

Spearheading digital agenda with innovation

Tune Protect Group Berhad ('Tune Protect' or 'The Group'; TUNEPRO, 5230) posted its Gross Written Premiums (GWP) of RM122.1 million with Operating Revenue (OR) of RM141.3 million and Profit After Tax (PAT) of RM13.4 million for the second quarter of 2018.

PAT for 1H2018 recorded an 18% increase year-on-year to RM 31.7 million. This was attributed to increased underwriting profits by 42% year-on-year from lower net claims and reduced management expenses. OR increased by 8% contributed from higher premiums in Motor and Travel classes of business, as well as better investment income.

The Group's General Insurance business in Malaysia recorded a 1H2018 PAT increase of 31% year-on-year and 2Q2018 PAT increase of 65% year-on-year. The growth in business was contributed by higher quota share arrangements, favourable prior years claim development and better collection of receivables.

The Digital Travel Global business recorded a broad-based increase of 8% in GWP whilst the number of policies issued also increased by 86% in 1H2018 amongst the major airline partners.

Leveraging on Digital Innovation

A key initiative this year is a consolidation of the various digitisation initiatives in the Group, to deliver a unified mobile application and an intuitive website. The deployment of this project will entail the integration of an omni-channel customer support suite to service varied customer behaviour patterns within a singular platform. This will also improve the speed to market of the Group's on-demand products. Together, these will align Tune Protect Group's business model to meet the needs of its online customers.

"The initiatives we (Tune Protect) are putting into place in 2H2018 are fundamental to our digital agenda. We are now able to reach a wider market place and ensure that we remain competitive in an increasingly fast-moving economy," said **Group Chief Executive Officer of Tune Protect, Razman Hafidz Abu Zarim.**

Tune Protect Group to bring P2P Insurtech to Malaysia

Other initiatives, especially on the Insurtech front, as announced in the prior quarter have come to fruition. This quarter sees the successful completion of Tune Protect Group's investment in Laka Ltd, a UK based peer-to-peer Insurtech company where The Group now holds 9.99% equity interest. This investment allows Tune Protect to replicate similar business model in Malaysia by the end of the year.

"Tune Protect is on track to replicate this business model in Asia in the near future. We are very excited to unlock this untapped market and to provide the platform to connect people with similar interests," added Razman.

Diversifying the Business with Airline Integrations and Market Expansion

The Group continues to pursue market expansion by penetrating an enlarged Indo-China and Middle East customer base. While B2B channels were established for Cambodia, China and Vietnam in March 2018, 2H2018 welcomes D2C (direct-to-consumer) channels going live for Wataniya Airways and Cambodia Angkor Air. The longer-term view that is envisaged from these partnerships include increasing the premiums contribution mix and establishing even stronger credentials of successfully working with multiple airline partners.

Leveraging on existing travel insurance capabilities and experience, the Group continues its pursuits for personalised travel insurance plans with enhanced dynamic pricing. This approach in optimising algorithms to further personalise offers leading to higher take-up rates will be in 5 key markets, namely Malaysia, Thailand, Indonesia, China and Singapore.

Retakaful travel remains as a constant growth area for Tune Protect with access into the sizeable Muslim markets in the Middle East and Indonesia via partnerships with takaful underwriters worldwide. Retakaful travel went live with UAE in August 2018, the second market to offer Travel takaful backed by Tune Protect after Bahrain, which went live in 2Q2018. The retakaful business will be further expanded to other Middle East markets and Indonesia in 2H2018. The Group is also in talks with AirArabia to offer takaful products alongside their current offerings.

-End-

This press release is issued on behalf of Tune Protect by Suppagood PR. For interview opportunities, or more information please contact via email, call, text or what's app:

Andrea Arul	017-3319459	andrea@suppagood.com
Eugenie Chan	019-3390019	eugenie@suppagood.com

Tune Protect Group Berhad, Media Liaison
Rozieana Binti Jamaluddin, Senior Communications Manager
Phone: +6012 2070 698
E-mail: rozieana.jamaluddin@tuneprotect.com; media@tuneprotect.com

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