

# SME WEEKLY NEWS

(24 April 2017 – 28 April 2017)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>Maybank sees financing to retail SMEs growing to RM16.8b by end-2017</b></p>	<p>Maybank expects its retail SME loan portfolio to rise to RM16.80bil by end 2017, boosted by business property-based loans. Maybank expected financing to retail SME segments to grow by 35% this year (2016: 27%). The head of community financial services (CFS) Malaysia, Datuk Hamirullah Boorhan, said the retail SME segment was a key component of the CFS portfolio and had consistently been registering double digit growth over the last five years. He said growth in the retail SME segment this year was expected to come from business property-based loans, portfolio guarantee (PG), trade finance, commercial cards, micro credit and SME deposits through the Maybank SME First Account and payroll accounts. As part of efforts to support the retail SME segment, Maybank will increase the number of seminars under its 'Building Capacity and Capability' (BCC) programme. The Maybank BCC is aimed at enabling retail SMEs to understand better the banking facilities available to them and how they can leverage on these services to grow their business.</p> <p style="text-align: right;"><i>(Source: The Star, 25 April 2017)</i></p>
<p><b>MALAYSIA</b></p> <p><b>Malaysia's domestic focused SMEs lack motivation, expertise in going digital</b></p>	<p>SMEs are often lag behind when it comes to technology adoption, either due to the lack of financial means or human resources. The same appears to be true with adopting a digital strategy to drive their businesses forward. According to President of SME Association of Malaysia, Michael Kang, SMEs understand how to run their businesses, but not how to adopt modern technology. The majority of Malaysian SMEs, he says, serve the domestic market, with over 80% of them being domestically-focused. "They are only focused on the local market so for them to go digital there's not much motivation, unless they are serving the international market." In the meantime, there is an initiative helmed by Google Malaysia to help SMEs explore new markets by digitising and equipping them with the right knowledge and tools. Called Go Global Malaysia (#MYGoGlobal), the public-private partnership is led by Google, Alliance Bank, Mastercard, and Maxis, along with government partners: MITI, MATRADE and SME Corp. Malaysia. The nationwide training programme is provided free of charge to SMEs and Google Malaysia said in the past that their target is to get at least 1,000 SMEs in the programme.</p> <p style="text-align: right;"><i>(Source: Digital News Asia, 25 April 2017)</i></p>
<p><b>SINGAPORE</b></p> <p><b>A*Star to open up 17 facilities to SMEs under Tech Access scheme</b></p>	<p>To spur the manufacturing sector towards adopting technology, the Agency for Science, Technology and Research (A*Star) will give companies access to 17 advanced manufacturing facilities for a start, under a new scheme that is set to kick in this September. Announced during the Government's Budget this year, the Tech Access scheme aims to support Singapore companies, especially SMEs in the manufacturing sector, in using advanced machine tools for prototyping and testing. This includes the use of specialised equipment such as robotised 3-D scanners and high-pressure cold sprays. Chairman of A*Star, Lim Chuan Poh said, "For SMEs, the last thing you want is to spend a few million dollars buying the latest equipment, only to find out later on that it doesn't pay back. You want to be able to sense whether this is a good investment." He added that the Tech Access scheme allows SMEs to go through this "journey", and if they are convinced, hopefully they'll migrate and have their own equipment onsite and on their own manufacturing facility.</p> <p style="text-align: right;"><i>(Source: Today Online, 24 April 2017)</i></p>

<p><b>SINGAPORE</b></p> <p><b>Business financing access for Singapore SMEs boosted by new tool</b></p>	<p>Singapore SMEs received a significant boost in their access to financing with the launch of Linkflow Capital's instant online business loan comparison tool, a first in the city-state. The tool will enable businesses to quickly evaluate their financing options in a marketplace that has often been deemed unwieldy and complex. With Linkflow Capital's online business loan comparison tool, Singapore SMEs can now quickly compare several SME loans at a glance. The tool has an instant loan assessment function to help SMEs check their eligibility and compare the best financing options to secure capital for much-needed business growth. The process has been streamlined into a simple three-step process which can be completed in one minute. The online loan assessment and comparison tool is free for use. Linkflow Capital will provide customized consultancy services for users if they require further assistance with their financing requirements.</p> <p><i>(Source: Yahoo Finance, 26 April 2017)</i></p>
<p><b>SINGAPORE</b></p> <p><b>Singapore government bodies promote online digital marketing course for SMEs</b></p>	<p>AVADO, in cooperation with SPRING Singapore, the Infocomm Media Development Authority (IMDA), and Google, has launched an online digital marketing course aimed at anyone working in SMEs. Aligned with the Singapore government's SMEs Go Digital Programme, the course named Squared Online for SMEs, aims to equip SMEs with the knowledge and skills to boost their in-house digital marketing capabilities. Delivered online and through three exclusive face-to-face workshops, the participants will engage in pre- and post-class activities and weekly one-hour live classes. The expert tutors specialize in topics such as Search Engine Marketing, Social, Mobile, and Analytics. Social media platforms participants could possibly learn about include Facebook, WeChat and LinkedIn, in addition to Google's tools for SMEs. The face-to-face workshops are an exclusive element introduced just for Singapore SMEs. They will feature a smaller group of participants and will cover themes such as Data, Social and Culture, which are useful for SMEs to learn and apply at work.</p> <p><i>(Source: SMB World Asia, 26 April 2017)</i></p>
<p><b>SINGAPORE</b></p> <p><b>SMEs maintaining cautious outlook, bank hopes on 2018 recovery</b></p>	<p>While large corporations saw signs of recovery in the latter half of last year, most SMEs here do not seem to have experienced an uplift, consistent with the still-guarded outlook expressed in recent surveys, reported Monetary Authority of Singapore (MAS) in its Macroeconomic Review. Mr Ho Meng Kit, CEO of the Singapore Business Federation (SBF) said the caution from SMEs could be due to mindset. "Many of our SMEs have substantial operations in Singapore and may feel that they are being squeezed by the manpower crunch, high cost of operations and ongoing restructuring." Mr Ho added that the latest SBF-DP Information Group SME Index for the second and third quarters of 2017 — a quarterly index that aims to provide a six-month business outlook of the SMEs in Singapore in relation to external economic conditions and developments — indicate that more SMEs are planning capital investments, which means that they are expecting growth in the longer term. The MAS drew reference to the SBF-DP SME Index survey and noted that in general, SMEs were somewhat guarded about their growth prospects at the end of last year. "While overall sentiment among them picked up slightly in the latest survey conducted between January and February this year, firms still expect to see a decline in revenue and profit over the next six months, albeit at a reduced pace," the central bank said. MAS added that broadly, SMEs have been slightly underperforming compared with larger enterprises over the past few years.</p> <p><i>(Source: Today Online, 28 April 2017)</i></p>

**VIETNAM**

**Vietnam to facilitate SME growth through financing and tax incentives**

Increased access to funding and new legislation are among the measures being rolled out by the Vietnamese government to support the country's SMEs. Last month, the Ministry of Planning and Investment (MPI) announced four preferential loan programmes to be made available to SMEs this year under its SME Development Fund. Of the US\$24.7 mil set aside for the fund, about US\$44.1 mil will be extended to companies with a focus on innovation; about US\$79.4 mil to businesses in the agriculture, forestry and aquaculture sector; about US\$79.4 mill to processing and manufacturing firms; and about US\$44.1 mill to water supply, management and treatment companies. SMEs will enjoy a 24-month grace period from the time of the original loan approval, though maximum disbursements will vary depending on the programme.

*(Source: Oxford Business Group, 26 April 2017)*

## THE ENTREPRENEURIAL EQUATION

LIFE is never as simple as balancing the books for Executive Director of Origin Foods Sdn Bhd, Ben Wong Seng Tong. The accounting profession has always been associated as a stable profession. But accountant-turned-entrepreneur Wong has no regrets of leaving the safe haven sector in pursuit of business. If things don't turn out well, Wong figured he could always fall back on the profession and begin life all over again. However, his time as an entrepreneur has taught him something else. "I realised that when I fall, I get up from where I am and move on. I did not go back to the start. Likewise, since becoming an entrepreneur, for every business venture that has failed, I just pick myself up and explore another business venture," he says.



He emphasises that when one becomes an entrepreneur, there is always that determination to succeed and there is usually no going back to becoming an employee. "We have to champion the products and services that we are offering and I have to be at the forefront, doing the selling," he says, noting that people skills were important. "An accountant is conservative in outlook. A lot of the focus is on cost cutting and being cautious in disbursing funds. But as an entrepreneur, you have to look at potential and take risks. As a prudent accountant, you can't lose when you don't invest. But in marketing and operations, one can win or lose, depending on the decisions you make and how it was carried out," he adds. Having been at both sides of the equation, Wong has learned to look at investing in operation and marketing activities as a necessity but with much caution.

In business, Wong says they do not overpromise and it is important to be sincere and honest with clients. Likewise, he expect his children to be honest with him as well. "As parents we would be dissappointed not so much because they are wrong but rather because they did not let us know the truth. "In business, earning profit without earning clients' trust is a short term way of doing business. We are here for the long term," he says. That is what entrepreneurship is all about and it looks like this ex-accountant understands the entrepreneurship equation well.

*(Source: The Star, 24 April 2017)*

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