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Headline	Takaful Malaysia Continue Digital Agenda in 2021				

KUALA LUMPUR, May 3 -- Syarikat Takaful Malaysia Keluarga Bhd (Takaful Malaysia) will continue its digital agenda to strengthen its brand-building efforts this year.

Group chief executive officer Datuk Seri Mohamed Hassan Kamil said this include introducing innovative online protection solutions, increased distribution capabilities, strategic collaborations with leading Islamic financial institutions, implementation of investor relations programmes and advanced marketing strategies.

"Our focus will be on maintaining lower costs, a better balance sheet supervision and robust management of our business growth, profitability as well as financial position," he said in the takaful operator's Annual Report 2020 released today.

He said Takaful Malaysia would execute business penetration and retention strategy as a professional and leading employee benefits (EB) takaful solution provider in managing medical costs with across-the-board value-added services.

"Corporate clients who may be facing financial difficulties may opt to restructure their EB programme with only the minimum benefits and critical coverage to reduce their EB contribution commitment," he said.

He said the company is also adopting long-term approach to further elevate its general takaful business growth and increase its market penetration in motor and non-motor product portfolios.

Mohamed Hassan said the takaful sector is set to sustain market growth given the forecast of resilient private consumption and low penetration rate catalysed by ethical investment strategy and programme, substantial growth opportunities, rising levels of awareness and high market competition as well as stable demand in the Islamic banking and finance sector.

He said the collective efforts and initiatives by the Malaysian Takaful Association (MTA) to intensify awareness and interactive programmes for consumers digitally and via social media platforms would remain as a focal point to promote Islamic insurance.

"More initiatives will be carried out in 2021 to creatively promote takaful products and services that aim to educate the public on the essence of takaful and the importance of protection," he said.

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He said greater business opportunities in the takaful business for personal financing is expected to pick up as financial institutions target an increase in the personal loan business to address short-term financial needs of customers and small and medium-sized enterprises.

Meanwhile, he said preparation for the implementation of the new Malaysian Financial Reporting Standard 17 (MFRS 17) accounting standard would be intensively carried out by industry players.

He said the new standard is crucial to improve financial reporting by providing meaningful and equivalent information among takaful operators and insurers.

In relation to that, Bank Negara Malaysia has also introduced an exposure draft on the valuation of insurance and takaful liabilities as well as undertaking a review on the overall solvency framework as part of its holistic review of the overall capital adequacy framework, he added.

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