

## PRESS RELEASE

*for Immediate Release*

### **BANK MUAMALAT AND SJPP SIGN AGREEMENT TO OFFER PEMULIH GOVERNMENT GUARANTEE SCHEME (PGGS) FOR SMEs AND MSCs**

#### **Bank Muamalat accelerates efforts to provide financing for business recovery**

**Kuala Lumpur, 8 December 2021:** Bank Muamalat Malaysia Berhad (Bank Muamalat) and Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP) have signed an agreement to enable Malaysian Small-and Medium-sized Enterprises (SMEs) and Mid-Sized Companies (MSCs) to access financing, under the Pemulih Assistance Package announced on 28 June 2021.

Under the agreement, Bank Muamalat business customers can apply for the PEMULIH Government Guarantee Scheme (PGGS). The scheme provides financing assistance via new financing, and restructuring of current financing facilities, as well as further funding of working capital to help entrepreneurs revitalise their businesses.

Bank Muamalat President and Chief Executive Officer, Khairul Kamarudin said the agreement affirms Bank Muamalat's commitment to accelerate efforts to assist SMEs and MSCs to regain their footing and focus on increasing their resilience, in the next phase of the COVID-19 crisis.

"The COVID-19 pandemic has driven radical shifts in demand, buying patterns and disrupted businesses. PGGS will provide SMEs and MSCs the necessary resources to sustain operations in the short term and prosper in the long term. Bank Muamalat will continue to assist businesses to secure much-needed capital which will be essential for their long-term recovery and growth," said Khairul.

He added, apart from PGGS, Bank Muamalat also has existing financing programmes aimed at assisting selected SMEs and MSCs, namely Teraju Bumiputera Healthcare Supply Chain Financing Programme (BSC Healthcare) and MARii Automotive Vendor Financing Programme.

Eligible SMEs and MSCs can apply up to RM10 million for each of the financing programmes. Both of these programmes are also packaged together with the PGGS.

SJPP Principal Officer, Chen Yin Heng said that the Government is committed in providing continuous support to SMEs as well as MSCs through various initiatives, including PGGS, with an allocation of RM20 billion.

"This will assist eligible SMEs and MSCs to obtain much needed additional financing, restructuring of existing loans and/or additional working capital to support them in their business recovery and to reduce their financial burden," said Chen.

In addition to that, a further allocation of RM10 billion (including RM2 billion for Bumiputera) was announced with enhancement to the PGGS terms in Budget 2022 announcement.

## Among the enhanced key features and benefits of PGGS:

- Open to all entities (SMEs and MSCs) in all industries with annual revenue of not more than RM500 million based on their audited accounts or income tax returns
- Guarantee cover of 80% by the Government for new financing facilities as well as the restructuring of existing financing facilities with further funding of working capital for these SMEs and MSCs to revitalise their business.
- 12 months moratorium and minimum of 3 years of extended tenure to reduce the financial burden of companies affected by the COVID-19 pandemic

Chen said SJPP was pleased to work together with financial institutions (FIs) such as Bank Muamalat to assist and reach out to as many SMEs and MSCs as possible and offer attractive rates.

“Our guarantee fee of between 0.75% to 1.0% per annum, coupled with the underlying Government guarantee would offer the companies competitive rates of financing by the FIs of up to RM20 million,” he added.

Government Guarantee Schemes that were established by the Government and managed by SJPP has been vastly utilised by many SMEs in all industries such as in manufacturing, services, retail and trade. To date, more than RM47.0 billion guarantees have been provided to over 45,000 SMEs and this has helped them tremendously in sustaining their business especially during the COVID-19 lockdown periods, as well as provide them with some financial reserves for their working capital needs to move forward during this economic recovery phase.

“SJPP believes in developing vibrant and healthy SMEs and MSCs that are integral to our country’s economic transformation process thus we are working closely with the financial institutions to support the Government’s initiatives via various guarantee schemes under SJPP,” said Chen.

For more information on PGGS or other government guarantee schemes, please visit SJPP’s website at [www.sjpp.com.my](http://www.sjpp.com.my) and Bank Muamalat website at [www.muamalat.com.my](http://www.muamalat.com.my) or contact our Customer Service Centre at 03-2600 5500. For Payment Assistance please scan the QR Code below.

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