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KUALA LUMPUR 29 JULY 2019. Finance Minister, Lim Guan Eng delivered his speech during FWD Takaful Official Brand Launch at The Majestic Hotel, Kuala Lumpur. NSTP/SYARAFIQ ABD SAMAD

KUALA LUMPUR: Pacific Century Group, owned by Hong Kong billionaire Richard Li, is venturing into Malaysia's Takaful market through its insurance arm, FWD Group.

The country is FWD Group's first venture into the Takaful industry with RM1.06 billion in total investment being set aside over the next five years.

For Malaysian operation, a new firm under FWD Group, named FWD Takaful Bhd, has been set up.

FWD Group owns 49 per cent or majority stake in FWD Takaful while Employees Provident Fund owns 20 per cent.

Pacific Century Group director Binayak Dutta said FWD Group investment commitment over the next five years is solidify its strategy as it sees Malaysia as an important market.

He said the investments will be earmarked for digitalisation and the establishment of a digital IT services and data centre as well as the development of a Takaful and Innovation Hub in the country.

Finance Minister Lim Guan Eng said FWD Group's entry signifies the rising confidence that foreign investors have in Malaysia and its government.

"The policy certainty, clarity and consistency provided by a competent, accountable and transparent government has yielded results and is continuing to do so," he said.

Lim said FWD Takaful will disrupt the traditionally conventional industry with greater competition and provide Malaysians with more diversified and affordable choices of Takaful products.

This is particularly important for the B40 group, who are the most under-insured and under-protected segment with a penetration rate for life insurance and family Takaful of 36.5 per cent, he added.

FWD Takaful chief executive officer Salim Majid Zain said the firm aims to gain higher market share of 15 per cent in the next five years.

This will rank the firm to fifth spot with the highest share from 12th currently, he added.