



IFS Capital Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 198700827C)

ENTRY INTO A NON-BINDING MEMORANDUM OF UNDERSTANDING

The Board of Directors (the "**Board**") of IFS Capital Limited (the "**Company**") wishes to announce that the Company has on 23 August 2021 entered into a non-binding Memorandum of Understanding ("**MOU**") with PrimeRevenue, Inc ("**PR**" and collectively with the Company, the "**Parties**").

Pursuant to the MOU, the Company intends to leverage PR's technology platform to support supply chain financing programs anchored by large and middle-market corporations (the "**Proposed Partnership**") in its Southeast Asian market.

The Parties will, as soon as practicable and in good faith, negotiate and settle the terms of the definitive agreements to be entered into in relation to the Proposed Partnership ("**Definitive Agreements**"). If the Parties cannot reach an agreement, the MOU will be terminated by notice in writing.

The Company will make the necessary announcement(s) in relation to the Proposed Partnership as and when there are any material developments on the matter, including the signing of the Definitive Agreements.

Please refer to the attached Press Release for more information.

By Order of the Board

Chionh Yi Chian/Angeline Ng
Company Secretary/Assistant Company Secretary
24 August 2021

For Immediate Release

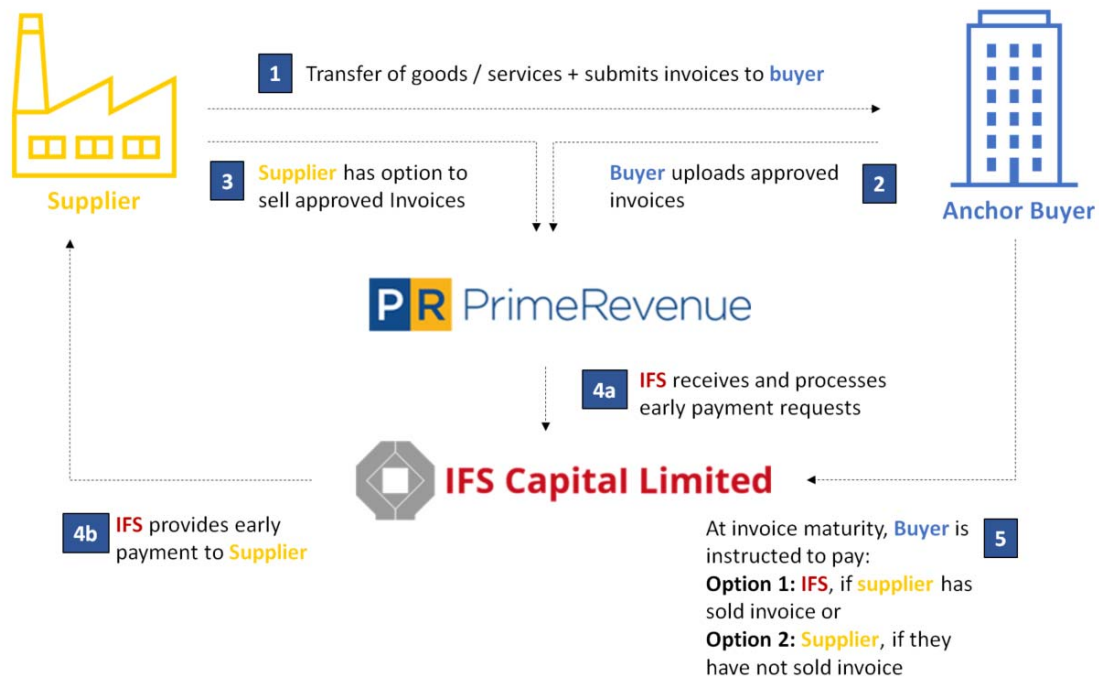
IFS Capital and PrimeRevenue announce strategic partnership to provide Supply Chain Financing Solutions in Southeast Asia

- **IFS Capital is launching a set of differentiated supply chain financing solutions to address the high friction in trade finance faced by large and middle-market corporations and MSMEs in Southeast Asia**
- **This partnership will expand PrimeRevenue's geographical presence in the Southeast Asian market**
- **Supply Chain Financing is in high demand as Covid-19 has impacted supply chains globally, resulting in a resurgence of common financing problems for MSMEs**

Singapore, 24 August 2021 – IFS Capital Limited (“**IFS Capital**” or “**IFS**”) and PrimeRevenue, Inc. (“**PrimeRevenue**”), are pleased to announce that they have entered into a strategic technology licensing partnership, combining IFS Capital's deep trade finance expertise in Southeast Asia with PrimeRevenue's industry leading supply chain financing platform.

Around 80% of global trade relies on trade finance and the Asian Development Bank has estimated that the global trade finance gap pre-COVID was around USD1.5 trillion. Surveys have shown that around 40-50% of trade finance applications by micro, small and medium enterprises (“**MSMEs**”) are rejected by financial institutions. This gap has been further exacerbated by the pandemic.

Supply chain financing programs address much of the friction faced by MSMEs in accessing fit-for-purpose financing. It is a working capital solution initiated by anchor buyers to provide alternative financing options for their invoices to MSME suppliers, empowering them to gain access to competitively priced financing and shorten their cash conversion cycles. In return, anchor buyers can optimize their cashflow through favorable payment terms and stronger relationships with their suppliers.



Picture 1: Supply Chain Financing Flow

The pandemic has accelerated the need for supply chain financing solutions as disruptions have had a trickle-down effect on MSMEs globally. Furthermore, as financial institutions tighten their credit assessment of MSMEs, these businesses are facing heightened challenges in obtaining trade financing. Supply chain financing has emerged as a robust solution to strengthen supply chain stability and resilience.

“The IFS Capital-PrimeRevenue partnership is a timely one to address the supply chain issues we are facing today. PrimeRevenue is a global leader in trade finance technology, and its best in-class platform supports large MNCs and midmarket companies on supply chain financing programs globally. This coupled with our expertise and deep understanding of MSME financing needs in the region will help MSMEs gain access to capital, and unlock cash trapped in the supply chain,” said Zeng Renchun, IFS Capital’s Singapore Country Head. “This partnership is not only our natural progression towards realizing our vision and mission to make financing more accessible to MSMEs but also a testament to our capabilities **as we are PrimeRevenue’s exclusive Non Bank Financial Institution partner for MSMEs in Singapore, Thailand, and Malaysia and Indonesia.**”

“We are excited about our collaboration with IFS Capital which will deliver supply chain financing solutions to the Southeast Asian MSME market,” said Dominic Capolongo, EVP Global Head of Funding for PrimeRevenue. “This partnership accentuates our belief that supply chain finance brings powerful benefits to the MSME market. Our platform is purpose built to cater not only to large scale players, but also smaller companies with a strong need for working capital solutions.”

As a result of this partnership, IFS will leverage the platform solutions offered by PrimeRevenue in its core markets of Singapore, Thailand, Malaysia, and Indonesia to support supply chain financing programs anchored by large and middle-market corporations. IFS will capitalise on its existing network in the region to onboard anchor buyers and facilitate the adoption of PrimeRevenue's supply chain financing technology. The addition of PrimeRevenue's supply chain financing solutions will enhance IFS' product suite to better serve the needs of the Southeast Asian market.

Commenting on this partnership, Chionh Yi Chian, Group Chief Risk Officer of IFS Capital, said, "Supply chain financing makes financing more accessible to MSME suppliers by leveraging technology to increase visibility of the trade flow to the financier. The visibility of trade flow through this platform solutions and collaboration with the anchor buyer mitigate and enhance the credit profile of MSME suppliers, thereby enabling IFS to better serve their financing needs."

"Large and middle-market corporations can think of a well-structured supply chain financing program as an integral pillar of their ESG framework. By cultivating the stability and transparency of their supply chains, they are also enhancing their own competitiveness and resilience against future disruptions. We look forward to working with like-minded progressive organizations to realize the potential that lies within their supply chains," said Randy Sim, IFS Capital's Group Chief Executive Officer.

-End-

About IFS Capital Limited

IFS Capital is a leading financial institution specializing in providing customized financing solutions in Southeast Asia. The Group was incorporated in Singapore in 1987 and has been listed on the Singapore Exchange since July 1993. The Group is part of the Phillip Capital network of companies, with a global presence that provides factoring, leasing and lending services covering individuals, family offices, and corporate and institutional clients across Singapore, Thailand, Malaysia and Indonesia. ECICS Limited, a wholly owned subsidiary of IFS Capital, also provides bonds and general insurance services in Singapore.

For more information, please visit: <https://www.ifscapital.com.sg>

About PrimeRevenue

PrimeRevenue's supply chain finance (reverse factoring) solutions help organizations in 80+ countries optimize their working capital to efficiently fund strategic initiatives, gain a competitive advantage and strengthen relationships throughout the supply chain. As the leading provider of working capital financial technology solutions, PrimeRevenue's diverse multi-funder platform processes more than \$250 billion USD in payment transactions per year. The company is headquartered in Atlanta, with offices in London, Prague, Hong Kong and Melbourne.

Additional information about PrimeRevenue can be found at www.primerevenue.com |

Twitter: [@primerevenue](https://twitter.com/primerevenue) | LinkedIn: <http://www.linkedin.com/company/primerevenue>



IFS Capital Limited

PR PrimeRevenue

Issued for and on behalf of IFS Capital Limited by Financial PR

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