

ANNUAL GENERAL MEETING (AGM) TO BE HELD ON 14 APRIL 2023

Responses to Questions from Shareholders

2 APRIL 2023 – United Overseas Insurance Limited (UOI or the Company) refers to the Notice of Annual General Meeting dated 23 March 2023, in particular, the invitation to shareholders to submit questions in advance of the AGM.

The Company thanks shareholders for the questions received.

The Appendix sets out the Company's response to the substantial and relevant questions received from shareholders. The questions and answers have been arranged by topic for shareholders' easy reference. Where questions overlap or are closely related, they have been merged and rephrased for clarity.

By Order of the Board,

Company Secretary

Responses to shareholders' questions		
Category	Questions	Answers
INVESTMENT	It was noted that the Company had recorded a large drop in other income and other comprehensive income in 2022. Why was there such a large decrease?	The decrease was due to losses in our investments arising from weaknesses in both equity and fixed income markets, attributable to negative sentiments and rising inflation. 2022 was an exceptional year where both fixed income and equity did not perform. We are however confident that the portfolio will recover over time as there are quality securities in the portfolio which have continued to deliver stable interest income and dividends.
	What is the strategic asset allocation of the investment portfolio?	We allocate more to quality investment grade bonds and a smaller portion to quality dividend yielding stocks.
	How are the investments measured? What are the benchmark(s) used? How has the portfolio performed over the last couple of years in relation to the benchmarks?	An investment return target is agreed upon between the Fund Manager and the Company on an annual basis. The performance is measured against an absolute return target. The investment performance has been rather choppy over the last five years. For FY2022, the investment performance was poor as a result of the Ukraine war and the aggressive rate hikes by the US Fed over inflationary concerns leading to negative investment sentiment. However, for FY2019 to 2021, the investment portfolio did well on the back of global economic growth and positive investment sentiments.
	Would the Company consider to sell off its holdings in Haw Par Shares?	Haw Par Shares has provided the Company with a good source of dividend income over the years. The volatility of the Haw Par Shares was largely affected by macro-economic factors which similarly affected other shares. In addition, the share is trading at a discount to its NAV. As such, Management would continue to hold on to the Haw Par shares until a time when it is optimal to sell.