



Income Insurance Limited Annual General Meeting

17 May 2024



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No photography and video recording is allowed



Proceed to the nearest microphone stand



Before asking your question, please state your name clearly



Be respectful and succinct in your communications



Ensure you have your e-polling device with you

Opening Remarks

Ronald Ong, Chairman



Business Overview

Andrew Yeo, Chief Executive Officer



Recap of the Financial Period

Start of Income Insurance's financial year

Transfer of business

Financial year of Income Insurance closes

1 Jul 2022

31 Aug 2022

1 Sep 2022

31 Dec 2023

Operates as Income Insurance

Income Insurance's 18-month accounting period (1 Jul 2022 – 31 Dec 2023) is one-off

Income Insurance was dormant



01

Confidence in Income Insurance's financial strength remains high, post-corporatisation.

02

Maintains its strength as the most trusted brand in Singapore and served 1.7M customers.

03

Continued investments in expanding distribution footprint, technology modernisation and regional expansion.

04

Steady progress in our sustainability purpose towards building "Resilience for all", environmentally and socially.



**PROFIT
AFTER TAX**

S\$60.4
million



**TOTAL
ASSETS**

S\$43.0
billion



**DIVIDEND
PER SHARE¹**

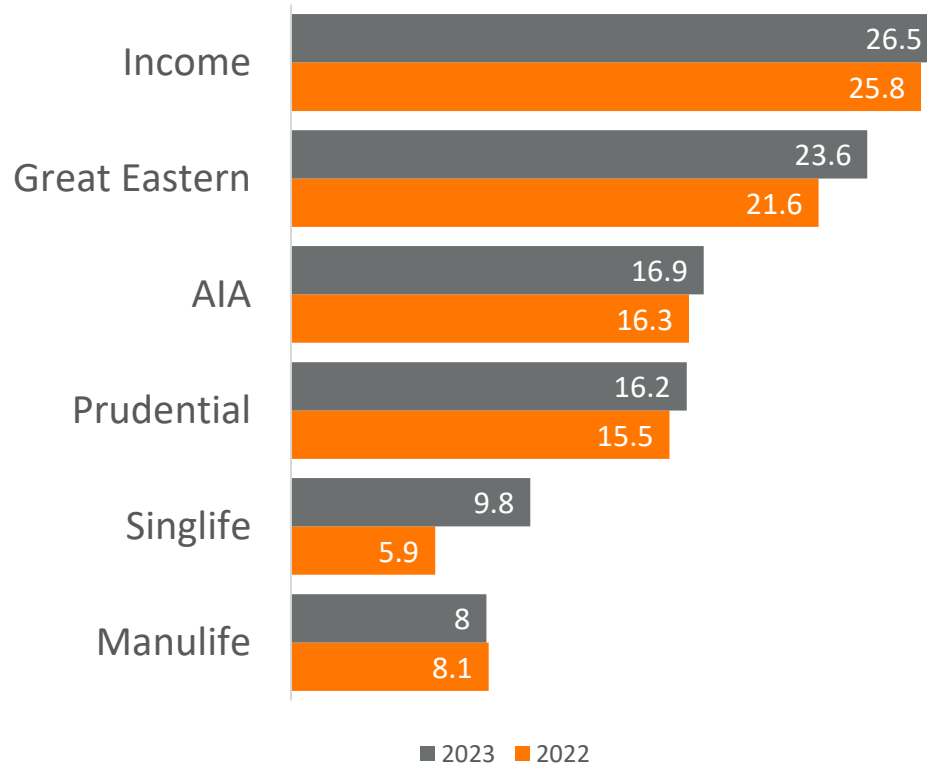
Ordinary @ \$0.334
Special @ \$0.313

Deliver best-in-class customer experience



REMAINS SINGAPORE'S MOST TRUSTED INSURER.

YouGov[®]



nielsen
.....

#1 in Trust and Value

Comparison of brands' net Index scores (average of Impression, Quality, Value, Reputation, Satisfaction, Recommendation scores) representative of all consumers in Singapore.



CUSTOMERS BEING SERVED



Enhance culture and mindset of innovation

income
made yours

Mental health issues can happen to anyone.



"I lost a friend to mental struggles."
- Tay Kewei
Singer-songwriter,
Cross Ratio Artiste

MENTAL HEALTH PROTECTION

income
made yours

Complete Cancer Care.
With you.
Every step of the way.



Survivor
Remission
Treatment
Detection

Policy Ts&Cs apply.


COMPLETE PROTECTION

income
made yours

SpecialCare Insurance & Down syndrome coverage

Care4Migrant Workers

SilverCare for Seniors



Income is the first insurer to offer early and advanced stage cancer coverage for seniors. **That's real care, made yours.**

Find out how Income cares for real at Income.com/care-for-real.

PROTECTION FOR UNDERSERVED

SNACK
BY INCOME

SELF CARE PACK
PSYCHIATRIC CONSULTATION COVERAGE
PSYCHOTHERAPY COVERAGE

Love Yourself



TRIP'S

10:18 4G

SELF CARE PACK

\$9.90/month for psychiatric consultation and psychotherapy coverage every month plus perks.

What's in the pack:

- Psychiatric Consultation Coverage**
Coverage of up to \$200/month for psychiatric consultations
- Psychotherapy Coverage**
Coverage of up to \$500/month for psychotherapy sessions

PROTECTION FOR DIGITAL NATIVES

Build capabilities and modernise technology

FOR OUR CUSTOMER



D2C PLATFORM (GENERAL INSURANCE)

Modular insurance services made available on plug & play basis.



MY INCOME APP

Enhanced design and security, servicing features, and purchase experience.

FOR OUR OPERATIONS



HEALTH CLAIM AI

AI-augmented claim assessment for faster claims processing and anomalies detection.



SMART UNDERWRITING

Smart Underwriting Engine for instant underwriting decisions.

FOR OUR PARTNERS



SALES ADVISORY JOURNEY (ENHANCED)

Enhance advisor productivity while ensuring compliance.



STRENGTHENING TRUST COLLABORATION

In-app purchase journey for bancassurance customers.

TECHNOLOGY FOUNDATION



Data Platform



Data Analytics



AI / ML



Process Automation



Cloud Computing

Scale and expand digitally driven business

EXPONENTIAL GROWTH

2x

YOY GROWTH IN PREMIUM FOR SNACK AND NBM* SINCE 2021

4x

GROWTH IN PREMIUM ON INCOME WEB & APP SINCE 2019



2 MOU FOR JV



MULTIPLE PARTNERSHIPS IN THE REGION

DIGITAL LEADERSHIP IN SG



LEADING ONLINE MOTOR INSURER IN SG



LEADING ONLINE TRAVEL INSURER IN SG

INDUSTRY RECOGNITION

35

DIGITAL AWARDS RECEIVED IN 2023



Invest in people to build a future-ready workforce

ENGAGED WORKFORCE



TOP QUARTILE FOR 4 YEARS

"EMPLOYER OF CHOICE"



Influential Brands®
TOP EMPLOYER
2023 & 2024
INSURANCE



INVESTING IN IMPROVEMENT

60,000
Training hours.

Agile
Ways of working
kickstarted.

Building Resilience for All



HIGHLIGHT



Target **20%** reduction of GHG (public assets portfolio) by 2025, against 2022 baseline



To invest **S\$1 billion** in climate transition



SEC-certified 'Eco Event' – Income Eco Run



Life insurance products protects **9 out of 10** seniors



Singapore Resilience Study – evidence-based interventions to build resilience & well-being



Staff participation in "Income Gives Back"



Contributed **S\$7.9 million** towards community causes

Financial Performance

Ury Gan, Chief Financial Officer



RESILIENT PERFORMANCE REFLECTING THE BENEFIT OF A DIVERSIFIED INSURANCE BUSINESS, DURING A CHALLENGING 18-MONTH ECONOMIC ENVIRONMENT

VOLUME

Gross Premium
\$4.9b

- Large in-force book ensures resilient Life & Health premium volumes
- Growing diversification in general insurance portfolio maximises growth opportunities

EARNINGS

Profit After Tax
\$60.4m

- Resilient result despite challenging interest rate and inflation environment
- Strong general insurance underwriting performance

ASSETS

Total Asset
\$43.0b

- \$41b of \$43b comprises assets under management
- Diversified asset portfolio with high quality debt security investments

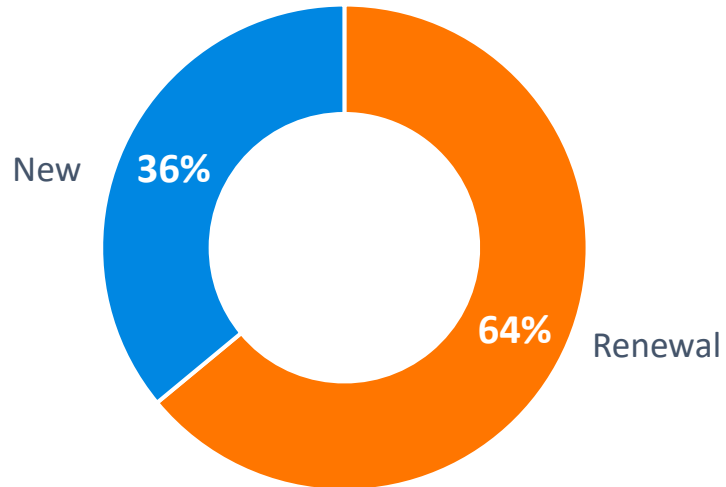
CAPITAL

CAR¹
199%

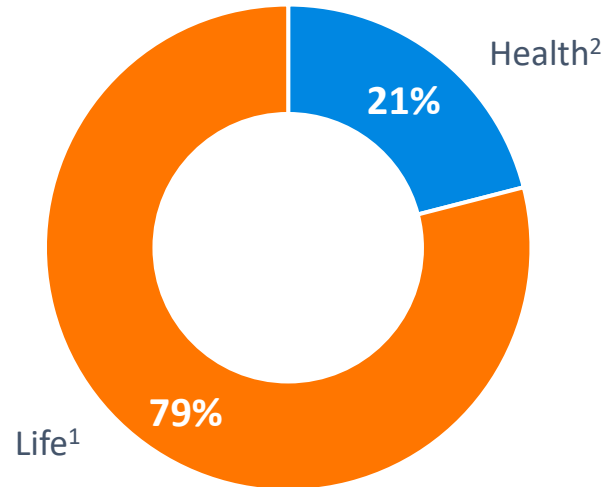
- Strong solvency position
- AA- stable financial strength rating
- Total dividends \$0.647 per share²

Notes:
¹ Capital Adequacy Ratio ('CAR') has been prepared in accordance with Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133 – Notice on Valuation and Capital Framework for Insurers as at 31 December 2023 before the impact of proposed dividends.
² Total dividends based on proposed ordinary dividend of \$0.334 per share and special dividend of \$0.313 per share, before any rounding impacts and subject to shareholder approval.

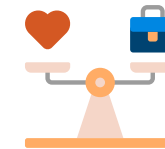
**L&H – RENEWAL VS NEW
REPORTED GROSS PREMIUM**



**L&H – REPORTED GROSS
PREMIUM MIX**



Strong in-force book underpins stable Life and Health premium volumes



Diversified portfolio mix across Life and Health

Notes:

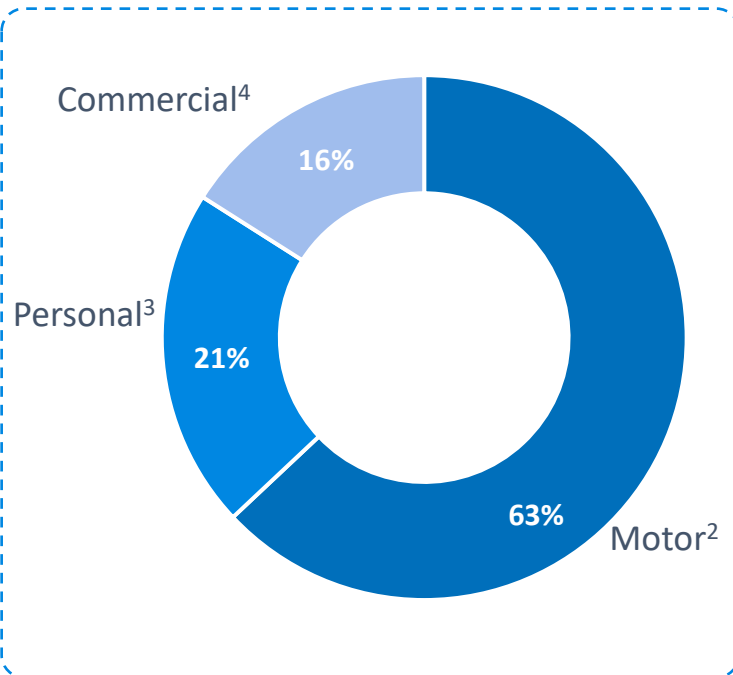
¹ Life gross premium represents all different types of life insurance contracts, comprising life participating fund, life non-participating fund including but not limited to capital guaranteed savings products, protection, and investment linked fund contracts.

² Health gross premium represents non-participating fund protection including but not limited to IncomeShield plans, group term life and group medical.

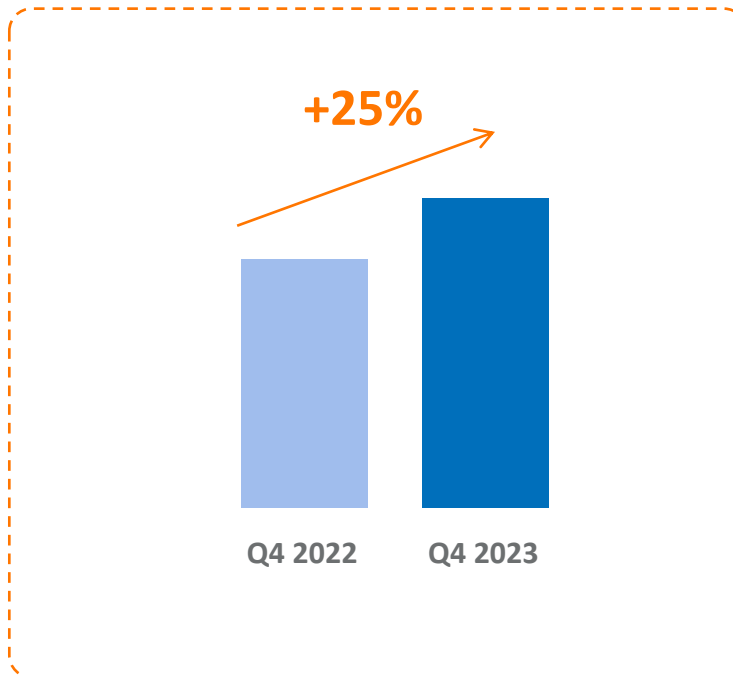
Refer to Notes on Information for additional information on the basis of calculation.

INCREASINGLY DIVERSIFIED, GROWING GI PORTFOLIO BENEFITTING FROM FASTER GROWTH IN NON-MOTOR¹ SEGMENTS

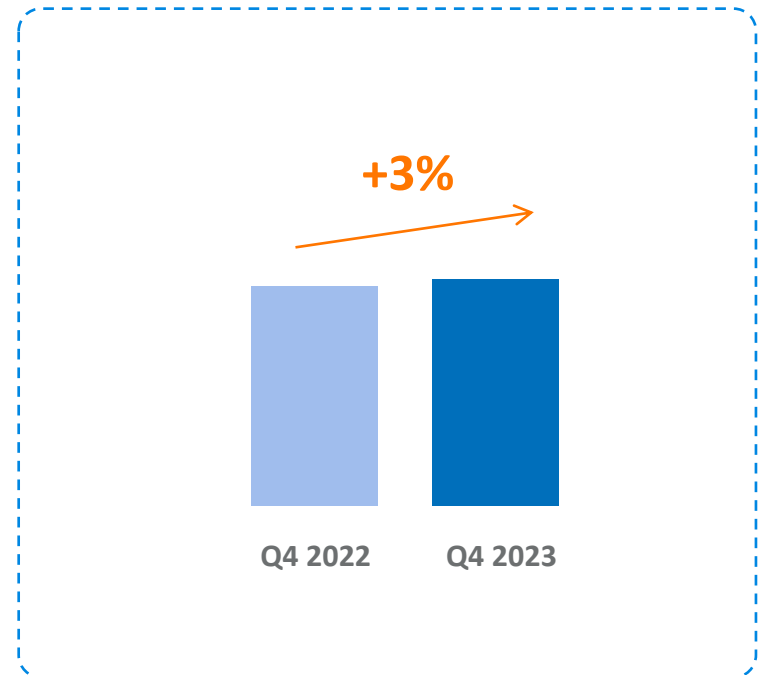
GI – GROSS PREMIUM BY SEGMENT



GROSS PREMIUM QoQ PERSONAL LINES³



GROSS PREMIUM QoQ COMMERCIAL LINES⁴



Notes:

¹ 'Non-Motor' segments consist of Personal Lines and Commercial Lines

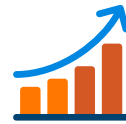
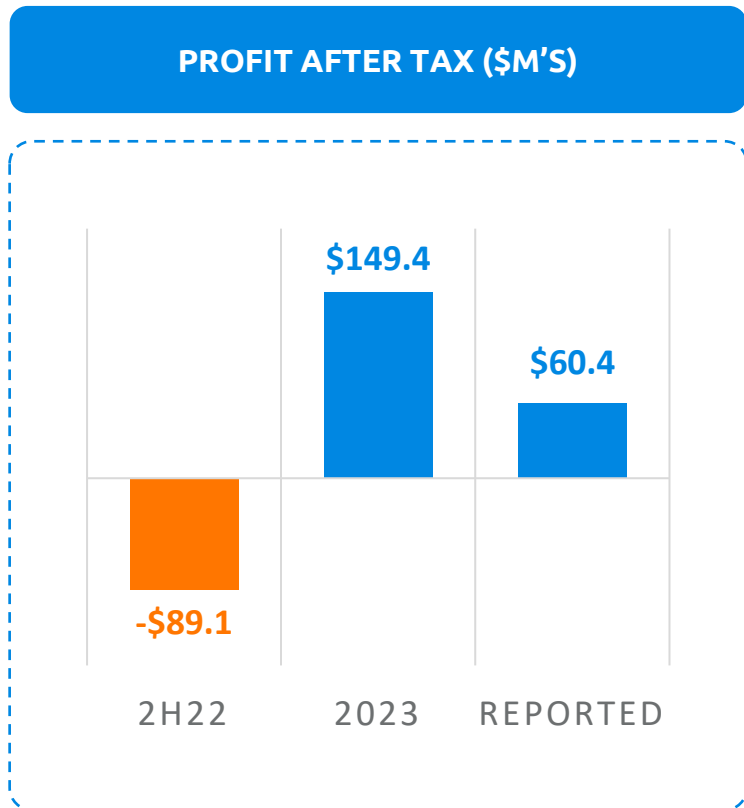
² 'Motor' gross premium represents all different types of motor insurance contracts, including but not limited to private cars, motorcycles, commercial vehicles and fleet

³ 'Personal Lines' gross premium represents all different types of general insurance contract offerings for individuals, except for Motor, including but not limited to Travel, Personal Accident, Home and Foreign Domestic Helper bond

⁴ 'Commercial Lines' gross premium represents all different types of general insurance contract offerings for businesses, except for Motor, including but not limited to Workers' Compensation, Fire, Bond, Property, Professional Indemnity and Marine

The Q4 2022 and Q4 2023 Gross Premiums information is unaudited and are not shown to scale.

RESILIENT EARNINGS DESPITE IMPACTS OF RISING INTEREST RATES DURING AND AFTER CORPORATISATION



Resilient 2023 performance despite challenging interest rate and inflation environment



2H22 impacted by mark-to-market losses during rising interest rates environment



Assets Under Management remain focused on high quality investments



Performance across the 18-months driven by contribution from Core Business¹ activities

Notes:

¹ 'Core Business' contribution represents an unaudited, non-GAAP management view of the underlying operating performance of the Group before tax after removing the impact of mark-to-market fair value through profit and loss during the reporting period, together with the impact of changes in insurance contract provisions arising from movements in the discount rate (except for those impacts on the Life Participating Fund and ILP Unit Fund), and including the tax on expected future distribution for Life Participating Fund.

RESILIENT PROFIT UNDERPINNED BY CONTRIBUTION FROM THE CORE BUSINESS AFTER REMOVING THE IMPACT OF INTEREST RATE AND MARKET VOLATILITY

(\$M'S)	UNAUDITED 2H22	UNAUDITED FY2023	TOTAL
Mark-to-market movements and interest rate impacts ¹	(139)	113	(26)
Core Business contribution²	27	97	124
Profit Before Tax	(112)	210	98
Tax	23	(61)	(38)
Profit After Tax	(89)	149	60



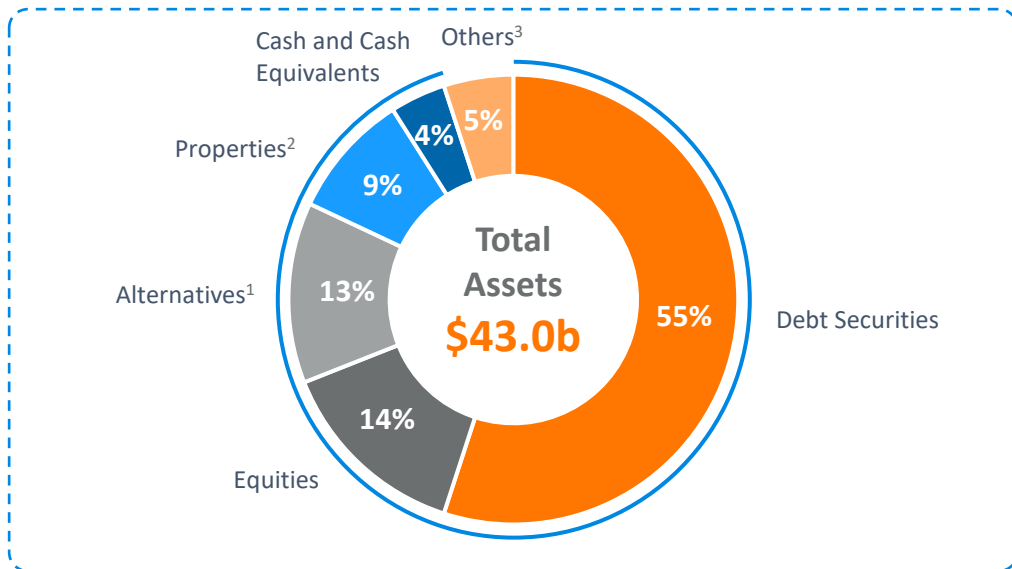
Core Business contribution² benefitted from consistent, strong general insurance underwriting profit which achieved a Combined Operating Ratio³ of 85.8%.

Notes:
¹ Includes the net impact of both movements in the fair-value of investments through profit and loss from the opening balance date (1 Sep 22 and 1 Jan 23 respectively), together with the impact of changes in the discounting of the carrying value of insurance contract provisions at the balance date, excluding those impacts on the assets and insurance contract provisions of the Life Participating Fund and ILP Unit Fund.
² 'Core Business' contribution represents an unaudited, non-GAAP management view of the underlying operating performance of the Group before tax after removing the impact of mark-to-market fair value through profit and loss during the reporting period, together with the impact of changes in insurance contract provisions arising from movements in the discount rate (except for those impacts on the Life Participating Fund and ILP Unit Fund), and including the tax on future distribution for Life Participating Fund.
³ Combined Operating Ratio ("COR") measures the overall profitability of the underwriting operations, taking into account both the incurred losses and underwriting expenses against the earned premiums net of reinsurance.

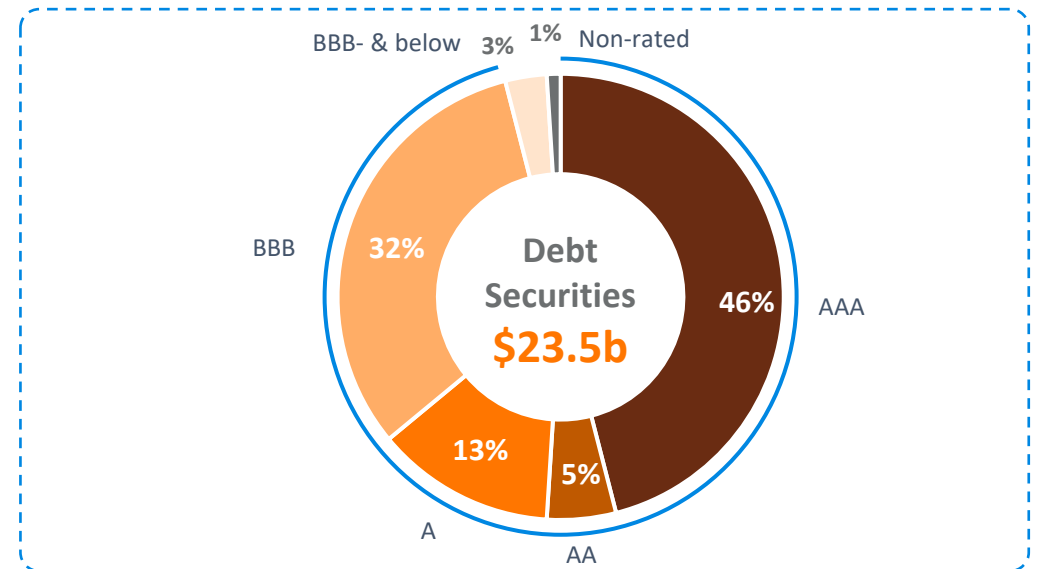
Assets – Investment Breakdown

DIVERSIFIED AND RESILIENT, HIGH-QUALITY INVESTMENT PORTFOLIO

95% OF THE \$43B TOTAL ASSETS ARE AUM



DEBT SECURITIES PORTFOLIO RATINGS



Majority of Assets Under Management⁴ ('AUM') focused on debt securities
High quality investment portfolio with 96% of debt securities investment grade⁵

Notes:

¹ Alternatives comprise of investment in joint ventures and associated companies, as well as mutual funds, private credit and private equities.

² Properties comprise of physical properties, as well as private properties funds and REITs.

³ Others consist of sundry assets including but not limited to property, plant and equipment at carrying amount, consumer loans, insurance and other receivables and other assets.

⁴ Assets Under Management ('AUM') represents all assets managed or administered by the Group including those assets managed by related and unrelated third parties. It is based on the amount reported in the Financial Statements of the Group.

⁵ Based on minimum credit rating of BBB- issued by S&P, Fitch, Moody's, or based on internal credit rating ('ICR').

Capital – Solvency and Dividends

STRONG CAPITAL POSITION, WELL PLACED TO INVEST FOR GROWTH. TOTAL DIVIDENDS OF \$0.647 PER SHARE



CAR¹

199%

- Strong solvency position
- Well diversified, high quality debt portfolio underpins investment assets
- Stable AA- S&P financial strength rating



ORDINARY
DIVIDEND²

\$0.334
PER SHARE

- Sustainable dividend aimed at optimising long-term shareholder value



SPECIAL
DIVIDEND²

\$0.313
PER SHARE

- One-off special dividend to commemorate successful Corporatisation
- Brings total dividends to \$0.647 per share

Notes:

¹ Capital Adequacy Ratio ('CAR') has been prepared in accordance with Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133 – Notice on Valuation and Capital Framework for Insurers as at 31 December 2023 before the impact of proposed dividends.

² Subject to shareholders' approval at the AGM.

Financial Overview - Key Takeaways



01

Well diversified insurance business, allowing us to maximise growth opportunities

02

Resilient earnings performance, underpinned by consistent performance of the core business

03

Diversified investment portfolio, focused on investment grade debt securities

04

Strong capital position, with proposed dividends totaling \$0.647 for the period



- All figures are presented in reporting currency (Singapore Dollar) and should be read in conjunction with the Consolidated Statement of Comprehensive Income, Statement of Financial Position, Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the Notes to the Financial Statements (the 'Financial Statements') that form part of the Annual Report of the Group.
- The consolidated group results are based on 18-months accounting period from 1 July 2022 to 31 December 2023.
- All analysis of segmented balances for the six-month period ended 31 December 2022 ('2H22') and the year-ended 31 December 2023 ('FY2023') are based on unaudited information. 2H22 represents four months of operations for the period 1 September 2022 to 31 December 2022 following the transfer of the business from NTUC Income Insurance Co-operative Limited ('Co-Op').
- References to the Life and Health business segment ('L&H') represents all different types of life insurance contracts, comprising life participating fund policies, life and health non-participating fund business including but not limited to IncomeShield plans, group term life, group medical and investment linked fund contracts as set out in the Notes to the Financial Statements of the Group. General insurance business segment represents general insurance contracts that cover protection needs of both individuals or entities.
- Life and Health ('L&H') new gross premium represented single premium and first year premium, and renewal gross premium represents second year and onwards premium.
- Profit After Tax ('PAT') represents the reported Financial Statements profit after tax for the Group based on the application of material accounting standards as set out in the Notes to the Financial Statements that form part of the Annual Report of the Group.
- Assets Under Management ('AUM') represents all assets managed or administered by the Group including those assets managed by related and unrelated third parties. It is based only on the amount reported in the Financial Statements of the Group. It includes financial assets, investments in properties, JV and associates, and Cash and other cash equivalent.
- 'Core Business' contribution represents an unaudited, non-GAAP management view of the underlying operating performance of the Group before tax after removing the impact of mark-to-market fair value through profit and loss during the reporting period, together with the impact of changes in insurance contract provisions arising from movements in the discount rate (except for those impacts on the Life Participating Fund and ILP Unit Fund), and including the tax on future distribution for Life Participating Fund. It includes both recurring and non-recurring items.
- Capital Adequacy Ratio ('CAR') is calculated in accordance with the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133 – Notice on Valuation and Capital Framework for Insurers and is a measure of the adequacy of the capital reserve in relation to risk exposure.
- Combined Operating Ratio ('COR') measures the overall profitability of the underwriting operations, taking into account both the incurred losses and underwriting expenses against the earned premiums net of reinsurance.
- Singapore Financial Reporting Standard International SFRS(I) 17 Insurance Contracts ('SFRS(I) 17') refers to the material new accounting standard that is applicable for insurers accounting periods beginning on or after 1 January 2023. Accordingly, the Group will apply SFRS(I) 17 from 1 January 2024.



Income Insurance Limited Annual General Meeting

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Mr. Vincent Lien, Director



BIO

Mr. Vincent Lien was co-opted to the Board of NTUC Income Insurance Co-operative Limited on 3 October 2019 and formally elected as an independent non-executive director on 26 June 2020. He was appointed to the Board of Income Insurance Limited on 13 October 2021. He is a member of the Audit Committee.

Mr. Lien is currently Managing Director of Lien Properties Private Limited, and a director of Lien Ying Chow Private Limited, and Wah Hin & Company, among others. He has over 20 years' experience in banking, specialising in corporate finance and capital management in Hong Kong, the People's Republic of China, Singapore and South-east Asia. Prior to his retirement, he held various senior positions at major multinational banking institutions including Swiss Bank Corporation, Bankers Trust and ABN AMRO. He is a Council Member of the Lien Ying Chow Legacy Fellowship. He is also Income Insurance's nominee director on the boards of FFMC Holdings Pte Ltd and Fullerton Fund Management Company Ltd.

Mr. Lien graduated with a Bachelor's degree in Business Administration from the University of New Brunswick in 1986. He was awarded an honorary Doctorate in Business Administration in 2018 by HyupSung University.



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