

EQ Insurance

 A Member of Citystate

SHAPING OUR FUTURE TOGETHER

Annual Publication 2015



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GROSS WRITTEN
PREMIUM
\$49.1 MILLION



SALES FROM AGENT
13% ↑



MOTOR SEGMENT
\$18.6 MILLION



MARINE SEGMENT
35% ↑



ABOUT US

EQ Insurance Company Limited is a homegrown general insurance provider.

Set up in February 2007, it built its initial insurance success through the construction-related industry and has since grown to underwrite all classes of commercial and personal insurance, including motor, property, casualty, financial protection (trade credit, professional indemnity), marine as well as accident and health insurance to a diverse group of clients.

It is a rapidly growing company with a proven management team and a strong network of intermediaries, including agents, brokers and financial advisers.

EQ Insurance is part of the Citystate group of companies which includes other established brands in various service industries.



VISION

A financially strong, Singapore-based multinational insurance firm writing international business.

MISSION

Underwrite a profitable portfolio of non-life insurance business; develop a team of competent, young executives to lead the company's expansion; and build a value-driven organisation.

CORE VALUES

EASE

To ensure that intermediaries have access to us, and our facilities for quotation and issue of certificates of insurance.

To ensure that customers enjoy a seamless enquiry, application and payment process, making it easy for them to buy our products.

QUALITY

To ensure that intermediaries benefit from quality support, advice on guidelines and consistent information on procedures.

To ensure that customers benefit from quality products, advice and consistent information when purchasing a policy or enquiring on a claim.

INTEGRITY

To ensure that intermediaries experience transparency in our dealings and procedures.

To ensure that customers experience honest and reliable claims solutions.

BUSINESS OVERVIEW

2015 has been a challenging year for the general insurance industry due to economic and external headwinds. The Singapore economy grew by 2% in 2015, while the general insurance industry grew by 2.6% in total gross premium to S\$3.6 billion. Total net earned premiums declined by 7% to S\$2.4 billion while total underwriting profit fell by 17% to S\$325 million.



While Motor Insurance continues to be the biggest segment within the industry, Health Insurance has become the second largest business segment in 2015 recording a growth of more than 14% in gross premiums to S\$435.3 million. Fire Insurance also did well but grew at a slower pace of approximately 9% to S\$396.6 million in gross premiums. Meanwhile, Motor segment saw a slide in gross premiums of about 4% to S\$1.1 billion. This can be attributed to the competition within this segment, resulting in a drop for motor premium.

Despite the intense competition within the industry, EQ Insurance has grown by 0.5% in terms of total gross premiums and this is mainly contributed by our 5% growth in the Motor segment. The increase in the gross premium collected from the motor segment is offset by the decline in these areas:

Work Injury Compensation business: declined by 2% year on year to S\$12 million

Engineering business: declined by 38% year on year to S\$1.4 million



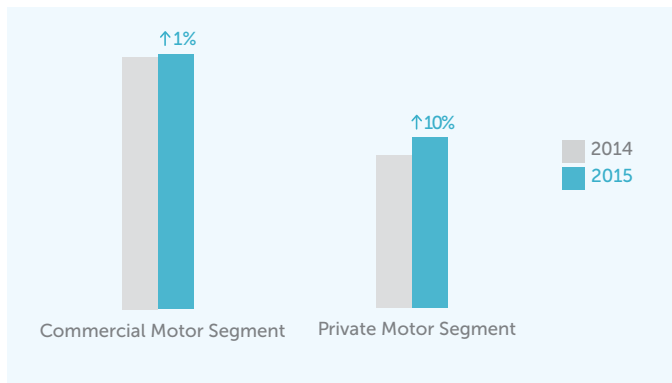
SECTOR PERFORMANCE

The business is categorised under 4 main segments: Motor, Property and Casualty, Accident and Health and Financial Protection. Motor, Property and Casualty will remain as our established segments while Accident and Health and Financial Protection will be the potential growth segments within our company.

MOTOR

Gross premium for our commercial Motor segment increased by 1% to S\$11.2 million while premium for our private Motor segment increase by 10% to S\$7.4 million.

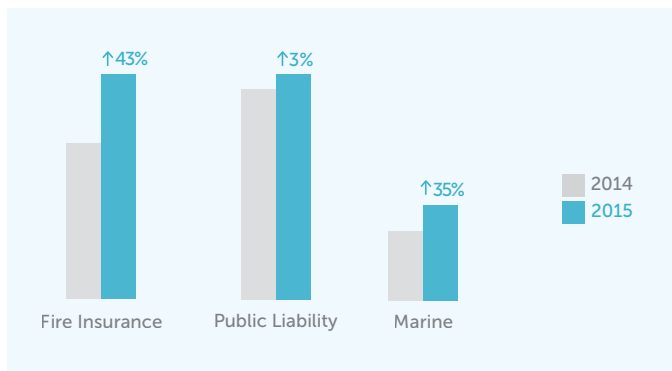
Despite the intense competition within the motor segment, we were able to increase our gross premium from the year before. Part of the reason was due to the sales initiatives taken by the company to engage our agents. For example, we launched the Motor Club scheme in 2015, which provides incentives for the qualified members in its respective tiers.



PROPERTY AND CASUALTY

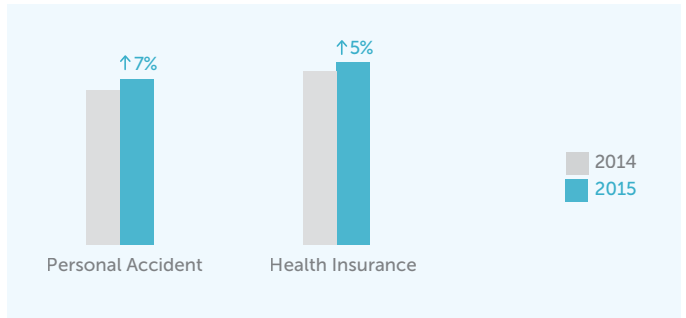
Work Injury Compensation, Marine, Bond, Fire, Engineering and Public Liability remain as the top contributing classes in this segment.

Due to the slowing of the property market, the Work Injury Compensation declined by 2% to S\$12 million. Likewise, Engineering declined by 38% to S\$1.4 million. Fire insurance increased by 43% to S\$1.3 million while Public Liability increased by 3% to S\$1.4 million. Marine increased by 35% to S\$0.7 million.



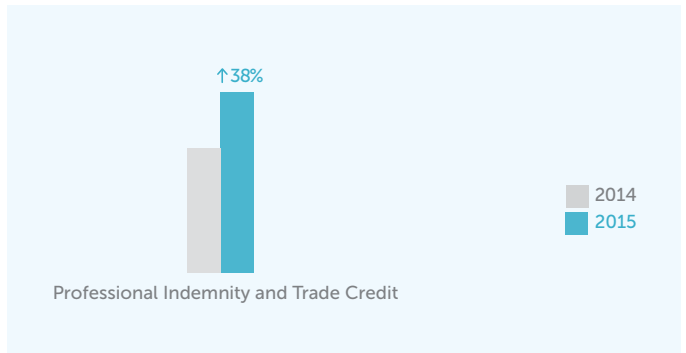
ACCIDENT AND HEALTH

Our Accident and Health did well in 2015. Premiums from Personal Accident increased by 7% to S\$4.8 million while Health insurance increased by 5% to S\$5.3 million. In total, gross premium for the sector was S\$10.1 million.



FINANCIAL PROTECTION

Financial Protection sector comprises of Professional Indemnity and Trade Credit Insurance. In total, we saw an increase of 38% in premium for 2015 to S\$0.5 million, up from S\$0.3 million in 2014.



CONTINUAL STRENGTHENING OF OUR DISTRIBUTION NETWORK

Our sales force grew stronger, with 73% of the sales derived from our own agents in 2015 as compared to 65% in 2014. Currently, the sales derived from financial advisors and direct purchase through our website are standing at 4% and 2% respectively. Moving forward, we are looking at growing through these channels via the use of incentives and technology.

KEY COLLABORATIONS FOR 2015

This year, we continue working hard to expand our product offerings by partnering with other companies. These partnerships allowed us to further expand our product offering to provide professional indemnity insurance and trade credit insurance. These collaborations helped us to undertake bigger contract in event related classes, such as the recent Southeast Asian Games as well as the ASEAN Para Games 2015.

CHAIRMAN'S MESSAGE

“ As we approach our tenth year in the Singapore’s general insurance business, we believe it is important for us to look back on our short history and reflect upon our vision and mission, which has successfully brought us to where we are today. ”



2015 has been a challenging year for the global economy as we observed much volatility across the major financial markets and uncertainty in the world's major economics.

Being an open economy, Singapore was not spared either. The Singapore stock market took a rough tumble in the second half of 2015 and growth for Singapore’s economy in 2016 is expected to be moderate at between 1 to 3%.

Having been around for close to a decade, I believe it is a good time for us to take a step back and to reflect on the values that has brought us thus far.

At EQ Insurance, our vision is to be a financially strong, Singapore-based multinational insurance firm writing international business. Being financially strong is critical, particularly in the area of business that we are in. It means even as we strive for growth for the company, we also want to ensure that this growth is attained in a sustainable manner.

Growing in a sustainable manner does not just mean ensuring profitability in our underwriting business; it is also about ensuring that we are able to provide long-term support for our customers at a reasonable cost.

Our mission is not just about underwriting a profitable portfolio of non-life insurance business, but also to develop a team of competent, young executives that are able to lead the company’s expansion and to build a value-driven organisation.

Creating a value-driven organisation that put its stakeholders first will not be possible without having a team of staff that believes in the organisation’s mission. Our core values are in place to ensure that we uphold a high standard of service to our stakeholders.

EASE

Ease of service is important because it means ensuring that our intermediaries and customers have access to us whenever and wherever they are. It also means giving them a smooth and pleasant experience whenever they engage with us.

To support this, our online portal was upgraded to further enhance the sales process for our intermediaries.

This online portal provides quick access to our extensive range of products and key details to further facilitate the sales process. We will be making further investments to continue to leverage on this technology.

QUALITY



Providing high quality advice and support to our intermediaries and customers is an important part of our culture. In this increasingly competitive market, the provision of such value-added services will be critical in helping us differentiate ourselves from other players in the market.

At the same time, this would not be possible without a team of dedicated and experienced staff that genuinely enjoy servicing their clients. Creating a customer-friendly culture where staff are willing to go the extra mile takes time and effort.

To ensure this long term goal, we spend a great deal of time and disciplined effort on succession planning. We value our relationship with our employees, and constantly find opportunities to groom and develop their potential to progress within the organisation.

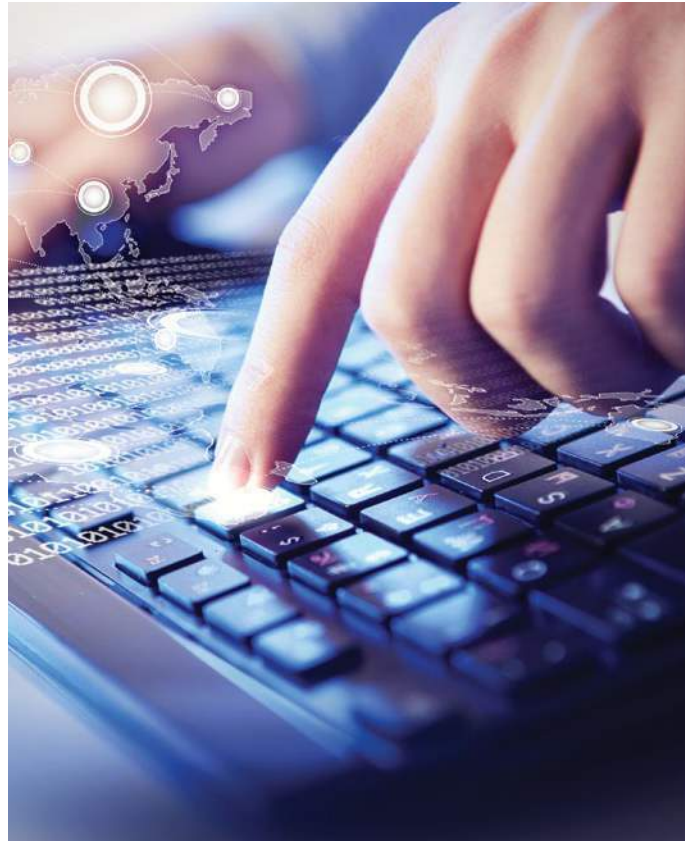
INTEGRITY

Last but not least, integrity is paramount to how we conduct our business.

Being transparent and honest with our intermediaries and customers is an area that we constantly need to uphold. Building a lasting brand in the insurance industry is only possible when people have trust in us. This is a trust which I am proud to say that we have built up over the last decade, and which we will continue to build on in the future.

CREATING SUSTAINABLE GROWTH

Moving forward, we will continue to actively seek growth opportunities by collaborating with like-minded partners. We also hope to continue integrating technology to our daily workflow so as to improve our productivity and efficiency.



The long-term vision for our company will be to aim towards handling S\$80 million, and then subsequently, S\$100 million in premiums. I am confident that we are on track to achieving this. At the same time, we are mindful that we should grow towards our financial targets in a sustainable manner.

I am thankful of all the support shown to us by our partners, intermediaries and customers. I am also thankful for the team of staff who have embraced our core values as we strive to deliver excellence to our stakeholders. I am confident that we will continue growing towards our vision in the coming years to come.

Leow Tze Wen
Chairman

CHIEF EXECUTIVE OFFICER'S MESSAGE

2015 has been a challenging year for Singapore's general insurance industry, with total gross written premium increasing by 2.6%. In spite of the challenging economic climate, EQ Insurance was able to show an increase in gross written premium for 2015, compared to the preceding year. This strong performance is a testimony to the efforts put in by our team of experienced employees, and also a recognition of the trust that our customers have in our company.

“

Among our established segments, we earned S\$18.7 million of gross premium for our Motor segment, which has an increased of S\$0.8 million from 2014. This has been achieved despite the tight competition observed in the market, which has led to price of premium declining across the industry. Our Property and Casualty segment continued to remain consistent, with a total gross premium of S\$19.0 million, despite the slowdown in the property market we are currently seeing in Singapore.”

We continue to see healthy growth within the Accident and Health segment of the company with a revenue of S\$10.1 million. Important performers within this segment would include personal accident and health insurance, which saw growth of 7% and 5% respectively.

Our Financial Protection segment also saw revenue growth of 38% to S\$0.5 million. Moving forward, we believe that these segments would continue to be important growth areas for our company.



At the company level, total gross premium for the year was S\$49.1 million, an increase of about S\$0.2 million from 2014. Underwriting profit for the company was at S\$8.0 million. After accounting for investment income and other operating expenses, net profit before tax was S\$0.5 million.

“ Going forward in 2016, I expect the portfolio mix for the company to remain similar with the market as it continues to remain challenging in light of the muted growth expectations across the world. ”

At the same time, I am optimistic that we can continue growing and establishing EQ Insurance as the preferred choice among our partners due to the continuous improvement in these following areas.

EXPANDING OUR SALES NETWORK

2015 saw a significant change in the distribution sales mix for our company. Sales from our agents increased to S\$35.6 million from S\$31.6 million, which represents 73% of the total gross premium written. The increase in sales from agents is important, as we continue to work closely with them to offer products that best fit the needs of their customers.

We also saw an increase of 15% from premiums brought in by financial advisors. This brings the total premium to S\$2.1 million. While this may not seem significant, we strongly believe that these Financial Advisors would represent an important part of our distribution network moving forward.

LEVERAGING ON TECHNOLOGY



We continue to make significant progress in the technology space. In 2015, we successfully added new products to our online portal to help facilitate a more efficient sales process for our team. The online portal helped our intermediaries obtain key information about our products quickly and easily. It also supports our operational staff in ensuring quicker and smoother turnaround time.

Going forward, we very much see technology as a critical cornerstone for our future success. We will continue to invest in it, and more importantly, to continue our efforts in integrating it to our day-to-day operations.

PRODUCT INNOVATION & COLLABORATION

In 2015, we expanded our scope of collaboration to bring in more reinsurance partners. These partners allow us to expand our business and going forward, would be important for us in our continuous growth.

Likewise, we also believe in exploring strategic partnership with reputable, high-quality companies. We are constantly identifying opportunities that would allow product innovation thus offering a variety of products to our customers.

PROVIDING LONG LASTING VALUE FOR OUR CUSTOMERS

Last but not least, we believe that the best way to continue building long lasting relationship with our customers will be to provide real value for them. While we ensure that our prices are kept competitive, we also do not compromise on the extent of coverage that we provide for our customers.

Equally important for us is to ensure that each customer's claim are handled efficiently to give them a smooth experience. For example, for our motor claims, we have a 24-hour hotline that customers can call for immediate advice when an accident occurs. Our rider will also be dispatched to help affected customers with the filling of their claims. These are the little things that we do which we believe would differentiate us in the long run from other companies.

BUILDING FOR THE FUTURE

Most of the areas shared above will revolve around improving the experiences that our stakeholders have when working with us. We want our customers, agents, brokers and financial advisors to have positive experiences when working with us, be it for a simple enquiry or a complicated claim. It is my belief that this will be the key for us to continue growing our business in a sustainable way.

A handwritten signature in black ink, appearing to read 'Ronald Cheng', with a stylized flourish at the end.

Ronald Cheng
Chief Executive Officer

BOARD OF DIRECTORS

1. LEOW TZE WEN Chairman

Mr Leow Tze Wen started his career in investment banking in 1996, working with local and foreign companies such as OCBC and Merrill Lynch. He also worked with Guy Carpenter, a reinsurance broker in London before joining the Citystate Group Pte Ltd in 1998. In the last few years, he has been involved in the Group's insurance broking operations, and in 2011, Mr Leow was appointed Principal Officer of EQ Insurance.

In addition, he presides as Group Chief Operating Officer of Citystate Capital Asia Pte Ltd, an investment company formed in 2009 with the sole purpose of developing a pan-Asian Insurance Group of companies. Mr Leow is also Managing Director of the Citystate Group Pte Ltd. He is an Associate of the Chartered Insurance Institute and holds a BSc (Econs) and MSc (Econs) in Accounting and Finance from the London School of Economics, UK. Mr Leow supports many causes and he sits on the main committee of the Yellow Ribbon Fund.

2. PHILLIP TAN Director

Mr Phillip Tan is a Certified Public Accountant in Singapore. He was a member of the leadership team in an international firm of accountants in Singapore and was the leader of the firm's Capital Markets practice till he retired on 30 June 2007. He has more than 25 years of auditing experience of insurance companies and has advised on a wide range of issues in relation to insurance companies, including cost reduction and reorganisations, mergers and acquisitions and financial investigations.

He is a past Chairman of the Insurance Committee of the Institute of Certified Public Accountants Singapore. Mr Tan is active in community services. He is also a Justice of Peace and has been awarded the Public Service Medal, the Public Service Star and the Public Service Star (Bar).





3. ANTHONY TAN Director

Mr Anthony Tan served as the Principal Officer of EQ Insurance from 2007 to June 2010. In his active years of service in the insurance industry, he had served as a Management Committee Member of the General Insurance Association, President of the Insurance Institute of Singapore and Governor of the College of Insurance.

Mr Tan holds a Master of Business Administration from the Oklahoma City University and is also an Associate Member of the Chartered Insurance Institute of the United Kingdom.

4. NG TEE YEN Director

Mr Ng Tee Yen graduated with a Bachelor of Computer Science and a Bachelor of Engineering (Electrical and Electronic) from the University of Western Australia in 2002. He then worked as a software engineer in a startup company that was subsequently acquired twice, ending in acquisition by IBM.

In 2009, he left to manage various family companies. He holds a Master of Business Administration from the University of Western Australia.

5. NG TEE CHUAN Director

Mr Ng Tee Chuan has a Bachelor of Science (Computer Science) and a Bachelor of Engineering (Electronics) from the University of Western Australia, Australia. He also has a Master of Business Administration (Finance and IM) from the University of Western Australia. He was a practicing engineer for a few years before leaving the profession to manage the various family companies.

Mr Ng is on the board of many diverse companies in Singapore, Malaysia, Indonesia, Australia and the British Virgin Islands.

MANAGEMENT TEAM

1. RONALD CHENG Chief Executive Officer

Ronald Cheng has more than 36 years of experience in the insurance industry and has held senior management positions in the broking and insurance companies. He holds a Master of Business Administration from the University of Strathclyde and is a Fellow of the Chartered Insurance Institute. He will be responsible for the overall execution of strategic business directions and overseeing the underwriting and claims operations and business development of EQ Insurance.

2. RINA TAN Group Financial Controller

Rina has held various positions covering responsibilities in Accounting, Finance, HR as well as IT functions in the general and reinsurance companies. She joined Citystate Group Pte Ltd in 1996 and was actively involved in the run-off of Equatorial Reinsurance (S) Ltd and its branch in Hong Kong. She was a member of the management team responsible for the formation of EQ Insurance in 2007.

Rina is a member of The Institute of Singapore Chartered Accountants (CA) as well as a Fellow of the Association of the Chartered Certified Accountants (FCCA). She is also an Accredited Tax Practitioner (ATP) of Singapore Institute of Accredited Tax Professionals Limited. She oversees the accounting, business support, financial planning and analysis, internal audit and tax functions at EQ Insurance.

3. LIAN SIEW HIN General Manager

Siew Hin was one of the pioneers of EQ Insurance even before the company started operations, and had the opportunity to be involved in setting up various areas of the company's operations. Siew Hin graduated from the University of London with B.Sc. (Econs) in Management Studies in 1989. She is responsible for the company's retail and commercial sales, underwriting, operations and dedicated to ensuring that EQ Insurance's products meet the highest standards of quality.





4. STEPHEN CHAN

Senior Manager, Motor & Accident and Health

Stephen started his insurance career as an insurance broker and has worked with several major international insurance companies. His last appointment was Director of Personal Lines focusing mainly on Motor Insurance, Travel and Personal Accident, Home and Maid Insurance with an international insurer.

He has a MBA from Adelaide University, Australia and a Bachelor Degree in Business administration from University of South Australia. He is also a Chartered Insurer and an ACII holder from The Chartered Insurance Institute, UK. He has developed new motor markets and led the e-commerce initiatives on online motor.

5. NICK WONG Senior Manager, Marketing, FINPRO & Specialty Lines

Nick is an experienced insurance practitioner who has served under various capacities, both as a Broker and Underwriter in MNCs. He joined EQ Insurance in 2013 and played a significant role in creating new markets, new products as well as establishing strategic partnerships.

As Head of Marketing, he leads a team in achieving the company targets, expanding the intermediaries channel and fine-tuning the work processes for the intermediaries. Nick is currently a committee member of the GIA-Trade Credit.

6. PETER NG Manager, Communication

Peter has held various positions in major insurance companies in the life and general insurance industry. His educational background includes an M.B.A. from National University of Singapore and a Bachelor of Business (Banking & Insurance) from Nanyang Technological University.

He oversees communications and public relations, the development and implementation of marketing materials, corporate website and social media, and coordinating with the other functions of EQ Insurance and Citystate Group Pte Ltd.

7. ERIC TAN Manager, Accident & Health

Eric started his insurance career as an insurance broker and has held various positions in Life and General Insurance operations covering responsibilities in the specialty area of Group Insurance dealing with employee's benefits. He is a member (Senior Associate) of The Australian and New Zealand Institute of Insurance and Finance. Since joining EQ Insurance in 2008, he was part of the first EQ Insurance e-commerce initiative to bring travel insurance online. He is responsible for delivering EQ Insurance's Accident & Health products solutions for the retail and commercial customer segments.

8. HARRY WANG

Manager, Information Technology

Harry started his career in IT in 1990. He continued his deep-rooted passion with EQ Insurance in 2007. He holds a Bachelor of Science in Business Information Technology (Hons) from the University of Central England. He is also the Group IT Manager for Citystate Group Pte Ltd. Leading a team, his role is to ensure the streamlined operation of the IT Department in alignment with the business and business continuity objectives of the organisation. He was instrumental in the e-commerce development, which includes the travel and motor online capabilities.

9. AUDREY ANG

Manager, Compliance & Technical Support

Audrey started her insurance career after 11 years in the stockbroking industry. She holds a Master in Business Administration from the University of Hull, UK. She has held various positions in Life Insurance - Management Information Reporting, Compensation Modelling, Operations, Office Administration and Business Risk & Control Management, prior to joining EQ Insurance. She currently oversees all compliance and risk management matters, including corporate governance and enterprise risk management, and is responsible for the implementation of technical business analytics.

10. CHARLIE NEO Manager, Claims

Charlie has held various positions in major international insurance companies with a specialty in Claims. He is a member (Associate) of The Australian and New Zealand Institute of Insurance and Finance. He is also a Motor Committee member of General Insurance Association (GIA) since 2009. He leads a team responsible for assessing the scope, causes, complexity and loss amount as well as determining our



legal obligation to indemnify a motor or non motor claim. Since his joining, EQ Insurance has introduced several loss-minimisation measures that benefit all concerned.

11. BRENDA CHEONG

Manager, Property, Casualty & Marine

Brenda has served in several major international insurance companies. She joined EQ Insurance in 2014 and served her specialty in Property & Casualty underwriting and assumed the additional role as Head of Marine. She is responsible for delivering EQ Insurance's Property, Casualty & Marine products at the heart of EQ Insurance's customer solutions for the retail and commercial segments.

12. JERRY LIM Manager, Marketing

Jerry has held various positions in the Life and General Insurance operations. He holds a Bachelor of Arts (Economics) from Victoria University of Wellington, New Zealand and a Diploma in Insurance from The Chartered Insurance Institute.

He joined EQ Insurance in 2010 and played a significant role in EQ Insurance's early entry into the Agency distribution network. As Head of Marketing to a team, he is responsible to lead the sales expansion for more retail and commercial opportunities from the Agency and Broking segments.

13. TAN LENG LENG

Manager, Human Resource & Administration

Leng Leng started her career in HR with the Life and General insurance industry in 1999. She has held several roles in both the Regional and Local office of a leading international insurance company. Her vast experiences and knowledge in both Human Resource and Administration includes training and development, recruitments, HR Operations and employee engagement. Since she came onboard in late 2014, Leng Leng has facilitated the introduction of the performance management system and continued to stride towards creating a fun and engaging workplace in EQ Insurance.

14. TRACEY LIM Manager, Processing

Tracey served in operations and took on the responsibility as Head of Processing in 2014. She holds a Bachelor of Business Administration (Hons) from Northern University of Malaysia. Tracey leads a team of people to process and fulfil the contracts delivery and is dedicated to ensuring that EQ Insurance's policy documentations meet the highest standards of quality.



BUSINESS OUTLOOK

SINGAPORE'S INSURANCE MARKET

Moving forward, we expect Singapore's economy to grow at a slower pace due to external headwinds. Within the general insurance industry in Singapore, competition among the various insurance firms is expected to remain strong.

Despite that, the insurance market is estimated to grow further due to the liberalisation of the ASEAN financial services markets, thus resulting in the increase in insurance demand in these regions. This is a growth opportunity that EQ Insurance hopes to capture on. In addition, the introduction of insurance comparison website CompareFirst will change the way people purchase and compare insurance policies.

OUTLOOK & CHALLENGES FOR KEY SEGMENTS

MOTOR

The allowable motor vehicle population growth rate has been set at 0.25% by the Land Transport Authority to be in line with the pace of road network expansion. Going forward, the number of Certificate of Entitlement (COE) available for bidding for motors is estimated to increase for the next few years as more and more of the matured fleets on the road are de-registered. Despite the estimated increase in COE available for bidding, the price of COE is expected to remain relatively high. As a result, owners of the older fleets may also choose to extend their COE or purchase pre-owned vehicles, which may translate into a higher demand for Motor insurance among the clients whom our intermediaries have a good working relationship with.

PROPERTY

The demand from construction will affect the demand of foreign workers needed in the sector. This could partly affect the revenue generated from the Property & Casualty segment. The Building and Construction Authority (BCA) has mentioned that construction demand would improve this year and could come in at between S\$27 billion and S\$34 billion, with about 65% of the projects coming from the public sector. As for the private sector, demand for construction is likely to weaken due to less favourable economic conditions and the property cooling measures introduced by the authorities. However, the increase in demand for construction from public sector is likely to offset the weak demand from the private sector. As such, the revenue generated from construction-related activities is likely to remain consistent.



Taking Stock Of The Current State, Preparing For The Change Ahead

“ After reflecting on the past performance and understanding the future outlook ahead of us. We have come up with various areas of focus to prepare us for the change. We believe that these areas are in line with our core values of Ease, Quality and Integrity and that it will prepare EQ Insurance to be in a better position. ”

BRANDING EXERCISE

In line with the 10th Anniversary of EQ Insurance, we will have a branding exercise to help us strengthen our brand, mission and vision. We also believe that it is important to educate and create awareness within our internal team before rolling this campaign out to the external stakeholders.

GOING THE EXTRA MILE

With customers' convenience in mind, we will continue to introduce new systems to provide efficiency for purchase, quotation and claims for our valued customers. We also aim to continue to outdo ourselves by providing better service and experience for our customers. Besides benefitting our customers, the leverage on technology will also help facilitate better efficiency on our operations.



BUILDING A STRONG RELATIONSHIP WITH OUR EMPLOYEES

Throughout the years, we have always valued the long term relationship we have with our employees. We will continue to put in effort in grooming our next generation of leaders. We believe that the right human resource structure would be an important determinant in talent grooming. Hence, we will continually improve our HR structure and employee schemes to better facilitate talent grooming and retention.

MUTUAL ALLIANCE IS THE KEY

EQ Insurance will continue to strengthen our position in the industry by continuously engaging with experienced, high quality partners. We believe that by pooling our areas of expertise, we are able to propel further than that of an individual organisation. Building a strong alliance network will be the key factor to success.



CORPORATE SOCIAL RESPONSIBILITY



Making an impact to the lives of others

As part of our commitment to Corporate Social Responsibility (CSR), EQ Insurance co-organized a trifle cake decorating session for the chronically ill children from Club Rainbow on 12 September 2015. Club Rainbow is a charity organization that provides comprehensive help to children who are suffering from a range of chronic and life-threatening illnesses and their families.

22 employees gave their time and energy to facilitate a trifle cake-decorating session with these children. This session was an occasion for the children to prepare a gift - a trifle cake, as a form of appreciation for the relentless care given to them by their caregivers.

Amongst the 80 entries, 15 best decorated cakes were selected and the winners were presented S\$20 Popular vouchers each. Mr. Ronald Cheng, Chief Executive Officer of EQI, presented a cheque of S\$3000 to Club Rainbow.



In addition to the voluntary work, EQI initiated a fundraising within the company and raised a total of S\$1,000, bringing a final sum of S\$3,000 donated to Club Rainbow.

As aligned with EQI's strategic objectives, the CSR activity brought joy to the children, improved their creative and social skills. It also allowed the children

to have an occasion where they could express themselves and at the same time, prepare a gift to thank their caregivers.

We are glad that both the volunteers as well as the children had a great and enjoyable time of interaction with one another. We also appreciate the opportunity to be able to support and contribute to Club Rainbow in such a meaningful way.





EXTRACT FROM FINANCIAL REPORT

FINANCIAL REPORT

EQ INSURANCE COMPANY LIMITED

Balance Sheet as at 31 Dec 2015

	2015 \$	2014 \$
NON-CURRENT ASSETS		
Property and equipment	1,147,718	763,165
Investment securities	36,223,796	36,842,858
Reinsurers' share of insurance contract liabilities	9,324,974	8,088,524
	46,696,488	45,694,547
CURRENT ASSETS		
Investment securities	5,470,289	5,916,198
Prepayments and deposits	859,465	614,397
Trade receivables	8,883,535	8,762,624
Amounts due from related companies	331,943	165,752
Other receivables	1,065,977	1,021,453
Cash, bank balances and deposits	62,237,103	58,588,446
Loans and receivables at amortised costs	72,518,558	68,538,275
	78,848,312	75,068,870
CURRENT LIABILITIES		
Trade payables	5,105,375	5,293,786
Amounts due to related companies	37,935	-
Other payables	2,893,286	2,570,735
Financial liabilities carried at amortised costs	8,036,596	7,864,521
Tax payables	517	116,753
	8,037,113	7,981,274
Net current assets	70,811,199	67,087,596
NON-CURRENT LIABILITIES		
Gross insurance contract liabilities	69,789,219	65,387,002
Contingency reserves	7,964	-
Deferred tax liabilities-net	236,915	412,957
	70,034,098	65,799,959
Net assets	47,473,589	46,982,184
EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE COMPANY		
Share capital	36,500,000	36,500,000
Fair value reserve	179,127	310,755
Accumulated profit	10,794,462	10,171,429
Total Equity	47,473,589	46,982,184

FINANCIAL REPORT

EQ INSURANCE COMPANY LIMITED

Profit And Loss Account

for the financial year ended 31 December 2015

	2015 \$	2014 \$
Gross written premium	49,077,046	48,840,243
Reinsurers' share of gross premiums written	(7,278,987)	(8,142,785)
Gross change in reserve for unexpired risk - net of deferred acquisition cost	983,112	909,014
Reinsurers' share of gross change in reserve for unexpired risk - net of deferred acquisition cost	(849,438)	(606,092)
Net earned premium	41,931,733	41,000,380
Gross claims paid	(27,239,303)	(29,706,682)
Reinsurers' share of gross claims paid	4,084,645	5,789,692
Gross change in loss reserves	(5,381,654)	(2,218,740)
Reinsurers' share of gross change in loss reserves	2,085,888	1,633,449
Net claims incurred	(26,450,424)	(24,502,281)
Commission expense	(7,513,002)	(7,505,932)
Commission income	1,621,069	1,874,411
Net commission	(5,891,933)	(5,631,521)
Other underwriting expenses	(1,614,331)	(1,276,643)
Underwriting profit from direct general insurance	7,975,045	9,589,935
Net underwriting results from reinsurance business (in run off)	(3,675)	(585)
Investment and other income	2,153,093	2,504,122
Other operating expenses	(9,650,512)	(8,626,817)
Profit before tax	473,951	3,466,655
Taxation	149,082	76,343
Profit for the year	623,033	3,542,998

FINANCIAL REPORT

EQ INSURANCE COMPANY LIMITED

*Statement of comprehensive income
for the financial year ended 31 Dec 2015*

	2015 \$	2014 \$
Profit for the year	623,033	3,542,998
Other comprehensive income:		
Item that may be subsequently reclassified to profit or loss:		
Net (loss)/gain on available-for-sale financial assets	(131,628)	35,578
Other comprehensive (loss)/income for the year, net of tax	(131,628)	35,578
Total comprehensive income for the year	491,405	3,578,576

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