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Great Eastern reports 1H-23 Financial Results

Singapore, 3 August 2023 – Great Eastern Holdings Limited (the “Group”) today reported its financial results for the half-year ended 30 June 2023 (“1H-23”).

Highlights of Financial Results

\$ million	2Q-23	2Q-22	Δ%	1H-23	1H-22	Δ%
Total Weighted New Sales	335.0	548.2	- 39	725.9	1,051.8	-31
New Business Embedded Value	181.5	200.1	- 9	351.2	390.6	-10
Profit Attributable to Shareholders	193.2	55.0	+251	437.2	224.1	+95

Total Weighted New Sales (“TWNS”) and New Business Embedded Value (“NBEV”)

The Group’s TWNS for 2Q-23 and 1H-23 declined 39% and 31% respectively against the same periods a year ago, reflecting lower single premium sales from the Singapore market. This was partially offset by growth in regular premium sales, particularly in protection plans and whole life plans through the Group’s core distribution channels.

In line with the decline in TWNS, the Group’s NBEV fell 9% for 2Q-23 and 10% for 1H-23 to S\$181.5 million and S\$351.2 million respectively. NBEV margin, however, has improved for 2Q-23 and 1H-23 due to more favourable product mix towards protection plans in Singapore and Malaysia.

The Group’s core business lines remain resilient and strong with steady growth in new customer count. Across the Group, the total new customer base grew by over 150,000 in 1H-23.

Profit Attributable to Shareholders

The Group has adopted SFRS (I) 17 Insurance Contracts on 1 January 2023 and has prepared its 1H-23 Profit Attributable to Shareholders under this basis. Accordingly, the comparative for 1H-22 has been restated in accordance with SFRS (I) 17.

Profit Attributable to Shareholders for 1H-23 nearly doubled, driven by favourable investment performance in our Singapore Life business and shareholders' fund. Our underlying insurance business remains healthy, though dampened by higher than expected claims in Singapore and Malaysia.

Regulatory Capital

The Capital Adequacy Ratios of the Group's insurance subsidiaries in both Singapore and Malaysia remain strong and well above their respective minimum regulatory levels. SFRS (I) 17 does not significantly affect the Group's and its subsidiaries' Capital Adequacy Ratios.

Dividend

The Board of Directors has declared an interim one-tier tax exempt dividend of 35 cents per ordinary share, to be paid on 31 August 2023.

The Company is modifying its method of paying dividends 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 Group, and 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.



Commenting on the Group's financial results, Group Chief Executive Officer Mr Khor Hock Seng said:

“While the global business landscape continues to be volatile and uncertain, we remain operationally agile to execute our growth plan and deliver long-term sustainable value for our stakeholders. During the first half of the year, we implemented several key initiatives across our markets with customer-centricity in mind, including a first-in-market multi-generation income product under our Conventional Life Business in Malaysia to support our customers’ legacy planning needs. Our Family Takaful Business continued to focus on growing and strengthening our financial representatives’ footprint to expand our customer reach.

Across the Group, our general insurance business experienced good growth from our Retail Business, supported by our well-received product proposition. Looking ahead, we will continue to stay agile and adopt new approaches to help our customers achieve financial freedom as we celebrate 115 years of establishment this year.”

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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 14.5 million policyholders, including 12 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 largest private sector asset management companies in Southeast Asia.

Great Eastern is a subsidiary of OCBC Bank, the longest established Singapore bank, formed in 1932. It is now 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. Recognised for its financial strength and stability, OCBC Bank 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.

www.greateasternlife.com



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