ASSET ACQUISITIONS AND DISPOSALS::SUBSCRIPTION OF SHARES IN BOOST HOLDINGS SDN BHD

Issuer & Securities

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GREAT EASTERN HOLDINGS LIMITED

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Announcement Details

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Submitted By (Co./ Ind. Name)
Jennifer Wong Pakshong

Designation
Company Secretary

Description (Please provide a detailed description of the event in the box below)
Please refer to the attachments for further details.

Attachments

SGX%20Announcement%20-%20Subscription%20of%20Shares%20in%20Boost%20Holdings%20Sdn%20Bhd.pdf

Media%20Release%20-%20Subscription%20of%20Shares%20in%20Boost%20Holdings%20Sdn%20Bhd.pdf

Total size =511K MB

GREAT EASTERN HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199903008M)

SUBSCRIPTION OF SHARES IN BOOST HOLDINGS SDN BHD

Great Eastern Holdings Limited (**GEH**) wishes to announce that its wholly-owned subsidiary, Great Eastern Digital Private Limited has entered into a share subscription agreement to subscribe for a stake of 21.875% (**Subscription**) in the share capital of Boost Holdings Sdn Bhd (**BHSB**), a company incorporated in Malaysia, for a cash consideration of US$70 million (approximately S$97 million)[1] (**Subscription Price**).

BHSB is currently wholly owned by Axiata Digital Services Sdn Bhd (**Axiata Digital**). Axiata Digital is a company incorporated in Malaysia, and is a subsidiary of Axiata Group and not related to GEH Group. Upon completion of the Subscription (**Completion**), Axiata Digital's stake in BHSB will be reduced to 78.125%. BHSB and its subsidiaries are expected to be engaged in digital payments, digital lending and digital insurance, among others.

The Subscription Price was arrived at following arm's length negotiations on a willing-buyer, willing-seller basis, and taking into account factors such as existing customer base, digital capabilities, business potential and market outlook.

Completion of the Subscription is subject to, among other things, approval by the Monetary Authority of Singapore and is expected to occur in the next few months. On Completion, the Subscription Price will be paid in full and BHSB will become an associated company of GEH in accordance with the Listing Manual of the Singapore Exchange Securities Trading Limited.

The Subscription is not expected to have any material effect on the net tangible assets or earnings per share of GEH Group for the financial year ending 31 December 2020.

None of the Directors or controlling shareholders of GEH has any interest, direct or indirect, in the Subscription.

By Order of the Board

Jennifer Wong Pakshong
Company Secretary
25 June 2020

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[1] Based on exchange rate as at 24 June 2020 of US$1 = S$1.3893

MEDIA RELEASE :

Great Eastern announces strategic investment and deepens collaboration with Axiata Digital in Fintech services

Singapore, 25 June 2020 – Great Eastern today announced a strategic investment of US$70 million in Axiata Digital's financial services (DFS) business, via a newly created holding company wholly owned by Axiata Digital, the digital services arm of Axiata Group Berhad. With the investment, Great Eastern takes a 21.875% stake in Boost Holdings Sdn Bhd (the newly created holding company), with Axiata Digital Services Sdn Bhd holding the balance. Axiata Digital's DFS business will comprise the following:

- Boost, the largest homegrown e-wallet and lifestyle app with over 7.5 million users and 170,000 merchant touchpoints[1] in Malaysia
- Boost Indonesia, with 544,000 merchant touchpoints
- Aspirasi, a micro-financing and micro-insurance digital financing provider with over US$20 million in loans disbursed to-date
- Trust Axiata Digital Limited, a joint venture with a local bank in Bangladesh
- Launchpad for bringing digital financial services to other Axiata markets

A ceremony was held via livestream in Kuala Lumpur and Singapore to announce the agreement between Great Eastern and Axiata Digital. The transaction is expected to be completed in the next few months, subject to relevant regulatory approvals.

Khor Hock Seng, Group Chief Executive Officer, Great Eastern said: "This strategic investment will enable Great Eastern to participate in Axiata's growing fintech expansion plans in the region. Axiata's focus on providing financial services for the underserved, unbanked and under insured customer segment also resonates well with our business strategy. By leveraging on Axiata's network and digital capabilities, and partnering with them, we want to grow our reach into new customer segments to provide for their financial needs and ultimately improve their lives. We are excited to have the opportunity to strengthen our collaboration to deliver more value to its growing customer base by providing our protection and insurance solutions for better financial security and peace of mind."

[1] As of the first quarter ended 30 March 2020

Proceeds from the investment will fund expansion plans for Axiata Digital's DFS business over the next year in Malaysia and the region, which includes securing Boost's next level push to develop its ecosystem of merchants and customers, and enhancing Aspirasi's credit scoring technology, and potentially housing the digital bank.

According to Axiata Digital, these developments are in response to rising demand and interest for digitization expected to grow exponentially following the COVID-19 crisis. Customers and merchants expect better protection measures, along with affordable and more flexible financing solutions to respond with operational resilience in weathering tough economic conditions.

Axiata's President and Group Chief Executive Officer Tan Sri Jamaludin Ibrahim said: "As a Group committed to creating sustainable business value across all our markets, Axiata has been consistent in our pursuit to aggressively grow our digital ventures. I am particularly encouraged that this deal with Great Eastern demonstrates the hard and fast moves we made in the early days to invest in Digital Businesses have put us in a sweet spot today to ride the digital wave sweeping much of the nation and region as economies scale towards recovery. Great Eastern is a close insurance partner of Aspirasi with a long-term commercial agreement signed in 2019. Today, we are very pleased to take the relationship to a new level in the next normal, with Great Eastern as our investor mutually aligned in our goal to rapidly expand Digital Financial Services across the region".

"Over the past two years, we have been sharpening our focus on building and enhancing our digital financing services brand using digital technologies and our Telco assets to serve the underserved. Firstly, with Boost, which has grown to become a leading lifestyle cashless payment app which, in today's COVID-19 world, is the safer way to transact, along with Aspirasi, our micro-financing and micro-insurance brand that supports MSMEs with simplified access to financing and insurance. With the investment from an esteemed partner like Great Eastern, we hope to further leverage emerging technologies to develop distinct financial and insurance innovations for our consumers at the bottom of the pyramid, as we continue on our journey to narrow the financial inclusion and protection gap in the country." said Mohd Khairil Abdullah, CEO, Axiata Digital.

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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$90 billion in assets and more than 8 million policyholders, including 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 and has a presence in China as well as a representative office in Myanmar.

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 Standard and Poor's 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. 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

#GreatEasternSG #TheLifeCompany #Lifeproof

About Axiata Digital

Axiata Digital (AD), the digital services arm of Axiata Group Berhad (Axiata), was established to support the increasingly digital lifestyle of Axiata consumers. AD's role has evolved from an investor of 30 brands to a business operator with portfolios concentrated on three strategic businesses. These include digital financial services such as e-wallets, micro-financing and micro-insurance, digital advertising that use data driven solutions to enhance business success, and platform services focused on API's (Application Programming Interface) that redefine the way businesses communicate with consumers. Flagship brands within the portfolio are Boost, Aspirasi, ADA, Apigate. For more information, visit https://www.axiatadigital.com

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