

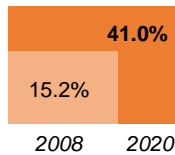
Islamic Finance in Malaysia

Islamic finance: An integral component of Malaysian financial system and economy

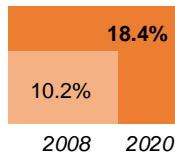
20%

Market share of total global Islamic financial assets as at 2019

Steady growth in banking and takaful

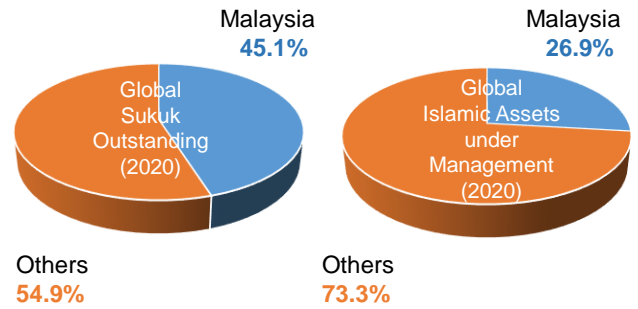


Islamic banking
Market share of Islamic banking sector by total financing*



Takaful
Market share of takaful sector by total net contributions

Key driver in global sukuk & Islamic funds



*Includes Development Financial Institutions (DFIs)

Sources: Islamic Finance Development Indicator, Bank Negara Malaysia, MIFC

Diverse set of players offering a wide range of products and services

Banking

- 16 Islamic banks
- 12 Islamic windows
- 6 development financial institutions

Takaful (Islamic insurance)

- 15 takaful operators
- 3 retakaful operators

Fund Management

- 23 Islamic fund management companies
- 34 fund management companies with Islamic windows

Professional ancillary services & talent entities

- More than 100 firms offering Islamic financial & related services*

Shariah advisory

Legal

Rating agencies

Human capital development

Accounting & Audit

Technology solutions

Commodity Trading Platforms

*For more information on professional ancillary services and talent entities, visit www.mifc.com.

Key milestones encapsulating the industry's vision to be more impact-driven

Value-based Intermediation (VBI)



- Aims to deliver the intended outcomes of Shariah through practices, conduct, offerings that generate positive and sustainable impact to the economy, community and environment.
- The Islamic banking industry intermediated approximately RM155.6 billion* in VBI-related or aligned initiatives. Examples of impact created include:

Nearly 35,000 families now own affordable houses through more than RM20 billion financing

More than 100,000 SMEs & micro-SMEs supported with over RM40 billion financing

More than 4500 renewable energy & green projects financed via more than RM8.8 billion financing

Optimising Social Finance



Infusion of social finance in Islamic financial services to mobilise capital towards building social resilience e.g.

ITEKAD: A blended finance programme that leverages social finance as an instrument to upskill and empower B40 entrepreneurs to generate sustainable income.

myWakaf: An online fundraising platform by six Malaysian Islamic banks which allows for cash waqf contribution via built-in payment gateway.

Supporting Halal Industry



- Widen offerings beyond Shariah financing to support growth of halal industry by providing end-to-end facilitation such as
 - Business advisory including halal certification consultation
 - Business matching leveraging on financial institutions' regional or global networks
- Continued engagements with halal companies to increase take up of Islamic finance products

*Source: VBI Preview Report 2017 – 2020

For more information on VBI, visit www.aibim.com/value-based-intermediation.

www.mifc.com

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