



## **Expanding regional presence with 7<sup>th</sup> airline partnership; Tune Protect registered third consecutive quarter of profitability in 2Q23**

**KUALA LUMPUR, 24 August 2023 - Tune Protect Group Berhad** ("Tune Protect" or "Group"; TUNEPRO, 5230) reported encouraging financial results for the second quarter of the financial year 2023 ("2Q23"), its third consecutive quarter of profit.

**Rohit Nambiar ("Rohit"), Tune Protect Group's Chief Executive Officer** explained that the Group's profitability in 2Q23 was supported by an increase in profit after tax to RM11.2 million, growth of more than 100% Year-on-Year ("YoY").

"The Group's third consecutive quarter of profitability was attributed to a sustained investment performance which bodes well for our financial position until the year end. 2Q23 profitability was underlined by an increase of RM15.0 million in investment income, as well as growth of RM10.9 million in insurance service and financial results which grew substantially at more than 100%, mainly contributed by the general insurance segment. There was also an increase of RM12.3 million in share of results from our associate," Rohit said.

### **Healthy growth in 3 main pillars**

Rohit said that excluding the one-off results of the Tenang scheme which was discontinued by the Government in 2023, the Group registered healthy growth in 2Q23 across all of its three main business pillars of Health, Lifestyle and SME.

"Excluding the Tenang scheme, the Group grew in Net Written Premium ("NWP") across all the main pillars. Overall, NWP increased 14% YoY, driven by the growth in AirAsia Travel business by 48% YoY and Motor business by 42% YoY. Furthermore, 2Q23 travel premiums were at 2% higher than pre-Covid 19 levels in 2Q19," Rohit said.

Including the Tenang scheme, the retention ratio for the Lifestyle pillar declined by 4% YoY in 2Q23. The SME pillar declined by 2%, whilst the Health pillar was equal to last year's performance. On the Commercial front, its retention grew 11% YoY in 2Q23 after the planned exit from a low retention large corporate account in 2022. The remaining accounts in the Group's Commercial books are mainly from the Corporate Fire business with a higher retention rate.

### **Improved investment income and combined ratio**

The Group's insurance revenue in 2Q23 dropped 15.7% YoY mainly due to the weaker performance of the Fire and Personal Accident (PA) business. Overall insurance business in the first half of 2023 ("1H23"), registered a revenue of RM224.1 million, in line with last year's performance.

During the 1Q23, the Group's combined ratio improved by 9.7% mainly attributed to a lower net claims ratio. Investment income turned around favourably, growing to RM8.7 million and RM18.0 million in 2Q23 and 1H23 respectively, compared to losses of RM6.3 million and RM7.8 million in 2Q22 and 1H22 respectively.



### Group performance – 2Q23 and 1H23 overview

Tune Protect Group (RM'mil)	2Q22 <sup>2</sup>	2Q23	YoY	1H22 <sup>2</sup>	1H23	YoY
Insurance revenue	121.3	102.3	-15.7%	224.2	224.1	-0.04%
Insurance service and financial results	(6.1)	4.8	>100%	6.0	10.4	+73.3%
Investment income	(6.3)	8.7	>100%	(7.8)	18.0	>100%
Other income and expenses	(4.1)	(2.5)	-39.0%	(12.6)	(12.6)	-
Share of results <sup>1</sup>	(10.3)	2.0	> 100%	(13.8)	1.0	> 100%
Profit/(loss) before tax	(26.8)	13.0	> 100%	(28.2)	16.8	> 100%
Profit/(loss) after tax	(25.7)	11.2	> 100%	(27.4)	14.4	> 100%
Combined ratio	105.0%	95.3%	-9.7%	97.3%	95.4%	-1.9%

Notes:-

1. Share of results of an associate (TPT) and a joint venture company (TP EMEIA).
2. Restated based on MFRS 17.

### Fortifying tech and regional partnerships

In 2Q23, the Group continued to fortify its progress in key focus areas, such as technology which provides the critical backbone in the Group's regional partnerships for activations and renewals. For example, the Group has a strategic insurance partnership in Nigeria which went live and is the Group's first venture in Africa for a travel Business-to-Business (B2B) programme. Currently, the Group also has a partnership with the largest travel distributor in Nigeria. There are similar ventures in the pipeline in nine more countries in Asia and Africa.

The Group also continued to strengthen its regional presence in Southeast Asia through the tie-up with the Group's seventh airline partner VietJet Air. The airline has approximately 400 flights daily and carried more than 80 million passengers to date on 113 routes across Vietnam and other Asia Pacific destinations.

The Group's mobile first strategy continues on its stride of growth in new downloads for its mobile application in Malaysia and Thailand, which rose YoY by 50.2% and 27.4% in 2Q23 and 1H23 respectively. For its concerted efforts, the Group has won several prestigious industry accolades such as the Marketing Initiative of The Year and Claims Initiative of the Year in the Insurance Asia Awards 2023. It also won the impressive Best Insurance Tech award at the PC.com Awards 2023.

### Investment outlook

"We are confident of generating a decent return on our investments, especially from the money market and fixed income. The Malaysian bond market has also rallied significantly and that has benefitted



our portfolio. We will continue to maintain our conservative asset allocation for now. However, we will constantly assess our portfolio and remain vigilant on capital market developments,” Rohit concluded.

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### **About Tune Protect Group Berhad**

Tune Protect Group Berhad (“Tune Protect”) is a financial holding company listed on the main market of Bursa Malaysia. Aspiring to be the lifestyle insurer that everyone loves in the region, Tune Protect aims to simplify the insurance experience leveraging digital and offer an array of affordable, and comprehensive protection plans and propositions to suit the needs of individuals and businesses in the Health, Lifestyle and SME pillars. Through its insurance, reinsurance and marketing arms in Malaysia, Thailand and the UAE, Tune Protect has established a global presence across 49 countries, working with local underwriters via strategic partnerships in these markets.

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

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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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