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Headline	Syarikat Takaful Posts Higher 4Q Profit on Savings from Management Expenses				

KUALA LUMPUR (Feb 23): Syarikat Takaful Malaysia Keluarga Bhd's fourth quarter net profit rose 37.34% to RM103.15 million from RM75.11 million a year earlier, mainly due to savings from management expenses and release of expense reserve.

Earnings per share for the quarter ended Dec 31, 2020 increased to 12.42 sen from 9.08 sen previously, according to the group's filing with Bursa Malaysia.

Quarterly revenue slipped slightly to RM774.94 million from RM779.91 million a year ago.

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With the start of the new year, businesses are now budgeting and planning how to tackle the challenges presented on the horizon. At the top of the priority list should be digitalising parts of the business processes or even adopting an entirely new digital business model altogether.

For the full financial year, net profit decreased to RM362.42 million from RM364.84 million in FY19. Revenue, meanwhile, fell to RM2.93 billion from RM3.12 billion due to lower sales generated from the family takaful business.

For FY20, Syarikat Takaful recorded profit before zakat and tax of RM426.8 million, higher than the RM417.7 million in the previous year.

"Family takaful business generated gross earned contributions of RM1,756.9 million for the financial year ended Dec 31, 2020, lower compared with RM2,042.3 million in the corresponding period last year. This was due to lower sales from credit-related products and group medical products as business activities had been impacted by the Covid-19 pandemic," the group said.

On prospects, Syarikat Takaful said it remains vigilant in managing its operating costs, business growth and risk profile of its portfolio amid the uncertainties in the current economic environment due to the Covid-19 infections.

"To sustain its market leading position and to support business growth and customer centricity, the group will continue with its innovative strategies via the implementation of its digital strategy, online solutions and digital ecosystem, expansion of its distribution capabilities, strategic partnerships with leading Islamic banks and brand awareness initiatives," the group added.

Shares of Syarikat Takaful closed two sen or 0.46% lower at RM4.36, valuing the group at RM3.62 billion.