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Headline	Takaful Malaysia 1Q Earnings Up 38pc On Higher Wakalah Fee				

## Takaful M'sia 1Q earnings up 38% on higher wakalah fee

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**SYARIKAT** Takaful Malaysia Keluarga Bhd's (Takaful Malaysia) net profit for the first quarter ended March 31, 2019 (1Q19), rose 37.81% year-on-year (YoY) to RM96.44 million, from RM69.98 million a year ago.

In an exchange filing yesterday, the company attributed the increase to higher net wakalah fee income arising from business growth in the family takaful segment.

The company's family takaful business generated gross earned contributions of RM502.9 million for the

three-month period, a 55% surge from RM324 million in 1Q18, mainly attributable to higher sales from credit-related products.

The net benefits and claims for family takaful business, however, decreased by 3% to RM205.1 million in the quarter, against RM210.6 million in the same quarter last year, mainly due to lower medical claims.

The segment's investment income improved by 11% to RM66.2 million, compared to RM59.7 million in 1Q18, as a result of higher profit from Islamic debt securities.

The family takaful business

also recorded higher fair value gains of RM20.5 million mainly due to improvement in equity.

Meanwhile, the general takaful business generated gross earned contributions of RM204.2 million in 1Q19, increased by 12% compared to RM182.4 million in the corresponding period last year, mainly from fire class.

The segment's net benefits and claims risen by 4% to RM53.3 million in the three months, from RM51.1 million in 1Q18, attributed to the increase in claims relating to motor class.

General takaful's investment

income for the quarter improved by 14% to RM7.8 million, compared to RM6.8 million in the same months last year, mainly due to higher profit from Islamic debts securities.

Takaful Malaysia's revenue for the period jumped 23.05% YoY to RM918.16 million, from RM746.17 million in 1Q18, from higher sales generated by family takaful business.

As such, the company posted higher earnings per share for the quarter of 11.7 sen, from 8.5 sen last year.

Takaful Malaysia is poised to further expand its market share in 2019.

"To sustain its market lea-

ding position, the company will continue its innovative strategies via the implementation of its digital strategy, introduction of online solutions, expansion of its distribution capabilities, strategic partnerships with leading Islamic banks and brand awareness initiatives.

"To support business growth and become customer-centric, the company will continue its digital strategy to build the full digital ecosystem and expand the business focus beyond credit-related business, to reach out to the wide retail customer base of major partnering banks," the filing read.