

SME WEEKLY NEWS

(31 July 2017 – 4 August 2017)

Countries	Highlights
<p>MALAYSIA</p> <p>RHB Bank introduces first SME-dedicated online portal</p>	<p>RHB Bank Bhd has introduced the RHB SME Banking Portal, the first online portal that provides SME clients with quick access to information and products relevant to their businesses. RHB Bank said the RHB SME Banking Portal list of features include online account application, online loan/financing application, product information for SMEs, an SME Knowledge Centre, and business tools to help make informed decisions. It said SMEs can now submit their application for a current account and loan/financing through this online platform, and also get up-to-date market insights and treasury reports, amongst other pertinent information available on the portal. RHB Bank targets to have 20,000 unique visits to the RHB SME Banking Portal and 500 new clients via this portal by end of 2017.</p> <p><i>(Source: New Straits Times, 4 August 2017)</i></p>
<p>SINGAPORE</p> <p>More help for 2,500 Singapore SMEs to 'Go Global' with Google</p>	<p>Google announced the expansion of its Go Global initiative, with a commitment to train 2,500 SMEs to be digitally and export-ready by 2019. Aimed at helping homegrown brands tap into the global market, the expanded Go Global scheme now includes access to dedicated marketing consultants for advice on growing businesses through online media campaigns besides developing e-commerce capabilities. Masterclasses led by Google and partner agencies provide practical advice on how to grow their digital presence. The tech giant also runs Squared Online for SMEs, providing training for some 1,000 SME leaders looking to build in-house digital expertise. Google also announced their new partnerships with the National Trades Union Congress (NTUC) and Singapore infocomm Technology Federation (SiTF) to scale up efforts to reach out to a larger pool of SMEs.</p> <p><i>(Source: Today Online, 31 July 2017)</i></p>
<p>THAILAND</p> <p>KTB offers special credit programs to flood victims</p>	<p>Krung Thai Bank (KTB) is offering assistance to customers and SMEs affected by the recent flooding through interest rate cuts, loan extensions, and exemptions. Customers under the Home for Cash program will be exempted from payments for 3 months, while interest rates from 4th to 12th month will be slashed by 0.25% per year. Individual customers can receive a 3-month exemption from payments, followed by a 3-month exemption from interest payments, along with extensions to payments up to 5 years. SME customers could be eligible for a minimum interest rate cut to 1% per year, a one-year exemption on principal payments, and a one-year extension on loan payments. Revolving loans can receive an interest-free extension up to six months, as well as a 30-day grace period for missed payments. In addition, KTB will offer a special loan for restoring businesses with a 3.75% annual interest rate, payable in five years with an extension up to one year.</p> <p><i>(Source: Pattaya Mail, 2 August 2017)</i></p>
<p>INDONESIA</p> <p>IDX prepares acceleration board for SMEs to hold IPO</p>	<p>The Indonesia Stock Exchange (IDX) is preparing an acceleration board to open access for the SMEs to enter the stock exchange. Currently, there are only main board and development board for issuers listing their shares. Development Director of IDX, Nicky Hogan said the company is reviewing the regulations to support the realization of the acceleration board. SMEs interested in holding initial public offering (IPO) will be expected to release 20% of shares regardless of the number of their floating shares. Meanwhile, the size of net assets for SMEs wanting to list is 5 billion rupiah. In addition to the regulations concerning the issuer candidates from SMEs, IDX also considers a plan to create a favourable regulation for liquidity providers to liven up the transactions of SME shares listed on the exchange later on. IDX also established IDX Incubator to support technology-based startup companies to build business through mentoring, training, and access to investors and Listed Companies.</p> <p><i>(Source: Netral News, 3 August 2017)</i></p>

<p>CAMBODIA</p> <p>Information centre launched for SMEs</p>	<p>The Young Entrepreneurs Association of Cambodia (YEAC) in partnership with the Cambodia Women Entrepreneurs Association, Cambodia Chamber of Commerce and Mekong Business Initiative launched a groundbreaking Business Information Centre (BIC) to facilitate and expedite the start-up process for new businesses. The BIC will SMEs a one-stop resource for up-to-date information on business laws and regulations, opportunities and business support services. It aims to play a leading role in clearing obstacles to business incorporation and formalisation. The centre will act as an open platform for SME support services, including guides and toolkits, a database of financial support services, and tailored industry market insights. The BIC will also provide business matching, training information, job listings and an SME event calendar.</p> <p><i>(Source: Khmer Times, 4 August 2017)</i></p>
<p>VIETNAM</p> <p>BIDV earmarks 10 trillion VND as loans for SMEs</p>	<p>The Bank for Investment and Development of Vietnam (BIDV) will earmark at least VND 10 trillion (USD434.7 million) as loans for SMEs each year, said General Director of BIDV, Phan Duc Tu. He said the bilateral cooperation with Vietnam Association of Small and Medium Enterprises (VINASME) is expected to contribute to creating 1 million businesses in Vietnam by 2020. BIDV pledged to offer the best banking services to VINASME members, assist VINASME in building schemes regarding SMEs development, and provide consultancies to improve corporate capacity towards building a strong, transparent and healthy SME community. BIDV also launched a VND 10 trillion credit package with preferential rates to VINASME members and qualified SMEs.</p> <p><i>(Source: Vietnam Plus, 4 August 2017)</i></p>

HAVE YOUR CAKE AND EAT IT TOO

Venturing into unfamiliar territories or new products may offer new opportunities, provided that entrepreneurs have enough knowledge to exploit the potentials. For Managing Director of Fuji Bakery Supplies (M) Sdn Bhd, Tan Hook Chuan, a clueless investment he made into his business turned out to be a decent venture, but lot of hard work are necessary to pull that off. Tan was working a desk job when a friend suggested taking over a cake house in 1990. Although he knew nothing about baking or running a cake house, he thought it was a good opportunity to be his own boss. He then pooled together some RM40,000 with a group of friends to buy over the cake house, Fuji Bakery, and learned how to run the business on the go.

They didn't know how to manage the bakery and business didn't go as well as they'd hoped for. In fact, it was a loss-making concern. One by one, Tan's partners dropped out of the business. But Tan held on for whatever reason. He was advised to relocate to a neighbourhood that had a more



suitable customer profile for his bakery. So he moved to a shoptlot in Klang, and that gave the bakery the boost it needed. Must be the feng shui, muses Tan. He also started supplying cakes and breads to industrial canteens to widen Fuji's customer base.

But just when things were picking up, the financial crisis hit Malaysia's industries in 1997. And Tan's stable business was affected. Tan was not about to let his supply business go down the drain. He knocked on doors of hypermarkets to see if he could supply them with cakes and breads. "And that is how we grew substantially," he says. In 1997, Tan incorporated the company and renamed it Fuji Bakery Supplies. Although margins were smaller, supply to hypermarkets was steady and with larger volumes. Today, the manufacturer supplies to most major hypermarkets and supermarkets.

The company currently produces more than 200 products. The company also produces sandwich loaves for hotels and for export to Singapore. Although demand from Singapore is growing, Tan notes that logistics present a big challenge for the company to grow its export market, which currently makes up only 20% of its turnover. "Having our trucks go in and out of Singapore is not easy because of customs as well as return and disposal issues. But setting up a logistics base in Singapore will be expensive," he explains. He is still looking at ways to go about issues with its Singapore business. If he can resolve it, business to the City State could easily triple.

In the meantime, he is focused on growing the local market. Revenue has been growing at double-digits and Tan is eyeing sales of RM100mil this year. One of Fuji's advantages is its size of operations; it is big enough for mass production but small enough to customise to clients' requirements. Tan notes that looking for new customers was not a problem once your brand has an established presence in the market, but what sets a manufacturer apart is its ability to cater to different requirements.

"Our strength is that we are flexible. If our customers want a product a certain way, we will make it that way. By catering to different requirements, the team at Fuji is able to gain better product knowledge, which helps in its own research and development efforts. Product development is key to growing a consumer goods business such as Fuji's," he concludes.

(Source: The Star, 31 July 2017)