

Participating Fund Update for 2024

Great Eastern Life (Brunei)

2024 Total Fund
Investment Return

7.3%

Total Assets

B\$460m

Total Benefits Paid

B\$17.1m

Value of Bonus
Declared

B\$6.7m

Dear valued policyholder,

We would like to provide you with an update on the performance of the Participating Fund ("Fund"). This provides you useful information on key factors affecting Participating Fund performance and its impact on bonuses allocated to your participating policy(ies).

For the 2024 bonus declaration, we have maintained the bonus rates at the same level as 2023. We will continue to manage the Fund prudently to provide a stable medium-to long-term return to our policyholders.

What was the Fund's investment return?

	2022	2023	2024	Average of last 3 years	Average of last 5 years	Average of last 10 years
Net Investment Return	-10.72%	6.63%	7.29%	0.71%	3.30%	4.86%

What factors affected the Fund's performance?

1. Non-investment factors

Expenses were observed to be slightly higher than expectation in 2024, while the rest are in line with expectation.

We do not expect short-term fluctuations in these non-investment factors to significantly affect current and future bonuses.

BENEFIT PAYMENTS OF THE FUND	B\$
Maturity and Survival Benefits, Annuities	3.2m
Death, Total and Permanent Disability, Critical Illness Claims	6.7m
Surrender Payments	6.7m
Cash Bonuses	0.5m

	2022	2023	2024	Average of last 3 years	Average of last 5 years	Average of last 10 years
Total Expense Ratio [^]	2.43%	1.41%	1.15%	1.65%	1.63%	1.37%

[^] Total expense ratio is the proportion of total expenses incurred by the Fund to the assets of the Fund. They include investment, management, distribution, tax, and other expenses.

2. Performance of the global economy

In 2024, most major economies expanded at a healthy pace as post-pandemic inflationary pressures abated, supply chains and labour markets normalized. Decelerating inflation paved the way for less restrictive monetary policy. Central banks in US, UK, Eurozone, and Switzerland delivered multiple interest rate cuts, as did several central banks across Asia. The lower interest rates had a positive impact on economic activity and employment, albeit to varying extents across different economies.

China's economy continued to be weighed down in 2024 by its real estate market downturn and ongoing regulatory actions. Policymakers have taken targeted policy measures to address the underlying issues, potentially laying the foundation for an economic recovery in 2025.

3. Asset performance

Fixed Income

Fixed income markets were volatile in 2024. Despite expectations for rate cuts early in the year, inflation remained stubbornly high resulting in a rise in bond yields and lackluster fixed income returns. The 10-year sovereign yields in Singapore and the US rose to 2.86% and 4.57%, respectively. Volatility increased in the wake of the US election in November, in line with greater uncertainty over the trade, fiscal, and immigration policies to follow. However, strong risk sentiment supported a relatively steady tightening of credit spreads throughout the year, providing a tailwind to corporate bond portfolios.

Equities

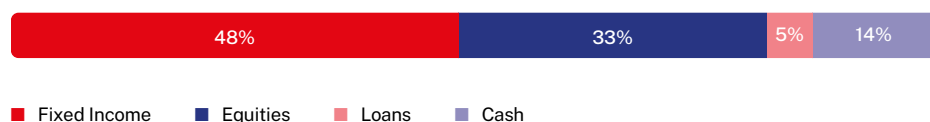
Global equity markets enjoyed a second consecutive strong year with US equities leading the rally, surging over 20% with record high earnings growth and optimism over the adoption of artificial intelligence technologies. Despite domestic economic challenges, Chinese equities rose more than 10% buoyed by the announcement of targeted policy measures to pull the economy out of the ongoing downturn. European equities underperformed their regional counterparts, with slowing economic momentum, high energy costs, weak export demand, and cumbersome regulation weighing down their performance. Nevertheless, they delivered high single-digit returns.

4. Asset risks

Great Eastern balances risk and return by strategically allocating across asset classes to generate the long-term returns. Asset classes invested in the Participating fund are exposed to Market Risk, Credit Risk and Liquidity Risk.

5. The asset mix of the Fund

Total market value of the Fund was B\$460.0 million as at 31 December 2024 with the following asset mix:



What is the outlook for the Fund?

2025 began with much uncertainty, largely due to the policies of the incoming US administration. The key risk to investment performance is the implementation of tariffs under the new US administration, as these have the potential to depress growth while exacerbating inflation. Tariff announcements have already been accompanied by heightened two-way volatility across financial markets around the world. In recognition of this uncertain investment landscape, the Par Fund continues to be invested in a prudent, well-diversified manner to achieve its long-term objective across varying market conditions and through business cycles.

This is a general commentary on the Fund and cannot be used to specifically describe individual policies.

Bonus allocation

Policyholders share in the performance of the Fund through bonuses which are non-guaranteed. Bonuses are determined yearly based on the Fund's combined performance in investment, claims (from death, critical illness and surrender) and expenses, as well as the future outlook of these factors.

Bonus allocations are smoothed over a period of time to reduce fluctuations arising from market conditions.

The bonuses allocated to you will vest upon your policy anniversary. They have been approved by the Board of Directors, considering the written recommendations by the Appointed Actuary.

If you wish to receive a copy of the updated policy illustration or have any enquiries, you may email us at

wecare-bn@greateasternlife.com,

call us on 223-3118 during business hours on weekdays, or speak to your Financial Representative.

About Great Eastern

Founded in 1908, Great Eastern is a well-established market leader and trusted brand in Singapore and Malaysia. With over S\$100 billion in assets and more than 16.5 million policyholders, including 12.5 million from government schemes, it provides insurance solutions to customers through three successful distribution channels – a tied agency force, bancassurance, and financial advisory firm Great Eastern Financial Advisers. The Group also operates in Indonesia and Brunei.

The Great Eastern Life Assurance Company Limited and Great Eastern General Insurance Limited have been assigned the financial strength and counterparty credit ratings of "AA-" by S&P Global Ratings since 2010, one of the highest among Asian life insurance companies. Great Eastern's asset management subsidiary, Lion Global Investors Limited, is one of the leading asset management companies in Southeast Asia.

Great Eastern is a subsidiary of OCBC, the longest established Singapore bank, formed in 1932. It is the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's and AA- by both Fitch and S&P. Recognized for its financial strength and stability, OCBC is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.