



# LOOK FORWARD WITH CONFIDENCE

47TH ANNUAL GENERAL MEETING  
ALLIANZ MALAYSIA BERHAD  
(197201000819 (12428-W))

23 JUNE 2021

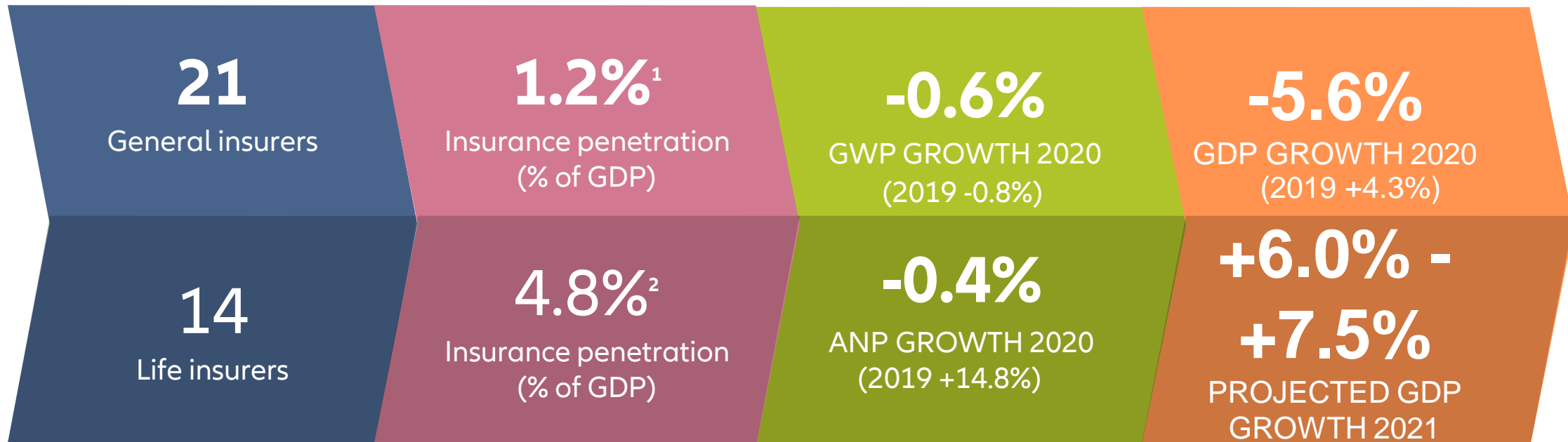
**Allianz** 

# GROUP PERFORMANCE

# 01

# THE OUTLOOK FOR THE INSURANCE INDUSTRY IS EXPECTED TO REMAIN CHALLENGING AMIDST WEAK CONSUMER SENTIMENT AND UNCERTAIN ECONOMY RECOVERY ARISING FROM THE COVID-19

## Malaysian Conventional Insurance Industry



+ Life insurance & Family Takaful coverage of 41.0%<sup>2</sup>

Data source:-

1 General defined as Gross Written Premium / Gross Domestic Product, Life defined as total inforce policies premium / Gross Domestic Product

2 Percentage of Malaysians who own at least one individual life insurance or family takaful policy in 2019 (Source: Bank Negara Malaysia)

# SOUND FUNDAMENTAL BUSINESS TO OVERCOME THE CHALLENGES

FY 2020

**RM 5.95bn**

+ 7.4% (2019 +6.8%)

**Operating revenue**



**RM 5.31bn**

+ 7.8% (2019 +9.3%)

**GWP**



**RM 729.6mn**

+5.4% (2019 +33.4%)

**Profit before tax**



ALIM	RM 309mn	- 9.4%
AGIC	RM 432mn	+19.2%
AMB	RM (11mn)	-1.8%

**RM 2.28**

+11.6% (2019 +21.4%)

**Basic earnings per  
ordinary share**



**RM 0.58**

- 10.8% (2019 +62.5%\*)

**Dividend Per  
Ordinary Share**



\* Include special dividend in 2019

**RM 21.9bn**

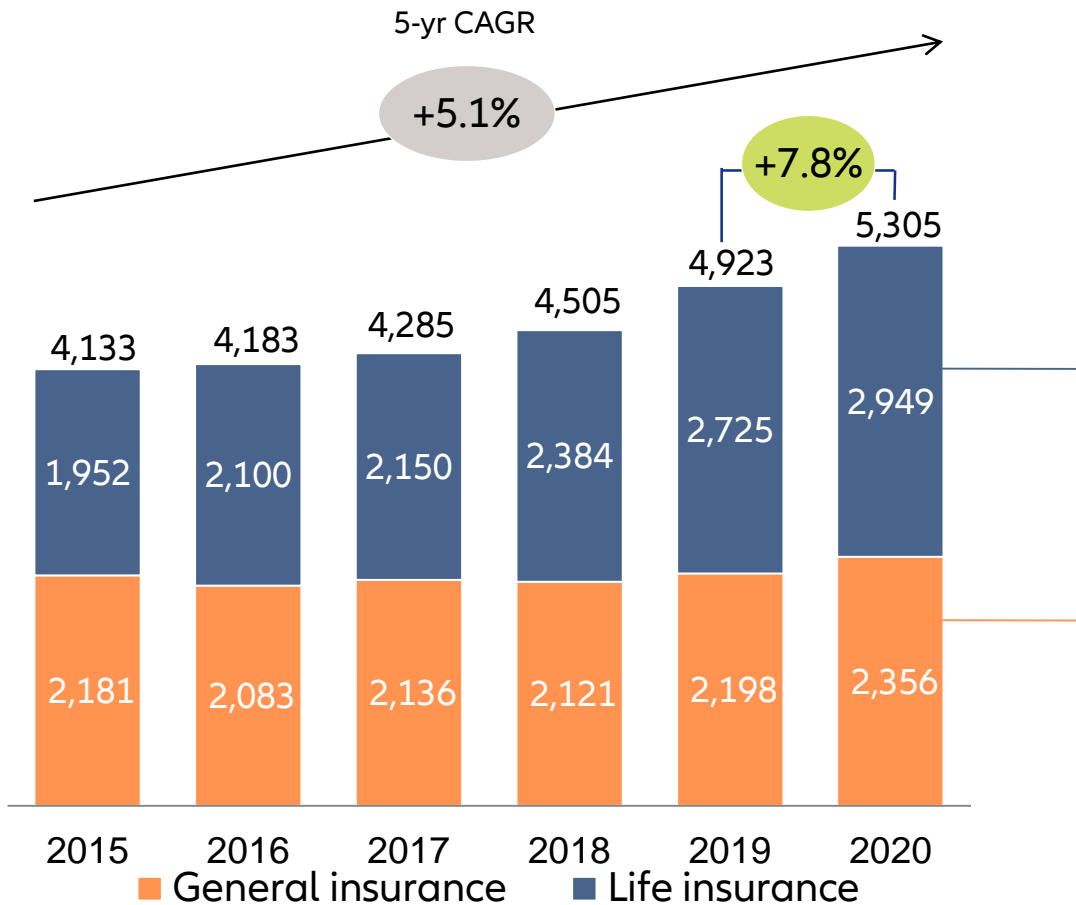
+ 11.1% (2019 +13.2%)

**Total assets**



# STABLE BUSINESS GROWTH DESPITE THE PANDEMIC

## Gross Written Premium (GWP) (RM' mil)



**Allianz Life**  
+8.2% y-o-y growth

**Allianz General**  
+7.2% y-o-y growth

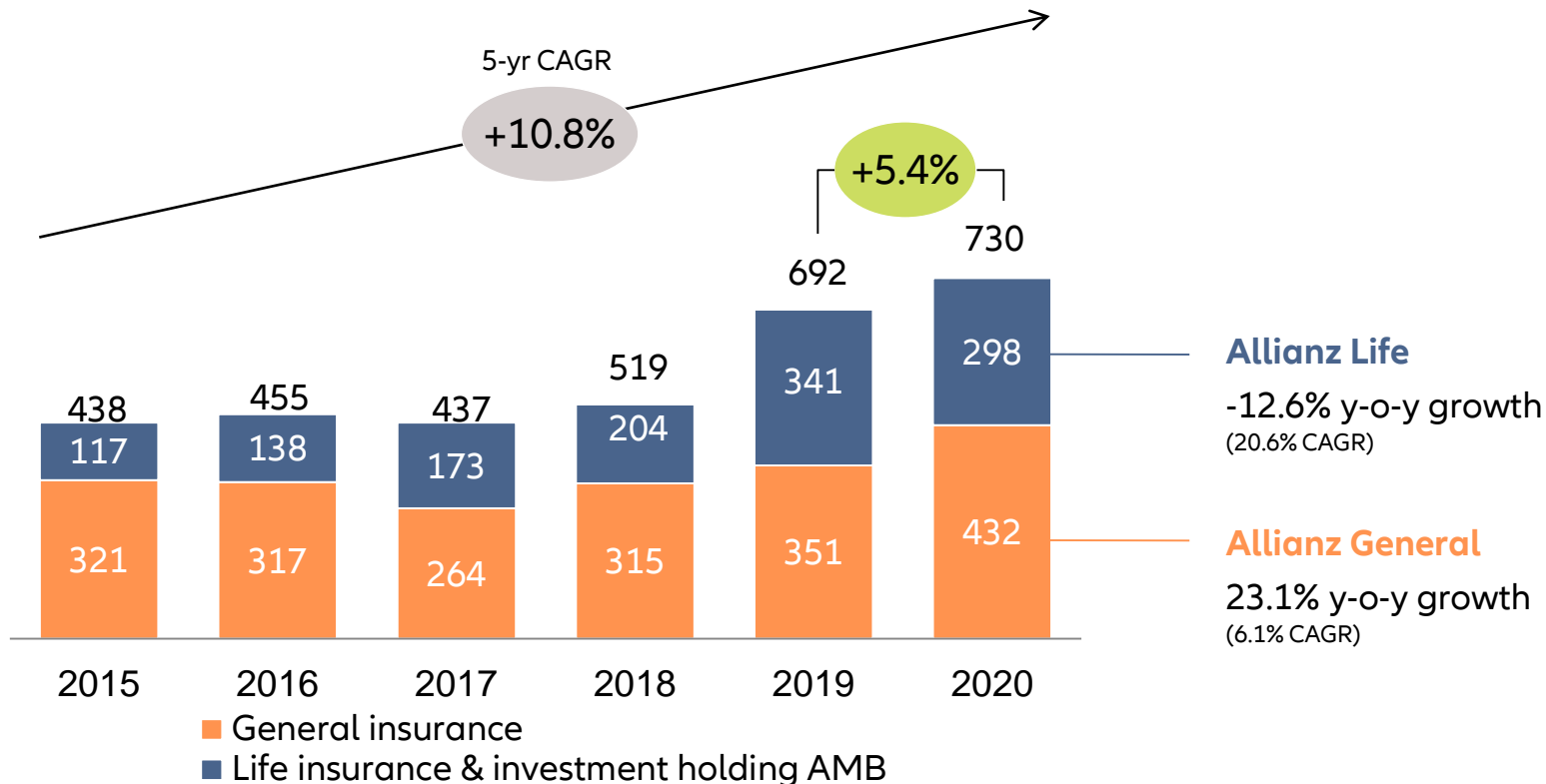
Allianz Life maintained its top 5 position in ANP, with 7.7% market share<sup>1</sup> (2019 8.5%)

Allianz General maintained its market leader position with 13.3% market share<sup>2</sup> (2019 12.3%)

1 Source: LIAM industry statistics Jan-Dec 2020  
2 Source: ISM Market Performance Report Jan-Dec 2020

# RESILIENT AND DIVERSIFIED BUSINESS PORTFOLIO TO PROTECT GROUP'S EARNINGS

## Profit before Tax (RM' mil)



**Allianz Life**  
 -12.6% y-o-y growth  
 (20.6% CAGR)

**Allianz General**  
 23.1% y-o-y growth  
 (6.1% CAGR)

Maintain strong discipline in pricing & prudent expense management

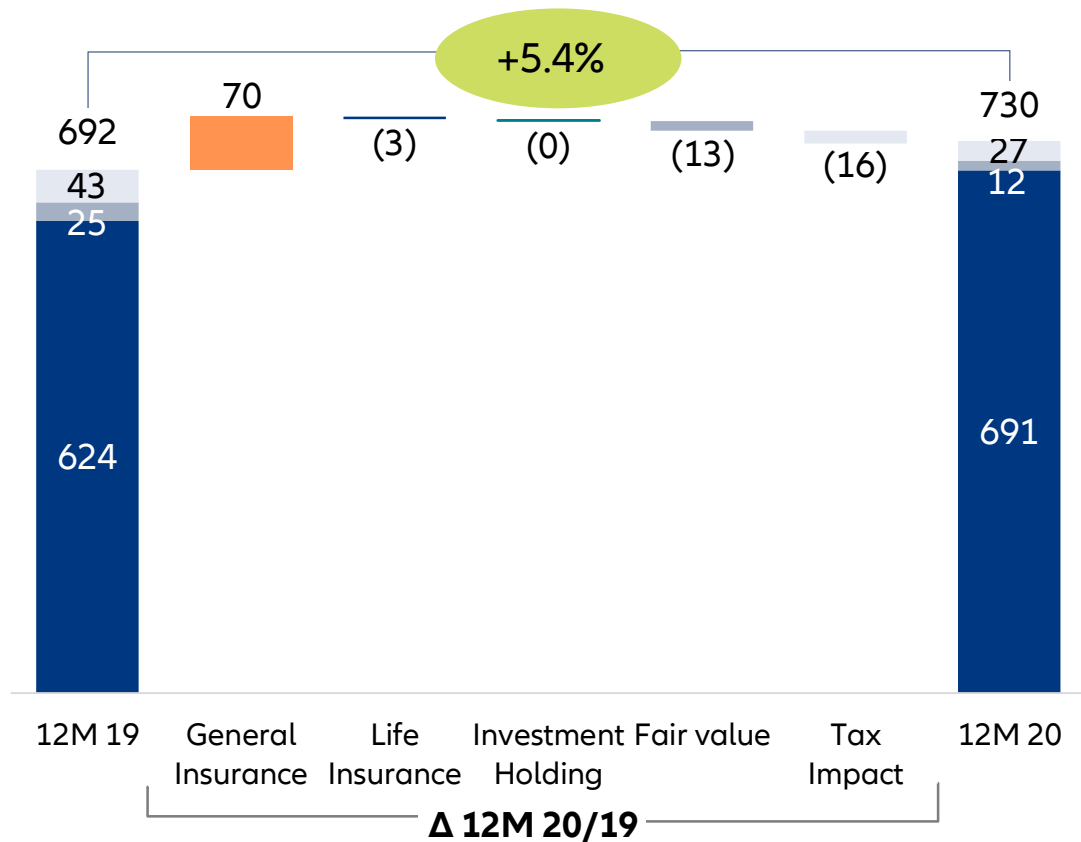
Deliver healthy and sustainable margins. Achieved NBV of RM239mn in 2020

Push for profitable mix & claims management to deliver in a de-tariff environment. Achieved Net Combined Ratio of 88.4%.

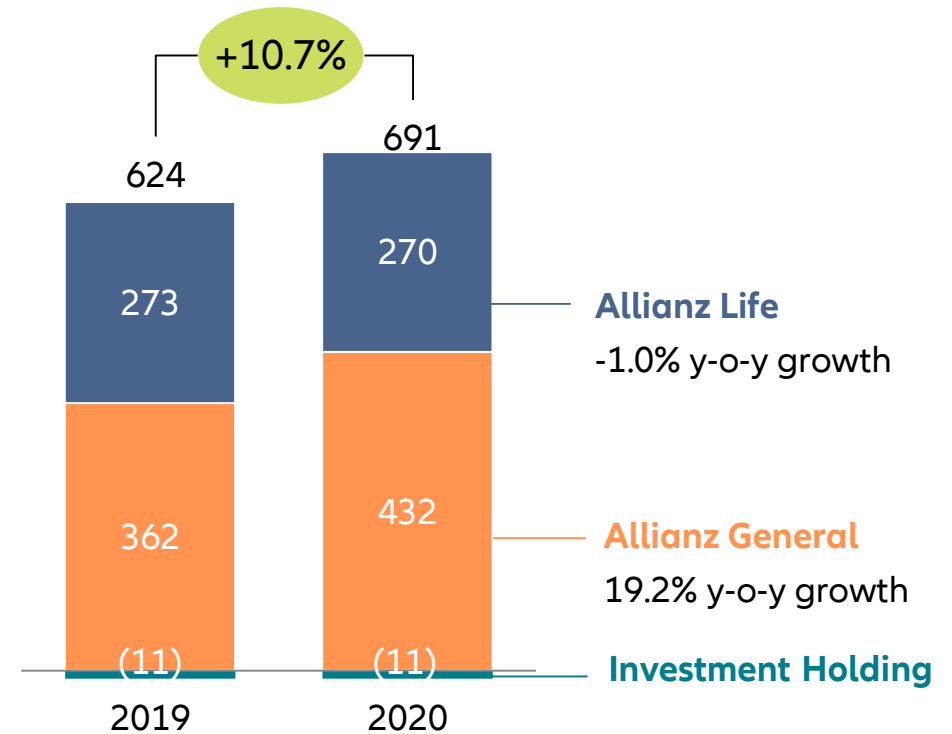
Note: investment holding presented together with Life Segment from 2020 onwards.

# DELIVERED HIGHER CORE PROFIT. STRONG UNDERWRITING RESULTS FROM GENERAL INSURANCE SEGMENT AND PROFITABLE LIFE PROTECTION BUSINESS

Profit before Tax (RM' mil)



Core profit excluding fair value and tax impact (RM' mil)



## OUR SOLID TRACK RECORD

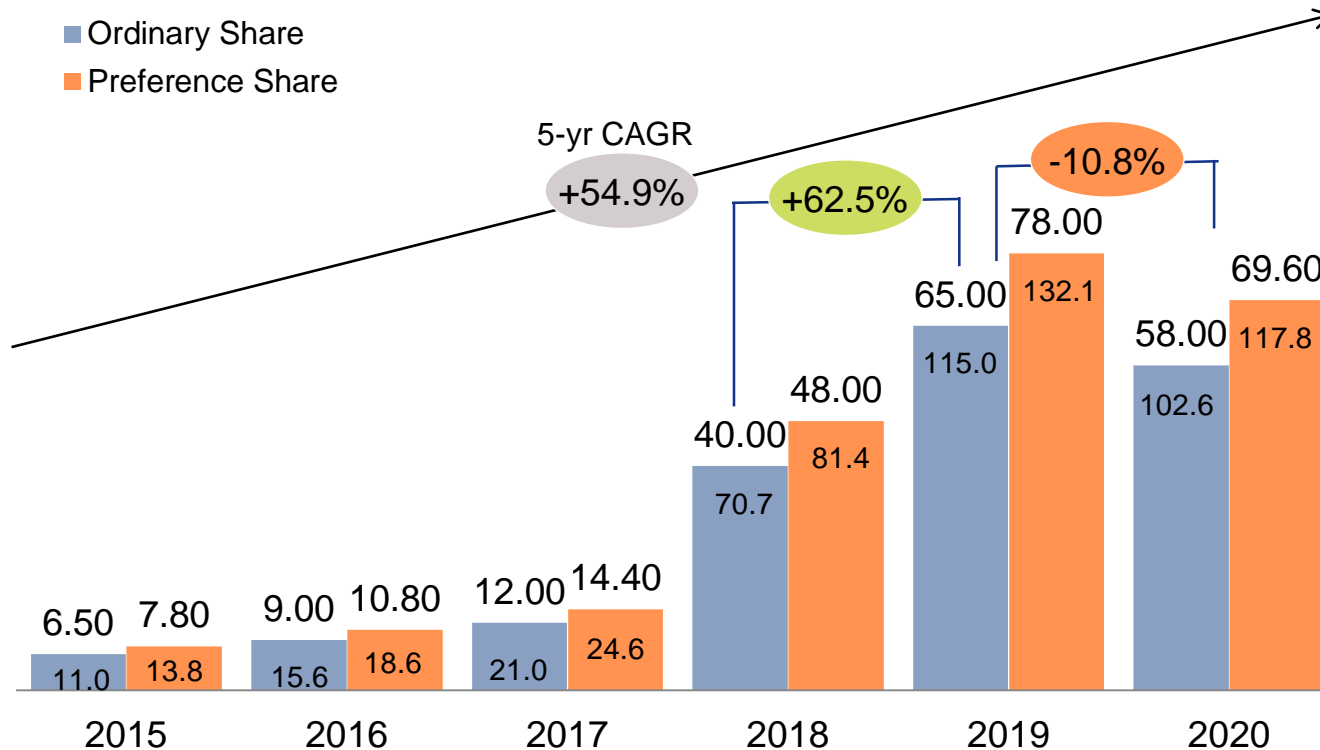
RM'mil	2017	2018	2019	2020	3 YEAR CAGR (2017-2020)
Gross Written Premiums	4,285.4	4,504.8	4,922.5	5,305.2	7.4%
Management Expenses	603.8	554.9	618.0	641.4	2.0%
Expense Ratio (Non Life)	20.3%	18.4%	20.2%	19.8%	0.5 pts
Expense Ratio (Life) <sup>1</sup>	12.1%	10.0%	10.5%	9.4%	2.7 pts
Local Consolidated PBT	437.3	519.0	692.1	729.6	18.6%
Total Assets	16,596.7	17,404.6	19,710.1	21,896.7	9.7%
Shareholders' Equity	3,135.5	3,361.7	3,673.6	4,031.5	8.7%
Dividends declared	45.65	152.04	247.05	220.44	69.0%
Diluted earnings per ordinary share (sen)	83.28	109.09	142.29	150.29	21.7%

Note 1 : Expense ratio for Life insurance segment weighted for 10% of Single Premium.



# MAINTAIN STRONG SHAREHOLDERS' DIVIDEND RETURN

## Dividend Per Share (RM sen)



\*All figures shown within the column bar above are dividend amount in RM'mil.

	2018	2019	2020
Dividend Yield	3.1%	4.4%	4.3%
Payout Ratio	40.3%	50.2%	42.4%

Dividend policy of minimum payment ratio of 30% is subject to:

Meeting regulatory capital requirements to correspond with growth of insurance business

Setting aside sufficient capital to finance new business growth and expansion

Obtaining regulatory approval for dividends from subsidiaries

# GENERAL BUSINESS

# 02

# ALLIANZ GENERAL: MAINTAINING MARKET LEADERSHIP

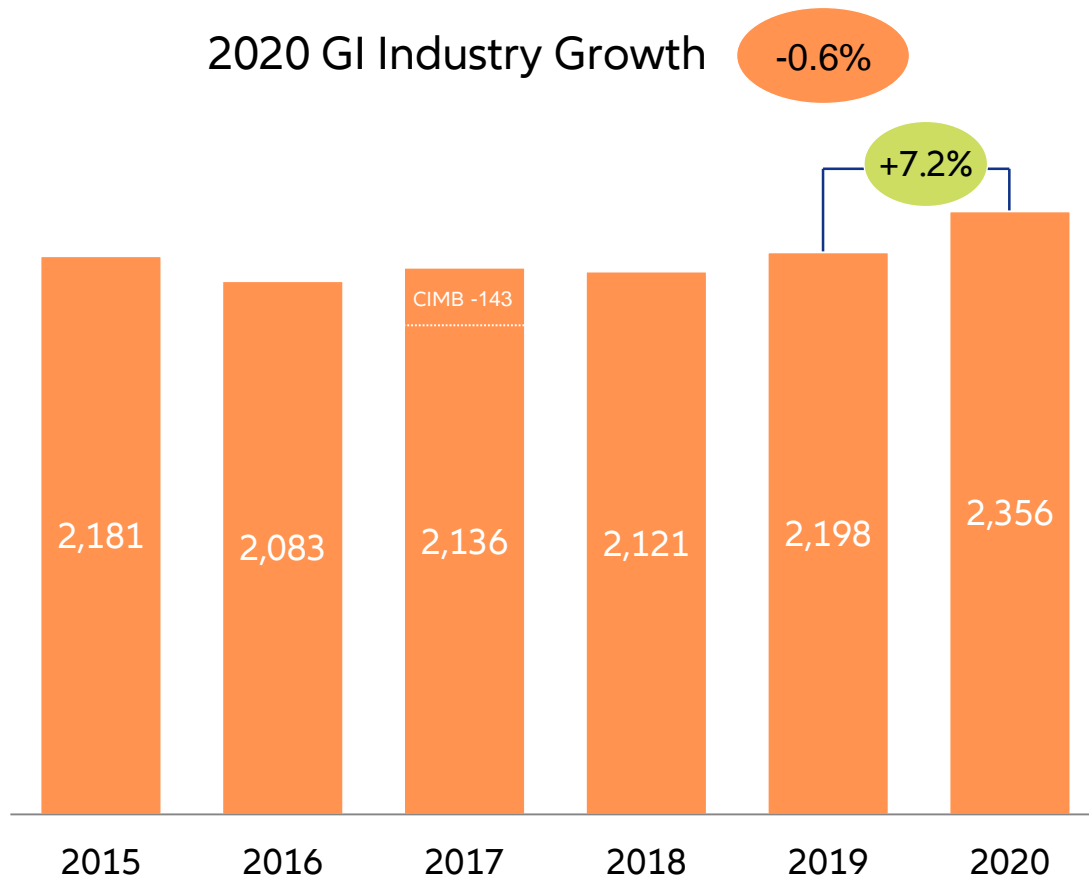
KPIs	ALLIANZ GENERAL 12M 2020	ALLIANZ GENERAL 12M 2019	Industry <sup>1</sup> 12M 2020	Takaful <sup>1</sup> 12M 2020
<b>GWP growth</b>	7.2%	3.6%	-0.6%	4.6%
<b>Commission ratio</b>	13.1%	11.7%	9.9%	8.4%
<b>Claims ratio</b>				
▪ Overall	55.5%	59.1%	52.9%	55.7%
▪ Motor	59.6%	63.6%	62.5%	68.2%
<b>Expense ratio</b>	19.8%	20.2%	25.7%	30.9%
<b>Combined ratio</b>	88.4%	91.0%	88.5%	94.9%
<b>Market Share<sup>1</sup></b>	<b>13.3%</b>			
<b>Market Rank<sup>1</sup></b>	<b>1</b>			

Notes:

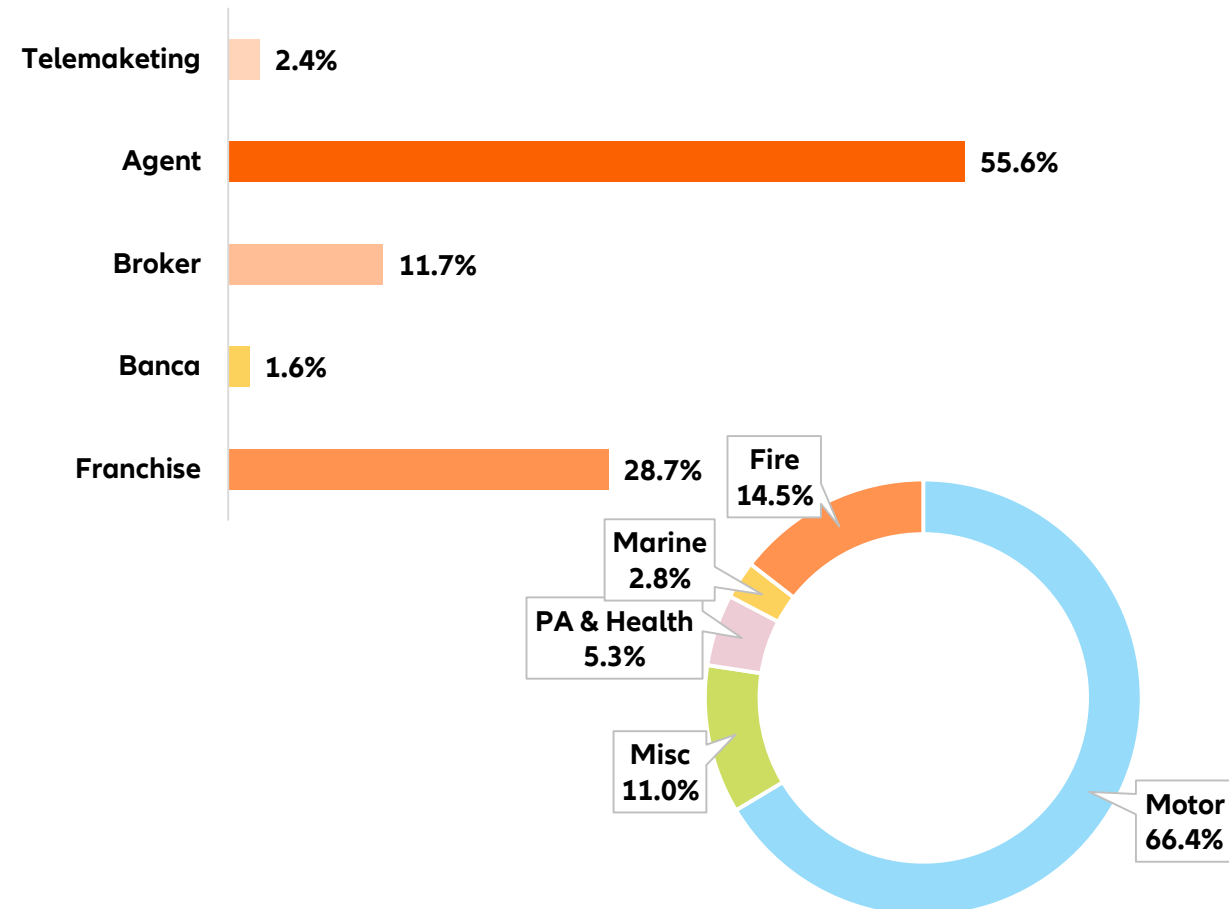
1) Source: ISM Market Performance Report Jan-Dec 2020

# OUTPERFORMING INDUSTRY AMIDST SUBDUED GROWTH ENVIRONMENT

## Gross Written Premium (RM' mil)

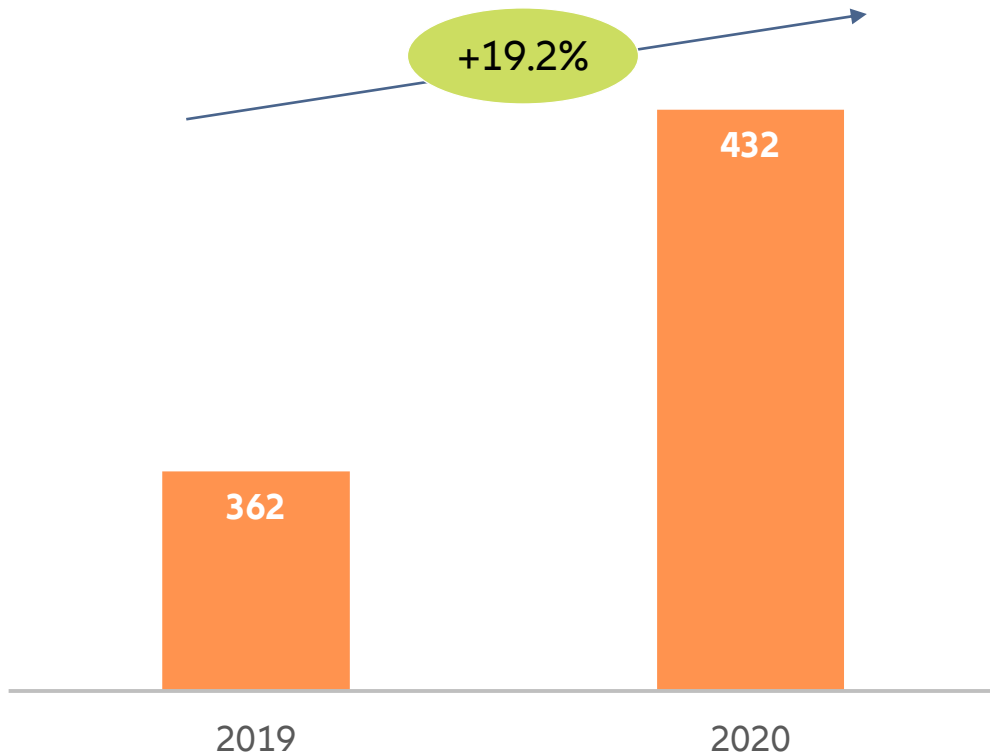


## Distribution Channel & Portfolio Mix

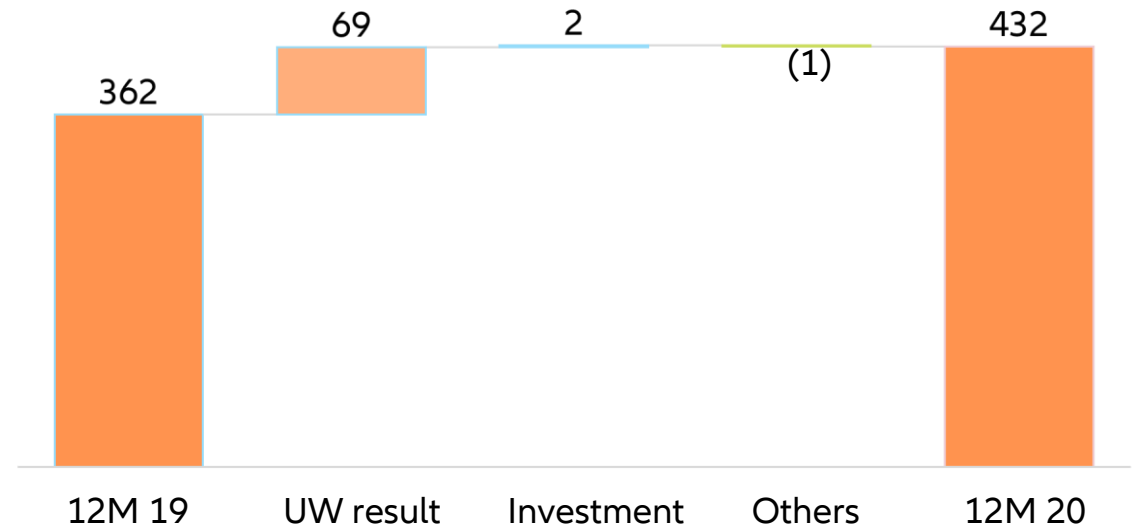


# GENERAL BUSINESS: HIGHER UNDERWRITING PROFIT & INVESTMENT INCOME

**Profit Before Tax (RM' mil)**



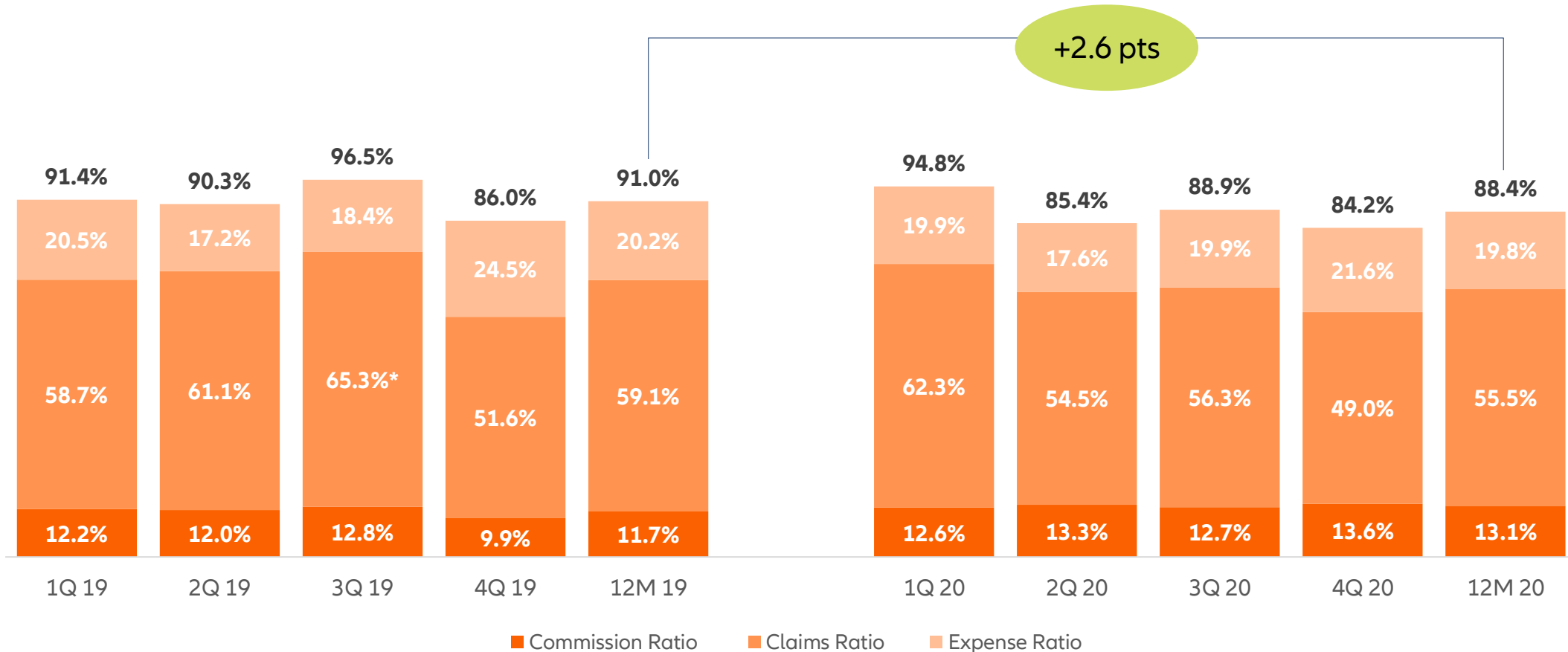
**PBT Drivers (RM' mil)**



12M 2019	167	195	1	362
12M 2020	236	197	0	432
<b>Change</b>	<b>69</b>	<b>2</b>	<b>(1)</b>	<b>70</b>

# GENERAL BUSINESS: LOWER COMBINED RATIO DUE TO LOWER CLAIMS RATIO

## Combined Ratio



\*3Q 2019 claims ratio affected by large fire claim

# AGIC - STRATEGIC OVERVIEW FOR NEXT 3 – 5 YEARS

## OUTPERFORM

our peers and maintain market leadership;

## TRANSFORM

into a simple, digital, and analytics driven organisation;

## REBALANCE

our portfolio towards attractive segments

### RENEWAL AGENDA 2.0



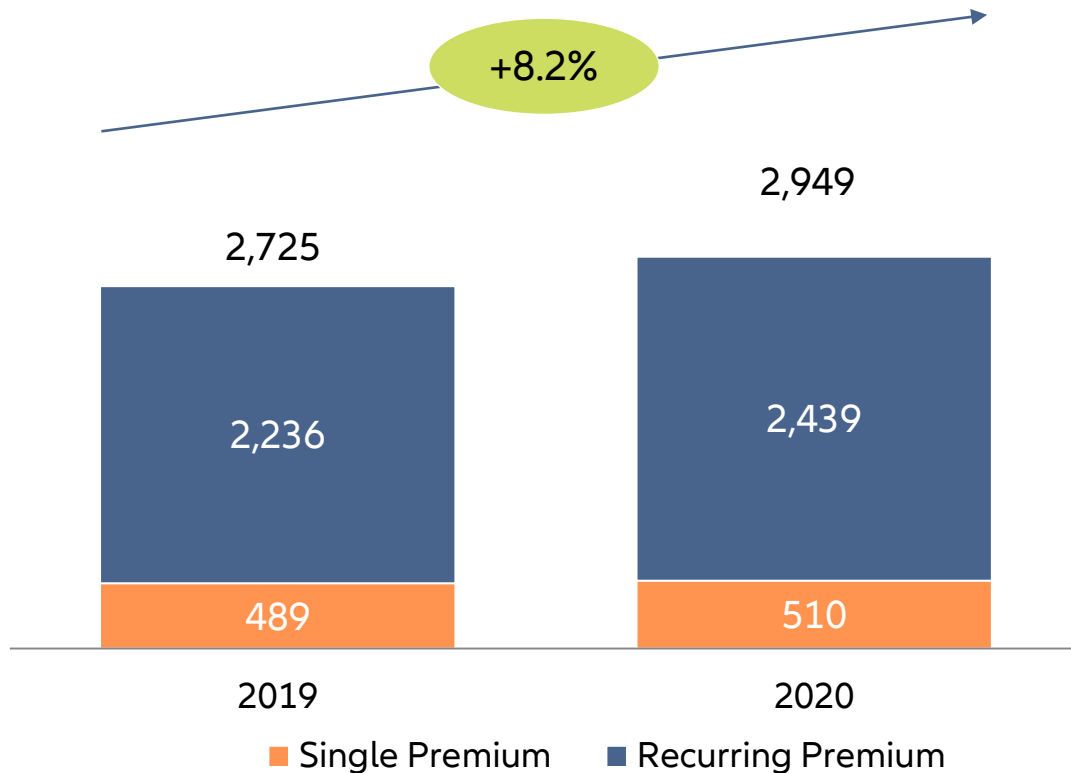
# LIFE BUSINESS

# 03

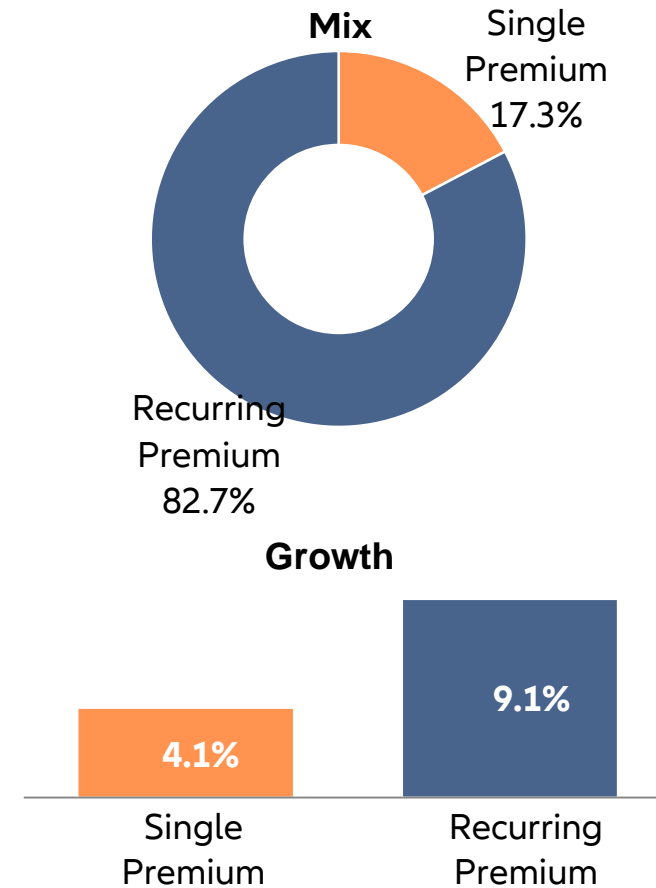


# LIFE BUSINESS: YEAR-ON-YEAR GROWTH DRIVEN BY RECURRING PREMIUM

Gross Written Premiums ("GWP") (RM' mil)

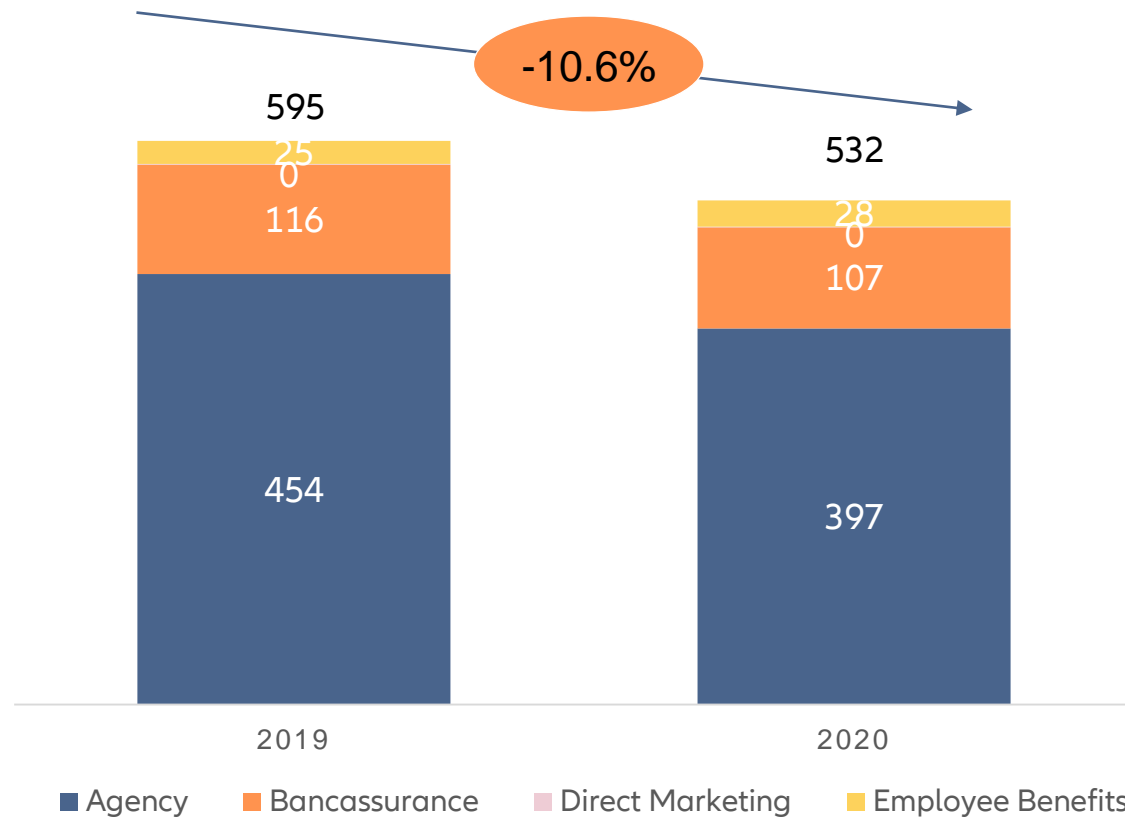


GWP Mix & Growth (%) (12M 2020)

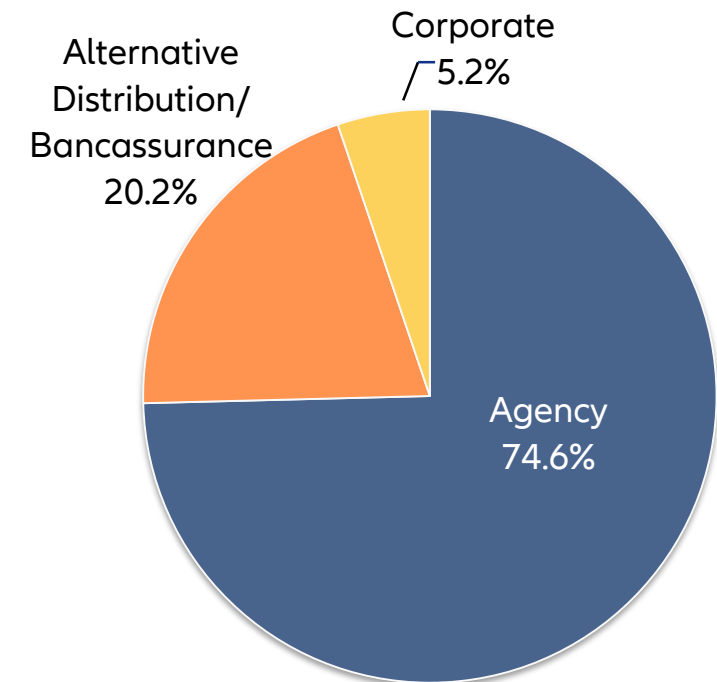


# LIFE BUSINESS: ANP GROWTH AFFECTED BY COVID-19 AND PHASES OF MCO

Annualised New Premiums ("ANP") (RM' mil)

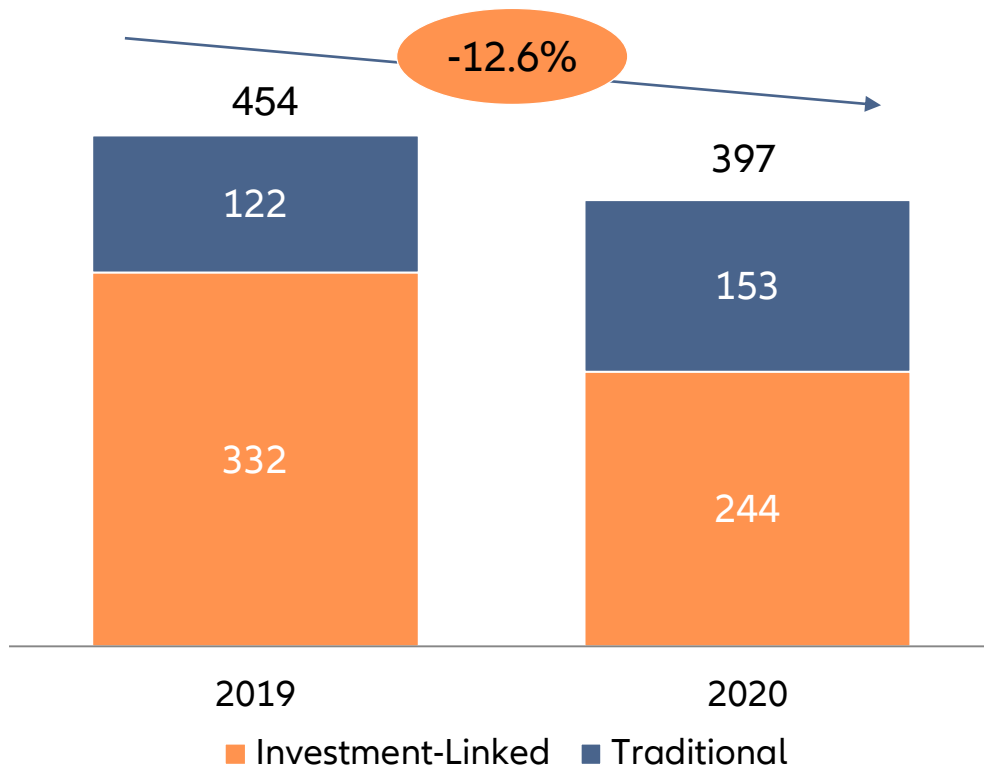


ANP Channel Mix (%) (12M 2020)

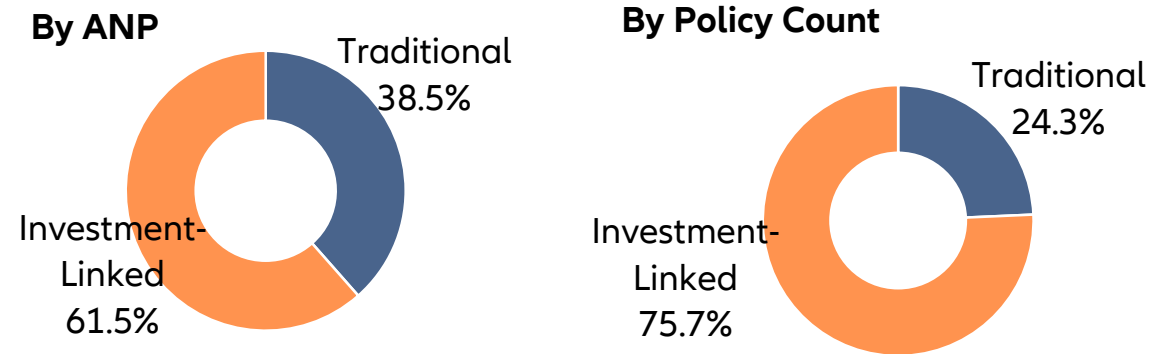


# LIFE BUSINESS (AGENCY): RECOVERY OF NEW BUSINESS IN SECOND HALF OF THE YEAR

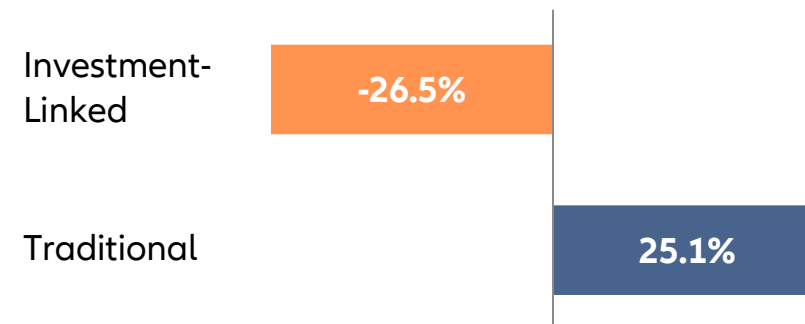
Agency Annualised New Premiums (RM'mil)



Agency Product Mix (%) (12M 2020)

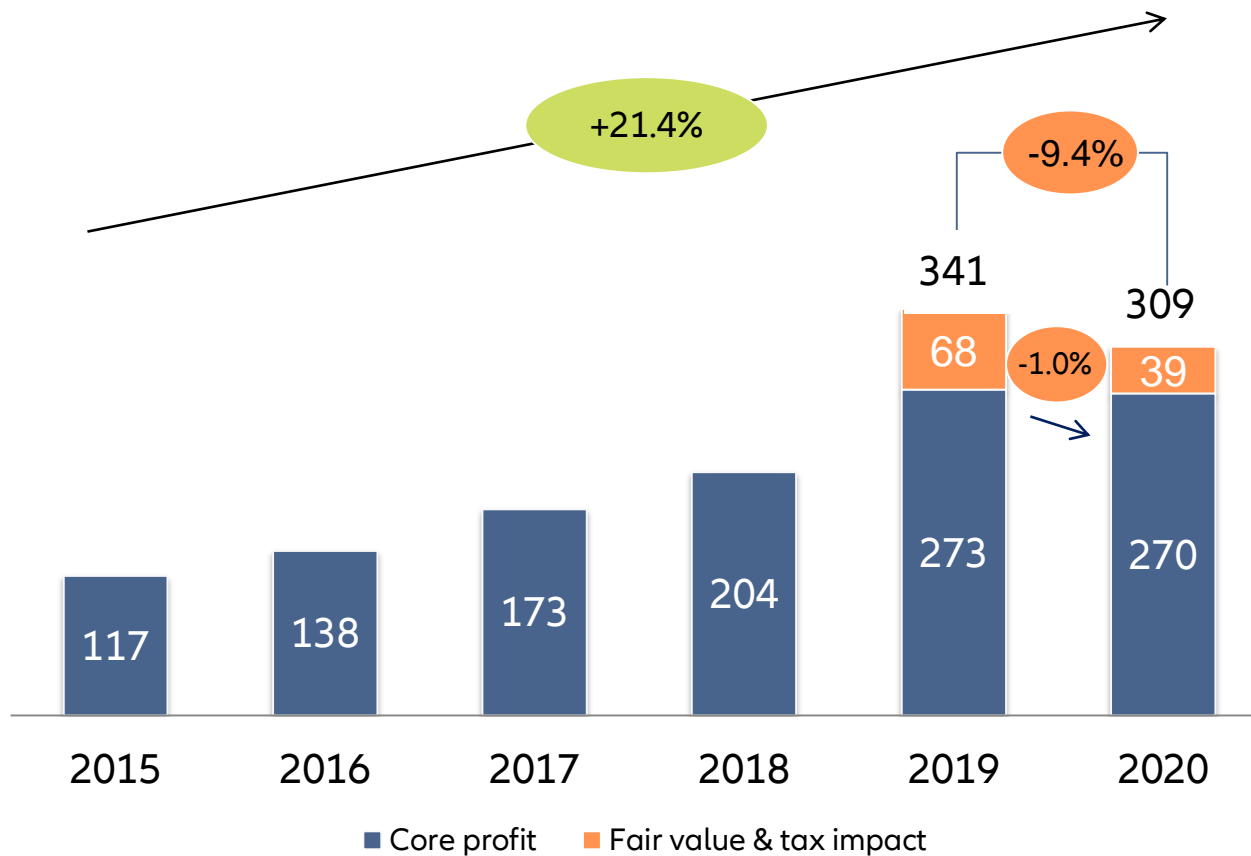


Agency ANP Growth (%) (12M 2020)



# LIFE BUSINESS DELIVERED STABLE CORE PROFIT

## Profit Before Tax (RM' mil)



- Focus on healthy and sustainable margins supported by disciplined pricing methodologies and sound risk management.
- Focus on writing more investment-linked protection products with protection riders which provide higher margins and also cater to demand for savings products.
- Delivered RM239 mn in NBV.

# DIGITAL TRANSFORMATION IN LIFE AND HEALTH

Aiming for the following objectives to enable Next-Gen business processes

Simple and optimized processes

Instant and real time decisions and communication

Straight through “no touch” and instant rule based processing

Paperless Input - Digital Submissions and Paperless Output – e-policy and e-Notifications

## CUSTOMER



### Enabling them to

- Receive instant policies and claims payment
- Receive quick, paperless, digital Communication
- Empowered through self-service

## AGENT



### Enabling them to

- Provide faster response to Customer
- Minimise time in customer service using technology.
- Real-time feedback on sales growth and productivity

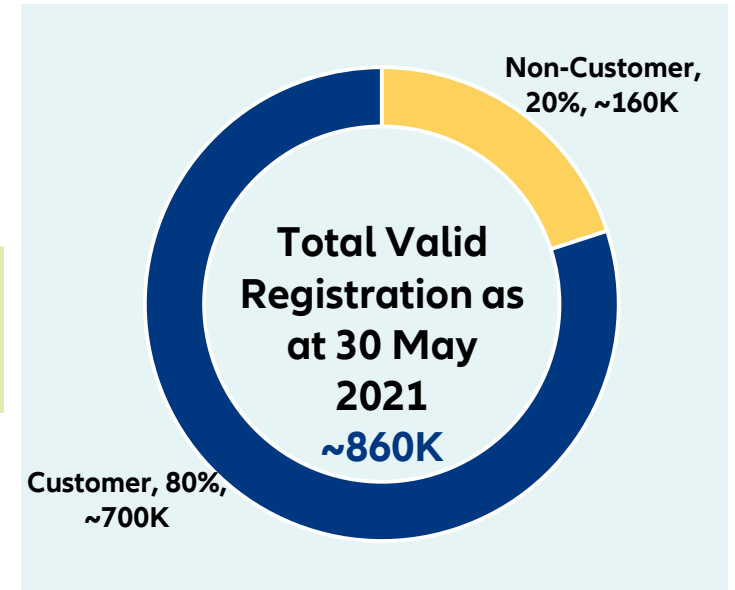
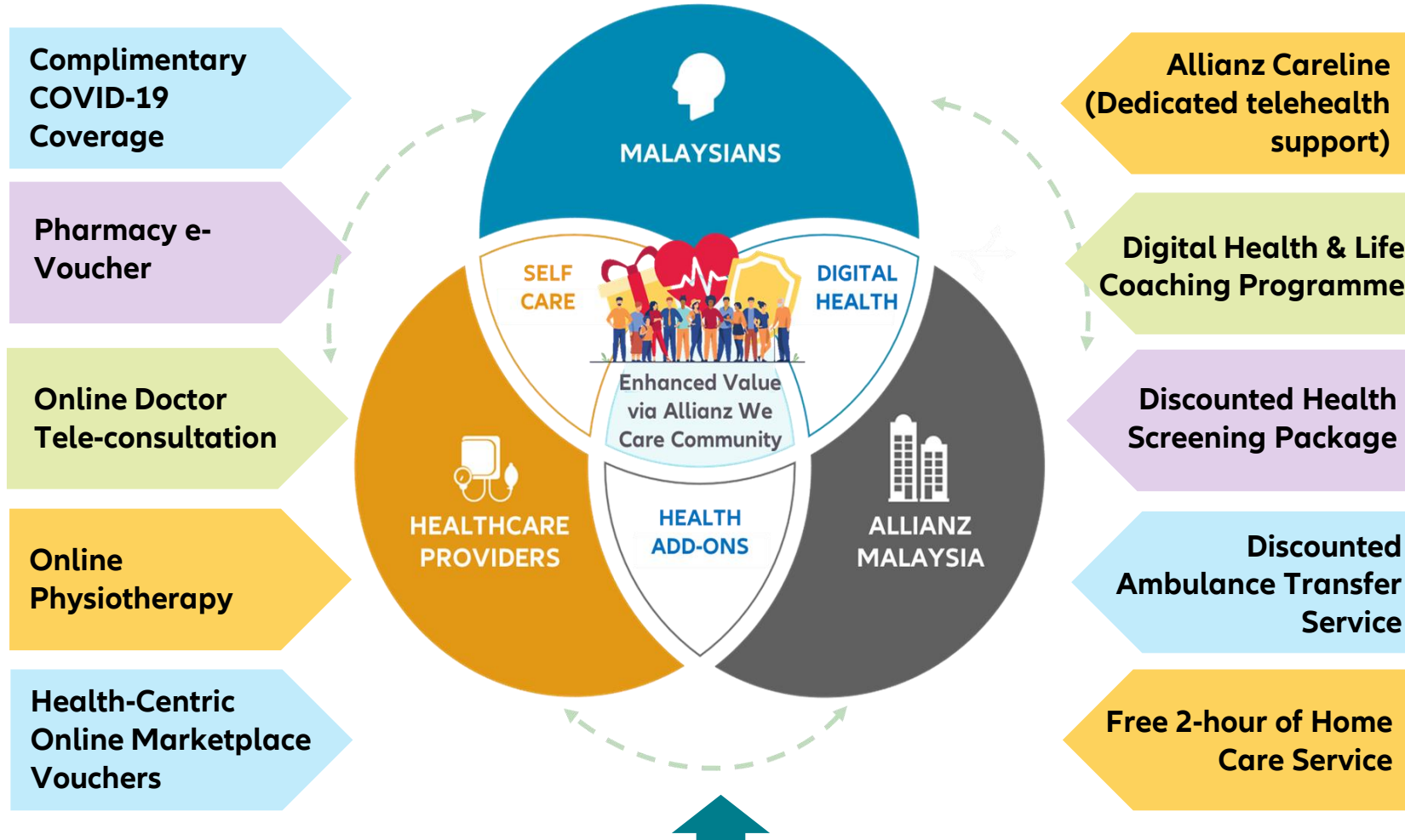
## Allianz



### Ensuring better outcomes

- Reduced operational costs
- Improved Operations and agent productivity
- Improved customer and agent satisfaction

# ALLIANZ WE CARE COMMUNITY



**Future Model:** Enhanced with ViVy for targeted health & wellness content & solutions, health monitoring & overall improved customers experience.

With a long-term mission to form a **healthcare ecosystem** that provides **end-to-end care solutions** needed by Malaysians for their health & wellness.