



FOR IMMEDIATE RELEASE
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RHB BANK AND FUNDING SOCIETIES OFFER P2P FINANCING FOR SMEs

Kuala Lumpur – The RHB Banking Group today announced a strategic collaboration with Funding Societies Malaysia, a regional Peer-to-Peer (P2P) financing platform. The first collaboration between a Malaysian bank with a P2P financing platform, this partnership aims to expand funding opportunities for the underserved SME segment in the country. Funding Societies is one of only 6 licensed peer lending platforms in Malaysia that is recognised and regulated by the Securities Commission.

“RHB Banking Group’s SME business has been growing at a compound annual growth rate (CAGR) of 17% per annum for the last three (3) years, from 2014 - 2016. As we continue to focus in growing our SME customer base, substantial energy and resources will be devoted to creating a differentiated and tailored value proposition for SME owners and their businesses as SME businesses form the backbone of the Malaysia’s economy,” said Dato’ Khairussaleh Ramli, Group Managing Director of RHB Banking Group.

“In line with our strategy of providing an ecosystem through partnership, we realise that it’s best for us to partner with Funding Societies who has the expertise in providing a platform for SMEs to borrow directly from investors. RHB meanwhile will provide Funding Societies with transaction banking services, trustee services for investors and KYC (Know Your Customer) services,” added Dato’ Khairussaleh.

“This collaboration with Funding Societies is part of our Digital Transformation road map, in which our core objectives are to leverage on the latest digital technologies and emerging business models to transform how we do business and engage with our customers,” Dato’ Khairussaleh stressed.

Wong Kah Meng, CEO of Funding Societies Malaysia stated, “We are pleased to work closely with RHB in addressing the SME financing gap and accelerating the growth of the Malaysian economy. This partnership is

also a great reminder of how traditional financial institutions like RHB and alternative finance providers like us can work seamlessly to benefit the Malaysian society.”

“This is our first major collaboration since we launched in Malaysia in February, and we are positive that there will be more similar opportunities in the near future,” concluded Wong.

Funding Societies has recorded returns of more than 10 percent to investors. Between June 2015 and February 2017, Funding Societies has originated almost RM90 million across 400 deals in Singapore and Indonesia. Under this partnership, investors are given the opportunity to invest on the platform from as low an investment as RM100.

Funding Societies places great effort into safeguarding its investors. As part of the broader partnership with RHB, Funding Societies is working with Malaysian Trustees Berhad (MTB), a subsidiary of RHB, to ensure that investor funds are being safeguarded. MTB will also perform due diligence checks on SMEs to verify the destination of the funds and ensure that they are being channeled for the right uses.

Ninety-seven percent of business enterprises in Malaysia are small and medium enterprises (SMEs). These businesses are responsible for nearly 36 percent of the country’s GDP, and 65 percent of the country’s employment. By 2020, SMEs are expected to contribute 41 percent to the country’s GDP.

Issued on behalf of RHB Bank Berhad by the Group Marketing & Communications Division. For more information, please contact Norazzah Sulaiman at 03-9280 2125/ norazzah@rhbgroup.com or Cynthia Blemin at 012-249 4071/ cynthia.blemin@rhbgroup.com.

About the RHB Banking Group

The RHB Banking Group, with RHB Bank Berhad as the holding company, is the fourth largest fully integrated financial services group in Malaysia. The Group’s core businesses are structured into seven main business pillars, namely Group Retail Banking, Group Business & Transaction Banking, Group Wholesale Banking, RHB Singapore, Group Shariah Business, Group International Business and Group Insurance. Group Wholesale Banking comprises Corporate Banking, Investment Banking, Group Treasury & Global Markets, Asset Management and Private Equity. All the seven business pillars are offered through the Group’s main subsidiaries – RHB Investment Bank Berhad, RHB Islamic Bank Berhad and RHB Insurance Berhad, while its asset management and unit trust businesses are undertaken by RHB Asset Management Sdn. Bhd. and RHB Islamic International Asset Management Berhad. The Group’s regional presence now spans ten countries including Malaysia, Singapore, Indonesia, Thailand, Brunei, Cambodia, Hong Kong/China, Vietnam, Lao PDR and Myanmar.

About Funding Societies

Funding Societies is one of the leading P2P financing platform in Southeast Asia with presence across Singapore, Indonesia and Malaysia. Co-founded by Harvard Business School graduates, Funding Societies aims to be the most trusted P2P financing platform in Southeast Asia and has pioneered region-leading initiatives. As of February 2017, in less than 2 years, Funding Societies has originated more than RM 90 million in financing, helping more than 400 SMEs to grow their businesses in Singapore, Indonesia and Malaysia, with one of the lowest default rates. Funding Societies is funded by leading global and regional venture capital firms, Sequoia India and Alpha JWC.