

Tune Protect grows digital agenda with On-Demand protection

Tune Protect Group Berhad ('Tune Protect' or 'The Group'; TUNEPRO, 5230) posted its Gross Written Premiums (GWP) of RM122.2 million with Operating Revenue (OR) of RM141.5 million and Profit After Tax (PAT) of RM10.1 million for the third quarter of 2018.

GWP for 3Q2018 registered an 8.7% growth, contributed by the Digital Global Travel and Malaysia General Insurance businesses, charting increases of 2.6% and 8.2% respectively. The OR increased year-on-year (YoY) by 1.0% for 3Q2018 and 5.4% year to date, while PAT for 3Q2018 declined by 27.8% and increased by 2.3% year to date.

The Group's General Insurance business in Malaysia recorded an increase of 8.2% in GWP for 3Q2018 and 2.9% year to date driven by stronger non-Motor growth, in line with its portfolio restructuring strategy. PAT grew by 12.7% year to date contributed by favourable prior years' claims development and closure of time-barred claims.

Tune Protect's Digital Global Travel sector showed encouraging top line growth this quarter from its air travel business with an increase of 2.6% in 3Q2018 and 6.3% year to date, for its GWP. Product bundling offering protection to AirAsia premium fare customers, contributed 4.8% of its year-to-date GWP growth. As for its non-AirAsia segment, year-to-date GWP growth was driven by its Middle Eastern joint venture, AirArabia and B2B segments, increasing by 14.6%. Tune Protect continues to make good progress in growing its non-AirAsia segment.

The Group's overseas ventures in Thailand and EMEIA (Europe, Middle East, India and Africa) charted better net profit growth in 3Q2018 with share of results growing by 68.8% collectively due to better underwriting performance.

Growing digital agenda with launch of first On-Demand product

The Group reaffirms its presence in the insurtech space with the launch of **Sports+**, the first on-demand protection plan for extreme sports in 3Q2018. Protection is made easy with two plans available with worldwide coverage, choice of duration between 1 day and 1 year, and affordable premiums starting at RM5.00 (excluding applicable duties and taxes). In promoting Sports+, Tune Protect will be partnering RipCurl, an international surf clothing retailer that will be organising a surfing event in December 2018.

"In line with our aspiration to be a leading digital insurer and a lifestyle enabler, Sports+ is another innovative product that we are bringing to the market," said Group Chief Executive Officer of Tune Protect, Razman Hafidz Abu Zarim. "Launching our first on-demand product is an exciting milestone in growing our digital agenda, and strengthening our position in the insurtech space," he added.

Launched first in Malaysia, very soon, similar protection plans will be made available in Europe, Middle East, India and Africa (EMEIA) through partners worldwide.



Digital transformation plan making good progress

The various short-term and long-term initiatives laid out are gradually materialising to strengthen the Group's position as a leading digital insurer and lifestyle enabler in the region. Moving forward, the next phase of the Group's digital transformation plan is progressively coming into fruition. This includes the development of a mobile application and an intuitive website that will offer an omni-channel experience to customers along with a LIVE chat option. Together, these will facilitate the development and deployment of more on-demand products similar to Sports+, creating an ecosystem well suited to the growing e-commerce market.

In harnessing the potential of insurtech in Asia, **the pursuit with Laka Limited UK** is on track for the first half of 2019. Laka has recently been recognised as the Best Cycle Insurer, Best Newcomer and Innovation of the Year by the Insurance Choice Awards 2018. The Laka Asia project is well underway with the Group engaging regulators and building networks with local cycling communities, clubs and shops. It is currently making the rounds with various fintech accelerator programmes to deliver a seamless product that pushes the existing boundaries of insurtech in the region.

Supporting the digital agenda is the implementation of **dynamic pricing 2.0** with the aim of providing end-to-end optimisation for the purchase of travel insurance. Not only will dynamic pricing lower the cost for customers, it will also make buying protection online affordable and accessible with customised solutions based on the purchasing behaviour of the individual. Tune Protect has already established multiple test scripts with dynamic pricing 2.0 for different customer segments within a market and the project has moved to its final integration process with its airline partner's new simplified website. Phase 1 of dynamic pricing 2.0 will go live in December 2018 and will cover 7 markets including Malaysia, Thailand, Indonesia, China, Hong Kong, Singapore and Macau.

More affinity partnerships in the property segment

For the Malaysia General Insurance business, their foray in the property market is becoming more visible with **another affinity partnership sealed with Dax Venture**, a property solutions tech start-up to offer innovative insurance coverage to protect homeowners against tenants' default and associated losses. This is in addition to an earlier entry into the property market with HostAStay, the short stay management solutions company earlier in 3Q2018.

Another collaboration which is making good progress is a tie up with a leading property developer. Targeted to be finalised in 1Q2019, it will offer homeowners and resident communities a revolutionary solution on mobile financial services which will include insurance coverage.

Meanwhile, in the Travel Retakaful business, the Group is now present in Iraq, Oman and Lebanon in addition to Bahrain and UAE in the Middle East, while finalising terms with Kuwait and Indonesia by the end of 2018.

The Group is hopeful that the initiatives in digital transformation, product innovation and affinity partnerships will contribute further to its future business prospects and growth.

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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:

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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

