The proposed corporatisation exercise is expected to be completed in the second half of 2022, subject to regulatory approvals and other customary closing conditions.

NTUC Income has proposed a corporatisation exercise to convert its legal form from a co-operative (co-op) to a company that is governed by the Companies Act, and will be organising an Extraordinary General Meeting to seek members’ approval for the move, the Singapore-based insurer announced on Wednesday.

As part of the proposed corporatisation exercise, Income will transfer its existing insurance business and assets to the new company (NewCo), Income Insurance Limited, and, thereafter, the co-op will be liquidated. There will be no change to its organizational structure or business operations, the announcement said.
«Essential Pivot»

The exercise aims to level the playing field and sharpen the firm’s competitive edge, and to further strengthen its competitiveness for long-term growth the announcement said.

Ronald Ong, Chairman, NTUC Income (Image: NTUC Income)

«We see corporatisation as a strategic and essential pivot for Income to scale its business quicker locally and regionally, invest in growth channels and markets, as well as digital capabilities to effectively compete more equitably with other insurers.» Ronald Ong, Income’s chairman (pictured above), said.

Ong added that the company will be «even more responsive» to changing customer needs via insurance solutions that cater to digital-first lifestyles and customers.

Regional Expansion

In October 2021, NTUC Income announced its expansion into high-growth markets in the region.
NTUC Income to Enter Corporatization Exercise
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, with partnerships in Malaysia, Indonesia and Vietnam for its insurance-as-a-service model.

NTUC Income was set up in 1970 to plug a social need in Singapore by providing essential insurance to underserved workers. Its suite now includes products for seniors, children, youth, self-employed persons and migrant workers, and in recent years has rolled out micro-insurance propositions such as Snack and Tribe.