

C. BUSINESS REVIEW

AmMetLife Takaful



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Despite challenges at the start of the fiscal year, the company successfully grew in FY2022 with a profit before tax (PBT) of RM5.9 million achieved by achieving 81.0% of the overall sales target amounting to RM167.5 million.

We made good progress in FY2022 with an income growth of 13.0%. Sales growth came primarily from AmBank Credit businesses and the promising progress of Agency Channel.

The positive performance in challenging times resulted from the persistent efforts of our Business Distribution team, with the Bancatakaful Channel being the lead contributor to the Credit business and the steady growth of the Agency channel.

We are guided by the Three-Year Business Plan & Strategy, which aims to accelerate growth by improving existing Bancatakaful arrangements, harnessing business banking opportunities, and exploring alternative distribution channels by proactively collaborating with third-party banks, government bodies and other co-operations.

ABOUT US

AmMetLife Takaful Berhad (Family Takaful) is licensed by Bank Negara Malaysia (BNM) to conduct Family Takaful business in Malaysia under the Takaful Act 1984. Established in 2012, we are a strategic collaboration between AmBank Group and MetLife International Holdings. We offer a comprehensive range of Takaful solutions distributed by our authorised Takaful agents and Bank Partners' branches nationwide. AmMetLife Takaful aims to meet our customers' diverse needs with innovative solutions at different stages of their lives, making it easier and simpler for individuals to achieve financial security and pursue more from life.

KEY INITIATIVES & OUTCOMES

Key Initiatives

Distribution Reinforce

- Accelerated sustained Bancatakaful Specialists.
- Aligned hybrid business priorities with strategic KPIs.
- Implemented a differentiated premier Agency Model.

Distribution Expansion

- Harnessed new business banking opportunities.
- Continued to build integrated distribution partnerships and value propositions with comprehensive solutions.

Outcomes

- Launched Wholesale portfolio with AmBank for Mid & Large Corp.
- Agency's total manpower grew by 21.0% resulting from aggressive recruitment with 190 new agents.

- Started Business Banking portfolio with Affin Islamic Bank.
- Secured two new partnerships in FY2022.
- Selected as a provider for Bank Rakyat.

OUR PERFORMANCE

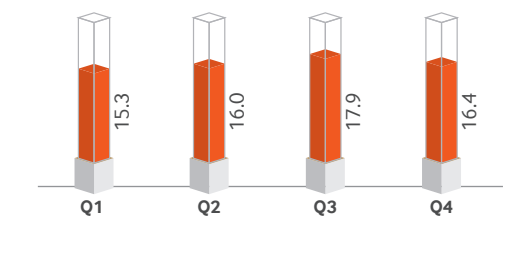
Despite challenges at the start of the fiscal year, the company successfully grew in FY2022 with a profit before tax (PBT) of RM5.9 million achieved by achieving 81.0% of the overall sales target amounting to RM167.5 million. Our positive performance was achieved with the main contribution coming from Credit business which achieved 132.0% above sales target amounting to RM132.7 million.

With a high turnover of sellers, the Advisory business from AmBank had a slow start; however, the Agency business keeps on improving with an increase of active agents coupled with aggressive recruitment activities to increase the agency force scale. Alternative Channel keeps progressing well with several successful partnerships started in FY2022, namely with Affin Business Banking, MARA, BIMA Life, PMB Tijari & PUNB.

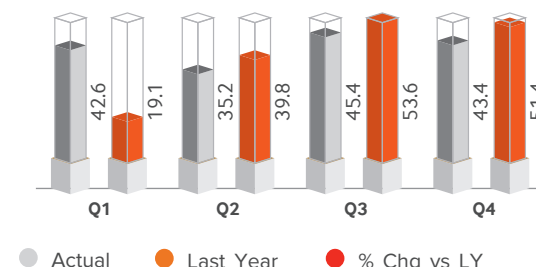
Total Income
(RM Million)



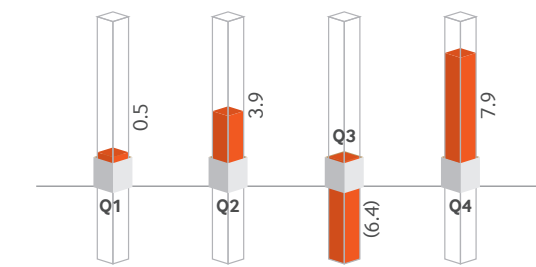
Total Expense
(RM Million)



FY2022 Overall Sales
(RM Million)



Profit Before Tax
(RM Million)



COVID-19 IMPACT & RESPONSE

COVID-19 Impact

Financial challenges faced by customers resulted in an increase in lapsation of Takaful Certificates.

Movement restrictions disrupted day-day business transactions, mainly for sellers in the proposal submission.

Our Response

- Provided a contribution payment deferment option to affected certificate owners.
- Established a “Virtual Communication Process” for new business submissions.

Outcomes

- We have approved 61% of total Certificates requested for contribution deferments to those impacted by COVID-19.
- Effectively conducted the sales process online during MCO.

PROSPECTS & OUTLOOK

Despite the challenges of COVID-19, the war and the global economy under pressure, we continued with a positive trajectory in FY2022. Business activity is recovering as the global economy finds its way out of the COVID-19 pandemic. We are resettling toward the pre-pandemic baseline despite the challenges. We will continue our focus on the Five-Year Business Blueprint and the (7) Seven Core strategies to ensure the company continues to progress and have a sustainable business.

- i. **Capital Efficiency**
Prudent management of expenses to generate higher profitability
- ii. **Well Balance Business Mix**
Achieved a good blend of Single & Regular businesses to ensure continuous growth
- iii. **Prospecting HNW Customers**
To expand into High-Income Market segment from Mass Customers segment
- iv. **Attune Group Synergy**
In synchronise with AmBank & MetLife Strategic Goals and Objective
- v. **Digital Transformation**
To have better efficiency in terms of business process and faster turnaround time
- vi. **Advancing Talent Skill Set**
Nurture and grow existing talent for company futures
- vii. **Sustainability Equilibrium**
To have a balance in growing the business at the same time embracing climate change impact