

GREAT EASTERN HOLDINGS LIMITED

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



To Our Shareholders

The Board of Directors of Great Eastern Holdings Limited (“**GEH**”) has announced the following:

Unaudited Financial Statements of GEH Group for Half Year Ended 30 June 2022

For half year ended 30 June 2022, profit attributable to shareholders was \$502.9 million.

The details are attached as follows:

- (a) Section A – Review of the Group’s Performance and Other Information Required by Listing Rule Appendix 7.2; and
- (b) Section B – The Unaudited Interim Condensed Consolidated Financial Statements for the period ended 30 June 2022.

Unaudited Supplementary Information

Disclosure of operating and non-operating profit from insurance business is provided as supplementary information to the financial statements.

Record Date and Payment Date for Interim Dividend

NOTICE IS HEREBY GIVEN that the Share Transfer Books and the Register of Members of GEH be closed on 23 August 2022 for the purpose of determining the entitlement of members to the interim one-tier tax exempt dividend of 10 cents per ordinary share in respect of the financial year ending 31 December 2022. Duly completed registrable transfers of shares received by GEH’s Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902 up to 5.00 p.m. on 22 August 2022 will be registered to determine members’ entitlements to the interim one-tier tax exempt dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 22 August 2022 will be entitled to the interim one-tier tax exempt dividend.

The interim one-tier tax exempt dividend will be paid on 31 August 2022.

By Order of the Board

Jennifer Wong Pakshong
Company Secretary
2 August 2022

The Group financial statements are also available on GEH's website at www.greateasternlife.com.

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SECTION A – REVIEW OF THE GROUP'S PERFORMANCE AND OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

FINANCIAL RESULTS FOR FIRST HALF ENDED 30 JUNE 2022

1. GROUP PROFIT OR LOSS STATEMENTS

in Singapore Dollars (millions)	Note	1st Half 2022	1st Half 2021	% + / (-)
Income				
Gross premiums	6.2	10,839.5	9,116.7	19
Premiums ceded to reinsurers		(409.8)	(376.6)	9
Increase in premium liabilities		(5.1)	(1.8)	183
Net premiums		<u>10,424.6</u>	8,738.3	19
Commissions received from reinsurers		27.2	61.1	(55)
Investment income, net	6.3	1,402.9	1,316.7	7
Rental income, net		15.1	16.0	(6)
Fees and other income		16.1	15.1	7
Loss on sale of investments and changes in fair value	6.4	(7,266.8)	(340.4)	nm
Change in third-party interests in consolidated investment funds		0.6	-	nm
Gain on exchange differences	6.5	76.6	37.7	103
Total income		<u>4,696.3</u>	9,844.5	(52)
less: Expenses				
Gross claims, maturities, surrenders and annuities	6.6	5,782.6	4,263.1	36
Gross claims, maturities, surrenders and annuities recovered from reinsurers		(385.8)	(261.4)	48
Commissions and distribution expenses	6.7	699.7	680.0	3
Increase in provision for impairment of assets		35.8	6.1	487
Management and other expenses	6.8	312.5	296.4	5
Interest expense		-	0.2	(100)
Increase in provision for agents' retirement benefits		11.1	14.1	(21)
Depreciation and amortisation expenses		38.8	37.6	3
Gross change in insurance contract liabilities	6.9	(2,231.0)	3,874.3	(158)
Change in insurance contract liabilities ceded to reinsurer		95.6	(138.7)	169
Total expenses		<u>4,359.3</u>	8,771.7	(50)
Profit before income tax		<u>337.0</u>	1,072.8	(69)
Income tax credit/(expense) attributable to policyholders' returns	6.10	281.4	(258.8)	(209)
Profit before tax attributable to shareholders' profits		<u>618.4</u>	814.0	(24)
Income tax credit/(expense)		<u>166.0</u>	(390.7)	(142)
less: Income tax (credit)/expense attributable to policyholders' returns		(281.4)	258.8	(209)
Income tax expense attributable to shareholders' profits	6.11	(115.4)	(131.9)	13
Profit after income tax		<u>503.0</u>	682.1	(26)
Attributable to:				
Shareholders	6.1	502.9	669.9	(25)
Non-controlling interests		0.1	12.2	(99)
		<u>503.0</u>	682.1	(26)
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)		\$1.06	\$1.42	(25)
Return on Equity (Average Shareholders' Fund) (%) (not annualised)		5.2%	7.0%	-1.8 pp

nm – not meaningful / exceeding 1000%

2. GROUP STATEMENT OF COMPREHENSIVE INCOME

in Singapore Dollars (millions)	1st Half 2022	1st Half 2021	% + / (-)
Profit after income tax for the period	503.0	682.1	(26)
Other comprehensive (loss)/income:			
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	(0.3)	(0.2)	(50)
Revaluation (loss)/gains on equity instruments at fair value through other comprehensive income	(209.7)	153.9	(236)
Income tax related to the above	36.3	(26.1)	239
Items that may be reclassified subsequently to the Profit or Loss Statement:			
Exchange differences arising on translation of overseas entities	(45.2)	(26.3)	(72)
Debt instruments at fair value through other comprehensive income:			
Changes in fair value	(867.9)	(193.6)	(348)
Changes in allowance for expected credit losses	1.7	4.2	(60)
Reclassification of realised loss/(gain) on disposal of investments to the Profit or Loss Statement	81.9	(48.4)	269
Income tax related to the above	134.1	39.5	239
Other comprehensive loss for the period, after tax	(869.1)	(97.0)	(796)
Total comprehensive (loss)/income for the period	(366.1)	585.1	(163)
Total comprehensive (loss)/income attributable to:			
Shareholders	(365.9)	573.1	(164)
Non-controlling interests	(0.2)	12.0	(102)
	(366.1)	585.1	(163)

nm – not meaningful / exceeding 1000%

3. GROUP BALANCE SHEET

in Singapore Dollars (millions)	Note	Group		
		30 Jun 2022	31 Dec 2021	% + / (-)
Share capital		152.7	152.7	-
Reserves				
Currency translation reserve		(62.3)	(17.1)	(264)
Fair value reserve	6.12.1	(561.7)	281.7	(299)
Retained earnings		9,874.7	9,612.3	3
SHAREHOLDERS' EQUITY		9,403.4	10,029.6	(6)
NON-CONTROLLING INTERESTS		97.2	106.8	(9)
TOTAL EQUITY		9,500.6	10,136.4	(6)
LIABILITIES				
Insurance payables		6,820.5	6,620.6	3
Other creditors		3,495.8	1,924.3	82
Income tax payable		346.9	328.6	6
Derivative financial liabilities		488.6	111.4	339
Provision for agents' retirement benefits		287.9	291.3	(1)
Deferred tax		2,031.6	2,579.0	(21)
Insurance contract liabilities		85,529.7	88,398.5	(3)
TOTAL EQUITY AND LIABILITIES		108,501.6	110,390.1	(2)
ASSETS				
Cash and cash equivalents		14,903.1	9,117.7	63
Other debtors		1,088.1	904.5	20
Insurance receivables		3,633.3	3,335.6	9
Reinsurers' share of insurance contract liabilities		777.1	886.7	(12)
Loans		507.5	592.2	(14)
Derivative financial assets		426.5	369.9	15
Investments	6.12.2	84,460.2	92,462.4	(9)
Investment in associate		101.5	95.2	7
Intangible assets		194.5	195.0	(0)
Investment properties		1,799.2	1,883.9	(4)
Asset held for sale		75.1	-	nm
Property, plant and equipment		535.5	547.0	(2)
TOTAL ASSETS		108,501.6	110,390.1	(2)
Net Asset Value per share (in Singapore Dollars)		19.87	21.19	(6)

nm – not meaningful / exceeding 1000%

4. COMPANY BALANCE SHEET

in Singapore Dollars (millions)	Company		
	30 Jun 2022	31 Dec 2021	% + / (-)
Share capital	152.7	152.7	-
Reserves			
Merger reserve	419.2	419.2	-
Retained earnings	3,012.0	3,121.7	(4)
TOTAL EQUITY	3,583.9	3,693.6	(3)
LIABILITIES			
Other creditors	7.4	8.1	(9)
TOTAL EQUITY AND LIABILITIES	3,591.3	3,701.7	(3)
ASSETS			
Cash and cash equivalents	27.7	19.8	40
Other debtors	0.2	0.4	(50)
Amounts due from subsidiaries	2,521.7	2,674.3	(6)
Investment in subsidiaries	1,041.6	1,007.1	3
Property, plant and equipment	0.1	0.1	-
TOTAL ASSETS	3,591.3	3,701.7	(3)
Net Asset Value per share (in Singapore Dollars)	7.57	7.80	(3)

nm – not meaningful / exceeding 1000%

5. SELECTED MANAGEMENT EXPENSES

in Singapore Dollars (millions)	Group	
	1st Half 2022	1st Half 2021
<u>Expenses</u>		
1. Staff costs and related expenses	201.6	181.5
2. Depreciation and amortisation expenses	38.8	37.6

OTHER INFORMATION

6. REVIEW OF RESULTS

The Group Financial Statements for the half-year ended 30 June 2022 (“1H-22”) were prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) and SFRS(I) Interpretations.

6.1 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The Group’s profit attributable to shareholders was \$502.9 million for 1H-22 (1H-21: \$669.9 million).

6.2 GROSS PREMIUMS

Gross premiums increased 19% to \$10,839.5 million in 1H-22 (1H-21: \$9,116.7 million) due to higher single premium sales.

6.3 INVESTMENT INCOME, NET

Net investment income was relatively stable at \$1,402.9 million for 1H-22 (1H-21: \$1,316.7 million).

6.4 LOSS ON SALE OF INVESTMENTS AND CHANGES IN FAIR VALUE

Sale of investments and changes in fair value was a loss of \$7,266.8 million in 1H-22 (1H-21 loss of \$340.4 million), mainly due to mark-to-market loss arising from decline in major indices and rise in interest rates and credit spreads.

6.5 GAIN ON EXCHANGE DIFFERENCES

Exchange differences resulted in an increase in gain to \$76.6 million in 1H-22 (1H-21: \$37.7 million). The increase in gain arose mainly due to fair value gain of USD denominated assets.

6.6 GROSS CLAIMS, MATURITIES, SURRENDERS AND ANNUITIES

Gross claims, maturities, surrenders and annuities increased to \$5,782.6 million for 1H-22 (1H-21: \$4,263.1 million) largely due to higher policy maturities.

6.7 COMMISSIONS AND DISTRIBUTION EXPENSES

Commissions and distribution expenses increased to \$699.7 million for 1H-22 (1H-21: \$680.0 million), which is in line with higher sales.

6.8 MANAGEMENT AND OTHER EXPENSES

Management and other expenses increased to \$312.5 million for 1H-22 (1H-21: \$296.4 million) mainly due to higher staff costs.

6.9 GROSS CHANGE IN INSURANCE CONTRACT LIABILITIES

Change in insurance contract liabilities was -\$2,231.0 million for 1H-22 (1H-21: \$3,874.3 million). The decrease in 1H-22 was mainly due to lower mark-to-market valuation impact on insurance contract liabilities arising from increase in the discount rates and higher policy maturities.

6.10 INCOME TAX CREDIT/(EXPENSE) ATTRIBUTABLE TO POLICYHOLDERS’ RETURNS

Income tax attributable to policyholders’ returns was tax credit of \$281.4 million in 1H-22 (1H-21: tax expense of \$258.8 million). The tax credit in 1H-22 was in line with the decrease in insurance contract liabilities compared to an increase in 1H-21.

6.11 INCOME TAX EXPENSE ATTRIBUTABLE TO SHAREHOLDERS’ PROFITS

Tax expense of \$115.4 million in 1H-22 (1H-21: \$131.9 million) was mainly due to decrease in profit.

6. REVIEW OF RESULTS (continued)

6.12 BALANCE SHEET

6.12.1 Fair Value Reserve

As at 30 June 2022, fair value reserve was -\$561.7 million, compared with \$281.7 million as at 31 December 2021. The decrease in fair value reserve was due to unrealised fair value loss from fixed income and equities portfolios across all entities as a result of rising interest rates and unfavourable market condition.

6.12.2 Investments

Investments decreased to \$84,460.2 million as at 30 June 2022 (31 December 2021: \$92,462.4 million). The classification of investment assets was as follows:

	Investments			Total
	FVTPL ⁽¹⁾	FVOCI ⁽²⁾	AC ⁽³⁾	
Par and Unit Linked Fund	64,631.2	27.3	-	64,658.5
Other Funds	10,205.3	9,312.5	283.9	19,801.7
Balance at 30 June 2022	74,836.5	9,339.8	283.9	84,460.2

	Investments			Total
	FVTPL ⁽¹⁾	FVOCI ⁽²⁾	AC ⁽³⁾	
Par and Unit Linked Fund	70,829.5	31.2	-	70,860.7
Other Funds	11,695.0	9,664.4	242.3	21,601.7
Balance at 31 Dec 2021	82,524.5	9,695.6	242.3	92,462.4

⁽¹⁾ FVTPL - Fair Value Through Profit or Loss

⁽²⁾ FVOCI - Fair Value Through Other Comprehensive Income

⁽³⁾ AC - Amortised Cost

6.12.3 Asset allocation of life funds, excluding Investment-linked Funds, was as follows:

	SINGAPORE		MALAYSIA	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Fixed income & debt securities	58%	61%	61%	61%
Equities	20%	24%	27%	28%
Real estate & others	5%	5%	8%	6%
Cash & money market instruments	17%	10%	4%	5%
Market Value of Assets (in SGD billions)	66.8	66.6	24.2	25.4

6.13 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.

7. SHARE CAPITAL

The Company's issued and paid up share capital as at 30 June 2022 was unchanged at \$152.7 million compared with 31 December 2021. Total number of shares issued as at 30 June 2022 also remained unchanged at 473,319,069 compared with 31 December 2021.

8. UNAUDITED RESULTS

The consolidated Group's financial results for half-year ended 30 June 2022 have not been audited or reviewed by the Group's auditor.

9. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2021. The adoption of the new SFRS(I)s and amendments and interpretations of SFRS(I) which came into effect on 1 January 2022 did not have any material financial impact on the Group's results for 1H-22.

10. FACTORS THAT MAY AFFECT GROUP PERFORMANCE IN THE NEXT REPORTING AND/OR 12-MONTH PERIOD

At present, the world is grappling with persistent inflation, rising interest rates and escalating geopolitical tensions. This has led to a more cautious and risk-off sentiment, impacting equity and bond markets negatively. In the midst of this unprecedented confluence of factors, we expect continued volatility in financial markets to result in fluctuations in the mark-to-market valuation of our assets and liabilities, which will impact our profit. Notable factors include the direction of the movements in interest rates, credit spreads and equity prices. Further, as recessionary fears loom and economic activity slows, we expect business growth to moderate.

The Group will adopt SFRS(I) 17 on 1 January 2023. This accounting standard will result in an important change to the accounting policies for insurance contracts of the Group and will impact the Group's profit and total equity together with the Group's financial statements' presentation and disclosures. As this is an accounting change, impact to our underlying business fundamentals, strategies and financial strength is likely to be neutral.

11. INTERESTED PERSON TRANSACTIONS

Pursuant to Rule 920(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual"), GEH has not obtained a general mandate from shareholders for Interested Person Transactions.

12. CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

Pursuant to Rule 720(1) of the Listing Manual, GEH confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

13. CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

Pursuant to Rule 705(5) of the Listing Manual, the Board of Directors of GEH confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements of GEH and of the Group for the half year ended 30 June 2022 to be false or misleading in any material aspect.

Issued: 2 August 2022

**SECTION B – THE UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022**

GREAT EASTERN HOLDINGS LIMITED

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

Unaudited Interim Condensed Consolidated Financial Statements

30 June 2022

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED PROFIT OR LOSS STATEMENT

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	2022	2021
Income			
Gross premiums		10,839.5	9,116.7
Premiums ceded to reinsurers		(409.8)	(376.6)
Increase in premium liabilities		(5.1)	(1.8)
Net premiums		10,424.6	8,738.3
Commissions received from reinsurers		27.2	61.1
Investment income, net	4	1,402.9	1,316.7
Rental income, net		15.1	16.0
Fees and other income		16.1	15.1
Loss on sale of investments and changes in fair value	5	(7,266.8)	(340.4)
Change in third-party interests in consolidated investment funds		0.6	-
Gain on exchange differences		76.6	37.7
Total income		4,696.3	9,844.5
less: Expenses			
Gross claims, maturities, surrenders and annuities		5,782.6	4,263.1
Gross claims, maturities, surrenders and annuities recovered from reinsurers		(385.8)	(261.4)
Commissions and distribution expenses		699.7	680.0
Increase in provision for impairment of assets		35.8	6.1
Management and other expenses		312.5	296.4
Interest expense		-	0.2
Increase in provision for agents' retirement benefits		11.1	14.1
Depreciation and amortisation expenses	6	38.8	37.6
Gross change in insurance contract liabilities		(2,231.0)	3,874.3
Change in insurance contract liabilities ceded to reinsurers		95.6	(138.7)
Total expenses		4,359.3	8,771.7
Profit before income tax		337.0	1,072.8
Income tax credit/(expense) attributable to policyholders' returns	7	281.4	(258.8)
Profit before tax attributable to shareholders' profits		618.4	814.0
Income tax credit/(expense)		166.0	(390.7)
less: Income tax (credit)/expense attributable to policyholders' returns		(281.4)	258.8
Income tax expense attributable to shareholders' profits	7	(115.4)	(131.9)
Profit after income tax		503.0	682.1
Attributable to:			
Shareholders		502.9	669.9
Non-controlling interests		0.1	12.2
		503.0	682.1
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)		\$1.06	\$1.42

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Group	
	2022	2021
Profit after income tax for the period	503.0	682.1
Other comprehensive (loss)/income:		
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	(0.3)	(0.2)
Revaluation (loss)/gain on equity instruments at fair value through other comprehensive income	(209.7)	153.9
Income tax related to the above	36.3	(26.1)
Items that may be reclassified subsequently to the Profit or Loss Statement:		
Exchange differences arising on translation of overseas entities	(45.2)	(26.3)
Debt instruments at fair value through other comprehensive income:		
Changes in fair value	(867.9)	(193.6)
Changes in allowance for expected credit losses	1.7	4.2
Reclassification of realised loss/(gain) on disposal of investments to the Profit or Loss Statement	81.9	(48.4)
Income tax related to the above	134.1	39.5
Other comprehensive loss for the period, after tax	(869.1)	(97.0)
Total comprehensive (loss)/income for the period	(366.1)	585.1
Total comprehensive (loss)/income attributable to:		
Shareholders	(365.9)	573.1
Non-controlling interests	(0.2)	12.0
	(366.1)	585.1

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED BALANCE SHEETS

As at 30 June and 31 December

in Singapore Dollars (millions)	Note	Group		Company	
		30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
Share capital		152.7	152.7	152.7	152.7
Reserves					
Merger reserve		-	-	419.2	419.2
Currency translation reserve		(62.3)	(17.1)	-	-
Fair value reserve		(561.7)	281.7	-	-
Retained earnings		9,874.7	9,612.3	3,012.0	3,121.7
SHAREHOLDERS' EQUITY		9,403.4	10,029.6	3,583.9	3,693.6
NON-CONTROLLING INTERESTS		97.2	106.8	-	-
TOTAL EQUITY		9,500.6	10,136.4	3,583.9	3,693.6
LIABILITIES					
Insurance payables		6,820.5	6,620.6	-	-
Other creditors		3,495.8	1,924.3	7.4	8.1
Income tax payable		346.9	328.6	-	-
Derivative financial liabilities	9	488.6	111.4	-	-
Provision for agents' retirement benefits		287.9	291.3	-	-
Deferred tax		2,031.6	2,579.0	-	-
Insurance contract liabilities	8	85,529.7	88,398.5	-	-
TOTAL EQUITY AND LIABILITIES		108,501.6	110,390.1	3,591.3	3,701.7
ASSETS					
Cash and cash equivalents		14,903.1	9,117.7	27.7	19.8
Other debtors		1,088.1	904.5	0.2	0.4
Insurance receivables		3,633.3	3,335.6	-	-
Reinsurers' share of insurance contract liabilities	8	777.1	886.7	-	-
Amount due from subsidiaries		-	-	2,521.7	2,674.3
Loans		507.5	592.2	-	-
Derivative financial assets	9	426.5	369.9	-	-
Investments	10	84,460.2	92,462.4	-	-
Investment in associate		101.5	95.2	-	-
Investment in subsidiaries		-	-	1,041.6	1,007.1
Intangible assets		194.5	195.0	-	-
Investment properties		1,799.2	1,883.9	-	-
Asset held for sale	11	75.1	-	-	-
Property, plant and equipment	12	535.5	547.0	0.1	0.1
TOTAL ASSETS		108,501.6	110,390.1	3,591.3	3,701.7

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	Attributable to shareholders of the Company				Total	Non-Controlling Interests	Total Equity
		Share Capital	Currency Translation Reserve	Fair Value Reserve	Retained Earnings			
Balance at 1 January 2022		152.7	(17.1)	281.7	9,612.3	10,029.6	106.8	10,136.4
Profit for the period		-	-	-	502.9	502.9	0.1	503.0
Other comprehensive (loss)/ income								
Exchange differences arising on translation of overseas entities		-	(45.2)	-	-	(45.2)	(0.3)	(45.5)
Net revaluation loss on equity instruments at fair value through other comprehensive income		-	-	(173.4)	-	(173.4)	-	(173.4)
Debt instruments at FVOCI:								
Changes in fair value		-	-	(867.9)	-	(867.9)	-	(867.9)
Changes in allowance for expected credit losses		-	-	1.7	-	1.7	-	1.7
Reclassification of realised loss on disposal of investments to the Profit or Loss Statement	5	-	-	81.9	-	81.9	-	81.9
Income tax related to the above		-	-	134.1	-	134.1	-	134.1
Other comprehensive loss for the period, after tax		-	(45.2)	(823.6)	-	(868.8)	(0.3)	(869.1)
Total comprehensive (loss)/income for the period		-	(45.2)	(823.6)	502.9	(365.9)	(0.2)	(366.1)
Reclassification of net change in fair value of equity instruments upon derecognition		-	-	(19.8)	19.8	-	-	-
Distributions to shareholders								
Dividends paid during the period:								
Final one-tier tax exempt dividend for the previous year	17	-	-	-	(260.3)	(260.3)	-	(260.3)
Dividends paid to non-controlling interests		-	-	-	-	-	(9.4)	(9.4)
Total distributions to shareholders		-	-	-	(260.3)	(260.3)	(9.4)	(269.7)
Total transactions with shareholders in their capacity as shareholders		-	-	-	(260.3)	(260.3)	(9.4)	(269.7)
Balance at 30 June 2022		152.7	(62.3)	(561.7)	9,874.7	9,403.4	97.2	9,500.6

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	Attributable to shareholders of the Company				Total	Non-Controlling Interests	Total Equity
		Share Capital	Currency Translation Reserve	Fair Value Reserve	Retained Earnings			
Balance at 1 January 2021		152.7	6.6	464.9	8,736.8	9,361.0	113.5	9,474.5
Profit for the period		-	-	-	669.9	669.9	12.2	682.1
<u>Other comprehensive (loss)/income</u>								
Exchange differences arising on translation of overseas entities		-	(26.3)	-	-	(26.3)	(0.2)	(26.5)
Net revaluation gain on equity instruments at fair value through other comprehensive income		-	-	127.8	-	127.8	-	127.8
<u>Debt instruments at FVOCI:</u>								
Changes in fair value		-	-	(193.6)	-	(193.6)	-	(193.6)
Changes in allowance for expected credit losses		-	-	4.2	-	4.2	-	4.2
Reclassification of realised gain on disposal of investments to the Profit or Loss Statement	5	-	-	(48.4)	-	(48.4)	-	(48.4)
Income tax related to the above		-	-	39.5	-	39.5	-	39.5
Other comprehensive loss for the period, after tax		-	(26.3)	(70.5)	-	(96.8)	(0.2)	(97.0)
Total comprehensive (loss)/income for the period		-	(26.3)	(70.5)	669.9	573.1	12.0	585.1
Reclassification of net change in fair value of equity instruments upon derecognition		-	-	(22.1)	22.1	-	-	-
<u>Distributions to shareholders</u>								
<u>Dividends paid during the period:</u>								
Final one-tier tax exempt dividend for the previous year	17	-	-	-	(236.7)	(236.7)	-	(236.7)
Dividends paid to non-controlling interests		-	-	-	-	-	(26.9)	(26.9)
Total distributions to shareholders		-	-	-	(236.7)	(236.7)	(26.9)	(263.6)
Total transactions with shareholders in their capacity as shareholders		-	-	-	(236.7)	(236.7)	(26.9)	(263.6)
Balance at 30 June 2021		152.7	(19.7)	372.3	9,192.1	9,697.4	98.6	9,796.0

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY - COMPANY

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	Share Capital	Merger Reserve	Retained Earnings	Total Equity
Balance at 1 January 2022		152.7	419.2	3,121.7	3,693.6
Profit for the period		-	-	150.6	150.6
Total comprehensive income for the period		-	-	150.6	150.6
<u>Distributions to shareholders</u>					
Dividends paid during the period:					
Final one-tier tax exempt dividend for the previous year	17	-	-	(260.3)	(260.3)
Total distributions to shareholders		-	-	(260.3)	(260.3)
Total transactions with shareholders in their capacity as shareholders		-	-	(260.3)	(260.3)
Balance at 30 June 2022		152.7	419.2	3,012.0	3,583.9
 Balance at 1 January 2021		 152.7	 419.2	 3,130.7	 3,702.6
Profit for the period		-	-	277.3	277.3
Total comprehensive income for the period		-	-	277.3	277.3
<u>Distributions to shareholders</u>					
Dividends paid during the period:					
Final one-tier tax exempt dividend for the previous year	17	-	-	(236.7)	(236.7)
Total distributions to shareholders		-	-	(236.7)	(236.7)
Total transactions with shareholders in their capacity as shareholders		-	-	(236.7)	(236.7)
Balance at 30 June 2021		152.7	419.2	3,171.3	3,743.2

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		337.0	1,072.8
<i>Adjustments for non-cash items:</i>			
Loss on sale of investments and changes in fair value	5	7,266.8	340.4
Increase in provision for impairment of assets		35.8	6.1
Increase in provision for agents' retirement benefits		11.1	14.1
Depreciation and amortisation expenses	6	38.8	37.6
Unrealised gain on exchange differences		(76.6)	(37.7)
Gross change in insurance contract liabilities		(2,231.0)	3,874.3
Change in insurance contract liabilities ceded to reinsurers		95.6	(138.7)
Change in premium liabilities		5.1	1.8
Dividend income	4	(362.1)	(321.0)
Interest income	4	(1,116.9)	(1,063.2)
Interest expense		-	0.2
Interest expense on policy benefits and lease liabilities	6	101.5	101.5
Share-based payments		3.6	2.7
		4,108.7	3,890.9
<i>Changes in working capital:</i>			
Insurance receivables		(374.5)	(255.2)
Other debtors		(255.7)	(19.1)
Insurance payables		139.9	(90.8)
Other creditors		1,101.8	158.3
Cash generated from operations		4,720.2	3,684.1
Income tax paid		(196.9)	(142.5)
Interest paid on policy benefits and lease liabilities		(101.5)	(101.5)
Agents' retirement benefits paid		(6.9)	(9.0)
Net cash flows generated from operating activities		4,414.9	3,431.1

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

GREAT EASTERN HOLDINGS LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturities and sale of investments		19,042.5	22,129.1
Purchase of investments		(18,841.3)	(23,167.5)
Proceeds from sale of property, plant and equipment		0.5	0.2
Purchase of property, plant and equipment and investment properties		(6.2)	(21.6)
Acquisition of intangible assets		(25.7)	(42.1)
Interest income received		1,126.7	1,077.7
Interest expense paid		-	(9.3)
Dividends received		349.8	324.1
Net cash flows provided by investing activities		1,646.3	290.6
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	17	(260.3)	(236.7)
Dividends paid to non-controlling interests		(9.4)	(26.9)
Principal element of lease payments		(6.1)	(6.2)
Redemption of debt issued		-	(400.0)
Net cash flows used in financing activities		(275.8)	(669.8)
Net increase in cash and cash equivalents		5,785.4	3,051.9
Cash and cash equivalents at the beginning of the period		9,117.7	9,649.8
Cash and cash equivalents at the end of the period		14,903.1	12,701.7
Cash and cash equivalents comprise:			
Cash and bank balances		3,440.1	2,176.8
Cash on deposit		4,501.8	3,559.6
Short term instruments		6,961.2	6,965.3
		14,903.1	12,701.7

Included in the cash and cash equivalents are bank deposits amounting to \$8.3 million (30 June 2021: \$8.3 million) which are lodged with the regulator as statutory deposits, which are not available for use by the Group.

The changes in liabilities arising from financing activities for the period ended 30 June 2022 and 30 June 2021 were not material.

The accompanying significant accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

The unaudited interim condensed consolidated financial statements were authorised by the Board of Directors on 1 August 2022.

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 Company's immediate and ultimate holding company is Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), which prepares financial statements for public use.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

2.1 Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*, and do not include all of the information and disclosures required in the annual financial statements. These unaudited interim condensed consolidated financial statements are to be read in conjunction with the Group's financial statements for the year ended 31 December 2021.

The unaudited interim condensed consolidated financial statements have been prepared under the historical cost convention.

The unaudited interim condensed consolidated 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

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

2.3 Use of Estimates and Judgements

In preparing these interim financial statements, management has made estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

3 SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

During the reporting period, the Group saw persistent inflation, rising interest rates and escalating geopolitical tensions that has impacted equity and bond markets negatively. The volatility in the financial markets have resulted in fluctuations in the mark-to-market valuation of our assets and liabilities.

in Singapore Dollars (millions)

	Group	
	6 Months 2022	6 Months 2021
4 INVESTMENT INCOME, NET		
Dividend income		
- Investments		
Financial assets measured at fair value through other comprehensive income (FVOCI)	42.0	34.5
Financial assets mandatorily measured at fair value through profit or loss (FVTPL)	320.1	286.5
	362.1	321.0
Interest income		
- Investments		
Financial assets measured at FVOCI	111.7	94.6
Financial assets mandatorily measured at FVTPL	128.8	107.0
Financial assets designated as FVTPL	739.2	721.0
- Financial assets at amortised cost	137.2	140.6
	1,116.9	1,063.2
	1,479.0	1,384.2
<i>less: Investment related expenses</i>	<i>(76.1)</i>	<i>(67.5)</i>
	1,402.9	1,316.7
5 LOSS ON SALE OF INVESTMENTS AND CHANGES IN FAIR VALUE		
Net (loss)/gain on sale of debt securities measured at FVOCI	(81.9)	48.4
Changes in fair value of investments		
- mandatorily measured at FVTPL	(3,856.6)	1,212.4
- designated as FVTPL	(3,328.3)	(1,601.2)
	(7,184.9)	(388.8)
	(7,266.8)	(340.4)
6 ADDITIONAL PROFIT OR LOSS DISCLOSURES		
Staff costs and related expenses	201.6	181.5
Fee income	15.5	15.1
Depreciation and amortisation expenses	38.8	37.6
Depreciation	21.3	15.5
Amortisation	17.5	22.1
Interest expense	101.5	101.5
On policy benefits	100.5	100.3
On lease liability	1.0	1.2

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)

	Group	
	6 Months	6 Months
	2022	2021
7 INCOME TAX		
<u>Major components of income tax expense</u>		
The major components of income tax expense for the periods ended 30 June 2022 and 30 June 2021 are:		
(a) Income tax (credit)/expense attributable to policyholders' returns		
Current income tax:		
- Current income taxation	82.1	83.9
- Over provision in respect of previous years	(6.7)	(1.1)
	75.4	82.8
Deferred income tax:		
- Origination and reversal of temporary differences	(356.8)	176.0
	(356.8)	176.0
	(281.4)	258.8
(b) Income tax expense attributable to shareholders' profits		
Current income tax:		
- Current income taxation	149.0	155.6
- Over provision in respect of previous years	(23.1)	(18.0)
	125.9	137.6
Deferred income tax:		
- Origination and reversal of temporary differences	(10.5)	(5.7)
	(10.5)	(5.7)
	115.4	131.9

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Note	Group		
8 INSURANCE CONTRACT LIABILITIES				
		Gross	Reinsurance	Net
30 June 2022				
Life insurance contracts	8.1	84,833.8	(356.1)	84,477.7
Non-life insurance contracts	8.2	695.9	(421.0)	274.9
		85,529.7	(777.1)	84,752.6
		Gross	Reinsurance	Net
31 December 2021				
Life insurance contracts	8.1	87,718.3	(472.5)	87,245.8
Non-life insurance contracts	8.2	680.2	(414.2)	266.0
		88,398.5	(886.7)	87,511.8
8.1 Life insurance contracts				
		Gross	Reinsurance	Net
30 June 2022				
Life insurance contract liabilities		84,520.8	(356.1)	84,164.7
Unallocated surplus		313.0	-	313.0
		84,833.8	(356.1)	84,477.7
		Gross	Reinsurance	Net
31 December 2021				
Life insurance contract liabilities		86,958.4	(472.5)	86,485.9
Unallocated surplus		759.9	-	759.9
		87,718.3	(472.5)	87,245.8

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)

Group

8 INSURANCE CONTRACT LIABILITIES (continued)

8.1 Life insurance contracts (continued)

Movement in life insurance contract liabilities	Gross	Reinsurance	Net
Balance at 1 January 2022	87,718.3	(472.5)	87,245.8
Currency translation reserve adjustment	(626.2)	3.5	(622.7)
Change in life insurance contract liabilities			
- Due to assumptions change	(34.1)	4.9	(29.2)
- Due to change in discount rate	(4,851.3)	27.6	(4,823.7)
- Due to movement during the period	2,759.3	80.4	2,839.7
Reversal of provision for deferred tax on future policyholders' returns	264.6	-	264.6
Unallocated surplus	(394.6)	-	(394.6)
Others	(2.2)	-	(2.2)
Balance at 30 June 2022	84,833.8	(356.1)	84,477.7
	Gross	Reinsurance	Net
Balance at 1 January 2021	85,687.8	(2,209.0)	83,478.8
Currency translation reserve adjustment	(418.1)	2.3	(415.8)
Change in life insurance contract liabilities			
- Due to assumptions change	(524.5)	71.1	(453.4)
- Due to change in discount rate	(769.0)	51.8	(717.2)
- Due to movement during the period	6,948.7	1,611.3	8,560.0
Provision for deferred tax on future policyholders' returns	(1,209.0)	-	(1,209.0)
Unallocated surplus	(1,984.8)	-	(1,984.8)
Others	(12.8)	-	(12.8)
Balance at 31 December 2021	87,718.3	(472.5)	87,245.8

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)

Group

8 INSURANCE CONTRACT LIABILITIES (continued)

8.1 Life insurance contracts (continued)

	Gross	Reinsurance	Net
30 June 2022			
Contracts with Discretionary Participating Features ("DPF")	60,161.3	8.6	60,169.9
Contracts without Discretionary Participating Features ("DPF")	15,689.1	(354.0)	15,335.1
Investment-linked contracts	8,670.4	(10.7)	8,659.7
	84,520.8	(356.1)	84,164.7
	Gross	Reinsurance	Net
31 December 2021			
Contracts with Discretionary Participating Features ("DPF")	63,333.9	10.3	63,344.2
Contracts without Discretionary Participating Features ("DPF")	13,931.3	(466.3)	13,465.0
Investment-linked contracts	9,693.2	(16.5)	9,676.7
	86,958.4	(472.5)	86,485.9

8.2 Non-life insurance contracts

	Gross	Reinsurance	Net
30 June 2022			
Claim liabilities	508.4	(352.3)	156.1
Premium liabilities	187.5	(68.7)	118.8
Total	695.9	(421.0)	274.9
	Gross	Reinsurance	Net
31 December 2021			
Claim liabilities	491.1	(340.5)	150.6
Premium liabilities	189.1	(73.7)	115.4
Total	680.2	(414.2)	266.0

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)

Group

8 INSURANCE CONTRACT LIABILITIES (continued)

8.2 Non-life insurance contracts (continued)

Movement in claims liabilities

	Gross	Reinsurance	Net
Balance at 1 January 2022	491.1	(340.5)	150.6
Currency translation reserve adjustment	(7.8)	5.5	(2.3)
Movement during the period	25.1	(17.3)	7.8
Balance at 30 June 2022	508.4	(352.3)	156.1

	Gross	Reinsurance	Net
Balance at 1 January 2021	351.0	(206.5)	144.5
Currency translation reserve adjustment	(3.7)	2.5	(1.2)
Movement during the period	143.8	(136.5)	7.3
Balance at 31 December 2021	491.1	(340.5)	150.6

Movement in premium liabilities

	Gross	Reinsurance	Net
Balance at 1 January 2022	189.1	(73.7)	115.4
Currency translation reserve adjustment	(2.3)	0.6	(1.7)
Movement during the period	0.7	4.4	5.1
Balance at 30 June 2022	187.5	(68.7)	118.8

	Gross	Reinsurance	Net
Balance at 1 January 2021	188.5	(72.1)	116.4
Currency translation reserve adjustment	(1.2)	0.4	(0.8)
Movement during the period	1.8	(2.0)	(0.2)
Balance at 31 December 2021	189.1	(73.7)	115.4

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)	Notional Principal	Derivative Financial Assets	Derivative Financial Liabilities
9 DERIVATIVE FINANCIAL INSTRUMENTS			
30 June 2022			
Foreign exchange:			
Forwards	37,821.4	230.0	(309.6)
Currency swaps	3,378.3	124.3	(53.7)
Options	1,287.3	6.1	(0.2)
Interest rates:			
Swaps	1,212.3	9.6	(65.1)
Exchange traded futures	2,331.6	5.1	(11.8)
Equity:			
Swap	448.9	10.3	(22.5)
Futures	1,934.2	15.1	(13.6)
Options	344.8	23.3	(0.2)
Credit:			
Swaps	764.0	2.7	-
Bond:			
Forwards	189.3	-	(11.9)
	49,712.1	426.5	(488.6)
31 December 2021			
Foreign exchange:			
Forwards	29,578.6	182.4	(49.0)
Currency swaps	4,214.7	84.8	(41.9)
Options	882.9	0.8	(0.3)
Interest rates:			
Swaps	1,514.3	44.9	(12.9)
Exchange traded futures	696.8	3.8	(2.1)
Equity:			
Swap	320.6	7.4	(2.8)
Futures	194.8	0.4	(0.5)
Options	259.1	43.7	(0.2)
Credit:			
Swaps	33.7	-	(0.3)
Bond:			
Forwards	265.4	1.7	(1.4)
	37,960.9	369.9	(111.4)

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.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)		Group	
		30 Jun 2022	31 Dec 2021
10	INVESTMENTS		
10.1	Financial assets at FVOCI		
	Equity securities designated at FVOCI		
(i)	Quoted equity securities	1,869.4	2,175.4
	- Hong Kong Stock Exchange	424.2	305.1
	- Singapore Exchange	374.8	477.0
	- Bursa Malaysia	227.9	219.8
	- Taiwan Stock Exchange	170.1	285.2
	- New York Stock Exchange	155.8	215.4
	- Australian Stock Exchange	128.3	222.0
	- Korea Exchange	113.8	161.1
	- Others	274.5	289.8
(ii)	Unquoted equity securities	26.5	27.0
		1,895.9	2,202.4
	Debt securities		
(iii)	Quoted debt securities ⁽¹⁾	5,633.1	5,697.5
(iv)	Unquoted debt securities	1,810.8	1,795.7
		7,443.9	7,493.2
	Total securities measured at FVOCI	9,339.8	9,695.6
10.2	Financial assets at FVTPL		
	Mandatorily measured at FVTPL		
	Equity securities		
(i)	Quoted equity securities	11,306.2	13,651.1
(ii)	Unquoted equity securities	23.9	24.5
		11,330.1	13,675.6
	Debt securities		
(iii)	Quoted debt securities	5,231.0	3,409.3
(iv)	Unquoted debt securities	2,691.0	2,178.5
		7,922.0	5,587.8
	Other investments		
(v)	Collective investment schemes ⁽²⁾	14,787.8	16,685.3
	Total financial assets mandatorily measured at FVTPL	34,039.9	35,948.7
	Designated at FVTPL		
	Debt securities		
(i)	Quoted debt securities	27,552.8	31,585.7
(ii)	Unquoted debt securities	13,243.8	14,990.1
	Total financial assets designated at FVTPL ⁽³⁾	40,796.6	46,575.8
	Total financial assets at FVTPL	74,836.5	82,524.5

(1) Included in quoted debt securities are quoted government securities amounting to \$34.9 million (31 December 2021: \$26.4 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, unit trusts, real estate investment funds, exchange traded funds and open-ended investment company funds.

(3) These securities are designated as fair value through the Profit or Loss Statement on initial recognition. The amount of change, during the period and cumulatively, in the fair value of these assets that are attributable to changes in the credit risk is not material.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

in Singapore Dollars (millions)		Group	
		30 Jun	31 Dec
		2022	2021
10	INVESTMENTS (continued)		
10.3	Financial assets at Amortised Cost		
	Debt securities		
	(i) Quoted debt securities	283.9	242.3
	Total financial assets measured at Amortised Cost ⁽¹⁾	283.9	242.3
	TOTAL INVESTMENTS	84,460.2	92,462.4

⁽¹⁾ If these financial assets are measured using market value, the carrying amount would be as follows:

in Singapore Dollars (millions)		Group	
		30 Jun	31 Dec
		2022	2021
	Quoted Debt Securities	241.2	266.3

11 ASSET HELD FOR SALE

The directors of the Group's subsidiary approved the sale of a property. The sale is expected to be completed by the first quarter of 2023. The property has been reclassified from investment property to asset held for sale during the reporting period and measured at fair value. The fair value of the property amounting to \$75.1 million was determined using the income approach. This is a level 3 measurement as per the fair value hierarchy set out in note 16.3.

12 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2022, the Group acquired assets amounting to \$5.8 million (30 June 2021: \$2.7 million) and disposed of assets amounting to \$3.6 million (30 June 2021: \$0.3 million).

13 COMMITMENTS AND CONTINGENCIES**13.1 Capital commitments**

Commitments for capital expenditure not provided for in the financial statements:

in Singapore Dollars (millions)		Group	
		30 Jun	31 Dec
		2022	2021
	Commitments for capital expenditure not provided for in the financial statements:		
	- investment properties	1.4	2.0
	- property, plant and equipment	76.5	83.9
		77.9	85.9

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

14 RELATED PARTY TRANSACTIONS

The Group enters into transactions with its related parties in the normal course of business.

14.1 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 period:

in Singapore Dollars (millions)	Group		Company	
	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021
Fees and commission and other income received from:				
- holding company	5.3	4.5	-	-
- related parties of the holding company	14.5	14.9	-	-
Premiums received from key management personnel	1.6	0.3	-	-
Fees and commission expense paid to:				
- holding company	146.2	121.1	-	-
- related parties of the holding company	28.1	30.2	-	-
Interest income received from:				
- holding company	0.4	0.1	-	-
- related parties of the holding company	4.4	5.2	-	-
Rental income received from:				
- related parties of the holding company	0.1	0.1	-	-
Other expenses paid to:				
- holding company	5.9	12.0	-	-
- related parties of the holding company	8.8	8.4	-	-
- associate	0.3	-	-	-

14.2 Balance sheet balances with related parties

Balance sheet balances with related parties as at 30 June and 31 December are as follows:

in Singapore Dollars (millions)	Group		Company	
	30 Jun 2022	31 Dec 2021	30 Jun 2022	31 Dec 2021
Cash and cash equivalents held with:				
- holding company	1,108.5	742.8	27.7	19.8
- related parties of the holding company	528.0	608.4	-	-
Amount due to holding company	1.2	11.1	-	-
Investments in debt securities of:				
- related parties of the holding company	164.1	97.3	-	-
Derivative financial assets held with:				
- holding company	182.9	151.8	-	-
Derivative financial liabilities held with:				
- holding company	163.1	34.2	-	-

Outstanding balances at balance sheet date are unsecured and interest free. Settlement will take place in cash.

In relation to the related party balances, there was no provision for doubtful debts at the balance sheet date and no bad debt expense for the period (31 December 2021: nil).

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

15 SEGMENTAL INFORMATION

Business Segments

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 customers.

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.

Geographical Segments

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 customers disclosed in geographical segments are based on the respective location of its customers.

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.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

15 SEGMENTAL INFORMATION (continued)

(1) By Business Segments

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations ⁽¹⁾		Consolidated	
	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021
Net premiums	-	-	105.0	100.8	10,320.7	8,638.7	(1.1)	(1.2)	10,424.6	8,738.3
Commissions received from reinsurers	-	-	15.3	17.4	11.9	43.7	-	-	27.2	61.1
Investment income, net	67.6	63.7	5.9	5.7	1,292.2	1,208.6	37.2	38.7	1,402.9	1,316.7
Rental income, net	-	-	-	-	29.0	29.4	(13.9)	(13.4)	15.1	16.0
Fees and other income	194.4	203.4	-	-	-	-	(178.3)	(188.3)	16.1	15.1
(Loss)/gain on sale of investments and changes in fair value	(115.1)	70.2	0.6	1.2	(7,152.3)	(411.8)	-	-	(7,266.8)	(340.4)
Change in third-party interests in consolidated investment funds	0.6	-	-	-	-	-	-	-	0.6	-
(Loss)/gain on exchange differences	(10.1)	0.2	0.1	0.3	86.6	37.2	-	-	76.6	37.7
Total income	137.4	337.5	126.9	125.4	4,588.1	9,545.8	(156.1)	(164.2)	4,696.3	9,844.5
Gross claims, maturities, surrenders and annuities	-	-	98.6	76.1	5,684.0	4,187.0	-	-	5,782.6	4,263.1
Gross claims, maturities, surrenders and annuities recovered from reinsurers	-	-	(53.3)	(33.0)	(332.5)	(228.4)	-	-	(385.8)	(261.4)
Commissions and distribution expenses	161.3	163.0	34.3	31.2	649.9	642.0	(145.8)	(156.2)	699.7	680.0
Increase in provision for impairment of assets	5.0	1.9	0.1	0.6	30.7	3.6	-	-	35.8	6.1
Management and other expenses	49.1	43.3	27.4	27.2	244.6	233.9	(8.6)	(8.0)	312.5	296.4
Interest expense	-	0.2	-	-	-	-	-	-	-	0.2
Increase in provision for agents' retirement benefits	-	-	-	-	11.1	14.1	-	-	11.1	14.1
Depreciation and amortisation expenses	2.1	2.3	2.4	1.8	34.3	33.5	-	-	38.8	37.6
Gross change in insurance contract liabilities	-	-	25.1	114.3	(2,256.1)	3,760.0	-	-	(2,231.0)	3,874.3
Change in insurance contract liabilities ceded to reinsurers	-	-	(17.4)	(115.0)	113.0	(23.7)	-	-	95.6	(138.7)
Total expenses	217.5	210.7	117.2	103.2	4,179.0	8,622.0	(154.4)	(164.2)	4,359.3	8,771.7
(Loss)/profit before income tax	(80.1)	126.8	9.7	22.2	409.1	923.8	(1.7)	-	337.0	1,072.8
Income tax credit/(expense) attributable to policyholders' returns	-	-	-	-	281.4	(258.8)	-	-	281.4	(258.8)
(Loss)/profit before tax attributable to shareholders' profits	(80.1)	126.8	9.7	22.2	690.5	665.0	(1.7)	-	618.4	814.0
Income tax (expense)/credit	(7.9)	(20.5)	(2.1)	(5.3)	176.0	(364.9)	-	-	166.0	(390.7)
less: Income tax (credit)/expense attributable to policyholders' returns	-	-	-	-	(281.4)	258.8	-	-	(281.4)	258.8
Income tax expense attributable to shareholders' profits	(7.9)	(20.5)	(2.1)	(5.3)	(105.4)	(106.1)	-	-	(115.4)	(131.9)
(Loss)/profit after income tax	(88.0)	106.3	7.6	16.9	585.1	558.9	(1.7)	-	503.0	682.1

(1) Inter-segment income and expenses comprising mainly dividend and management fee income are eliminated on consolidation.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

15 SEGMENTAL INFORMATION (continued)

(1) By Business Segments (continued)

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations		Consolidated	
	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021
Other material items:										
Interest income	45.1	42.4	6.4	6.1	1,065.4	1,014.7	-	-	1,116.9	1,063.2
Staff costs and related expenses	21.2	20.4	18.1	17.3	161.9	143.6	0.4	0.2	201.6	181.5
Rental expense	1.2	1.0	0.7	0.4	12.6	11.4	(12.6)	(11.2)	1.9	1.6
Interest expense on policy benefits	-	-	-	-	100.5	100.3	-	-	100.5	100.3
Non-cash items:										
Changes in fair value of investments:										
- through the Profit or Loss Statement	(81.1)	61.2	0.4	(0.2)	(7,104.2)	(449.8)	-	-	(7,184.9)	(388.8)
- through equity	(227.3)	11.3	(19.4)	(8.6)	(830.9)	(42.4)	-	-	(1,077.6)	(39.7)

in Singapore Dollars (millions)	Group									
	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations		Consolidated	
	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21
Assets and liabilities:										
Segment assets	10,077.6	10,537.9	1,151.3	1,080.5	101,123.1	103,003.9	(3,951.9)	(4,327.4)	108,400.1	110,294.9
Investments in associate	101.5	95.2	-	-	-	-	-	-	101.5	95.2
Total assets	10,179.1	10,633.1	1,151.3	1,080.5	101,123.1	103,003.9	(3,951.9)	(4,327.4)	108,501.6	110,390.1
Segment liabilities	221.4	76.6	1,171.9	1,094.1	99,179.9	100,501.4	(3,950.7)	(4,326.0)	96,622.5	97,346.1
Income tax and deferred tax liabilities	237.4	255.9	(7.2)	(3.3)	2,148.3	2,655.0	-	-	2,378.5	2,907.6
Total liabilities	458.8	332.5	1,164.7	1,090.8	101,328.2	103,156.4	(3,950.7)	(4,326.0)	99,001.0	100,253.7
Other segment information:										
Additions to non-current assets										
- property, plant and equipment	0.3	2.3	0.8	1.1	4.7	37.5	-	-	5.8	40.9
- investment properties	-	-	-	-	0.4	0.2	-	-	0.4	0.2
- goodwill and intangible assets	1.0	1.2	2.5	5.7	22.2	56.4	-	-	25.7	63.3

GREAT EASTERN HOLDINGS LIMITED

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

15 SEGMENTAL INFORMATION (continued)

(2) By Geographical Segments

in Singapore Dollars (millions)	Group									
	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021	6 Months 2022	6 Months 2021
Total revenue from customers	3,773.3	8,472.6	933.8	1,411.4	142.8	122.2	(153.6)	(161.7)	4,696.3	9,844.5
Dividend from subsidiaries	117.0	50.3	-	-	-	-	(117.0)	(50.3)	-	-
Total income	3,890.3	8,522.9	933.8	1,411.4	142.8	122.2	(270.6)	(212.0)	4,696.3	9,844.5
Profit/(loss) after income tax	395.2	508.4	231.3	268.3	(6.5)	3.0	(117.0)	(97.6)	503.0	682.1

in Singapore Dollars (millions)	Group									
	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21	30 Jun 22	31 Dec 21
Non-current assets	2,038.8	2,046.1	484.4	574.9	6.0	4.9	-	-	2,529.2	2,625.9

Non-current assets information presented above consist of intangible assets, investment properties and property, plant and equipment as presented in the interim condensed balance sheet.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES

16.1 Fair Value Hierarchy

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2022.

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. There were no transfers between levels of the fair value hierarchy during financial period ended 30 June 2022.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

16.2 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 period:

	Group			
	30 June 2022			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
in Singapore Dollars (millions)				
Recurring Fair Value Measurements				
FINANCIAL ASSETS				
Derivative financial assets				
Foreign exchange				
Forwards	-	230.0	-	230.0
Currency swaps	-	124.3	-	124.3
Options	-	6.1	-	6.1
Interest rates				
Swaps	-	9.6	-	9.6
Exchange traded futures	5.1	-	-	5.1
Equity				
Swap	-	10.3	-	10.3
Futures	15.1	-	-	15.1
Options	-	23.3	-	23.3
Credit:				
Swaps	-	2.7	-	2.7
	20.2	406.3	-	426.5
Financial assets at FVOCI				
Equity securities	1,869.4	-	26.5	1,895.9
Debt securities	5,734.8	1,709.1	-	7,443.9
	7,604.2	1,709.1	26.5	9,339.8

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

16.2 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 period (continued):

	Group			
	30 June 2022			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
in Singapore Dollars (millions)				
FINANCIAL ASSETS				
Financial assets at FVTPL				
Equity securities	11,305.8	0.4	23.9	11,330.1
Debt securities	31,252.9	17,465.7	-	48,718.6
Other investments	7,351.8	4,302.7	3,133.3	14,787.8
	49,910.5	21,768.8	3,157.2	74,836.5
Financial assets as at 30 June 2022	57,534.9	23,884.2	3,183.7	84,602.8
NON-FINANCIAL ASSETS				
Investment properties	-	-	1,799.2	1,799.2
Investment in associate	-	-	101.5	101.5
Asset held for sale	-	-	75.1	75.1
Non-financial assets as at 30 June 2022	-	-	1,975.8	1,975.8
FINANCIAL LIABILITIES				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	309.6	-	309.6
Currency swaps	-	53.7	-	53.7
Options	-	0.2	-	0.2
Interest rates				
Swaps	-	65.1	-	65.1
Exchange traded futures	11.8	-	-	11.8
Equity				
Swap	-	22.5	-	22.5
Futures	13.6	-	-	13.6
Options	-	0.2	-	0.2
Bond				
Forwards	-	11.9	-	11.9
Financial liabilities as at 30 June 2022	25.4	463.2	-	488.6

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

16.2 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 period (continued):

	Group			Total
	31 December 2021			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
in Singapore Dollars (millions)				
<u>Recurring Fair Value Measurements</u>				
<u>FINANCIAL ASSETS</u>				
Derivative financial assets				
Foreign exchange				
Forwards	-	182.4	-	182.4
Currency swaps	-	84.8	-	84.8
Options	-	0.8	-	0.8
Interest rates				
Swaps	-	44.9	-	44.9
Exchange traded futures	3.8	-	-	3.8
Equity				
Swaps	-	7.4	-	7.4
Futures	0.4	-	-	0.4
Options	-	43.7	-	43.7
Bond				
Forwards	-	1.7	-	1.7
	4.2	365.7	-	369.9
Financial assets at FVOCI				
Equity securities	2,175.4	-	27.0	2,202.4
Debt securities	5,930.5	1,562.7	-	7,493.2
	8,105.9	1,562.7	27.0	9,695.6

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

16.2 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 period (continued):

	Group			Total
	31 December 2021			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical assets and liabilities (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
in Singapore Dollars (millions)				
Financial assets at FVTPL				
Equity securities	13,651.1	-	24.5	13,675.6
Debt securities	33,703.2	18,460.4	-	52,163.6
Other investments	9,099.1	4,905.7	2,680.5	16,685.3
	56,453.4	23,366.1	2,705.0	82,524.5
Financial assets as at 31 December 2021	64,563.5	25,294.5	2,732.0	92,590.0
<u>NON-FINANCIAL ASSETS</u>				
Investment properties	-	-	1,883.9	1,883.9
Investment in associate	-	-	95.2	95.2
Non-financial assets as at 31 December 2021	-	-	1,979.1	1,979.1
<u>FINANCIAL LIABILITIES</u>				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	49.0	-	49.0
Currency swaps	-	41.9	-	41.9
Options	-	0.3	-	0.3
Interest rates				
Swaps	-	12.9	-	12.9
Exchange traded futures	2.1	-	-	2.1
Equity				
Swaps	-	2.8	-	2.8
Futures	0.5	-	-	0.5
Options	0.2	-	-	0.2
Credit				
Swaps	-	0.3	-	0.3
Bond				
Forwards	-	1.4	-	1.4
Financial liabilities as at 31 December 2021	2.8	108.6	-	111.4

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

16.3 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 30 June 2022	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,799.2	Income approach Comparison approach	Estimated per square foot("psf")	\$375.80
			Estimated psf	\$11 to \$5,848
Asset held for sale	75.1	Income approach	Rental psf per month	\$0.79 to \$1.70
			Rental growth rate	0.0%
			Long-term vacancy rate	12.5%
			Discount rate	5.75% to 6.00%
Investment in associate	101.5	Income approach	Discount rate	30% to 40%
Investments				
Unquoted equities	50.4	Net asset value ⁽¹⁾	not applicable	not applicable
Collective Investment Schemes	3,133.3	Net asset value ⁽¹⁾	not applicable	not applicable

Description	Fair value as at 31 December 2021	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,883.9	Income approach Comparison approach	Rental per square foot("psf") per month	\$0.81 to \$1.75
			Rental growth rate	0.0%
			Long-term vacancy rate	12.5%
			Discount rate	5.75% to 6.00%
			Estimated psf	\$11 to \$5,848
Investment in associate	95.2	Income approach	Discount rate	30% to 40%
Investments				
Unquoted equities	51.5	Net asset value ⁽¹⁾	not applicable	not applicable
Collective Investment Schemes	2,680.5	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 THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

16.3 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 comparable method, the income method and the residual method. The major inputs of the valuation of investment properties are reviewed by management. GE Property 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):

	Group					
	Fair value measurements using significant unobservable inputs (Level 3)					
	30 June 2022					
	Investments					
in Singapore Dollars (millions)	Unquoted Equities	Collective Investment Schemes	Investment in Associate	Investment Properties	Asset Held for Sale	Total
Opening balance	51.5	2,680.5	95.2	1,883.9	-	4,711.1
Total gain/(loss) for the period:						
Included in the Profit or Loss Statement						
- (Loss)/gain on sale of investments and changes in fair value	(0.5)	248.5	(2.5)	(0.2)	-	245.3
Included in other comprehensive income						
- Changes in fair value	(0.6)	-	-	-	-	(0.6)
Purchases and sales for the year:						
Purchases	-	449.8	8.8	0.4	-	459.0
Sales	-	(245.5)	-	-	-	(245.5)
Reclassification to asset held for sale	-	-	-	(75.1)	-	(75.1)
Reclassification from investment properties	-	-	-	-	75.1	75.1
Currency translation reserve adjustment	-	-	-	(9.8)	-	(9.8)
Closing balance	50.4	3,133.3	101.5	1,799.2	75.1	5,159.5

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2022

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)**16.3 Level 3 Fair Value Measurements (continued)**

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3) (continued):

in Singapore Dollars (millions)	Group				
	Fair value measurements using significant unobservable inputs (Level 3)				
	31 December 2021				
	Investments				
	Unquoted Equities	Collective Investment Schemes	Investment in Associate	Investment Properties	Total
Opening balance	169.7	2,065.1	96.9	1,767.2	4,098.9
Total gain/(loss) for the year:					
Included in the Profit or Loss Statement					
- Gain/(loss) on sale of investments and changes in fair value	(116.4)	80.8	(1.7)	84.3	47.0
Included in other comprehensive income					
- Changes in fair value	(1.8)	-	-	-	(1.8)
Purchases and sales for the year:					
Purchases	-	783.2	-	0.2	783.4
Sales	-	(248.6)	-	-	(248.6)
Reclassification from property, plant and equipment	-	-	-	38.8	38.8
Currency translation reserve adjustment	-	-	-	(6.6)	(6.6)
Closing balance	51.5	2,680.5	95.2	1,883.9	4,711.1

17 DIVIDENDS

in Singapore Dollars (millions)	Group and Company	
	30 Jun 2022	30 Jun 2021
Final one-tier tax exempt dividend for the previous year of 55 cents per ordinary share (2021: 50 cents per ordinary share)	260.3	236.7
	260.3	236.7

The Directors proposed an interim one-tier tax exempt dividend of 10 cents per ordinary share amounting to \$47.3 million (2021: \$47.3 million) be paid in respect of the financial year ending 31 December 2022. 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.