

## Executive Summary

With only 5.5 million people in Singapore, the country has been a leader in Southeast Asia in both L&H and P&C insurance markets. Income Insurance, a leading composite insurer in the country (#1 P&C player; #5 L&H player), is well-poised to benefit from the growth potential.

The company currently offers a comprehensive set of L&H and P&C insurance products for >1.7 million customers in Singapore. In recent years, the company has also set up an independent digital business arm to tap into new sources of risks arising from new tech trends & consumer behavior and targets to become a leading innovator in digital insurance.

Initially set up as a co-operative, Income has successfully completed its corporatization process in 2022. This further allows the company to better access different strategic options for growth and equips it with greater operational flexibility to serve the customers.

With the company's composite nature, we think the best way to value it is by using a Sum-of-the-Parts (SOTP) approach. Based on the assumptions further detailed in the report, this gives us a company valuation range of SGD 2.0 billion – SGD 2.3 billion (SGD 18.6 – SGD 21.7, on a per share basis).

Given the company's limited disclosure of financial information since last year's corporatization, the proposed valuation methodology and range are only high-level and for indicative purpose.

### Independent Insight Provider

Alec Tseung

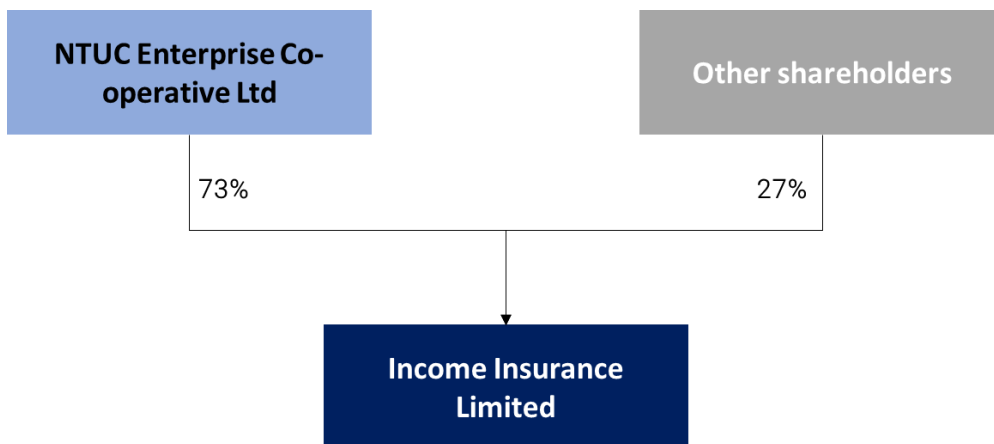
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## Company Background

Established in 1970, Income Insurance ("Income") has been a leading composite insurer in Singapore. It was initially set up as an insurance co-operative under the NTUC group, known as NTUC Income Co-operative, and was successfully converted to a corporation in September 2022.

After its corporatization, NTUC Enterprise Co-operative Limited became its majority shareholder, owning a 73% stake, while the rest is owned by minority shareholders who were previously mainly the members of NTUC Income Co-operative.

Figure 1: Income Insurance shareholding structure post corporatization



Source: Company presentation to equity analysts

As a composite insurer, Income offers both L&H (life & health) and P&C (property & casualty) insurance products to its customer base of >1.7 million in Singapore (i.e., one in every three people in Singapore is an Income customer).

Given its endeavors in digital transformation in recent years, Income's business can be largely broken into the following three segments:

- Life and Health (L&H) insurance
- Property & Casualty (P&C) insurance
- New Business Model (NBM) & digital initiatives

Figure 2: Income Insurance key products and offerings

L&H	P&C	NBM & digital initiatives
<ul style="list-style-type: none"><li>▪ Whole Life</li><li>▪ Term</li><li>▪ Savings</li><li>▪ IncomeShield</li><li>▪ CareShield</li><li>▪ Group</li><li>▪ Others</li></ul>	<ul style="list-style-type: none"><li>▪ Motor</li><li>▪ Personal accident</li><li>▪ Travel</li><li>▪ Commercial</li><li>▪ Others</li></ul>	<ul style="list-style-type: none"><li>▪ SNACK</li><li>▪ SNACKInvest</li><li>▪ Tribe</li><li>▪ HIVE by Income</li><li>▪ EKKO</li><li>▪ BIX</li><li>▪ Others</li></ul>

Source: Company presentation to equity analysts

## Life & health (L&H) insurance

Income Insurance reported SGD 3.8 billion L&H gross premium in 2022 and is a top 5 L&H insurer in Singapore (based on 2022 gross premium). It offers a comprehensive suite of L&H products, e.g., whole/term life, savings, group life, critical illness, IncomeShield, CareShield, etc.

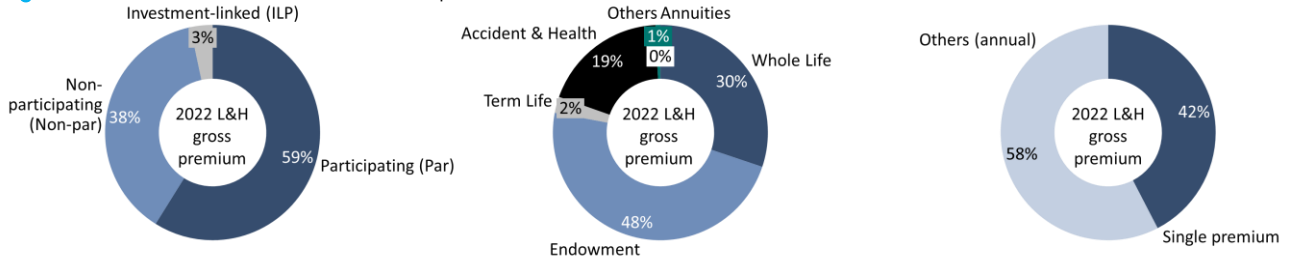
Income's L&H insurance business contributes ~90% of the overall group's gross premium.

# Income Insurance: Singapore's Leading Domestic Composite Insurance Player

Income L&H is selling roughly 60% participating and 40% non-participating policies. We believe the majority of these participating policies are endowments and whole life products, as these products together contribute ~80% of Income's L&H gross premium in 2022.

In terms of premium mix, Income's L&H products were split between annual/regular (58%) and single (42%) premium products in 2022.

Figure 3: Income Insurance L&H 2022 premium mix



Source: Company presentation to equity analysts, MAS

## Property & casualty (P&C) insurance

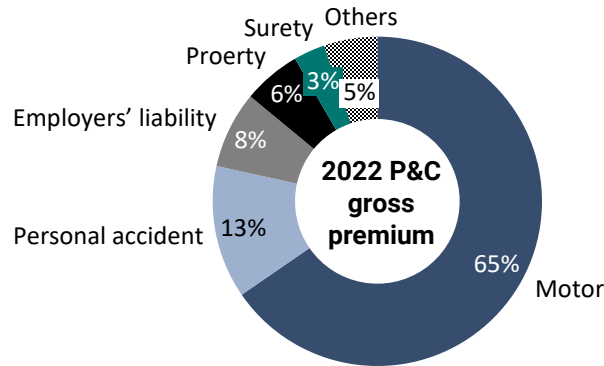
Income reported SGD 446 million P&C gross premium in 2022.

Although Income's P&C business is much smaller than its L&H business, it is the largest P&C insurer in Singapore (based on 2022 gross premium). Its P&C premium size is almost double that of the second largest home-grown P&C player in the country, First Capital Insurance (now part of MS&AD).

Motor insurance is by far Income's largest P&C product, accounting for c. 65% of the P&C gross premium in 2022. This is followed by personal accident insurance (c.13%) and employers' liability insurance (c. 8%).

Income P&C is an absolute leader in motor insurance in Singapore.

Figure 4: Income Insurance P&C 2022 premium mix



Source: MAS

## New business model and digital initiatives

Income has embarked on a digital transformation journey in recent years and launched several major digital initiatives that looked to explore new ways to more effectively target younger generations and better serve its existing customer protection needs.

Its digital business has been set up as an independent arm such that it could be run more flexibly without being limited by the legacy processes in the existing L&H and P&C business segments.

Through innovations, the digital business arm aims to disrupt insurance by venturing into new sources of risks arising from new tech trends and people's new behavior patterns.

It further endeavors to reimagine insurance by transforming consumption patterns and breaking traditional barriers.

The following are some of the key products and initiatives launched so far:

- **SNACK**

- A financial lifestyle app targeting young, digitally savvy generations by offering a multitude of products led by investments
- It adopts a much more flexible approach to insurance and investment products by offering bite-sized stackable insurance and micro investment-linked plans (SNACK Investment)
  - For example, it allows customers to build their investment portfolios and insurance coverage via stackable micro-premium that is as low as \$1
  - Customers can also adjust their investment premium flexibly on the app and withdraw their investments at any time without penalty
- The app now partners with >150 partners that offer various kinds of financial products surrounding the user's lifestyle
- SNACK has >120K users and achieved 2x-3x growth YoY

- **HIVE by Income**

- An Insurance-As-A-Service (IaaS) platform that enables any insurer and digital platform owner across Southeast Asia to launch, localize, and scale innovative embedded insurance propositions
- Partnering with different platforms in Southeast Asia helps Income gain exposure to businesses and risks outside of Singapore
  - In Thailand, it partners with the coffee shop, Casa Lapin, to reward its customers with a stackable personal accident policy as a loyalty perk for every coffee purchase

- In Vietnam, JupViec (a domestic helper agency) offers the first pay-as-you-earn stackable personal accident product in the country for on-demand helpers by using Hive's IaaS solution; the digital payment platform in Vietnam, QRPay (a digibanca partnership with TPBank), also leverages Hive to offer customers stackable personal accident product with every QR payment and fund transfer activity
  - In Indonesia, it partners with Jagadiri to offer a rain insurance plan, Droplet. Parametric-based Droplet targets to protect commuters against ride-hailing price fluctuations and personal accidents when it rains in Indonesia
- **EKKO**
    - EKKO is Income's complete omnichannel vision; it provides a complete omnichannel experience for its customers to engage with Income via various touchpoints available
    - It has helped unlock new digital partnerships that generate new sources of leads and acquired new and younger customers for potential future upsell and cross-sell
      - >19K digital leads have been originated with >15 new partnerships up and running
      - 75% of customers are new to Income and are 15 years younger than current Income clients (35 vs. 50 years old)

Figure 5: EKKO complete omnichannel vision

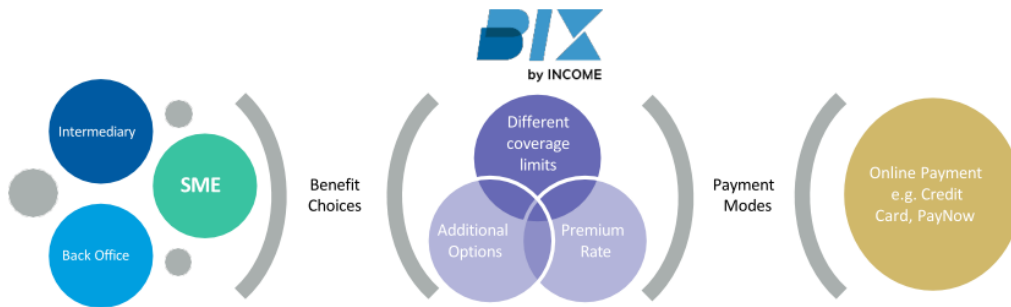


Source: Company presentation to equity analysts

- **BIX**
  - A comprehensive one-stop digital platform purpose-built to cater to SME needs
    - It offers a straight-through end-to-end system covering policy issuance and claim submission with data analytics to design bespoke packages and bundle products with different risks to meet SMEs' needs
  - BIX helps Income tap into underpenetrated segments (with smaller ticket sizes) and create an SME ecosystem to better serve their needs
  - The platform also allows possible system integration for intermediaries
    - This could help increase their productivity, given the more streamlined workflow, and boost their customer satisfaction



Figure 6: BIX ecosystem and model



Source: Company presentation to equity analysts

With Income's existing dominant positions in L&H and P&C sectors and its endeavors to become a leading innovator in digital insurance in Singapore, its goal is to offer comprehensive & innovative products that can suit the evolving needs of its customers at different stages of their lives.

## Key people and management

- **Ronald Ong (Chairman)**
  - Appointed Chairman in 2019
  - Current Chairman and CEO of Morgan Stanley in Southeast Asia
- **Seah Kian Peng (Deputy Chairman)**
  - Current Director and Board Advisor of NTUC Enterprise Co-operative Limited
  - Holds various directorships in other large enterprises in Singapore, e.g., Raffles Medical Group, Changi Airport Group, etc.

- **Andrew Yeo (CEO)**
  - Held various senior management positions over the past 23 years in the insurance industry
  - Been with Income for 8 years (4 years as the CEO)
- **Theresa Nai (COO)**
  - Was COO at Prudential for 10 years before joining Income
  - Vast experience ranging from implementing growth strategies to improving operating efficiencies through digitalization, standardization, and simplification
- **Ury Oliver Gan (CFO)**
  - Former CFO of QBE Hong Kong & Macau
  - Previously held senior finance positions in Prudential Asia, RSA, etc.
- **Peter Tay (GM of Digital Business)**
  - Been with Income for >15 years
  - Has held key appointments at Income, e.g., Head of Corporate Office, COO, Chief Digital Officer

## Valuation & Risks

### Valuation methodology

Since Income is a composite insurer, we use a Sum-of-the-Parts (SOTP) valuation methodology to value the company by applying a combination of P/EV and P/BV multiples.

We are using a P/EV multiple to value its L&H business, while the P&C business is valued by applying a P/BV multiple.

Currently, there are two publicly listed insurance peers in Singapore:

- **Great Eastern Holdings:** a composite insurer with the majority of its business being L&H insurance (c. 99% of its net premiums in 2022 were from L&H)
- **United Overseas Insurance:** a general insurance company with a much smaller scale compared to Income

Figure 7: Listed peers table

Company	Ticker	As of Dec 8th		
		Market cap (USD m)	P/BV	P/EV
Great Eastern	GE SP	6,135	1.1x	0.5x
United Overseas Insurance (UOI)	UOI SP	267	0.8x	N.A.
<b>Average</b>			<b>1.0x</b>	<b>0.5x</b>

Source: Bloomberg

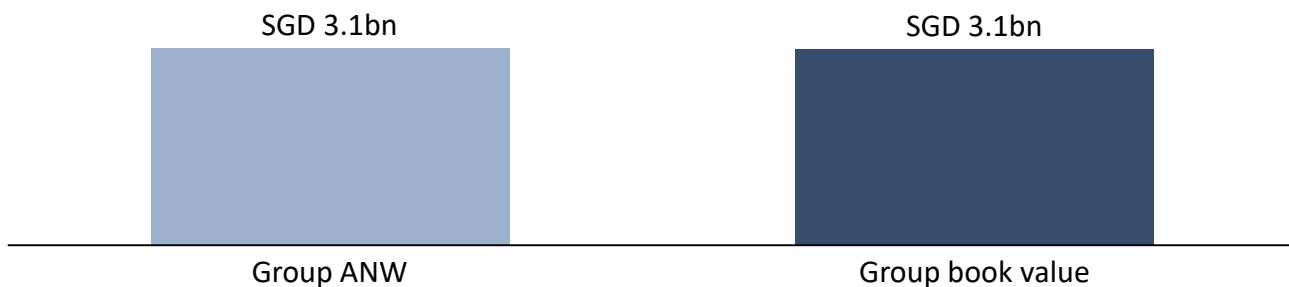
## L&H valuation

Since Great Eastern is predominantly an L&H insurer (with only c. 1% of its net premium being P&C), we will apply its 0.5x trading P/Group FY'22 EV to value the L&H business of Income Insurance.

Given that only Income's FY'22 group Embedded Value (EV) is disclosed (in the Milliman Report), we will derive Income's L&H EV by subtracting P&C's Adjusted Net Worth (ANW) from the group EV.

Although Income P&C's ANW is not disclosed, it is likely very close to its book value, as we can see by comparing its group ANW and group book value.

Figure 8: Income Insurance group ANW vs. group book value



Source: MAS, Milliman Report

Using the P&C book value as an estimate for its P&C ANW, we could derive the L&H EV of SGD 3.8 billion. Applying Great Eastern's current trading P/EV (0.5x), Income L&H is estimated to have a valuation of SGD 1.8 billion.

## **P&C valuation**

We are applying UOI's trading P/BV to value Income's P&C business (i.e., c. 0.8x P/BV). We believe Income P&C deserves a premium (vs. UOI) given that it has been a much more established P&C player than UOI (#25 P&C player in Singapore).

However, to be more conservative, we did not add the premium to our base case valuation. With its P&C book value of SGD 0.5 billion, Income's P&C business is estimated to have a valuation of SGD 0.4 billion (i.e., based on 0.8x P/BV).

## **Others (non-insurance operations)**

Most of these are investment assets (both equity and debt securities) and financial liabilities at the group level. For simplicity, we are using 1.0x P/BV to value Income's other non-insurance operations and group items. They have a valuation of SGD 0.7 billion.

By adding the three parts and applying a holding company discount of 20%, we derive a base case valuation of SGD 2.3 billion (implied 0.7x P/FY'22 BV and 0.5x P/FY'22 EV) or SGD 21.2 (on a per share basis).

# Income Insurance: Singapore's Leading Domestic Composite Insurance Player

Figure 9: SOTP calculations

<i>SGD m; unless otherwise specified</i>		
<b>Group book value (end of Dec'22)</b>		<b>Comments</b>
L&H	1,959	2022 company returns
P&C	466	2022 company returns
Others (non-insurance operations)	691	2022 company returns
<b>Total</b>	<b>3,116</b>	2022 company returns
<b>Embedded value (end of Dec'22)</b>		
Group ANW	3,132	Milliman report
Group VIF	1,144	Milliman report
<b>Group EV</b>	<b>4,277</b>	Milliman report
L&H ANW	2,667	Assuming P&C ANW = P&C book value
VIF	1,144	
<b>L&amp;H EV</b>	<b>3,811</b>	
<b>Valuation</b>		
Great Eastern P/EV (as of Dec 8th)	0.5x	
UOI P/BV (as of Dec 8th)	0.8x	
L&H EV	3,811	
	<i>P/EV multiple applied</i>	0.5x
<b>L&amp;H valuation</b>	<b>1,753</b>	Using Great Eastern trading P/EV multiple Valued by applying 0.5x P/EV to L&H EV derived above
P&C book value	466	
	<i>P/BV multiple applied</i>	0.8x
<b>P&amp;C valuation</b>	<b>391</b>	Using UOI trading P/BV multiple Valued by applying 0.8x P/BV to its P&C book value
Others (non-insurance operations)	691	Apply 1.0x P/BV to value its non-insurance business/group items
	<i>P/BV multiple applied</i>	1.0x
Holding company discount	20%	
<b>Company valuation</b>	<b>2,268</b>	
Number of shares outstanding (m)	107.2	
<b>Company valuation per share (SGD)</b>	<b>21.2</b>	

# Income Insurance: Singapore's Leading Domestic Composite Insurance Player

The following are sensitivity tables indicating Income's valuation (company valuation and on a per share basis) based on different P/BV multiples applied to its P&C business and non-insurance operations:

Figure 10: Sensitivity tables (P&C P/BV applied vs. P/BV applied to other business )

Company Valuation Sensitivity (SGD m)							
Premium to UOI trading P/BV							
P&C P/BV applied							
		0%	10%	20%	30%	40%	50%
P/BV applied to other business		0.8x	0.9x	1.0x	1.1x	1.2x	1.3x
	0.5x	1,992	2,023	2,054	2,086	2,117	2,148
	0.6x	2,047	2,078	2,110	2,141	2,172	2,204
	0.7x	2,102	2,134	2,165	2,196	2,228	2,259
	0.8x	2,158	2,189	2,220	2,252	2,283	2,314
	0.9x	2,213	2,244	2,275	2,307	2,338	2,369
	1.0x	<b>2,268</b>	2,299	2,331	2,362	2,393	2,425

Valuation Per Share Sensitivity (SGD)							
Premium to UOI trading P/BV							
P&C P/BV applied							
		0%	10%	20%	30%	40%	50%
P/BV applied to other business		0.8x	0.9x	1.0x	1.1x	1.2x	1.3x
	0.5x	18.6	18.9	19.2	19.5	19.8	20.0
	0.6x	19.1	19.4	19.7	20.0	20.3	20.6
	0.7x	19.6	19.9	20.2	20.5	20.8	21.1
	0.8x	20.1	20.4	20.7	21.0	21.3	21.6
	0.9x	20.6	20.9	21.2	21.5	21.8	22.1
	1.0x	<b>21.2</b>	21.5	21.7	22.0	22.3	22.6

A valuation range from SGD 2.0 billion/SGD 18.6 per share (i.e., the company's non-insurance operations/group items valued at 0.5x P/BV) to SGD 2.3 billion/SGD 21.7 per share (i.e., 20% premium vs. UOI trading P/BV multiple applied to Income P&C business) seems reasonable.

## Key things to note:

- The valuation and the range shown are high-level and indicative only
- The segmental financial information was based on 2022 company returns filings to the MAS
- Given the company's current disclosure, we have no visibility into any substantial financial information of its digital business
- We are assuming that the financial performance of the digital business has been grouped into its L&H and P&C segmental financial information
  - The digital business can be seen as an enabler that helps further develop and grow the group's core insurance operations
- Just applying the listed comparable companies' trading P/EV and P/BV to value Income's L&H and P&C businesses might not take into account the company's digital insurance and transformation endeavors
  - Hence, a premium (20% - 50%) to the peers' trading P/EV and P/BV could be argued
- That said, valuations of both tech and Fintech companies have been under pressure in Southeast Asia and worldwide since the beginning of 2022
  - To be conservative, we have chosen not to apply such a premium to the multiples used
  - Besides, as Income is not listed, we can also argue for a liquidity discount, given the lack of liquidity, that "cancels off" the premium from its digital initiatives



## Key Risks

- Risks to Upside
  - Further success of digital transformation leads to more upside
  - Recovery of L&H new business sales and growth in 2024
  - Better than expected investment returns as global equity markets recover in 2024
  - A smaller holding company discount
- Risks to Downside
  - L&H business, esp. savings par products, under pressure given the continued high interest rate environment
  - Uncertainty arising from the transition to IFRS 17
  - Deterioration in motor underwriting profitability
  - Lack of liquidity
  - A larger holding company discount

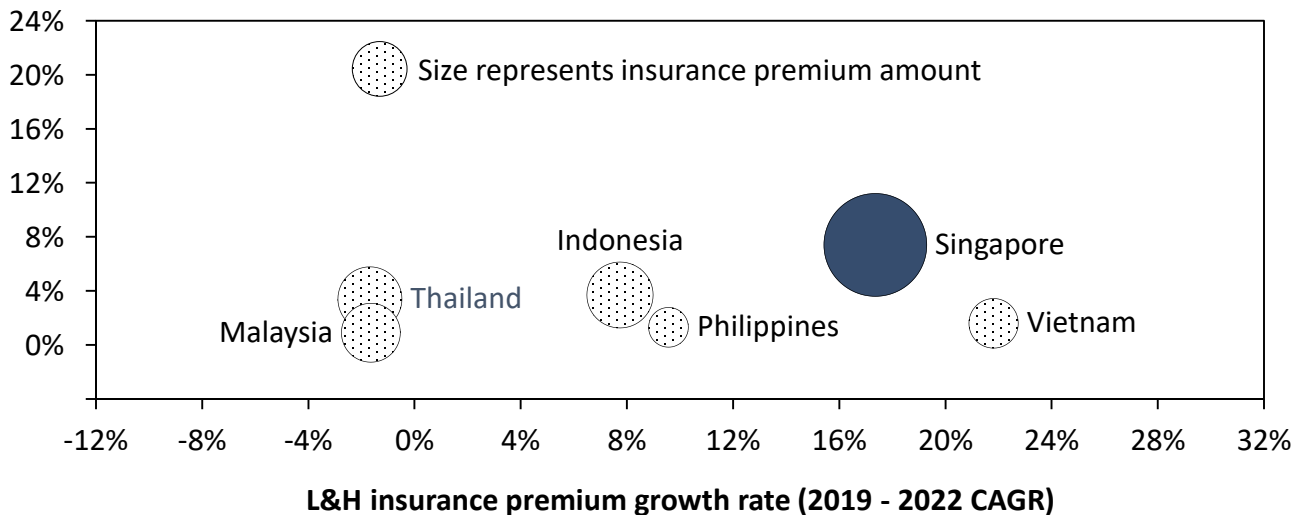
# Industry Overview

## L&H insurance market in Singapore

The following chart compares the L&H insurance growth rates and the penetration rates (L&H insurance premium/GDP) of six key markets in Southeast Asia:

Figure 11: L&H growth rate vs. penetration rate

### L&H insurance penetration rate (2022)



Source: Swiss Re Institute

With a population size of only 5.5 million people, Singapore has the largest L&H insurance market among various countries in Southeast Asia. The country's L&H insurance market in 2022 was even bigger than Indonesia, which has 50x of Singapore's population.

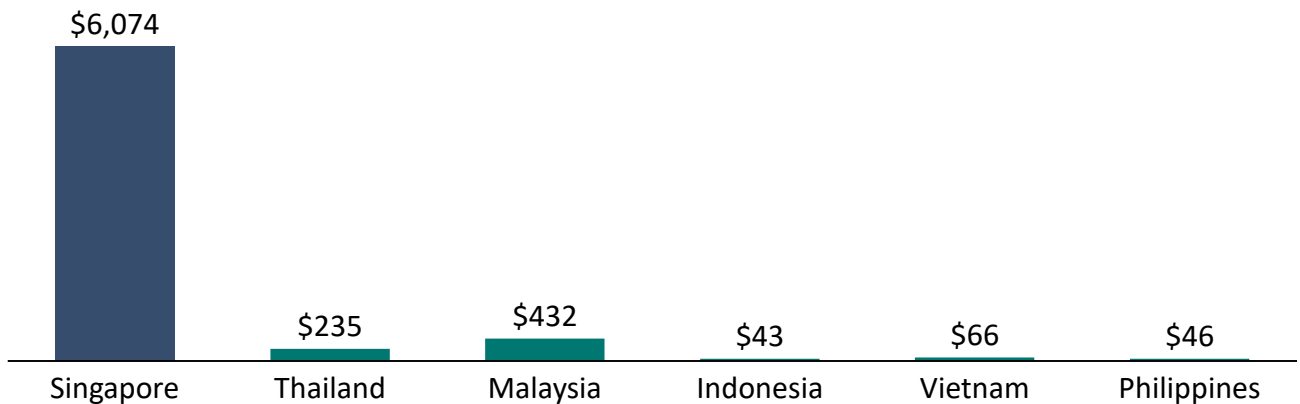
## Income Insurance: Singapore's Leading Domestic Composite Insurance Player

Singapore has the highest L&H insurance penetration rate (7%) among the peer countries in Southeast Asia. Such penetration rate is comparable to some of the most developed L&H markets in Asia, such as Japan (5.9%), Korea (5.4%), and Taiwan (8.2%).

Although Singapore has a relatively high L&H insurance penetration rate (vs. other SEA markets), it has continued to achieve a strong sector growth of 17% p.a. from 2019 – 2022.

Besides insurance penetration rate, the country also has the highest insurance premium (spending) per capita. With ~\$6,000 insurance premium per capita, it was >10x that of Malaysia, the country with the second highest insurance premium per capita in the region in 2022.

Figure 12: 2022 L&H insurance premium per capita

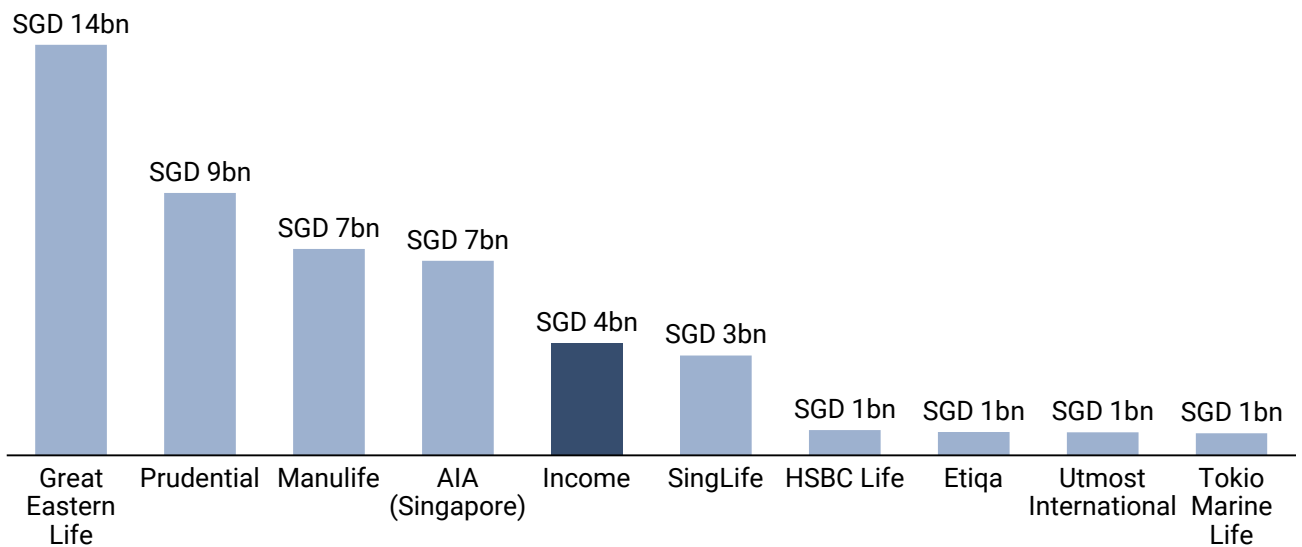


Source: Swiss Re Institute

# Income Insurance: Singapore's Leading Domestic Composite Insurance Player

Thanks to the maturity of its L&H insurance market, Singapore has attracted many large, multinational L&H insurance players to set up their regional headquarters in the country to tap into the growth potential of the broader region. As such, compared to the more developing markets in the region, Singapore's L&H insurance market has been dominated by international players.

Figure 13: Top 10 L&H players in Singapore by gross premium in 2022



Source: MAS

Although the largest player is still the local insurer Great Eastern, three (Prudential, Manulife, AIA) out of the top five players are international insurance companies.

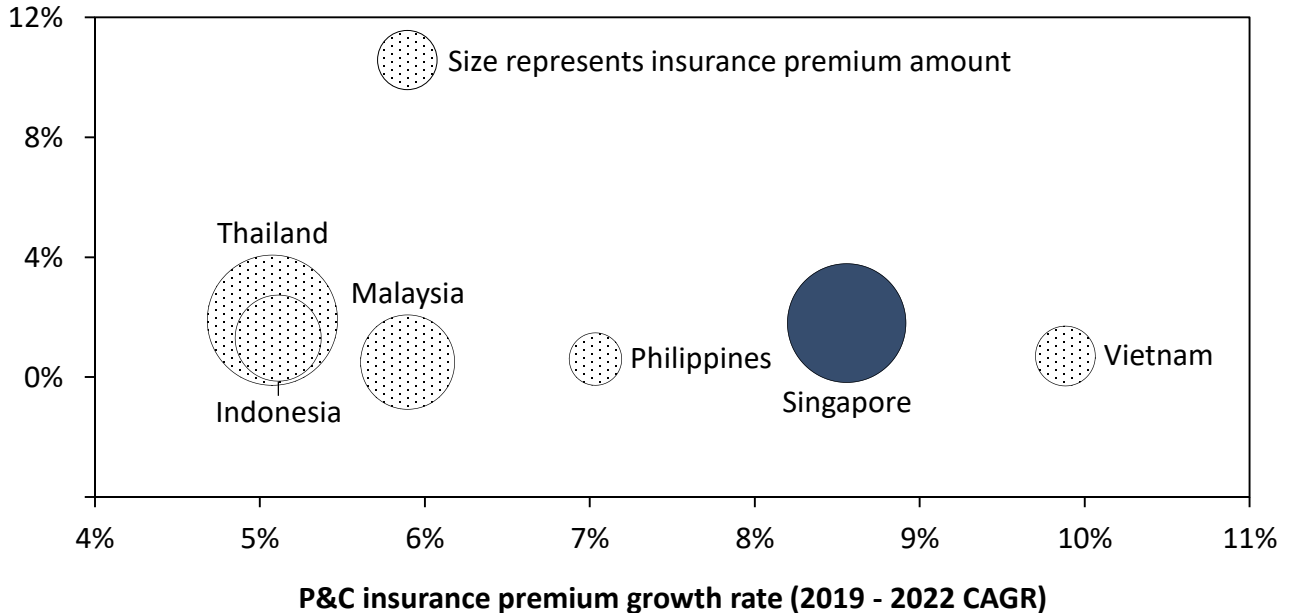
Income Insurance is the 5<sup>th</sup> largest one and the second largest domestic L&H player.

## P&C insurance market in Singapore

The following chart compares the P&C insurance growth rates and the penetration rates (P&C insurance premium/GDP) of the same six key markets in Southeast Asia:

Figure 14: P&C growth rate vs. penetration rate

### P&C insurance penetration rate (2022)

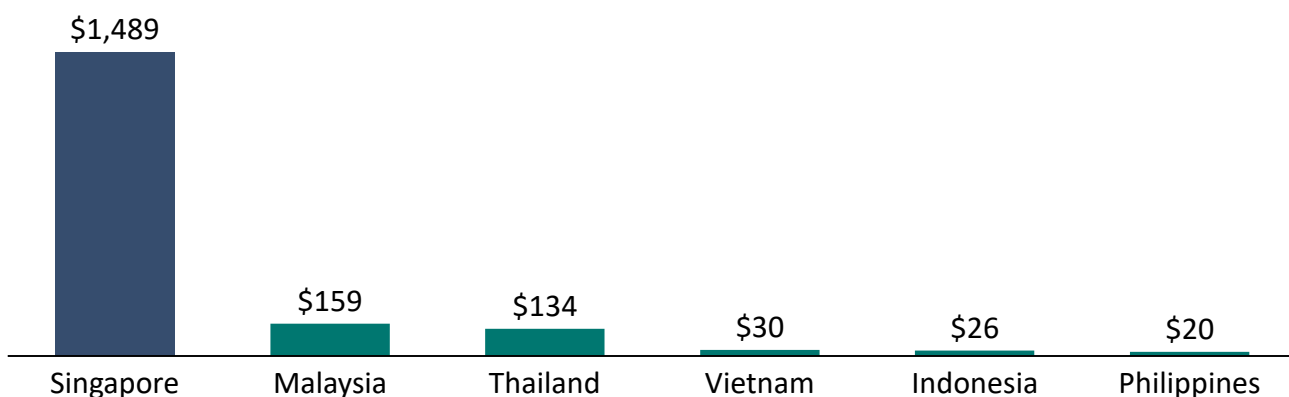


Source: Swiss Re Institute

Although the P&C market in Singapore is not the largest in Southeast Asia (behind Thailand), it is also characterized by a high growth rate from 2019 – 2022 and a relatively well penetrated market (vs. other peer countries in the region).

That said, in terms of penetration rate, the P&C market in Singapore still lags behind the more developed markets in North Asia, such as Korea (5.8%), Taiwan (3.1%), Hong Kong (2.4%). Hence, we can expect that there is still much room for growth in the domestic P&C market in Singapore, as the penetration rate catches up gradually with these more mature markets in the coming years.

Figure 15: 2022 P&C insurance premium per capita



Source: Swiss Re Institute

Singapore had a P&C insurance premium (spending) per capita of ~\$1,500 in 2022, which was again much higher than the rest of its peer countries in Southeast Asia.

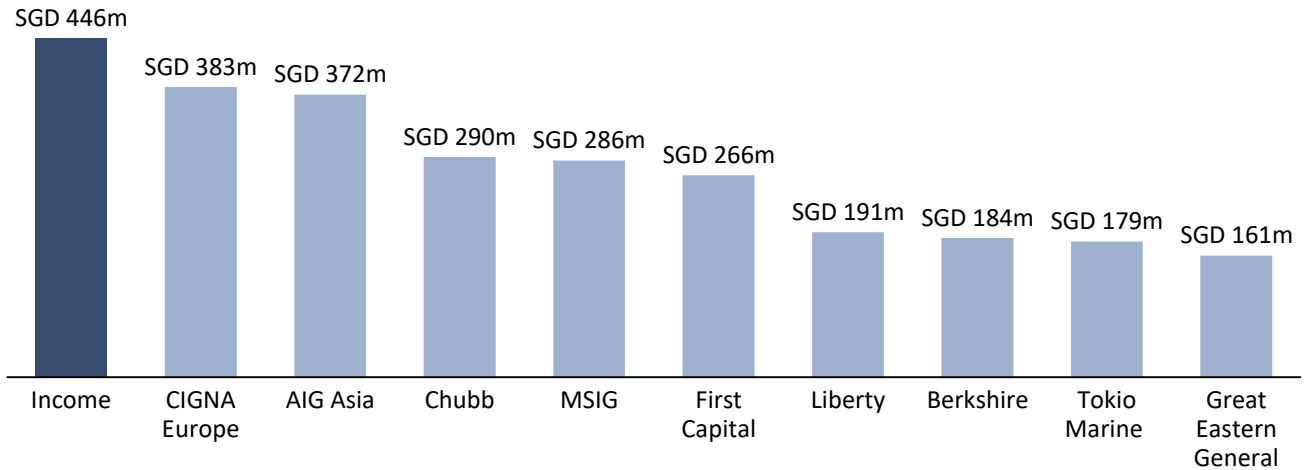
The P&C market in Singapore is dominated by motor insurance with a 21% market share<sup>1</sup> in 2022. This is followed by property insurance (16%) and employers' liability insurance (8%).

The industry has witnessed a significant improvement in the incurred loss ratio from c. 55% in 2010 to c. 48% in 2022 (Singapore Insurance Fund). A similar trend and improvement has also been seen in Offshore Insurance Fund over the same period.

Note: <sup>1</sup>Based on gross premiums of direct insurers under Singapore Insurance Fund

# Income Insurance: Singapore's Leading Domestic Composite Insurance Player

Figure 16: Top 10 P&C insurance players in Singapore by gross premium in 2022



Source: MAS

The largest P&C player in Singapore is Income Insurance, with a 9% market share<sup>1</sup> in 2022.

Note: <sup>1</sup>Based on gross premiums of direct insurers under Singapore Insurance Fund

## Emerging key trends

- Singapore becoming a regional Insurtech hub
  - Having the most mature insurance market and being one of the most economically developed countries in the region, Singapore has continued to attract tech and Insurtech companies across the region to set up their regional headquarters
    - Access to venture capital and high-quality talents are two other major factors shaping the trend
  - Singapore has increasingly become a regional hub for Insurtech startups and digital companies that look to offer insurance elements in their ecosystem
- Collaboration over competition
  - While many might have assumed the competitive nature between Insurtech companies and incumbent/traditional insurers, we see more collaboration between the two rather than (cut-throat) competition (as people usually cite the case between e-commerce and brick-and-mortar shops)
    - Insurtech is still small and nascent compared to some of the top insurers in the region
  - Many insurers have been actively collaborating with and investing in Insurtech players and their own digital transformations
    - Income Insurance is a prime example of such a trend



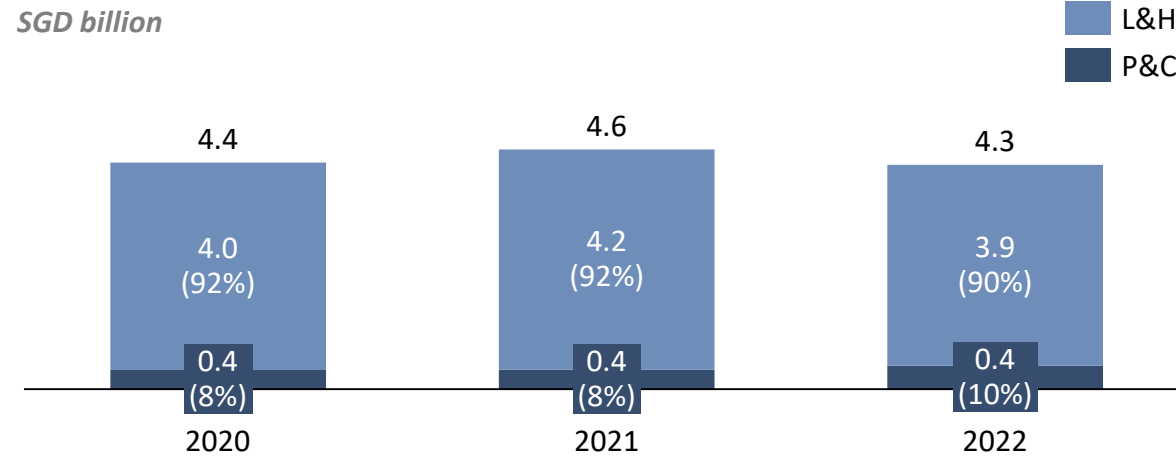
- Cyber insurance and electric vehicles to impact P&C products
  - Cyber attacks are increasingly becoming the norm as tech adoption further accelerates in the country
    - Cyber insurance products could account for a much more significant mix in P&C sector premium
  - Electric vehicles are becoming more popular than ever among drivers in Singapore
    - The cost of claims and loss ratio of electric vehicles could be very different from traditional combustion engine cars
    - This would prompt insurers to re-think their underwriting and pricing strategies

# Appendix

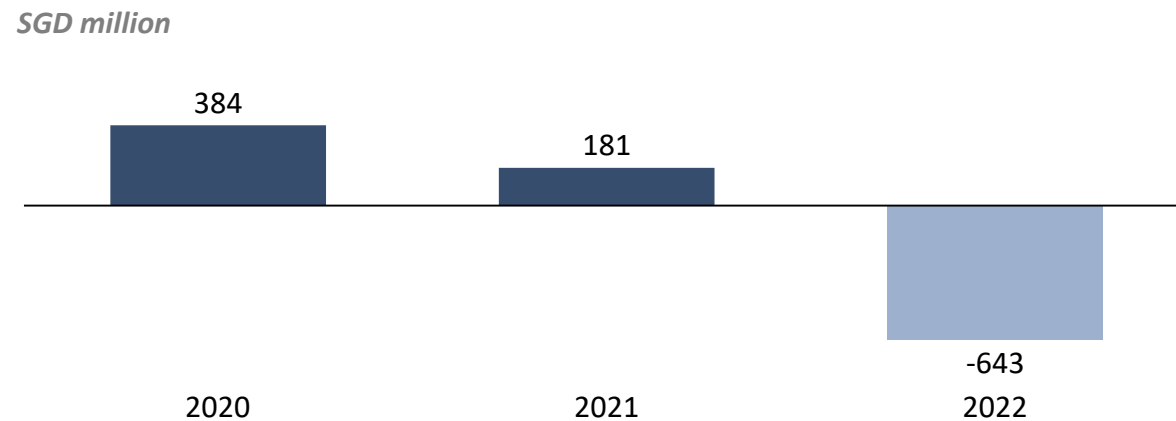
- Financial Overview
- Peers Comparison

# Financial Overview

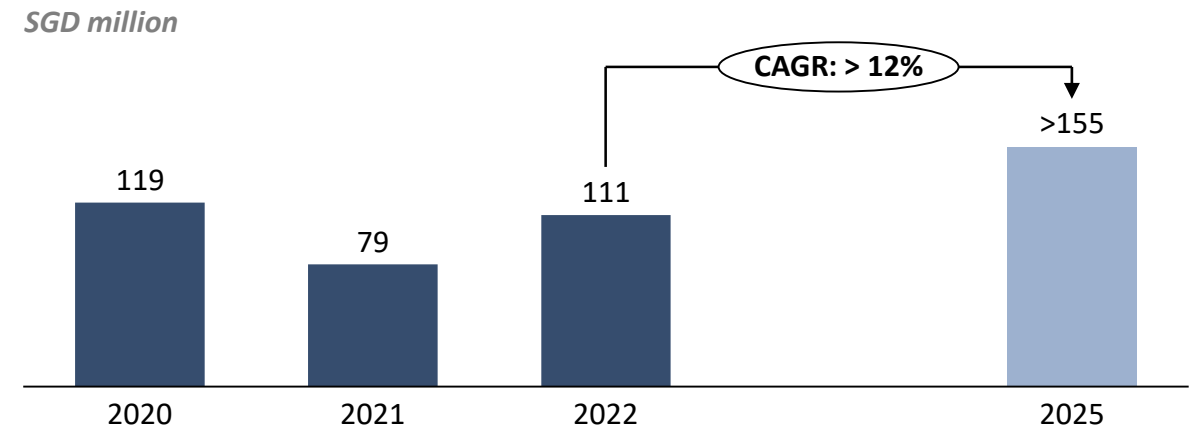
## Gross Premium



## Net Operating Profits After Tax



## Adjusted Insurance Operating Results



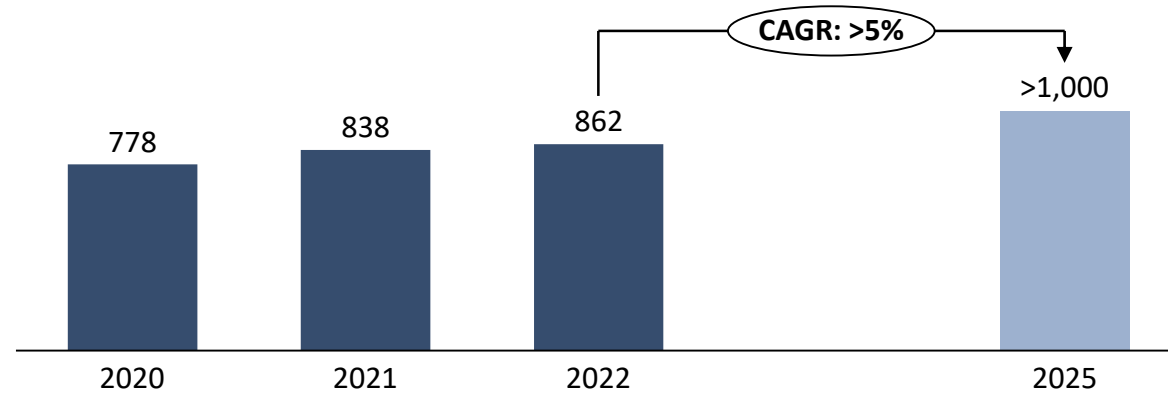
## Comments

- Income has relatively stable gross premium of SGD 4bn – SGD 4.5bn
  - High interest rate environment in 2022 impacted sales of par products
  - Growth across P&C and health products has helped limit the impact
- Adjusted insurance operating results returned to growth
  - The company is expecting a CAGR of >12% from 2022 to 2025
- Income reported net operating losses after tax despite the growth in adjusted insurance operating results
  - Losses due to fair value movement/m-t-m losses of equity and bonds in shareholders' investment portfolio

# Financial Overview

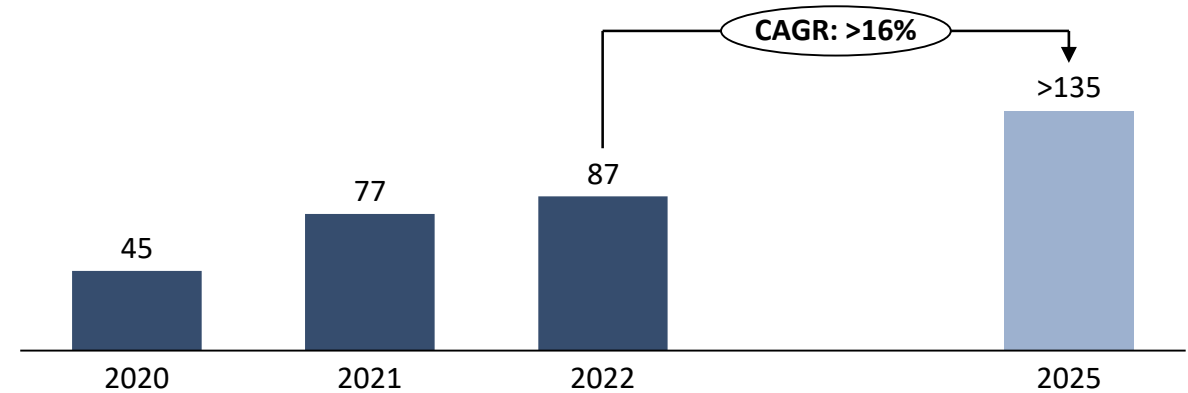
## New Business Premium

SGD million



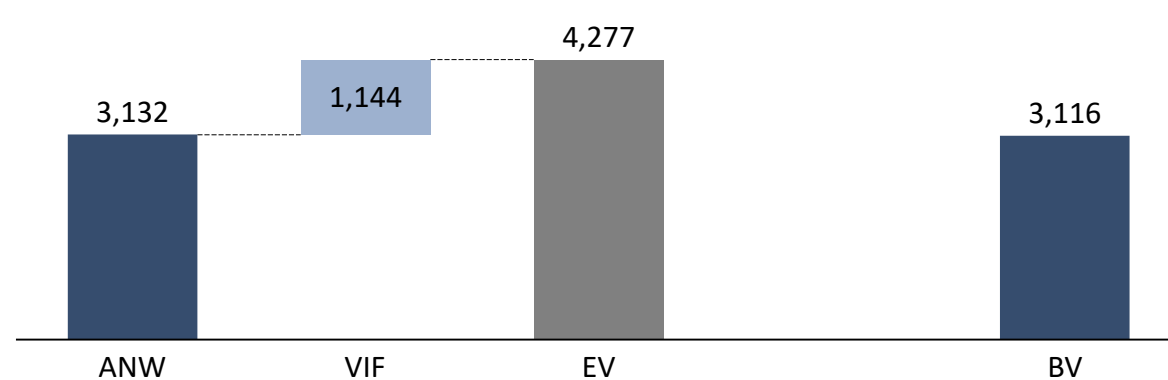
## NBEV

SGD million



## Embedded Value & Book Value (Dec'22)

SGD million

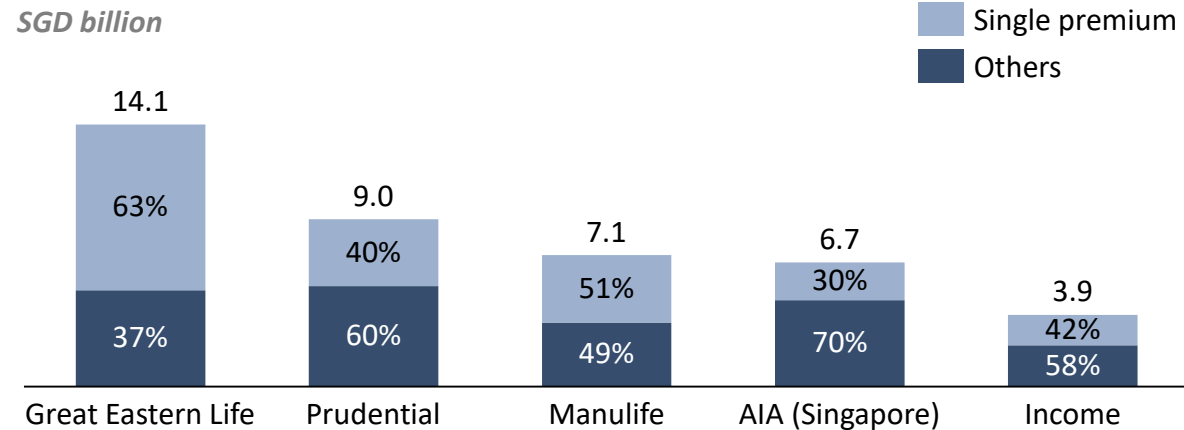


## Comments

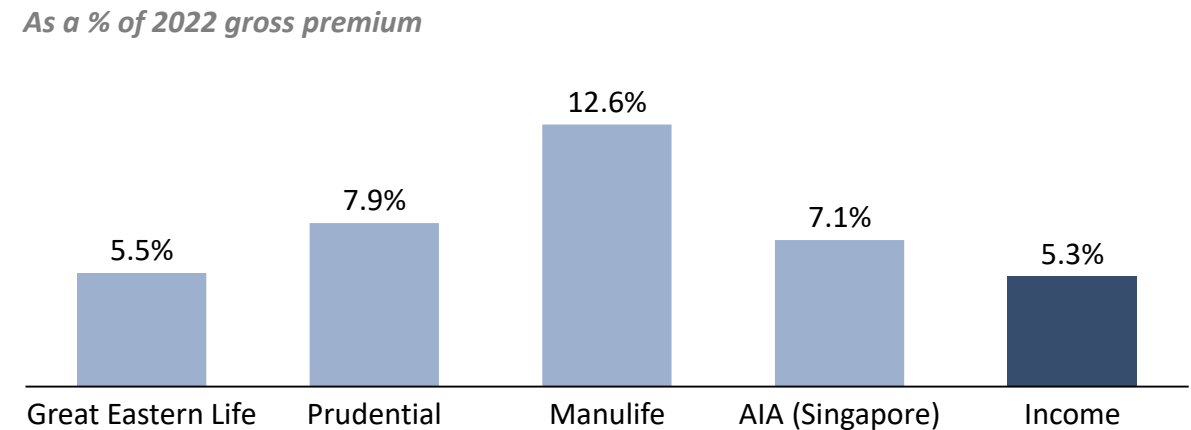
- Income's new business premium (NBP) grew c. 3% YoY in 2022
  - Underpinned by strong growth in corporate lines, motor, and personal lines (e.g., travel insurance) as outbound travel recovered in 2022
- NBEV grew at a faster rate than new business premium indicating an increase in margin over the past 3 years
  - NBEV margin (NBEV/NBP) improved from 6% in 2020 to 10% in 2022
  - Company expected NBEV to grow at >16% p.a. from 2022 to 2025
  - New business margin to increase to c. 14% in 2025
- Income is well-capitalized with 193% solvency ratio (RBC2 basis) at the end of December 2022

# L&H Peers Comparison<sup>1</sup>

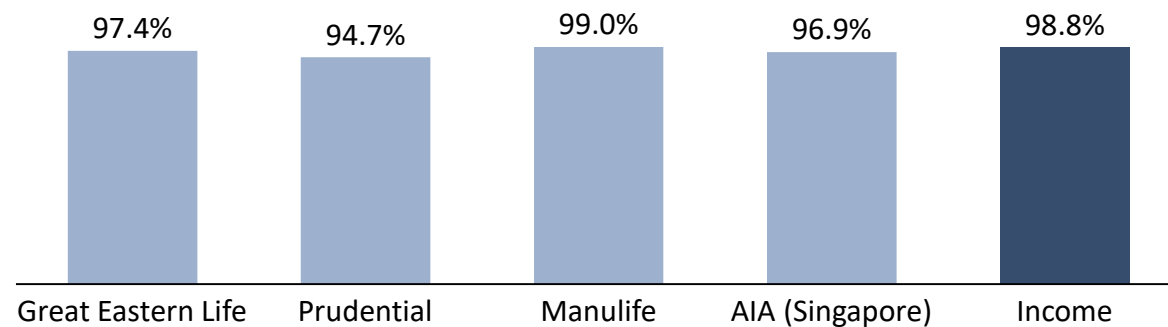
## Gross Premium



## New Business Annual Premium



## Average 2-Year Persistency Ratio



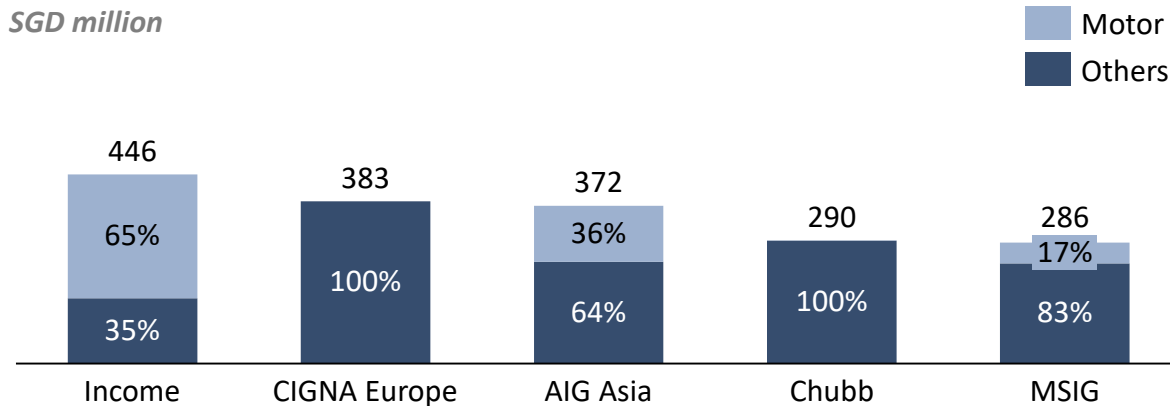
## Comments

- Great Eastern and Income are the only domestic insurers out of the top 5 L&H insurers in Singapore
  - The scale of Great Eastern is also thanks to the sales of single premium products (which contributed 63% of gross premium in 2022)
- Both domestic players (Great Eastern and Income) lagged behind the other 3 top 5 L&H players, in terms of longer-term/regular new business
  - This is especially so for Income which should look to catch up with its peers in the coming years
- That said, Income has one of the highest (2-year) persistency ratio among its peers

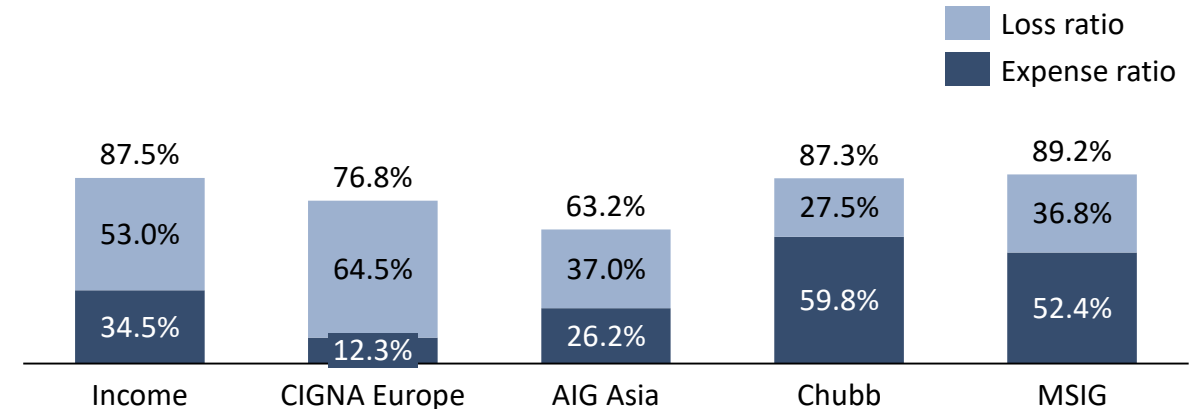
# P&C Peers Comparison<sup>1</sup>

## Gross Premium

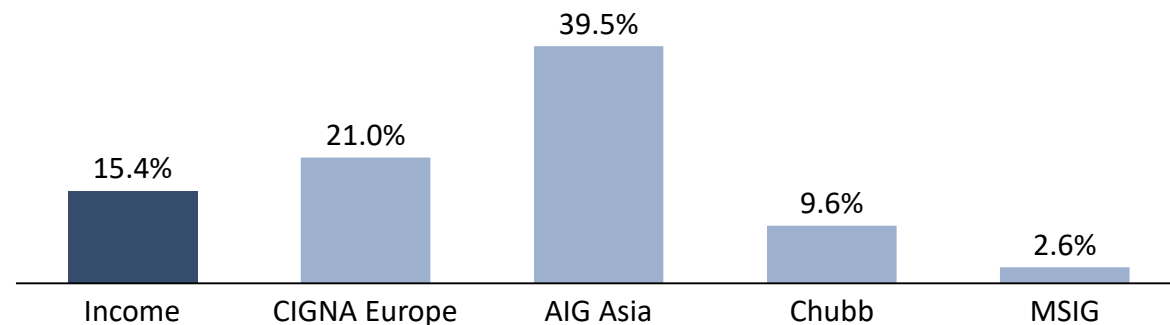
SGD million



## Underwriting Profitability



## Net Operating Profitability (% of Net Premium)



## Comments

- Income is the only domestic player among the top 5 P&C insurers in Singapore
  - Income is a dominant leader in motor insurance in Singapore
- Top 5 P&C insurers in the industry have an average c. 81% combined ratio
  - Income's combined ratio is above (worse than) the average of the top 5
  - It makes sense since a significant portion of its products is motor insurance
- With only 34.5% expense ratio in 2022, it showcases Income P&C's scale advantage in distributing its insurance products
  - This is especially so, given the significant mix of motor insurance in its products

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