

NEWS RELEASE

TH REPORTS RESILIENT FIRST HALF INCOME OF RM1.52 BILLION

Financial position remains strong with assets exceeding liabilities

- Total income eased 1 percent to RM1.52 billion, reflecting its resilience during difficult economic and business conditions.
- The bulk of its income was derived from its fixed income investments and equities that accounted for 62 percent and 14 percent of its total income respectively.
- **TH's** financial position remained strong with assets totalling RM85.92 billion exceeding liabilities of RM83.73 billion as at 30 June.
- The resilience of **TH's** financial results reflects a cautious and opportunistic investment approach with robust liquidity management.

KUALA LUMPUR, 8 September 2021 – Lembaga Tabung Haji (**TH**) reported a total income of RM1.52 billion for the six months ended 30 June 2021 compared with RM1.55 billion for the same period in 2020, a minimal one percent reduction that reflects its resilience during difficult economic and business conditions.

The bulk of its income was derived from its fixed income investments that contributed RM942.6 million for the first half period, accounting for 62 per cent of its total income.

Investments in equities contributed RM219.9 million for the period under review, an improvement from RM184.2 million in the same period in 2020. Equity investments accounted for 14 per cent of total income. Property investments provided an income of RM174.7 million, followed by money market investments with an income of RM161.8 million.

After accounting for expenses and zakat, **TH** reported a net profit of RM1.22 billion for the six-month period to 30 June 2021, a slight drop of 2 percent against RM1.25 billion for the same period in 2020. The lower profit was partly affected by property investments as the property market was significantly affected by the global pandemic.

Lembaga Tabung Haji 6 Months Ended	June 2021 RM'000	June 2020 RM'000	%
Income	1,524.3	1,545.5	-1.4%
Cost	246.3	244.9	+0.6%
Profit after zakat	1,221.4	1,248.7	-2.2%
	June 2021	Dec 2020	
Total Deposit (RM)	81,142.8	75,919.8	+6.9
Total depositors	8.3 mln	8.9 mln	-6.7

However, **TH**'s financial position remained strong with assets totalling RM85.92 billion exceeding liabilities of RM83.73 billion as at 30 June 2021. Operating expenses were flat compared against the same period last year, mainly due to prudent cost management amid challenging economic conditions. **TH** is also taking continuous measures to optimise expenditure to ensure its cost is managed efficiently.

As at 30 June 2021, total deposits amounted to RM81.14 billion, its highest level since **TH** was established 58 years ago. **TH** has 8.3 million depositors as at 30 June 2021.

Volatile and challenging economic background

The economic backdrop for the first half of the year continued to be challenging with rising Covid-19 cases due to new virulent strains and a renewed nationwide Movement Control Order. However, vaccinations have continued to accelerate and improve across the country.

The resilience of **TH**'s financial results reflects a cautious and opportunistic investment approach with robust liquidity management, steered by the Strategic Asset Allocation (SAA) to minimise the impact of short-term fluctuations in the market.

The SAA underscores **TH**'s mandate of managing savings for hajj, which is a long-term commitment by the depositors. More than half or 58 percent of **TH** assets are earmarked for fixed income investments like sukuk, which provides stable and secure returns over the long term.

TH's equity investments also outperformed the benchmark Bursa Malaysia Hijrah Shariah Index which fell 7.45 per cent in the first half period. It focused on stocks with good fundamentals, with defensive qualities and good dividend track record.

“Our disciplined approach to investment reflects **TH**'s commitment to safeguarding depositors' interest by preserving and enhancing their hard-earned savings meant to fulfil an important religious obligation. We are obviously saddened not to be able to organise the hajj this year, but we are taking all the necessary steps to improve upon preparations for hajj with new safety rules and requirements.”

“**TH** remains cautious of the second half of 2021 as new highly infectious Covid-19 variants emerge, but the rapid pace of vaccinations could be the silver lining for the economy,” said Group Managing Director and Chief Executive Officer Dato' Sri Amrin Awaluddin.

Strong financial position

Dato' Sri Amrin said **TH** appreciates the support of all its stakeholders, especially its depositors. **TH** has always and will continue to improve and strengthen its governance and operations in order to develop its resilience well into the future.

Moving forward, **TH** will continue efforts to improve its income through investments and efficient operational cost management to ensure sustainable and stable profit distribution to its depositors.

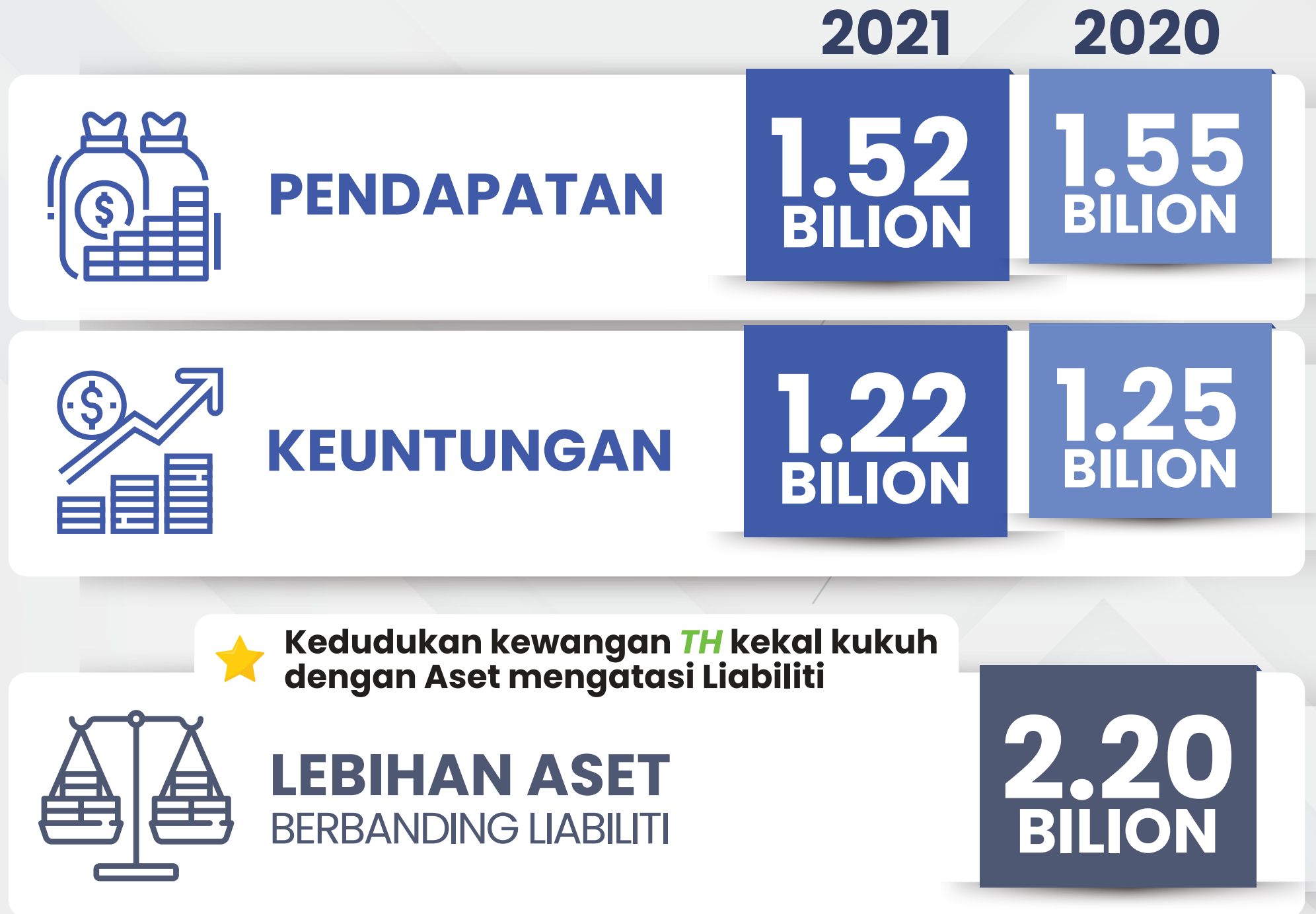
It will also continue to focus on governance, compliance and integrity to protect the interest of **TH** and its depositors. The government's decision to establish the Royal Commission of Inquiry and have Bank Negara Malaysia to regulate **TH** in the interim is also not expected to affect **TH** operations and the daily transactions of depositors.

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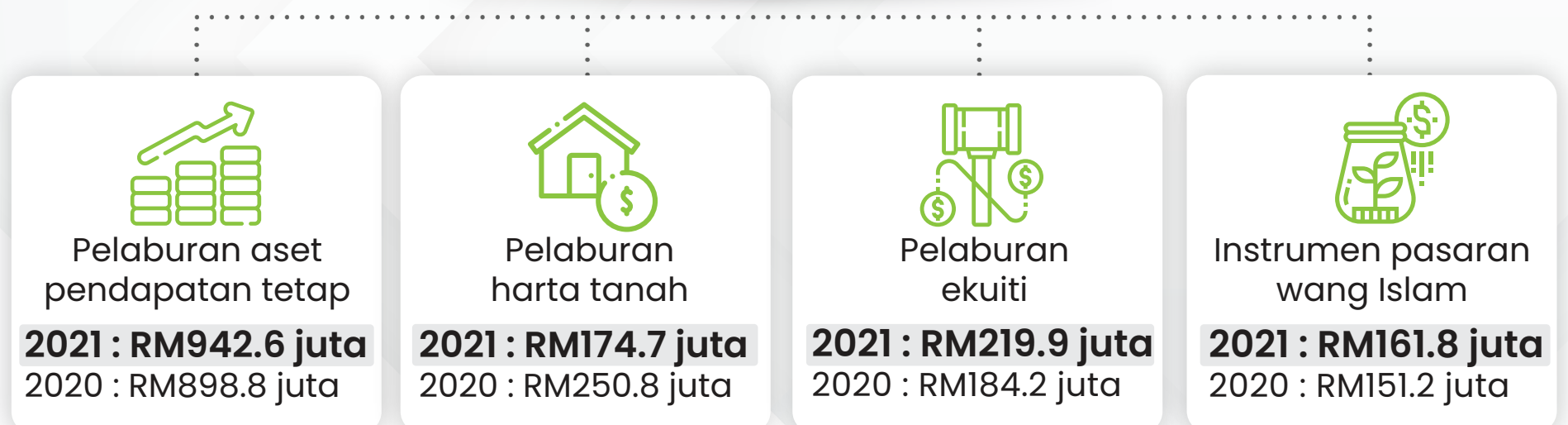
For more information on **TH** services, please visit www.tabunghaji.gov.my or call the Customer Service line (THCC) at 03-6207 1919. Details on this press release, please contact:

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SOROTAN PRESTASI PERTENGAHAN TAHUN 2021 BAGI TEMPOH JANUARI – JUN 2021



Pendapatan dijana daripada



**SOROTAN PRESTASI
PERTENGAHAN TAHUN 2021
BAGI TEMPOH JANUARI – JUN 2021**



JUMLAH DEPOSIT

2021
RM81.14 Bilion

2020
RM75.92 Bilion

SEHINGGA 30 JUN 2021

– JUMLAH PENDEPOSIT –



2021
8.3 Juta

2020
8.9 Juta