



Tune Protect registered double digit topline growth in 3Q21, Underwriting Profit recovered from losses

Highlights:

- 3Q21 GWP grew 15.2% YoY; Underwriting Profit recovered YoY from losses
- Growth in Travel expected to continue in 4Q21 and progressing into 2022
- Health and Lifestyle pillars to spur topline growth further

KUALA LUMPUR, 17 NOVEMBER 2021 - Tune Protect Group Berhad (“Tune Protect” or “Group”; TUNEPRO, 5230) recorded an improvement in Gross Written Premiums (“GWP”) by 15.2% year-on-year (“YoY”) despite a challenging market landscape with lockdowns in July and August this year in both Malaysia and Thailand. The Group is positive of a strong rebound of the travel sector as travel restrictions are gradually lifted domestically and globally. This is evident by the 170% growth in the Travel segment, particularly in the Middle East, contributing to the Group’s Underwriting Profit of RM0.3 million for 3Q21.

“We expect the pace of recovery to increase in 2022 supported by ASEAN countries reopening their borders. The growth in Travel is expected to continue in 4Q21 and 2022 as mandatory travel insurance is gaining ground,” said **Rohit Nambiar (“Rohit”) Tune Protect Group Chief Executive Officer**.

Rohit also attributes the improvement in the Group’s 3Q21 Underwriting Profit to favourable claims experience, which had also contributed to a 22.7% improvement to the Group’s Combined Ratio of 99.4%. Net Earned Premiums (“NEP”) also rose YoY by 1.9%, though the growth was lower as the Group’s Malaysian General Insurance subsidiary, Tune Protect Malaysia (“TPM”) had a higher cession of the Group’s commercial business.

The Group however registered a marginal Loss After Tax (“LAT”) of RM0.8 million in 3Q21, due to lower net investment income and share of losses of RM3.1 million from the Group’s Thai associate, Tune Protect Thailand (“TPT”) mainly from a group PA account exposure.

Rohit commented, “The gradual recovery of the Group’s fixed income market over the past 6 months declined at the end of 3Q21 as treasury yields increased on inflationary pressure, as well as expectation of the US Federal Reserve starting to reduce bond purchases by as early as 4Q21. Fixed income market volatility is expected to continue in the near to medium term. We are repositioning for a more defensive portfolio mix by re-allocating 15% of our longer duration corporate bonds to short duration government bonds.”

Group Performance

TPG (RM’ mil)	3Q2021	3Q2020	YoY (%)
Gross Written Premiums (“GWP”)	89.9	78.0	15.2
Net Written Premiums (“NWP”)	43.2	39.0	10.9
Net Earned Premiums (“NEP”)	44.0	43.2	1.9



Net investment income ¹	2.9	17.9	-84.4
Loss After Tax ("LAT")	(0.8)	5.1	>-100

¹Aggregate of investment income, realised gains and losses, and fair value gains and losses

Group Performance by Key Business Pillars

	3Q2021				3Q2020			
	Health	Lifestyle	SME	Commercial	Health	Lifestyle	SME	Commercial
GWP (RM mil)	2.6	40.4	9.3	37.6	3.0	39.5	8.6	26.9
NEP (RM mil)	3.0	32.3	7.1	1.7	3.6	30.0	7.2	2.3
UW Contribution² (RM mil)	0.8	30.3	3.0	-1.6	1.6	15.5	2.9	-0.5
NWP	2.5	32.5	6.4	1.8	3.0	26.7	6.1	3.2

² Excluding management expenses

Health & Lifestyle in motion

Rohit remains bullish about the overall market outlook. Other than the Travel segment, he also expects the Health and Lifestyle pillars to boost the Group's topline into next year with more products expected to be launched in 2022.

"Our Health and Lifestyle products launched this year have continued to gain traction as we are building economies of scale by increasing our partnership base and rolling out aggressive marketing," said Rohit.

To date, the Group has launched several products in the Health segment such as PRO-Health Medical – a cashless health coverage targeting millennials; VSafe COVID which covers for the infection of the disease and the side effects of the vaccine; and myFlexi CI – a customisable critical illness plan. In addition to that, these products are complemented with value-added propositions offered by the Group's strategic partners such as emotional wellbeing assessment for policyholders; teleconsultation as well as second medical opinion services. Most recent, the Group launched its vaccine insurance as an add-on to the existing inbound product for customers travelling to the UAE.

There were also innovative offerings from the Lifestyle segment this year, such as Home Easy & Home Shield, a residential building and home content protection with great flexibility for homeowners to tailor their plan with optional add-ons to meet their individual needs. It also offers up to 40% savings in premium with complimentary benefits if customers opt to cover both their homes and its contents. The Group had also launched pet travel and student assurance in the Middle East and inland transportation insurance in Indonesia and Thailand.

In partnerships, the Group recently tied up with Qoala, the digital insurance marketplace to distribute Motor Easy, a motor insurance product by TPM in addition to an earlier collaboration



with Cover Genius to distribute a product that protects against damage or loss of goods during transit from the merchants to Shopee customers in Thailand.

In the Travel segment, the Covid Travel Pass has just been launched via the airasia Super App for inbound travellers to satisfy the mandatory insurance requirements by the respective Malaysia and Thai governments.

Sustainability at the core

The CEO reaffirms the Group's strong commitment to a sustainable future in line with its Environment, Social and Governance (ESG) goals.

"To enhance the social safety net for the B40 income group, we will be launching a *Perlindungan Tenang* product, and a micro health protection plan soon," Rohit elaborated.

The company is supportive of the government's recent Budget 2022 which made it mandatory for all Public Listed Companies (PLCs) to appoint at least one woman to the Board of Directors.

"We are currently above the Malaysian Code on Corporate Governance (MCCG) recommendation of having at least 30% women representation," Rohit concluded.

-ENDS-

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. For interview opportunities, or more information please contact via email, call, text or WhatsApp:

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