

FOR IMMEDIATE RELEASE

MEDIA RELEASE

Clarification in relation to the Pre-Conditional Voluntary Cash General Offer from Allianz Europe B.V.

25 JULY 2024 – Following the Pre-Conditional Offer Announcement from Allianz Europe B.V. (“Allianz”) on 17 July 2024, NTUC Enterprise would like to provide some context and clarification.

NTUC Enterprise remains fully committed to supporting Income Insurance Limited (“Income Insurance”) to achieve its purpose of enhancing the financial well-being of families.

Mr Lim Boon Heng, Chairman of NTUC Enterprise, said “Income Insurance will continue to provide affordable and accessible insurance options to the underserved and lower-income customers, through products such as the LUV and SilverCare policies. Secondly, Income Insurance will continue to participate in national insurance programmes in partnership with the CPF Board. Thirdly, Income insurance will also continue to price its products very competitively. NTUC Enterprise will also continue as an active shareholder of Income Insurance to keep it to its purpose and deliver social commitments to its policyholders.”

The idea of bringing in a global player with proven insurance and asset management capabilities is to help Income Insurance to compete more effectively in a market that is dominated by regional and global competitors. Income Insurance’s life insurance market share has been less than 10% in the past ten years. Allianz’s offer to be a majority shareholder will enable Income Insurance to be even more relevant and resilient over the long term, to serve families in Singapore, and fulfil its obligations to its policyholders. Given that insurance has a long tail – people buy policies when they are young, and depend on them when they are old – a strong, thriving and growing insurance company will ensure their expectations are met.

Mr Lim continued, “Over the years, the Singapore Labour Movement has provided Income Insurance with the capital for its business. One example would be the capital injection by NTUC Enterprise in 2020, which was particularly critical in supporting Income Insurance’s solvency at the peak of the Covid-19 pandemic when its capital buffers came under pressure. Insurance is a capital-intensive business and to grow, there is a need to tap the capital markets. The strength of Allianz’s financial position will provide additional support to Income Insurance where required.”

Since Income Insurance’s corporatisation exercise to become a public non-listed company in 2022, minority shareholders have been asking for share liquidity. The offer from Allianz will provide all shareholders with the opportunity to sell their shares at S\$40.58 per share. As announced on 17 July 2024, when the offer is launched, minority shareholders will be given the opportunity to tender their

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shares ahead of NTUC Enterprise, and can choose to tender all, any or none of their shares at any time during the period in which the offer is open for acceptance. Upon closing, NTUC Enterprise will continue to be a substantial shareholder.

[END]

For and on behalf of
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