

Islamic Banking Financial Tools for Business Growth

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United Overseas Bank (M) Bhd

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Speaker Profile



En Amir Alfatakh bin Yusof

Senior Vice President, Islamic Banking

Amir Alfatakh started his career in banking as a conventional banker in 1997 specialising in SME and Commercial Banking products and services, before focusing in Islamic Banking products and services in 2003.

His early training ground includes financial institutions such as OCBC Finance Berhad, OCBC Bank, Kuwait Finance House, Amlslamic Bank, Royal Bank of Scotland, Standard Chartered Saadiq Bank, as well a stint in Doha, Qatar with Al Khaliji Commercial Bank.

Amir joined UOB Malaysia in 2016 as part of the team that set up the Islamic Banking proposition for UOB Malaysia. He specialises in the development and implementation of both consumer and wholesale banking products. He leads a team that works closely with the Head of Islamic Banking to plan, strategise and execute initiatives for UOBM's Islamic Banking franchise.

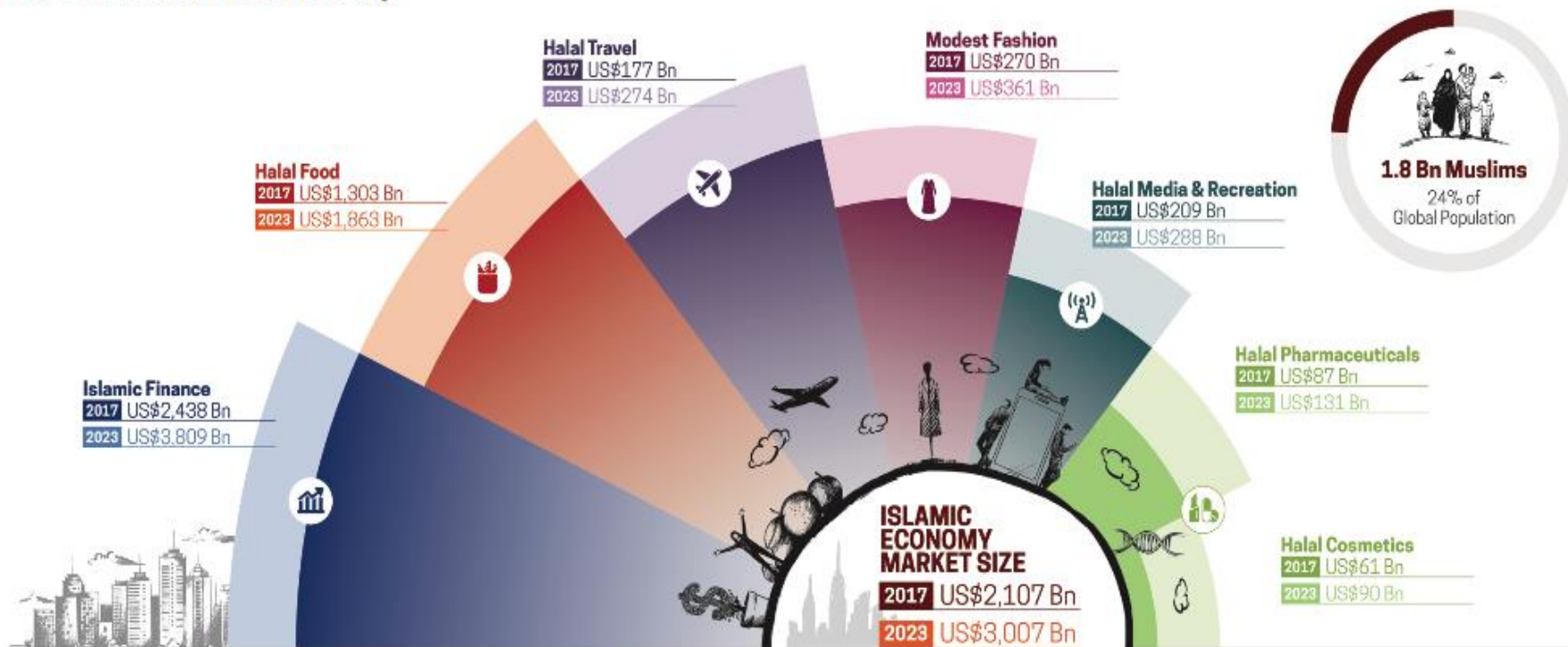
Amir regularly conduct talks on Islamic Banking and is a trainer registered with Islamic Banking & Finance Institute of Malaysia (IBFIM) and Malaysia Institute of Accountants (MIA). He teaches part-time Masters students in Universiti Teknologi Mara (UITM) on the subject of Islamic Banking. He also maintains a free-to-use website on Islamic banking issues and practices (<https://Islamicbankers.me>).



Islamic Banking Outlook

Global Islamic Banking & Finance Landscape

Global Islamic Economy



The global Islamic Finance sector is expected to grow at about 11.2% p.a. for the next 5 years expected to hit USD\$3,809 billion in 2023. The expected growth are driven following strengthening of financial regulations and greater acceptance of Shariah-compliant instruments, as well better discourse by Shariah scholars on various topics of discussion.

ISLAMIC BANKING

MARKET SHARE TO REACH 40% BY 2020

UOBM aim to build our presence in Islamic Banking



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA



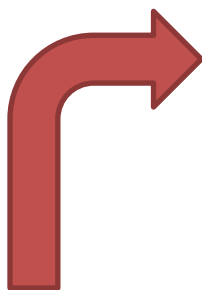
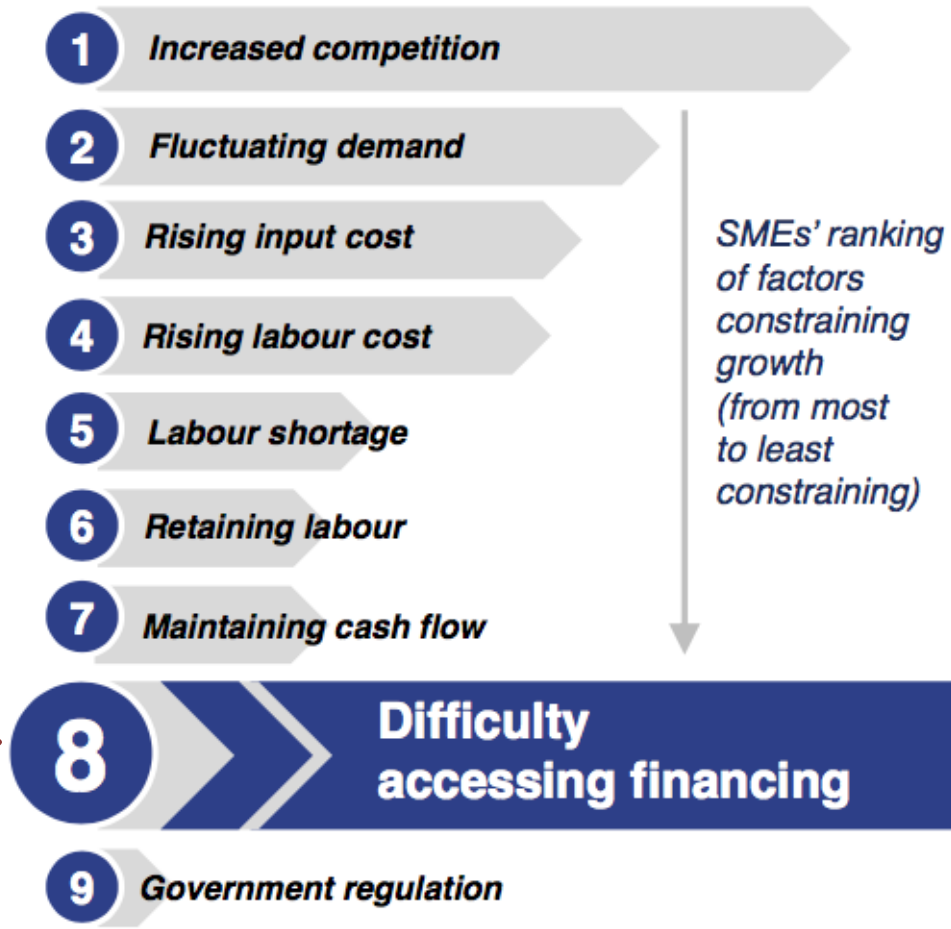
* Source : BNM Monthly Bulletin Statistics

SME financing remains a key strategic focus of financial institutions...

SMEs represent a primary customer segment for financial institutions



Enhanced access to financing has contributed to lower constraints faced by SMEs



SME now find it easier to access Bank facilities

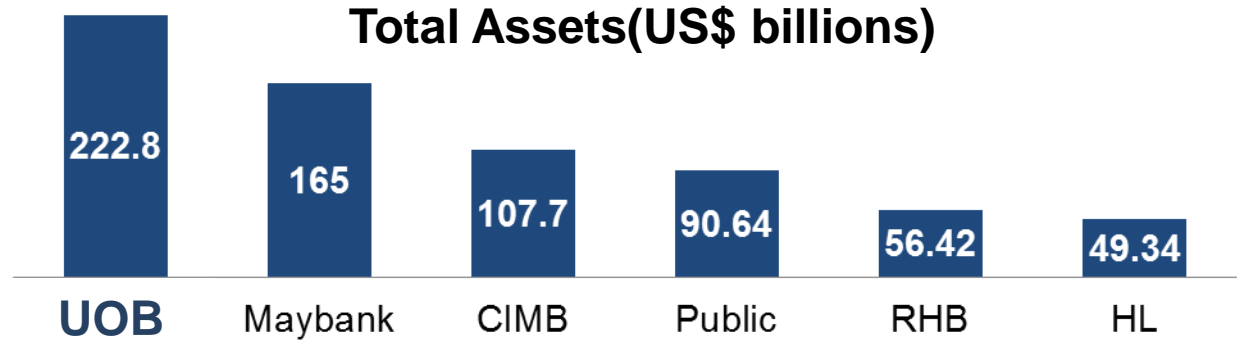
Source: SME Finance Survey 2018, Bank Negara Malaysia.



UOBM as Your Service Provider

Right By You

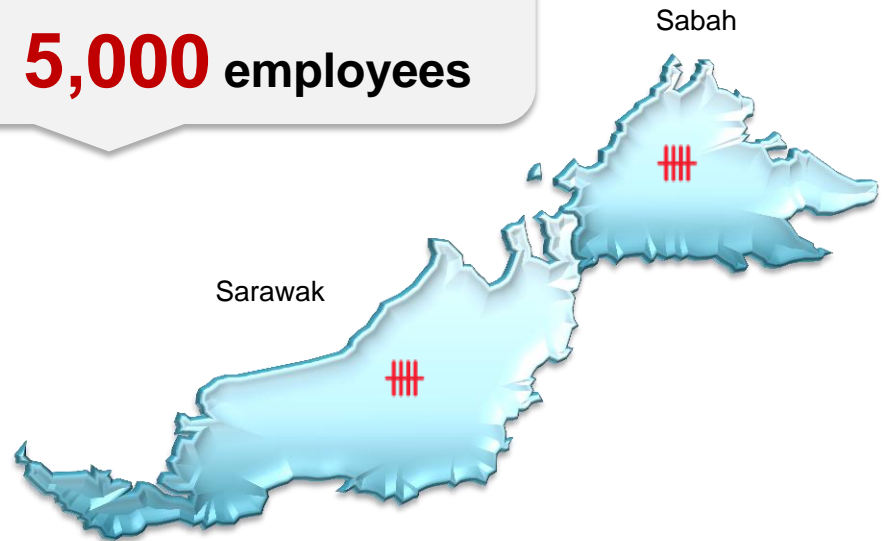
UOB is larger than any other Malaysian regional banking groups



Today, UOBM has the largest foreign bank branch network in Malaysia



- **45** branches
- **5,000** employees



**Recognized as the Most Profitable
Foreign Bank in Malaysia in 2018**

Stable management



Proven track record in steering the bank through various global events and crises

Integrated regional platform



Integrated Southeast Asian network and strong global presence enable us to provide a consistent quality of experience to customers across the region

Strong fundamentals



- Sustainable revenue channels
- Strong balance sheet, sound capital & liquidity position and resilient asset quality

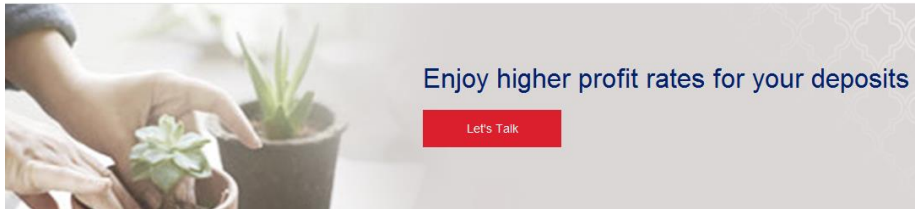
Deep pool of expertise



- Our people draw on their expertise and experience to advise and to act in the best interest of the customers
- Investment of over MYR15 million in people development in 2018

UOBM Islamic Banking Window

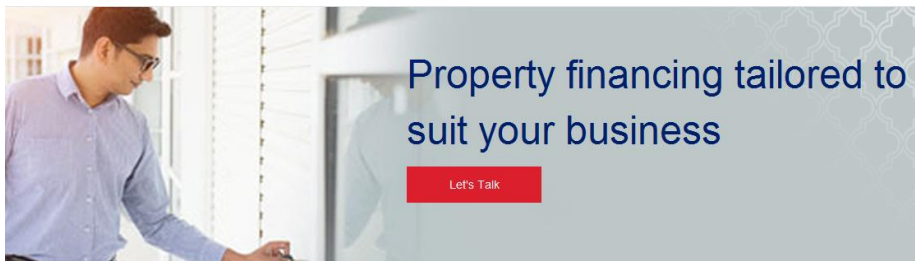
FIXED DEPOSIT-I



HOME FINANCING-I



BIZPROPERTY



FOREIGN EXCHANGE FORWARD-I



About UOBM Islamic Banking

IBW Financials
2018

Total UOBM IBW Assets:
RM 5,121 million

Total UOBM IBW Liabilities:
RM 4,676 million

Total UOBM IBW S/H Funds:
RM 445 million



Launched
July 2016



Products Available
19



Operating Model
Islamic Window



Why Become Shariah Compliant

Benefits

Is Islamic Banking Restrictive?

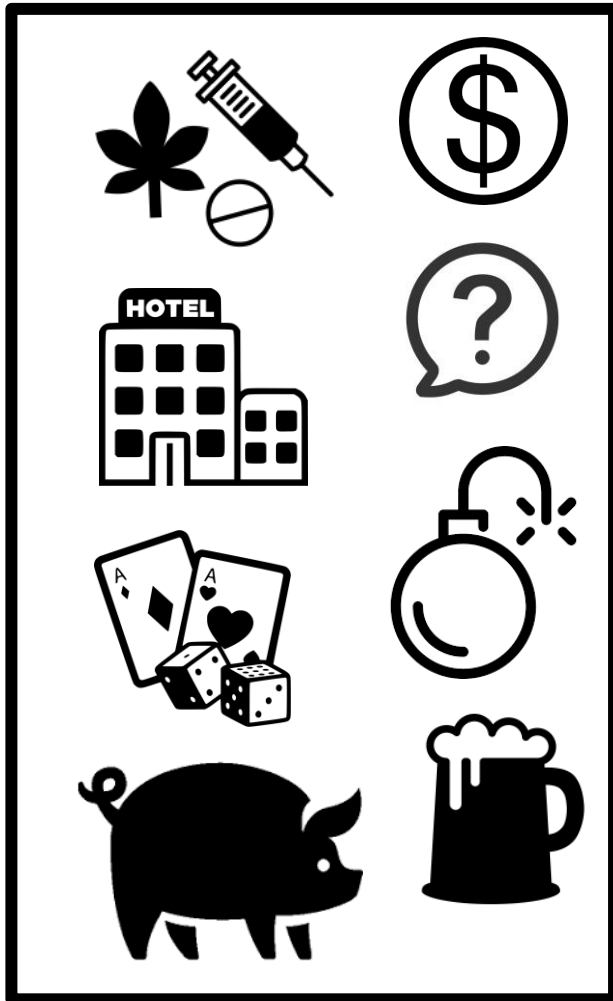
Islamic Banking
have a lot of
prohibitions for my
business



Restriction on Business Activities

But there are so many other Non-Prohibited Businesses

Prohibited



Non-Prohibited

Retail shop, construction, pharmaceutical, services, consultancies, food produce, transportation, manufacturing, travel services, eateries, fuel stations, real estate, agriculture, engineering, plantations, communications, trading, etc.





- ✓ There are some goods and business activities which are prohibited. For example *Liquor & Alcohol, Pork Produce, Manure, Pornography, Guns, Insurance Agencies*
- ✓ However, the % of the business and income can be considered if exemption is requested
- ✓ **Most prohibition is for FINANCING applications**
- ✓ For DEPOSITS & WEALTH products, more lenient

G . U . N . I

**Gambling
activities**

Insurance

Gaming

**Uncertain
Terms &
Conditions**

**Illegal
Activities**

**Non
Compliant
Activities**

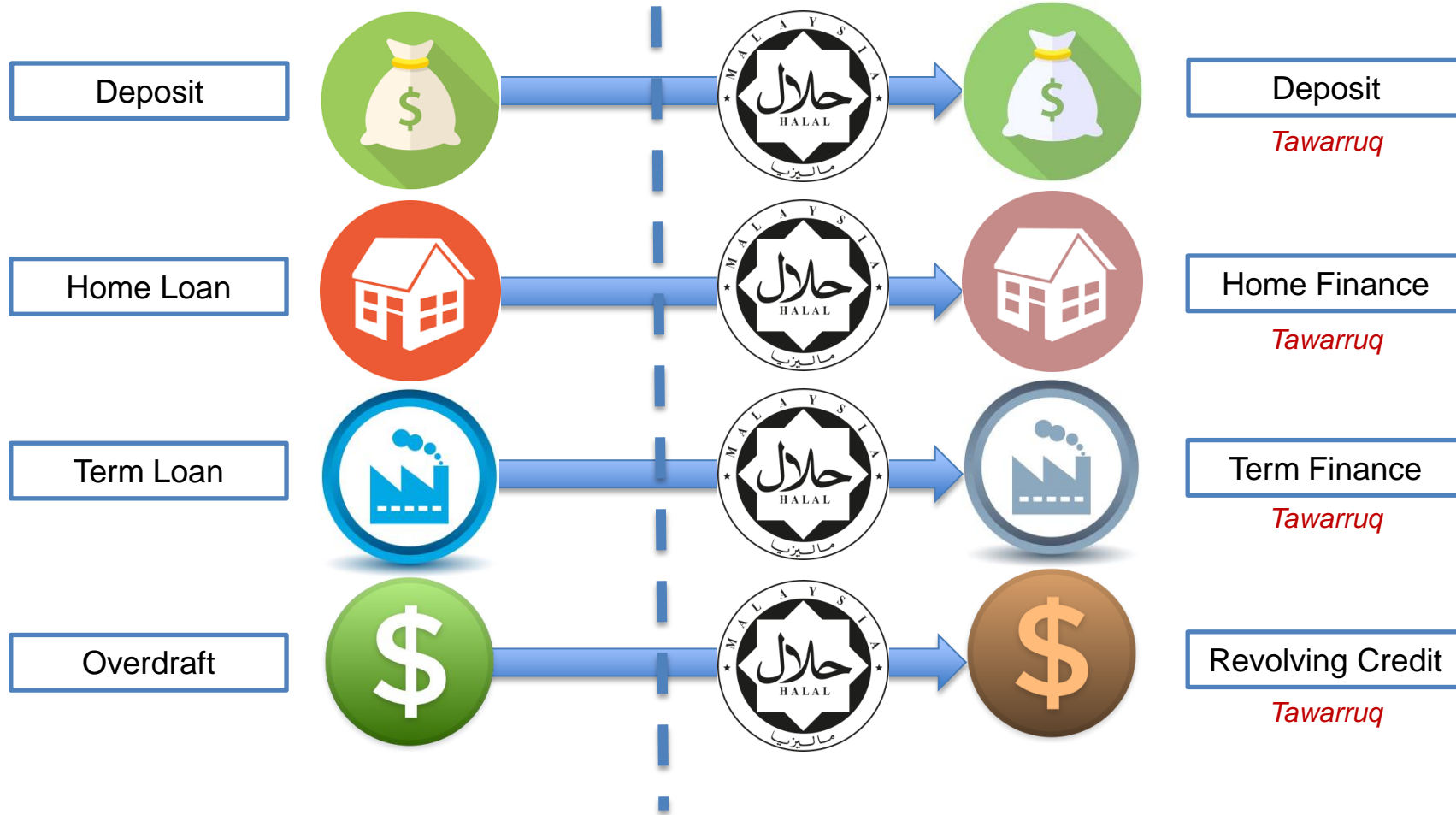
**Prohibited
Items**

**Interest
Based
Activities
or
Contracts
(Lending)**

Most Products Are on Par With Conventional Products

Conventional

Islamic Banking



Benefits of Becoming Shariah Compliant Business



Listing

Going for Listing in
Bursa as Shariah
Compliant Counter

More attractive to
Islamic investors
(Local & Foreign)



Access

Access to a wider
pool of banking
facilities and
government
schemes



Opportunity

Opportunity to enter
into new Halal
markets (products /
services) &
tradeshows

MIHAS

Other Main Benefits of Islamic Financing Products



Transparent Terms
& Conditions



Based on contract, clear rules and responsibilities on obligations (Fairness)



No Lock In Period
for Early Settlement



Not allowed to impose minimum stay period with the bank with penalty (Flexibility)



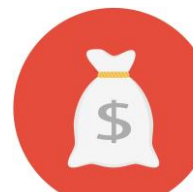
No Commitment
Fees



No charge of commitment fees on the unutilised amount (Efficient)



Stamp Duty Waiver
for Refinancing



Refinance a conventional loan to Islamic finance & get stamp duty waiver (Savings)



Profit on Takaful
Coverage



Takaful cover can benefit business with its money-back feature (Investment)



The Partner For YOU

UOB as your Solutions Provider

ISLAMIC BUNDLED PROPOSITION FOR SMEs

BizProperty Term
Financing-i

Revolving Credit-i

15 Years
Commercial
Property Financing
(CPL-i)



Skim Jaminan
Pembiayaan
Perniagaan (SJPP)
Unsecured
Financing

Shariah-Compliant
SME Financing
Scheme (SSFS) by
SME Corp

Letter of Credit-i

Trust Receipts-i

Banker's
Acceptance-i

Bank Guarantee-i

Contract Financing



Current Account-i &
Fixed Deposits-i

Cash Management
System (CMS)

Islamic Wealth
Management (IWM)

+ Corp Employee
Program (CEP-i)

FINANCING

ASSET BACKED

- ❖ BizProperty Financing-i
- ❖ Term Financing-i
- ❖ Revolving Credit-i
- ❖ Commercial Property Financing-i
- ❖ Contract Financing-i

Competitive Pricing / Financing Tenure up to 15 years / Sharing of Collaterals / 100% Stamp Duty Waivers for Refinancing / Price Protection with Ceiling Rate / No Penalty for Early Settlement / Working Capital with No Commitment Fees





SME

SPECIAL SCHEMES

★ **BACKED BY INSTITUTIONS**

❖ **SJPP-i** *Partial Guarantee / High Margin*

❖ **CGC BizJamin** *Guarantee*

*Guarantee of Performance /
Subsidised Rates / Savings in Cost of
Funds / Government-Backed / Shariah
Compliant / Acquisition of Assets /
Working Capital / No Collateral
Required / High Financing Margin*

TRADE FINANCE

- ❖ Letter of Credit-i
- ❖ Trust Receipts-i
- ❖ Acceptance Bills-i
- ❖ Bank Guarantee-i
- ❖ Shipping Guarantee-i
- ❖ FX Spot-i
- ❖ FX Forward-i
- ❖ FCY Current Account-i

*Wakalah / Murabahah / Kafalah / Ujrah /
Bai Al Sarf / Wa'd / Tawarruq*

CASH

MANAGEMENT



- ❖ Current Account-i
- ❖ Business Internet Banking
- ❖ Cashless Solutions
- ❖ Collection Reconciliation
- ❖ Bills Payment
- ❖ Virtual Account





DEPOSITS

- Current Account
- Foreign Currency Account
- Takaful Coverage
- Cheaper Unit Trusts



INTERNET BANKING

- Business Internet Banking
- Payroll and Accounting
- Payment & Collections automation



UOB SmartBusiness
Accounting and HR software start at zero cost.



VIRTUAL ACCOUNTS

- Ease of Collections and Payment with Consolidated Statement



PAYMENT GATEWAYS

- JomPay & Paynets
- Debit Card for Visa & Mastercard



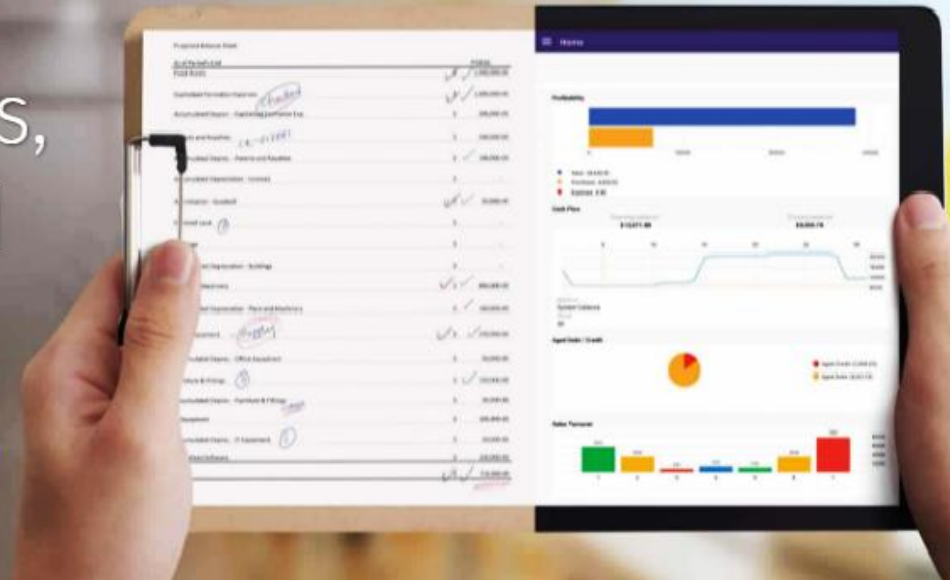
UOB SMART



BUSINESS

Transform your business,
maximise your potential

UOB SmartBusiness offers a suite of integrated solutions that lets you seamlessly manage multiple core processes such as sales, invoicing, payroll, accounting and more. Connected to your UOB banking account and facilities, you can access to ready information on your operations and company financials, allowing you to make better informed business decisions and generate better cash flow.



Sales and Invoicing

Instantly create quotes and generate electronic invoices

[Learn more >](#)



Accounting and Bank Reconciliation

View your transactions as soon as they occur

[Learn more >](#)



Inventory Management

Automatic updates to stock levels with each sales and purchase order

[Learn more >](#)



Payroll and HR Management

Issue itemised payslips and schedule for periodic payroll runs

[Learn more >](#)

SPECIAL HANDLING

- ❖ Is there special Financing Rates for Bumi SMEs?
- ❖ What are Special Schemes offered to Bumi SMEs?
- ❖ Do Bumi SMEs get some Credit Criteria dispensation?
- ❖ Can Bumi SMEs get Green Lane treatment for application?
- ❖ Do you have a Dedicated Team to advice and handle Bumi SMEs applications?



BUMIPUTRA BUSINESS BANKING FOR **SMEs**



Relationship Management

Support & Advisory

Government Schemes



We are Here to Guide You

Direct Processing for Faster Turnaround!



Benefits for Your Employees

Corporate Employee Programme

RIGHT SOLUTIONS

YOU



OUR SOLUTION

- ❖ Tech-Driven
- ❖ Cost Savings
- ❖ Integrated
- ❖ Efficient
- ❖ Cross Border



Bonus!

YOUR EMPLOYEES



Financing



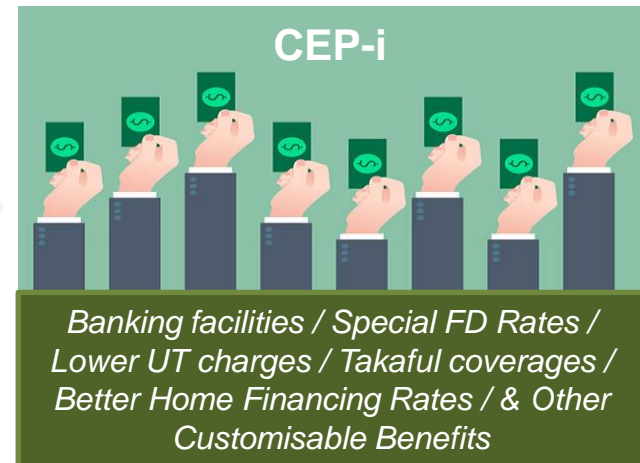
Special Schemes



Trade Financing



Cash Management



CEP-i

*Banking facilities / Special FD Rates /
Lower UT charges / Takaful coverages /
Better Home Financing Rates / & Other
Customisable Benefits*

CORPORATE EMPLOYEE

PROGRAM (CEP-i)

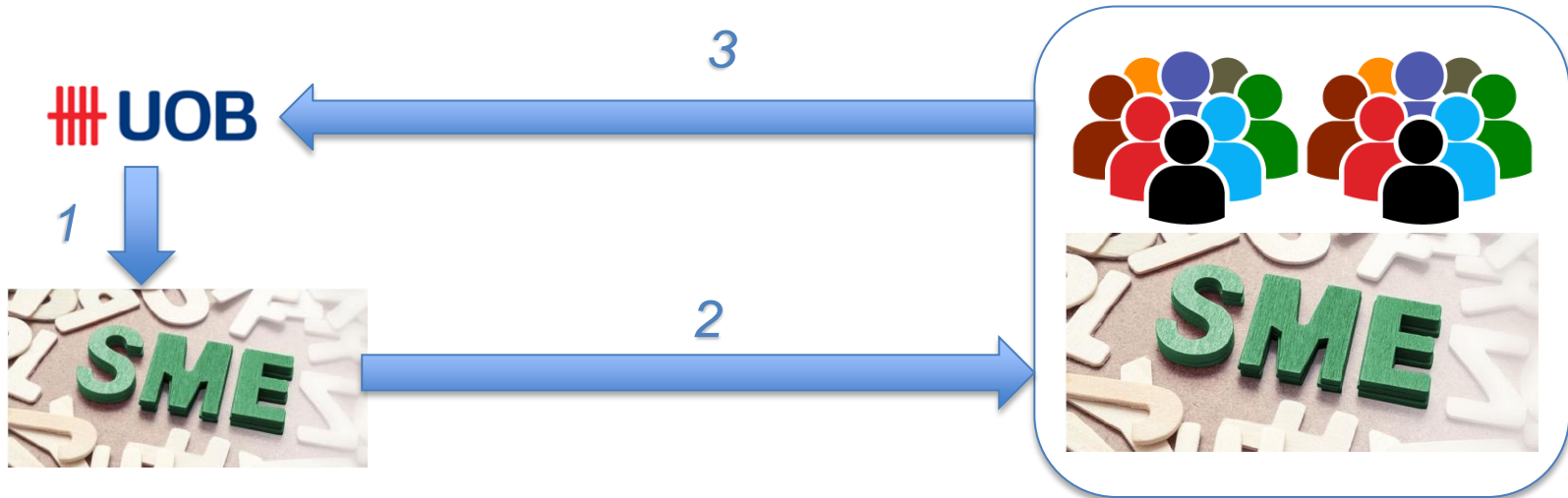
- ❖ Islamic Fixed Deposit Preferential Rate
- ❖ ProSave Account-i with Takaful coverage
- ❖ Preferential Financing Rates
- ❖ Lower Unit Trust Sales Charge Rate
- ❖ Complimentary Personal & Theft Takaful
- ❖ MEPS Fee Waiver



YOUR EMPLOYEES BENEFIT FROM YOUR COMPANY

BENEFITS FOR EMPLOYEES

1. UOBM starts relationship with you (SMEs) and offer UOBM's CEP to your **employees**
2. You inform the your **staff** and **employees** that they are entitled to the CEP offered by UOBM by virtue of Your Company being existing customers of UOBM.
3. Your **staff** and **employees** qualifies for the CEP package and apply to use UOBM's various offerings at special pricing.



Corporate Employee Programme

DEPOSIT PROPOSITION



Launched in April 2019, the “Islamic Banking Way To Go” Proposition offers, among others:

1. Current Account & FCY Current Account with Contracted Returns (Tawarruq)
2. Preferential Fixed Deposits Rate
3. Cheaper Pricing for Unit Trusts or Key-Man Takaful

Michelle Abdullah's choice:
ProSave Account-i, Foreign Currency
Call Account-i, United-i Global
Balanced Fund, FD Plus-i.

Adam Lokman's choice:
ProSave Account-i, Foreign Currency Call
Account-i, FD Plus-i, Smart Secure Takaful.



Build your wealth with our Shariah-compliant unit trust investments. These local and global funds are managed by professional fund managers and are designed to make your money work harder for you.

Take advantage of UOB's proprietary Risk First advisory approach which starts with understanding and ascertaining your risk tolerance. This in turn helps you understand how risk relates to potential returns so that you can then make informed investment decisions.



ProSave Account-i
Savings with liquidity and complimentary protection

UOB's latest Shariah-compliant savings account comes with complimentary takaful coverage up to RM10,000. It is based on the Shariah principle of Tawarruq whereby your principal is protected.

Foreign Currency Call Account-i
Savings growth through foreign currency fluctuations

Protect your moneys against exchange rate fluctuations and also profit from it with this current account maintained in foreign currency.

FD Plus-i
Savings with guaranteed higher returns

Based on the Shariah principle of Tawarruq, FD Plus-i account is capital guaranteed. Your deposit will be fully returned on top of monthly profit. Choose from a tenure between 1 up to 12 months.

Smart Secure Takaful
Savings with protection and potentially higher returns

Smart Secure Takaful is a limited pay regular contribution takaful plan that combines ordinary family takaful with investment-linked takaful to offer protection, savings and investment for potentially higher returns.

ISLAMIC WEALTH MANAGEMENT

- ❖ **Fixed Deposit-i / FD Plus-i**
- ❖ **United-i Global Balanced Fund**
*(first Shariah-Compliant global balanced fund
by UOB Islamic Asset Management)*
- ❖ **Islamic Unit Trust**
- ❖ **Smart Save Takaful** *(by PruBSN
Takaful)*



Best Returns on Balances / Low Sales Fees for Islamic Unit Trust / Choice of Islamic Unit Trust for Investment / Foreign Currency Accounts / Flexible Profit Payment for Fixed Deposits / Returns on Takaful

SMART SECURE TAKAFUL



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www.UOB.com.my
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Choose your own cash payout plan, contribution and coverage term according to your needs.

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SMART SECURE TAKAFUL

POTENTIAL HIGHER RETURNS

Gain more than you expect with your investment to funds of your choice.

T&C Apply

SMART SECURE TAKAFUL

COMPREHENSIVE PROTECTION

Attach 3 unique riders for optimum coverage.

- Term Protector
- Spouse Contributor
- Contributor

T&C Apply

SMART SECURE TAKAFUL

HIBAH

Your beneficiary has full rights over the Hibah.

T&C Apply

UOBM ISLAMIC PRODUCTS

No.	Product	Product Name	Product Concept
1.	Demand Deposit	1. Basic Saving Account-i (Retail) 2. Basic Current-i (Retail) 3. Basic Current Account-i (Wholesale/BB) 4. Current Account-i (Wholesale/BB) 5. ProSave Account-i (Retail) 6. Current Account-i (Wholesale/BB) 7. Non-Chequing Current Account-i (Wholesale/BB) 8. Foreign Currency Current Account-i (Retail) – Investment 9. Foreign Currency Current Account-i (Retail) – Trade 10. Foreign Currency Current Account-i (Wholesale/BB) – Investment 11. Foreign Currency Current Account-i (Wholesale/BB) - Trade	Qard Qard Qard Qard Tawarruq Tawarruq Tawarruq Tawarruq Tawarruq Tawarruq Tawarruq
2.	Term Deposit	1. Fixed Deposit-i (Retail) 2. Fixed Deposit-i Plus (Retail) 3. Fixed Deposit-i (Wholesale/BB) 4. Money Market Deposit-i (Wholesale)	Tawarruq Tawarruq Tawarruq
3.	Retail Financing	1. Home Financing-i 2. Home Financing-i (Skim Rumah Pertamaku Cagamas) 3. Home Financing-i (Priority Home) 4. Term Financing-i (Top Up)	Tawarruq Tawarruq
4.	Wholesale & Business Banking Financing	1. Term Financing-i (Wholesale/BB) 2. Revolving Credit-i (Wholesale/BB) 3. Contract Financing-i (Wholesale)	Tawarruq Tawarruq Tawarruq
5.	Trade Financing	1. Accepted Bills-i (Wholesale/BB) 2. Trust Receipts-i (Wholesale/BB) 3. Letter of Credit –i (Wholesale/BB) 4. Bank Guarantee-i (Wholesale/BB)	Bai' Al-Dayn (Sale) Murabahah (Purchase) Murabahah Wakalah Kafalah
6.	Forex Exchange	1. Spot-i 2. FX Forward-i 3. Profit Rate Swap-i (Wholesale) 4. Cross Currency Swap-i (Wholesale)	Bai' sarf Wa'd Tawarruq Tawarruq
Total		28 Products	

UOBM ISLAMIC SERVICES

No.	Product	Services Name	Product Concept
1.	Cash Management	<ol style="list-style-type: none"> 1. Collections & Payment (JomPay, PFX, PayNet, Mastercard, Visa) 2. Merchant Terminals & Cashless Payments 3. Consolidated Statements 4. Virtual Account 5. Security Services 	<i>Ujrah</i> <i>Ujrah</i> <i>N/A</i> <i>N/A</i> <i>N/A</i>
2.	Digital Banking	<ol style="list-style-type: none"> 1. Personal Internet Banking 2. Business Internet Banking (UOB Smart Business) 	<i>Ujrah</i> <i>Ujrah</i>
3.	Corporate Employee Programme	<ol style="list-style-type: none"> 1. Home Financing-I Preferential Rate 2. Savings on Unit Trust Charges 3. Savings on Takaful Fees 4. Preferential Fixed Deposit Rate 5. Campaign Rates for CASA Tawarruq 	<i>Tawarruq</i> <i>Ujrah</i> <i>Ujrah</i> <i>Tawarruq</i> <i>Tawarruq</i>
4.	Government Special Schemes	<ol style="list-style-type: none"> 1. Skim Jaminan Pembiayaan Perniagaan (SJPP) 2. Green Tech Financing Scheme (GTFS) 3. CGC BizJamin 	<i>Tawarruq</i> <i>Tawarruq</i> <i>Tawarruq</i>
5.	Third Party Products	<ol style="list-style-type: none"> 1. Smart Secure Takaful (for individuals) 2. Level Term Takaful (for Companies) 3. Islamic Unit Trusts 	<i>Ujrah</i> <i>Ujrah</i> <i>Ujrah</i>
Total		18 Main Services	

Make UOB Your #1 Choice of Bank

Start Your Journey with UOB

*Open Your **Current Account** with Us to have Access to both our Islamic Banking and Conventional Banking Products. Start Exploring our **wide range** of Products of Financing, Deposit, and Investments*

Make UOB Your Main Bank

*Sign Up with UOBM **Cash Management** solution that provides efficient Bills Payment ecosystem, consolidated statements, virtual accounts, business internet banking and best returns on your balances **all in one** system. **Refinance your loans** (stamp duty waiver) and get additional working capital*

Grow with UOB Bank

*Explore all Our Simple but Right banking products that suite your needs. **Expand** into **new Market**. Enjoy UOBM's **Corporate Employee Program** where even your staff and clients can **BENEFIT***

**Exchange your Cards with
Our Representatives TODAY**



**Approach Us For Any Questions
on UOBM's Islamic Products**

We Are Committed As Your Partner

Thank You



RIGHT BY YOU

