

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 199903008M



SALE OF MINORITY STAKE IN PT QBE GENERAL INSURANCE INDONESIA

Great Eastern Holdings Limited (“**GEH**”) refers to its announcement dated 11 December 2018 (the “**11 December 2018 Announcement**”) on the entry by its wholly-owned subsidiary, Great Eastern General Insurance Limited (“**GEG**”), into a share purchase agreement to acquire 100% of the shares in PT QBE General Insurance Indonesia (“**QBE Indonesia**”), a company registered in Indonesia, from QBE Asia Pacific Holdings Limited and QBE Insurance (International) Pty Limited (the “**Transaction**”). Completion of the Transaction is subject to approval by the Otoritas Jasa Keuangan (“**OJK**”) and the Monetary Authority of Singapore (“**MAS**”).

GEH had stated in the 11 December 2018 Announcement that after completion of the Transaction, GEG would sell a minority stake in QBE Indonesia to satisfy local shareholding requirements.

GEH wishes to announce that GEG has on 25 January 2019 entered into:

- (a) a share purchase agreement with PT Suryasono Sentosa (“**PTSS**”), a company registered in Indonesia, pursuant to which PTSS will, on completion of the Transaction, acquire 5% of the shares in QBE Indonesia; and
- (b) an amendment agreement with QBE Asia Pacific Holdings Limited and QBE Insurance (International) Pty Limited (together, “**QBE**”) pursuant to which QBE will, on completion of the Transaction, transfer 5% of the shares in QBE Indonesia to PTSS.

Completion of the sale of the 5% stake in QBE to PTSS is subject to approval by OJK and MAS. The estimated consideration for the sale of the 5% stake in QBE to PTSS is USD 1.4 million (approximately S\$ 1.9 million¹), being 5% of the estimated aggregate consideration for the Transaction. As announced in the 11 December 2018 Announcement, the consideration for the Transaction was arrived at following arm’s length negotiations on a willing-buyer, willing-seller basis, based on the book value of QBE Indonesia as at 30 June 2018 (with some adjustments) and taking into account factors such as the existing assets, financial position and business prospects of QBE Indonesia. The final amount of the aggregate consideration will be based on the book value of QBE Indonesia as at completion (with some adjustments).

Based on QBE Indonesia’s unaudited financial statements for the half year ended 30 June 2018, the book value and net tangible asset value of QBE Indonesia is IDR452 billion (approximately S\$43.1 million²).

On completion of the Transaction, GEG will pay 100% of the aggregate consideration for the Transaction to QBE

¹ Based on exchange rate as at 10 December 2018 of USD1.00 = S\$1.3706

² Based on exchange rate as at 30 June 2018 of S\$1.00 = IDR10,488.57

and simultaneously recover 5% of the aggregate consideration from PTSS, and the 5% stake in QBE Indonesia will be transferred by QBE to PTSS directly.

The sale of the 5% stake in QBE Indonesia to PTSS is not expected to have a material impact on the net tangible assets or earnings per share of the GEH group for the current financial year.

None of the Directors or controlling shareholders of GEH has any interest, direct or indirect, in the sale of the 5% stake in QBE Indonesia to PTSS.

Issued by
GREAT EASTERN HOLDINGS LIMITED

28 January 2019