

MEDIA RELEASE

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BANK ISLAM APPLAUD MEASURES TABLED IN BUDGET 2021 TO HELP CUSHION THE ADVERSE EFFECTS OF COVID-19 PANDEMIC

KUALA LUMPUR, Sunday, [8 November 2020]: Bank Islam Malaysia Berhad ("Bank Islam") applaud the recent enhancement made on the Targeted Repayment Assistance announced by Finance Minister, YB Senator Tengku Dato' Sri Zafrul Tengku Abdul Aziz, at the tabling of Budget 2021. The measure paves the way for the most vulnerable groups of society, in particular, the B40, M40 and microenterprises adversely impacted by the pandemic, to address their difficulties and provide an opportunity for them to recover from the adversities brought about by the pandemic shocks.

The enhanced targeted repayment assistance now includes B40 individuals who are recipients of *Bantuan Sara Hidup* ("BSH") / *Bantuan Prihatin Rakyat* ("BPR") and microenterprises defined by SME Corporation Malaysia, for facilities with approved amounts of up to RM150,000. Customers from these two categories may apply for either a 3-month deferment of monthly instalments or reduction of 50% monthly instalments for six (6) months. These options are available to all financings approved before 1 October 2020 which are not in arrears for more than 90 days at the time of application.

B40 and microenterprise customers who had previously received other forms of targeted repayment assistance and who wish to request for further assistance under the additional measures announced on Friday can still do so by contacting Bank Islam.

Also offered, reduction of monthly instalments for the M40 category registered under the *Bantuan Prihatin Nasional* ("BPN") database whose incomes and/or household incomes are reduced by the pandemic. Affected customers will have to submit self-declaration of reduced income to be eligible for this facility.

Bank Islam is currently refining the process to ensure its efficient implementation for the convenience of the recipients. Further information regarding the enhanced targeted repayment assistance will be made available through Bank Islam's website and social

media platforms in due time. However, customers can start to apply for the assistance from 23 November 2020 onwards.

Bank Islam Chief Executive Officer, Mohd Muazzam Mohamed said, "We acknowledge that COVID-19 has varying impacts on the masses and are consistently engaging our customers to understand their needs better. From an economic standpoint, the enhancements to the Targeted Repayment Assistance bodes well with business and consumer confidence as it shows that the banks are proactively addressing the current predicament faced by their customers. While we stand ready to accommodate assistance requests at all times, customers must continue to reassess their financial situation. We urge our customers to come forward as Bank Islam will continue to assist them in making an informed decision and provide the best financial options in helping them to navigate through the current challenges."

"We also welcome the Government's move to increase the allocation of RM110 million for the Micro Enterprises Facility ("MEF") and expand the implementation of iTEKAD programme, a microfinancing facility to ensure sustainable income generation and financial resilience of B40 and asnaf-owned businesses in facing the effects of COVID-19 pandemic. It is indeed a positive development as iTEKAD is one of Bank Islam's Social Finance instruments in ensuring socio-economic wellbeing of the country. With more involvement from other financial institutions and collaborations with other State Religious Councils ("MAIN") and implementation partners next year, we believe this will ensure a more inclusive economic recovery strategy, at the same time, improve the livelihood of the recipients. Through our experience, Bank Islam is ever-ready to support and facilitate the expansion of iTEKAD in realising its economic benefits," Mohd Muazzam adds.

Bank Islam was given the honour to pioneer the iTEKAD programme with Majlis Agama Islam Wilayah Persekutuan ("MAIWP") and SME Corporation Malaysia ("SME Corp") Malaysia and has expanded since its launch in May 2020. The microfinancing facility provides small business owners/entrepreneurs access to financing. While Islamic Social Finance facilities such as *Zakat* (alms) or *Sadaqah* (donations) used for business equipment or tools needed for eligible recipients. The programme also incorporates

structured entrepreneurial and financial management training to increase recipients' knowledge and skills.

For any enquiries and further information, customers can visit our website at www.bankislam.com, the nearest Bank Islam Branch or call Bank Islam Contact Centre at 03-26 900 900.

About Bank Islam Malaysia Berhad

Bank Islam Malaysia Berhad was established in 1983 as the nation's first Islamic bank. To date, the Bank has a network of 144 branches and more than 900 self-service terminals nationwide. To meet the diversity of the public's financial needs, Bank Islam offers more than 70 *Shariah*-based banking products and services which cater to Muslims and non-Muslims. For more information on Bank Islam products and services, visit www.bankislam.com or call Bank Islam Call Centre at 03-26 900 900.

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