

GREAT EASTERN HOLDINGS LIMITED

Financial Results for FY-21 Supplementary Information

22 February 2022

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Overview of FY-21 Financial Results

S\$m	Q4-21	Q4-20	Δ%	FY-21	FY-20	Δ%
Total Weighted New Sales	496.9	527.9	-6	1,971.6	1,543.7	+28
New Business Embedded Value	262.0	239.4	+9	808.0	669.5	+21
Operating Profit (net of tax) from Insurance Business	173.9	76.8	+126	752.9	730.7	+3
Non-Operating Profit (net of tax) from Insurance Business	44.7	47.3	-6	289.7	-88.7	nm
Profit (net of tax) from Shareholders' fund	17.0	228.1	-93	90.8	346.4	-74
Non-Controlling Interest	-5.8	-10.9	nm	-20.4	-27.8	nm
Profit Attributable to Shareholders	229.8	341.3	-33	1,113.0	960.6	+16

nm: not meaningful

FY-21 Financial Results

Total Weighted New Sales	TWNS: S\$1,971.6m; +28% (FY-20: S\$1,543.7m) Strong growth driven by higher sales contribution across all markets.
New Business Embedded Value	NBEV: S\$808.0m; +21% (FY-20: S\$669.5m) Growth in NBEV contributed by higher sales.
Profit Attributable to Shareholders S\$1,113.0m ↑ 16%	Operating Profit: S\$752.9m; +3% (FY-20: S\$730.7m) Growth driven by better performance in core markets.
	Non-Operating Profit: S\$289.7m; nm (FY-20: -S\$88.7m) Mark-to-market gains from favourable market conditions in FY-21, compared to mark-to-market losses a year ago amid unfavourable financial market conditions in FY-20 following the onset of the COVID-19 pandemic.
	Profit from Shareholders' fund¹: S\$70.4m; -78% (FY-20: S\$318.6m) Lower profit due to fair value losses from equities in FY-21 and one-off positive tax impact in FY-20.

The Board of Directors has recommended a final one-tier tax exempt dividend of 55 cents per ordinary share, payable on 05 May 2022. Total dividend for FY-21 amounts to 65 cents per ordinary share.

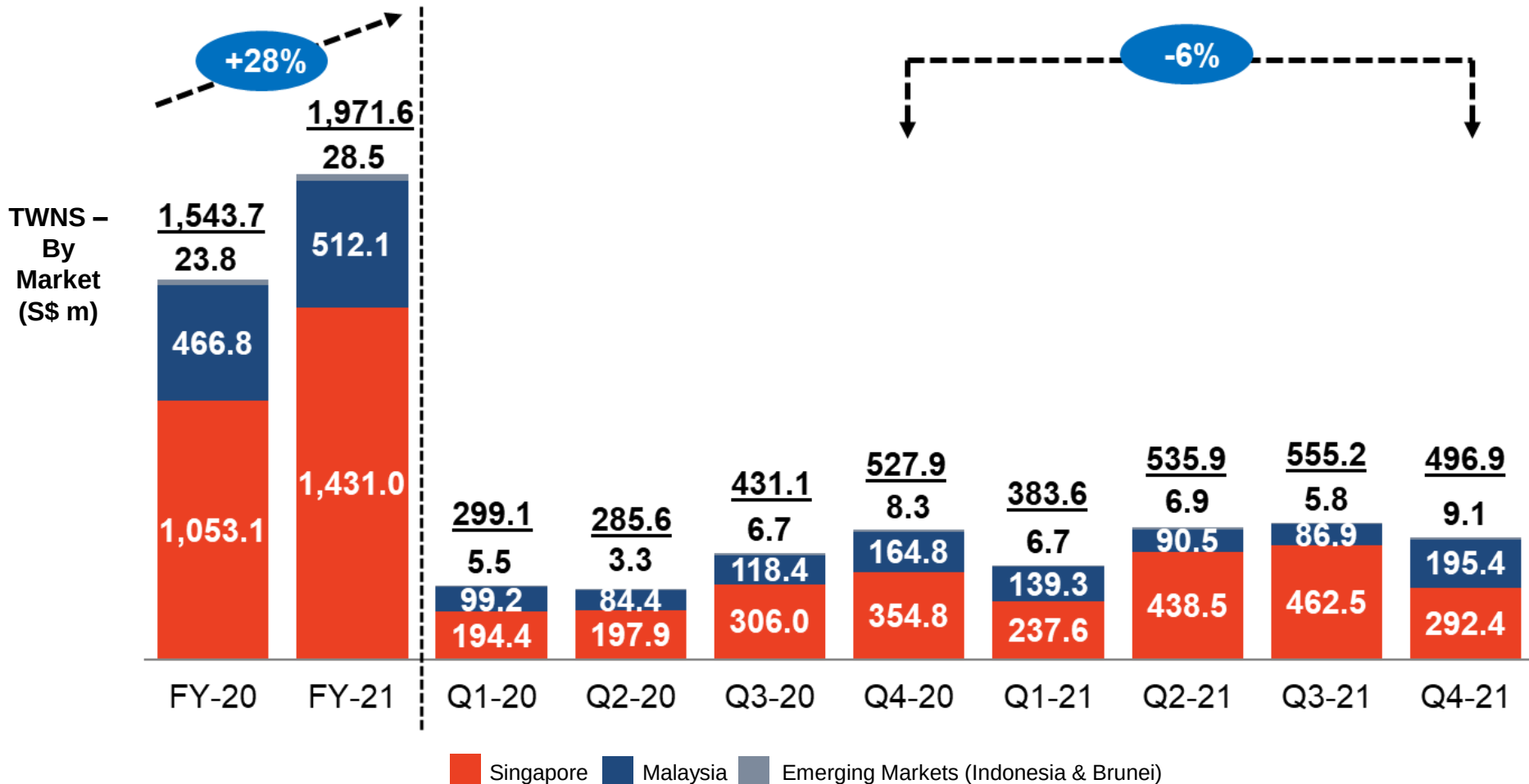
Note:

1. Includes Non-Controlling Interest

nm: not meaningful

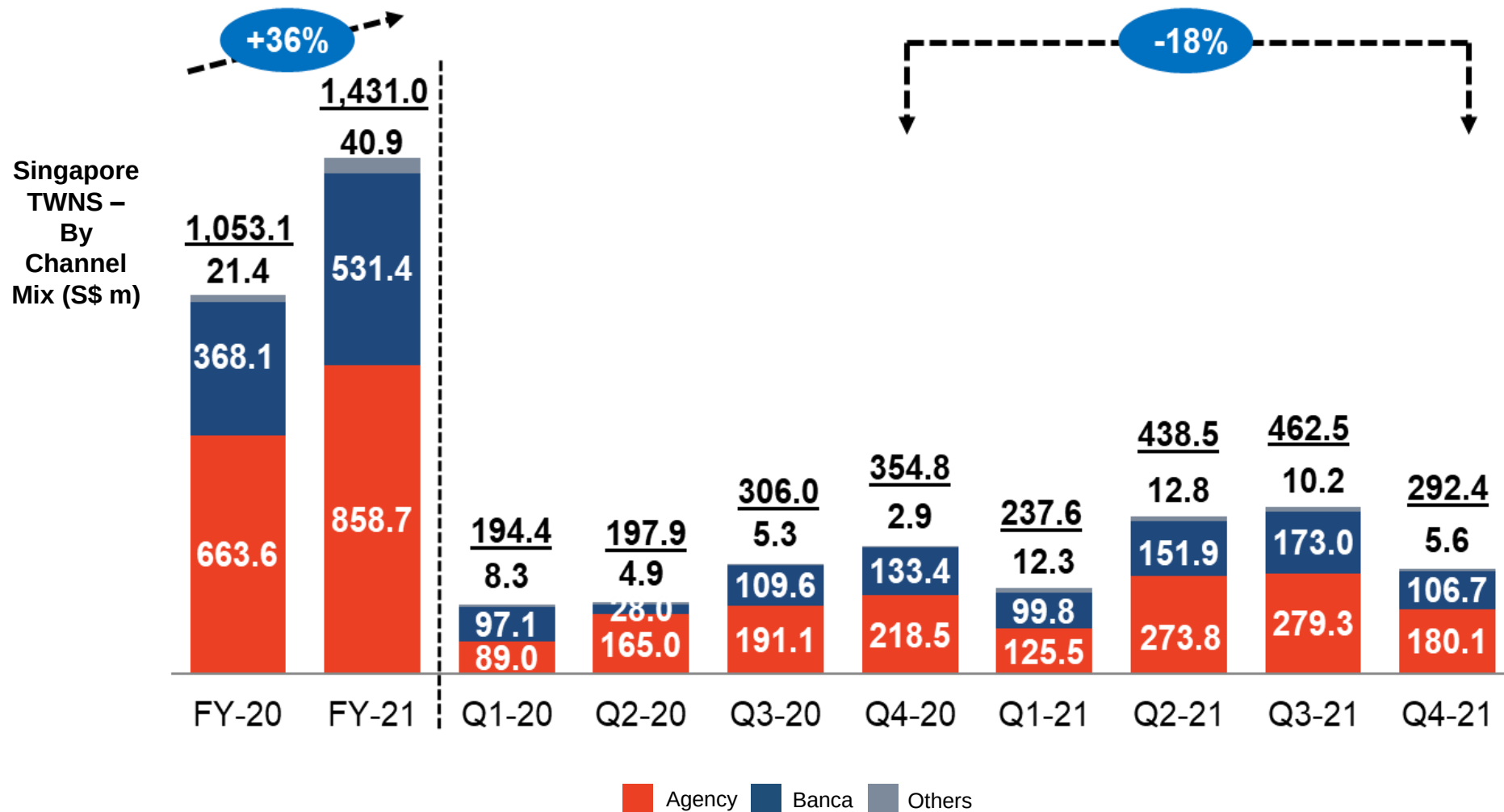
TWNS Performance by Market

Group TWNS for Q4-21 down 6% due to lower sales in Singapore, partially offset by higher growth in Malaysia and Indonesia markets.



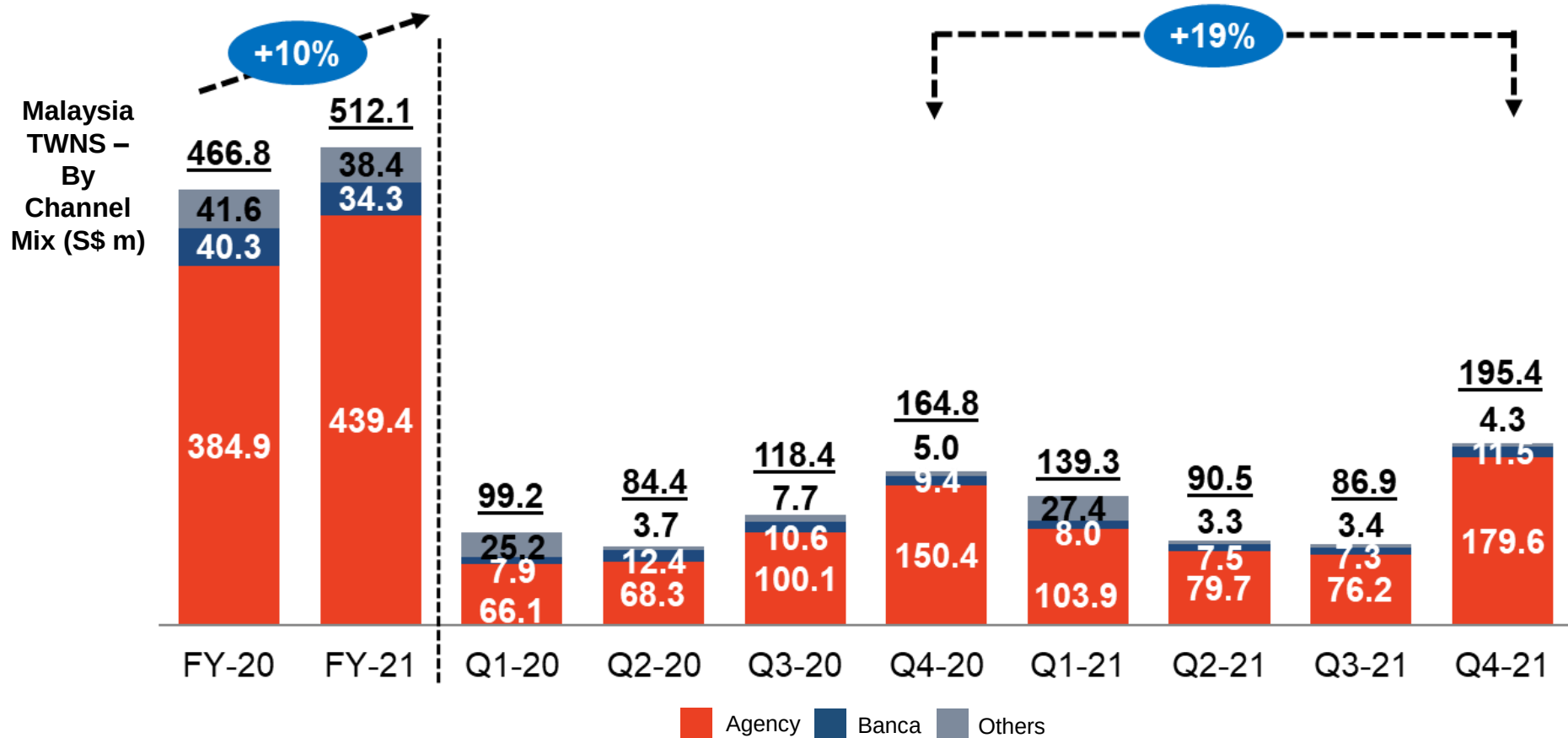
Singapore TWNS – By Channel Mix

TWNS for Q4-21 fell 18% driven by lower sales across core channels reflecting lower single premium sales.



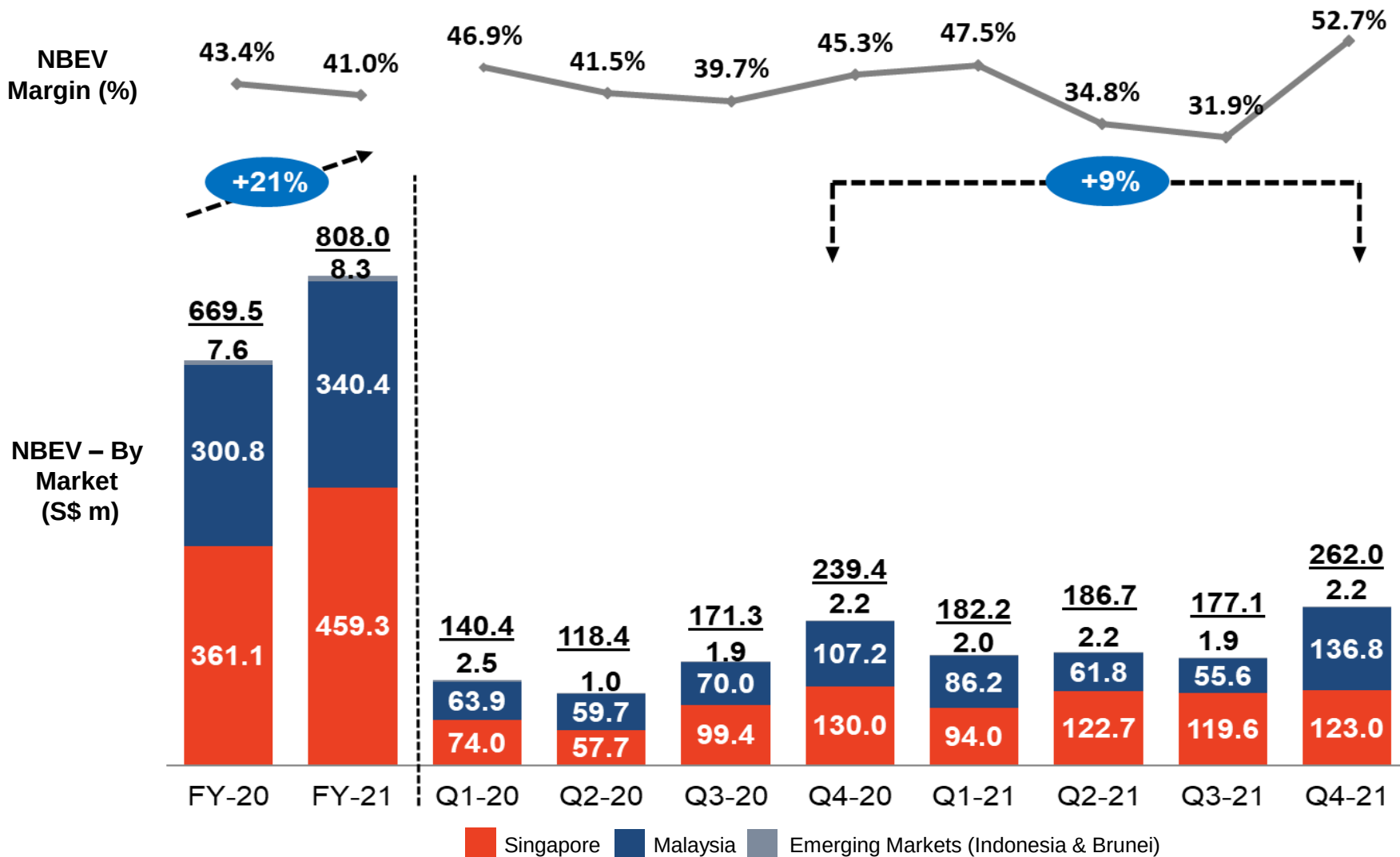
Malaysia TWNS – By Channel Mix

TWNS for Q4-21 grew 19% from a year ago amid successful product campaigns to boost sales activity.



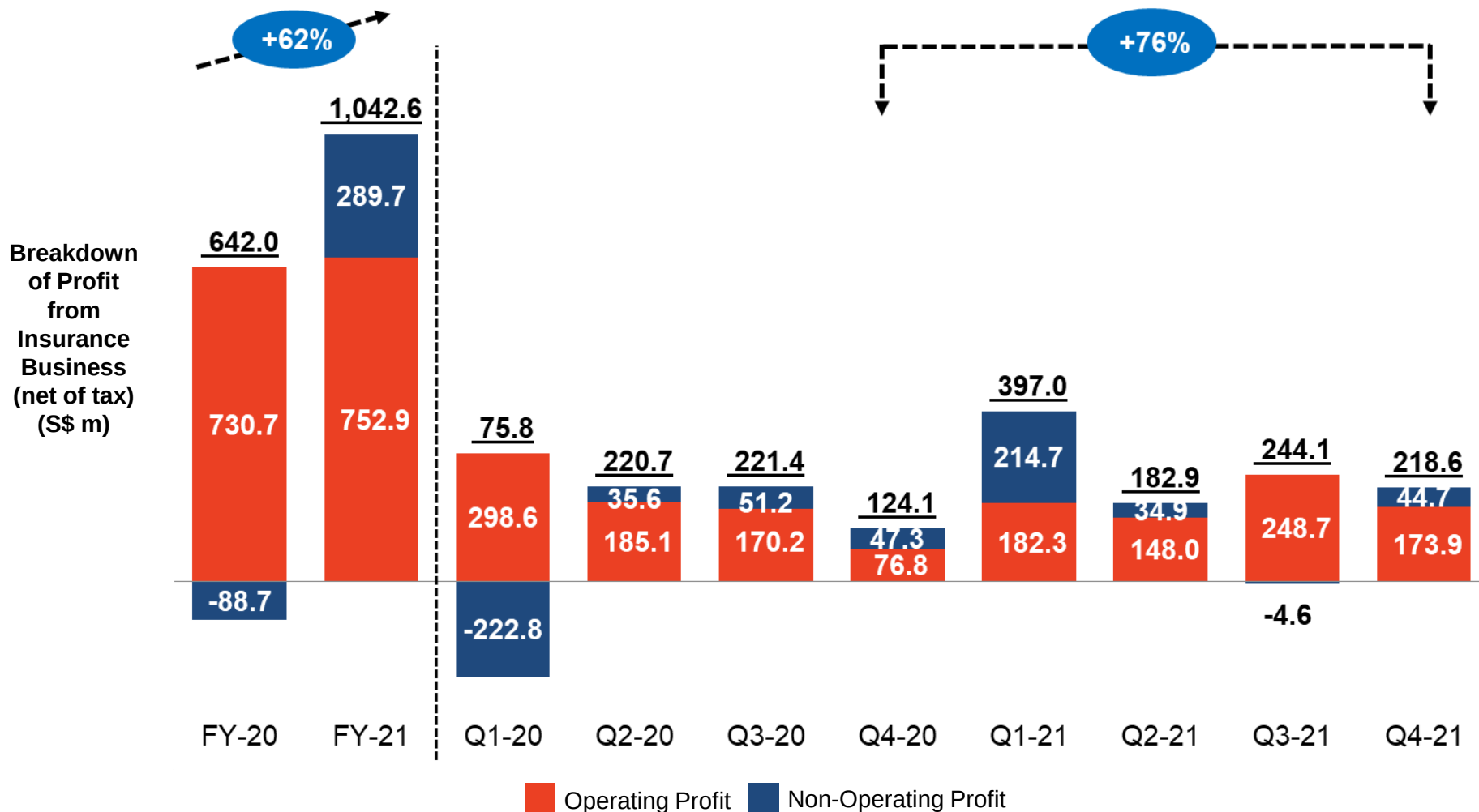
NBEV – By Market

NBEV for Q4-21 increased 9% to \$262.0m as a result of strong margin at 52.7% driven by core markets.



Breakdown of Profit from Insurance Business

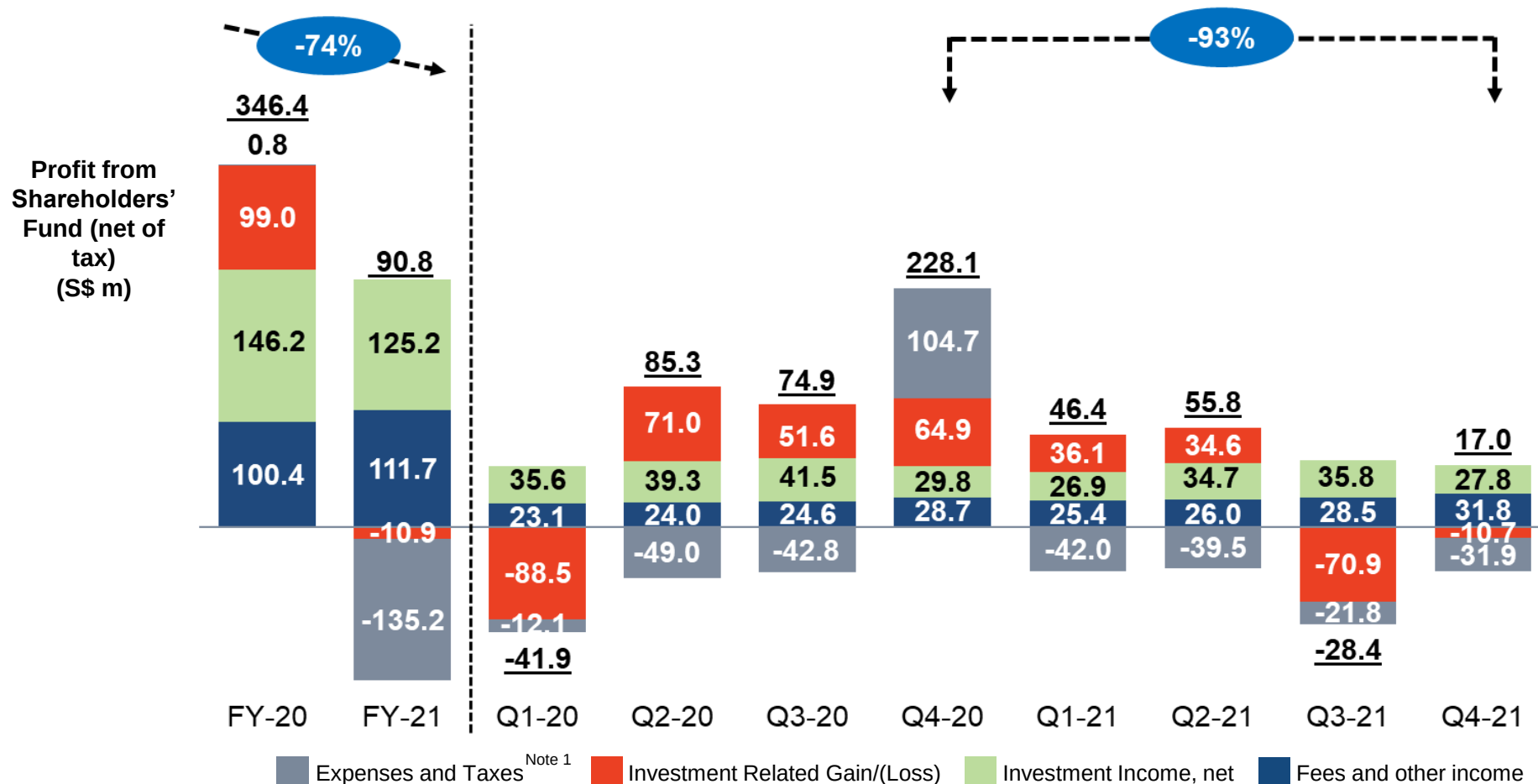
Higher profit from Insurance Business for Q4-21 as Operating Profit grew 126%, largely attributable to a one-off provision for higher expected future insurance claims made in Q4-20.



Profit from Shareholders' Fund

Lower Profit from Shareholders' Fund for Q4-21 due to:

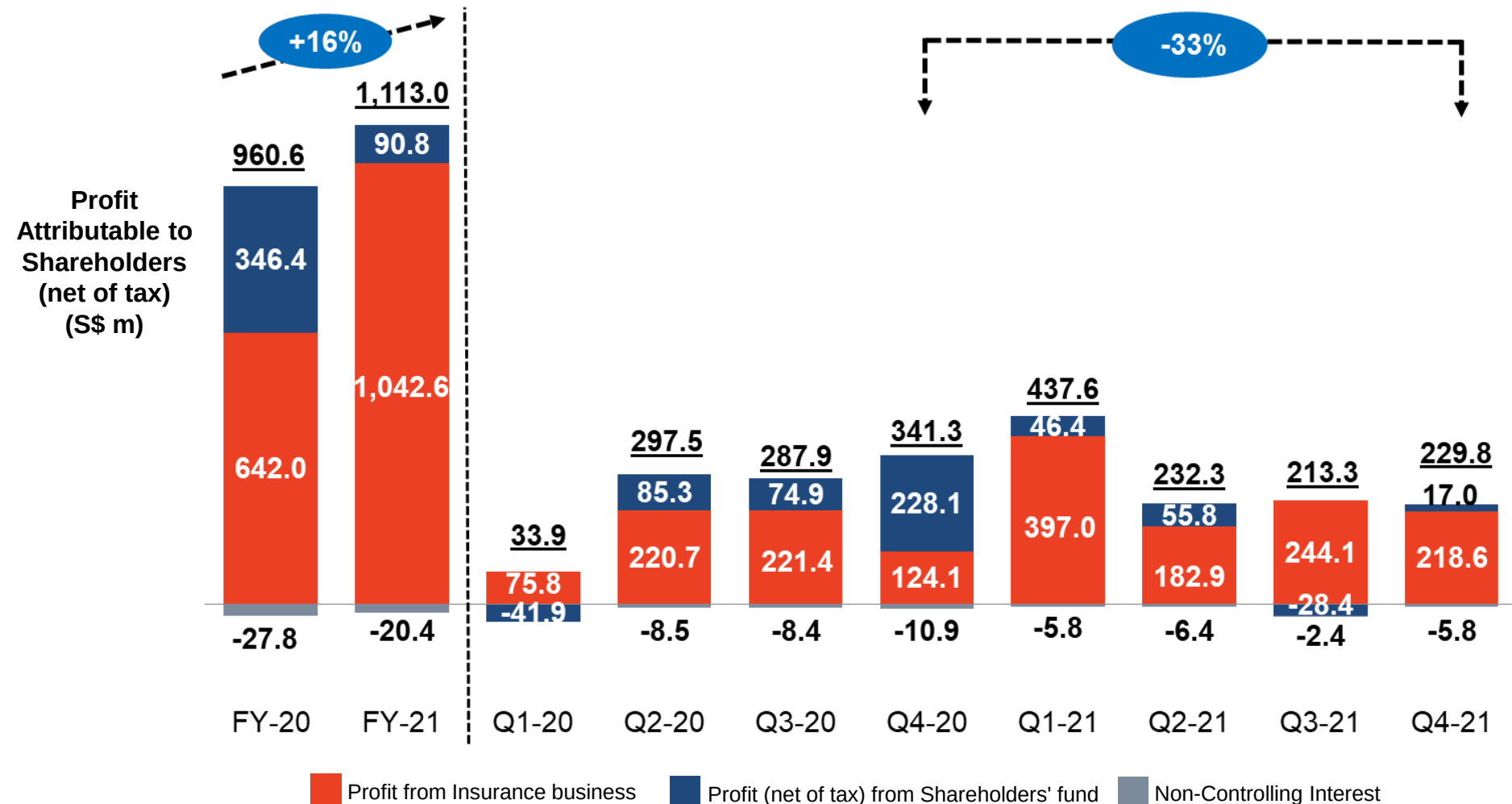
- fair value losses in equities in Q4-21
- one-off positive tax impact arising from the finalization of prior years' tax assessments recognized in Q4-20



Note 1:

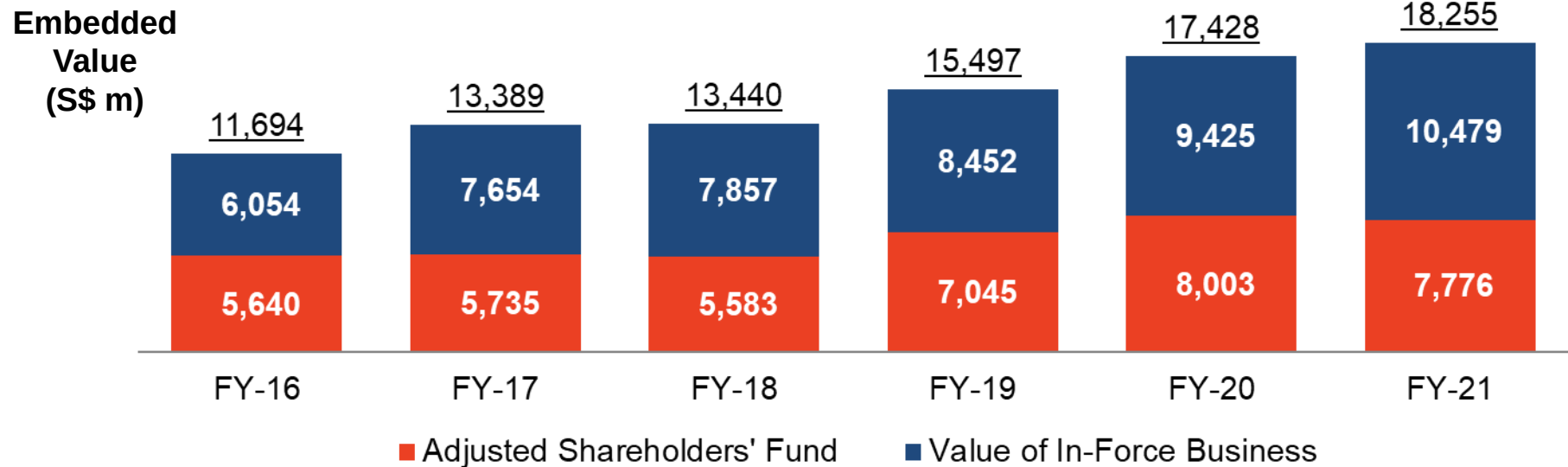
Q1-20 and FY-20 includes release of unallocated surplus in Malaysia and contribution to the National B40 Protection Trust Fund of RM2.37 billion in satisfaction of the local shareholding requirements applicable to insurance companies in Malaysia.

Profit Attributable to Shareholders



Embedded Value

- FY-21 embedded value of S\$18.3b or an embedded value per share of S\$38.57 was a 4.7% growth from FY-20.
- Value of In-Force Business increased 11.2% over FY-20.
- 5 year Compound Annual Growth Rate of 9.3%.



Note:

- Embedded value per share is calculated using the Group's embedded value divided by the total number of issued shares.
- For FY-21 and FY-20, the risk-adjusted discount rate used is 6.0% for Singapore, 7.75% for Malaysia and 12.5% for Indonesia.

Reference Notes

1. Total Weighted New Sales (TWNS) = (Single Premium x 10%) + New Regular Premium
2. New Business Embedded Value (NBEV) is a measure of the long-term profitability of new sales.
3. NBEV figures for periods prior to Q4-20 have been restated to take into account revised actuarial assumptions implemented in Q4-20.
4. 2021 TWNS, NBEV and Operating Profit in foreign currencies are translated using the monthly spot rate for 2020 for comparison on constant currency. In applying the constant currency translation, TWNS has increased S\$2.7m for Q4-21 and S\$6.4m for FY-21; NBEV has increased S\$2.1m for Q4-21 and S\$4.4m for FY-21; and Operating Profit has increased S\$1.4m for Q4-21 and S\$4.6m for FY-21, which have been offset in Non-Operating Profit.
5. Operating Profit (net of tax) is defined as premiums less claims, maturities, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons, etc).
6. Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments and changes in liability discount rates due to interest rates fluctuation.

THANK YOU