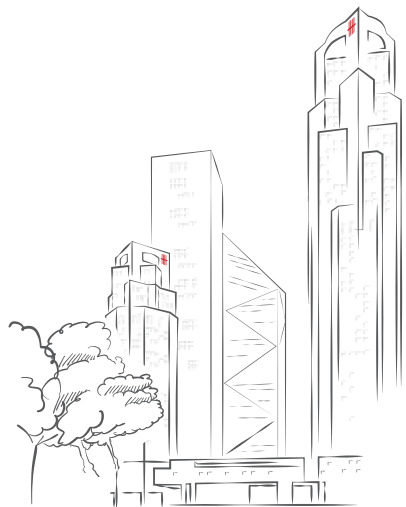




MEMBER OF THE UOB GROUP



United Overseas Insurance Limited

Unaudited Results for Period Ended 31 March 2022

Financial Updates

27 April 2022

Review of Performance

	Description	3M22	3M21	3M22/3M21	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(I)	<u>Underwriting Income</u>				
(i)	Gross Premium Written	27.90	27.58	0.32	1.2
(ii)	Net Premium Written	13.22	13.13	0.09	0.7
(iii)	Net Earned Premium	12.20	11.45	0.75	6.6

Gross premium increased by \$0.32 million or 1.2% to \$27.90 million. The increase was mainly from Marine and Other Accident classes of insurance.

Net earned premium increased by \$0.75 million or 6.6% to \$12.20 million mainly due to higher net premium written in the current period.

Review of Performance

	Description	3M22	3M21	3M22/3M21	
		S\$m	S\$m	S\$m	%
(II)	<u>Underwriting Expenses</u>				
(i)	Net Claims Incurred	4.60	4.02	0.58	14.4
(ii)	Net Commission Income	1.66	0.94	0.72	76.6
(iii)	Management Expenses	3.68	3.80	(0.12)	(3.2)

Net claims incurred increased by \$0.58 million or 14.4%. Higher claims were noted in Property, Motor and Employers' liability lines of business due to the reopening of the economy.

Net commission income increased by \$0.72 million due to lower commission paid and higher commission recovery from reinsurers.

Management expenses decreased by 3.2% to \$3.68 million. This was mainly due to savings from office leases at Springleaf Tower as UOI has moved to its new headquarters at 146 Robinson Road in Q4 2021.

Review of Performance

	Description	3M22	3M21	3M22/3M21	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(III)	<u>Profit Components</u>				
(i)	Net Underwriting Profit	5.58	4.57	1.01	22.1
(ii)	Non-Underwriting (Loss) / Income	(0.12)	2.47	(2.59)	(104.9)
(iii)	Net Profit Before Tax	5.46	7.04	(1.58)	(22.4)

Consequently, underwriting profit increased by 22.1% to \$5.58 million.

Non-underwriting loss was \$0.12 million as compared to a profit of \$2.47 million in the corresponding period last year. The decrease was due mainly to lower dividends received and losses from investments.

Consequently, overall profit before tax decreased by \$1.58 million or 22.4% to \$5.46 million.

Review of Performance

	Description	3M22	3M21	3M22/3M21	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(IV)	<u>Comprehensive Income</u>				
(i)	Net Profit After Tax	4.60	5.89	(1.29)	(21.9)
(ii)	Other Comprehensive (Loss) / Income, Net of Tax	(15.16)	11.28	(26.44)	(234.4)
(iii)	Total Comprehensive (Loss) / Income	(10.56)	17.17	(27.73)	(161.5)

Other comprehensive income, net of tax recorded a loss of \$15.16 million as compared to a gain of \$11.28 million in the corresponding period last year due to mark-to-market losses of investments. This result was largely attributed to the negative sentiments in the investment markets.

Overall, total comprehensive income decreased by \$27.73 million or 161.5%, when compared to the corresponding period last year due to unfavourable market conditions.

Review of Performance

	Description	3M22	3M21	3M22/3M21	
				<u>Inc / (Decr)</u>	<u>%</u>
(V)	Return on Equity (%)	4.2	5.5	(1.3) pt	-
(VI)	Total Assets (S\$m)	645.33	659.10	(13.77)	(2.1)
(VII)	Return on Assets (%)	2.8	3.6	(0.8) pt	-
(VIII)	Net Asset Value Per Share (S\$)	7.16	7.22	(0.06)	(0.8)

The Company's return on equity decreased from 5.5% to 4.2%.

Total assets of the Company decreased by 2.1% to \$645.33 million this year.

Return on assets decreased from 3.6% to 2.8% this year.

Net asset value per share decreased from \$7.22 to \$7.16.

Review of Performance

	Description	3M22	3M21	Increase / (Decrease) % - pt
		<u>%</u>	<u>%</u>	<u>%</u>
(IX)	<u>Ratios</u>			
(i)	Net Incurred Loss Ratio	37.7	35.1	2.6
(ii)	Net Commission Ratio	(13.6)	(8.2)	(5.4)
(iii)	Management Expenses Ratio	30.2	33.2	(3.0)
(iv)	Underwriting Profit Ratio	45.8	40.0	5.8

(i) Net incurred loss ratio is computed by dividing net claims incurred by net earned premium.

(ii) Net commission ratio is computed by dividing net commission by net earned premium.
When this ratio is in negative, net commission is an income to the Company.

(iii) Management expenses ratio is computed by dividing management expenses for insurance operations by net earned premium.

(iv) Underwriting profit ratio is computed by dividing net underwriting profit by net earned premium.

