



Tune Protect Sees Growth From the Middle East and ASEAN Travel Recovery, Sets In Motion New Strategic Direction

Highlights:

- 4Q2020 GWP QoQ growth driven by travel recovery in the Middle East, where travel policies and premiums **increased by 114.9% and 110.5% respectively** QoQ
- FY2020 pandemic impact on GWP cushioned by: lower net fees and commission paid **by 42.9%**; lower net claims incurred **by 25.6%**
- Sets in motion new strategic direction with four new lifestyle partnerships added in 4Q2020, and more in the pipeline

Kuala Lumpur, 25 February 2021: Tune Protect Group Berhad (“Tune Protect” or “Group”; TUNEPRO, 5230) reported a Profit After Tax (“PAT”) of RM1.6 million for the fourth quarter of 2020 (“4Q2020”), with Gross Written Premiums (“GWP”) and Net Earned Premiums (“NEP”) at RM82.2 million and RM52.8 million respectively, during the quarter.

The quarter-on-quarter (“QoQ”) increase in GWP and NEP, by 5.4% and 22.3% respectively was driven by travel recovery in the Middle East, while the QoQ decrease of 68.2% in PAT was attributed to higher management expenses as a result of a one-off provision for impairment for insurance and reinsurance receivables.

For the full year ended 31 December 2020, the Group reported a PAT of RM28.2 million, while GWP and NEP for the period stood at RM375.3 million and RM189.9 million respectively.

The year-on-year (YoY) decrease of 51.4% in PAT was attributed to the decline in underwriting performance in FY2020 that corresponded to the drop incurred in NEP from both travel and non-travel segments, due to the prolonged impact of the pandemic and the extension of the Movement Control Order (MCO).

“Given the challenges posed by the pandemic on the economy globally, we accelerated our diversification strategy in Lifestyle (including Travel), Health, SME and other classes to remain resilient. This led us in good stead as we were able to capture new opportunities,” said **Rohit Nambiar (“Rohit”), Group Chief Executive Officer of Tune Protect.**

TPR (RM' mil)	4Q2020	3Q2020	QoQ%	4Q2019	YoY%
GWP	26.8	11.4	>100	24.7	+8.3
NEP	24.7	11.2	>100	25.1	-1.8
PAT	(0.3)	2.6	>- 100	6.2	>-100



TPM (RM' mil)	4Q2020	3Q2020	QoQ%	4Q2019	YoY%
GWP	55.9	67.8	-17.6	95.7	-41.6
NEP	28.2	32.0	-12.0	39.7	-29.1
PAT	1.9	6.3	-70	9.2	-79.4
TPT (RM' mil)	4Q2020	3Q2020	QoQ%	4Q2019	YoY%
GWP	17.3	37.3	-53.7	17.5	-1
Share of profits / (loss)	(0.2)	(0.4)	+50.4	0.7	>-100
EMEIA markets (RM' mil)	4Q2020	3Q2020	QoQ%	4Q2019	YoY%
Share of profits from TP EMEIA	3.9	0.05	>100	0.3	>100

**TPT and TP EMEIA numbers have been converted to Ringgit Malaysia*

Travel recovery in 4Q2020 boosts revenue

For 4Q2020 and the full year 2020, Tune Protect Re (TPR) showed improved performance and growth. TPR saw RM2.1 million and RM15.4 million growth during the year, representing 8.3% and more than 100% GWP increase YoY and QoQ, largely driven by the rebound of the travel industry and increased awareness of Travel insurance in the Middle East. Together with Tune Protect EMEIA ("TP EMEIA"), the Group's travel assurance digital facilitator in the Middle East, TPR experienced a higher take-up of Covid-19 Plus Extension products from the B2B segment that were launched in the second half of 2020.

Tune Protect Thailand ("TPT"), an Overseas Venture of the Group is leading the recovery of policies and premiums in the ASEAN region as it was quick to introduce i-Pass, a travel insurance plan with Covid-19 health and medical coverage. TPT is currently the market leader for travel insurance in Thailand, with a Travel market share of 21%. For 4Q2020, Travel GWP was up 101.4% QoQ as AirAsia Thailand operated 116% of pre-Covid-19 domestic capacity as at December 2020. TPT 4Q2020 share of results would have been positive if not for higher expenses from provisions and new telemarketing channel set-up.

TPM topline impacted by Travel, Motor and Commercial lines

Meanwhile, Tune Protect Malaysia ("TPM") reported RM55.9 million in GWP, a decrease of 41.6% and 17.6% YoY and QoQ respectively due to lower contribution from its Travel, Motor and commercial lines. While its travel business was impacted by the pandemic, the lower Motor and commercial lines were expected and in line with the Group directing its focus on 3 key business pillars: **Health, Lifestyle** and **SME**.



New group strategic direction set in motion

Going forward, Tune Protect has set in motion a new group strategic direction to futureproof itself. As it aspires to be the **Lifestyle Insurer That Everyone Loves**, the Group is set to build on its **Health, Lifestyle and SME** business pillars with a lineup of products and propositions while leveraging on the AirAsia ecosystem, and accelerating digital and affinity partnerships in ASEAN. The Group started 2021 on a strong note as it is on track to secure more than 10 partnerships across ASEAN and the Middle East by the end of the first quarter of 2021.

“Commenting on the outlook for Tune Protect, **Rohit** concluded: *“Despite the pandemic odds stacked against us and the rest of the industry, Tune Protect foresees a promising future from ASEAN and the Middle East in the Health, Lifestyle and SME pillars. Furthermore, as already seen in 1Q2021, we look forward to more related digital and affinity partnerships plans coming to fruition in 2021 to push us forward to become the lifestyle insurer that everyone loves in ASEAN.”*

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About Tune Protect Group Berhad

Tune Protect Group Berhad (Tune Protect or the Group) is a financial holding company listed on the main market of Bursa Malaysia. Aspiring to be an ASEAN-based lifestyle insurer that everyone loves, Tune Protect aims to simplify consumer experience with best-in-class products and technology that complement their lifestyle needs. With its tagline “Insurance Simplified”, Tune Protect offers an array of affordable protection plans to suit individual, SME and corporate needs via its insurance, reinsurance and marketing arms in Malaysia, Thailand and the United Arab Emirates. Tune Protect has established a strong foothold in the travel, lifestyle, health and digital insurance space globally with presence across more than 60 countries through strategic partnerships with local underwriters in these markets.

For more information on Tune Protect, visit their website at <https://www.tuneprotect.com/>

This press release is issued on behalf of Tune Protect Group Berhad. For interview opportunities, or more information, please contact via e-mail, call, text or WhatsApp.

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