

GENERAL ANNOUNCEMENT::MINUTES OF ADJOURNED TWENTY-FIRST ANNUAL GENERAL MEETING OF GREAT EASTERN HOLDINGS LIMITED

Issuer & Securities

Issuer/ Manager

GREAT EASTERN HOLDINGS LIMITED

Securities

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Submitted By (Co./ Ind. Name)

Jennifer Wong Pakshong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached for Minutes of Adjourned Twenty-First Annual General Meeting of Great Eastern Holdings Limited, held by way of electronic means, on Thursday, 14 May 2020 at 3.00 p.m.

Attachments

[GEH%20Minutes%20of%20Adjourned%20Annual%20General%20Meeting.pdf](#)

Total size =100K MB

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

MINUTES of the Adjourned Twenty-First Annual General Meeting of Great Eastern Holdings Limited (“GEH” or the “Company”) held on 14 May 2020 (Thursday) at 3.00 pm at 1 Pickering Street, #16-01 Great Eastern Centre, Singapore through electronic means.

PRESENT:

Directors

In Person

Mr Koh Beng Seng, Chairman (also appointed as proxy by Members)

Mr Lee Fook Sun

Through Webcast

Mr Norman Ip

Mr Law Song Keng

Mr Kyle Lee Khai Fatt

Mr Soon Tit Koon

Mrs Teoh Lian Ee

Mr Thean Nam Yew

Mr Samuel Tsien

Mr Wee Joo Yeow

Directors of Principal Subsidiaries

Through Webcast

Ms Mimi Ho

Mr Leo Mun Wai

Mr Quah Wee Ghee

Mr Koh Poh Tiong

In Attendance

In Person

Mr Khor Hock Seng

Group Chief Executive Officer

Through Webcast

Ms Jennifer Wong Pakshong

Company Secretary

Mr Shekaran Krishnan

Ernst & Young LLP, External Auditor

Ms Cecilia Foo

M&C Services Private Limited, Share Registrar

Mr Andrew Teoh

TS Tay Public Accounting Corporation, Scrutineer

Mr Dennis Ong

TS Tay Public Accounting Corporation, Scrutineer

GEH Senior Management

Members and Attendees

Through Webcast

As set out in the attendance records maintained by the Company

WELCOME TO MEETING

On behalf of the Board of Directors, the Chairman welcomed members of the Company (“Members”) to the Company’s virtual Adjourned Twenty-First Annual General Meeting (“Meeting” or “AGM”).

The Chairman expressed his regret that Members were not able to attend the Meeting in person due to the ongoing Circuit Breaker and hoped that the webcast would give Members the opportunity to participate virtually and be informed of the outcome of the resolutions proposed at the Meeting.

The Chairman said the Meeting had been convened and held by electronic means pursuant to the ministerial Order of 13 April 2020, which allowed the Company to put in place alternative arrangements for its AGM. Members who accessed the Meeting electronically were treated as present.

COMMENCEMENT AND NOTICE OF MEETING

As the requisite quorum was present, the Chairman called the Meeting to order.

The Notice of AGM issued on 23 March 2020 and the Notice of Adjourned AGM issued on 27 April 2020 was taken as read.

The Chairman informed the Meeting that as the Chairman of the Meeting, he had been appointed as proxy by shareholders to vote on their behalf at the Meeting. Accordingly, he would be voting, or abstaining from voting, on behalf of such shareholders according to their specific instructions on each resolution. Proxy forms submitted by the 72-hour cut-off time before the Meeting had been checked and the number of votes that he had been directed to cast for and against, and the number of shares in respect of which he had been directed to abstain from voting on, for each motion had been verified by the scrutineers.

Voting was conducted by poll, and the results of the poll for each resolution were announced in the course of the Meeting.

The Chairman introduced the Directors and Group Chief Executive Officer (“CEO”) of GEH and Directors of the principal subsidiaries in Singapore and Malaysia, who attended the Meeting in person and/or through the webcast.

OPENING REMARKS

Before the Chairman moved on to the first order of business, he shared some reflections on the developments in 2019.

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He said that in 2019, the capital and financial markets had been mostly positive across all asset classes. Driven by favourable financial market conditions, Great Eastern delivered a strong performance for 2019 with the Group Profit Attributable to Shareholders crossing the one billion mark at S\$1,003.8 million (which represented a year-on-year increase of 36%). The Company's core business remained resilient. Operating Profit from the Insurance Business continued its growth momentum and registered an increase of 4% to S\$664.4 million. Gross premiums fell by 4% due to lower Single Premium sales. This was the result of Great Eastern's strategic intent to shift more of the sales mix from short-term tactical Single Premium endowment products (Great series), to Regular Premium and Protection products. Contribution from New Business Regular Premium products remained strong, growing 31% year-on-year and renewals had sustained consistent growth.

Great Eastern's efforts had yielded positive results and contributed to an increase in New Business Embedded Value of 15% to S\$616.3 million. Its General Insurance business recorded steady growth of 13%. To facilitate year-on-year comparison, this figure excluded the Group's Indonesian general insurance subsidiary, which was only acquired in May 2019.

The Chairman said that Great Eastern had entered 2020 faced with strong headwinds and great uncertainties. Since the onset of the COVID-19 pandemic, the prices of risk assets and interest rates had fallen sharply, and credit spreads had jumped. Volatility had caused market liquidity to deteriorate significantly. In response, central banks across the globe had significantly eased monetary policy by cutting policy rates to historical lows. The low interest rate environment would pose challenges to the balance sheet of insurance companies and their ability to create savings and investment products. Great Eastern would be similarly affected. While the outlook for the rest of the year remained severely challenged, the Company was working hard to best position itself in these difficult conditions.

The strength in Great Eastern's capital position had helped it to weather the stormy environment so far. The Company had also benefitted from its prudent investment in mostly investment grade securities and in its product management. Great Eastern would continue to pay close attention to these aspects as it moved through these unprecedented times.

The efforts of the Company in digital transformation, which started two years ago, had cushioned it from many of the downside effects of the current social distancing norm. Product strategy would be adapted to meet the needs of the Company's customers in this new normal, and it would also need to take into account prevailing market conditions. Not only would new propositions be developed for customers, the COVID-19 pandemic would also change the way customers interacted with insurance companies, including their agents. Great Eastern would redouble its pace and efforts in its digital transformation to ensure that it remained relevant and fully capable of engaging its customers.

As Ordinary Business

1 DIRECTORS' STATEMENT, 2019 AUDITED FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The Chairman of the Meeting moved to the first item on the Agenda, Resolution 1, which was to receive and adopt the Directors' Statement, the Company's Audited Financial Statements and the Auditor's Report for the financial year ended 31 December 2019.

The Chairman proposed the motion.

The Chairman invited the Group CEO to address the questions that had been submitted by shareholders prior to the 72-hour cut-off time stipulated for the Meeting.

The Group CEO said that the Company had received a question relating to the amount of surplus capital that it had following the implementation of the new Risk Based Capital framework, RBC 2. Another question related to the Board's plans to deploy the surplus capital to optimise returns for shareholders by returning excess capital to shareholders or by increasing the dividend payout.

The Group CEO explained that the Company did not typically disclose the capital adequacy ratios of its insurance subsidiaries and was unable to comment on the amount of surplus capital over and above the regulatory requirements. However, the Group CEO highlighted that the new RBC 2 framework, which took effect on 31 March 2020, was generally more stringent than RBC 1. The Company was committed to maintaining an optimal level of capital, balancing the need to provide sustainable returns to shareholders. The capital buffer was especially helpful for the Company to withstand the current volatile financial markets and COVID-19 situation. The Group CEO also referred to the Chairman's earlier comment and said that the Company's capital position had enabled the Company to maintain its financial strength to provide peace of mind to its customers and shareholders.

A shareholder posed a question about GEH's shareholders fund investment in debt securities through a wholly owned subsidiary, which amounted to about S\$1.3 billion. The question posed was "What has been the average annual return of the debt securities over the last 5 years" and "how investing shareholders' funds in debt securities, which typically have lower yields than equities, would benefit shareholders in the long run".

Group CEO said that the annualised return for debt securities was around 4% for the last 5 years. The Company's investment philosophy was to have a balanced portfolio to optimise the risk-return profile of its investments. Debt securities had lower volatility as well as lower regulatory risk charges compared to equities, thus a balanced portfolio would provide more stable returns and capital adequacy ratio for the Company.

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The Company also received a question regarding the implementation and annual running cost of complying with the new IFRS17 accounting standards and how the delay in implementation of the new standards would affect the Company.

Group CEO said that the Company did not typically disclose its expenditure for specific projects. However, the delay would allow the Company more time to implement the accounting standards.

Questions had also been posed regarding the amount of insurance claims arising from the COVID-19 pandemic and the percentage of the Company's insurance business relating to coverage for business interruption.

The Group CEO said that Great Eastern's life insurance business had not experienced a significant spike in claims. For general insurance, less than 1% of Great Eastern's business related to coverage for business interruption. There had also not been a substantial increase in travel claims.

In Singapore, Great Eastern's exposure from business disruption was adequately covered by reinsurance, and its policies in Malaysia excluded coverage for business disruption loss arising from a pandemic.

Having said this, the Company recognised the importance of giving back to the community during these challenging times. In Singapore, GEH had pledged S\$1 million as part of its Customer Care Fund to help its customers and their immediate families in the event they were affected by the virus. Great Eastern had also pledged RM1 million in Malaysia and B\$50,000 in Brunei to do the same. The Company had also contributed S\$200,000 to provide financial assistance to those in Singapore affected by COVID-19 through the Courage Fund, which aimed to support vulnerable individuals and groups such as patients, healthcare workers and members of the community affected by serious infectious diseases.

Since then, given the prolonged nature of the pandemic, the Company recognised that vulnerable communities needed more assistance and had been raising funds through a company-wide Corporate Giving drive. GEH would match donations dollar-for-dollar up to S\$100,000.

The Chairman thanked the Group CEO for his responses to the questions raised. The Chairman said that some shareholders may have further questions or comments arising from the responses provided. He welcomed shareholders' comments and suggestions and said that these could be sent to the AGM email address provided on GEH's website.

The Chairman hoped that there would be an opportunity to meet face to face in a more conducive and engaging setting at the next AGM.

The motion of Resolution 1 was put to the vote and the results were as follows:

	No. of shares	Percentage
For	429,465,796	100%
Against	0	0%

The following Resolution 1 was carried:

Resolution No. 1 – Directors’ Statement, 2019 Audited Financial Statements and Auditor’s Report

RESOLVED that the Directors’ Statement, the 2019 Audited Financial Statements and the Auditor’s Report for the financial year ended 31 December 2019 be adopted.

2 FINAL DIVIDEND

Resolution 2 was to approve a final one-tier tax exempt dividend of 50 cents per ordinary share for the financial year ended 31 December 2019.

The Chairman proposed the motion.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	429,465,796	100%
Against	0	0%

The following Resolution 2 was carried:

Resolution No. 2 – Final one-tier tax exempt dividend of 50 cents per ordinary share

RESOLVED that a final one-tier tax exempt dividend of 50 cents per ordinary share for the financial year ended 31 December 2019 be approved.

3 RE-ELECTION OF DIRECTORS

As the next item on the Agenda, Resolution 3(i) concerned Mr Koh Beng Seng’s re-election as a Director of the Company, Mr Koh Beng Seng handed the Meeting over to Mr Lee Fook Sun to chair.

3(i) RE-ELECTION OF MR KOH BENG SENG

Mr Lee Fook Sun proposed that Mr Koh Beng Seng, who retired by rotation under article 97 of the Company's Constitution be re-elected as a Director of the Company.

Upon his re-election, Mr Koh Beng Seng would continue to serve as Chairman of the Board, the Executive Committee and the Risk Management Committee, and a member of the Nominating Committee and Remuneration Committee.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	423,319,377	98.5688%
Against	6,146,419	1.4312%

The following Resolution 3(i) was carried:

Resolution No. 3(i) – Re-election of Mr Koh Beng Seng

RESOLVED that Mr Koh Beng Seng, who retired by rotation under article 97 of the Constitution of the Company, be re-elected as a Director of the Company.

Mr Lee Fok Sun returned the chair back to Mr Koh Beng Seng.

3(ii) RE-ELECTION OF MR LAW SONG KENG

Resolution 3(ii) related to the re-election of Mr Law Song Keng as a Director of the Company.

The Chairman proposed the motion.

Upon his re-election, Mr Law Song Keng would continue to serve as a member of the Executive Committee, the Audit Committee and the Risk Management Committee.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	424,045,715	98.7379%
Against	5,420,081	1.2621%

The following Resolution 3(ii) was carried:

Resolution No. 3(ii) – Re-election of Mr Low Song Keng

RESOLVED that Mr Law Song Keng, who retired by rotation under article 97 of the Constitution of the Company, be re-elected as a Director of the Company.

3(iii) RE-ELECTION OF MR SOON TIT KOON

Resolution 3(iii) related to the re-election of Mr Soon Tit Koon as a Director of the Company.

The Chairman proposed the motion.

Upon his re-election, Mr Soon Tit Koon would continue to serve as a member of the Risk Management Committee.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	429,464,096	99.9996%
Against	1,700	0.0004%

The following Resolution 3(iii) was carried:

Resolution No. 3(iii) – Re-election of Mr Soon Tit Koon

RESOLVED that Mr Soon Tit Koon, who retired by rotation under article 97 of the Constitution of the Company, be re-elected as a Director of the Company.

3(iv) RE-ELECTION OF MR THEAN NAM YEW

Resolution 3(iv) related to the re-election of Mr Thean Nam Yew as a Director of the Company.

The Chairman proposed the motion.

Upon his re-election, Mr Thean Nam Yew would continue to serve as a member of the Executive Committee and the Audit Committee.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	424,045,715	98.7379%
Against	5,420,081	1.2621%

The following Resolution 3(iv) was carried:

Resolution No 3(iv) – Re-election of Mr Thean Nam Yew

RESOLVED that Mr Thean Nam Yew, who retired by rotation under article 97 of the Constitution of the Company, be re-elected as a Director of the Company.

4 DIRECTORS' FEES

Resolution 4 was to approve the proposed Directors' fees of S\$2,181,000.

The Chairman proposed the motion.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	429,448,796	99.9960%
Against	17,000	0.0040%

The following Resolution 4 was carried:

Resolution No. 4 – Directors' fees

RESOLVED that the Directors' fees of S\$2,181,000 for the financial year ended 31 December 2019 be approved.

5 APPOINTMENT OF AUDITOR

Resolution 5 was to appoint PricewaterhouseCoopers LLP as the Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP and to authorise the Directors to fix its remuneration.

The Chairman proposed the motion.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	429,447,096	99.9956%
Against	18,700	0.0044%

The following Resolution 5 was carried:

Resolution No. 5 – Appointment of Auditor

RESOLVED that PricewaterhouseCoopers LLP be appointed as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP to hold office until the next Annual General Meeting and to authorise its remuneration to be fixed by the Directors.

The Chairman thanked Ernst & Young LLP for the services rendered to the Great Eastern Group of companies all these years.

As Special Business

The Chairman moved on to the special business items on the Agenda. These related to the usual yearly renewals of the share issue mandate and scrip dividend scheme mandate.

6 GENERAL SHARE ISSUE MANDATE

Resolution 6 was to seek shareholders' approval for the Company's yearly share issue mandate. Such shares, which must be issued on a *pro rata* basis, must not, in aggregate, exceed 50% of the issued shares of the Company (excluding treasury shares and subsidiary holdings).

The Chairman proposed the motion.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	428,591,578	99.9945%
Against	23,718	0.0055%

The following Resolution 6 was carried:

Resolution No. 6 – Authority for Directors to allot and issue shares and make or grant instruments convertible into shares

RESOLVED that pursuant to Section 161 of the Companies Act, Chapter 50 and the Listing Manual of the SGX-ST, authority be given to the Directors of the Company to:

- (a) (i) issue shares of the Company (“shares”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

on a *pro rata* basis to Members of the Company, at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation and adjustments as may be prescribed by the Singapore Exchange Securities Trading Limited (the “SGX-ST”)) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

7 MANDATE TO ISSUE SHARES PURSUANT TO THE GREAT EASTERN HOLDINGS LIMITED SCRIP DIVIDEND SCHEME

Resolution 7 was to seek shareholders’ approval to authorise the Directors to issue shares in the Company pursuant to the Great Eastern Holdings Limited Scrip Dividend Scheme. The Scheme was established in 2010. However, in order for the Directors to allot and issue shares under the Scheme, annual shareholders’ approval was required.

The Chairman proposed the motion.

As there were no questions submitted for this resolution, the motion was put to the vote and the results were as follows:

	No. of shares	Percentage
For	429,465,796	100%
Against	0	0%

The following Resolution 7 was carried:

Resolution No. 7 – Authority for Directors to allot and issue shares pursuant to the Great Eastern Holdings Limited Scrip Dividend Scheme

RESOLVED that authority be and is hereby given to Directors of the Company to allot and issue from time to time such number of shares as may be required to be allotted and issued pursuant to the Great Eastern Holdings Limited Scrip Dividend Scheme.

8 **CONCLUSION OF MEETING**

As the formal business of the Meeting had been concluded and no notice had been received for any other business that might properly be transacted at the Meeting, the Chairman declared the Meeting closed.

The Chairman thanked shareholders for their participation at the Meeting and their co-operation and patience amidst the COVID-19 pandemic, which had resulted in the Meeting being held that day, after having been deferred earlier.

The Meeting ended at 3.21 pm.

Confirmed by the Chairman of the Meeting