



PRESS RELEASE

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AmBank and CGC signs SME Portfolio Guarantee to enhance the SME Segment in Malaysia

- Further RM200 million allocated to finance SME sectors in Malaysia -

KUALA LUMPUR, Wednesday, 22 March 2017: AmBank (M) Berhad ("AmBank") and Credit Guarantee Corporation Malaysia Berhad ("CGC") signed an SME Portfolio Guarantee ("SPG") agreement today, in order to further enhance its strategic focus on developing and financing the Small and Medium Enterprise ("SME") segment in Malaysia via AmBank's SME Banking.

The signing ceremony today is a progression of the ongoing strategic collaboration between AmBank and CGC. Through this partnership, both AmBank and CGC have committed to extending an additional of RM200 million financing for eligible SME businesses as part of Tranche 2.

This marks a continuation of the SME Portfolio Guarantee Scheme, which was launched in September 2016; whereby, a sum of RM150 million in Tranche 1 was allocated and fully subscribed within five months.

Under this scheme, eligible SMEs can apply for financing facilities of up to RM 1 million from AmBank SME with repayment tenure of up to seven years. Seventy percent of the principal financing amount will be guaranteed by CGC.

The partnership agreement was signed by Jade Lee, Managing Director of Retail Banking, AmBank (M) Berhad together Mr. Leong Weng Choong, Chief Business Officer of CGC. It was witnessed by Datuk Mohd Zamree Mohd Ishak, President/Chief Executive Officer of CGC and Dato' Sulaiman Mohd Tahir, Group Chief Executive Officer of AmBank Group.

Dato' Sulaiman said, "We are pleased to strengthen our partnership with CGC through this SME Portfolio Guarantee agreement, where we have extended a further sum of RM200 million as part of Tranche 2 of the CGC Portfolio Guarantee Scheme to support the growing demands of the SME industry and our customers. This partnership is in line with AmBank Group's Top 4 strategy to expand and strengthen our SME business."

"Overall, AmBank SME Banking and CGC have allocated a total of RM350 million to date to support the SME businesses in providing working capital financing to qualified borrowers who lack collateral." Dato' Sulaiman further commented.

AmBank SME business solutions provide innovative resolutions that are suited for SMEs that are looking to expand their business reach and the SME Portfolio Guarantee will be available at all AmBank branches nationwide. Other products and services include Business Premise Loan, Bank Guarantee OTC, AmBank@Work, AmSignature Priority Banking and Business Current Account.

"With the success of the first tranche of RM150 million which we inked with AmBank back in September 2016, we are pleased to collaborate once again with AmBank on a second tranche valued at RM200 million," said CGC's President / Chief Executive Officer, Datuk Mohd Zamree Mohd Ishak.

"This is our fourth PG strategic partnership with AmBank and to date, we have availed RM950 million worth of financing via our PG scheme. I look forward to many more opportunities to further increase access to financing for SMEs in Malaysia." said Datuk Zamree.

Zamree further explained that it is imperative for CGC to continuously explore new avenues in providing further access to financing for SMEs, by providing impactful guarantee and financing products.

He added that such initiatives will hasten the achievement of CGC's aspiration to be the Household Name for SMEs by 2020.

About AmBank Group

AmBank Group is one of Malaysia's premier financial solutions groups with nearly 40 years of legacy in understanding Malaysians and provides a wide range of both conventional and Islamic financial solutions and services, including retail banking, wholesale banking, as well as the underwriting of general insurance, life assurance and family takaful.

The Group's purpose to help individuals and businesses in Malaysia grow and win together shows our renewed vision to support and empower our customers and our people to achieve their aspirations. This purpose underpins the Group's holistic "Top Four" Aspiration, focused on sustenance, improvement and growth in key segments and products as well as our role as an Employer. AmBank Group – a modern Malaysian diversified financial solutions partner that understands and meets the diverse needs of modern Malaysians.

The Group receives strong support from the Australia and New Zealand Banking Group ("ANZ") (one of Australia's leading banks) particularly in Board and senior management representations, risk and financial governance, products offering and new business developments. In the general insurance business, the Group has partnered with Insurance Australia Group Ltd ("IAG"). Whilst in the life assurance and family takaful businesses, the Group has a partnership with MetLife International Holdings Inc. ("MetLife"). The Group benefits in terms of expertise transfer from IAG and MetLife.

AMMB Holdings Berhad is the holding company of AmBank Group and is a public listed company on the Main Market of Bursa Malaysia.

About CGC

Credit Guarantee Corporation Malaysia Berhad (CGC) was established on the 5th of July 1972 and it is 78.65% owned by Bank Negara Malaysia, while the remaining 21.35% are owned by various commercial banks in Malaysia.

The core business of CGC is to assist SMEs; especially those with inadequate or without collateral and track record, in obtaining credit facilities from financial institutions by providing guarantee cover on such facilities. CGC has availed over 444,700 guarantees and financing to SMEs that are valued over RM63 billion

since its establishment.

CGC's support for SMEs are not only confined to the provision of loan guarantees and financing facilities, but also credit information and credit rating services through its subsidiary, *Credit Bureau Malaysia*. Through the Bureau, CGC assist SMEs in building a credit history and track record, in order to enhance their credibility and bankability in securing financing on their own merit and at reasonable cost.

Other funds that are currently managed by CGC include the Green Technology Financing Scheme (GTFS) and the Bumiputera Entrepreneur Project Fund (TPUB-i) with a total allocation of RM3.5 billion and RM300 million respectively. To date, CGC had managed a total of 45 guarantee and financing schemes including 16 government-backed schemes.

Currently, seventeen (17) Commercial Banks, fifteen (15) Islamic Banks, and seven (7) Development Financial Institutions (DFIs) are participating in CGC's guarantee schemes, in providing financing to customers through a wide network of more than 2,600 branches nationwide to avail financing.

SMEs who are interested to obtain more information may call CGC's Client Service Centre at 03-7880-0088 or email csc@cgc.com.my or visit www.cgc.com.my

For Media Enquiries:

**Group Corporate Communications and Marketing,
AmBank Group**

*Syed Anuar Syed Ali
Head
Office: 03- 2036 1703
Email: sasa@ambankgroup.com*

**Corporate Communications Department
Credit Guarantee Corporation Malaysia Berhad**

*V. Kumaran
Head
HP: 016-638-1747
Email: kumaran@cgc.com.my*