

GREAT EASTERN HOLDINGS LIMITED

Unaudited Financial Summary for Q1-21

03 May 2021

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Overview of Q1-21 Financial Results

S\$m	Q1-21	Q1-20	Δ%
Total Weighted New Sales	383.6	299.1	+28
New Business Embedded Value	182.2	140.4	+30
Operating Profit (net of tax) from Insurance Business	182.3	298.6	-39
Non-Operating Profit (net of tax) from Insurance Business	214.7	-222.8	nm
Profit (net of tax) from Shareholders' fund	46.4	-41.9	nm
Non-Controlling Interest	-5.8	-	nm
Profit Attributable to Shareholders	437.6	33.9	nm

nm: not meaningful / exceeding 1000%

Q1-21 Financial Results

<p>Total Weighted New Sales</p>	<p>TWNS: S\$383.6m; +28% (Q1-20: S\$299.1m) Driven by strong sales momentum across all markets.</p>
<p>New Business Embedded Value</p>	<p>NBEV: S\$182.2m; +30% (Q1-20: S\$140.4m) Growth in NBEV contributed by higher sales.</p>
<p>Profit Attributable to Shareholders</p> <div data-bbox="193 743 510 909" style="border: 1px solid black; padding: 10px; margin: 10px auto; width: fit-content;"> <p>S\$437.6m ↑ nm</p> </div>	<p>Operating Profit: S\$182.3m; -39% (Q1-20: S\$298.6m) Decrease due to higher new business strain in Q1-21 and positive one-off items in Q1-20.</p>
	<p>Non-Operating Profit: S\$214.7m; nm (Q1-20: -S\$222.8m) Mark-to-market gains from favourable market conditions in Q1-21, compared to significant losses a year ago amid unfavourable financial market conditions in Q1-20 following the onset of the COVID-19 pandemic.</p>
	<p>Profit from Shareholders' fund¹: S\$40.6m; nm (Q1-20: -S\$41.9m) Higher profit due to mark-to-market gains amid favourable market conditions, reversing a loss a year ago.</p>

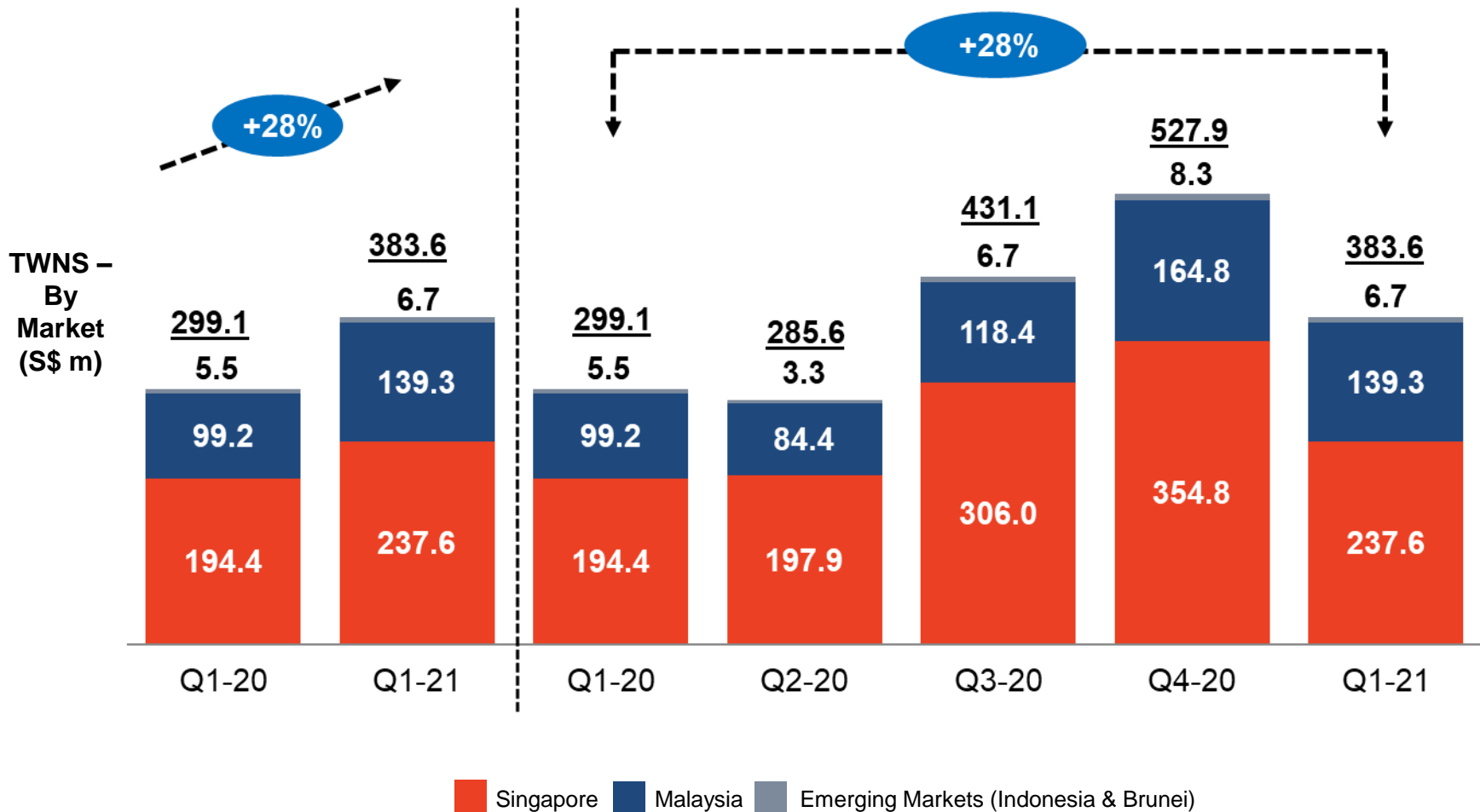
Note:

1. Includes Non-Controlling Interest

nm: not meaningful / exceeding 1000%

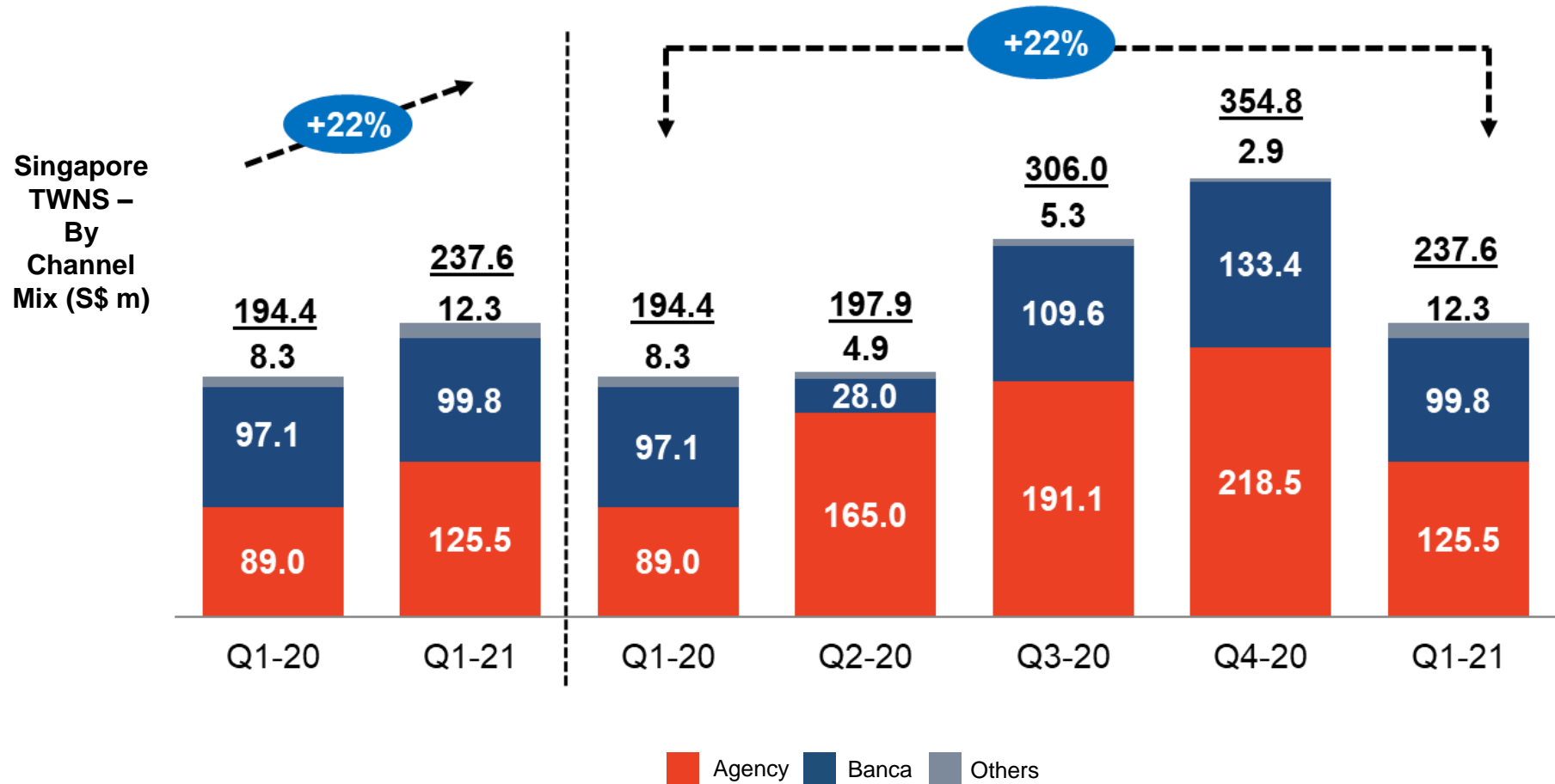
TWNS Performance by Market

Group TWNS was up 28%, supported by the strong recovery in Malaysia, whose Q1-20 sales were impacted by Movement Control Order.



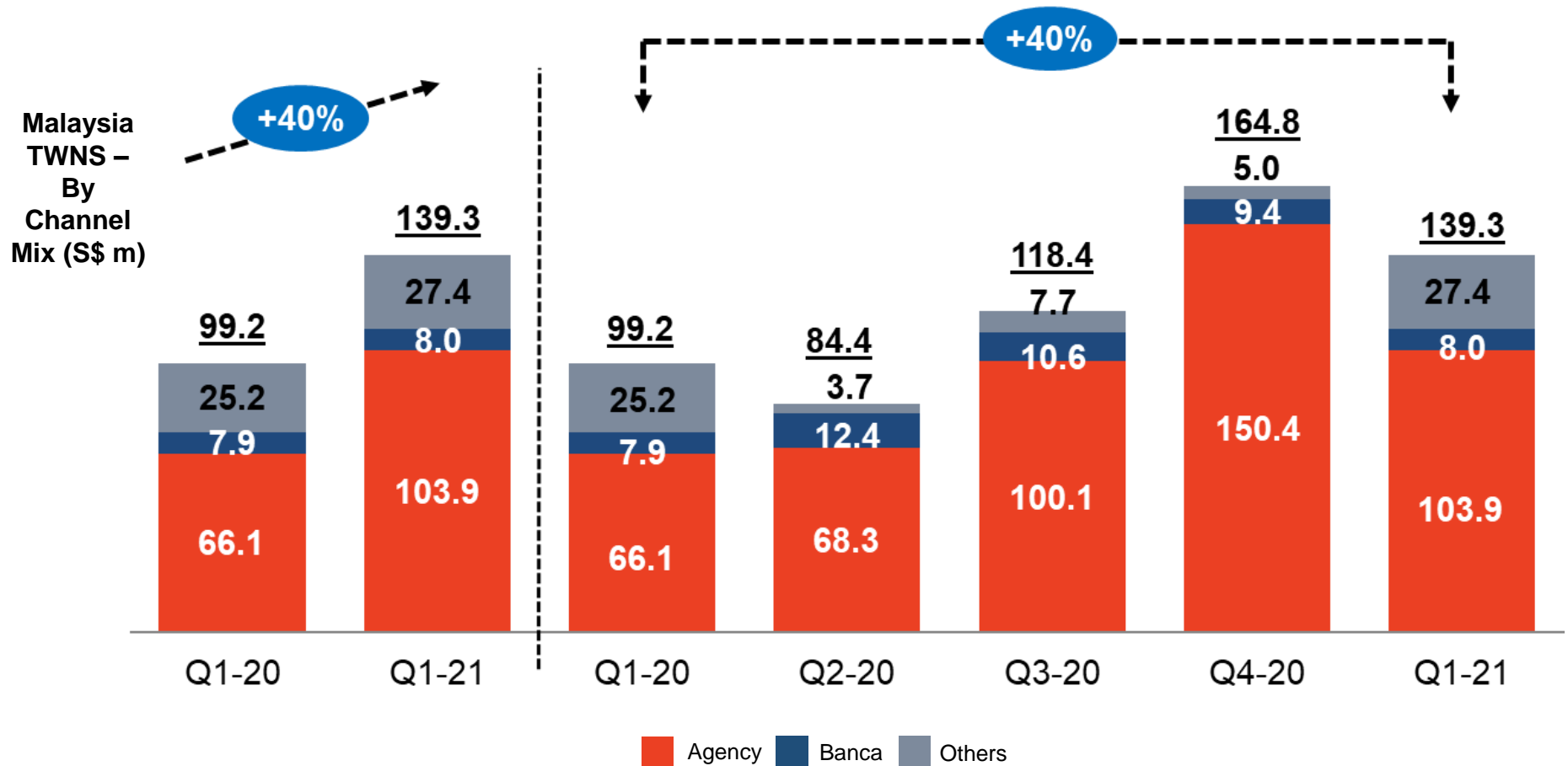
Singapore TWNS – By Channel Mix

TWNS grew 22% for Q1-21 contributed by all channels.



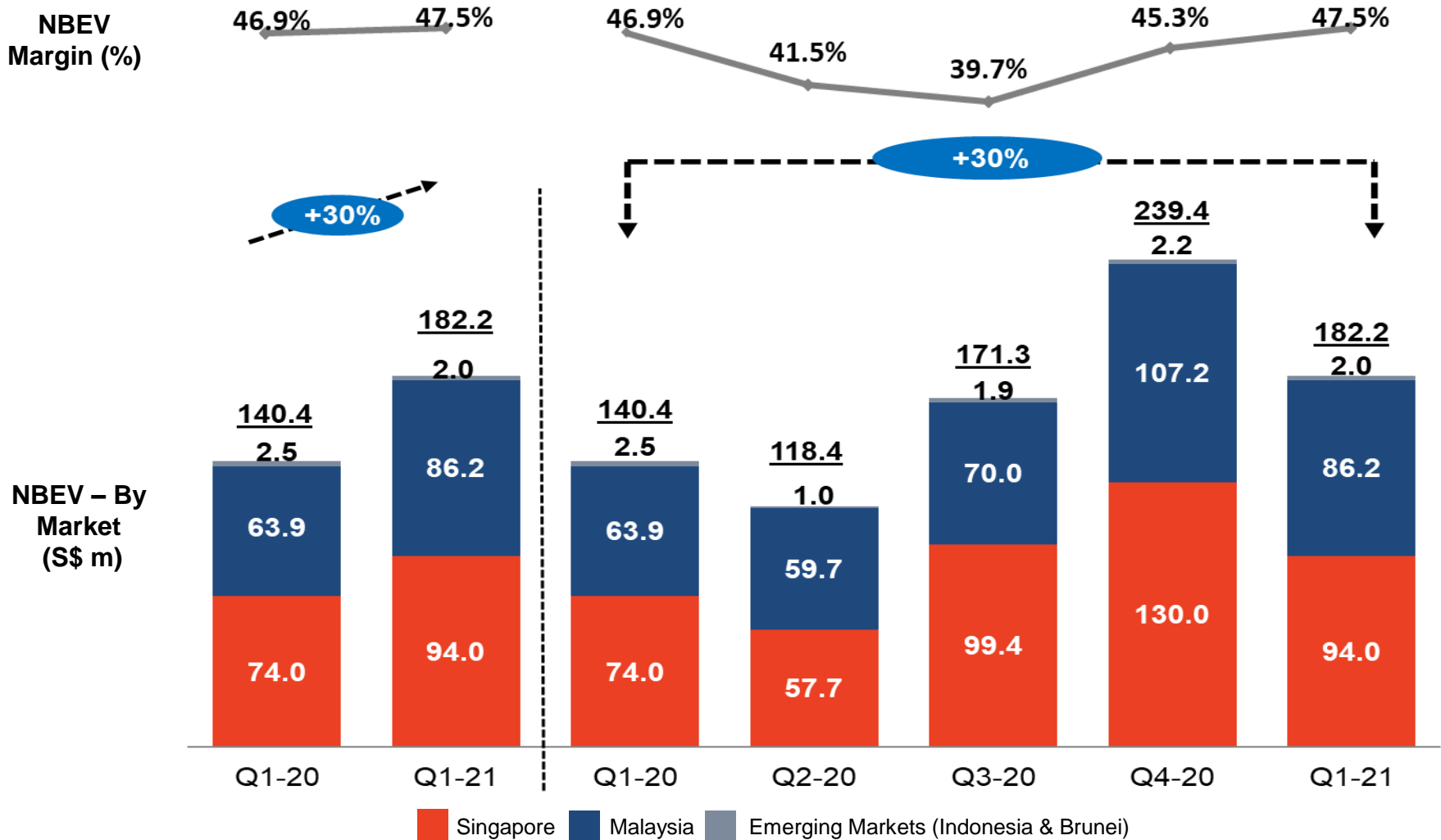
Malaysia TWNS – By Channel Mix

Strong rebound in Q1-21 mainly driven by agency channel.



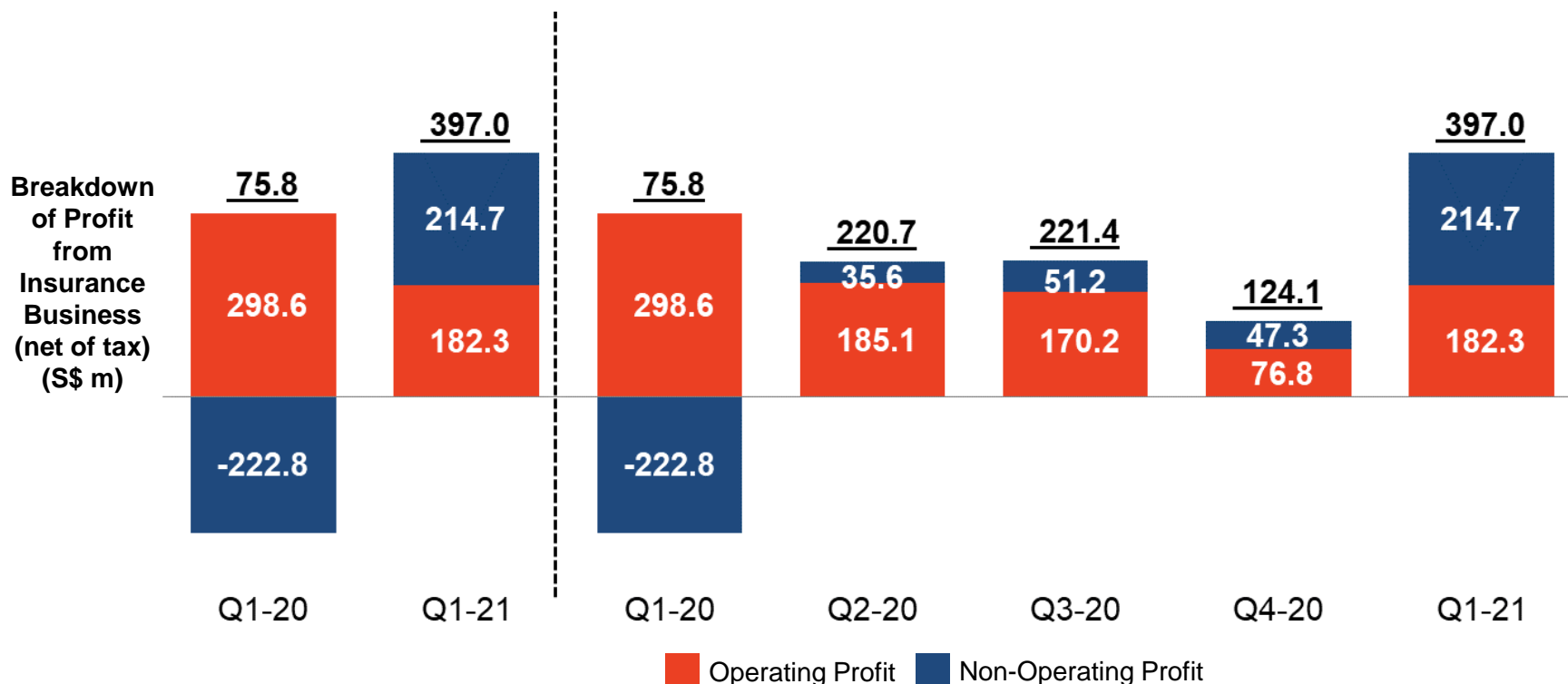
NBEV – By Market

Group's NBEV increased 30% to S\$182.2 million for the quarter, contributed by higher sales and improvement in margins.



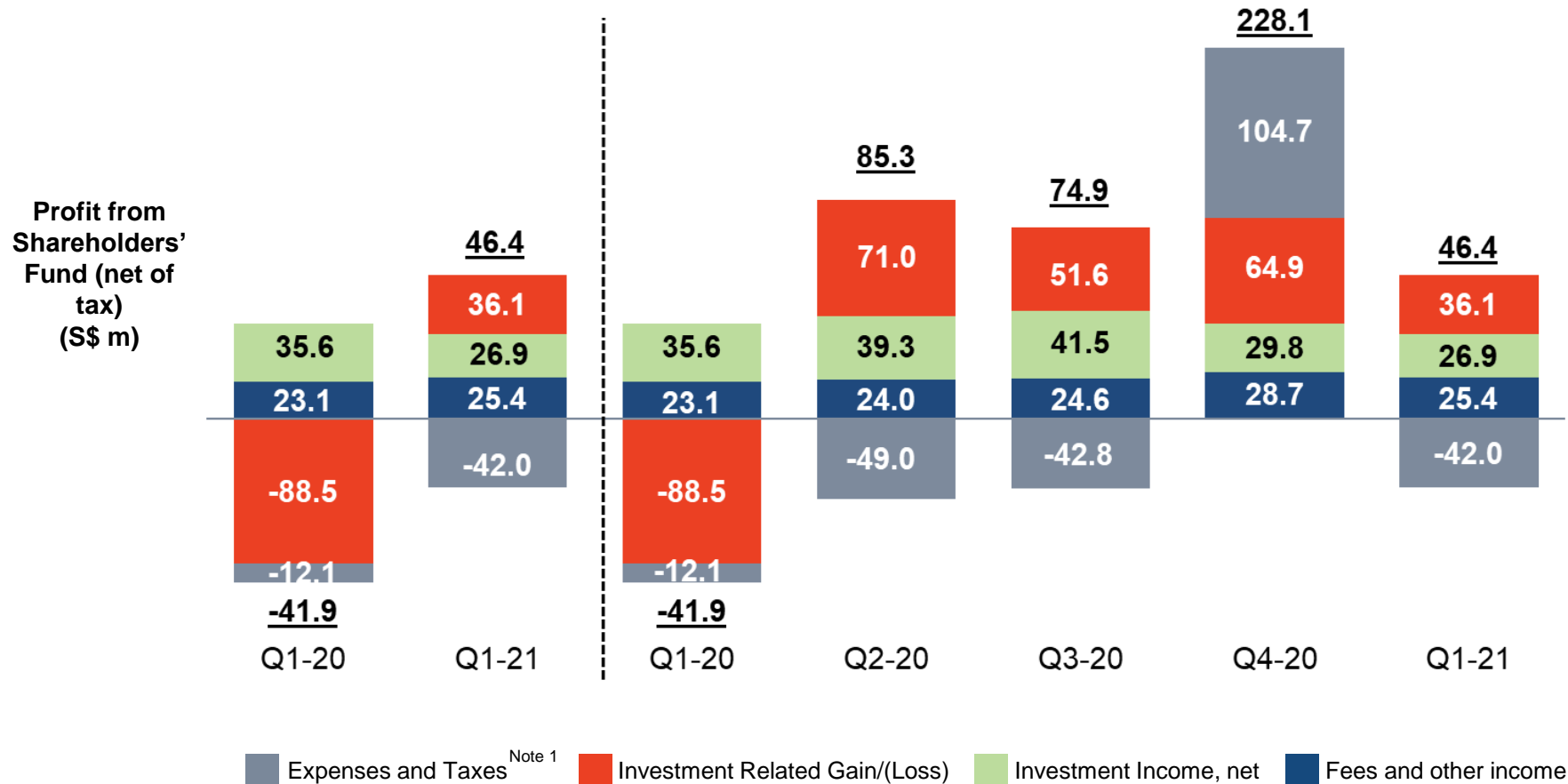
Breakdown of Profit from Insurance Business

Higher Profit from Insurance Business in Q1-21 largely driven by the rebound from Non-operating Profit. Lower Operating Profit compared to the same quarter last year mainly as a result of one-off positive impact from adoption of RBC 2 framework in Singapore and release of unallocated surplus in Malaysia in Q1-20.



Profit from Shareholders' Fund

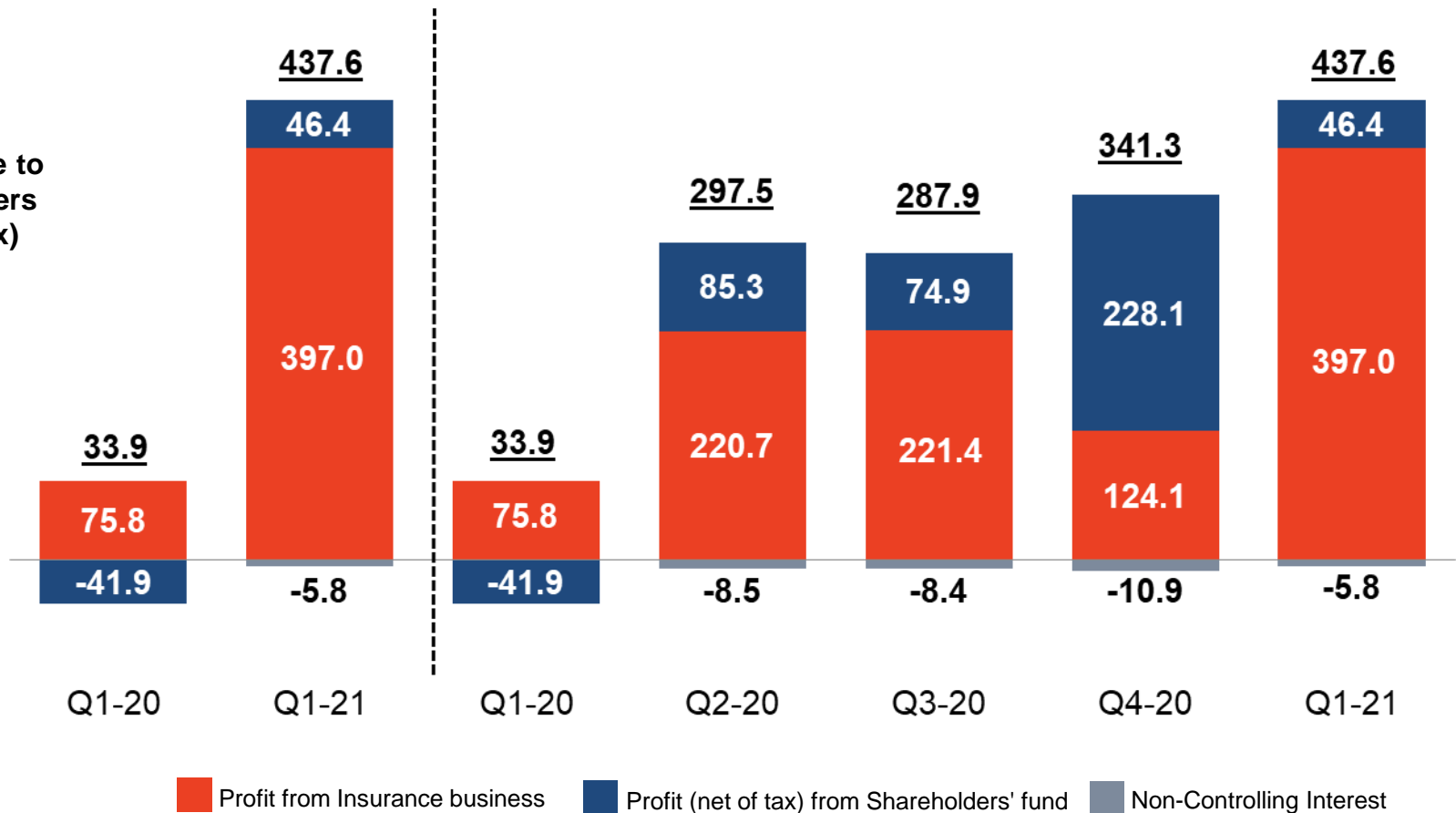
Profit from Shareholders' Fund for Q1-21 was higher than Q1-20 due to mark-to-market gains in equities compared to losses for the same period last year.



Note 1:
Q1-20 includes release of unallocated surplus in Malaysia and contribution to the National B40 Protection Trust Fund of RM2.37 billion in satisfaction of the local shareholding requirements applicable to insurance companies in Malaysia.

Profit Attributable to Shareholders

Profit
Attributable to
Shareholders
(net of tax)
(S\$ m)



Reference Notes

1. Total Weighted New Sales (TWNS) = (Single Premium x 10%) + New Regular Premium
2. New Business Embedded Value (NBEV) is a measure of the long-term profitability of new sales.
3. NBEV figures for periods prior to Q4-20 have been restated to take into account revised actuarial assumptions implemented in Q4-20.
4. 2021 TWNS, NBEV and Operating Profit in foreign currencies are translated using the monthly spot rate for 2020 for comparison on constant currency. In applying the constant currency translation, TWNS has increased \$1.7m for Q1-21; NBEV has increased \$1.0m Q1-21; and Operating Profit has increased \$1.0mil for Q1-21, which have been offset in Non-Operating Profit.
5. Operating Profit (net of tax) is defined as premiums less claims, maturities, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons, etc).
6. Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments and changes in liability discount rates due to interest rates fluctuation.

THANK YOU