



Alliance Bank and CGC Allocate an Additional RM1 Billion in Financing to Help Local MSMEs

Kuala Lumpur, 1 June 2023 – Alliance Bank Malaysia Berhad (“Alliance Bank” or the “Bank”) has extended its partnership with Credit Guarantee Corporation Malaysia Berhad (“CGC”) to launch an additional series of new Portfolio Guarantee schemes with a combined allocation of RM1 billion in financing over the next one year to help MSMEs accelerate their growth with access to capital expenditure and working capital.

The partnership enables eligible MSMEs, even those that lack collateral, to obtain financing of up to RM1 million per MSME to expand their business operations. To smoothen the process, the Bank has simplified the application process, requiring only minimal documentation with approval as fast as one day upon complete document submission. Businesses also have the option of applying for their loans online without ever needing to visit a bank branch.

Malaysian owned and controlled MSMEs with a viable business are now able to apply for larger limits as part of the Bank’s efforts to keep the fee low and cement the Bank’s commitment to help MSMEs grow. The previous schemes launched together with CGC, with a total amount of RM2.05 billion, have been completely taken up and benefited almost 4,000 businesses to-date, inclusive of RM750 million under Bank Negara Malaysia’s Targeted Relief and Recovery Facility scheme to support businesses navigate through and recover from pandemic.

“MSMEs are the bedrock of our national economy, and Alliance Bank is committed to supporting businesses grow. This strategic alliance with CGC is part of our Acceler8 strategy to continue our velocity in the MSME segment. We want to help MSMEs access financing quickly to grow their business by making the process easy and convenient, providing them with an additional avenue to obtain banking facilities,” said Mr Kellee Kam, Group Chief Executive Officer of Alliance Bank, adding that the recent MSME Business Outlook 2023 – Malaysia survey conducted by the Bank found 69% of businesses preferred taking up bank loans to fuel their growth aspirations.

CGC President and Chief Executive Officer, Datuk Mohd Zamree Mohd Ishak said, “This RM1 billion Portfolio Guarantee scheme launched with Alliance Bank is another important initiative taken by CGC to ensure that Malaysian MSMEs continue to have access to financing, assisting them to strengthen their resilience and enhance their sustainability, post-pandemic.

From 1 April 2022 to 30th April 2023, CGC has successfully launched a total of RM3.5 billion worth of Portfolio Guarantee/Wholesale Guarantee with Malaysian financial institutions and development financial institutions.”

Alliance Bank will continue expanding its solutions together with CGC in order to help the needs of new segments such as underserved MSMEs, digital-savvy MSMEs as well as those focused on transitioning into more sustainable business practices including providing a simplified ESG assessment to help businesses reduce their carbon emission through investment into energy-efficient or renewable energy generation systems.

For more information on Alliance Bank business financing solutions, please visit <https://www.alliancebank.com.my/financing/business/loans>.

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About Alliance Bank Malaysia Berhad

Alliance Bank Malaysia Berhad and its subsidiary, Alliance Islamic Bank Berhad, offers banking and financial solutions through its consumer, SME, corporate, commercial and Islamic banking, and stockbroking business. The Bank provides easy access to its broad base of customers throughout the country via multi-pronged delivery channels that include retail branches, Privilege Banking Centres, Business Centres, Investment Bank branches, and mobile and Internet banking.

For more information, please contact Mekz Choong at mekzchoong@alliancefb.com or 019-231 3790.

About Credit Guarantee Corporation Malaysia Berhad

Credit Guarantee Corporation Malaysia Berhad (CGC) was established on 5 July 1972. It is 78.65% owned by Bank Negara Malaysia and 21.35% by the commercial banks in Malaysia. CGC aims to assist Micro, Small, and Medium-Sized Enterprises (MSMEs) with inadequate or without collateral and track records to obtain credit facilities from financial institutions by providing guarantee cover on such facilities. As of December 2022, CGC has availed over 522,075 guarantees and financing to MSMEs valued at over RM90 billion since its establishment.

On 9 February 2018, CGC introduced imSME, Malaysia's first SME online financing/loan referral platform. The imSME serves as an alternative channel for MSMEs to source for financing products, saving them both the time and the hassle of going through time-consuming processes. From the time of its inception to the end of December 2022, the imSME portal had received more than 2.41 million visits with more than 66,608 registered MSMEs under the portal. In August 2020, imSME won "The Asset Triple A Islamic Finance Awards for Best Digital Banking Solution", a recognition of its innovative solution to provide MSMEs with convenient online access to apply for financing products, anywhere, anytime. In April 2021, imSME was awarded the Most Innovative SME Financing Platform in Malaysia by the Global Economics Awards 2021.

For more information, please visit www.cgc.com.my/media-release/ and www.imsme.com.my

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