



Precision Marketing

An Affiliate of Arch Capital Group Ltd.

PMAP Insights | Q2 2022

Continued Growth for the Second Half of the Year

At Precision Marketing Asia Pacific, we are committed to keeping you up to date on the developments within our business, and of course, sharing the strong financial results from Arch Capital Group.

The first half of the year has been incredible for our team, as we consolidate our position in Japan with retail direct distribution of Cancer Insurance in several prefectures.

In Indonesia, we are privileged to be working with some of the largest life and non-life insurers and consumer finance companies. We are expanding rapidly, and operationally preparing to open a new call center facility just outside Jakarta.

It has been wonderfully exciting traveling across the regions, engaging with our partners and planning for growth over the last few months. Despite the challenges we have all faced in the last two years, I can certainly feel a high level of optimism and focus on growth.

Please enjoy the update, and as always, don't hesitate to reach out to me directly with any questions or comments you may have.



keith@pmapac.com

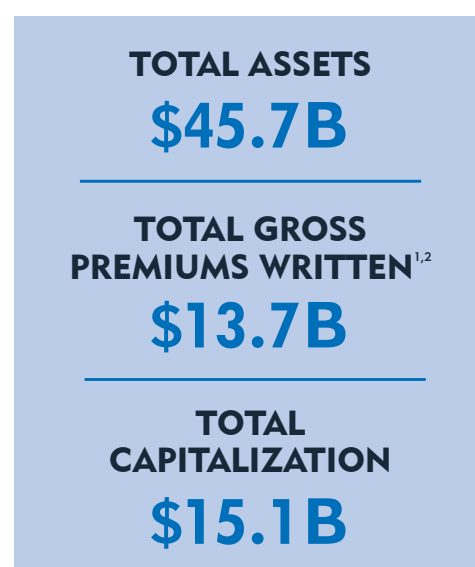


Keith Lowry
Chief Executive Officer, PMAP Group

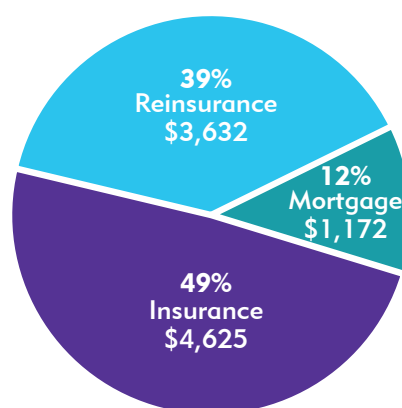


Arch Consolidated Corporate Overview – June 30, 2022

Arch Capital Group Ltd. (NASDAQ: AGL), a publicly listed, Bermuda exempted company, provides insurance, reinsurance and mortgage insurance on a worldwide basis through its wholly owned subsidiaries. Arch's financial strength — combined with a disciplined approach to underwriting and risk management — lets us provide the innovative solutions and support expected of a leader.



TOTAL NET PREMIUMS WRITTEN (\$M)^{1,2}
\$9,429



FINANCIAL STRENGTH RATINGS



(1) Excludes the results of Somers Group Holdings Ltd. (formerly Watford Holdings Ltd.).
(2) Trailing 12 months.

Ratings for Arch Reinsurance Ltd. as of May 4, 2022.

Arch Reinsurance Reports Strong Q2 2022 Earnings

The parent company of PMAP, Arch Reinsurance, recorded impressive results for the first quarter. This financial strength positions PMAP to improve the products and services we offer customers.

Three Months Ended June 30

(U.S. dollars in thousands)

	2022	2021	% Change
Gross premiums written	\$ 1,793,398	\$ 1,358,020	32.1
Net premiums written	1,162,634	924,732	25.7
Net premiums earned	927,999	737,024	25.9
Other underwriting income (loss)	4,526	1,053	329.8
Underwriting income (loss)	\$ 139,400	\$ 95,974	45.2

Underwriting Ratios			% Point Change
Loss ratio	57.9%	62.9%	(5.0)
Acquisition expense ratio	27.5%	24.2%	3.3
Combined ratio	85.4%	87.1%	(1.7)

Source: Q22022 AGL Earning Release.

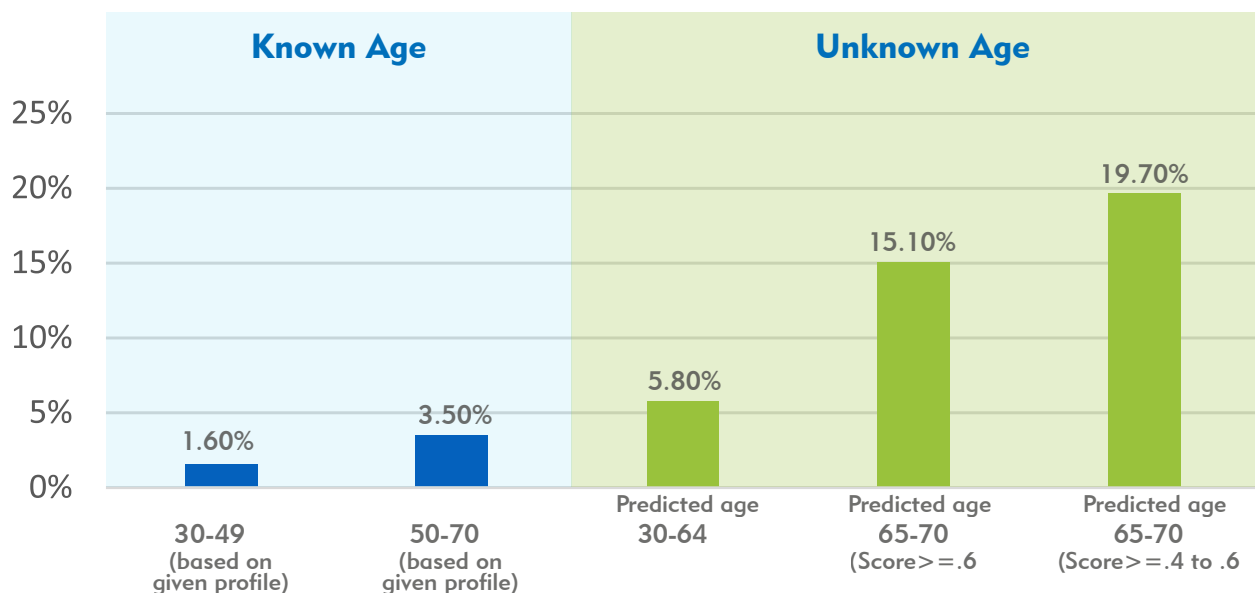


DATA INSIGHTS FROM THE PMAP Campaign Factory

Applying AI to enhance lead quality

- In one of our new campaign launches, we found a solution to address a major data issue to successfully maximize the lead volume for telemarketing using AI.
- More than 60% of the lead volume comes without age information, which is a critical factor to succeed in insurance marketing.
- We applied AI models to predict the age and eligibility of each lead, and we also validated the predictive accuracy and determined the selection threshold.
- The table below shows the prediction results. In the group with unknown age, the percentage of actual ineligible age is significantly lower in the group with predicted age between 30 and 64 than those with predicted age between 65 and 70. And within the groups with predicted ages 65 to 70, those with a higher propensity score with eligible age have a lower percentage of ineligible age.
- By applying such techniques, we successfully maximized the targeted leads to those without age which contributed 40% of the total sales at campaign end.

% INELIGIBLE AGE





News from the Markets — Indonesia

Welcoming Back Our Group CEO

After a 2.5-year absence, we welcomed back Group CEO Keith Lowry to the Indonesia market.

Over the course of two busy days in Jakarta, Keith met with several senior leaders from both our Life and Non-Life partnerships.

The point of view was consistent and wholly focused on taking advantage of the “bounce back” post pandemic and lockdown, with a series of clear outcomes agreed to as we prepare for a strong H2 in 2022.

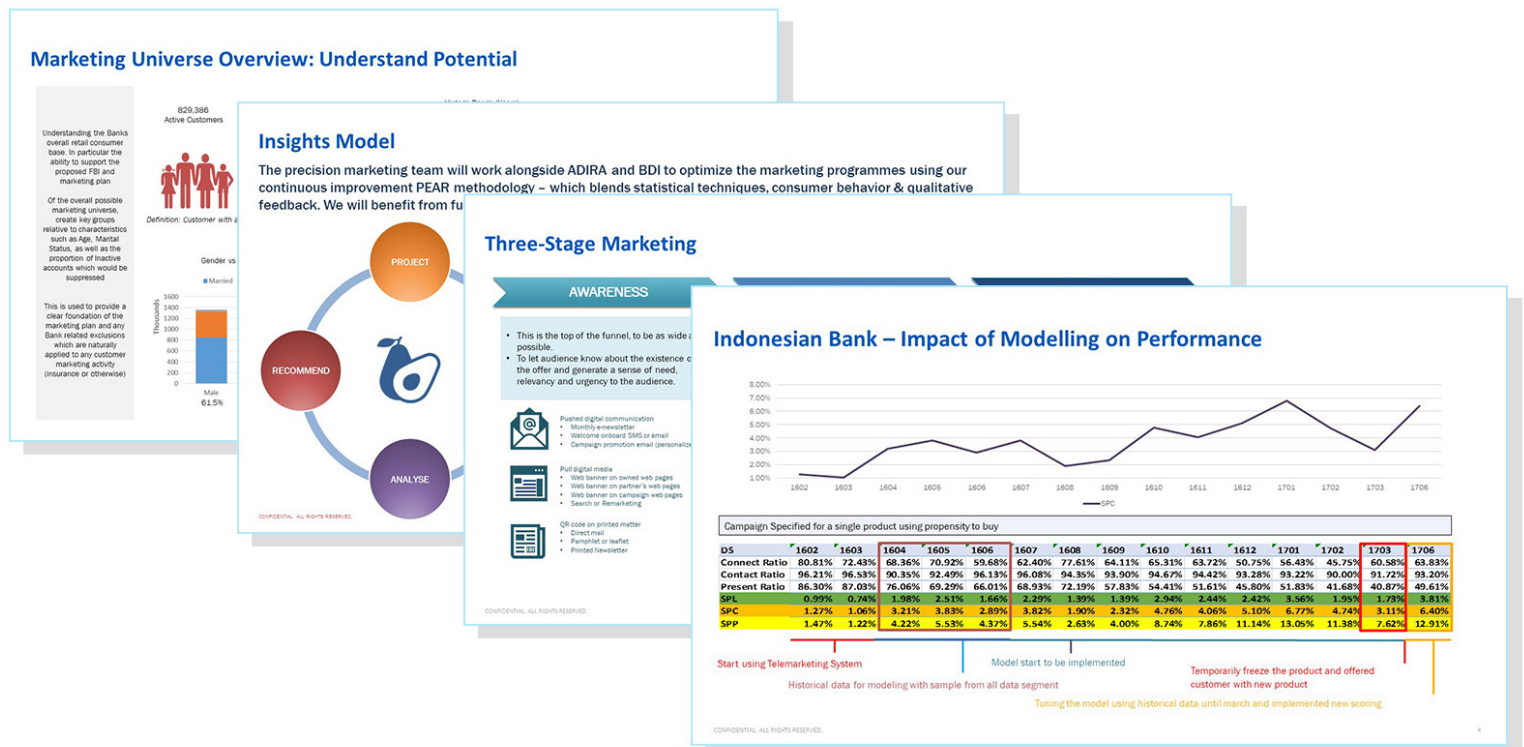
Resilience and commitment to Indonesia has underpinned the past 10 years of PMAP in Indonesia, and to paraphrase one partner during the visit:

“Those who have stood still during the pandemic risk being left behind, while the businesses that have continued to work hard and engage will be ready to take advantage of the opportunities”

Codifying Our Capability

Team members recently took time away from their day-to-day roles to compile and update our experience case studies and distribution playbook.

The work encompassed applied analytics, distribution strategy and management, as well as performance proof points across Banking, Multi Finance and Insurer Portfolio cross-sell. The outcome is clear evidence of the impact for our partners and our ability to deliver in the field of direct distribution across Life and Non-Life insurance in Indonesia.



*This playbook is available upon request by contacting our team in Jakarta.

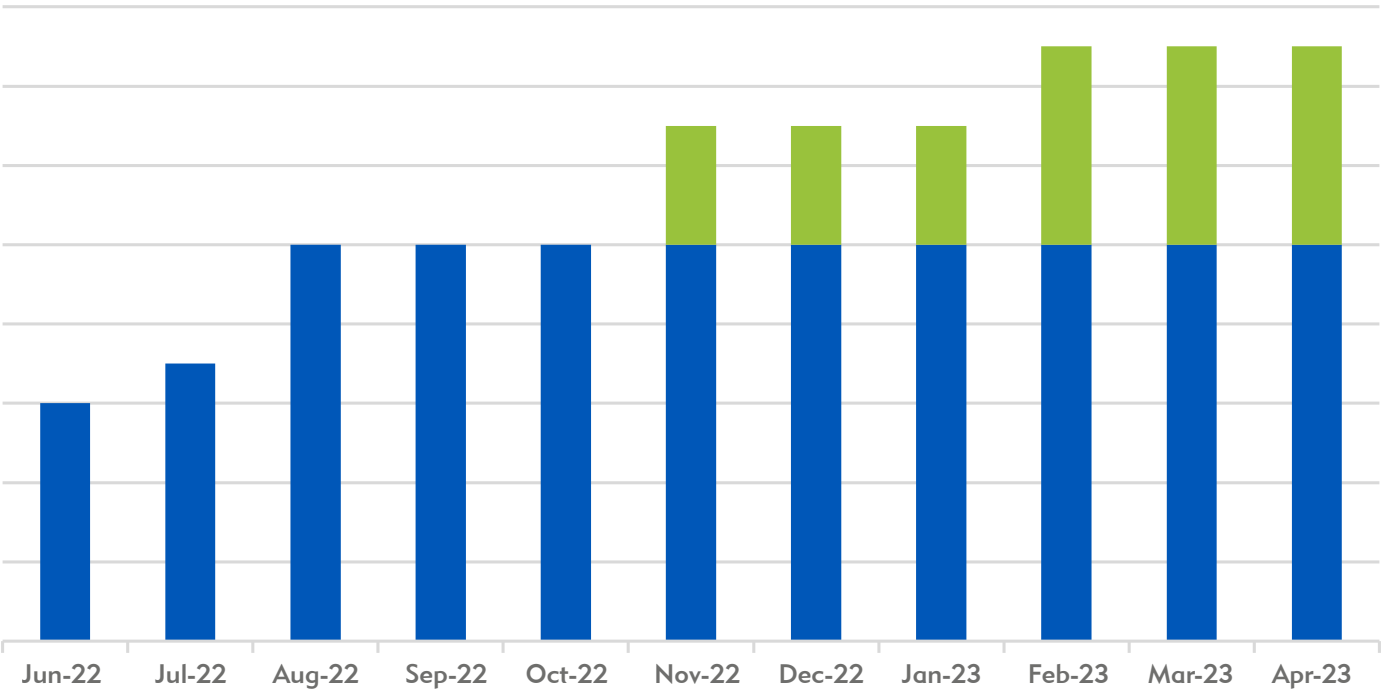


News from the Markets — Japan

New Call Center Project

- The new call center, launched in March 2022 for a new client, is operating with very strong performance and is expected to boost the outcome of our business.
- The test campaign with the call center in March was a significant success that scored high marks with clients. A full-scale launch began in June, with a decision to expand the campaign by nearly double in August.
- We will continue to maximize the opportunities from the call center over the next year to increase the scale of our telemarketing and increase our revenues.

NEW CALL CENTER GROWTH PLAN





News from the Markets — Japan



Welcome to Our New Business Development Manager

We would like to introduce Masaya Takata, who started his position as Business Development Manager with MPMJ in mid-June. Masaya reports directly to the Chief Commercial Officer of the parent company, Precision Marketing Asia Pacific (PMAP), based in Sydney. His role and responsibilities include generating leads volume from new business partners, as well as negotiating contracts with prospective clients.

We asked Masaya to tell us a little about himself ...

- I have eight years of experience with a foreign-owned insurance company, where I developed distribution in the property market and cultivated management skills leading a 10-person team.
- In my next role, I worked with a foreign capital guarantee company for four years. I engaged in the planning, design and operation of warranty services, developing new clients such as an e-commerce operator, a furniture company and a home builder.
- At MPMJ, my aim is to use my experience and knowledge to generate profits for all the stakeholders of the business.



Honors ...

I was named MPV Employee of the Year when I worked for an insurance company. The award's prize was a trip to Hawaii.

What I like to do in my spare time ...

Study English. I am working hard to be able to communicate smoothly in English with team members from Sydney.



My favorite songs are ...

- "Amazing Grace" (hymn).
- "Another Day of Sun" (from the film 'La La Land').
- "Kita no Ryoba" (by Japanese singer Saburo Kitajima).



Meet the Executive Team

Spotlight on Karen Lo



Since becoming Head of Finance in August 2021, Karen Lo has worked closely with the board of directors of the Precision Marketing Asia Pacific (PMAP) Group. Besides providing support and financial insights to the board, Karen has also demonstrated strong controllership skills in various areas, such as accounting/financial control, cost control and compliance control, to identify and drive operational improvement across the PMAP Group.

Before joining PMAP, Karen worked for various top-tier advertising media agencies, such as IPG Mediabrands (part of Interpublic Group), Omnicom Media Group, and Ogilvy (part of WPP plc).

Meet the Board

The PMAP Board of Directors has been significantly enhanced under Arch ownership.

Peter Maher, *Chairman.*

Head of Macquarie Bank's Banking and Financial Services Group for 13 years.

Maamoun Rajeh, *Director.*

Chairman and CEO of Arch Worldwide Reinsurance Group.

Thomas Keel, *Director.*

Vice President, Life Insurance Asia, Arch Underwriters Europe Limited.

Raul Maldonado, *Director.*

Chief Underwriting Officer, Life & Health, Arch Reinsurance Ltd.

Keith Lowry, *Managing Director.*

CEO, PMAP Group.

Nicola Henderson, *Company Secretary.*

General Counsel, PMAP Group.



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