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Headline	Syarikat Takaful 3Q Net Profit Jumps 34% On Higher Net Wakalah Fee Income				

KUALA LUMPUR (Oct 24): Syarikat Takaful Malaysia Keluarga Bhd announced a 33.8% jump in its net profit to RM112.34 million in its third quarter ended Sept 30, 2019 (3QFY19) from RM83.96 million in the same quarter a year ago, on higher net wakalah fee income.

Quarterly revenue rose 16.1% on year to RM753.51 million, from RM648.95 million before, the company said in its exchange filing today.

During the quarter, its family takaful business generated gross earned contributions of RM543.7 million compared with RM436.7 million in the same period last year, on higher sales from credit-related products.

“For the current quarter under review, family takaful business recorded net benefits and claims of RM206.8 million, an increase of 1% compared with the corresponding quarter of the preceding year. The increase was mainly due to higher surrender claims.

“Investment income for the family takaful business for the current year quarter of RM70.4 million, was higher compared with RM65.4 million in the corresponding quarter last year, mainly due to higher profit from Islamic debt securities,” it added.

Meanwhile, the company said its general takaful business generated gross earned contributions of RM171.9 million, down 3% from RM177.1 million in the corresponding quarter of the preceding year, mainly attributable to fire and motor classes.

Syarikat Takaful’s 3Q earnings growth brought its nine-month net profit to RM289.73 million, up 41.8% from RM204.35 million in the same period a year ago while revenue increased 21% to RM2.34 billion from RM1.94 billion earlier.

The company said despite cautious business sentiments in 2019, the takaful industry is expected to outperform the conventional insurers in view of the strong demand for Takaful products.

“To sustain its market leading position, the company will continue with 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 customer centricity, 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 partner banks,” it added.

Shares of Syarikat Takaful closed one sen down today at RM6.20, for a market capitalisation of RM5.13 billion.