

# 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.

<b>Ethical Investments</b>	<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>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.

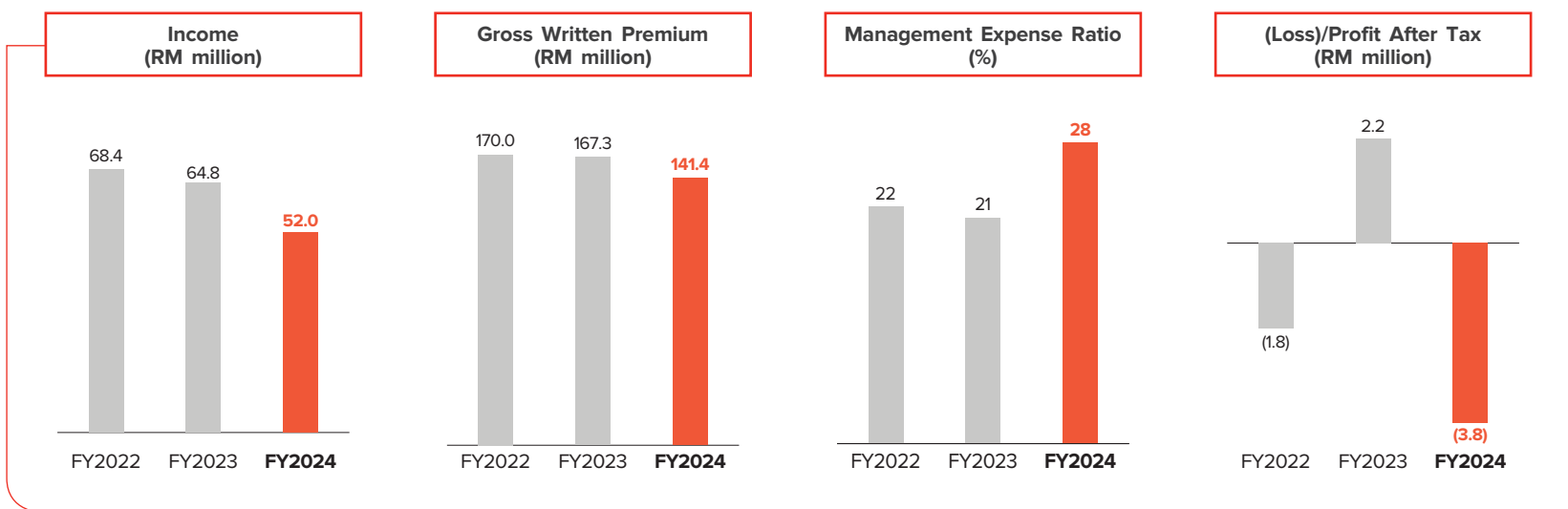
**Achieved RM141.4 million in total gross written contribution and RM42.7 million** in Wakalah income.

**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.