

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

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**EXTRAORDINARY GENERAL MEETING TO BE HELD ON 8 JULY 2025**  
**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FROM THE**  
**SECURITIES INVESTORS ASSOCIATION (SINGAPORE) AND SHAREHOLDERS**

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Great Eastern Holdings Limited (“GEH” or the “Company”) would like to thank the Securities Investors Association (Singapore) (“SIAS”) and GEH’s shareholders for submitting their questions in advance of GEH’s Extraordinary General Meeting (“2025 EGM”) which will be convened and held at 1 Pickering Street, #02-02 Great Eastern Centre, Singapore 048659 on Tuesday, 8 July 2025 at 2.00 p.m. (Singapore time).

Please refer to the Appendix for GEH’s responses to the substantial and relevant questions received from SIAS and shareholders up till 23 June 2025. Where appropriate, questions have been rephrased for clarity and/or consolidated if they overlap or are substantially similar.

For substantial and relevant questions received from shareholders after 23 June 2025 but which are not addressed in the Appendix, GEH will either address these questions during the 2025 EGM or update the Appendix to include its responses to subsequent questions received from shareholders through further announcement.

Issued by  
Great Eastern Holdings Limited

3 July 2025

**APPENDIX**

**GREAT EASTERN HOLDINGS LIMITED (“GEH” OR “THE COMPANY”)  
2025 EXTRAORDINARY GENERAL MEETING  
8 JULY 2025**

**QUESTIONS FROM SECURITIES INVESTORS ASSOCIATION (SINGAPORE) (“SIAS”)  
AND SHAREHOLDERS**

## Questions from Securities Investors Association (Singapore) (“SIAS”)

Q1: On 6 June 2025, nearly 11 months after the trading suspension of the Company's shares, a joint announcement by the Company and Oversea-Chinese Banking Corporation Limited (“OCBC”) proposed a voluntary delisting at a cash consideration of \$30.15 per share. Should the delisting be rejected by shareholders, the Company has also proposed a solution to restore the Company's free float via the issuance of bonus shares and new Class C non-voting shares.

- (i) Can the board, particularly the independent directors, elaborate on their role in the negotiation process with the offeror that led to the proposed exit price of \$30.15 per share?

In order to resolve its current trading suspension, GEH, together with its advisors, has been assessing the various possible options available to GEH to comply with the relevant rules of the Listing Manual before arriving at this set of proposed transactions. The proposed transactions present shareholders with two possible pathways – Delisting or the Resumption of Trading. To support the Delisting, OCBC is making a conditional exit offer at the Company's request to acquire all the GEH Shares which it does not own.

In connection with the Delisting pathway, the independent directors for the purposes of the exit offer (the “Independent Directors”) were involved in discussions and communications between OCBC and GEH on the exit offer price. OCBC was aware that under the Listing Manual, the exit offer had to be fair and reasonable and had to be approved by minority shareholders of GEH holding at least 75% of the total number of shares present and voting at the Extraordinary General Meeting (“EGM”).

The Independent Financial Adviser (“IFA”), being Ernst & Young Corporate Finance Pte Ltd (“EY”), was requested by GEH to perform an analysis in respect of an indicative offer for GEH Shares and determine an indicative range of values for GEH Shares based on the latest available information. During the exit offer price negotiation process between GEH and OCBC, the indicative range of values for GEH Shares as determined by the IFA was shared with OCBC. After a further series of exchanges between GEH and OCBC, the exit offer price of S\$30.15 per share was arrived at finally.

- (ii) What is the basis for stating that the offer complies with Rule 1309 of the SGX listing manual?

Under Rule 1309 of the Listing Manual, if a company is seeking to delist from the Official List of the Singapore Exchange Securities Trading Limited (“SGX-ST”), an exit offer must be made to its shareholders which must be fair and reasonable; and include a cash alternative as the default alternative. The company must also appoint an IFA to advise on the exit offer and the IFA must opine that the exit offer is fair and reasonable.

The current exit offer complies with Rule 1309 of the Listing Manual as it involves a cash offer by OCBC and Ernst and Young Corporate Finance Pte Ltd, the IFA appointed by GEH, has opined that the exit offer is fair and reasonable.

(iii) In the 2024 offer, the independent directors had recommended shareholders accept the offer, even though the IFA had deemed the \$25.60 offer “not fair but reasonable.” What valuation framework, fairness benchmark, or investment principle did the independent directors use to guide their recommendation to shareholders in both offers?

In the voluntary unconditional general offer in 2024 (“2024 Offer”) and in the current proposal, the Independent Directors were guided by their responsibility to act in the interests of the Company and its stakeholders, including minority shareholders. In both offers, an IFA was appointed.

For each of the offers, the IFA’s role is to assess the financial terms of the offer and provide an opinion on whether the offer is fair and reasonable. The valuation framework and benchmarks used to arrive at the opinion is determined independently by the IFA.

The Independent Directors carefully reviewed the IFA’s professional advice and deliberated upon the IFA’s analysis which included the prevailing market, financial, economic and business information.

In the 2024 Offer, although the IFA assessed the offer as “not fair but reasonable,” the IFA advised the Independent Directors to recommend that shareholders accept the offer. The Independent Directors after having carefully reviewed the IFA’s report, including the IFA’s opinion and advice, ultimately recommended that shareholders accept the offer.

For the current exit offer in 2025, the IFA has assessed the financial terms of the exit offer to be both fair and reasonable and advised the Independent Directors to recommend that shareholders vote in favour of the Delisting Resolution and accept the exit offer. The Independent Directors’ recommendation was made after having carefully considered the IFA’s advice on the exit offer and the terms of the delisting proposal including the exit offer and concurring with the IFA’s advice in relation to the exit offer.

Q2: Ernst & Young Corporate Finance Pte Ltd has once again been appointed as the independent financial adviser (IFA) to the independent directors in respect of the exit offer (Paragraph 12.1 of the joint announcement).

(i) What was the selection process undertaken by the board to appoint EY Corporate Finance (“EY”) as the IFA? Were alternative firms considered and shortlisted?

In 2024, EY was selected after a robust selection process where several firms were approached.

The Independent Directors were of the view that EY was the most appropriate IFA for the current exit offer so as to maintain consistency in the evaluation process and methodology adopted and to make it easier for shareholders to compare any changes between the two opinions. Such considerations were also highlighted by the financial adviser, Merrill Lynch (Singapore) Pte. Ltd. (known as BofA Securities). For these reasons, EY was appointed to advise the Independent Directors in respect of the exit offer and alternative firms were not considered.

The Independent Directors were satisfied that EY would be able to perform its professional engagement independently and objectively in accordance with applicable regulatory requirements.

(ii) As EY was also the IFA in the 2024 Offer, does the board consider that this repeated engagement could impair, or be perceived to impair, EY's independence?

The Independent Directors are satisfied that the appointment of EY does not impair its independence, nor give rise to a perception of conflict. EY is subject to strict regulatory and professional standards and its engagement in 2024 does not compromise its ability to perform its engagement in an independent and objective manner.

Furthermore, the Independent Directors are of the view that EY would be the most appropriate IFA for this engagement so as to maintain consistency in the evaluation process and methodology adopted and to make it easier for shareholders to compare any changes between the two valuations.

(iii) When was the IFA formally appointed, and when did the IFA's opinion and advice become available to the independent directors? Was the IFA's valuation range of \$30.10 to \$37.63 per share communicated to the offeror prior to the offer price being set at \$30.15?

EY was formally appointed by the Independent Directors on 17 March 2025.

As part of its scope, the IFA was requested by the Company to perform an analysis on the indicative range of values for GEH Shares based on latest available information, including the embedded value ("EV") of the Group as at 31 December 2024.

Following a review of the latest relevant market, financial, economic and business information and using the same methodology applied in its evaluation of the 2024 Offer, the IFA performed an analysis in respect of an indicative offer for GEH Shares and determined an indicative range of values for the GEH Shares. The indicative range of values for the GEH Shares of \$30.10 to \$37.63 per share (subject to change by the IFA) was shared with the Independent Directors in early May 2025. Such indicative range of values for GEH Shares provided by the IFA to the Company was subject to information as at the latest practicable date prior to the joint announcement on 6 June 2025, which was subsequently determined to be 30 May 2025.

During the exit offer price negotiation process between GEH and OCBC, the indicative range of values for GEH Shares as determined by the IFA was shared with OCBC. After a further series of exchanges between GEH and OCBC, the exit offer price of S\$30.15 per share was arrived at finally.

In addition, shareholders note that the IFA's valuation relied primarily on the embedded value (EV) as at 31 December 2024. However, due to delays in making the current exit offer, the EV data is now more than six months old. The latest operational metrics from 1Q2025 show that GEH's new business embedded value rose 19% to \$148.8 million, while profit attributable to shareholders increased by 13% to \$345.5 million. Updated financial results for 1H2025 will only be released on 28 July 2025, three weeks after the EGM.

- (iv) Given the strong financial performance of GEH since 31 December 2024, would the board agree that the offer of \$30.15 per share no longer meets the IFA's threshold of 0.8 times embedded value when shareholders go to vote at the EGM?

The IFA's views in its letter are based on prevailing market conditions, economic conditions, and financial conditions and its evaluation of the exit offer as well as information provided by the Company, Directors and Management as at 30 May 2025, which is the latest practicable date prior to the joint announcement on 6 June 2025. As explained in section 11.7 of the IFA letter, the IFA considered the EV as at 31 December 2024 in determining the range of values for the GEH Shares. However, in coming up with its fair and reasonable opinion in relation to the exit offer and its advice to the Independent Directors, the IFA has considered many other factors as set out in sections 11.1 to 11.6 and section 11.8 of the IFA letter, and summarised in section 12 of the IFA letter, including the valuation metrics of comparable companies, recent privatisation transactions of SGX-listed companies, and trading suspension of GEH Shares.

Although GEH's 1Q2025 results were strong, it should be noted that New Business Embedded Value ("NBEV") reflects the present value of projected future profits from new business sold in the year and is not equivalent to EV. EV includes not only the value of new business, but also the sum of the value of in-force business and the value of the adjusted shareholders' funds. The calculation of EV requires a comprehensive assessment using full-year data and actuarial assumptions, which is why EV is formally determined only once a year at the end of each financial year. The IFA's evaluation of the exit offer was based on the Group's EV as at 31 December 2024, which is the most recent complete data set available. While interim results such as NBEV and 1Q profit were considered in context, they are unaudited and are not used to reset the EV valuation in the middle of the financial year. The IFA also considered a range of other factors, including market environment, liquidity conditions and historical trading suspension, before concluding that the exit offer was fair and reasonable.

The Independent Directors have carefully considered and concur with the advice of the IFA and have thus recommended that shareholders vote in favour of the Delisting Resolution and accept the exit offer.

- (v) Would this imply that the offeror is capturing the benefit of GEH's recent growth in the past 6 to 7 months at the expense of minority shareholders?

Please refer to our response to Question 2(iv) above on the considerations of the IFA in its evaluation of the exit offer. As stated above, while interim results such as NBEV and 1Q profit were considered in context, they are unaudited and are not used to reset the EV valuation in the middle of the financial year.

This proposal is not about transferring future upside to the offeror; it is a comprehensive proposal aimed at resolving the current trading suspension of GEH. This comprehensive proposal includes giving shareholders the choice to vote on the Delisting Resolution and accept the exit offer based on financial terms that are considered to be fair and reasonable by the IFA or, if they do not wish to exit on such terms, to support the Company's resumption of trading.

The exit offer price and comparative metrics are included in the IFA Letter. Shareholders should read the Circular carefully, including the Exit Offer Letter and the IFA Letter set out in Appendix I of the Circular and consider the opinion and advice of the IFA provided, and the recommendation of the Independent Directors on the exit offer, before deciding whether to accept or reject the exit offer. The decision is entirely in the hands of the minority shareholders.

Q3: The outcome of the proposed delisting will likely depend on how a few of the big minority shareholders vote.

- (i) Is the GEH board maintaining a neutral stance on whether the Company remains listed or is privatized, or is it actively engaging shareholders with the objective of securing the 75 percent approval threshold required for delisting?

The overriding objective of the Board is to resolve the current trading suspension of the Company and comply with the requirements of the Listing Manual.

As such, the Board is maintaining a neutral stance and has not engaged shareholders to influence their voting decisions.

Shareholders are advised to carefully read the Circular. Ultimately, the decision on whether the Company is delisted or resumes trading rests with shareholders and the Board respects the rights of shareholders to make their own independent and informed decision.

- (ii) Will GEH be attempting to obtain undertakings from any shareholders to vote for the delisting resolution?

For the reasons set out above, GEH has not and will not be attempting to obtain any undertakings from shareholders to vote for the delisting resolution.

- (iii) Does the board acknowledge that even if trading resumes, this may only be a temporary solution, as OCBC may convert its Class C non-voting shares after five years? For long-term minority investors who hold a 10- to 20-year or longer view on GEH, how can the board assure them that GEH will not face another trading suspension when OCBC eventually converts its Class C shares and causes the free float to fall below 10% again?

To support the resumption of trading and assist GEH to meet the free float requirement if the Delisting Resolution is not approved, OCBC has undertaken to elect to receive Class C Non-Voting shares in lieu of its entitlements to the Bonus Ordinary Shares under the proposed Bonus Issue.

While the Board is unable to provide the assurance sought, we note that OCBC has on 23 June 2025 issued a “Clarification on Media Report Regarding OCBC’s Future Offer for Great Eastern Shares” where it is stated that “...*OCBC has no intention to convert its Class C Non-Voting shares to ordinary shares on or after the fifth anniversary of the first issuance of the Class C Non-Voting shares as it will result in GEH losing its free float again*”.



## Questions from Shareholders

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Q1: I would like to understand the scenario where Resolution A fails and shareholders vote on Resolution B and the free float of 10% is not restored due to too many shareholders or the larger minority shareholders opting for Class C shares. Has GEH and/or OCBC been given any waiver of the 10% free float requirement by the stock exchange? If not, what specifically will happen if the 10% free float requirement is not restored? Does it mean OCBC needs to revise its offer again?

GEH has not obtained a waiver of the 10% free float requirement from the Singapore Exchange.

While Class C Non-Voting Shares will have the same entitlements to dividends and distributions as the Bonus Ordinary Shares, they will not be listed, will not be redeemable, will not carry any voting rights at general meetings (except as required under law) and will have restrictions on convertibility.

For the above reasons, we believe that most shareholders are unlikely to elect to receive the Class C Non-Voting Shares (save for OCBC, who has undertaken to do so in order to assist GEH to meet the free float requirement in the event that the Delisting Resolution is not approved at the EGM).

In the unlikely event that this scenario occurs, GEH's Shares may remain suspended if the free float requirement is not satisfied and GEH will consider the appropriate steps to take in order to comply with the requirements of the Listing Manual.

With regard to whether OCBC would need to revise its offer again, we note that OCBC has stated in its announcements on 6 June 2025 and 23 June 2025 that its exit offer is final and it has no intention to launch another offer in the foreseeable future.

Q2: Resolution C: Special Resolution – Bonus Issue Resolution. The lifting of suspension and resumption of trading are premised on OCBC receiving all their bonus entitlement in Class C shares and less than 10,144,064 Class C bonus shares issued to the other minority shareholders. Would GEH remain suspended if even more minority shareholders elect to receive Class C Shares, and the latest Proposal is deemed a failure?

For the reasons set out in our response to Question 1, we believe that most shareholders are unlikely to elect to receive the Class C Non-Voting Shares (save for OCBC, who has undertaken to do so in order to assist GEH to meet the free float requirement in the event that the Delisting Resolution is not approved at the EGM).

In the unlikely event that this scenario occurs, GEH's Shares may remain suspended if the free float requirement is not satisfied and GEH will consider the appropriate steps to take in order to comply with the requirements of the Listing Manual.

Q3: It was reported widely in various news media that selective capital reduction via scheme of arrangement (or similar structure) was among the options considered. Did the board actually approach OCBC and enquire about OCBC's willingness to support such a scheme? After all, this would align 100% with OCBC's stated intention to delist GEH. If an approach was indeed made, what was OCBC's official response? If no approach was made, what were the reasons behind it? Are the minutes of the discussion open to public scrutiny?

The Board, in consultation with its financial adviser, explored and evaluated various options, including a delisting via GEH's selective capital reduction and assessed the relevant implications.

As a regulated financial institution, GEH is subject to strict regulatory requirements on capital adequacy and has to always maintain a certain amount of surplus capital to enable it to build extra resilience to withstand economic shocks and unexpected losses. This is especially critical against the backdrop of prevailing geopolitical uncertainties and market volatility.

GEH has its own capital management plans which are reviewed yearly by the Board. Capital deployment plans include capital needed to pursue the strategic objectives of expanding the group's businesses, building new capabilities and making essential investments. Maintaining some surplus capital also enables GEH to pay recurring dividends consistently to its shareholders, both majority and minority shareholders alike.

In the current proposal, OCBC has already agreed to make a conditional exit offer in conjunction with the Delisting. This proposal provides shareholders who wish to exit with an exit offer on financial terms that have been assessed to be fair and reasonable by the IFA. The exit offer by OCBC also enables GEH to preserve its own capital for deployment in accordance with its capital management plans.

Using GEH's own capital to repurchase and cancel shares under a selective capital reduction would be a significant departure from and is not aligned with GEH's capital deployment plans. Accordingly, GEH did not seek OCBC's support to undertake a selective capital reduction.

Q4: What is the impact to GEH's capital adequacy if a selective capital reduction at 90% of its latest embedded value is conducted?

As explained in our response to Question 3 above, undertaking a selective capital reduction is not aligned with GEH's capital deployment plans.

However, purely for illustrative purposes, if a selective capital reduction was undertaken by GEH at the current exit offer price of S\$30.15, GEH's common equity Tier 1 capital would be reduced by almost \$900 million.

Q5: Since we are indulging the board with this EGM, would GEH give an irrevocable undertaking to conduct a selective capital reduction if Resolution C fails to achieve its objective of lifting the suspension and ensuring resumption of trading? Hence, I would like to propose the following as Resolution D: If Resolution B and C failed to achieve its twin objectives of lifting the trading suspension and ensuring the resumption of trading, GEH will undertake a selective capital reduction at a valuation of not less than 1xEV

As stated in our response to Question 3 above, undertaking a selective capital reduction is not aligned with GEH's capital deployment plans.

In the event that the Resumption of Trading Resolution and Bonus Issue does not lead to a resumption of trading, GEH would need to carefully study the reasons that resulted in this outcome and consider the appropriate steps to take. It would not be appropriate for GEH to commit to a particular course of action in the absence of a thorough and detailed analysis.

Q6: We understand that interest rates are in a declining cycle and this will impact GEH's earnings positively in the foreseeable future. Does the Board also take this into consideration when evaluating the options?

Our earnings are influenced by various market and operational factors, with Singapore dollar and US dollar interest rates being just some of them. Other factors would include other financial market variables such as equities, credit spreads, foreign exchange, all of which could affect the mark-to-market valuation of our assets and liabilities. The Group's earnings are also affected by our claims experience.

In evaluating the various options in consultation with its financial adviser, the Board has taken various considerations into account, including the above factors. The Board believes the comprehensive proposal presents an effective means of resolving the current trading suspension situation.

Q7: Full control of GEH will be beneficial to OCBC. It will facilitate stronger synergies in product development, marketing and improve capital allocation efficiency for OCBC as a group. This will free up capital for OCBC's growth. Why is there no option for payment in OCBC shares in exchange for GEH Shares so that GEH shareholders can also participate in its growth? This will be a win-win for all shareholders.

The overriding objective of the Board was to resolve the current trading suspension of the Company and comply with the requirements of the Listing Manual.

To fulfil the relevant delisting requirements in the Listing Manual, the conditional exit offer made by OCBC to support the Delisting pathway had to include a cash alternative as the default alternative. Hence, OCBC's support was sought in respect of a cash exit offer. Shareholders who wish to participate in OCBC's growth may use the cash proceeds from the exit offer to acquire OCBC shares in the market and shareholders who do not wish to do so may use the cash proceeds from the exit offer as they so wish.

Q8: From 2020 to 2024, GEH's accumulated earnings per share was \$9.41. But GEH only distributed 12% of this earning of \$3.55 to its shareholders. GEH has a low dividend payout ratio even prior to 2020. As a result, the retained earnings has built up its embedded value to \$38.08 (FYE2024) over the years. The offer price is at the lowest end of its fair value. Why does the board not negotiate for a selective capital reduction that is closer to its embedded value?

Since August 2023, the Company has adopted a progressive dividend payment method where 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 of the GEH Group. GEH's dividend payout ratio for the last two years was above 40%. GEH's dividend per share has also increased by 15% and 20% year on year respectively. Our EV increased at a compound annual growth rate of 1%, from S\$17,428.0 million at the end of FY-20 to S\$18,023.6 million at the end of FY-24.

Please refer to our response to SIAS Question 1(i) which explains the process that led to the exit offer price of S\$30.15.

Please refer to our response to Question 3 which explains that undertaking a selective capital reduction is not aligned with GEH's capital deployment plans.