

Headline	StanChart Saadiq, TH tie-up for overseas properties, travel biz		
MediaTitle	The Malaysian Reserve		
Date	19 Dec 2019	Color	Black/white
Section	Corporate Malaysia	Circulation	12,000
Page No	18	Readership	36,000
Language	English	ArticleSize	301 cm ²
Journalist	S BIRRUNTHA	AdValue	RM 2,115
Frequency	Daily	PR Value	RM 6,346



StanChart Saadiq, TH tie-up for overseas properties, travel biz

by S BIRRUNTHA

STANDARD Chartered Saadiq Bhd (StanChart Saadiq), the Islamic banking arm of Standard Chartered Bank (M) Bhd (StanChart), has stepped into a multifaceted long-term collaboration with Lembaga Tabung Haji (TH) for its overseas properties and travel business.

In a statement yesterday, StanChart Saadiq stated it has extended a two-year Shariah-compliant financing facility totalling £65 million (RM353 million) to two wholly owned subsidiaries of TH for the refurbishment and refinancing of office properties in the UK.

"Part of the funds has been disbursed to LTH Property Holdings Ltd to partially fund the renovation of its office property in London, while the remaining is used to refinance the term financing of a second office property owned by LTH Property Holdings 2 Ltd in Surrey.

"Under the terms of the financing, TH has the flexibility to convert its financing collateral from cash to sukuk, allowing it to fully optimise its existing sukuk investment, while StanChart Saadiq is given the option to extend the facility for another year," it added.

This is the first Islamic-structured funding deal for StanChart Saadiq in South-East Asia. The deals were booked at Standard Chartered Bank Offshore Labuan, making it the first financial market transaction for the offshore entity.

TH group MD and CEO Nik Mohd Hasyudeen Yusoff said it leverages on foreign banking partners to minimise its non-ringgit financing cost in order to optimise returns.

"As TH continues to actively seek strategic investments locally and globally, we are delighted to have found a strong international partner StanChart Saadiq. TH is also exploring to hedge our currency exposure particularly as part of our risk management in foreign investment and haj operations.

"These two undertakings reflect the mutual trust and values we share as financial institutions. We will pursue further collaborations with StanChart Saadiq to enhance our cross-border currency risk management framework. "We will also be looking at expanding environmental, social and governance investment opportunities and initiatives through the bank," he said.

Meanwhile, StanChart Saadiq CEO Mohd Suhaimi Abdul Hamid believes the collaboration will open more avenues on financial services for TH depositors and corporate requirements.

"TH's decision to bank with us demonstrates their confidence in our capabilities and network to support its global investment initiatives, and haj and umrah operations in Saudi Arabia.

"StanChart Saadiq is the only international Islamic bank that has a physical presence in multiple markets namely Malaysia, United Arab Emirates, Bahrain, Pakistan, Bangladesh and Kenya. We also

have a banking licence in Saudi Arabia.

"Our strategy has always been to provide solutions based on a good understanding of our clients' needs, and we are proud to be associated with an organisation that has been instrumental in helping Malaysians fulfil their pilgrimage to Mecca," Mohd. Suhaimi added.

Recently, the bank has also initiated the Umrah Campaign 2019 with TH Travel & Services Sdn Bhd, a wholly owned subsidiary of TH that provides complete travel and tour services for Muslims.

The campaign, currently running until Feb 28 next year, aims to encourage customers to save by rewarding them with travel vouchers or travel packages to visit the holy cities of Mecca and Madinah.