

Tune Protect's commitment to continuous improvement for recovery

Tune Protect Group Berhad ('Tune Protect' or 'The Group'; TUNEPRO, 5230) posted its Gross Written Premiums (GWP) of RM118.0 million with Operating Revenue of RM138.5 million and Profit After Tax (PAT) of RM9.3 mil for the fourth quarter of 2017.

For the full year of 2017, the Group recorded its GWP of RM517.7 million, Operating Revenue of RM542.6 million and PAT at RM50.0 million respectively. The increases in Operating Revenue by 5% and GWP of 3.3% compared to 2016 can be attributed to a number of strategic initiatives that were launched last year in the Digital Global Travel and the General Insurance businesses.

*"Our building blocks for recovery and growth have been laid in 2017, and the Group will work towards strengthening our position in 2018 by being nimble and taking calculated risks. We believe the initiatives that we have put in place are our **commitment to continuous improvement** towards recovery and a stronger financial performance in the coming years,"* said **Group Chief Executive Officer of Tune Protect, Razman Hafidz Abu Zarim**.

In the **Digital Global Travel** business segment, the Group has charted good progress with the topline performance for 2H2017 outperforming 1H2017, recording full year growth in GWP of RM105.2 million and PAT of RM43.2 million, mainly contributed by the initiatives launched last year.

There will be investments in the relevant digital solutions as well as **the Group's initiative to invest in a Peer-to-Peer Insuretech company based in the UK** and form other strategic alliances with digital affiliates to mutually benefit from insuretech expertise, in addition to strengthening capabilities by introducing new e-Tools across distribution channels to elevate overall customer experience. All these are in line with the Group's three core strategies – to lead in product innovation and differentiation, widen distribution channels and expand reach, as well as to deliver exceptional customer service.

"Our focus on digitisation continues, following the success of our product bundling and dynamic pricing initiatives launched in 3Q17 for the Digital Global Travel business. Further improvements in the algorithms with different attributes will be implemented this year to enhance the personalisation model that will encourage greater take-up rates. Product bundling is also expected to continue its positive topline progression," added Razman.

For the General Insurance business, the five mid-term key strategic areas put in place to drive performance are: critical mass acquisition on retail, technology, data analytics and propensity modelling, customer segmentation, as well as product innovation.

These strategies will see **the Group building partnerships** with one of the largest online providers to a health screening company specifically for foreign workers. The Group has

also partnered with an online car dealer platform that can help with tapping onto more customers and **expand Tune Protect's innovative products** to target preferred and profitable segments.

For **Malaysia**, the **General Insurance Business** achieved 5.4% GWP full year growth in 2017, outpacing industry performance which declined by 0.1%. Tune Protect Malaysia's 4Q2017 PAT also increased by 10.9% year-on-year, following a larger contribution from investments and higher commissions received from higher motor quota share cession entered since early 2017.

For **Thailand**, the **General Insurance Business** achieved 24.8% PAT full year growth in 2017 due to lower operating expenses and net claims, and higher investment gains.

At the Group level, the lower PAT for 2017, which decreased by 42.2%, is attributed to higher impairment provisions and larger Fire and PA claims. The recent floods in Penang have also increased flood claims despite good topline achieved in GWP.

"We continue to power through and improvements are ongoing towards fulfilling our promise of delivering value to all our stakeholders. The Group remains financially sound, with a growing and promising portfolio. We also take pride in the talent of our people, and with a strong bench of leaders and clear strategies in place, we are hopeful that our hard work will bear positive results in the mid to long term," Razman concluded.

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About Tune Protect Group Berhad

Tune Protect Group Berhad was incorporated in 2011 and listed on the main market of Bursa Malaysia in 2013. Through its subsidiaries and associates in Malaysia, Thailand and United Arab Emirates, it underwrites, directly and via reinsurance, general insurance business. The Group also offers insurance protection online, directly as well as through online partners. For further information, please visit www.tuneprotect.com