



Member of the UOB Group

United Overseas Insurance Limited

Unaudited Results for Period Ended 31 March 2023

Financial Highlights

20 April 2023

Private and Confidential

Review of Performance

	Description	3M23	3M22	3M23/3M22	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(I)	<u>Underwriting Income</u>				
(i)	Gross Premium Written	27.59	27.90	(0.31)	(1.1)
(ii)	Net Premium Written	12.23	13.22	(0.99)	(7.5)
(iii)	Net Earned Premium	11.38	12.20	(0.82)	(6.7)

Gross premium decreased by \$0.31 million or 1.1% to \$27.59 million. All classes of insurance saw a decrease except for Other Accident.

Net earned premium decreased by \$0.82 million or 6.7% to \$11.38 million mainly due to lower net premium written in the current period.

Note: The Company's financial results for 1Q 2023 are prepared based on SFRS(I) 4 Insurance Contracts.

Review of Performance

	Description	3M23	3M22	3M23/3M22	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(II)	<u>Underwriting Expenses</u>				
(i)	Net Claims Incurred	4.03	4.60	(0.57)	(12.4)
(ii)	Net Commission (Expenses) / Income	(0.03)	1.66	(1.69)	(101.8)
(iii)	Management Expenses	3.86	3.68	0.18	4.9

Net claims incurred decreased by \$0.57 million or 12.4%. Lower claims were noted in Property, Employers' Liability and Reinsurance lines of business.

Net commission income decreased by \$1.69 million due to lower commission recovery from reinsurers.

Management expenses increased by 4.9% to \$3.86 million. This was mainly due to higher software maintenance expenses arising from our digitalisation initiatives.

Review of Performance

	Description	3M23	3M22	3M23/3M22	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(III)	<u>Profit Components</u>				
(i)	Net Underwriting Profit	3.46	5.58	(2.12)	(38.0)
(ii)	Non-Underwriting Income / (Loss)	2.21	(0.12)	2.33	NM
(iii)	Net Profit Before Tax	5.67	5.46	0.21	3.8

Consequently, underwriting profit decreased by 38.0% to \$3.46 million.

Non-underwriting income increased by \$2.33 million to \$2.21 million in comparison to the loss of \$0.12 million in the corresponding period last year. The increase was due mainly to higher interest and dividends received and lower losses from investments.

Overall profit before tax increased by \$0.21 million or 3.8% to \$5.67 million.

NM = Not Meaningful

Review of Performance

	Description	3M23	3M22	3M23/3M22	
		<u>S\$m</u>	<u>S\$m</u>	<u>S\$m</u>	<u>%</u>
(IV)	<u>Comprehensive Income</u>				
(i)	Net Profit After Tax	4.71	4.60	0.11	2.4
(ii)	Other Comprehensive Income / (Loss), Net of Tax	2.58	(15.16)	17.74	117.0
(iii)	Total Comprehensive Income / (Loss)	7.29	(10.56)	17.85	169.0

Other comprehensive income, net of tax recorded a profit of \$2.58 million as compared to a loss of \$15.16 million in the corresponding period last year due to mark-to-market gains of investments. This result was largely attributed to the improvements in the current investment climate.

Overall, total comprehensive income increased by \$17.85 million or 169.0%, when compared to the corresponding period last year due to favourable market conditions.

Review of Performance

	Description	3M23	3M22	3M23/3M22	
				<u>Inc / (Decr)</u>	<u>%</u>
(V)	Return on Equity (%)	4.5	4.2	0.3 pt	-
(VI)	Total Assets (S\$m)	627.32	645.33	(18.01)	(2.8)
(VII)	Return on Assets (%)	3.0	2.8	0.2 pt	-
(VIII)	Net Asset Value Per Share (S\$)	6.98	7.16	(0.18)	(2.5)

The Company's return on equity increased from 4.2% to 4.5%.

Total assets of the Company decreased by 2.8% to \$627.32 million this year.

Return on assets increased from 2.8% to 3.0% this year.

Net asset value per share decreased from \$7.16 to \$6.98.

Review of Performance

	Description	3M23	3M22	Increase / (Decrease) % - pt
		<u>%</u>	<u>%</u>	<u>% pt</u>
(IX)	<u>Ratios</u>			
(i)	Net Incurred Loss Ratio	35.4	37.7	(2.3)
(ii)	Net Commission Ratio	0.3	(13.6)	13.9
(iii)	Management Expenses Ratio	33.9	30.2	3.7
(iv)	Underwriting Profit Ratio	30.4	45.8	(15.4)

- (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.



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