

BUDGET 2025: ADVANCING SUSTAINABLE ECONOMIC REFORMS AND SOCIAL EQUITY

KUALA LUMPUR, Friday, [18 October 2024]: Bank Islam Malaysia Berhad (Bank Islam or the Group) welcomes Budget 2025 as a pivotal step toward inclusive growth, fiscal responsibility, and social justice. The budget reinforces the government's commitment to sustainable development while ensuring fairness for all.

Bank Islam Group Chief Executive Officer Dato' Mohd Muazzam Mohamed said key measures include a robust RM86 billion development expenditure to reduce the fiscal deficit to 3.8% next year.

"The government's commitment to intensifying efforts against online fraud, with the allocation of RM20 million to the National Scam Response Centre (NSRC) and the launch of the National Fraud Portal, is a significant step toward strengthening digital security. Bank Islam projects a 50% reduction in fraud losses by the end of 2024, a key outcome of Bank Negara Malaysia's Fraud Countermeasures.

"We support the government's RM100 million fund to drive innovation in Islamic finance. This will help create products based on true Islamic principles, such as musharakah (risk-sharing) and fair profit distribution, going beyond typical Shariah-compliant options. It also aligns with Bank Islam's focus on sustainable finance," he said.

Mohd Muazzam emphasised that, as an Islamic financial institution with 41 years of trust, innovation, and commitment to serving the community, Bank Islam is encouraged by the government's continued support for the iTEKAD initiative. The allocation of RM20 million in matching grants, with RM5 million specifically dedicated to insurance or takaful contributions for micro-entrepreneurs, further strengthens our efforts to uplift and empower this vital segment of the economy.

"To date, Bank Islam has provided RM30.18 million in funding escalators, microfinancing, and iTEKAD grants to 1,590 eligible entrepreneurs, helping them build sustainable businesses.

"We believe that the proposed Budget 2025 initiatives will address key economic and fiscal challenges but also set the stage for the long-term sustainability of the Malaysian economy. It represents a commitment to fostering prosperity for all Malaysians, ensuring no one is left behind as we move towards a brighter, more equitable future that thrives on inclusivity and shared success," Mohd Muazzam concludes.

About Bank Islam Malaysia Berhad (Registration No [198301002944(98127-X)])

Bank Islam is the first Islamic bank publicly listed on the Main Market of Bursa Malaysia. Established in July 1983, the bank has 135 branches and over 900 self-service terminals across Malaysia. As a pure-play Islamic bank, Bank

Islam provides retail banking and corporate financial solutions that strictly adhere to Shariah rules and principles. The bank is committed to sustainable prosperity and ESG values and is an official UN Global Compact Malaysia and Brunei participant. Bank Islam's core subsidiaries, BIMB Investment and BIMB Securities, offer various Islamic financial services, including investment and stockbroking. For more information on the Group's products and services, please visit www.bankislam.com.

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