

Takaful Ikhlas refutes talk of takeover by Etiqa

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KUALA LUMPUR: Takaful Ikhlas Sdn Bhd president and chief executive officer Datuk Syed Moheeb Syed Kamarulzaman has dismissed market talk that Malayan Banking Bhd's (Maybank) takaful unit Etiqa Takaful Bhd was planning to acquire the company as a rumour.

He told *StarBiz* there had been no discussion on the matter at shareholder, parent or company level.

"There has not been any discussion at Permodalan Nasional Bhd (PNB), MNRB Holdings Bhd or Takaful Ikhlas on such an acquisition. It does not make sense. If there was (discussion), Maybank and MNRB as public listed companies should have got approval from Bank Negara before commencing acquisition.

"Furthermore, as one of the fastest growing takaful companies, Takaful Ikhlas has its own brand and appeal as well as its unique selling proposition. Therefore, it makes no sense to 'rock a moving speedboat' like us,"



Datuk Syed Moheeb Syed Kamarulzaman says it makes no sense to 'rock a moving speedboat' like Takaful Ikhlas.

he added. PNB's stake in MNRB as at August was 74.64%.

Takaful Ikhlas is wholly-owned by MNRB.

According to Syed Moheeb, Etiqa's acquisition of Takaful Ikhlas would not add value to PNB as it (PNB) had

a larger stake in MNRB than in Maybank.

As at August last year PNB's direct shareholding in Maybank was about 6.6%, but inclusive of its various unit trust funds the figure stands at slightly more than 50%. Etiqa Takaful and Etiqa Insurance Bhd are insurance units of Maybank.

Talk has been rife that Etiqa was planning to acquire Takaful Ikhlas as well as Syarikat Takaful Malaysia Bhd (STMB) to beef up its position and become the leading player in the takaful business.

A source familiar with the matter said the issue stemmed from a misunderstanding on Etiqa's marketing/agency side on the so-called "takeover" and was blown out of proportion by some quarters. "I think reality would soon sink in," the source noted.

Meanwhile, STMB CEO Datuk Hassan Kamil, when contacted, said: "This is the first time I am hearing this. It is not true." BIMB Holdings Bhd is the largest shareholder of STMB with a 65.22% stake.

Asked about Etiqa possibly acquir-

ing Takaful Ikhlas and STMB, Etiqa Takaful CEO Shahril Azuar Jimin said he was not aware of the matter.

A CEO of a takaful company said it was no secret that Maybank was looking to expand its insurance business and he would not rule out the acquisition of other takaful or conventional insurance players.

If such a merger materialised, it would not be good for the market as there would be fewer players catering to customer demand, he said.

There are currently eight takaful and three retakaful players with some 90,000 agents in the country.

Syed Moheeb said Takaful Ikhlas was still in search of a strategic partner that could help the company do international business and provide strategic alliance overseas as well.

Last year, the company's market share for new business (family takaful) was 28%, making it the second biggest after Etiqa Takaful.

Takaful Ikhlas said in a statement yesterday that it recorded a turnover of RM615mil for the year ended March 31, up from RM581mil previously.

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