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Headline	Syarikat Takaful 1Q Net Profit Slips 14.21pc on Fair Value Losses Under Family Takaful Biz of RM35.6m				

KUALA LUMPUR (May 11): Malaysia's oldest Islamic insurance, or takaful, operator Syarikat Takaful Malaysia Keluarga Bhd's net profit for the first quarter ended March 31, 2022 (1QFY22) fell 14.21% to RM86.77 million from RM101.14 million in the same period last year.

This came after having recognised fair value losses under its family takaful business of RM35.6 million as compared to fair value gains of RM1.2 million in the same period of the preceding year which Syarikat Takaful attributed mainly to equity market performance.

Earnings per share for the quarter fell to 10.38 sen from 12.18 sen previously, its bourse filing showed on Wednesday (May 11).

Revenue for the quarter, however, was up 8.94% to RM997.39 million from RM915.49 million, mainly attributed to higher sales from both family and general takaful businesses.

Compared with the immediate preceding quarter, Syarikat Takaful's net profit dropped 44.42% from RM156.14 million in 4QFY21 on lower surplus from Takaful funds, despite revenue jumping 13.6% from RM877.99 million.

On prospects, Syarikat Takaful said the group will continue to leverage its market leading position in single contribution products whilst focusing on retail regular contribution products for the retail market via bancatakaful and digital distribution channels to further diversify its business portfolio.

Syarikat Takaful also said its focus in 2022 is to further tap the established strategic bancatakaful partnerships with leading Islamic financial institutions by introducing new savings and protection products.

"On the other hand, with our strategic vision to transform the distribution model in the insurance and takaful industry via digital technology and online distribution to provide Malaysians with greater access and more affordable protection products, we will continue to embrace new digital technologies in support of future growth.

"[We will also] further intensify the marketing of our affordable and innovative online takaful protection solutions, and strengthen and explore partnerships with various partners with a large customer base to market basic protection products," it said.

Syarikat Takaful's share price dropped four sen or 1.13% to close at RM3.51, giving the group a market capitalisation of RM2.94 billion.