted from published or otherwise publicly available sources (including, without limitation, the Exit Offer Letter) or obtained from a named source (including, without limitation, the Offeror), the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

Issued by
GREAT EASTERN HOLDINGS LIMITED

9 June 2025

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199903008M)

9 June 2025

Dear Sir/Madam

NOTIFICATION TO SHAREHOLDERS REGARDING ELECTRONIC DISSEMINATION OF CIRCULAR

1. INTRODUCTION

1.1 The board of directors (the “**Board**” or “**Directors**”) of Great Eastern Holdings Limited (the “**Company**”) wishes to refer shareholders of the Company (the “**Shareholders**”) to:

- (a) the joint announcement made by the Company and Oversea-Chinese Banking Corporation Limited (the “**Offeror**”) on 6 June 2025 in relation to:
 - (i) the proposed voluntary delisting of the Company (the “**Delisting**”) from the Official List of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the conditional exit offer (the “**Exit Offer**”) to be made by the Offeror to acquire all the issued ordinary shares in the capital of the Company (the “**Shares**”) as at the date of the Exit Offer, other than those Shares already owned or agreed to be acquired by the Offeror or its subsidiaries;
 - (ii) the proposed adoption by the Company of a new constitution of the Company to, *inter alia*, permit the issuance by the Company of a new class of non-listed, non-voting convertible preference shares in the capital of the Company (the “**Class C Non-Voting Shares**”) and set out the rights and restrictions attached to the Class C Non-Voting Shares (the “**Proposed Adoption of New Constitution**”); and
 - (iii) the proposed bonus issue (the “**Proposed Bonus Issue**”) of up to 473,319,069 Shares (the “**Bonus Ordinary Shares**”) and/or Class C Non-Voting Shares on the basis of one (1) Bonus Ordinary Share or one (1) Class C Non-Voting Share, at each Shareholder’s election and to be credited as fully paid, for every one (1) existing Share held by such Shareholder as at the record date to be announced by the Company;
- (b) the announcement dated 9 June 2025 made for and on behalf of the Offeror in relation to the electronic dissemination of the formal exit offer letter dated 9 June 2025 containing the terms and conditions of the Exit Offer (the “**Exit Offer Letter**”) and the despatch of the notification containing the address and instructions for the electronic retrieval of the Exit Offer Letter and the Relevant Acceptance Forms; and
- (c) the announcement dated 9 June 2025 made by the Company in relation to the electronic dissemination of the Circular (as defined below) and the despatch of this Notification.

1.2 Unless otherwise defined, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Circular.

2. **ELECTRONIC DISSEMINATION OF THE CIRCULAR AND DESPATCH OF NOTIFICATION TO SHAREHOLDERS**

- 2.1 The Board would like to inform Shareholders that the Company has issued a circular dated 9 June 2025 (the “**Circular**”) relating to the Delisting, the Resumption of Trading (as defined in the Circular), the Proposed Adoption of New Constitution and the Proposed Bonus Issue (collectively the “**Proposed Transactions**”) containing, *inter alia*: (a) further information regarding the Proposed Transactions, (b) the letter from Ernst & Young Corporate Finance Pte Ltd (the “**IFA Letter**”), the independent financial adviser (the “**IFA**”) to the Directors who are considered independent for the purposes of the Exit Offer (the “**Independent Directors**”), (c) the recommendation of the Independent Directors in respect of the Exit Offer, (d) the recommendation of the Directors in respect of the Proposed Adoption of New Constitution and the Proposed Bonus Issue, and (e) the notice (the “**Notice of EGM**”) of the extraordinary general meeting to be convened by the Company to seek the approval of the Shareholders for the resolutions to approve the Proposed Transactions (the “**EGM**”).
- 2.2 Pursuant to the Securities Industry Council’s Public Statement on the Further Extension of the Temporary Measure to Allow for Electronic Despatch of Take-over Documents under the Singapore Code on Take-overs and Mergers on 29 June 2021, the Company has opted to electronically disseminate the Circular. **Accordingly, please note that no printed copies of the Circular will be despatched to Shareholders.**
- 2.3 In connection with the electronic dissemination of the Circular, this Notification containing addresses and instructions for the electronic retrieval of the Circular will be despatched to Shareholders on 16 June 2025, together with copies of the Notice of EGM and the proxy form in respect of the EGM (the “**Proxy Form**”).
- 2.4 To access the electronic versions of the Circular, the Notice of EGM and the Proxy Form (collectively, the “**Documents**”):

- (a) please access the following URL:

<https://www.sgx.com/securities/company-announcements?value=GREAT%20EASTERN%20HOLDINGS%20LIMITED&type=company>

OR

scan the QR code below:



AND

- (b) select the announcement of the Company on 9 June 2025 in relation to, *inter alia*, the electronic dissemination of the Circular and the despatch of this Notification. The Documents can be accessed by clicking on the link under the section titled “Attachments” at the bottom of the announcement.

- 2.5 The Documents may also be accessed on the Company's website at the URL www.greateasternlife.com/sg/en/about-us/investor-relations/regulatory-announcement.html, under the announcement on 9 June 2025.
- 2.6 Shareholders may also obtain printed copies of the Circular, during normal business hours and up to the Closing Date (being 5.30 p.m. on 22 July 2025), from the Company c/o The Great Eastern Life Assurance Company Limited, at its office located at 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659, or by submitting a request to the Company by email (GEH_meetings@greateasternlife.com).
- 2.7 **Shareholders should read the Exit Offer Letter, the Circular and the IFA Letter (as set out in Appendix I to the Circular) carefully and consider the advice of the IFA and the recommendation of the Independent Directors in respect of the Exit Offer, and the recommendation of the Directors in respect of the Proposed Adoption of New Constitution and the Proposed Bonus Issue, as set out in the Circular before deciding whether or not to vote in favour of the Proposed Transactions or to accept the Exit Offer. Shareholders who are in any doubt about the Exit Offer or the Proposed Transactions or as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

3. NOTICE OF EGM AND VOTING AT THE EGM

- 3.1 The Directors would also like to refer Shareholders to the Notice of EGM dated 9 June 2025.
- 3.2 As stated in the Notice of EGM, please note that the EGM will be held on 8 July 2025 at 2.00 p.m. (Singapore time) at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659.
- 3.3 If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his/her/its behalf, he/she/it should complete, sign and submit the Proxy Form to the Company in accordance with the instructions printed thereon.

Specifically, the Proxy Form must be submitted to the Company in the following manner:

- (a) if submitted **personally or by post**, be deposited with the Company c/o The Great Eastern Life Assurance Company Limited, 1 Pickering Street, #01-01 Great Eastern Centre, Singapore 048659; or
- (b) if submitted **electronically**, be submitted via email to the Company at GEH_meetings@greateasternlife.com,

and in each case, must be deposited or received (as the case may be) by 2.00 p.m. (Singapore time) on 5 July 2025, being 72 hours before the time appointed for holding the EGM.

Completion and submission of a Proxy Form by a Shareholder will not prevent him/her from attending and voting in person at the EGM if he/she so wishes, in place of his/her proxy.

Please refer to Section 14 of the Circular for further information on the action to be taken by Shareholders in respect of the EGM.

4. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of the preparation of this Notification) collectively and individually accept full responsibility for the accuracy of the information given in this Notification (other than the information in the Exit Offer Letter and any information relating to or opinions expressed by the Offeror) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the facts stated and opinions expressed in this Notification are fair and accurate, and the Directors are not aware of any facts the omission of which would make any statement in this Notification misleading.

Where information in this Notification has been extracted from published or otherwise publicly available sources (including, without limitation, the Exit Offer Letter) or obtained from a named source (including, without limitation, the Offeror), the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Notification in its proper form and context.

Yours faithfully

The Board of
GREAT EASTERN HOLDINGS LIMITED