



FOR IMMEDIATE RELEASE

PRESS CONFERENCE HIGHLIGHTS

Kuala Lumpur, 5th June 2015:-

Tune Ins Holdings Berhad (“TIH” or the “Group”) held their 4th Annual General Meeting attended by:

- Chairman and Independent Non-Executive Director - Encik Razman Hafidz Abu Zarim
- Non Independent Non-Executive Director - Tan Sri Dr. Tony Fernandes
- Non Independent Non-Executive Director - Datuk Kamarudin Bin Meranun
- Non Independent Executive Director - Mr. Tan Hong Kheng
- Independent Non-Executive Director - Mr. Ng Siek Chuan
- Independent Non-Executive Director - Ms. Tan Ming-Li
- Chief Executive Officer - Mr. Junior Namjick Cho
- Members of TIH’s Senior Management team, and
- Shareholders of TIH

The key highlights presented at the AGM were:

1. Financial & Performance Overview of FY2014
2. 1Q2015 Performance and Future Plans

Key Highlights:

Financial & Performance Overview of FY2014

Snapshot

- 1) TIH displayed solid FY2014 performance with Profit After Tax (“PAT”) closing at RM76.1 mil, meeting most analysts’ expectations. Year-on-Year (“YOY”) Operating Revenue increased by 16.2% to RM451.1 mil, backed by strong Gross Earned Premium (“GEP”) growth across Fire, Travel and Marine classes of business.
- 2) TIH achieved excellent shareholder value creation with Earnings Per Share at 9.62 sen (increased 3.6% YoY) and Return on Equity at 17%.



- 3) The Group delivered its promise made to shareholders at the point of Initial Public Offering (“IPO”) and in line with its Dividend Policy, by announcing a final single tier dividend of 4.04 sen per ordinary share of RM0.10. The dividend payment was approved by shareholders during the TIH AGM held on 5 June 2015.

Global Travel Business – Tune GenRe Limited (“TGR”)

- 1) The reinsurance arm continued to outperform recording a YoY PAT growth of 9.1% to close at RM57.4 mil, which is 75.4% of the Group’s total PAT achieved for the year. Travel business achieved higher underwriting margins coupled with lower expense ratio, as a result of prudent underwriting and cost efficiencies.
- 2) Despite headwinds in geopolitical uncertainties and airline tragedies, there was strong recovery in the last quarter of the year and near 8 million Travel policies were issued in the year.
- 3) Continuous growth and improvement in the business and service deliverables including:
 - Launched partnerships with AirAsia X in Thailand and Indonesia
 - Launched Travel claims e-portal for quick online claim management for Malaysia and Thailand markets
 - Opened new markets with Cebu Pacific Air namely Brunei, Cambodia, Indonesia and Vietnam

Malaysian General Insurance subsidiary - Tune Insurance Malaysia Berhad (“TIMB”)

- 1) The subsidiary recorded Gross Written Premium (“GWP”) of RM380.0 mil and PAT of RM22.2 mil for the year. Weaker 2Q2014 and 3Q2014 performance was largely attributed to higher than expected claims and management expenses on staff union payout as well as a slower than anticipated growth.
- 2) TIMB’s Capital Adequacy Ratio (CAR) remained strong and at a comfortable percentage well above the minimum regulatory requirement of 130% and industry average of above 250%.
- 3) The rebalancing of motor portfolio continued with focus on the profitable franchise segment of popular vehicle marques and new car distributors.
- 4) Growth was recorded in foreign worker insurance line of business through collaboration and strategic tie-ups with foreign workers’ agencies / associations.
- 5) TIMB expanded its branch network with 3 locations in Batu Pahat, Sandakan and Sibul.

Overseas Associates and Joint Venture (“Overseas Ventures”)

- 1) Overseas Ventures contributed 5% to the Group’s bottom line, a major accomplishment in line with its expansion and diversification strategies both geographically and in respect of travel partners.



Thailand

- i. TIH completed 49% acquisition of Osotspa Insurance Public Company Limited (subsequently rebranded to Tune Insurance Public Company Limited ("TIPCL")) and Permpoonsub Broker Company Limited ("PPS") in May 2014, allowing TIPCL to underwrite Travel insurance business whilst growing its existing corporate business portfolio.
- ii. TIH's share of profit from its Thai associates since acquisition, was THB37.2 mil (RM3.9 mil). The profit was underpinned by growth in TIPCL's traditional general insurance and Travel insurance portfolios, as well as bad debt reversals post acquisition.
- iii. TIPCL launched Quicksurance, which is affordable Personal Accident insurance made available for purchase via Boonterm, an innovative distribution platform of more than 40,000 top-up machines nationwide.

Middle East North Africa ("MENA")

- i. TIH's MENA operations - Tune Protect Commercial Brokerage LLC ("Tune Protect"), achieved USD1.3 mil (RM4.2 mil) in GWP with over 125,000 Travel policies issued under the Tune Protect brand since inception.
- ii. Tune Protect is a joint venture company with Cozmo Travel LLC and was incorporated in March 2014, providing online Travel insurance to Air Arabia customers, and now has presence across more than 20 markets in MENA and European Union ("EU") regions.

Innovation

- Digital's successes in Y2014 include the launch of 4 innovative products available for purchase online, and the introduction of online portals for TIMB's agency network.

Accolades and Awards

- TIH was the proud recipient of several awards including the prestigious **Forbes Asia "Best of the Best"** and **"Best Under a Billion"** awards, honored at the magazine's Best Under A Billion Forum and Awards event held in Bangkok in December 2014.

1Q2015 Performance & Future Plans

1Q2015 Performance

- TIH had a positive start for the year, with its 1Q2015 PAT up 6.9% YOY (without one-time gain on property sale of RM4.3 mil ("one-time gain")).



- Global Travel business posted strong GWP and Net Earned Premium (“NEP”) growth, delivering YoY increase of 16.9% and 10.5% respectively, despite initial softness faced in travel within ASEAN at the start of the year.
- TIMB’s GWP contracted 10.4% as select corporate accounts recorded lower premium income due to short-term policies issued ahead of the Goods and Services Tax (“GST”) implementation in the quarter. The subsidiary’s PAT delivered a 33.8% YoY increase (excluding one-time gain), underpinned by higher investment income and lower claims liability and Malaysian Motor Insurance Pool provisioning.
- Overseas Ventures’ contribution rose to 5.2% for the quarter.
- TIH also announced its proposed Indonesian acquisition of PT Asuransi Staco Mandiri (“ASM”) with the execution of a Conditional Binding Offer for an investment of 50% + 1 share in the general insurance company.
- Other notable achievements in the quarter include the launch of 4 Lifestyle travel protection products (add-on travel protection plan) for AirAsia’s ex-Malaysia routes, and the activation of inbound travel insurance offer from Korea, Nepal and Sri Lanka markets into Malaysia.

Y2015 Focus & Plans

TIH remains committed to achieving its Y2015 plans, which can be summarised as follows:

- Diversify Global Travel with new partnerships across airline and non-airline partners.
- Secure e-commerce partnerships whilst strengthening its B2B digital propositions.
- On track to complete transaction of Indonesian acquisition earlier than August 2015.
- On schedule to launch its new website and mobile platform by 3Q2015 to drive Direct-to-Consumer engagement.
- Expand into additional travel markets across Asia Pacific, MENA and EU regions.

End Note

- All resolutions under Ordinary and Special Businesses as contained in the Notice of 4th AGM dated 5 June 2015 were duly passed by the shareholders of TIH.

- End -

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