



Tune Ins Holdings Announces Strong Q1 2014 Results

Regional expansion underway : UAE, Thailand Indonesia Next

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for immediate release

Summary

Tune Ins Holdings Berhad (“TIH”) reported healthy growth in profits and revenue for the first quarter financial year 2014 results (“1Q14”). TIH’s unaudited 1Q14 post-tax profits increased by 34.0% to RM 20.4 million against first quarter financial year 2013 (“1Q13”), contributed primarily by an increase in Operating Revenue of 31.4% to RM 113.9 million. As at March 2014, TIH’s assets totals over RM1 billion.

“Our solid 1Q14 performance provides us with a good foundation to achieve our 2014 goals. We continue to enjoy steady growth from both our online business and our Malaysian general insurance company, Tune Insurance Malaysia Berhad (TIMB)” said CEO Peter Miller.

“Our online business continues to grow particularly in key markets of Malaysia, Thailand and China and despite a slow January month impacted by Thailand’s political situation affecting travels into the country.” TIH’s online travel sales for the quarter rose 14.1% year-on-year, with 2.1 million policies issued during that period. Travel insurance saw a strong rebound in sales volumes for the months of February and March 2014.

TIMB recorded Gross Written Premium of RM 109.4 million, and Net Written Premium of RM 49.5 million. This translates to 27.4% and 53.7% year-on-year growth respectively. TIMB’s Capital Adequacy Ratio (“CAR”) remains high at a healthy 283.5%.

TIMB’s strong growth in Q1 naturally lead to an increase in Unearned Premium Reserve (“UPR”) with premium liabilities increasing by RM 12.06 million. These reserves will gradually be released over the coming months and thus it is advantageous for premium growth to occur in the first half of the year.



Outlook

TIH had recently announced its 49% acquisition in a general insurance company in Thailand.

“Our recent entry into Thailand through the strategic 49% acquisition of Osotspa Insurance Public Company Limited (“OSI”), re-affirms our commitment in pursuing the strategies we outlined at the time of our Initial Public Offering, one of which was to pursue ownership stakes in general insurance companies in Asia in particular Indonesia and Thailand. We have commenced work in transitioning OSI into the Tune Insurance family, having established joint integration work streams in key areas such as technology, finance, people, marketing and business development, to cultivate existing multiple opportunities.”

“We are very optimistic about our Thai operations and the many new and exciting opportunities beckoning us. We expect to announce a number of these opportunities when we formally launch our business in Thailand next quarter. We believe Thailand can be a significant contributor to the value of our group by 2015.” Peter added.

TIH has already made its debut into the Middle East through its joint venture company, Tune Protect Commercial Brokerage LLC. With effect from 21 May, customers of Air Arabia, the leading low cost airline in the Middle East, can purchase Tune Protect travel insurance as part of the airline’s online ticketing process. “In the same way that our partnership with AirAsia has provided a significant catalyst for our Asian expansion, we believe our partnership with Cozmo Travel will kick-start our presence in MENA (Middle East – North Africa).” Peter concluded.

The Tune Insurance group of companies has also recently settled into their new head office in Wisma Tune, which they will share with member companies of the wider Tune Group. TIH is confident that the closeness coupled with the Tune culture infused into the look and feel of the new premise, will provide for better Group synergies and higher level of staff interaction and productivity.



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