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 the First Half Year Ended 30 June 2023
For the first half year ended 30 June 2023, profit attributable to shareholders was $437.2 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 2023.

Unaudited Supplementary Information
Disclosure of 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 24 August 2023 for the purpose of determining the entitlement of members to the interim one-tier tax exempt dividend of 35 cents per ordinary share in respect of the financial year ending 31 December 2023. 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 23 August 2023 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 23 August 2023 will be entitled to the interim one-tier tax exempt dividend.

The interim one-tier tax exempt dividend will be paid on 31 August 2023.

By Order of the Board

Jennifer Wong Pakshong
Company Secretary
3 August 2023

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

GREAT EASTERN HOLDINGS LIMITED
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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 2023

1. GROUP PROFIT OR LOSS STATEMENTS

in Singapore Dollars (millions)	Note	**1st Half 2023**	1st Half 2022 restated	% +/(-)
Insurance revenue		**2,930.8**	2,800.6	5
Insurance service expenses		**(2,487.2)**	(2,226.2)	12
Net (expenses)/income from reinsurance contracts held		**(72.4)**	54.5	233
Insurance service result	6.2	**371.2**	628.9	(41)
Investment income	6.3	**1,441.6**	1,424.1	1
Rental income		**29.1**	25.2	15
Gain/(loss) on sale of investments and changes in fair value	6.4	**1,153.6**	(7,075.8)	116
Gain on exchange differences	6.5	**139.9**	117.0	20
Increase in provision for impairment of assets		**(0.7)**	(37.3)	98
Change in third-party interests in consolidated investment funds		**(0.7)**	0.6	(217)
Net investment income/(loss)		**2,762.8**	(5,546.2)	150
Finance (expenses)/income from insurance contracts issued		**(2,513.8)**	5,299.3	(147)
Finance income from reinsurance contracts held		**12.2**	12.1	1
Net insurance financial result	6.6	**(2,501.6)**	5,311.4	147
Net insurance and investment result		**632.4**	394.1	60
Fees and other income		**11.0**	16.1	(32)
Expenses		**(96.1)**	(132.6)	28
Other income and expenses	6.7	**(85.1)**	(116.5)	27
Profit before income tax		**547.3**	277.6	97
Income tax expense	6.8	**(102.1)**	(53.4)	91
Profit after income tax		**445.2**	224.2	99
Attributable to:				
Shareholders	6.1	**437.2**	224.1	95
Non-controlling interests		**8.0**	0.1	nm
		445.2	224.2	99
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)		**$0.92**	$0.47	95
Return on Equity (Average Shareholders' Fund) (%) *(not annualised)*		**6.1%**	2.9%	3.2 pp

nm – not meaningful / exceeding 1000%

2. GROUP STATEMENT OF COMPREHENSIVE INCOME

in Singapore Dollars (millions)	**1st Half 2023**	1st Half 2022 restated	% +/(-)
Profit after income tax for the period	**445.2**	224.2	99
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	**(0.5)**	(0.3)	(67)
Revaluation gains/(loss) on equity instruments at fair value through other comprehensive income	**99.2**	(210.2)	147
Income tax related to the above	**(16.8)**	36.3	(146)
Items that may be reclassified subsequently to the Profit or Loss Statement:			
Exchange differences arising on translation of overseas entities	**(36.2)**	(24.5)	(48)
Debt instruments at fair value through other comprehensive income:			
Changes in fair value	**138.2**	(1,105.9)	112
Changes in allowance for expected credit losses	**1.5**	3.1	(52)
Reclassification of realised loss on disposal of investments to the Profit or Loss Statement	**17.2**	81.9	(79)
Net insurance financial result:			
Finance (expenses)/income from insurance contracts issued	**(280.5)**	723.2	(139)
Finance income/(expenses) from reinsurance contracts held	**6.5**	(52.5)	112
Income tax related to the above	**20.5**	55.1	(63)
Other comprehensive loss for the period, after tax	**(50.9)**	(493.8)	90
Total comprehensive income/(loss) for the period	**394.3**	(269.6)	246
Total comprehensive income/(loss) attributable to:			
Shareholders	**386.8**	(269.4)	244
Non-controlling interests	**7.5**	(0.2)	nm
	394.3	(269.6)	246

nm – not meaningful / exceeding 1000%

3. GROUP BALANCE SHEET

in Singapore Dollars (millions)	Note	Group **30 Jun 2023**	 31 Dec 2022 restated	 % +/(-)
Share capital		**152.7**	152.7	-
Reserves				
Other reserves	6.9.1	**(1,358.5)**	(1,297.7)	(5)
Retained earnings		**8,479.5**	8,292.2	2
SHAREHOLDERS' EQUITY		**7,273.7**	7,147.2	2
NON-CONTROLLING INTERESTS		**105.0**	99.2	6
TOTAL EQUITY		**7,378.7**	7,246.4	2
LIABILITIES				
Other creditors		**1,322.3**	1,358.6	(3)
Income tax payable		**130.7**	269.5	(52)
Derivative financial liabilities		**335.0**	292.0	15
Provision for agents' retirement benefits		**287.3**	295.8	(3)
Reinsurance contract liabilities		**859.4**	835.4	3
Insurance contract liabilities		**97,013.0**	95,451.2	2
TOTAL EQUITY AND LIABILITIES		**107,326.4**	105,748.9	1
ASSETS				
Cash and cash equivalents		**9,020.0**	9,607.9	(6)
Other debtors		**937.0**	834.5	12
Asset held for sale		**-**	72.6	(100)
Loans		**455.9**	480.5	(5)
Derivative financial assets		**256.2**	761.7	(66)
Investments	6.9.2	**91,579.8**	88,760.4	3
Deferred tax assets		**222.2**	332.2	(33)
Reinsurance contract assets		**1,255.6**	1,275.8	(2)
Insurance contract assets		**908.0**	906.6	0
Investment in associate		**124.4**	122.5	2
Intangible assets		**201.8**	203.6	(1)
Investment properties		**1,867.4**	1,881.2	(1)
Property, plant and equipment		**498.1**	509.4	(2)
TOTAL ASSETS		**107,326.4**	105,748.9	1
Net Asset Value per share (in Singapore Dollars)		**15.37**	15.10	2

nm – not meaningful / exceeding 1000%

4. COMPANY BALANCE SHEET

in Singapore Dollars (millions)	Company 30 Jun 2023	31 Dec 2022	% +/(-)
Share capital	**152.7**	152.7	-
Reserves			
Other reserves	**419.2**	419.2	-
Retained earnings	**2,841.2**	2,962.5	(4)
TOTAL EQUITY	**3,413.1**	3,534.4	(3)
LIABILITIES			
Other creditors	**7.4**	8.5	(13)
TOTAL EQUITY AND LIABILITIES	**3,420.5**	3,542.9	(3)
ASSETS			
Cash and cash equivalents	**21.3**	20.4	4
Other debtors	**0.2**	-	nm
Amount due from subsidiaries	**2,349.7**	2,480.9	(5)
Investment in subsidiaries	**1,049.3**	1,041.6	1
TOTAL ASSETS	**3,420.5**	3,542.9	(3)
Net Asset Value per share (in Singapore Dollars)	**7.21**	7.47	(3)

nm – not meaningful / exceeding 1000%

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

5. SELECTED EXPENSES

in Singapore Dollars (millions)	Group 1st Half 2023	1st Half 2022
1. Staff costs and related expenses	**241.9**	201.6
2. Depreciation and amortisation expenses	**44.0**	38.8

6. REVIEW OF RESULTS

The Group Financial Statements for the half-year ended 30 June 2023 ("1H-23") 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 $437.2 million for 1H-23 (1H-22: $224.1 million).

6.2 INSURANCE SERVICE RESULT

Insurance service result decreased 41% to $371.2 million in 1H-23 (1H-22: $628.9m) mainly due to worsening claims experience.

6.3 INVESTMENT INCOME

Investment income was relatively stable at $1,441.6 million in 1H-23 (1H-22: $1,424.1 million).

6.4 GAIN/(LOSS) ON SALE OF INVESTMENTS AND CHANGES IN FAIR VALUE

Sale of investments and changes in fair value was a gain of $1,153.6 million in 1H-23 (1H-22: loss of $7,075.8 million), mainly due to mark-to-market gain from equity and fixed income securities.

6.5 GAIN ON EXCHANGE DIFFERENCES

Exchange differences resulted in a gain of $139.9 million in 1H-23 (1H-22: $117.0 million). The increase in gain arose mainly due to fair value gain of USD denominated investments.

6.6 NET INSURANCE FINANCIAL RESULT

Net insurance financial result arising from insurance contracts is defined as the change in the effect of the time value of money due to the passage of time and the effect of changes in financial assumptions.

The net insurance financial result was a loss of $2,501.6 million in 1H-23 (1H-22: an income of $5,311.4 million). The losses was mainly due to changes in fair value of underlying items for contracts with direct participation features.

6.7 OTHER INCOME AND EXPENSES

Other income and expenses mainly arose from business units that are not directly attributable to insurance business.

Other expenses decreased to $96.1 million in 1H-23 (1H-22: $132.6 million) mainly due to lower investment related costs.

6.8 INCOME TAX EXPENSE

Tax expense increased to $102.1 million in 1H-23 (1H-22: $53.4 million) in line with the increase in profit.

6.9 BALANCE SHEET

6.9.1 Other Reserves

The decrease in other reserves during the period were mainly attributable to the following:

Fair Value Reserve

As at 30 June 2023, fair value reserve was -$719.8 million, compared with -$921.3 million as at 31 December 2022. The increase in fair value reserve was due to unrealised fair value gain from fixed income and equities portfolios across all entities as a result of favourable market condition.

Insurance Finance Reserve

With the adoption of SFRS(I) 17, the effect of discount rate changes on insurance contract liabilities are now included in insurance finance reserve within Other Comprehensive Income (OCI) for those portfolios which have elected for the OCI option. As at 30 June 2023, insurance finance reserve was -$531.2 million, compared with -$305.1 million as at 31 December 2022.

6.9 BALANCE SHEET (continued)

6.9.2 Investments

Investments increased to $91,579.8 million as at 30 June 2023 (31 December 2022: $88,760.4 million). The classification of investment assets was as follows:

in Singapore Dollars (millions)	Investments			
	FVTPL [(1)]	FVOCI [(2)]	AC [(3)]	**Total**
Par and Unit Linked Fund	67,025.6	21.8	-	**67,047.4**
Other Funds	6,623.8	15,951.9	1,956.7	**24,532.4**
Balance at 30 June 2023	**73,649.4**	**15,973.7**	**1,956.7**	**91,579.8**

in Singapore Dollars (millions)	Investments			
	FVTPL [(1)]	FVOCI [(2)]	AC [(3)]	**Total**
Par and Unit Linked Fund	65,831.7	24.4	-	**65,856.1**
Other Funds	8,871.9	12,229.9	1,802.5	**22,904.3**
Balance at 31 Dec 2022	**74,703.6**	**12,254.3**	**1,802.5**	**88,760.4**

(1) FVTPL - Fair Value Through Profit or Loss

(2) FVOCI - Fair Value Through Other Comprehensive Income

(3) AC - Amortised Cost

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

	SINGAPORE		MALAYSIA	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
Fixed income & debt securities	62%	60%	65%	63%
Equities	21%	20%	25%	26%
Real estate & others	5%	6%	8%	8%
Cash & money market instruments	12%	14%	2%	3%
Market Value of Assets (in SGD billions)	68.1	66.1	23.4	24.2

7. CAPITAL

7.1 SHARE CAPITAL

The Company's issued and paid-up share capital as at 30 June 2023 was unchanged at $152.7 million compared with 31 December 2022. Total number of shares issued as at 30 June 2023 also remained unchanged at 473,319,069 compared with 31 December 2022.

7.2 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.

7.3 DIVIDEND

The Board of Directors has declared an interim one tier tax exempt dividend of 35 cents per ordinary share in respect of the financial year ending 31 December 2023, payable on 31 August 2023.

The Company is modifying its method of paying dividends to pay a more steady dividend payment twice yearly. Each twice yearly payment will be of an amount that targets a full year payout to shareholders that is based on the sustainable profit level of the Group, and dividends will be progressive in line with the profit trend. Barring unforeseen circumstances, the Company aims to maintain each dividend amount to be no lower than the preceding one.

8. UNAUDITED RESULTS

The consolidated Group's financial results for the half-year ended 30 June 2023 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 2022, except for adoption of new standards and amendments effective as of 1 January 2023:

SFRS(I) 17 Insurance Contracts

The Group has applied SFRS(I) 17, including any consequential amendments to other standards, from 1 January 2023. These standards have brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated comparative information for 2022 applying the transitional provisions in Appendix C to SFRS(I) 17. The nature and effects of the material changes in the Group's accounting policies are summarised in note 2.2 of the unaudited Condensed Consolidated Financial Statements in Section B of this announcement.

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

We expect continued volatility in the financial markets, resulting in fluctuations in the mark-to-market valuation of our assets and liabilities, which will have an impact on our profitability and total comprehensive income. Notable indicators are the direction of interest rates, credit spreads and equity prices. However, our bonds are mostly investment grade, the default risk is likely to be low.

Claims experience is another factor that may affect the underwriting insurance results of the Group.

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 2023 to be false or misleading in any material aspect.

Issued: 3 August 2023

SECTION B – THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

GREAT EASTERN HOLDINGS LIMITED

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

Unaudited Interim Condensed Consolidated Financial Statements

30 June 2023

UNAUDITED INTERIM CONDENSED CONSOLIDATED PROFIT OR LOSS STATEMENT
For the financial period ended 30 June 2023

in Singapore Dollars (millions)	Note	2023	2022 restated
Insurance revenue	3	**2,930.8**	2,800.6
Insurance service expenses	5	**(2,487.2)**	(2,226.2)
Net (expenses)/income from reinsurance contracts held		**(72.4)**	54.5
Insurance service result		**371.2**	628.9
Investment income		**1,441.6**	1,424.1
Rental income		**29.1**	25.2
Gain/(loss) on sale of investments and changes in fair value		**1,153.6**	(7,075.8)
Gain on exchange differences		**139.9**	117.0
Increase in provision for impairment of assets		**(0.7)**	(37.3)
Change in third-party interests in consolidated investment funds		**(0.7)**	0.6
Net investment income/(loss)	4	**2,762.8**	(5,546.2)
Finance (expenses)/income from insurance contracts issued	4	**(2,513.8)**	5,299.3
Finance income from reinsurance contracts held	4	**12.2**	12.1
Net insurance financial result		**(2,501.6)**	5,311.4
Net insurance and investment result		**632.4**	394.1
Fees and other income		**11.0**	16.1
Expenses	5	**(96.1)**	(132.6)
Other income and expenses		**(85.1)**	(116.5)
Profit before income tax		**547.3**	277.6
Income tax expense	6	**(102.1)**	(53.4)
Profit after income tax		**445.2**	224.2
Attributable to:			
Shareholders		**437.2**	224.1
Non-controlling interests		**8.0**	0.1
		445.2	224.2
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)		**$0.92**	$0.47

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period ended 30 June 2023

in Singapore Dollars (millions)	Note	Group 2023	Group 2022 restated
Profit after income tax for the period		**445.2**	224.2
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		**(0.5)**	(0.3)
Revaluation gain/(loss) on equity instruments at fair value through other comprehensive income		**99.2**	(210.2)
Income tax related to the above		**(16.8)**	36.3
Items that may be reclassified subsequently to the Profit or Loss Statement:			
Exchange differences arising on translation of overseas entities		**(36.2)**	(24.5)
Debt instruments at fair value through other comprehensive income:			
Changes in fair value		**138.2**	(1,105.9)
Changes in allowance for expected credit losses		**1.5**	3.1
Reclassification of realised loss on disposal of investments to the Profit or Loss Statement		**17.2**	81.9
Net insurance financial result:			
Finance (expenses)/income from insurance contracts issued	4	**(280.5)**	723.2
Finance income/(expenses) from reinsurance contracts held	4	**6.5**	(52.5)
Income tax related to the above		**20.5**	55.1
Other comprehensive loss for the period, after tax		**(50.9)**	(493.8)
Total comprehensive income/(loss) for the period		**394.3**	(269.6)
Total comprehensive income/(loss) attributable to:			
Shareholders		**386.8**	(269.4)
Non-controlling interests		**7.5**	(0.2)
		394.3	(269.6)

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

UNAUDITED INTERIM CONDENSED BALANCE SHEETS
As at 30 June and 31 December

in Singapore Dollars (millions)	Note	Group 30 Jun 2023	Group 31 Dec 2022 restated	Company 30 Jun 2023	Company 31 Dec 2022
Share capital		**152.7**	152.7	**152.7**	152.7
Reserves					
Other reserves		**(1,358.5)**	(1,297.7)	**419.2**	419.2
Retained earnings		**8,479.5**	8,292.2	**2,841.2**	2,962.5
SHAREHOLDERS' EQUITY		**7,273.7**	7,147.2	**3,413.1**	3,534.4
NON-CONTROLLING INTERESTS		**105.0**	99.2	**-**	-
TOTAL EQUITY		**7,378.7**	7,246.4	**3,413.1**	3,534.4
LIABILITIES					
Other creditors		**1,322.3**	1,358.6	**7.4**	8.5
Income tax payable		**130.7**	269.5	**-**	-
Derivative financial liabilities	8	**335.0**	292.0	**-**	-
Provision for agents' retirement benefits		**287.3**	295.8	**-**	-
Reinsurance contract liabilities	7	**859.4**	835.4	**-**	-
Insurance contract liabilities	7	**97,013.0**	95,451.2	**-**	-
TOTAL EQUITY AND LIABILITIES		**107,326.4**	105,748.9	**3,420.5**	3,542.9
ASSETS					
Cash and cash equivalents		**9,020.0**	9,607.9	**21.3**	20.4
Other debtors		**937.0**	834.5	**0.2**	-
Asset held for sale		**-**	72.6	**-**	-
Amount due from subsidiaries		**-**	-	**2,349.7**	2,480.9
Loans		**455.9**	480.5	**-**	-
Derivative financial assets	8	**256.2**	761.7	**-**	-
Investments	9	**91,579.8**	88,760.4	**-**	-
Deferred tax assets		**222.2**	332.2	**-**	-
Reinsurance contract assets	7	**1,255.6**	1,275.8	**-**	-
Insurance contract assets	7	**908.0**	906.6	**-**	-
Investment in associate		**124.4**	122.5	**-**	-
Investment in subsidiaries		**-**	-	**1,049.3**	1,041.6
Intangible assets		**201.8**	203.6	**-**	-
Investment properties		**1,867.4**	1,881.2	**-**	-
Property, plant and equipment	10	**498.1**	509.4	**-**	-
TOTAL ASSETS		**107,326.4**	105,748.9	**3,420.5**	3,542.9

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

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP

For the financial period ended 30 June 2023

in Singapore Dollars (millions)	Note	Share Capital	Currency Translation Reserve	Fair Value Reserve	Insurance Finance Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
		Attributable to shareholders of the Company							
			Other reserves						
Balance at 1 January 2023, as previously reported		152.7	(119.3)	(711.3)	-	10,109.3	9,431.4	99.2	9,530.6
Adoption of SFRS(I) 17		-	48.0	-	(305.1)	(2,027.1)	(2,284.2)	-	(2,284.2)
Redesignation and classification overlay for financial assets		-	-	(210.0)	-	210.0	-	-	-
Balance at 1 January 2023, restated		152.7	(71.3)	(921.3)	(305.1)	8,292.2	7,147.2	99.2	7,246.4
Profit for the period		-	-	-	-	437.2	437.2	8.0	445.2
Other comprehensive (loss)/income for the period		-	(36.2)	211.9	(226.1)	-	(50.4)	(0.5)	(50.9)
Total comprehensive (loss)/income for the period		-	(36.2)	211.9	(226.1)	437.2	386.8	7.5	394.3
Reclassification of net change in fair value of equity instruments upon derecognition		-	-	(10.4)	-	10.4	-	-	-
<u>Distributions to shareholders</u>									
Dividends paid during the period:									
Final one-tier tax exempt dividend for the previous year	15	-	-	-	-	(260.3)	(260.3)	-	(260.3)
Dividends paid to non-controlling interests		-	-	-	-	-	-	(1.7)	(1.7)
Total distributions to shareholders		-	-	-	-	(260.3)	(260.3)	(1.7)	(262.0)
Total transactions with shareholders in their capacity as shareholders		-	-	-	-	(260.3)	(260.3)	(1.7)	(262.0)
Balance at 30 June 2023		152.7	(107.5)	(719.8)	(531.2)	8,479.5	7,273.7	105.0	7,378.7

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

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP

For the financial period ended 30 June 2023

		Attributable to shareholders of the Company							
			Other reserves						
in Singapore Dollars (millions)	Note	Share Capital	Currency Translation Reserve	Fair Value Reserve	Insurance Finance Reserve	Retained Earnings	Total	Non-Controlling Interests	Total Equity
Balance at 1 January 2022, as previously reported		152.7	(17.1)	281.7	-	9,612.3	10,029.6	106.8	10,136.4
Adoption of SFRS(I) 17		-	-	-	(379.0)	(1,576.9)	(1,955.9)	-	(1,955.9)
Redesignation and classification overlay for financial assets		-	-	3.1	-	(3.1)	-	-	-
Balance at 1 January 2022, restated		152.7	(17.1)	284.8	(379.0)	8,032.3	8,073.7	106.8	8,180.5
Profit for the period		-	-	-	-	171.9	171.9	0.1	172.0
Other comprehensive (loss)/income for the period		-	(24.5)	(1,021.5)	552.5	-	(493.5)	(0.3)	(493.8)
Total comprehensive (loss)/income for the period		-	(24.5)	(1,021.5)	552.5	171.9	(321.6)	(0.2)	(321.8)
Reclassification of net change in fair value of equity instruments upon derecognition		-	-	(19.8)	-	19.8	-	-	-
<u>Distributions to shareholders</u>									
Dividends paid during the period:									
Final one-tier tax exempt dividend for the previous year	15	-	-	-	-	(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	(41.6)	(756.5)	173.5	7,963.7	7,491.8	97.2	7,589.0

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

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - COMPANY
For the financial period ended 30 June 2023

in Singapore Dollars (millions)	Note	Share Capital	Merger Reserve	Retained Earnings	Total Equity
Balance at 1 January 2023		**152.7**	**419.2**	**2,962.5**	**3,534.4**
Profit for the period		**-**	**-**	**139.0**	**139.0**
Total comprehensive income for the period		**-**	**-**	**139.0**	**139.0**
Distributions to shareholders					
Dividends paid during the period:					
Final one-tier tax exempt dividend for the previous year	15	**-**	**-**	**(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 2023		**152.7**	**419.2**	**2,841.2**	**3,413.1**
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
Distributions to shareholders					
Dividends paid during the period:					
Final one-tier tax exempt dividend for the previous year	15	-	-	(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

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 June 2023

in Singapore Dollars (millions)	Note	2023	2022 restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		**547.3**	277.6
Adjustments for non-cash items:			
(Gain)/loss on sale of investments and changes in fair value		**(1,153.6)**	7,075.8
Increase in provision for impairment of assets	4	**0.7**	37.3
Increase in provision for agents' retirement benefits	5	**14.5**	11.1
Loss on disposal of property, plant and equipment		**5.5**	-
Gain on sale of investment property	4	**(20.0)**	-
Depreciation and amortisation expenses	5	**44.0**	38.8
Unrealised gain on exchange differences	4	**(139.9)**	(117.0)
Dividend income	4	**(299.6)**	(362.1)
Interest income	4	**(1,142.0)**	(1,062.0)
Interest expense on lease liabilities	5	**1.0**	1.0
Share-based payments	5	**2.8**	3.6
		(2,139.3)	5,904.1
Changes in working capital:			
Other debtors		**(260.0)**	(207.5)
Other creditors		**(33.7)**	1,563.7
Changes in insurance and reinsurance contract assets/liabilities		**1,336.8**	(2,640.9)
Cash (used in)/generated from operations		**(1,096.2)**	4,619.4
Income tax paid		**(129.4)**	(196.6)
Interest paid on lease liabilities		**(1.0)**	(1.0)
Agents' retirement benefits paid		**(9.1)**	(6.9)
Net cash flows (used in)/generated from operating activities		**(1,235.7)**	4,414.9

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 June 2023

in Singapore Dollars (millions)	Note	2023	2022 restated
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturities and sale of investments		**23,609.6**	19,042.5
Purchase of investments		**(24,340.8)**	(18,841.3)
Proceeds from sale of property, plant and equipment		**0.2**	0.5
Proceeds from sale of investment property		**92.6**	-
Purchase of property, plant and equipment and investment properties		**(14.0)**	(6.2)
Acquisition of intangible assets		**(22.9)**	(25.7)
Interest income received		**1,291.0**	1,126.7
Dividends received		**300.5**	349.8
Net cash flows generated from investing activities		**916.2**	1,646.3
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	15	**(260.3)**	(260.3)
Dividends paid to non-controlling interests		**(1.7)**	(9.4)
Principal element of lease payments		**(6.4)**	(6.1)
Net cash flows used in financing activities		**(268.4)**	(275.8)
Net (decrease)/ increase in cash and cash equivalents		**(587.9)**	5,785.4
Cash and cash equivalents at the beginning of the period		**9,607.9**	9,117.7
Cash and cash equivalents at the end of the period		**9,020.0**	14,903.1
Cash and cash equivalents comprise:			
Cash and bank balances		**2,462.6**	3,440.1
Cash on deposit		**2,790.4**	4,501.8
Short term instruments		**3,767.0**	6,961.2
		9,020.0	14,903.1

Included in the cash and cash equivalents are bank deposits amounting to $5.7 million (30 June 2022: $8.3 million) which are lodged with the regulator as statutory deposits, which are not available for use by the Group.

The accompanying 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 2023

The unaudited interim condensed consolidated financial statements were authorised by the Board of Directors on 2 August 2023.

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 2022.

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

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new standards and amendments effective as of 1 January 2023. The Group has applied SFRS(I) 17, including any consequential amendments to other standards, from 1 January 2023. These standards have brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated comparative information for the financial year 2022 applying the transitional provisions in Appendix C to SFRS(I) 17. The nature and effects of the material changes in the Group's accounting policies are summarised below.

2.2.1 SFRS(I) 17 Insurance Contracts

SFRS(I) 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts held by the Group. It introduces a model that measures groups of contracts based on the Group's estimates of the present value of future cash flows that are expected to arise as the Group fulfils contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin ("CSM").

For an explanation of the accounting policy for insurance and reinsurance contracts under SFRS(I) 17, see note 2.3.

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

2.2 Changes in Accounting Policies (continued)

2.2.2 Transition

The Group has restated the comparative information based on the transition approaches taken on adoption of SFRS(I) 17.

Changes in accounting policies resulting from the adoption of SFRS(I) 17 were applied using the fully retrospective approach to the extent practicable. The fully retrospective approach was applied to insurance contracts that were originated less than one year prior to the effective date.

Where it was not possible to obtain all required historical data without undue cost and effort, the modified retrospective approach or fair value approach was applied. The modified retrospective approach was applied to certain groups of insurance contracts that were originated less than 10 years prior to the transition date. The fair value approach was applied to the remaining insurance contracts in force at transition date.

On transition date, at 1 January 2022, the Group:

- Identified, recognised and measured each group of insurance and reinsurance contracts as if SFRS(I) 17 had always been applied (unless impracticable – refer to Notes 2.2.2.1 and 2.2.2.2);
- Derecognised previously reported balances that would not have existed if SFRS(I) 17 had always been applied;
- Elected the option introduced by SFRS(I) 17 to redesignate certain financial assets to address possible accounting mismatches between financial assets and insurance contract liabilities, and applied the classifications retrospectively; and
- Recognised any resulting net difference in equity.

The Group has applied the transition provisions in SFRS(I) 17 and has not disclosed the impact of the adoption of SFRS(I) 17 on each financial statement line item and Earnings per share ("EPS"). The effects of adopting SFRS(I) 17 on the consolidated financial statements at 1 January 2022 are presented in the statement of changes in equity.

2.2.2.1 Modified Retrospective Approach

The modified retrospective approach was applied to certain groups of insurance contracts that were originated less than 10 years prior to the transition date.

The Group has used the following procedures to determine the CSM at initial recognition for these contracts:

- Estimated future cash flows at the date of initial recognition as the amount of the future cash flows at the transition date, adjusted by the cash flows that have occurred between the date of initial recognition and the transition date. The cash flows that are known to have occurred include cash flows resulting from contracts that ceased to exist before the transition date;
- Estimated historical discount rates applied to cash flows in the period prior to 2012 using an observable market interest curve for that period, adjusted by the spread between observable market yield curves and the yield curve used to determine current discount rates for the years between 1 January 2012 and 1 January 2022; and

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

2.2 Changes in Accounting Policies (continued)

2.2.2 Transition (continued)

2.2.2.1 Modified Retrospective Approach (continued)

- Estimated the risk adjustment for non-financial risk at the date of initial recognition by adjusting the risk adjustment at the transition date by the expected release of risk in the periods before the transition date. The expected release of risk was determined with reference to the release of risk for similar contracts that the Group has issued subsequent to the transition date.

The CSM at the transition date has been further determined by:

- Using the modified discount rates determined at initial recognition to accrete interest on the CSM; and
- Applying the amount of the CSM recognised in profit or loss because of the transfer of services before the transition date, by comparing the remaining coverage units at that date with the coverage units provided under the group of contracts before the transition date.

2.2.2.2 Fair Value Approach

The Group applied the fair value approach to the remaining insurance contracts. Under the fair value approach, the Group determined the CSM of the liability for remaining coverage at the date of transition, as the difference between the fair value of a group of insurance contracts, measured in accordance with SFRS(I) 13 Fair Value Measurement, and its fulfilment cash flows ("FCF") at that date.

The Group has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition.

For the application of the fair value approach, the Group has used reasonable and supportable information available at the transition date in order to:

- Identify groups of insurance contracts;
- Determine whether any contracts are direct participating insurance contracts; and
- Identify any discretionary cash flows for insurance contracts without direct participation features.

The discount rate for the group of contracts incepted after 2012 applying the fair value approach was determined based on the inception year discount rate. Whereas, the discount rate for the group of contracts incepted before 2012 applying the fair value approach was determined on transition date.

The discount rate used for accretion of interest on the CSM is determined using the bottom-up approach at inception.

The Group used the income approach to determine the fair value amount used for establishing the insurance contract liabilities at the transition date.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.2 Changes in Accounting Policies (continued)

2.2.2 Transition (continued)

2.2.2.3 Impact on Transition

The effects from applying SFRS(I) 17 resulted in a reduction of total equity of $1,955.9 million, net of tax, as at 1 January 2022. The net transition impact to equity consisted of the following effects.

Measurement adjustments	**Description of impact**	
	Contracts not measured under Premium Allocation Approach ("PAA")	**Contracts measured under PAA**
CSM	A CSM will be recognised for the unearned profit for insurance contracts.	Not applicable.
Contract Measurement	Other components of insurance contracts are also remeasured: ▪ Risk adjustment: Recognition of a separate risk adjustment for non-financial risk which is lower than the risk margin under SFRS(I) 4 as a result of recalibration of the measurement techniques to conform with the SFRS(I) 17 requirements. ▪ Discount rates: Changes in the discount rates because of the SFRS(I) 17 requirements to measure future cash flows using current discount rates. ▪ Deferred acquisition costs: Under SFRS(I) 17, the Group now recognises separately eligible insurance acquisition cash flows when they are incurred. ▪ Other changes: Include the changes to the provisions for future taxes, and other changes related to the application of SFRS(I) 17.	Other components of insurance contracts are remeasured: ▪ Risk adjustment: The risk adjustment is now measured at the 85th percentile under SFRS(I) 17 as compared to the provision for adverse deviation used under SFRS(I) 4 which was measured at the 75th percentile. ▪ Discounting future cash flows: Under SFRS(I) 17, the Group discounts the future cash flows when measuring liabilities for incurred claims. The Group previously did not discount such future cash flows for non-life contracts. ▪ Deferred acquisition costs: Under SFRS(I) 17, the Group now recognises separately eligible insurance acquisition cash flows when they are incurred.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.2 Changes in Accounting Policies (continued)

2.2.2 Transition (continued)

2.2.2.3 Impact on Transition (continued)

Measurement adjustments	**Description of impact**	
	Contracts not measured under Premium Allocation Approach ("PAA")	**Contracts measured under PAA**
Insurance Finance Reserve	Under SFRS(I) 17, changes in the carrying amounts of groups of contracts arising from the effects of the time value of money, financial risk and changes therein are generally presented as insurance finance or expenses in profit or loss. The Group has elected the option to include these changes for certain portfolios measured under General Measurement Model ("GMM") under insurance finance reserve in equity.	Not applicable.

Besides the impact to equity upon transition, there are also other changes in the balance sheet mainly resulting from insurance related receivables and payables now included within fulfilment cash flows instead of being presented separately.

Redesignation of Financial Assets and Classification Overlay
SFRS(I) 17 allows for entities that had applied SFRS(I) 9 to annual periods before the initial application of SFRS(I) 17, to redesignate its financial assets to address possible accounting mismatches between financial assets and insurance contract liabilities. A transition option was elected to apply a classification overlay for the financial assets as if the classification and measurement requirements of SFRS(I) 9 had been applied to that financial asset during the comparative period. At the transition date, $2,046.1 million of debt instruments which were previously designated at fair value through profit or loss were reclassified to fair value through other comprehensive income, recognising an expected credit loss, net of tax of $9.9 million. The redesignation of financial assets resulted a reclassification of $3.1 million from the opening retained earnings to fair value reserve.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts

2.3.1 Definition and Classification

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance contracts may be issued and reinsurance contracts may be initiated by the Group, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued, initiated or acquired by the Group, unless otherwise stated.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts, and they follow financial instruments accounting under SFRS(I) 9. The Group does not have any contracts that fall under this category.

Contracts are subject to different requirements depending on whether they are classified as direct participating contracts or contracts without direct participation features. Insurance contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which the Group promises an investment return based on underlying items; they are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.1 Definition and Classification (continued)

Direct participating contracts issued by the Group are contracts with direct participation features where the Group holds the pool of underlying assets.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA (see Note 2.3.6.2). The PAA is an optional simplified measurement model in SFRS(I) 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria. This approach is used for non-life insurance contracts, because each of these contracts have a coverage period of one year or less, or meets the eligibility criteria.

2.3.2 Separating Components from Insurance and Reinsurance Contracts

The Group assesses its insurance and reinsurance contracts to determine whether they contain components which must be accounted for under another SFRS(I) rather than SFRS(I) 17 (distinct non insurance components). After separating any distinct components, the Group applies SFRS(I) 17 to all remaining components of the (host) insurance contract. Currently, the Group's contracts do not include distinct components that require separation.

Some term life contracts issued by the Group include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component in SFRS(I) 17. SFRS(I) 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance service expenses. The surrender options are considered non-distinct investment components as the Group is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

Some life reinsurance contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. For profit commission components which are not subject to any conditions in the contracts, these have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.3 Level of Aggregation

2.3.3.1 Insurance contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into quarters (by quarter of issuance) for life insurance or each annual cohort (by year of issuance) for non-life insurance, into three groups based on the expected profitability of the contracts:

(i) contracts that are onerous at initial recognition, if any;
(ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any; or
(iii) remaining group of contracts, if any.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. The profitability groupings are not reassessed under subsequent remeasurement.

Level of aggregation is also affected by law or regulation which specifically constrains the Group's practical ability to set a different price or level of benefits for policyholders with different characteristics.

The Group broadly groups its insurance contracts by how the contracts are managed, product type, currency, measurement model and insurance risks. For life insurance contracts, sets of contracts usually correspond to pricing risk groups that the Group determined to have similar insurance risk and that are priced together by assessing the profitability of a best estimate pool of contracts on the same basis. The Group monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming more onerous at the level of these pricing groups, with no information available at a more granular level. This level of granularity determines sets of contracts.

For non-life insurance contracts, sets of contracts usually correspond to the risk class or product type.

Non-life insurance contracts are measured under the PAA model. An assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contacts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at the product type level.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.3 Level of Aggregation (continued)

2.3.3.2 Reinsurance contracts
Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts into quarters (by quarter of issuance) for life reinsurance treaties or each annual cohort (by year of issuance) for non-life reinsurance contracts into groups of:
(i) contracts for which there is a net gain at initial recognition, if any;
(ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
(iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual reinsurance treaty basis.

2.3.4 Recognition

A group of insurance contracts issued by the Group is recognised from the earliest of:
- the beginning of its coverage period (i.e. the period during which the Group provides services in respect of any premiums within the boundary of the contract);
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- when facts and circumstances indicate that the group of contracts is onerous.

The Group recognises a group of reinsurance contracts held from the earliest of the following:
- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date when any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held; and
- The date the Group recognises and onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract in the group of reinsurance contracts held at or before that date.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Composition of the groups is not reassessed in subsequent periods.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.5 Contract Boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
- Both of the following criteria are satisfied:
  - The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and
  - The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

Fulfilment cash flows outside the boundary of the insurance contract are not recognised. Such amounts relate to future insurance contracts.

For life insurance contracts with renewal periods, the Group assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by the Group by considering all the risks covered for the policyholder by the Group, that the Group would consider when underwriting equivalent contracts on the renewal dates for the remaining service. Therefore, the cash flows related to renewals of insurance contracts will not be included in the contract boundary.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer. A substantive right to receive services from the reinsurer ends either when the reinsurer can reprice the contract to fully reflect the reinsured risk, or when the reinsurer has a substantive right to terminate coverage.

The Group reassesses contract boundary of each group at the end of each reporting period.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.6 Measurement

2.3.6.1 Measurement – contracts not measured under the PAA

On initial recognition, the Group measures a group of insurance contracts as the total of (a) the fulfilment cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the Contractual Service Margin ("CSM"). The fulfilment cash flows of a group of insurance contracts do not reflect the Group's non-performance risk.

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 2.4.

On initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts – Loss component section in Note 2.3.6.1.3 below).

2.3.6.1.1 Fulfilment Cash Flows ("FCF")

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:
(a) are based on a probability-weighted mean of the full range of possible outcomes;
(b) are determined from the perspective of the Group, provided that the estimates are consistent with observable market prices for market variables; and
(c) reflect conditions existing at the measurement date.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgment and estimation. Refer to Note 2.4.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.6 Measurement (continued)

2.3.6.1 Measurement – contracts not measured under the PAA (continued)

2.3.6.1.2 Contractual Service Margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:
(a) the initial recognition of the FCF;
(b) cash flows arising from the contracts in the group at that date;
(c) the derecognition of any insurance acquisition cash flows asset; and
(d) the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:
(a) the initial recognition of the FCF;
(b) cash flows arising from the contracts in the group at that date;
(c) the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
(d) any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

2.3.6.1.3 Subsequent Measurement – contracts not measured under the PAA

Subsequently, the carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage ("LRC") comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims ("LIC") includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.6 Measurement (continued)

2.3.6.1 Measurement – contracts not measured under the PAA (continued)

2.3.6.1.3 Subsequent Measurement – contracts not measured under the PAA (continued)

- The FCF of groups of contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in FCF are recognised as follows:

Changes relating to future service	Adjusted against CSM (or recognised in the insurance service result in profit or loss if the group is onerous)
Changes relating to current or past services	Recognised in the insurance service result in profit or loss
Effects of the time value of money, financial risk and changes therein on estimated cash flows	Recognised as insurance finance income or expenses in profit or loss, except for certain portfolios measured using the GMM where the Other Comprehensive Income ("OCI") option is applied.

- The CSM is adjusted subsequently only for changes in fulfilment cash flows that relate to future services and other specified amounts and is recognised in profit or loss as services are provided. The CSM at each reporting date represents the profit in the group of contracts that has not yet been recognised in profit or loss because it relates to future services.

The Group reports its financial results on a quarterly basis. The Group has elected to treat every quarter as a discrete interim reporting period, and estimates made by the Group in previous interim financial results are not changed when applying SFRS(I) 17 in subsequent interim periods or in the annual financial statements.

Onerous contracts – Loss component
When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Group recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:
(a) expected incurred claims and other directly attributable expenses for the period;
(b) changes in the risk adjustment for non-financial risk for the risk expired; and
(c) finance income (expenses) from insurance contracts issued.

The amounts of the loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.6 Measurement (continued)

2.3.6.1 Measurement – contracts not measured under the PAA (continued)

2.3.6.1.3 Subsequent Measurement – contracts not measured under the PAA (continued)

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

2.3.6.1.4 Reinsurance Contracts

The Group will apply the same accounting policies to measure a group of reinsurance contracts, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

The Group will measure the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

The risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the reinsurer.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance income or expenses as it receives insurance contract services from the reinsurer in the future.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

2.3.6.1.5 Insurance Acquisition Cash Flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. If insurance acquisition cash flows are directly attributable to a group of contracts, then they are allocated to that group.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated to that group; and to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.6 Measurement (continued)

2.3.6.1 Measurement – contracts not measured under the PAA (continued)

2.3.6.1.5 Insurance Acquisition Cash Flows (continued)

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

The insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and tested for recoverability, whereas other insurance acquisition cash flows are included in the estimates of the present value of future cash flows as part of the measurement of the related insurance contracts.

The Group assesses at each reporting date whether facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Group:

(a) recognises an impairment in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and
(b) if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Group reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions no longer exist or have improved.

2.3.6.2 Measurement – contracts measured under the PAA

For insurance contracts issued, on initial recognition, the Group measures the liability for remaining coverage ("LRC") at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows. The LRC is discounted to reflect the time value of money and the effect of financial risk.

The Group estimates the liability for incurred claims ("LIC") as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group, and include an explicit adjustment for non-financial risk (the risk adjustment). The Group adjusts the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims, unless when they are expected to be paid within one year or less from the date of which the claims are incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.6 Measurement (continued)

2.3.6.2 Measurement – contracts measured under the PAA (continued)

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid net of commission, plus broker fees paid to a party other than the reinsurer.

The subsequent remeasurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance contracts held.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of the LRC and the liability for incurred claims ("LIC"), comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of the asset for remaining coverage and the asset for incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

(a) increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
(b) decreased for insurance acquisition cash flows paid in the period;
(c) decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period;
(d) increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses; and
(e) increased for net insurance finance expenses recognised during the period.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

(a) increased for ceding premiums, net of commission, paid in the period;
(b) increased for broker fees paid in the period;
(c) decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period; and
(d) increased for net reinsurance finance income recognised during the period.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.7 Derecognition and Contract Modification

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria discussed below are met.

When an insurance contract is modified by the Group as a result of an agreement with the counterparties or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

(a) if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
   (i) is not within the scope of SFRS(I) 17;
   (ii) results in different separable components;
   (iii) results in a different contract boundary; or
   (iv) belongs to a different group of contracts;
(b) the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
(c) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When a new contract is required to be recognised as a result of modification and it is within the scope of SFRS(I) 17, the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification, including the VFA eligibility component separation requirements and contract aggregation requirements.

When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, the Group:

(a) adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group;
(b) adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:
   (i) if the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service;
   (ii) if the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party; or
   (iii) if the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium that the Group would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification; when recognising the new contract in this case, the Group assumes such a hypothetical premium as actually received; and
(c) adjusts the number of coverage units for the expected remaining insurance contract services, to reflect the number of coverage units removed.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.7 Derecognition and Contract Modification (continued)

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

(a) if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
(b) if the contract is transferred to a third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
(c) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

2.3.8 Presentation and Disclosure

The Group aggregates portfolios of insurance and reinsurance contracts held and present separately in the balance sheet:

- Portfolios of insurance contracts that are assets;
- Portfolios of reinsurance contracts held that are assets;
- Portfolios of insurance contracts that are liabilities; and
- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the SFRS(I) 17 requirements.

In the consolidated profit or loss statement, the following are presented separately:

- Insurance revenue;
- Insurance service expense;
- Insurance finance income or expenses; and
- Income or expenses from reinsurance contracts held.

The Group will provide disaggregated qualitative and quantitative information in the notes to the financial statements about:

- The amounts recognised in its financial statements from insurance contracts and reinsurance contracts; and
- Significant judgments, and changes in those judgments made when applying the standard.

Insurance service result comprises insurance revenue and insurance service expenses. Income and expenses from reinsurance contracts held, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts held' in the insurance service result.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.8 Presentation and Disclosure (continued)

Insurance revenue

As the Group provides insurance contract services under the insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, the insurance revenue represents the total of the changes in the LRC comprising the following items.

- Claims and other insurance service expenses incurred in the year, excluding the amounts allocated to the loss component, generally measured at the amounts expected at the beginning of the year;
- Changes in the risk adjustment for non-financial risk relating to current services;
- Amounts of the CSM recognised for the services provided in the year; and
- Other amounts, including experience adjustments and any other pre-recognition cash flows assets derecognised at the date of initial recognition.

In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage of a group of contracts.

Insurance service expenses

Insurance service expenses include the following:

- Incurred claims and benefits, excluding investment components reduced by loss component allocations;
- Other incurred directly attributable expenses;
- Insurance acquisition cash flows amortisation;
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein;
- Losses on onerous contracts and reversals of such losses; and
- Insurance acquisition cash flows assets impairment.

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

Other expenses that relate directly to the fulfilment of insurance contracts will be recognised in profit or loss as insurance service expenses, generally when they are incurred. Expenses that do not relate directly to the fulfilment contracts are included in other expenses in the consolidated profit or loss statement.

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

2.3 Accounting Policies for SFRS(I) 17 Insurance Contracts (continued)

2.3.8 Presentation and Disclosure (continued)

Net expenses from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net expenses from reinsurance contracts held, comprising the allocation of reinsurance premiums paid less amounts recovered from reinsurers.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services.

For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

(a) the effect of the time value of money and changes in the time value of money; and
(b) the effect of financial risk and changes in financial risk.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses for life insurance. For non-life insurance, the entire change in the risk adjustment for non-financial risk is included in insurance service result.

For conventional life and non-life insurance contracts, the Group includes all insurance finance income or expenses for the period in profit or loss, except for certain portfolios measured using the GMM where the OCI option is applied. This is expected to reduce accounting mismatches in profit or loss, considering that the supporting financial assets will be debt investments measured at fair value through other comprehensive income ("FVOCI").

The Group systematically allocates expected total insurance finance income or expenses over the duration of the group of contracts to profit or loss using discount rates determined on initial recognition of the group of contracts.

In the event of transfer of a group of insurance contracts or derecognition of an insurance contract, the Group reclassifies the insurance finance income or expenses to profit or loss as a reclassification adjustment to any remaining amounts for the group (or contract) that were previously recognised in other comprehensive income.

The groups of insurance contracts, including the CSM, that generate cash flows in a foreign currency are treated as monetary items.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

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

2.4 Use of Estimates and Judgments

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

The significant judgments 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, except as detailed below.

<u>Discount rates</u>
Insurance contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the observable market yields of Government Securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates.

The Group adopts a bottom-up approach in which discount rates are based on risk-free yield curve and an adjustment for illiquidity premium.

(a) For risk-free yield curves and Ultimate Forward Rate ("UFR"), references are made in particular to the Monetary Authority of Singapore Risk Based Capital Framework ("MAS RBC 2") which is also aligned with the approach taken by the International Associations of Insurance Supervisors ("IAIS") on the design of the global insurance capital standards ("ICS").

(b) For illiquidity premium, illiquidity buckets ("illiquidity application ratio") are assigned using an objective scoring system that is based on illiquidity characteristics of products on each portfolio. Market observable illiquidity premium levels are derived every month-end based on a credit-risk adjusted market spread of reference assets for each currency.

The adjustment of illiquidity premium in (b) is added as a layer in addition to the risk-free yield curve in (a) based on the illiquidity application ratio of each portfolio.

<u>Risk adjustment for non-financial risk</u>
The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates. The Group does not consider the effect of reinsurance in the risk adjustment for non-financial risk of the underlying insurance contracts.

The confidence level technique is used to derive the overall risk adjustment for non-financial risk. Applying a confidence level technique, the Group estimates the probability distribution of the expected present value of the future cash flows from the contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the target confidence level over the expected present value of the future cash flows allowing for the associate risks over all future years. The target confidence level will be at 85^{th} percentile.

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

2.4 Use of Estimates and Judgments (continued)

Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience updated to reflect current expectations of future events.

The estimates of future cash flows will reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, the Group takes into account current expectations of future events that might affect cash flows. Cash flows within the boundary of a contract are those that relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows will be attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities will be allocated to groups of contracts using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics.

Coverage units

The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage duration. The coverage units are assessed at each reporting period-end prospectively by considering:

(a) the quantity of benefits provided by contracts in the group;
(b) the expected coverage period of contracts in the group; and
(c) the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits with respect to insurance coverage.

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		Group					
		6 Months 2023			6 Months 2022 restated		
in Singapore Dollars (millions)		**Life**	**Non-Life**	**Total**	Life	Non-Life	Total
3 INSURANCE REVENUE							
The table below presents an analysis of the total insurance revenue recognised in the period:							
Contracts not measured under the PAA							
Amounts relating to the changes in the liability for remaining coverage:							
- Expected incurred claims and other insurance service expenses		**1,904.1**	**-**	**1,904.1**	1,865.9	-	1,865.9
- Change in the risk adjustment for non-financial risk for the risk expired		**218.1**	**-**	**218.1**	221.8	-	221.8
- CSM recognised in profit or loss for the services provided		**338.7**	**-**	**338.7**	373.1	-	373.1
Insurance acquisition cash flows recovery		**262.7**	**-**	**262.7**	148.4	-	148.4
Insurance revenue from contracts not measured under the PAA	7	**2,723.6**	**-**	**2,723.6**	2,609.2	-	2,609.2
Insurance revenue from contracts measured under the PAA	7	**-**	**207.2**	**207.2**	-	191.4	191.4
Total insurance revenue		**2,723.6**	**207.2**	**2,930.8**	2,609.2	191.4	2,800.6

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2023

		Group							
		6 Months 2023				6 Months 2022 restated			
in Singapore Dollars (millions)	Note	Life	Non-Life	Shareholders	Total	Life	Non-Life	Shareholders	Total
4 NET INVESTMENT AND INSURANCE FINANCIAL RESULT									
The table below presents an analysis of net investment income and net insurance financial result recognised in profit or loss and OCI in the period:									
Investment income/(loss)									
Interest income calculated using the effective interest rate	4.1	1,082.2	7.7	52.1	1,142.0	1,010.0	6.6	45.4	1,062.0
Other investment income/(loss)	4.2	1,571.7	0.7	49.1	1,621.5	(6,453.2)	0.7	(118.4)	(6,570.9)
Net impairment loss on financial assets		(1.1)	-	0.4	(0.7)	(32.3)	(0.1)	(4.9)	(37.3)
Amounts recognised at OCI		206.8	4.5	44.8	256.1	(1,023.2)	(17.1)	(190.8)	(1,231.1)
Total investment income/(loss)		2,859.6	12.9	146.4	3,018.9	(6,498.7)	(9.9)	(268.7)	(6,777.3)
Finance (expenses)/income from insurance contracts issued									
Changes in fair value of underlying items of contracts measured under the VFA		(2,008.9)	-	-	(2,008.9)	5,314.8	-	-	5,314.8
Interest accreted to insurance contracts using current financial assumptions		(44.6)	(6.5)	-	(51.1)	(83.6)	0.7	-	(82.9)
Interest accreted to insurance contracts using locked-in rate		(255.2)	-	-	(255.2)	(202.7)	-	-	(202.7)
Effect of changes in interest rates and other financial assumptions		(438.2)	(4.4)	-	(442.6)	1,091.1	(0.2)	-	1,090.9
Loss on exchange differences		(36.5)	-	-	(36.5)	(97.6)	-	-	(97.6)
Total finance (expenses)/income from insurance contracts issued		(2,783.4)	(10.9)	-	(2,794.3)	6,022.0	0.5	-	6,022.5
Represented by:									
Amounts recognised in profit or loss		(2,502.9)	(10.9)	-	(2,513.8)	5,298.8	0.5	-	5,299.3
Amounts recognised in OCI		(280.5)	-	-	(280.5)	723.2	-	-	723.2
		(2,783.4)	(10.9)	-	(2,794.3)	6,022.0	0.5	-	6,022.5
Finance income/(expenses) from reinsurance contracts held									
Interest accreted to reinsurance contracts using locked-in rate		5.9	3.6	-	9.5	5.7	(0.9)	-	4.8
Effect of changes in interest rates and other financial assumptions		5.6	3.1	-	8.7	(47.1)	0.3	-	(46.8)
Changes in non-performance risk of reinsurer		-	0.2	-	0.2	-	-	-	-
Gain on exchange differences		0.3	-	-	0.3	1.6	-	-	1.6
Total finance income/(expenses) from reinsurance contracts held		11.8	6.9	-	18.7	(39.8)	(0.6)	-	(40.4)
Represented by:									
Amounts recognised in profit or loss		5.3	6.9	-	12.2	12.7	(0.6)	-	12.1
Amounts recognised in OCI		6.5	-	-	6.5	(52.5)	-	-	(52.5)
		11.8	6.9	-	18.7	(39.8)	(0.6)	-	(40.4)
Total net investment and insurance financial result		88.0	8.9	146.4	243.3	(516.5)	(10.0)	(268.7)	(795.2)
Represented by:									
Amounts recognised in profit or loss		155.2	4.4	101.6	261.2	(164.0)	7.1	(77.9)	(234.8)
Amounts recognised in OCI		(67.2)	4.5	44.8	(17.9)	(352.5)	(17.1)	(190.8)	(560.4)
		88.0	8.9	146.4	243.3	(516.5)	(10.0)	(268.7)	(795.2)

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the financial period ended 30 June 2023

			Group							
			6 Months 2023				6 Months 2022 restated			
	in Singapore Dollars (millions)	Note	**Life**	**Non-Life**	**Shareholders**	**Total**	Life	Non-Life	Shareholders	Total
4	**NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)**									
4.1	**Interest income calculated using the effective interest rate**									
	Financial assets measured at FVOCI		**164.4**	**5.6**	**35.9**	**205.9**	110.9	4.6	30.8	146.3
	Financial assets measured at FVTPL		**820.3**	**0.9**	**10.5**	**831.7**	820.5	1.2	11.7	833.4
	Financial assets measured at AC		**97.5**	**1.2**	**5.7**	**104.4**	78.6	0.8	2.9	82.3
	Total interest income		**1,082.2**	**7.7**	**52.1**	**1,142.0**	1,010.0	6.6	45.4	1,062.0
4.2	**Other investment income/(loss)**									
	Underlying assets for contracts with direct participation features									
	Dividend income from financial assets measured at FVTPL		**207.3**	**-**	**-**	**207.3**	299.4	-	-	299.4
	Changes in fair value of investments					**-**				-
	- Mandatorily measured at FVTPL		**566.9**	**-**	**-**	**566.9**	(3,455.1)	-	-	(3,455.1)
	- Designated as at FVTPL		**541.5**	**-**	**-**	**541.5**	(2,981.2)	-	-	(2,981.2)
	Realised gain on sale of investment properties		**17.6**	**-**	**-**	**17.6**	-	-	-	-
	Rental income		**21.0**	**-**	**-**	**21.0**	18.5	-	-	18.5
	Gain on exchange differences		**63.6**	**-**	**-**	**63.6**	18.8	-	-	18.8
			1,417.9	**-**	**-**	**1,417.9**	(6,099.6)	-	-	(6,099.6)
	Other investments									
	Dividend income									
	- Financial assets measured at FVOCI		**54.1**	**0.3**	**11.4**	**65.8**	26.5	-	15.5	42.0
	- Financial assets measured at FVTPL		**20.1**	**-**	**6.4**	**26.5**	11.3	-	9.4	20.7
	Changes in fair value of investments									
	- Mandatorily measured at FVTPL		**(55.7)**	**-**	**31.5**	**(24.2)**	(200.1)	0.3	(98.7)	(298.5)
	- Designated as at FVTPL		**66.0**	**-**	**0.5**	**66.5**	(258.0)	-	(1.1)	(259.1)
	- Measured at FVOCI		**187.2**	**4.6**	**45.6**	**237.4**	(1,071.7)	(17.0)	(227.4)	(1,316.1)
	Net (loss)/gain on sale of debt securities measured at FVOCI		**(0.1)**	**-**	**0.2**	**0.1**	(0.1)	-	0.1	-
	Changes in allowance for expected credit losses		**1.8**	**-**	**(0.3)**	**1.5**	0.4	0.1	2.6	3.1
	Realised gain on sale of investment properties		**2.4**	**-**	**-**	**2.4**	-	-	-	-
	Rental income		**8.1**	**-**	**-**	**8.1**	6.7	-	-	6.7
	Gain/(loss) on exchange differences		**76.7**	**0.3**	**(0.7)**	**76.3**	108.2	0.2	(10.2)	98.2
			360.6	**5.2**	**94.6**	**460.4**	(1,376.8)	(16.4)	(309.8)	(1,703.0)
	Change in third-party interests in consolidated investment funds		**-**	**-**	**(0.7)**	**(0.7)**	-	-	0.6	0.6
	Total other investment income		**1,778.5**	**5.2**	**93.9**	**1,877.6**	(7,476.4)	(16.4)	(309.2)	(7,802.0)
	Represented by:									
	Amounts recognised in profit or loss		**1,571.7**	**0.7**	**49.1**	**1,621.5**	(6,453.2)	0.7	(118.4)	(6,570.9)
	Amounts recognised in OCI		**206.8**	**4.5**	**44.8**	**256.1**	(1,023.2)	(17.1)	(190.8)	(1,231.1)
			1,778.5	**5.2**	**93.9**	**1,877.6**	(7,476.4)	(16.4)	(309.2)	(7,802.0)

During the period ended 30 June 2023, $6.1 million (30 June 2022 (restated): $2.5 million) of the dividend income relates to equity investments measured at FVOCI which were derecognised during the reporting period.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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4 NET INVESTMENT AND INSURANCE FINANCIAL RESULT (continued)

4.3 Investment return in OCI related to insurance and reinsurance contracts measured under the modified retrospective or fair value transition approach

On transition to SFRS(I) 17, for certain groups of insurance and reinsurance contracts measured using the GMM where the OCI option is applied, the Group determined the cumulative insurance finance income and expenses recognised in OCI at 1 January 2022 using the modified retrospective approach or the fair value approach. The movement in the fair value reserve for the debt investments at FVOCI related to those groups of contracts was as follows.

in Singapore Dollars (millions)	**Group**
	6 Months 2023
Balance at 1 January	**(398.6)**
Net gains on investments in debt securities measured at FVOCI	**77.8**
Changes in allowance for expected credit losses	**1.5**
Net losses on investments in debt securities measured at FVOCI reclassified to profit or loss	**7.2**
Income tax relating to these items	**(9.5)**
Balance at 30 June	**(321.6)**

5 EXPENSES

in Singapore Dollars (millions)		**Group**	
		6 Months 2023	6 Months 2022 restated
An analysis of the expenses incurred by the Group in the reporting period is included below:			
Claims and benefits		**1,824.4**	1,700.9
Commissions and distribution expenses		**598.3**	699.7
Fees paid to auditors		**2.6**	2.2
Audit fees paid to Auditor of the Company		**1.8**	1.8
Audit fees paid to other auditors		**0.4**	0.2
Non-audit fees paid to Auditor of the Company		**0.4**	0.2
Staff costs and related expenses		**241.9**	201.6
Salaries, wages, bonuses and other costs net of government grant		**215.6**	179.9
Central Provident Fund/Employee Provident Fund		**23.5**	18.1
Share-based payments		**2.8**	3.6
Depreciation and amortisation expenses		**44.0**	38.8
Depreciation		**23.2**	21.3
Amortisation		**20.8**	17.5
Interest expense on lease liability		**1.0**	1.0
Losses on onerous contracts		**52.8**	163.7
Investment related expenses		**34.8**	76.1
Agent retirement benefits		**14.5**	11.1
Other expenses		**142.6**	24.3
Total		**2,956.9**	2,919.4
Amounts attributed to insurance acquisition cash flows incurred during the period		**(689.1)**	(767.5)
Amortisation of insurance acquisition cash flows		**315.5**	206.9
		2,583.3	2,358.8
Represented by:			
Insurance service expenses	7	**2,487.2**	2,226.2
Other expenses		**96.1**	132.6
		2,583.3	2,358.8

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6 INCOME TAX

Major components of income tax expense

The major components of income tax expense for the periods ended 30 June 2023 and 30 June 2022 are:

in Singapore Dollars (millions)	Group **6 Months 2023**	 6 Months 2022 restated
Current income tax:		
- Current income taxation	**94.9**	281.0
- Under/(over) provision in respect of previous years	**0.6**	(29.8)
	95.5	251.2
Deferred income tax:		
- Origination and reversal of temporary differences	**6.6**	(197.8)
	6.6	(197.8)
	102.1	53.4
Total tax charge for the period recognised in the Profit or Loss Statement	**102.1**	53.4

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

7 INSURANCE AND REINSURANCE CONTRACTS

The breakdown of groups of insurance contracts issued and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

		30 Jun 2023			31 Dec 2022 restated		
in Singapore Dollars (millions)	Note	**Life**	**Non-life**	**Total**	Life	Non-life	Total
Insurance contract liabilities	7.1.1, 7.2.1	**96,373.7**	**639.3**	**97,013.0**	94,781.0	670.2	95,451.2
Insurance contract assets	7.1.1, 7.2.1	**(887.6)**	**(20.4)**	**(908.0)**	(885.3)	(21.3)	(906.6)
Total insurance contracts issued		**95,486.1**	**618.9**	**96,105.0**	93,895.7	648.9	94,544.6
Reinsurance contract assets	7.1.2, 7.2.2	**860.2**	**395.4**	**1,255.6**	851.7	424.1	1,275.8
Reinsurance contract liabilities	7.1.2, 7.2.2	**(788.9)**	**(70.5)**	**(859.4)**	(786.3)	(49.1)	(835.4)
Total reinsurance contracts held		**71.3**	**324.9**	**396.2**	65.4	375.0	440.4

Detailed reconciliations of changes in insurance contract balances during the period are included in Notes 7.1 and 7.2.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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7 INSURANCE AND REINSURANCE CONTRACTS (continued)

7.1 Life insurance

7.1.1 Life insurance - insurance contracts issued

7.1.1.1 Movements in life insurance contract balances

in Singapore Dollars (millions)		30 Jun 2023	31 Dec 2022 restated
Insurance contract liabilities as at 1 January		**94,781.0**	96,601.4
Insurance contract assets as at 1 January		**(885.3)**	(535.7)
Net insurance contract liabilities as at 1 January		**93,895.7**	96,065.7
Insurance revenue	3	**(2,723.6)**	(5,398.2)
Insurance service expenses	5	**2,354.0**	4,450.8
Insurance service result		**(369.6)**	(947.4)
Insurance finance income/(expenses)	4	**2,783.4**	(5,058.7)
Effect of movements in exchange rates		**(1,181.6)**	(1,524.3)
Total changes in the profit or loss statement and OCI		**1,232.2**	(7,530.4)
Cash flows			
Premiums received		**6,049.0**	17,788.2
Claims and other expenses paid		**(5,137.3)**	(11,169.1)
Insurance acquisition cash flows		**(650.8)**	(1,442.5)
Total cash flows		**260.9**	5,176.6
Other movements		**97.3**	183.8
Net insurance contract liabilities as at 30 June/31 December		**95,486.1**	93,895.7
Insurance contract liabilities as at 30 June/31 December	7	**96,373.7**	94,781.0
Insurance contract assets as at 30 June/31 December	7	**(887.6)**	(885.3)
Net insurance contract liabilities as at 30 June/31 December		**95,486.1**	93,895.7

7.1.2 Life insurance - reinsurance contracts held

7.1.2.1 Movements in life reinsurance contract balances

in Singapore Dollars (millions)		30 Jun 2023	31 Dec 2022 restated
Reinsurance contract assets as at 1 January		**851.7**	847.1
Reinsurance contract liabilities as at 1 January		**(786.3)**	(615.6)
Net reinsurance contract assets as at 1 January		**65.4**	231.5
Allocation of reinsurance premiums		**(248.0)**	(405.8)
Amounts recoverable from reinsurers		**237.4**	412.7
Net (expenses)/income from reinsurance contracts held		**(10.6)**	6.9
Net finance income/(expenses) from reinsurance contracts held	4	**11.8**	(26.8)
Effect of movements in exchange rates		**(0.7)**	(3.7)
Total changes in the profit or loss statement and OCI		**0.5**	(23.6)
Cash flows			
Premiums paid		**187.9**	310.8
Amounts received		**(182.5)**	(453.3)
Total cash flows		**5.4**	(142.5)
Net reinsurance contract assets as at 30 June/31 December		**71.3**	65.4
Reinsurance contract assets as at 30 June/31 December	7	**860.2**	851.7
Reinsurance contract liabilities as at 30 June/31 December	7	**(788.9)**	(786.3)
Net reinsurance contract assets as at 30 June/31 December		**71.3**	65.4

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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7 INSURANCE AND REINSURANCE CONTRACTS (continued)

7.2 Non-life insurance

7.2.1 Non-life insurance - insurance contracts issued

7.2.1.1 Movements in non-life insurance contract balances

in Singapore Dollars (millions)		**30 Jun 2023**	31 Dec 2022 restated
Insurance contract liabilities as at 1 January		**670.2**	667.6
Insurance contract assets as at 1 January		**(21.3)**	(11.2)
Net insurance contract liabilities as at 1 January		**648.9**	656.4
Insurance revenue	3	**(207.2)**	(400.4)
Insurance service expenses	5	**133.2**	388.7
Insurance service result		**(74.0)**	(11.7)
Insurance finance income	4	**10.9**	6.6
Effect of movements in exchange rates		**(14.0)**	(19.3)
Total changes in the profit or loss statement and OCI		**(77.1)**	(24.4)
Cash flows			
Premiums received		**210.1**	319.2
Claims and other expenses paid		**(128.3)**	(244.5)
Insurance acquisition cash flows		**(34.2)**	(59.4)
Total cash flows		**47.6**	15.3
Other movements		**(0.5)**	1.6
Net insurance contract liabilities as at 30 June/31 December		**618.9**	648.9
Insurance contract liabilities as at 30 June/31 December	7	**639.3**	670.2
Insurance contract assets as at 30 June/31 December	7	**(20.4)**	(21.3)
Net insurance contract liabilities as at 30 June/31 December		**618.9**	648.9

7.2.2 Non-life insurance - reinsurance contracts held

7.2.2.1 Movements in non-life reinsurance contract balances

in Singapore Dollars (millions)		**30 Jun 2023**	31 Dec 2022 restated
Reinsurance contract assets as at 1 January		**424.1**	394.3
Reinsurance contract liabilities as at 1 January		**(49.1)**	(8.4)
Net reinsurance contract assets as at 1 January		**375.0**	385.9
Allocation of reinsurance premiums		**(84.3)**	(127.4)
Amounts recoverable from reinsurers		**22.5**	128.3
Net (expense)/income from reinsurance contracts held		**(61.8)**	0.9
Net finance income from reinsurance contracts held	4	**6.9**	4.3
Effect of movements in exchange rates		**(8.7)**	(12.8)
Total changes in the profit or loss statement and OCI		**(63.6)**	(7.6)
Cash flows			
Premiums paid		**54.3**	47.3
Amounts received		**(38.5)**	(34.2)
Total cash flows		**15.8**	13.1
Other movements		**(2.3)**	(16.4)
Net reinsurance contract assets as at 30 June/31 December		**324.9**	375.0
Reinsurance contract assets as at 30 June/31 December	7	**395.4**	424.1
Reinsurance contract liabilities as at 30 June/31 December	7	**(70.5)**	(49.1)
Net reinsurance contract assets as at 30 June/31 December		**324.9**	375.0

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in Singapore Dollars (millions)	**Notional Principal**	**Derivative Financial Assets**	**Derivative Financial Liabilities**
8 DERIVATIVE FINANCIAL INSTRUMENTS			
30 June 2023			
Foreign exchange:			
Forwards	**30,437.5**	**115.2**	**(231.6)**
Currency swaps	**1,702.4**	**58.7**	**(14.2)**
Interest rates:			
Swaps	**1,254.1**	**9.5**	**(63.6)**
Exchange traded futures	**1,432.4**	**3.0**	**(4.8)**
Equity:			
Swap	**203.6**	**0.2**	**(14.1)**
Futures	**593.8**	**8.3**	**(3.4)**
Options	**438.7**	**50.0**	**-**
Credit:			
Swaps	**324.0**	**10.3**	**(3.3)**
Bond:			
Forwards	**67.5**	**1.0**	**-**
	36,454.0	**256.2**	**(335.0)**
31 December 2022			
Foreign exchange:			
Forwards	27,976.0	510.6	(152.2)
Currency swaps	3,309.3	182.9	(6.8)
Options	69.0	12.0	-
Interest rates:			
Swaps	877.1	9.0	(64.5)
Exchange traded futures	841.8	2.2	(17.2)
Equity:			
Swap	227.4	0.2	(35.6)
Futures	622.1	3.4	(0.1)
Options	996.3	39.2	(7.1)
Credit:			
Swaps	588.8	1.9	(3.7)
Bond:			
Forwards	210.6	0.3	(4.8)
	35,718.4	761.7	(292.0)

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.

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	in Singapore Dollars (millions)		Group	
			30 Jun 2023	31 Dec 2022 restated
9	**INVESTMENTS**			
9.1	**Financial assets at FVOCI**			
	Equity securities designated at FVOCI			
	(i)	Quoted equity securities	**1,814.0**	1,639.3
		- Hong Kong Stock Exchange	**422.3**	392.3
		- Bursa Malaysia	**220.6**	222.0
		- Singapore Exchange	**209.4**	229.7
		- Tokyo Stock Exchange	**194.4**	149.7
		- New York Stock Exchange	**168.6**	156.3
		- Korea Exchange	**142.9**	121.1
		- Taiwan Stock Exchange	**135.5**	127.3
		- Australian Stock Exchange	**105.3**	110.1
		- Others	**215.0**	130.8
	(ii)	Unquoted equity securities	**22.1**	22.7
			1,836.1	1,662.0
	Debt securities at FVOCI			
	(iii)	Quoted debt securities [(1)]	**9,912.9**	7,776.5
	(iv)	Unquoted debt securities	**4,224.7**	2,815.8
			14,137.6	10,592.3
	Total securities measured at FVOCI		**15,973.7**	12,254.3
9.2	**Financial assets at FVTPL**			
	Mandatorily measured at FVTPL			
	Equity securities			
	(i)	Quoted equity securities	**11,001.1**	11,469.2
	(ii)	Unquoted equity securities	**21.0**	21.8
			11,022.1	11,491.0
	Debt securities			
	(iii)	Quoted debt securities	**3,741.3**	5,134.2
	(iv)	Unquoted debt securities	**2,927.3**	2,749.6
			6,668.6	7,883.8
	Other investments			
	(v)	Collective investment schemes [(2)]	**16,015.2**	14,226.7
	Total financial assets mandatorily measured at FVTPL		**33,705.9**	33,601.5
	Designated at FVTPL			
	Debt securities			
	(i)	Quoted debt securities	**28,440.0**	28,757.2
	(ii)	Unquoted debt securities	**11,503.5**	12,344.9
	Total financial assets designated at FVTPL		**39,943.5**	41,102.1
	Total financial assets at FVTPL		**73,649.4**	74,703.6

(1) Included in quoted debt securities are quoted government securities amounting to $43.8 million (2022: $33.8 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.

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	in Singapore Dollars (millions)	Group	
		30 Jun 2023	31 Dec 2022 restated
9	**INVESTMENTS (continued)**		
9.3	**Financial assets at Amortised Cost**		
	Debt securities		
	(i) Quoted debt securities	**1,113.0**	1,097.7
	(ii) Unquoted debt securities	**843.7**	704.8
	Total financial assets at Amortised Cost [(1)]	**1,956.7**	1,802.5
	TOTAL INVESTMENTS	**91,579.8**	88,760.4

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

in Singapore Dollars (millions)	Group	
	30 Jun 2023	31 Dec 2022
Quoted debt securities	**1,073.7**	1,401.1
Unquoted debt securities	**848.3**	314.1
	1,922.0	1,715.2

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2023, the Group acquired assets amounting to $14.0 million (30 June 2022: $5.8 million) and disposed of assets amounting to $0.2 million (30 June 2022: $3.6 million).

11 COMMITMENTS AND CONTINGENCIES

Capital commitments

in Singapore Dollars (millions)	Group	
	30 Jun 2023	31 Dec 2022
Commitments for capital expenditure not provided for in the financial statements:		
- investment properties	**2.3**	15.3
- property, plant and equipment	**114.6**	77.1
	116.9	92.4

12 RELATED PARTY TRANSACTIONS

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

12.1 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 2023	6 months 2022	**6 months 2023**	6 months 2022
Fees and commission and other income received from:				
- holding company	**0.9**	5.3	**-**	-
- related parties of the holding company	**9.5**	14.5	**-**	-
Premiums received from key management personnel	**0.5**	1.6	**-**	-
Fees and commission expense paid to:				
- holding company	**90.9**	146.2	**-**	-
- related parties of the holding company	**19.7**	28.1	**-**	-
Interest income received from:				
- holding company	**2.5**	0.4	**-**	-
- related parties of the holding company	**1.8**	4.4	**-**	-
Rental income received from:				
- related parties of the holding company	**0.1**	0.1	**-**	-
Other expenses paid to:				
- holding company	**3.3**	5.9	**-**	-
- related parties of the holding company	**3.4**	8.8	**-**	-
- associate	**-**	0.3	**-**	-

12.2 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 2023	31 Dec 2022	**30 Jun 2023**	31 Dec 2022
Cash and cash equivalents held with:				
- holding company	**776.2**	938.3	**21.3**	20.4
- related parties of the holding company	**168.9**	319.4	**-**	-
Investments in debt securities of:				
- related parties of the holding company	**106.0**	114.9	**-**	-
Derivative financial assets held with:				
- holding company	**120.8**	365.0	**-**	-
Derivative financial liabilities held with:				
- holding company	**147.3**	82.8	**-**	-

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

There was no provision for doubtful debts at the balance sheet date and no bad debt expense for the period (31 December 2022: nil).

13 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 external 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 external 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.

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For the financial period ended 30 June 2023

13 SEGMENTAL INFORMATION (continued)

(1) By Business Segments

	Group									
in Singapore Dollars (millions)	**Shareholders**		**Non-life Insurance**		**Life Insurance**		**Adjustments and Eliminations [1]**		**Consolidated**	
	6 months 2023	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated
Insurance revenue	**-**	-	**208.2**	192.5	**2,723.6**	2,609.2	**(1.0)**	(1.1)	**2,930.8**	2,800.6
Insurance service expenses	**-**	-	**(133.2)**	(181.3)	**(2,400.0)**	(2,086.2)	**46.0**	41.3	**(2,487.2)**	(2,226.2)
Net (expenses)/income from reinsurance contracts held	**-**	-	**(61.8)**	(4.4)	**(10.6)**	58.9	**-**	-	**(72.4)**	54.5
Insurance service result	**-**	-	**13.2**	6.8	**313.0**	581.9	**45.0**	40.2	**371.2**	628.9
Investment income	**70.3**	70.2	**8.6**	6.5	**1,362.7**	1,347.4	**-**	-	**1,441.6**	1,424.1
Rental income	**-**	-	**-**	-	**29.1**	25.2	**-**	-	**29.1**	25.2
Gain/(loss) on sale of investments and changes in fair value	**33.3**	(133.7)	**-**	0.6	**1,120.3**	(6,942.7)	**-**	-	**1,153.6**	(7,075.8)
(Loss)/gain on exchange differences	**(0.7)**	(10.1)	**0.3**	0.2	**140.3**	126.9	**-**	-	**139.9**	117.0
Decrease/(increase) in provision for impairment of assets	**0.4**	(4.9)	**-**	(0.1)	**(1.1)**	(32.3)	**-**	-	**(0.7)**	(37.3)
Change in third-party interests in consolidated investment funds	**(0.7)**	0.6	**-**	-	**-**	-	**-**	-	**(0.7)**	0.6
Net investment income	**102.6**	(77.9)	**8.9**	7.2	**2,651.3**	(5,475.5)	**-**	-	**2,762.8**	(5,546.2)
Finance income/(expenses) from insurance contracts issued	-	17.1	**(10.9)**	0.5	**(2,509.7)**	5,274.8	**6.8**	6.9	**(2,513.8)**	5,299.3
Finance income/(expenses) from reinsurance contracts held	**-**	-	**6.9**	(0.6)	**5.3**	12.7	**-**	-	**12.2**	12.1
Net insurance financial result	**-**	17.1	**(4.0)**	(0.1)	**(2,504.4)**	5,287.5	**6.8**	6.9	**(2,501.6)**	5,311.4
Net insurance and investment result	**102.6**	(60.8)	**18.1**	13.9	**459.9**	393.9	**51.8**	47.1	**632.4**	394.1
Fees and other income	**194.5**	194.4	**-**	-	**0.5**	0.2	**(184.0)**	(178.5)	**11.0**	16.1
Other expenses	**(211.0)**	(215.0)	**(0.3)**	(0.6)	**(28.6)**	(60.0)	**143.8**	143.0	**(96.1)**	(132.6)
Other income and expenses	**(16.5)**	(20.6)	**(0.3)**	(0.6)	**(28.1)**	(59.8)	**(40.2)**	(35.5)	**(85.1)**	(116.5)
Profit/(loss) before income tax	**86.1**	(81.4)	**17.8**	13.3	**431.8**	334.1	**11.6**	11.6	**547.3**	277.6
Income tax expense	**(28.2)**	(8.8)	**(3.9)**	(2.7)	**(70.0)**	(41.9)	**-**	-	**(102.1)**	(53.4)
Profit/(loss) after income tax	**57.9**	(90.2)	**13.9**	10.6	**361.8**	292.2	**11.6**	11.6	**445.2**	224.2

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

13 SEGMENTAL INFORMATION (continued)

(1) By Business Segments (continued)

in Singapore Dollars (millions)	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations [1]		Consolidated	
Group	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated
Other material items:										
Interest income	**52.1**	50.6	**7.7**	6.4	**1,082.2**	1,005.0	**-**	-	**1,142.0**	1,062.0
Staff costs and related expenses	**21.0**	21.2	**17.3**	18.1	**203.4**	161.9	**0.2**	0.4	**241.9**	201.6
Non-cash items:										
Changes in fair value of investments:										
- through profit or loss statement	**32.0**	(99.8)	**-**	0.3	**1,118.7**	(6,894.4)	**-**	-	**1,150.7**	(6,993.9)
- through equity	**45.4**	(227.5)	**4.6**	(19.4)	**187.4**	(1,069.2)	**-**	-	**237.4**	(1,316.1)

in Singapore Dollars (millions)	Shareholders		Non-life Insurance		Life Insurance		Adjustments and Eliminations [1]		Consolidated	
Group	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated
Assets and liabilities:										
Segment assets	**5,690.3**	5,609.4	**992.8**	1,037.8	**100,518.9**	98,980.5	**-**	(1.3)	**107,202.0**	105,626.4
Investments in associate	**124.4**	122.5	**-**	-	**-**	-	**-**	-	**124.4**	122.5
Total assets	**5,814.7**	5,731.9	**992.8**	1,037.8	**100,518.9**	98,980.5	**-**	(1.3)	**107,326.4**	105,748.9
Segment liabilities	**367.8**	193.2	**831.2**	880.5	**98,838.9**	97,490.2	**-**	-	**100,037.9**	98,563.9
Income tax and deferred tax liabilities/(assets)	**45.0**	(41.4)	**(5.7)**	(7.1)	**(129.5)**	(12.9)	**-**	-	**(90.2)**	(61.4)
Total liabilities	**412.8**	151.8	**825.5**	873.4	**98,709.4**	97,477.3	**-**	-	**99,947.7**	98,502.5
Other segment information:										
Additions to non-current assets										
- property, plant and equipment	**0.6**	0.7	**-**	1.3	**13.4**	11.9	**-**	-	**14.0**	13.9
- investment properties	**-**	-	**-**	-	**-**	1.0	**-**	-	**-**	1.0
- goodwill and intangible assets	**1.1**	2.0	**1.0**	4.7	**20.8**	49.3	**-**	-	**22.9**	56.0

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

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13 SEGMENTAL INFORMATION (continued)

(2) By Geographical Segments

Group										
in Singapore Dollars (millions)	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	6 months 2023	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated	**6 months 2023**	6 months 2022 restated
Insurance revenue from customers	**1,530.8**	1,424.3	**1,284.4**	1,291.1	**116.6**	86.3	**(1.0)**	(1.1)	**2,930.8**	2,800.6
Dividend from subsidiaries	**126.3**	117.0	**-**	-	**-**	-	**(126.3)**	(117.0)	**-**	-
Total revenue	**1,657.1**	1,541.3	**1,284.4**	1,291.1	**116.6**	86.3	**(127.3)**	(118.1)	**2,930.8**	2,800.6
Profit after income tax	**540.4**	297.5	**325.3**	309.5	**(0.5)**	(3.8)	**(420.0)**	(379.0)	**445.2**	224.2

Group										
in Singapore Dollars (millions)	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	30 Jun 2023	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated	**30 Jun 2023**	31 Dec 2022 restated
Non-current assets	**2,360.1**	2,478.8	**413.8**	430.4	**15.6**	17.2	**-**	-	**2,789.5**	2,926.4

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

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14 FAIR VALUE OF ASSETS AND LIABILITIES

14.1 Fair Value Hierarchy

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.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

14.2 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 2023			
	Fair value measurements at the end of the reporting period using			
in Singapore Dollars (millions)	**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**
Recurring Fair Value Measurements				
FINANCIAL ASSETS				
Derivative financial assets				
Foreign exchange				
Forwards	**-**	**115.2**	**-**	**115.2**
Currency swaps	**-**	**58.7**	**-**	**58.7**
Interest rates				
Swaps	**-**	**9.5**	**-**	**9.5**
Exchange traded futures	**3.0**	**-**	**-**	**3.0**
Equity				
Swap	**-**	**0.2**	**-**	**0.2**
Futures	**8.3**	**-**	**-**	**8.3**
Options	**-**	**50.0**	**-**	**50.0**
Credit				
Swaps	**-**	**10.3**	**-**	**10.3**
Bond				
Forwards	**-**	**1.0**	**-**	**1.0**
	11.3	**244.9**	**-**	**256.2**
Financial assets at FVOCI				
Equity securities	**1,814.0**	**-**	**22.1**	**1,836.1**
Debt securities	**9,064.4**	**5,073.2**	**-**	**14,137.6**
	10,878.4	**5,073.2**	**22.1**	**15,973.7**

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)
14.2 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 2023			
	Fair value measurements at the end of the reporting period using			
in Singapore Dollars (millions)	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
Recurring Fair Value Measurements				
FINANCIAL ASSETS				
Financial assets at FVTPL				
Equity securities	11,001.0	0.1	21.0	11,022.1
Debt securities	29,806.5	16,801.3	4.3	46,612.1
Other investments	8,407.8	4,581.1	3,026.3	16,015.2
	49,215.3	21,382.5	3,051.6	73,649.4
Financial assets as at 30 June 2023	60,105.0	26,700.6	3,073.7	89,879.3
NON-FINANCIAL ASSETS				
Investment properties	-	-	1,867.4	1,867.4
Investment in associate	-	-	124.4	124.4
Non-financial assets as at 30 June 2023	-	-	1,991.8	1,991.8
FINANCIAL LIABILITIES				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	231.6	-	231.6
Currency swaps	-	14.2	-	14.2
Interest rates				
Swaps	-	63.6	-	63.6
Exchange traded futures	4.8	-	-	4.8
Equity				
Swap	-	14.1	-	14.1
Futures	3.4	-	-	3.4
Credit				
Swaps	-	3.3	-	3.3
Financial liabilities as at 30 June 2023	8.2	326.8	-	335.0

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14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

14.2 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			
	31 December 2022 restated			
	Fair value measurements at the end of the reporting period using			
in Singapore Dollars (millions)	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
Recurring Fair Value Measurements				
FINANCIAL ASSETS				
Derivative financial assets				
Foreign exchange				
Forwards	-	510.6	-	510.6
Currency swaps	-	182.9	-	182.9
Options	-	12.0	-	12.0
Interest rates				
Swaps	-	9.0	-	9.0
Exchange traded futures	2.2	-	-	2.2
Equity				
Swaps	-	0.2	-	0.2
Futures	3.4	-	-	3.4
Options	6.3	32.9	-	39.2
Credit				
Swaps	-	1.9	-	1.9
Bond				
Forwards	-	0.3	-	0.3
	11.9	749.8	-	761.7
Financial assets at FVOCI				
Equity securities	1,639.3	-	22.7	1,662.0
Debt securities	5,295.0	5,222.0	75.3	10,592.3
	6,934.3	5,222.0	98.0	12,254.3

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14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

14.2 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			
	31 December 2022 restated			
	Fair value measurements at the end of the reporting period using			
in Singapore Dollars (millions)	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
Recurring Fair Value Measurements				
Financial assets at FVTPL				
Equity securities	11,469.0	0.2	21.8	11,491.0
Debt securities	33,577.1	14,838.2	570.6	48,985.9
Other investments	6,869.6	4,514.9	2,842.2	14,226.7
	51,915.7	19,353.3	3,434.6	74,703.6
Financial assets as at 31 December 2022	58,861.9	25,325.1	3,532.6	87,719.6
NON-FINANCIAL ASSETS				
Investment properties	-	-	1,881.2	1,881.2
Investment in associate			122.5	122.5
Asset held for sale	-	-	72.6	72.6
Non-financial assets as at 31 December 2022	-	-	2,076.3	2,076.3
FINANCIAL LIABILITIES				
Derivative financial liabilities				
Foreign exchange				
Forwards	-	152.2	-	152.2
Currency swaps	-	6.8	-	6.8
Interest rates				
Swaps	-	64.5	-	64.5
Exchange traded futures	17.2	-	-	17.2
Equity				
Swaps	-	35.6	-	35.6
Futures	0.1	-	-	0.1
Options	2.3	4.8	-	7.1
Credit				
Swaps	-	3.7	-	3.7
Bond				
Forwards	-	4.8	-	4.8
Financial liabilities as at 31 December 2022	19.6	272.4	-	292.0

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14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

14.3 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 2023**	**Valuation techniques**	**Unobservable inputs**	**Range (weighted average)**
Investment properties	**1,867.4**	**Comparison approach**	**Estimated per square foot ("psf")**	**$10 to $4,173**
		Capitalisation approach	**Capitalisation rate**	**3.25%**
Investment in associate	**124.4**	**Market approach**	**Discount for liquidity**	**40%-50%**
Investments				
Unquoted debt securities	**4.3**	**Income approach**	**Risk adjusted discounted rate**	**Spread of 1-2% above risk free interest rate**
Unquoted equities	**43.1**	**Net asset value(1)**	**Not applicable**	**Not applicable**
Collective Investment Schemes	**3,026.3**	**Net asset value(1)**	**Not applicable**	**Not applicable**

Description	Fair value as at 31 December 2022	Valuation techniques	Unobservable inputs	Range (weighted average)
Investment properties	1,881.2	Comparison approach	Estimated per square foot ("psf")	$10 to $4,173
		Capitalisation approach	Capitalisation rate	3.25%
Asset held for sale	72.6	Income approach	Rental psf per month	$0.72 to $1.78
			Rental growth rate	0.00%
			Long-term vacancy rate	12.50%
			Discount rate	5.75% to 6.00%
Investment in associate	122.5	Market approach	Discount for liquidity	40%-50%
Investments				
Quoted debt equities	22.3	Discounted cash flow	Yield	4.00% to 6.00%
Unquoted debt securities	623.6	Income approach	Risk adjusted discounted rate	Spread of 1-2% above risk free interest rate
Unquoted equities	44.5	Net asset value(1)	Not applicable	Not applicable
Collective Investment Schemes	2,842.2	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 2023

14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)
14.3 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 approach and the capitalisation approach. The major inputs of the valuation of investment properties are reviewed by management. The property management 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 2023							
	Investments							
in Singapore Dollars (millions)	Quoted debt securities	Unquoted debt securities	Unquoted equities	Collective investment schemes	Investment in associate	Investment properties	Asset held for sale	Total
Opening balance as at 1 January 2023	**22.3**	**623.6**	**44.5**	**2,842.2**	**122.5**	**1,881.2**	**72.6**	**5,608.9**
Total gain/(loss) for the period:								
Included in Profit or Loss Statement								
- Gain/(loss) on sale of investments and changes in fair value	**2.4**	**5.3**	**(0.9)**	**(0.4)**	**-**	**-**	**20.0**	**26.5**
Included in other comprehensive income								
- Changes in fair value	**-**	**(74.3)**	**(0.6)**	**-**	**-**	**-**	**-**	**(74.9)**
Purchases and sales for the year:								
Purchases	**-**	**-**	**-**	**730.3**	**7.8**	**-**	**-**	**738.1**
Sales	**-**	**(550.3)**	**-**	**(545.7)**	**-**	**-**	**(92.6)**	**(1,188.6)**
Transfer to/from during the year:								
Transfer to Level 2	**(24.7)**	**-**	**-**	**-**	**-**	**-**	**-**	**(24.7)**
Currency translation reserve adjustment	**-**	**-**	**-**	**-**	**(5.9)**	**(13.8)**	**-**	**(19.7)**
Closing balance as at 30 June 2023	**-**	**4.3**	**43.1**	**3,026.3**	**124.4**	**1,867.4**	**-**	**5,065.6**

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the financial period ended 30 June 2023

14 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

14.3 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):

	Group							
	Fair value measurements using significant unobservable inputs (Level 3)							
	31 December 2022							
	Investments							
in Singapore Dollars (millions)	Quoted debt securities	Unquoted debt securities	Unquoted equities	Collective investment schemes	Investment in associate	Investment properties	Asset held for sale	Total
Opening balance as at 1 January 2022	-	-	51.5	2,680.5	95.2	1,883.9	-	4,711.1
Total gain/(loss) for the year:								
Included in Profit or Loss Statement								
- Gain/(loss) on sale of investments and changes in fair value	-	-	(2.7)	(85.9)	24.4	91.3	-	27.1
Included in other comprehensive income								
- Changes in fair value	-	-	(4.3)	-	-	-	-	(4.3)
Purchases and sales for the year:								
Purchases	-	-	-	609.4	-	1.0	-	610.4
Sales	-	-	-	(361.8)	-	-	-	(361.8)
Reclassification	-	-	-	-	-	(72.6)	72.6	-
Transfer to/from during the year:								
Transfer from Level 1	22.3	614.6	-	-	-	-	-	636.9
Transfer from Level 2	-	9.0	-	-	-	-	-	9.0
Currency translation reserve adjustment	-	-	-	-	2.9	(22.4)	-	(19.5)
Closing balance as at 31 December 2022	22.3	623.6	44.5	2,842.2	122.5	1,881.2	72.6	5,608.9

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

15 DIVIDENDS

in Singapore Dollars (millions)	Group and Company **30 Jun 2023**	 30 Jun 2022
Final one-tier tax exempt dividend for the previous year of 55 cents per ordinary share (2022: 55 cents per ordinary share)	**260.3**	260.3
	260.3	260.3

The Directors proposed an interim one-tier tax exempt dividend of 35 cents per ordinary share amounting to $165.7 million (2022: $47.3 million) be paid in respect of the financial year ended 31 December 2023. 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.