

## CREDIT GUARANTEE CORPORATION WINS INTERNATIONAL AWARD FOR SME WHOLESAL GUARANTEE

*CGC's Islamic Wholesale Guarantee recognised by ADFIAP for helping SMEs  
and developing the unsecured financing business*

**Kuala Lumpur, 2 July 2015** – Credit Guarantee Corporation Malaysia Berhad (CGC) was recently accorded the Development Award 2015 by the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) in recognition of its forward-looking *Islamic Wholesale Guarantee (WG-i)* scheme.

CGC President and Chief Executive Officer Mohd Zamree Mohd Ishak received the Award at the ADFIAP Awards Night during the 38<sup>th</sup> ADFIAP Annual Meeting in Nha Trang, Vietnam.



*CGC President & CEO, En. Mohd Zamree Mohd Ishak (Left) and OCBC Al-Amin Director & CEO, Tuan Syed Abdull Aziz Jailani Syed Kechik holding aloft the 'SME Development Award 2015' which CGC received for its innovative Islamic Wholesale Guarantee Scheme at ADFIAP's 38th Annual Meeting in Nha Trang, Vietnam recently.*

“The *WG-i* scheme launched in April 2014 is the country’s first Islamic SME wholesale guarantee scheme, providing companies with access to unsecured business financing. The innovative financing scheme was developed to ensure that banks continue to have the ability to lend to SMEs with the benefit of a CGC guarantee.

“To date, about RM500 million worth of SME financing in the books of OCBC Al-Amin has been guaranteed by CGC, benefitting more than two thousand SMEs,” Zamree said.

“CGC has been in the forefront of SME development in Malaysia, successfully providing the much needed financing to dynamic SMEs over the past four decades. The ADFIAP award for our *WG-i* is testimony to our ability and expertise in developing and delivering innovative financing products that can have a great impact on SME growth and outreach,” added Zamree.

The award for *WG-i* is the second to be accorded to CGC by ADFIAP. In 2012, CGC received ADFIAP’s Development Award for its Portfolio Guarantee (PG) Scheme under the SME Development category.

“The PG was first launched in 2009 and, since then, we have successfully rolled out 45 tranches of PG in collaboration with 13 banks. To date, a total of RM2.5 billion worth of SME financing has been availed through the PG benefitting about 5,800 SMEs,” added Zamree.

The *Wholesale Guarantee-i (WG-i)*, involving OCBC Al-Amin Bank’s existing unsecured SME portfolio sees the ratio of risk involved in the financing of businesses being shared equally between CGC and OCBC Al-Amin Bank for a guarantee period of five years. Previously, the entire risk centred on the Bank.

Congratulating CGC on the Award, OCBC Al-Amin Director and CEO Syed Abdull Aziz Syed Kechik said the *WG-i* has given rise to a new phase in the development of Malaysia's unsecured business financing efforts and could not have taken off without the commitment, leadership and foresight shown by CGC.

"By agreeing to share the risk equally for OCBC Al-Amin's *Business Cash Financing-i* shortly after we launched it, CGC paved the way for us to confidently move forward to make the product even more accessible to the SMEs," he said.

The *WG-i*, which currently centres on OCBC Al-Amin Bank Berhad's (OCBC Al-Amin) unsecured financing product *Business Cash-i (BC-i)*, was introduced last year. The *BC-i* was developed in line with the increasing appetite from SMEs for unsecured term financing to fulfil their short to medium term business financing needs.

Earlier this year, CGC and OCBC Al-Amin announced that they are upping *WG-i*, the country's first and only Islamic SME wholesale guarantee, to RM1 billion before the end of this year.

The first two tranches totalling RM500 million have effectively guaranteed more than two thousand businesses from industries ranging from retail and wholesale to manufacturing, with the number expected to double before the end of the year with the introduction of the additional tranches.

---

### **About CGC**

Credit Guarantee Corporation Malaysia Berhad (CGC) was established on 5 July 1972. Current shareholders are Bank Negara Malaysia (major shareholder) and commercial banks.

The core business focus of CGC is to assist SMEs, especially those without or with inadequate collateral and track record to obtain credit facilities from financial institutions by providing guarantee cover on such facilities. CGC has cumulatively

guaranteed more than 430,000 loans valued at close to RM56.1 billion since its establishment.

CGC's support for SME's is 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 assists SME's to build a credit history and track record to enhance their credibility and bankability to secure financing on their own merit and at reasonable cost.

Other funds 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 43 guarantee schemes including 16 government-funded schemes.

Currently, 15 Islamic banks, 17 commercial banks and seven (7) development financial institutions (DFIs) are participating in CGC's guarantee schemes, providing customers with a wide network of more than 2000 branches nationwide to avail financing

SMEs wishing to obtain more information on CGC may call its Client Service Centre at 03-78800088 or visit [www.cgc.com.my](http://www.cgc.com.my).

---

## **About OCBC Bank**

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the world's strongest and safest banks by leading market research firms and publications.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has over 630 branches and representative offices in 18 countries and territories. These include the more than 330 branches and offices in Indonesia operated by subsidiary Bank OCBC NISP, and 95 branches and offices in Hong Kong, China and Macau under OCBC Wing Hang.

OCBC Bank's private banking services are provided by subsidiary Bank of Singapore, which has received increasing industry recognition as Asia's Global Private Bank, and was voted "Outstanding Private Bank in Southeast Asia in 2014" by Private Banker International.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

OCBC Bank offers Islamic banking products and services in Malaysia through its wholly-owned subsidiary, OCBC Al-Amin Bank Berhad.

For more information, please visit [www.ocbc.com.my](http://www.ocbc.com.my)