



MEDIA STATEMENT

LTAT DECLARES HIGHER DIVIDEND OF 3.5% FOR FY 2020

I am glad to announce that Lembaga Tabung Angkatan Tentera (LTAT) or the Armed Forces Fund Board declared an improved dividend of 3.5% for the financial year ended 31 December 2020 (FY20), compared with 2.5% in 2019.

I am pleased with the results achieved by LTAT for the year 2020, more so as this was achieved amidst the challenging economic climate brought about by the COVID-19 pandemic, which caused much economic upheaval and market volatility in 2020. LTAT was also impacted by lower dividends received from investment companies during the year.

Nevertheless, the Fund was able to declare an increased dividend for 2020, on the back of a higher net profit amounting to RM229 million compared with RM92.8 million in 2019.

I am given to understand that a key contributing factor to LTAT's improved results was also the successful implementation of high-impact initiatives via LTAT's Transformation Plan. This enabled the Fund to record an increased retained profit of RM287.5 million after payment of dividends amounting to a total of RM310.7 million, compared with the retained profit of RM63.5 million in 2019.

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. The Ministry of Defence, on behalf of all members of the Armed Forces that have benefited from the dividend pay-out, is appreciative of the support provided by the Malaysian Government.

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 as well as human capital development.

The Fund is currently in the third year of this transformation journey, with 41 and 53 initiatives successfully implemented in 2019 and 2020 respectively. 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.

It is encouraging to note that the LTAT Strategic Asset Allocation Framework was approved by the Board in November 2020, with the aim of optimising 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 as well as 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 Rakyat against the COVID-19 pandemic during these challenging times.

As at 31 December 2020, LTAT's Assets Under Management stood at RM9.6 billion.

YB DATUK SERI ISMAIL SABRI YAAKOB

Senior Minister of Defence

11 May 2021