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FINANCIAL YEAR 2020

LTAT DECLARES HIGHER 3.5pc DIVIDEND

Fund posting improved results due to implementation of high-impact initiatives under transformation plan

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THE Armed Forces Fund Board (LTAT) has declared a 3.5 per cent dividend for its financial year ended Dec 31 last year, higher than the 2.5 per cent recorded in 2019.

Senior Minister (Security Cluster) Datuk Seri Ismail Sabri Yaakob said LTAT achieved good results last year despite the chal-

lenging economic climate brought about by the Covid-19 pandemic, which had caused global economic upheaval and market volatility.

"LTAT was also impacted by the lower dividends received from investment companies during the year.

"Nevertheless, it has declared a higher dividend for its financial year 2020 on the back of a much better net profit of RM229 million, compared with RM92.8 million previously," he said.

Ismail Sabri said the key contributing factor to LTAT's improved results was the implementation of high-impact initiatives under its transformation plan.

This enabled the fund to record an increased retained profit of RM287.5 million after the dividend payment amounting to RM310.7 million, compared with the retained profit of RM63.5 million in 2019.

"The government is conscious that the welfare of our frontlin-

ers, particularly serving members of the armed forces, must continue to be a priority. Towards this end, we are pleased to support LTAT to ensure an improved dividend for the year," said Ismail Sabri.

The fund is in the third year of its transformation journey, with 41 and 53 initiatives implemented in 2019 and last year, respectively.

LTAT and its subsidiaries will strengthen their operational and financial performance by imple-

menting 77 initiatives this year.

He said LTAT's strategic asset allocation framework, which aimed to optimise long-term returns with appropriate risk levels, had been approved by the board in November.

This year, it began restructuring its investment portfolio and focusing on fixed income instruments and public equity investment.

As at Dec 31 last year, LTAT's assets under management stood at RM9.6 billion.