

# Business Review



**JAMZIDI KHALID (JK)**  
Managing Director

## Wholesale Banking

### WHO WE ARE AND WHAT WE DO

In Wholesale Banking, we cater to corporates, government-linked companies, government-linked investment companies, financial institutions, and agencies across all sectors. Our offerings from both conventional and Islamic banking are designed to meet the broad spectrum of our client’s financial needs, each dedicated to enhancing financial outcomes while supporting the sustainable growth and economic development of our stakeholders.

#### WHOLESALE BANKING COVERAGE/CORPORATE BANKING

We deliver a range of services including corporate lending, investment banking, and offshore banking solutions to meet the diverse financial needs. The coverage team spans across all industries, supported by research and product specialists.

#### GROUP TREASURY AND MARKETS

We offer products and services across asset classes, including fixed income, interest rates, currencies, equity, and commodities. Our activities cover sales and trading, as well as financial market and hedging solutions for both individuals and businesses.

#### TRANSACTION BANKING

We specialise in providing a wide range of working capital solutions as well as personalised digital and cash management solutions that enable clients to optimise their trade and cash flows. Our services are tailored to each client’s unique requirements.

We are also responsible for managing funding and liquidity for the banking group and overseeing the investment portfolios of the banking book.

### OUR KEY FOCUS AREAS

Refining our services through three key focus areas:

#### 01 Business and Relationship Development

- Deepens client-centricity by gaining insights into their businesses and risk preferences
- Remains abreast of industry-specific trends and local economic shifts
- Broadening our client network to drive income diversification

#### 02 Products and Services

- Offers working capital solutions that cater to the specific needs of different industries and supply chain requirements
- Delivers innovative cash management solutions through Application Programming Interface (API) development and digital partnerships
- Expands hedging and investment product suite to meet clients’ financial goals while building sustainable revenue streams

#### 03 Operational and Funding Efficiency







- Continuous improvement on customer experience and process efficiency via automation and digitalisation
- Active management of overall funding requirements of the Group

# Business Review

## HIGHLIGHTS OF 2024





### BUSINESS HIGHLIGHTS

In 2024, Wholesale Banking continued to drive innovation and market expansion, emphasising tailored solutions and strategic client engagement to meet the evolving needs of corporations and institutional clients.

<b>Innovation and Technology</b>	<p>➤ <b>Launched</b> the <b>first agnostic virtual display application</b> for <b>Dynamic DuitNow QR</b>, facilitating cross-border collections.</p>		<p>➤ <b>Conducted</b> the <b>first successful rollout</b> of Indirect Non-Bank Participant Issuer for <b>WavPay e-Wallet</b>.</p>	
<b>Client Engagement and Expansion</b>	<p>➤ <b>Collaborated</b> closely with internal stakeholders to <b>increase</b> the wallet share of existing clients and <b>explore avenues</b> to reach new clients.</p>		<p>➤ Hosted <b>client engagement sessions</b> with economic outlook presentation by AmBank Chief Economist.</p>	
<b>Market Expansion and Product Development</b>	<p>➤ <b>Increased market share</b> of <b>index warrants</b> and <b>structured product investments</b> through collaboration with wealth channels.</p>			
<b>Funding Management</b>	<p>➤ <b>Maintained focus</b> on <b>diversifying funding sources</b> and <b>actively</b> managing the <b>cost of funds</b>.</p>			

### SUSTAINABILITY HIGHLIGHTS

Wholesale Banking integrates sustainability into its core operations, aiming to create positive environmental and social impacts. Through strategic collaborations and responsible investment practices, we underscore our commitment to sustainability.


<b>Partnerships for a Cause</b>	<p>➤ <b>Partnered</b> Avaland Berhad with green financing for Alora Residences, phase 1 of the green-inspired masterplan of 2Fifth Avenue, and Amika Residences in Subang Metropark.</p>		<p>➤ <b>Collaborated</b> with <b>Pantas</b> to equip customers with tools to determine <b>GHG emissions</b>, offering preferential financing rates for those meeting reduction goals.</p>		<p>➤ Participated in Yinson Production Offshore Pte Ltd's USD500 million syndicated 5-year corporate financing to refinance debts, used to invest in <b>carbon emission reduction technologies</b> for FPSOs, and support general corporate purposes.</p>
<b>Integrating ESG Principles</b>	<p>➤ Adhered to <b>Climate Change and Environmental, Social &amp; Governance Risk Assessment (CERA) Guideline</b> for the assessment of client's business and activities from a sustainability perspective.</p>		<p>➤ Incorporated <b>ESG considerations</b> before trading/investment in financial assets, avoiding negative list investments.</p>		

Championing ESG Initiatives

Registered participant for the **Bursa Carbon Exchange** to facilitate the trading of **carbon credits**.



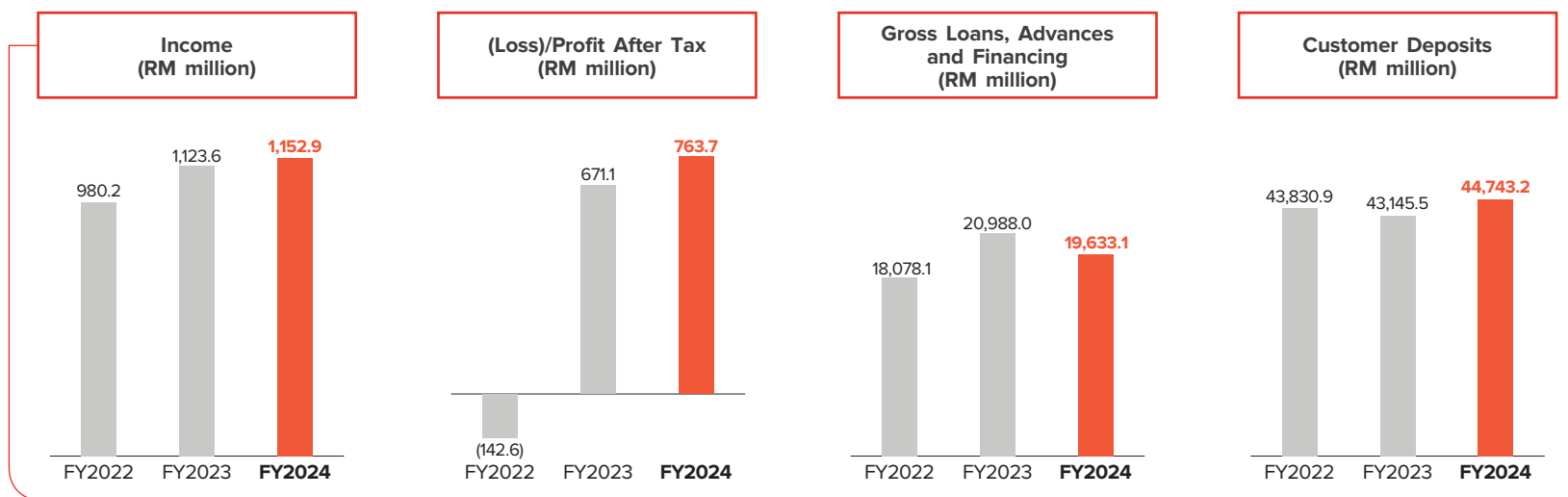
Hosted client engagement event to raise awareness on **ESG trends and development**, focusing on **Green Energy & Carbon Market**.



**FINANCIAL HIGHLIGHTS**

We drive profitable growth in Corporate Banking, Transaction Banking, and Group Treasury and Markets. Our offerings and personalised solutions serve the dynamic needs of our customers across these divisions, ensuring maximum impact for our business.

<b>Wholesale Banking Coverage/ Corporate Banking</b>	<p><b>7.2% increase</b> in income year-on-year (YoY).</p>	<p>Over <b>100% YoY growth</b> in Profit Before Tax (PBT).</p>	<p><b>Stable YoY loans growth</b>, including unrated bonds (UB).</p>
<b>Transaction Banking</b>	<p><b>More than 20% growth YoY</b> in Current Account/Savings Account (CASA) balances.</p>	<p><b>7% YoY growth</b> in trade assets and contingent balances.</p>	
<b>Group Treasury and Markets</b>	<p><b>Income growth</b> driven by robust sales and proactive funding management despite market volatility.</p>	<p>Foreign currency exchange sales volume <b>grew 11.3% YoY</b> and structured investment AUM <b>grew 146.2% YoY</b>.</p>	



# Business Review

## BUSINESS PERFORMANCE REVIEW 2024

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
<p>Sharpening Our Segment Play</p>	<ul style="list-style-type: none"> <li>Identified industry/sector champions among the coverage team to channel thorough concentration and build industry-specific knowledge and advisory capabilities.</li> <li>Deepened relationships with existing clients whilst forging new ones.</li> </ul>	<ul style="list-style-type: none"> <li>Supported recovery in trade following the diversion of investments from China to the Southeast Asian region by providing financial solutions to clients in the transport and storage sectors.</li> <li>Secured financing and merger and acquisition opportunities in the bullish oil and gas sector from ongoing investments in the upstream segment and strong momentum in offshore developments and activities:                         <ul style="list-style-type: none"> <li>Mandated Lead Arranger in Yinson Production Offshore Pte Ltd's Syndicated Equity Finance.</li> <li>Principal Adviser for the unconditional mandatory take-over offer of Icon Offshore Berhad by Liannex Maritime Sdn Bhd.</li> </ul> </li> <li>Participated in the recovery of inbound tourism with hotel financing.</li> <li>Grew foreign exchange (FX) volume of large exporter clients to complement the existing importer flows, generating higher FX volume and revenue to the bank.</li> <li>Onboarded 39 new clients, reducing reliance on existing clients and concentration risk.</li> </ul>
<p>Delivering Holistic Customer Value Proposition Leveraging a Collaborative Culture and Partnerships</p>	<ul style="list-style-type: none"> <li>Collaborated with the investment banking team, leveraging their expertise in origination and corporate advisory services.</li> <li>Delivered bespoke digital solutions to Fintech companies and partners.</li> <li>Collaborated closely across FX Sales, trade finance, and FX trading teams to stay competitive.</li> <li>Worked closely with relationship managers (RMs) and wealth channels to onboard and deepen client relationships.</li> </ul>	<ul style="list-style-type: none"> <li>Partnered investment banking specialists in the listing of Alpha IVF, the Largest ACE Market initial public offering (IPO) in Malaysia's history by market capitalisation.</li> <li>Participated as Joint Lead Manager in BGSM Management Sdn Bhd's RM200 million Sukuk Programme issuance.</li> <li>Launched multi-model PeGeFlash platform-agnostic virtual display application integrated with Dynamic DuitNow QR that accepts payment in MYR and selected cross-border currencies.</li> <li>11% YoY growth in FX volume, allowing clients to benefit from trade finance and hedging solutions.</li> </ul>
<p>Pushing Capital Light Revenue</p>	<ul style="list-style-type: none"> <li>Grew digital CASA to improve banking efficiency.</li> <li>Increased non-interest income (NoII) revenue while providing value to customers through foreign currency hedging and investment solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Increased sponsor bank CASA average balance by 44% YoY.</li> <li>Launched new digital cash products, leveraging API solutions for payments, collections and reconciliation.</li> <li>22% increase in revenue YoY in a consistent FX flow franchise.</li> <li>168% surge in structured investment sales volume, generating a 261% increase in revenue, driven by new investment products.</li> <li>Achieved a 15% market share for FTSE Bursa Malaysia KLCI (FBMKLCI) index warrants introduced last year.</li> </ul>

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
Ramping Up the Next Wave of Digital Initiatives	<ul style="list-style-type: none"> <li>Managed projects and develop business strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Initiated Murex Patch Upgrade to facilitate product automation (Auto-callable).</li> <li>Digital eFX volume accounts for 7% of the total volume, marking a 2-percentage-point rise from FY2023.</li> </ul>
Integrating Environmental, Social and Governance (ESG) Considerations into Our Business	<ul style="list-style-type: none"> <li>Improved staff and client knowledge through training programmes, such as ESG Risk and Global Value Chain (GVC) training.</li> </ul>	<ul style="list-style-type: none"> <li>Approved RM469.7 million of green financing.</li> <li>Provided mentorship and guidance addressing social issues in Malaysia through partnership with SEEd.Lab, a sustainability initiative by PETRONAS and Tata Consultancy Services (TCS).</li> </ul>

## CHALLENGES AND MITIGATION

### CHALLENGES

#### Rise in Interest Rates:

Uncertainty in interest rate outlook leads to volatility and higher borrowing costs for corporates.

#### Operational Efficiency:

Manual or semi-manual operational processes.

#### Market Conditions:

- The local equity market was mostly bearish throughout the year, as were the Hong Kong and China equity markets.
- Higher funding cost arising from higher deposit rate environment.

### MITIGATIONS

- Assisting eligible clients to access the capital market for more competitive funding.

- Streamlining front to end processes through digital solutions, reducing turnaround time.

- Expanding structured product suite and introducing new variations to meet clients' investment needs.
- Reducing reliance on expensive deposits via operating accounts acquisition enabled by digital cash propositions.

# Business Review



**AWARDS AND RECOGNITION**

## WHOLESALE BANKING COVERAGE/CORPORATE BANKING

**Transport Deal of the Year – The Asset Triple A Sustainable Infrastructure Awards 2023**  
 Amanat Lebuhraya Rakyat



**Alpha SEA 17<sup>th</sup> Deals and Solution Awards 2023**  
 Yinson Holdings Berhad



## TRANSACTION BANKING

**Malaysian e-Payments Excellence Awards (MEEA) 2023**  
 Best Industry Partnership, Special Recognition Award



## GROUP TREASURY AND MARKETS

**13<sup>th</sup> Alpha Southeast Asia Treasury & FX Awards 2023**



- Best FX Bank for Corporates and Financial Institutions
- Best FX Bank for Structured Products: Commodities, Credit, Equity, FX, and Multi-Assets



**The Asset Benchmark Research**

- The region's best local currency bond individuals in research, sales and trading for 2023
- Best local currency bond individuals 2023 | Asset Benchmark Research (theasset.com)
- Sales: Ho Su Farn (Ranking 3<sup>rd</sup> out of 15)
- Trading: Akmal Zaid Mansor (Ranking 1<sup>st</sup> out of 8)
- Trading: Darren Lee (Highly commended)
- Top sell-side firms in Asian Currency Bonds 2023
- Top sell-side firms in the secondary market – Government bonds – MYR (Ranking 3<sup>rd</sup> in 2023 from 7 in 2022)
- Top arrangers – Investors' Choice for Primary Issues – Government bonds – MYR (Ranking 3<sup>rd</sup> in 2023 unchanged from 2022)

**The Digital Banker: Global Transaction Banking Innovation Awards 2023**



- Best API Initiative
- Best Bank for Payments & Collections in Malaysia

## OUTLOOK

With Malaysia's economic growth projected to rebound to 4.5% in 2024, up from 3.7% in 2023, we are well-positioned to support major government initiatives like the National Energy Transition Roadmap (NETR) and the New Industrial Master Plan 2030 (NIMP 2030). With the general outlook that interest rates have peaked, we anticipate deposit rate competition to ease, relieving the pressure on our Net Interest Margin (NIM). Nonetheless, driving CASA balances remains our top priority. We aim to optimise our cost of funds and diversify funding sources to support loans growth, leveraging our award-winning API services and sponsor bank initiatives.

Group Treasury and Markets will focus on growing sustainable customer flow income through foreign currency transactions arising from the increase in cross-border trade flows and sales of wealth/investment products, particularly in equity derivatives. Strong collaboration with wealth channels is essential as we enhance our product suite, both conventional and Shariah, to match market conditions and customer risk appetites. To future-proof our operations, we will adopt digitalisation in our processes by investing in new system modules to support product rollouts and warehousing.

We commit to embedding ESG considerations into our lending practices and expanding sustainability-linked financing, supporting our clients' progress towards net-zero emissions and meeting evolving market needs while promoting sustainable economic development.

# Business Banking



**CHRISTOPHER YAP HUEY WEN**  
Managing Director

## WHO WE ARE AND WHAT WE DO

Business Banking at AmBank Group is dedicated to empowering businesses in the small, medium and large enterprise with tailored financial solutions that drive growth and operational success. We provide a high-touch relationship model that extends beyond traditional banking services. Our offerings range from business loans, to trade financing, cash management solutions, foreign exchange services, transaction banking, business wealth management, and bancassurance.

We are dedicated to meeting the diverse needs of customers across various industries, helping businesses navigate today's dynamic market landscape and achieve their strategic goals. Currently, Business Banking contributes 25% of the Group's revenue and serves over 16,300 business customers nationwide. Our committed approach ensures each client receives the customised support needed to thrive.

## OUR KEY FOCUS AREAS

Refining our services through three key focus areas:

### 01 Tailored Financing Solutions

Offer customised financing solutions tailored to the needs of companies of all sizes.

### 02 Beyond Financing Initiatives

Executed several key strategic growth initiatives in which we provided development expertise and programmes to over 12,000 businesses.

### 03 Future Proofing Small, Medium and Large Enterprises (SMEs)






Enable the transition for businesses to adopt new technologies and sustainable practices.

# Business Review

## HIGHLIGHTS OF 2024






### BUSINESS HIGHLIGHTS

In 2024, Business Banking upheld our commitment to providing tailored financing and banking solutions, assisting clients in wealth management and bancassurance, and nurturing strategic client relationships to meet the evolving needs of small, medium, and large enterprises.

<b>Financing a sustainable future</b>	<p>Continued our participation in <b>various BNM</b> and <b>government schemes</b> in the quest to support businesses.</p> 	<p>Disbursed more than <b>RM4 billion</b> in government financing scheme to our customers, representing <b>84%</b> of the total group disbursement.</p> 
<b>Market Growth and Specialised Service</b>	<p>Implemented a <b>One-stop Foreign Direct Investment (FDI)</b> Desk supporting North Asia countries such as China, Korea, Japan and Taiwan.</p> 	<p><b>Aided Industrial Park developers</b> and business owners with competitive solutions, offering up to <b>200%</b> Margin of Financing to meet their comprehensive needs.</p> 
<b>Enhanced Customer Experience</b>	<p><b>Launched</b> an <b>all-in-one solution</b> for <b>Joint Management Bodies</b> and Property Management Corporations, offering seamless onboarding, convenient on-site account opening, and a dedicated contact for <b>preferential fixed deposit placements</b>.</p> 	

### SUSTAINABILITY HIGHLIGHTS


Business Banking drives sustainability by integrating green financing into our operations and promoting ESG principles across industries. Through strategic finance and investments, we facilitate Malaysia's transition to a low-carbon economy, empowering businesses of all sizes to adopt sustainable practices.

<b>Leading Green Financing Ventures</b>	<p>Supported <b>Swift Haulage's launch of Malaysia's first electric vehicle (EV)</b> Electric Prime Mover with <b>RM20 million</b>.</p> 	<p>Provided <b>RM84 million</b> financing for Malaysia Steel Work (KL) Berhad's transition to <b>sustainable steel production</b>.</p> 	<p>Allocated <b>RM300 million</b> financing facilities for Uzma Berhad's <b>climate change transition towards sustainable energy</b>.</p> 
<b>Empowering ESG Journeys</b>	<p>Disbursed over <b>RM2 billion</b> in green loans/financing.</p> 	<p>Provided <b>IR4.0 and ESG Fundamentals awareness training</b> to over <b>900 businesses</b> through <b>AmBank BizCLUB</b>.</p> 	




Sustainability through Collaboration

**Shifted focus** to **IR4.0** and ESG adoption with the theme **“Reach New Heights: Transform Your Business”** through the **AmBank BizRACE** programme.




**Collaborated** with **Pantas** including complimentary access to their **carbon emissions accounting software**, empowering businesses to **measure environmental performance**.




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Targeted SMEs, large enterprises, and mid-tier companies in Malaysia to convey the fundamentals and impact of successful adoption on environmental footprint, social impact, and economic value creation.

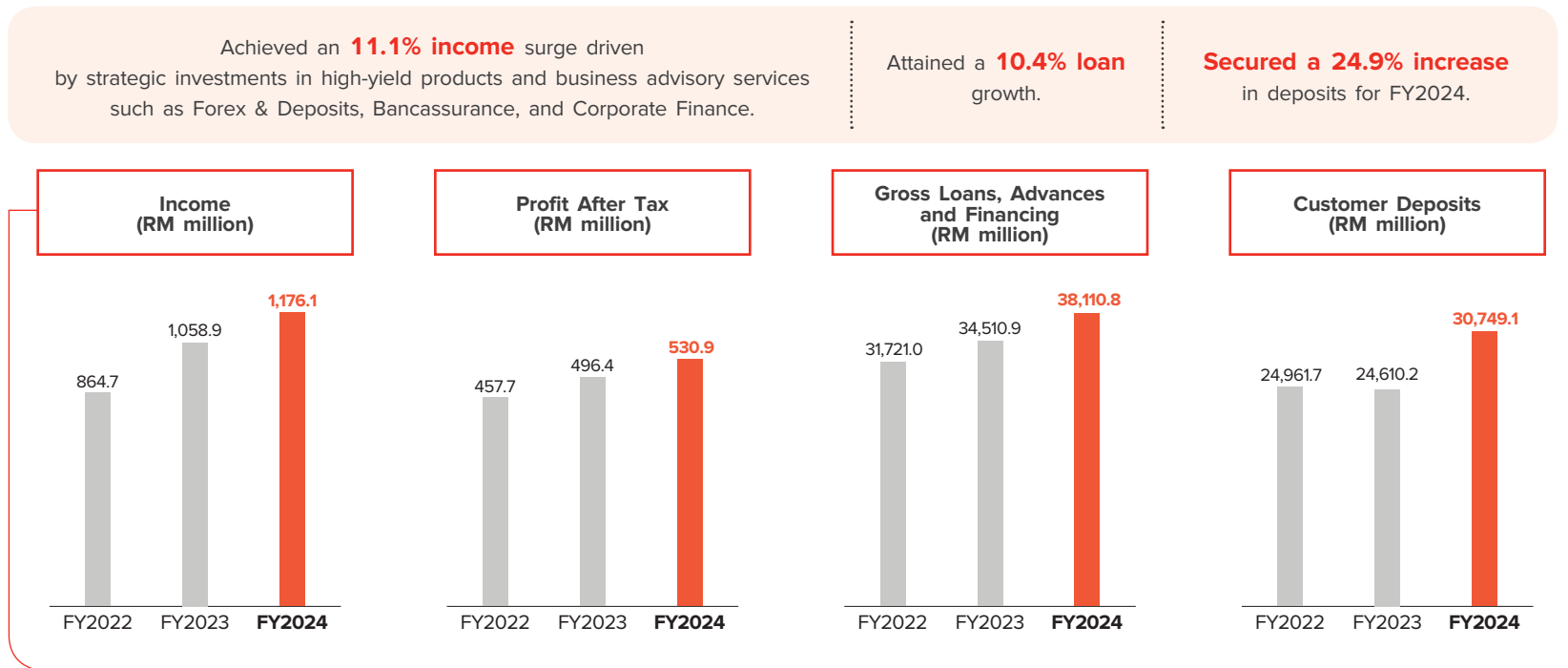


**Active participation** in BNM’s **Joint Committee on Climate Change (JC3)** initiatives.



**FINANCIAL HIGHLIGHTS**

In the FY2024, Business Banking delivered a strong financial performance with a significant growth in profit via higher yielding banking products and related business advisory services.



# Business Review

## BUSINESS PERFORMANCE REVIEW

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
ESG and Sustainability	<ul style="list-style-type: none"> <li>Financed green and sustainable projects, advancing our customers' ESG journey.</li> <li>Fostered awareness through ESG related conferences, training sessions, seminars, and business workshops.</li> </ul>	<ul style="list-style-type: none"> <li>Distributed over RM1.6 billion in green financing.</li> <li>Launched the AmBank BizRACE Season 4 and guided 100 participants with personalised solutions through partnerships with experts like Bosch Rexroth, MGTC, Pantas, and YGL World.</li> <li>Hosted over 20 on ground and virtual regional seminars, conferences, trainings, and workshops for these businesses in FY2024.</li> <li>Hosted our SME BizCONFERENCE, drawing over 400 attendees and featured 15 speakers discussing SME Outlook and Trends, ESG and Sustainability, IR4.0 for SMEs, and Government Assistance programmes.</li> </ul>
One-stop Support for Foreign Direct Investment (FDI)	<ul style="list-style-type: none"> <li>Explored partnership models to leverage FDI into countries like China, Korea, Japan, &amp; Taiwan</li> </ul>	<ul style="list-style-type: none"> <li>Participated in The China International Import Expo (CIIE) alongside MATRADE to showcase our bank's One-Stop Centre for Foreign direct investment (FDI).</li> </ul>
Focusing on Capital-light Strategies	<ul style="list-style-type: none"> <li>Targeted segments like Joint Management Bodies (JMB), Property Management Corporations, and Licensed Umrah Agencies, providing innovative solutions tailored to their specific challenges.</li> </ul>	<ul style="list-style-type: none"> <li>Secured over RM65 million in deposits from over 240 Joint Management Bodies to date.</li> <li>Following our partnership with Gulf International Bank, we launched the Spend and Win Campaign to support Licensed Umrah Agencies (LUAs) in collaboration with Gulf International Bank.</li> <li>Achieved RM56 million in FOREX volume and RM15 million in Business Current Account balances by offering tailored banking solutions and marketing assistance to LUAs.</li> </ul>

## CHALLENGES AND MITIGATION

### CHALLENGES

#### Regulatory Changes related to ESG

Influences how sustainability is incorporated into the business.



#### Rapidly Changing Market

Market fluctuations require agile adaptation to evolving customer needs and industry trends.



#### Margin Compression

Impacts the profitability of our business.



### MITIGATION

- Ensuring that ESG risk and BNM CCPT assessments have been completed as part of our credit evaluation process. From the total disbursement of clean loans amounting to RM1.7 billion, 66% Business Banking customers are at a low-ESG risk grade.

- Consistently offering solutions that align with evolving business trends and landscapes. Deliver holistic offerings to customers, extending beyond financing initiatives to help businesses scale to the next level.

- Focusing on capital-light revenue through tailored solutions for targeted segments.

## AWARDS AND RECOGNITION

**Alpha Southeast Asia** – Best SME Bank in Malaysia



**Asian Banking and Finance** – SME Digital Innovation of the Year – Malaysia 2024



**Global Banking and Finance Review** – Best SME Bank in Malaysia 2024



## OUTLOOK

In the coming years, businesses will face escalating costs and inflation, requiring them to adopt diverse strategies to stay competitive. Leveraging automation, artificial intelligence (AI), and digital transformation will be essential for streamlining processes and reducing expenses. As technological advancements accelerate, companies will also need to navigate evolving regulatory frameworks addressing climate change, with global governments enacting policies to combat environmental issues.

In response, AmBank Group's Business Banking will continue to support our clients through this evolving landscape, ensuring that we grow together. Our commitment includes financing low-carbon initiatives, promoting smart and green technology development, and providing expertise to help businesses adapt and thrive.

# Retail Banking



**AARON LOO BOON SENG**  
Managing Director

## WHO WE ARE AND WHAT WE DO

We place a premium on crafting integrated value propositions specifically tailored to our key segments, which encompass the affluent, mass affluent, mass retail consumers, and SMEs. By strategically combining physical and digital channels, we have not only widened our customer base but also fortified connections with our existing clients.

Our strategic alliances have proven especially influential, extending value beyond financial offerings to encompass lifestyle improvements, business expansion opportunities, and sustainability endeavours. Underpinning our approach is the Focus 8 Strategy, propelling our transformative journey towards elevating customer value through digitalisation and personalisation. This ensures that our services cater precisely to individual preferences, thereby nurturing deeper and more meaningful client relationships.

## OUR KEY FOCUS AREAS

Refining our services through three key focus areas:

### 01 Personalisation for Affluent Segment

Involves offering personalised financial solutions and services tailored to the unique preferences and requirements of affluent clients.

### 02 Digitalisation for Mass Segment

Entails leveraging digital technologies and channels to provide convenient, accessible, and cost-effective banking services to the mass market.

### 03 Localisation for SME Segment


Focuses on understanding and addressing the specific needs of small and medium-sized enterprises (SMEs) operating within local markets.

# Business Review

## HIGHLIGHTS OF 2024

### BUSINESS HIGHLIGHTS

The implementation of the Focus 8 strategy has been instrumental in refining our approach to segment targeting, propelling our Retail Banking transformation journey from a product-centric bank to a universal and innovative institution anchored on beyond-banking customer value propositions.

SME Loan Growth	➤ <b>Achieved</b> a significant <b>Compound Annual Growth Rate (CAGR)</b> of <b>29.4%</b> in SME loan portfolios, demonstrating our commitment to supporting small and medium enterprises.	
Wealth Income Expansion	➤ <b>Sustained</b> a <b>CAGR</b> of <b>11.5%</b> in <b>wealth income</b> , reflecting our <b>ability</b> to provide <b>comprehensive financial solutions</b> and advisory services to our clients.	
CASA Growth	➤ <b>Attracted</b> and retained depositors is evident in the notable growth of our Current Account and Savings Account (CASA) deposits, which have <b>achieved</b> a <b>CAGR</b> of <b>9.9%</b> .	
Digital Penetration	➤ Highlighted our commitment to digital innovation and customer-centricity, the penetration rate of our digital banking platform, <b>AmOnline</b> , surges from <b>19.2%</b> in <b>March 2018</b> to an impressive <b>80.4%</b> as of <b>March 2024</b> .	
Enhanced Customer Satisfaction	➤ Reflected our dedication to <b>delivering exceptional customer experiences</b> , our Net Promoter Score (NPS) significantly rose to <b>+27</b> in <b>2023</b> from a baseline of <b>-21</b> in <b>2018</b> .	


### SUSTAINABILITY HIGHLIGHTS

In Retail Banking, sustainability is a key focus of our operations, reflected in our proactive initiatives to ensure we drive positive impact with a purpose.

Pioneering Support for Electric Vehicles	➤ Offered favourable financing for <b>electric vehicles (EVs)</b> , contributing to <b>sustainable mobility</b> and facilitating the transition to a <b>low-carbon economy</b> .	
Collaborative Efforts for Green Homes	➤ Facilitated suitable financing options for <b>certified green homes</b> through <b>partnerships</b> with <b>property developers</b> , promoting <b>eco-friendly</b> living spaces and sustainable construction practices.	


Substantial Green Financing

Approved **RM1,338 million** of **green financing** with **RM335 million** disbursed.



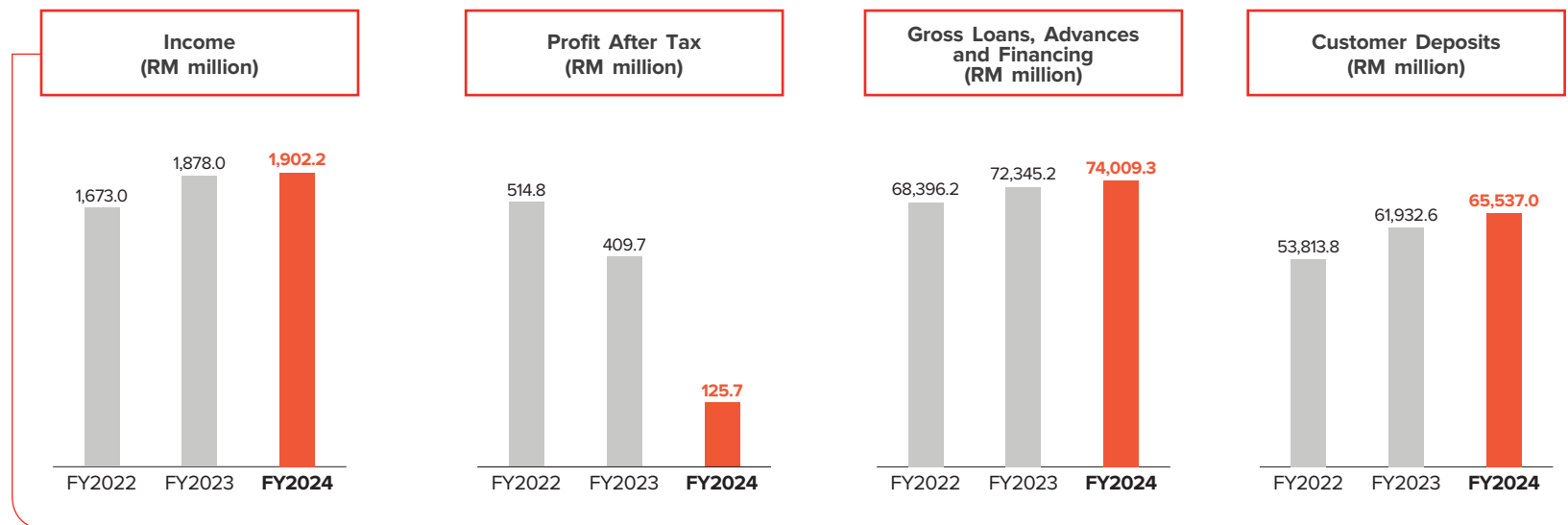
Customer Satisfaction

Enhanced customer experience through **digital customer experience (CX)** and protected our customers against cyber threats. With **84%** of retail banking transactions performed via AmOnline, we **maintained a high customer satisfaction rating (CSAT)** of **81%** amongst AmBank Group customers.



### FINANCIAL HIGHLIGHTS

We are committed to driving growth and creating a meaningful impact for affluent, mass affluent, mass retail consumers, and SMEs.



We recorded an income growth of 1.3%, primarily driven by a 12.7% year-on-year (YoY) increase in Noll due to higher fee income from Wealth Management and Foreign Exchange (FX). However, this was offset by flat YoY NII. Expenses rose by 5.5% in FY2024, mainly due to higher personnel costs. Net impairment increased to RM642.4 million compared to RM301.1 million. Consequently, Profit After Tax (PAT) declined by 69.3% to RM125.7 million.

Gross loans increased by 2.3% YoY to RM74.0 billion, mainly driven by mortgages. Customer deposits grew by 5.8% YoY to RM65.5 billion, bolstered by a strong 16.0% YoY growth in fixed deposits.

# Business Review

## BUSINESS PERFORMANCE REVIEW

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
Personalisation for Affluent Segment	<ul style="list-style-type: none"> <li>• Hosted lifestyle events via our flagship Kuala Lumpur Fashion Week (KLFW) partnership.</li> <li>• Introduced AmBank Signature Priority Private.</li> <li>• Collaborated with Cycle &amp; Carriage for the Mercedes EV Drive initiative.</li> </ul>	<ul style="list-style-type: none"> <li>• 12% year-on-year growth in AmSignature Priority Banking (AmSPB)'s Customer Assets Under Management (AUM).</li> <li>• 28% year-on-year growth in AmSPB's Wealth AUM.</li> <li>• 30% year-on-year growth in the new AmSPB's Customer Acquisition.</li> </ul>
Digitalisation for Mass Segment (AmOnline)	<ul style="list-style-type: none"> <li>• Implemented a series of initiatives to bolster cybersecurity features on AmOnline.</li> <li>• Continuously expanding new services on AmOnline through partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>• First bank in Malaysia to introduce a “kill switch” security feature.</li> <li>• 15% year-on-year growth in AmOnline adoption.</li> <li>• Fourfold surge year-on-year in DuitNowQR transaction volume.</li> </ul>
Localisation for the SME Segment	<ul style="list-style-type: none"> <li>• Launched SME Amplify to address SME challenges by providing easier access to financing and empowering with tailored solutions beyond banking.</li> <li>• Extended AmSPB to SME customers to further support them.</li> <li>• Collaborated with:                             <ol style="list-style-type: none"> <li>a) Bank Simpanan Nasional (BSN) to amplify MSMEs programme.</li> <li>b) FashionConnect23, fostering collaboration and knowledge-sharing across the fashion industry supply chain to create a sustainable ecosystem.</li> <li>c) <i>Persatuan Usahawan Maju Malaysia (PUMM)</i>, providing members access to financing and understanding AmBank's business optimisation tools.</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• A 10% deposit growth year-on-year allowed Retail SME (RSME) to maintain its position as a net funder of the Group, resulting in a loan-to-deposit ratio (LDR) of 53.4%.</li> <li>• 17% of RSME customers have an AmSPB relationship as of July 2023, compared to 9% in FY2021.</li> </ul>
People & Culture	<ul style="list-style-type: none"> <li>• Conducted a series of staff engagement workshops and activities covering business, compliance, innovation &amp; technology, cybersecurity, sustainability, and employee well-being and health topics.</li> </ul>	<ul style="list-style-type: none"> <li>• 91% Employee Engagement score, a notable improvement from 88% in FY2023.</li> <li>• +27 increase in Net Promoter Score (NPS) among AmBank Group's users from +20 in FY2023.</li> <li>• 90% increase in the average revenue per employee compared to FY2017.</li> </ul>

**CHALLENGES AND MITIGATION**

**CHALLENGES**

**OPR hike**

The tailwind of the Overnight Policy Rate (OPR) hike has impacted affordable housing mortgage customers and small business owners, resulting in increased delinquencies.



**MITIGATION**

Our multifaceted collection strategy from the enhanced communication and support to provide personalised guidance, financial counselling and leveraging on predictive analytics in prioritising outreach efforts as well as tailoring Reschedule & Restructure, Repayment plans to assist customers on their monthly obligations.



**RETAIL BANKING**

**The Global Economics**  
– 2 May 2023

Most User-Friendly  
Mobile Banking Solutions  
– Malaysia 2023



**Contact Centre Association of Malaysia (CCAM)**  
– 8 September 2023

Best In house inbound  
Contact Centre – Large



**OUTLOOK**

Heading into the next year, we are closely monitoring the ongoing geopolitical conflict that is most likely to persist. Despite these challenges, we remain cautiously optimistic about the anticipated GDP growth in 2024. Positive market indicators, favourable economic policies, and potential advancements in key industries suggest the potential for strong economic expansion, even amidst geopolitical uncertainties.

## Business Review

# Investment Banking



**TRACY CHEN WEE KENG**  
Chief Executive Officer

### WHO WE ARE AND WHAT WE DO

Investment Banking offers a comprehensive range of investment services, products, and solutions tailored to meet the diverse needs of our corporate, retail, and institutional clients. Our offerings include corporate finance and mergers and acquisitions advisory, equity capital markets fundraising, debt and Sukuk capital markets services, and stockbroking. In wealth management services, we also provide funds management services through our private banking department and our funds management arm, AmInvest, the brand name used by our subsidiaries, AmFunds Management Berhad and AmIslamic Funds Management Berhad. Investment Banking is dedicated to delivering superior investment performance and innovative financial products and services.

### OUR KEY FOCUS AREAS

#### 01 Funds Management

Manage diverse investment mandates, wholesale funds, and unit trust funds spanning the risk-return spectrum for individuals, corporations, and institutions.

#### 02 AmPrivate Banking

Provide high-net-worth clients with tailored wealth management solutions aligned with their risk profiles, time horizons, and investment objectives.

#### 03 Equity Markets

Emphasise quality loan growth, increasing market share, and implementing digitalisation initiatives to enhance customer experience and operational efficiency.

#### 04 Debt Markets

Deliver innovative and customised financing solutions to sovereign, corporate, and institutional clients, leveraging our proven capabilities in fixed income, derivatives, credit solutions, and advisory services for both conventional and Islamic financing.

#### 05 Equity Capital Markets

Manage the marketing, sales, and distribution of equities in both primary and secondary markets, covering listed securities on stock exchanges and unlisted securities of private/public companies.

#### 06 Corporate Finance

Focus on deal origination and execution while cultivating strong relationships with corporate clients to provide bespoke solutions and advisory services.



**HIGHLIGHTS OF 2024**

**BUSINESS HIGHLIGHTS**

We utilised our strong network and client relationships to offer customised solutions to high-net-worth individuals, institutions, corporations, and sovereign clients, encompassing both conventional and Islamic financing advisory services. Additionally, we effectively oversaw the marketing and distribution of primary and secondary equity offerings while prioritising market share expansion and quality loan growth. Our digitalisation initiatives further enhanced customer experience and overall operational efficiency, ensuring mutual growth.

**FUNDS MANAGEMENT**

**Strategic Shift and Record Income Growth**

Shifted from lower-margin to **higher-margin funds** resulting in record income growth.



**AmPRIVATE BANKING**

**Expand and Enhance Solution Offerings and Strengthen Cross-Collaboration**

**Discretionary Portfolio Mandate** (available in MYR and foreign currencies).



**Multi-Asset Discretionary Investment Portfolio Mandate**



**EQUITY MARKETS**

**Accolades in Financial Excellence**

Achieved **First Runner Up** for Best Institutional Equities Participating Organisation at the 2023 Bursa Excellence Awards.



Ranked among the **top three Derivatives Brokers** in Malaysia for the FKLI product.



**DEBT MARKETS**

**Road-to-Capital Markets (RTCM) Initiative**

The **RTCM initiative yielded even higher gains** than in previous years with clients acknowledging our efforts to guide them to the debt capital markets as part of their corporate life cycle.



**CORPORATE FINANCE & EQUITY CAPITAL MARKETS**

**Largest ACE IPO**

Acted as the Principal Adviser, Sponsor, Lead Bookrunner, and Sole Underwriter for Alpha IVF Berhad's IPO, the **largest IPO** on the ACE Market of Bursa Malaysia.






Acted as the **Principal Adviser, Sponsor, Placement Agent and Underwriter** for TSA Group Berhad's IPO on the ACE Market of Bursa Malaysia.



# Business Review

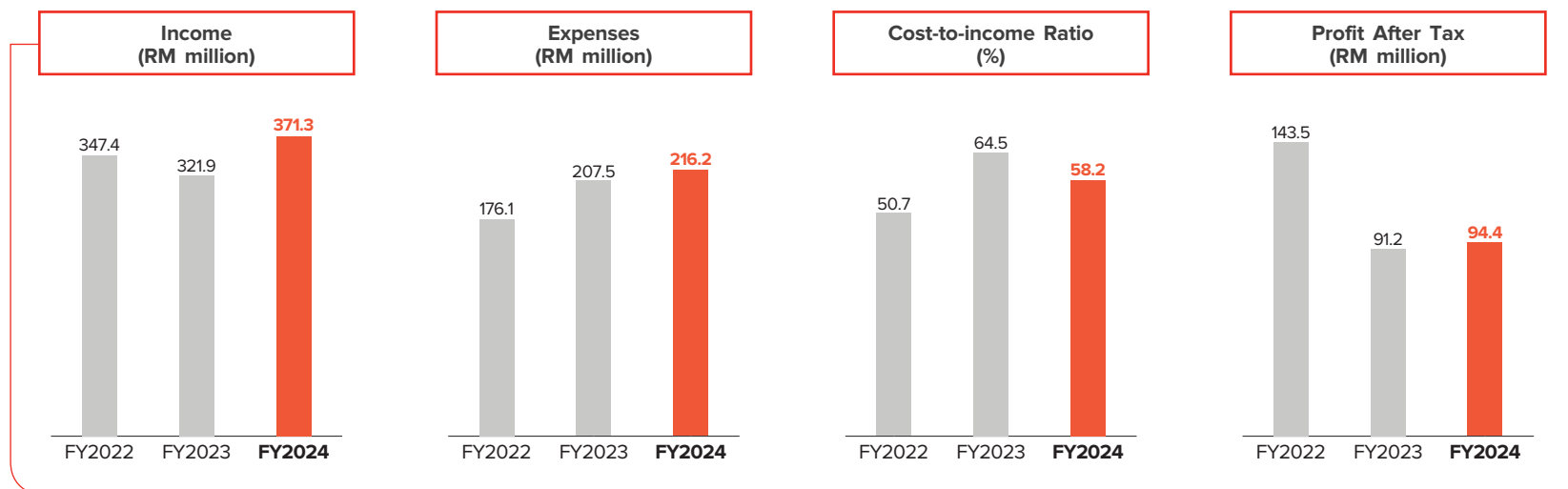
## SUSTAINABILITY HIGHLIGHTS

We strengthened our business impact by integrating Environment, Social, and Governance (ESG) principles into our investment strategies. This commitment to sustainable practices not only met increasing investor demand for responsible investments but also boosted our market standing. Our DM division had supported clients with various ESG-related fundraising exercises.

<p><b>FUNDS MANAGEMENT</b></p> <p>Socially Responsible Investment (“SRI”)</p>	<p><b>Increased SRI fund offerings to 11</b>, with more in the pipeline.</p> 	<p>Launched a <b>new ESG fund</b>, the AmSustainable Series – Global Lower Carbon Equity Fund, and converted three existing funds (AmIncome Institutional SRI 1 &amp; 3 and AmInstitutional Income Bond SRI) into SRI funds.</p> 
<p><b>AmPRIVATE BANKING</b></p> <p>Driving Sustainability</p>	<p>Encouraged clients to invest in green bonds by promoting more of such issuances to them.</p> 	
<p><b>DEBT MARKETS</b></p> <p>SRI/ESG Sukuk Issuances</p>		<p><b>RM3.5 billion</b> of SRI/ESG Sukuk: <b>RM1 billion</b> SRI Sustainability Sukuk by SME Bank, <b>RM1 billion</b> Sustainability Sukuk Wakalah by Bank Pembangunan, and <b>RM1.5 billion</b> SDG (UN Sustainability Development Goals) Sukuk by Malaysia Rail Link.</p> 
<p><b>EQUITY CAPITAL MARKETS</b></p> <p>Green Project Financing Loans</p>		<p>Totaled <b>RM1.081 billion</b>: USD210 million (about <b>RM987 million</b>) for SK Nexilis Malaysia’s copper foil manufacturing plant and <b>RM94 million</b> for NUR Power Group’s 50MW solar plant near Kulim Hi-Tech Park.</p> 

**FINANCIAL HIGHLIGHTS**

<p><b>FUNDS MANAGEMENT</b></p>	<p><b>6.3% YoY increase</b> by RM9.3 million from RM147.8 million, an all-time high income of RM157.1 million.</p>	<p>Reported a Profit before tax (“PBT”) of <b>RM81.1 million</b>, a 1.2% YoY increase.</p>	<p><b>5.9% growth</b> YoY of assets under management (“AUM”) by RM2.8 billion from RM47.8 billion, reaching a record high of RM50.6 billion.</p>
<p><b>AmPRIVATE BANKING</b></p>	<p><b>3.4% YoY increase</b> with revenue reported at RM44.4 million.</p>	<p>Reported a PBT of <b>RM10.3 million</b>, a decline of RM1.6 million on the back of higher personnel expenses.</p>	<p><b>8.9%</b> growth in AUM (including Secured Financing Facility) of <b>RM11.74 billion</b> vs FY2023 of RM10.8 billion.</p>
<p><b>EQUITY MARKETS</b></p>	<p>Revenue <b>increased 15.9%</b> YoY from RM73.1 million to RM84.7 million on the back of higher Bursa traded volume which had improved from average monthly traded volume of RM102 billion in FY2023 to RM129 billion in FY2024.</p>		
<p><b>DEBT MARKETS, EQUITY CAPITAL MARKETS &amp; CORPORATE FINANCE</b></p>	<p><b>46.6% YoY increase</b> in revenue by RM27 million to RM84.9 million.</p>	<p>PBT reported at <b>RM46.4 million</b>, more than double that of FY2023.</p>	



# Business Review

## BUSINESS PERFORMANCE REVIEW 2024

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
<b>FUNDS MANAGEMENT</b>		
<b>High-Margin Funds Strategy</b>	<ul style="list-style-type: none"> <li>Focused on promoting and growing short-term bond funds with higher fees, and less reliance on lower-margin funds.</li> </ul>	<ul style="list-style-type: none"> <li>3.77% increase in short-term bond funds from RM10.6 billion in FY2023 to RM11 billion in FY2024.</li> </ul>
<b>AmPRIVATE BANKING</b>		
<b>Expand and Enhance Solution Offerings while Strengthening Cross-collaboration</b>	<ul style="list-style-type: none"> <li>Introduced a range of innovative products both onshore and offshore.</li> </ul>	<ul style="list-style-type: none"> <li>8.9% growth in AUM (including Secured Financing Facility) of RM11.74 billion vs FY2023 of RM10.8 billion.</li> <li>262% growth in Structured Products.</li> </ul>
<b>EQUITY MARKETS</b>		
<b>Focus on Quality Loan Growth and Increased Market Share</b>	<ul style="list-style-type: none"> <li>Enhanced cross-collaboration within AmBank Group to boost referrals for new trading accounts and margin loans.</li> <li>Fostered collaboration with ECM to secure more placement leads.</li> <li>Strengthened the institutional sales team to penetrate more non-government-linked company accounts.</li> <li>Cultivated sustainable recurring margin income growth.</li> <li>Improved research capability.</li> </ul>	<ul style="list-style-type: none"> <li>Increase in Market Share from 5.11% in March 2023 to 8.42% in March 2024.</li> <li>Advanced in Broker ranking from 8th place in 2022 to 7th place in 2023.</li> </ul>
<b>Improved Operational Efficiency through Digitalisation</b>	<ul style="list-style-type: none"> <li>Upgraded the retail trading platform.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented a Single Order Management System to enhance trading efficiency for institutional clients.</li> <li>Introduced eFORMs for online submission of application forms and supporting documents.</li> </ul>
<b>DEBT MARKETS</b>		
<b>Focus on Debt Raising and Project Finance Advisory Services</b>	<ul style="list-style-type: none"> <li>Provided debt-raising and project finance advisory services to corporate and government-linked clients.</li> <li>Fostered close collaboration across all business lines for end-to-end client solutions.</li> <li>Launched the Road-To-Capital Markets (RTCM) initiative.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained dominance in Malaysian debt capital markets.                             <ul style="list-style-type: none"> <li>Increased overall market share to 13.1% from 11.7% in 2022.</li> <li>Maintained a 10.5% market share in the Malaysian Sukuk market.</li> <li>Increased market share in MYR Loan Markets to 23.6%, leading over RM3.3 billion in syndicated loans, achieving the #1 position in Malaysia for 2023.</li> </ul> </li> <li>Ranked 4<sup>th</sup> in the Ringgit Malaysia Bloomberg Sukuk League Table with a 10.5% market share, with 63.8% of corporate bonds and sukuk underwritten by us being Islamic issues.</li> </ul>
<b>CORPORATE FINANCE &amp; EQUITY CAPITAL MARKETS</b>		
<b>Generated Revenue, Enhanced Visibility and Built Deal Pipeline</b>	<ul style="list-style-type: none"> <li>Fostered close collaboration with client coverage teams in Wholesale and Business Banking to provide comprehensive financial guidance and funding solutions.</li> <li>Enhanced marketing of IPOs and listings.</li> <li>Facilitated the RTCM initiative by offering investment banking advice to corporate clients in Business Banking and Mid Corp sectors for effective capital market access.</li> </ul>	<ul style="list-style-type: none"> <li>Successfully listed TSA Group Berhad and Alpha IVF Berhad.</li> <li>Executed significant M&amp;A transactions, including MBSB's acquisition of 100% equity interest in MIDF.</li> </ul>

**CHALLENGES AND MITIGATION**

**CHALLENGES**

**MITIGATION**

**FUNDS MANAGEMENT**

**Bond Market Volatility**

The bond market faced volatility due to rising policy rates and inflation concerns.



- Expanding bond allocation and capitalising on market fluctuations to excel in this environment.
- Leveraging early high yields and adeptly navigating shifting sentiments, we profited from timely actions when necessary.

**AmPRIVATE BANKING**

**Market Uncertainties**

Rise in funding costs stemming from market uncertainties and a high global interest rate environment.



- Diversifying into currencies with lower funding costs.

**EQUITY MARKETS**

**Low Trading Volume**

Competitive brokerage rates from foreign retail broking competitors.



- Recruiting top remisiers, attracting High-Frequency Traders, launching Mobile Foreign Share Trading, fostering internal collaboration, enhancing research capability, growing sustainable margin income, and driving digitalisation for improved efficiency and customer experience.

**Deterioration in Asset Quality in Margin Loan Portfolio**

A decline in the value or creditworthiness of the assets used as collateral for loans.



- Strengthening our policies and processes to improve collateral management and monitoring.

**DEBT MARKETS**

**Fixed Income Market Dynamics**

The global economic uncertainties in FY2024 led the Fed to balance interest rates with growth goals, stabilising the fixed income market. Locally, early-year selloffs widened credit spreads in primary markets. Anticipating a Fed rate cut, demand surged for corporate bonds and sukuk, driven by investors seeking yield amid expectations of lower global yields from central bank monetary policy adjustments.



- Striving to provide optimal execution guidance and advice across all debt products, despite challenges posed by interest rate and market volatility.

**CORPORATE FINANCE & EQUITY CAPITAL MARKETS**

**Fee Compression**

Amidst increasing competition for sizable deals.



- Forging close partnerships with client relationship teams in Wholesale Banking & Business Banking, providing comprehensive solutions, including financing, and leveraging our track record in deal execution to defend key client relationships and attract new ones.

**Regulatory Compliance**

Ensure adherence to evolving rules and regulations.



- Implementing regular staff training sessions on regulatory matters and encouraging in-house knowledge-sharing sessions to promote continuous learning.

**Challenging Stock Market Conditions**

Impacted by a backdrop of persistently high interest rates and ongoing geopolitical tensions.



- Be selective on deals, focusing on defensive businesses and/or high-quality clients and ramping up block trade activities.

# Business Review



## FUNDS MANAGEMENT (FMD)

### Best Malaysia Bond Fund – AmDynamic Bond,



Morningstar Awards for Investing Excellence 2024 – Malaysia.

### Best Bond Fund Family Group Over 3 Years



(5 Consecutive Years), LSEG Lipper Fund Awards Malaysia 2024.

### Cambridge Excellence Award for Islamic Asset Management in Malaysia 2024,



Cambridge Islamic Funds Awards 2024.

### Best ASEAN Awards: Best Application of ESG,



Asia Asset Management Best of the Best Awards 2024.

### Best ESG Manager, Malaysia,



Asia Asset Management Best of the Best Awards 2024.

### Insurance Fund House of the Year, Malaysia



(6 Consecutive Years), Institutional Asset Management Awards 2023.

## EQUITY MARKETS (EM)

### Bursa Excellence Awards 2023



Best Institutional Equities Participating Organisation, First Runner-Up.

### Best Domestic Fixed Income Fund Manager 2022,



EPF External Fund Managers Awards 2022.

### Best ETF Provider, Malaysia



(2 Consecutive Years), The Asset Triple A Sustainable Investing Awards for Institutional Investor, ETF, and Asset Servicing Providers 2023. (Acknowledged as the largest ETF fund manager in Malaysia.)

### Broker ranking improved



from 8<sup>th</sup> in 2022 to 7<sup>th</sup> in 2023.

## DEBT MARKETS (DM)

### 1 The Asset Triple A Sustainable Infrastructure Awards 2023

#### Project Finance House

Of The Year – Malaysia 2023.



#### Transport Deal of the Year:



Amanat Lebuhraya Rakyat Berhad's RM5.5 billion Sustainability and SRI Sukuk Murabahah (Sole Financial Adviser, Senior Principal Adviser, Lead Arranger, Bookrunner and Lead Manager).

### 2 The Asset Triple A Islamic Finance Awards 2023

#### Best Sustainability Sukuk – SMEs:



Small Medium Enterprise Development Bank Malaysia Berhad's RM500 million Sustainability Sukuk Wakalah bi-istithmar (Joint Bookrunner and Joint Lead Manager).

#### Best Securitisation Sukuk:

Zamarad Asset Berhad's RM474 million medium-term Sukuk Murabahah (Joint Principal Adviser, Joint Lead Arranger and Joint Lead Manager).



### 3 Alpha SEA 17<sup>th</sup> Deals and Solution Awards 2023

#### Best Islamic Finance Deal of the Year and Best Corporate Sukuk Murabahah:



Digi Telecommunications Sdn Bhd's RM1 billion (US\$217 million) Sukuk Murabahah (Joint Lead Manager).

#### Best Corporate Sukuk Wakalah of The Year:



SP Setia Berhad's RM1 Billion Sukuk Wakalah Bi Al-Istithmar (Joint Lead Manager).

**4 Euromoney Islamic Finance Awards 2024**

**Best Islamic Real Estate Deal – Asia:**



**Deal – Asia:** SP Setia Berhad’s RM1 Billion Sukuk Wakalah Bi Al-Istithmar (Joint Lead Manager).

**5 The Edge’s Deals of 2023: Best Fundraising Non-IPO**

**SMJ Energy Sdn Bhd**

(formerly known as SMJ Sdn Bhd)’s **RM10 billion** AAA Multi-Currency Sukuk Wakalah Programme (Sole Principal Adviser and Sole Lead Arranger) and **RM900 million** inaugural issuance therefrom (Joint Lead Manager).



**CORPORATE FINANCE (CF) & EQUITY CAPITAL MARKETS (ECM)**

**1 17<sup>th</sup> Annual Alpha Southeast Asia Best Financial Institution (FI) Awards 2023**

**Best Domestic M&A Deal of the Year in Malaysia**



– Malaysia Building Society Berhad’s 100% acquisition of Malaysia Industrial Development Finance Berhad for RM1.01 billion.

**Best Small to Mid-Cap Corporate Finance House in Malaysia (AmInvestment Bank)**



(4<sup>th</sup> consecutive year).

**Best Mid-Cap REIT Deal of the Year Malaysia**



– Pavilion REIT’s RM720 million (US\$160 million) Primary Placement & RM8 billion MTN.

**2 IFN Deals of the Year 2023**

**M&A Deal of the Year** – Malaysia Building Society Berhad’s 100% acquisition of Malaysia Industrial Development Finance Berhad for RM1.01 billion.



**3 The Asset Triple A Sustainable Finance Awards 2024**

**Best M&A – Malaysia** – Malaysia Building Society Berhad’s 100% acquisition of Malaysia Industrial Development Finance Berhad for RM1.01 billion.



**OUTLOOK**

For FY2025, we foresee opportunities and challenges in various segments, and we are prepared to navigate these with strategic initiatives and a client-focused approach.

**FUNDS MANAGEMENT**

Bond yields are expected to face volatility amid rate cut expectations, but our Funds Management division remains proactive, seeing upside potential. We are committed to advancing sustainability efforts and expanding organically by engaging cash-rich corporations and affluent markets.

**AMPRIVATE BANKING**

We will expand our discretionary offerings and venture into non-conventional products to meet rising demand. With clients seeking higher returns, offshore investments are increasingly popular. We are also exploring a wealth system platform to enhance client support.

**EQUITY MARKETS**

We anticipate increased trading activity on Bursa Malaysia but expect intensified competition from foreign retail brokers offering zero brokerage fees.

**DEBT MARKETS**

Committed to dynamic and agile approaches, we innovate funding solutions for clients, adapting to the evolving financial landscape. Leveraging our expertise, we offer holistic solutions addressing stakeholder interests. Looking ahead to FY2025, the fixed-income market expects RM110.0 to RM120.0 billion in corporate bonds and sukuk issuances, focusing on ESG bonds. Investors must navigate central bank policies, economic fundamentals, and geopolitical tensions. RAM predicts robust financing driven by private refinancing, infrastructure needs, and financial institutions’ capital plans in 2024.

**EQUITY CAPITAL MARKETS & CORPORATE FINANCE**

Malaysia’s IPO and M&A outlook remains positive, buoyed by sectoral opportunities, market sentiments and investor confidence.

## Business Review

# Islamic Banking



**EQHWAN MOKHZANEE MUHAMMAD**  
Chief Executive Officer

### WHO WE ARE AND WHAT WE DO

AmBank Islamic provides a comprehensive array of Shariah-compliant banking products and services encompassing both retail and non-retail products, including investment, treasury, and trade solutions. Anchored by our commitment to value-based intermediation (VBI), we not only facilitate credit but also champion purpose-driven banking practices that ensure sustainable financial outcomes for our shareholders and contribute positively to our customers and the broader community.

Aligned with the strategic vision of AmBank Group, our focus remains on existing market segments while expanding our reach into niche markets where Islamic banking is increasingly preferred. By adhering to growth strategies, we aim to enhance income and profitability, delivering sustainable returns to our shareholders while maintaining optimal capital and funding structures.

### OUR KEY FOCUS AREAS

Sharpening our segment play through three strategic focus areas:

#### 01 Mass Segment

Offer a broad range of Shariah-compliant financial solutions designed to meet the needs of our diverse customer base.

#### 02 Small and Medium Enterprises (SMEs)

Provide business solutions through comprehensive products and services offerings that are tailored to fuel and empower Malaysian SMEs' growth.

#### 03 Affluent Segment

Provide sophisticated Shariah-based investment solutions that meet the unique investment needs of affluent customers while ensuring ethical outcomes.



**HIGHLIGHTS OF 2024**

**BUSINESS HIGHLIGHTS**

In FY2024, AmBank Islamic continued to uphold our mission of purpose-driven banking, steadfastly providing Shariah-compliant solutions to our diverse customer base.

**Expanding the Mass Segment**

**Offered a diverse range of key products**, including Auto Financing-i, Personal Financing-i tailored primarily for the employees in the public sector, financing for investments in Amanah Saham Bumiputera (ASB) unit trust, Mortgages-i and AmWafeeq Savings Account-i, catering to a broad customer base with accessible, Shariah-compliant financial options.



**Supporting SMEs**

**Recognised** with the **Best Islamic SME Bank award for 2023** by The Asset Triple A and Alpha Southeast Asia, we continue to bolster the growth and prosperity of SMEs, reflecting our commitment to this crucial economic sector.



**Catering to Affluent Segments**

**Delivered wealth management services**, encompassing the distribution of Islamic unit trusts, Takaful products, and other Shariah-compliant investment products, **allowing our customers to achieve their long-term financial goals while ensuring ethical outcomes.**



**SUSTAINABILITY HIGHLIGHTS**

Sustainability and Shariah compliance are intertwined in our business, driving us to offer financial solutions that allow mutual growth by upholding ethical standards and supporting community development.

**Improving Our Sustainability Efforts**

**AmBank Islamic's CEO contributed to the sustainability of the financial ecosystem** by serving as:

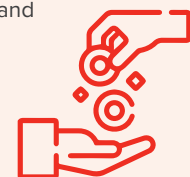
- Co-Chairman of the Risk Management Sub-Committee (SC1) of the BNM and Securities Commission Malaysia-led Joint Committee on Climate Change (JC3).
- Chairman of the Steering Committee of the Financial Industry Collective Outreach (FINCO).
- Member of the VBI Community of Practitioners.



**Improving Our Sustainability Efforts**

In 2024, we distributed **RM1,747,040** in business zakat:

- **RM498,000** was allocated to state zakat collection centres, benefiting various *asnaf* groups and enhancing their socio-economic status.
- The remaining **RM1,249,040** was allocated among **1,222** end recipients categorised under various initiatives, including the iTEKAD 2.0 programme, educational support and autism aid, assistance for medical centres, and contributions to several charity associations and homes.



*For more information, please refer to page 115 of AmBank Group's Sustainability Report 2024.*

# Business Review

## FINANCIAL HIGHLIGHTS

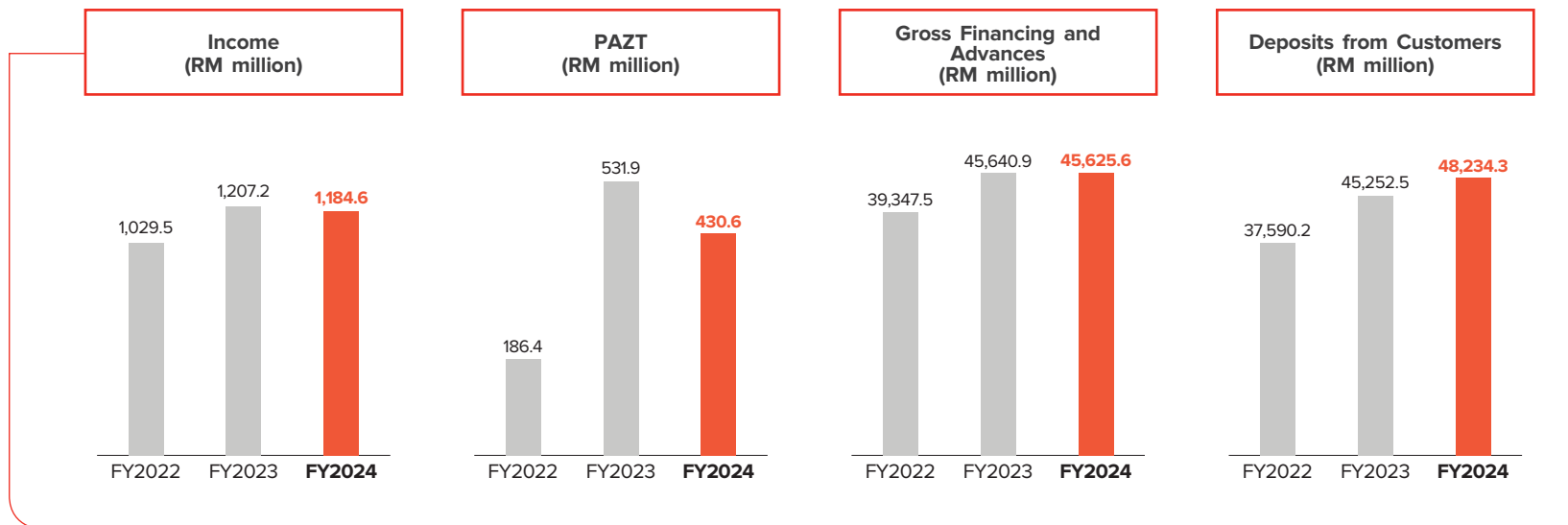
We focused on growing profitable products such as auto financing, personal financing, wealth management, and better penetration into the SME segment while managing the profitability of the mortgage portfolio.

**Profit after zakat and taxation (PAZT) recorded at RM430.6 million**, lower than RM531.9 million in FY2023 which was attributed to net funded margin (NFM) compression and relatively flat financing level.

**3.3% increase** in **current or savings account (CASA)** balances, driving CASA ratio to 38.1%, enhancing funding diversification.

**Gross impaired financing (GIF) ratio of 1.44%** compared to FY2023's **1.14%**, reflecting challenges faced by certain customer segments.

**CET1 and TCR (with TA) remained at 13.0% and 17.7%, respectively.**



**BUSINESS PERFORMANCE REVIEW**

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
Mass Segment	<ul style="list-style-type: none"> <li>Enhanced strategies and processes for Auto Financing-i.</li> <li>Offered Personal Financing-i, primarily tailored for employees in the public sector.</li> <li>Promoted AmWafeeq, an Islamic savings account, through the AmRewards 3.0 campaign with prizes totalling RM2.6 million.</li> <li>Supporting home ownership for our customers.</li> </ul>	<ul style="list-style-type: none"> <li>11% growth in the Auto Financing-i portfolio.</li> <li>31% growth in the Personal Financing-i for the employees in the public sector.</li> <li>16% of the total CASA balance was contributed by AmWafeeq-i.</li> <li>16% growth in the Mortgages-i portfolio.</li> </ul>
Small and Medium Enterprises (“SMEs”)	<ul style="list-style-type: none"> <li>Support Malaysian SMEs to grow.</li> <li>Provided financing options including BNM’s Low Carbon Transition Fund (LCTF) and High Tech and Green Facility (HTG) to support SMEs to transition towards low carbon practices.</li> <li>Participated in BNM’s financing schemes like SME Automation and Digitalisation Facility (ADF), Agrofood Fund (AF), and All Economic Sectors (AES) Facility, which offer favourable financing rates to facilitate SMEs’ growth and development.</li> </ul>	<ul style="list-style-type: none"> <li>16% growth in financing to SMEs.</li> <li>Awarded “Best Islamic SME Bank Malaysia 2023” by The Asset Triple A (3<sup>rd</sup> consecutive year) and Alpha Southeast Asia (4<sup>th</sup> year).</li> </ul>
Affluent Segment	<ul style="list-style-type: none"> <li>Provided wealth management services to affluent customers by distributing Islamic unit trusts and other Shariah compliant investment products.</li> <li>Build deeper relationships with our target customers and continue to embed our presence across all financial needs.</li> <li>Enhanced lifestyle propositions where we offered privileges to our affluent customer base through personalised financial solutions (e.g. credit card-i offering under AmSignature Priority Banking (AmSPB) segment).</li> </ul>	<ul style="list-style-type: none"> <li>A total of RM742 million asset under management (AUM) as at 31 March 2024.</li> <li>18% growth in affluent segment customer base.</li> <li>Growth of 34% in credit card-i offerings for AmSPB customers.</li> </ul>

**CHALLENGES AND MITIGATION**

CHALLENGES	MITIGATION
<p><b>Potential Defaults</b> Economic downturns affect customers’ capacity to fulfil payment commitments.</p>	<ul style="list-style-type: none"> <li>Overseeing customer onboarding in line with strategies and risk appetite.</li> <li>Implementing prudent credit underwriting standards and proactive collection strategies.</li> <li>Monitoring asset portfolio and composition.</li> <li>Engaging major underperforming customers to mitigate impairment risks.</li> </ul>
<p><b>Cybersecurity</b> The rise in digitalisation and online activity exposes our critical data and operations to cyber threats.</p>	<ul style="list-style-type: none"> <li>Implementing the Cyber Resilience Policy to reinforce cybersecurity with a multi-layered approach, fortifying our capacity to prevent and rebound from cyber-attacks and disruptions to business operations and services.</li> <li>The Security Incident Response Team to swiftly address and recover from cyber risk incidents, covering identification, protection, detection, response, and recovery measures.</li> </ul>
<p><b>Shariah Risks</b> Shariah non-compliance (SNC) necessitates income purification and poses a potential threat to our business if it remains unabated.</p>	<ul style="list-style-type: none"> <li>Complying with the BNM Shariah Governance Framework, including:                             <ul style="list-style-type: none"> <li>1<sup>st</sup> Line of Defence: Shariah Management Department serves followed by the;</li> <li>2<sup>nd</sup> Line of Defence: Shariah Risk Management and Shariah Review,</li> <li>3<sup>rd</sup> Line of Defence: Shariah Audit.</li> </ul> </li> <li>Implementing policies, guidance, and control measures to mitigate SNC risks, including comprehensive training and awareness programmes.</li> </ul>

# Business Review



## THE ASSET TRIPLE A

- Best Islamic SME Bank Malaysia 2021, 2022 and 2023.
- Islamic Banker of the Year 2023.
- Best Sustainability Sukuk – Transport 2023 (Shariah Adviser).
- Best Securitisation Sukuk 2023 (Shariah Adviser).
- Renewable Energy Deal of the Year 2023 (Financier).
- Transport Deal of the Year 2023 (Shariah Adviser).



### ALPHA SOUTHEAST ASIA

#### Best Islamic Finance SME

Bank Malaysia 2019, 2020, 2021 and 2023.



### GLOBAL ISLAMIC FINANCE AWARDS (“GIFA”)

#### Best Islamic Wholesale

Banking Solutions Award 2021 and 2023.



GIFA **CEO of the Year** 2021, 2022 and 2023.



### GLOBAL BUSINESS REVIEW MAGAZINE AWARD

**Best Islamic Bank** Malaysia 2022 and 2023.



**Best Islamic Banking CEO** of the Year Malaysia 2023.



**Best Islamic CSR** Bank Malaysia 2023.



## OUTLOOK

In FY2025, AmBank Islamic is set to refine its strategy with a focus on expanding into key areas such as the mass market segment, profitability growth of large financing, green and agrifood sectors.

For the mass market segment, our strategy would be tailored to fit the demographic landscape of our customer base. Our approach will target customers at various life stages, such as graduates and young professionals.

AmBank Islamic would lead and steer the Group’s focus on the green and agrifood sectors, targeting value chain segments that are increasingly leaning towards sustainable practices.

Concurrently, we will enhance our funding structure by implementing sustainable funding initiatives and launching targeted deposit programmes that support our overall strategic objectives.

# Life Insurance Business



**RANGAM BIR**  
Chief Executive Officer

## WHO WE ARE AND WHAT WE DO

At AmMetLife, we strive to be one of Malaysia’s best insurers by addressing the diverse needs of our customers at various life stages through innovative solutions. We offer relevant and targeted products and solutions for families, individuals and employees of our corporate customers to achieve financial security, enabling them to pursue more from life with peace of mind.

Our comprehensive range of life and health insurance solutions covers protection, savings, medical, retirement, and credit-related insurance needs, distributed through nearly 200 AmBank and AmMetLife branches nationwide. Additionally, our network of authorised life insurance agents extends our reach across Malaysia.

As a forward thinking insurer, we invest into growing the skills and capabilities of our people to bring the best of AmMetLife to our customers.

## OUR KEY FOCUS AREAS

### 01 Expanding distribution presence through partnerships

- Diversify AmBank Group partnership to meet financial needs of affluent and business banking customer segments.
- Revitalise Agency channel with a robust management structure, focusing on quality recruitment to ensure professionalism.
- Strengthen and consolidate Employee Benefits channel by targeting new corporate partnerships and building loyalty with business renewals.
- Build new Digital Partnerships and Direct Distribution platforms.

### 02 Digitalising and transforming operations

- Simplify and streamline sales and operational processes and elevate customer experience leveraging digital technology.

### 03 Product innovation and customer strategy

- Develop and implement product strategies oriented towards targeted customer segments to address core concerns.
- Realign marketing and customer communication to reach targeted customer segments.
- Establish customer strategy based on a well-defined segmentation model leveraging data analytics and insights.

# Business Review

## HIGHLIGHTS OF 2024

### BUSINESS HIGHLIGHTS

In FY2024, AmMetLife strengthened its position as a leader in the Malaysian insurance industry, by introducing new customer propositions, driven by digital innovations, enhanced customer satisfaction and robust financial performance. Our dedication to financial protection, customer-centric service and sustainability initiatives underscores our commitment to excellence.

#### Corporate Milestones

Celebrated our **50<sup>th</sup> anniversary**, marking **five decades** of unwavering commitment to providing financial protection to Malaysians.



Established our **14<sup>th</sup> AmMetLife branch**, opening a new, **fully paperless office** at AmCorp Tower.



#### Digital Innovation

Launched **i.AmMetLife mobile app**, enabling customers to **seamlessly navigate** their **insurance policies** and stay informed about their existing coverage.



Introduced **digital medical reimbursement claims** for the convenience of our customers.

#### Customer Experience

Improved customer satisfaction with a **6-point increase** in the Insurance Industry's Customer Satisfaction Index and an **11-point boost** in the Net Promoter Score, according to the **2022/2023 NielsenIQ customer experience study report**.

Paid out **RM243,887,492** in individual and group claims for **FY2024**, demonstrating our commitment to delivering reliable financial support to our customers.



### SUSTAINABILITY HIGHLIGHTS

Sustainability is vital to AmMetLife as it aligns with our core values and long-term vision of creating a positive impact. It reflects our commitment to advancing together, ensuring a positive legacy for future generations.

#### Internal Sustainability Efforts

Transitioned to digital brochures in **QR format** to **minimise printing** of product brochures.



Enabled **100% paperless** claim submission through the AmMetLife Health mobile app.



Upgraded office lighting and branch signboards to **energy-efficient LED fixtures**.



Received the 2023 **MYAmCham Cares Award** for excellence in sustainability initiatives.



#### Community Outreach Initiatives

Organised **annual beach clean-up**, involving nearly **100 employees**, in collaboration with **Reef Check Malaysia** for **International Coastal Clean-up Day**.







Partnered with **Free Tree Society's Rewild Malaysia tree giveaway** programme, distributing over **350** native trees to schools, community gardens, indigenous settlements and individuals.

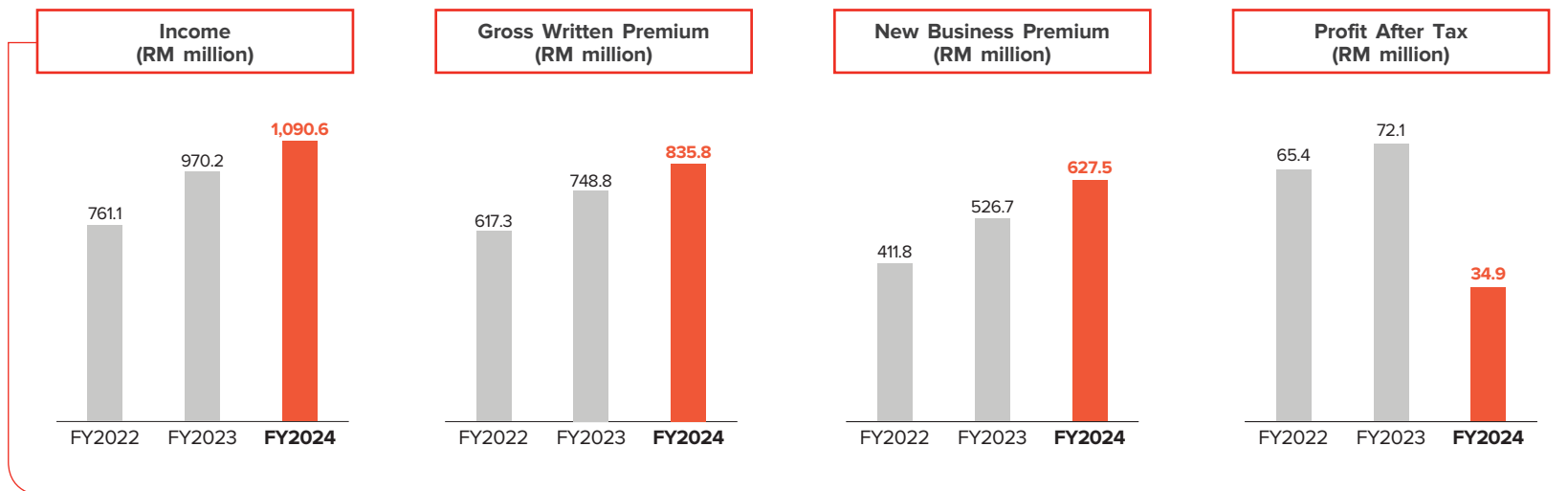


**FINANCIAL HIGHLIGHTS**

In FY2024, AmMetLife demonstrated steady business performance, reflecting robust and sustainable growth across key distribution channels. Several factors contributed to the company’s strong performance:

 <p>Significant growth in the Bancassurance business, primarily driven by the introduction of new products tailored to meet the needs of AmBank Group’s affluent customers and business banking segment.</p>	 <p>Continued strong momentum in the Employee Benefits distribution channel through the expansion of corporate partnerships and tailored solutions with seamless service delivery.</p>	 <p>Improvement in business quality through higher persistency, productivity and efficiency in our operations.</p>	 <p>Enhanced operational efficiency translated into better customer experience with improved turnaround times.</p>
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<p><b>12.4% YoY growth to RM1.1 billion</b> in Revenue</p>	<p><b>11.6% YoY growth to RM835.8 million</b> in Gross Written Premium</p>	<p><b>19.1% YoY growth to RM627.5 million</b> in News Business Premium</p>
<p><b>11.3% YoY increase to RM143.9 million</b> in Management Expenses mainly arising from depreciation of previous IT investments</p>	<p><b>RM4.1 billion in Assets Under Management (AUM)</b></p>	<p><b>*Profit After Tax of RM34.9 million</b>, excludes impact of one-off items.</p> <p>The business reported a Loss After Tax of RM1.2 million due to one-off items such as increase in actuarial reserves and claims reported from the previous year.</p>



All reported FY2024 numbers are unaudited and based on MFRS 4 format.

# Business Review

## BUSINESS PERFORMANCE REVIEW

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
Purpose-driven Business	<ul style="list-style-type: none"> <li>• AmMetLife has shifted its product focus from product-led to purpose-led through two core pillars:                             <ol style="list-style-type: none"> <li>a) Health Solutions: We promote healthy behaviour to enhance customer well-being and health span.</li> <li>b) Wealth Solutions: We empower customers to achieve their financial goals, from wealth accumulation to distribution, offering robust platforms for every step of their journey.</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Product Solutions Expansion: Launched i.Am Wealth Builder and i.Am Wealth Achiever to cater to the needs of the mass affluent and high net worth individuals in the Bancassurance and Agency channels.                             <ol style="list-style-type: none"> <li>a) i.Am Wealth Builder: A limited investment-linked insurance plan that helps customers build wealth and secure a lasting financial legacy for their loved ones.</li> <li>b) i.Am Wealth Achiever: A traditional Non-Participating Limited premium payment endowment plan with guaranteed loyalty rewards and maturity benefit, complemented by a potential upside Booster Fund.</li> </ol> </li> <li>• Corporate Solutions Enhancements:                             <ol style="list-style-type: none"> <li>a) Extended Covid-19 benefit under Group Hospital and Surgical Plan.</li> <li>b) Enhanced Group Hospital &amp; Surgical and Group Outpatient to include Chiropractic and Traditional Chinese Medicine.</li> </ol> </li> </ul>
Operational Efficiency and Customer Experience	<ul style="list-style-type: none"> <li>• Enhanced operational efficiency by optimising processes and leveraging digital technology to elevate customer experience.</li> </ul>	<ul style="list-style-type: none"> <li>• Launched i.AmMetLife mobile app and established a dedicated customer care team to manage customer feedback.</li> <li>• Introduced digital medical reimbursement claims for seamless customer experience.</li> </ul>
Marketing and Customer Communication	<ul style="list-style-type: none"> <li>• Enhanced marketing strategies and customer communications by creating purpose-driven product brochures and refining customer search and communication methods to elevate the customer experience.</li> <li>• Expanded our digital footprint through various customer touchpoints.</li> <li>• Revamped and updated AmMetLife's corporate website for improved user experience.</li> <li>• Built brand presence through Search Engine Optimisation (SEO) on Google.</li> <li>• Established a strong digital brand presence on social media platforms.</li> </ul>	<ul style="list-style-type: none"> <li>• AmMetLife branches now feature QR code product brochures, providing a paperless experience while reducing print costs and waste.</li> <li>• Customer digital journeys are tracked and managed following the corporate website revamp.</li> <li>• Highest SEO keyword ranking over the last three quarters for FY2024 owning 5 keywords.</li> <li>• Secured top three position for 15 additional insurance related keywords.</li> <li>• Social media engagement rates (likes/followers) for Facebook peaked at 100% in engagement activities. Our social media followers continue to grow steadily month-on-month.</li> </ul>

## OUTLOOK

In the coming year, AmMetLife remains dedicated to expanding our market presence and reach through our Bancassurance partnership, building loyalty with our corporate customers and nurturing business relationships with sales intermediaries. We are committed to providing comprehensive support, platforms, and solutions tailored to address the diverse health, wealth and protection needs of our customers. By prioritising the expansion of digital capabilities, we continue to innovate sales distribution and boost the overall customer experience, all while improving operational efficiencies. Furthermore, our unwavering commitment to product innovation ensures that we continuously adapt to meet the evolving needs of various customer segments.



# Family Takaful Business



**NOOR AZAM BIN MOHD YUSOF**  
Chief Executive Officer

## WHO WE ARE AND WHAT WE DO

AmMetLife Takaful Berhad offers a wide range of Shariah-compliant Takaful solutions to cater to the diverse financial needs of our customers. Our products are distributed through an extensive network of AmBank branches and a dedicated team of agents. This robust infrastructure enables the company to ensure comprehensive coverage and exceptional service delivery to its customers.

Guided by a steadfast commitment to ethical standards and customer centricity, we are dedicated to delivering exceptional value and service to our clients. By leveraging innovation and technology, we aim to empower our customers to achieve their financial aspirations.

## OUR KEY FOCUS AREAS

### 01 Shariah Compliance and Ethical Standards

Adhere to strict Shariah principles and ethical standards in all aspects of business operations, product development, and customer interactions.

### 02 Distribution Channel Optimisation

Expand and enhance distribution channels to broaden our customer base, improve accessibility, and maximise market penetration.

### 03 Customer-Centric Approach

Place customers at the heart of all operations, processes, and decisions to deliver exceptional experiences and foster long-term relationships.

# Business Review

## HIGHLIGHTS OF 2024







### BUSINESS HIGHLIGHTS

In FY2024, AmMetLife Takaful leveraging under the AmBank Group focused on being a reliable Takaful provider to meet the needs of today’s customers. We expanded our comprehensive range of Shariah-compliant financial solutions and enhanced our customer-centric approach, delivering exceptional service, personalised advice, and efficient claims processing to individuals, families, and businesses.

<b>Market Presence</b>	<p>The company’s market presence thrives through an <b>extensive network</b> of AmBank Group Branches and <b>dedicated agents ensuring comprehensive coverage</b> and <b>service excellence</b>.</p>	
<b>Comprehensive Product Offering</b>	<p>AmMetLife Takaful product provides a <b>wide range</b> of <b>solutions</b> to <b>meet customers’</b> and their <b>loved ones’</b> financial and protection needs.</p>	
<b>Customer-Centric Approach</b>	<p><b>Prioritised exceptional service</b> and <b>long-lasting customer relationships by offering personalised advice</b>, efficient claims processing, and a positive overall experience, their customer-centric approach significantly enhances satisfaction and loyalty.</p>	

### SUSTAINABILITY HIGHLIGHTS

Sustainability aligns with our core values and long-term vision of creating positive impacts. Our Shariah-compliant approach inherently supports sustainability, reflecting our commitment to societal well-being and environmental stewardship, ensuring a positive legacy for future generations.

<p><b>Ethical Investments</b></p>	<p><b>Prioritised ethical investments</b> aligned with <b>Islamic principles</b> and socially responsible practices.</p>		<p><b>Focused on sectors promoting positive social and environmental impacts</b>, such as renewable energy, healthcare, and education for investments.</p>		<p><b>Guided investment decision-making</b> with ESG criteria, ensuring a commitment to sustainability.</p>	
<p><b>Product Innovation for Social Impact</b></p>	<p><b>Developed Takaful products</b> addressing social and environmental challenges.</p>		<p>Offered <b>tailored products</b> for <b>underserved communities</b>, promoting financial inclusion.</p>		<p><b>Integrated social impact indicators</b> and <b>ESG factors</b> into product development and underwriting for responsible coverage.</p>	

Stakeholder  
Engagement and  
Education

**Engaged stakeholders** to raise awareness of Takaful and sustainable practices.



**Provided financial literacy programmes** to enhance customer understanding and empower informed financial decisions.



**FINANCIAL HIGHLIGHTS**

In FY2024, AmMetLife Takaful achieved steady financial results driven by strategic initiatives and steadfast commitment to ethical investments and sustainable practices.

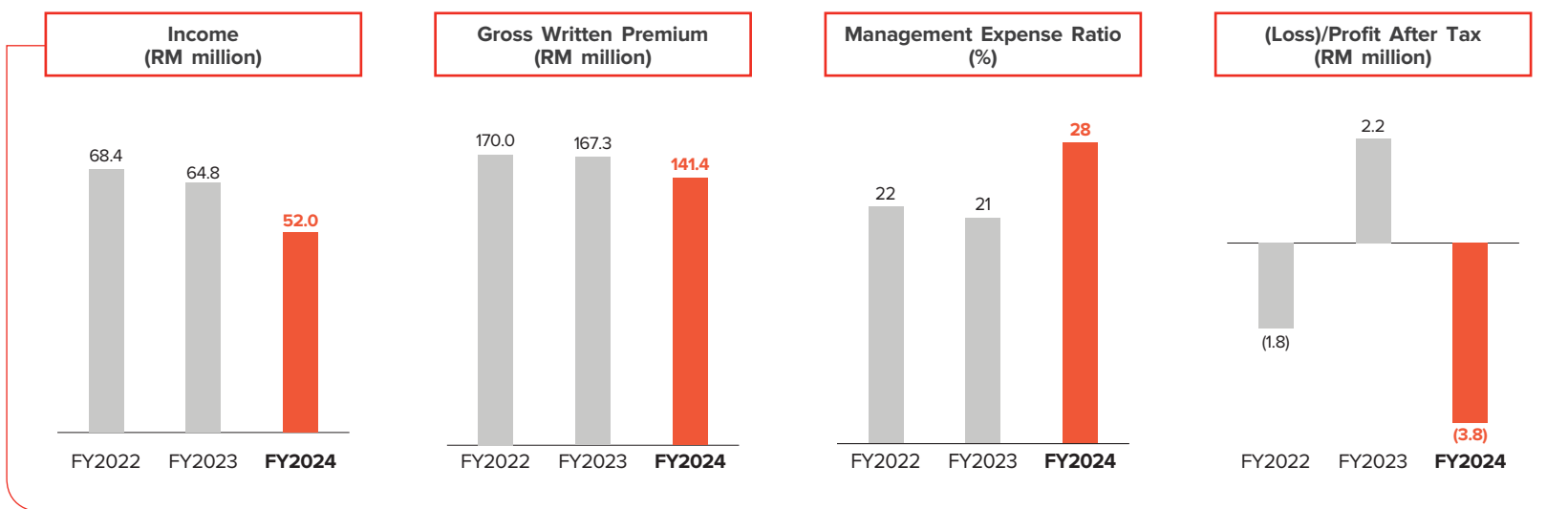
**Achieved RM141.4 million in total gross written contribution and RM42.7 million** in Wakalah income.

**Sustained consistent investment income** ensuring financial stability and bolstering overall performance.

**Maintained a positive surplus sharing for FY2024**, showcasing profitability in managing Participant Risk Funds.

**Experienced a 20% decline in the company's income for FY2024 with a total income of RM52.0 million, compared to RM64.8 million in FY2023.** This was primarily due to a decline in the retail credit business, driven by the impact on mortgage and ASB financing at AmBank. This directly affected the business volume for AmMetLife Takaful.

**Total expenses decreased 10% YoY to RM55.5 million**, due to effective cost-saving initiatives.



All reported FY2024 numbers are unaudited and based on MFRS 4 format.

# Business Review

## BUSINESS PERFORMANCE REVIEW

Strategic Focus	KEY INITIATIVES	ACHIEVEMENTS
Agility and Flexibility	<ul style="list-style-type: none"> <li>Developed a customer portal that revolutionises Takaful management with digital eCerts, offering secure, real-time access with Multi-Factor Authentication (MFA) for enhanced efficiency, reduced admin tasks, and environmental benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Maintained adaptability to market changes, responsiveness to feedback and trends, and ongoing evaluation of the business environment for opportunity and challenge identification.</li> </ul>
Collaboration and Partnerships	<ul style="list-style-type: none"> <li>Broadened reach, accessed new markets, and boosted market penetration by partnering with government-linked companies (GLCs), corporate agents, brokers, and digital Takaful providers.</li> </ul>	<ul style="list-style-type: none"> <li>Forged strategic partnerships with GLCs, like <i>Majlis Amanah Rakyat (MARA)</i>, <i>Perbadanan Usahawan Nasional Berhad (PUNB)</i>, and <i>Pelaburan MARA Berhad (PMB)</i>, enhancing market reach and developing integrated solutions.</li> <li>Bolstered market penetration and growth through collaborations with BIMA Malaysia and Telcos.</li> </ul>
Leveraging Digital Transformation	<ul style="list-style-type: none"> <li>Technology Platforms and Digital Ecosystem to improve operational efficiency, enhance customer experiences, and expedite certificate issuance, benefiting both partners and customers.</li> </ul>	<ul style="list-style-type: none"> <li>AmMetLife Takaful has successfully streamlined sales and servicing processes in both the bancatakaful and agency distribution channels through initiatives like BancaPOS (AmBank Bancatakaful point of sale) and i-EASY (agency point of sale). These technology-driven platforms enhance operational efficiency, improve customer experiences, and expedite certificate issuance, benefiting both partners and customers alike.</li> </ul>

## CHALLENGES AND MITIGATION

### CHALLENGES

#### Fluctuations in Business Landscape

Economic downturns, market shifts, changing consumer behaviour, and industry challenges led to decreased spending, demand, and increased competition, resulting in lower revenue, reduced profits, and financial struggles.

#### Decline in Retail Credit Business

The 35% decline in the overall credit business, notably in Mortgage Reducing Term Takaful (MRTT), directly led to a 45% revenue drop from FY2024 targets.

#### Impact on Wakalah Income

A decline in retail credit directly affected AmMetLife Takaful's Wakalah income, exacerbating deviations from planned targets.

### MITIGATION

- Diversify revenue streams and innovate product offerings for sustained income growth.
- Revamp marketing and sales tactics to boost customer acquisition and loyalty.

- Optimise operations for increased efficiency and cost reduction.

- Strengthen risk management and devise robust contingency plans to mitigate risks effectively.

## OUTLOOK

In the coming year, we will leverage our robust market presence and esteemed brand reputation to solidify our position as the preferred choice for customers seeking Takaful services. We plan to expand our diverse portfolio, which includes family, investment-linked, and group Takaful products, to provide tailored solutions that meet the evolving financial needs of individuals, families, and businesses.

We will continue prioritising customer satisfaction and loyalty through personalised services and efficient claims processing, reinforcing our customer-centric approach. Our commitment to innovation and excellence will drive our efforts to enhance service delivery and product offerings, ensuring we remain at the forefront of the industry.