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LTAT declares higher dividend for 2020

by LYDIA NATHAN

THE Armed Forces Fund Board (LTAT) has declared an improved dividend of 3.5% for the financial year ended Dec 31, 2020, in comparison to 2.5% declared in 2019.

In a statement yesterday, Senior Minister (Security Cluster) Datuk Seri Ismail Sabri Yaakob said the increase was on the back of a higher net profit amounting to RM229 million compared to RM92.8 million recorded in 2019.

He added that another contributing factor was the successful implementation of high-impact initiatives via LTAT's Transformation Plan, which allowed it to record an increased retained profit of RM287.5 million after payment of dividends amounting to a total of RM310.7 million, compared to the retained profit of RM63.5 million in 2019.

"LTAT will continue to enhance prospects via its Transformation Plan, premised on strengthening and rebalancing its investment portfolio while improving its organisational structure, risk management, corporate governance practices and human capital



As at Dec 31, 2020, LTAT's AUM stood at RM9.6b despite the challenging economic climate brought about by the Covid-19 pandemic

development," he said.

As at Dec 31, 2020, LTAT's assets under management (AUM) stood at RM9.6 billion.

According to Ismail Sabri, the

results were achieved despite the challenging economic climate brought about by the Covid-19 pandemic, which caused upheaval and market volatility.

"The government is conscious that the welfare of our frontliners, particularly serving members of the Armed Forces, must continue to be a priority. Towards this end, we

are pleased to support LTAT in order to ensure improved dividends for the year," he said.

Ismail Sabri added that the fund is currently in the third year of its transformation journey, with 41 initiatives successfully implemented in 2019 and 53 more in 2020.

An additional 77 initiatives are set to be rolled out in 2021, with a view towards strengthening the operational and financial performance of the fund and its subsidiaries.

He said LTAT's Strategic Asset Allocation Framework was approved by the Board last November to optimise long-term returns with appropriate risk levels.

"In 2021, the fund has commenced the process of restructuring its investment portfolio in stages, with a strong focus on fixed income instruments and improving its public equity investment. We expect LTAT to deliver on these efforts for the benefit of serving members of the Armed Forces who have bravely fought to protect the people against the Covid-19 pandemic during these challenging times," Ismail Sabri said.