BANK MUAMALAT LAUNCHES BizSTAR-I,

KUALA LUMPUR, Friday 6 June 2014: Bank Muamalat Malaysia Berhad (Bank Muamalat) today launched Muamalat BizSTAR-I, a broad initiative to deliver better resources, guidance and services to help more small businesses achieve financial success. Muamalat BizSTAR-I was launched by Y.Bhg. Dato’ Hj. Mohd Redza Shah Abdul Wahid, Chief Executive Officer of Bank Muamalat and present at the event was Y.Bhg. Dato’ Sharifuddin Dato’ Hj Musa, President, Kuala Lumpur Malay Chamber of Commerce (KLMCC) and Mr. Madhu Sudan Nair, President, Kuala Lumpur & Selangor Indian Chamber of Commerce (KLSICCC).

With this new initiative, Bank Muamalat announced it will extend RM200 million in new financing to small and medium size corporations by 2015 through Muamalat BizSTAR-I, a financial package based on the concept of Tawarruq with a combination of Property Financing-i Tawarruq and MCash-i products. This product is designed to cater for either financing or refinancing of business premises and to support SME corporations to own their own business premises.

In his speech, Dato’ Hj Mohd Redza Shah said, “business premises financing products are amongst the most popular financing products for SMEs, having grown from RM87.1 billion in 2003 to RM217.2 billion in 2012.”

He further said, “As the economy becomes more sophisticated, so will the requirements of the SMEs. One of the major levers of growth for the SME sector is access to financing and financial institutions therefore have an important role in the ecosystem for financing to SMEs.”
FACT SHEET

Key features of Muamalat BizSTAR-I:

- Business Property financing package based on Shariah concept of Tawarruq with a combination of Property Financing & Mcash-i (Working Capital requirement).
- The product package is designed to cater for the purchase of business premises and to provide cash financing for customers' working capital.
- Financing limit from RM150,000 to RM5.0 million.
- Margin of Financing (MOF) of up to 105% whereby:
  - 90% for property financing
  - 10% for MCash facility (working capital) and
  - 5% for Moving Cost Related Expenses (MCRE) which includes Mortgage Reducing Term Takaful & Credit Level Term Takaful, legal cost and valuation cost.
- Tenure of financing is a maximum of 15 years for property financing and 5 years for Mcash facility and subject to review.
- Competitive Profit Rate spread for property financing is divided into 3 packages:
  - Package A : BFR-2.00% p.a for property financing of RM500,000 to RM5.0 million
  - Package B : BFR-1.90% p.a for property financing of RM300,000 to RM499,999
  - Package C : BFR-1.80% p.a for property financing of RM150,000 to RM299,999
  (Lower profit rate spread (additional reduction of 0.10%) is applicable to all packages with Takaful coverage).

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