30 June 2015

MEDIA RELEASE: NR/10/2015

SPRING Singapore and SGX Collaborate To Help SMEs Build Financial Management Capabilities for Resilience and Sustainable Growth

1. Strong financial management capabilities are critical for SMEs' resilience and sustainable growth. This was iterated by SPRING Singapore's Deputy Chairman, Mr Piyush Gupta, at the Financial Management Growth Seminar today. To help more small and medium-sized enterprises (SMEs) achieve top line growth, SPRING Singapore and Singapore Exchange (SGX) are collaborating to support SMEs in building their financial management capabilities.

2. SMEs often face challenges accessing funds for growth, particularly when investors raise concerns about their financial systems, processes and corporate structures. The absence of strong internal controls and proper risk management measures also render these SMEs vulnerable to a variety of business shocks, which could in turn limit their growth potential.

3. To address these capability gaps, SPRING and SGX will jointly reach out to SMEs, encouraging them to work on five financial management areas that are critical for sustained business growth, particularly in the area of fundraising. These five areas include corporate restructuring, as well as the development of frameworks and processes for risk management, corporate governance, internal control framework, financial reporting and investor relations. Building competencies in these areas will strengthen SMEs' processes and systems in preparation for business growth and expansion, and also position them for easier access to capital markets. SMEs that are interested to upgrade their capabilities in these areas will be able to tap on SPRING's Capability Development Grant (CDG) to defray up to 70% of the supportable costs.

4. As part of the collaboration, SPRING and SGX organised the SME Financial Management Growth Seminar held at the SGX Auditorium today. The half-day seminar aims to raise SME awareness on the importance and benefits of building a strong financial management foundation early in their development journey, as well as enable knowledge exchange between industry experts and business leaders on key financial management strategies that SMEs should focus on to achieve sustainable growth. This includes

internationalisation, fundraising, merger and acquisition, as well as cash flow management. Over 100 participants from 15 industries such as food, lifestyle, start-ups, as well as marine and offshore attended the conference today.

5. Ms Yeo Meow Ling, Director of Capabilities Development Division, SPRING Singapore, said, "Sound, effective financial systems and processes are crucial to support SMEs' expansion as they seek to scale their business. Through our collaboration with SGX, we aim to help SMEs enhance their financial frameworks and strategy to access capital markets and achieve sustainable growth. SPRING will also explore collaboration opportunities with industry partners to support SMEs in their efforts to build up financial management capabilities."

6. Mr Mohamed Nasser Ismail, SVP and Head of SME Development & Listings, SGX, said, "We are pleased to work with SPRING Singapore to help SMEs boost their capabilities as they tap the Singapore capital markets and grow further. A large spectrum of SMEs would also stand to benefit from this initiative, with trends of both larger and smaller SMEs being listed on Catalist over the last three years. Going forward, we will continue to collaborate closely with industry stakeholders to enable SMEs to tap on local capital markets as part of their broader expansion strategies."

7. SMEs can visit www.spring.gov.sg/cdg for more information on SPRING's CDG scheme, or visit http://www.sgx.com/capabilitydevelopmentgrant for more information on the five financial management areas critical for sustained business growth, particularly in the area of fundraising.

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About SPRING Singapore

SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the enterprise development agency, SPRING works with partners to help enterprises in financing, capability and management development, technology and innovation, and access to markets. As the national standards and accreditation body, SPRING develops and promotes an internationally-recognised standards and quality assurance infrastructure. SPRING also oversees the safety of general consumer goods in Singapore. Please visit www.spring.gov.sg for more information.

About Singapore Exchange (SGX)

Singapore Exchange (SGX) is the Asian Gateway, connecting investors in search of Asian growth to corporate issuers in search of global capital. SGX represents the premier access point for managing Asian capital and investment exposure, and is Asia's most international exchange with about 40% of companies listed on SGX originating outside of Singapore. SGX offers its clients the world's biggest offshore market for Asian equity index futures, centred on Asia's three largest economies – China, India and Japan.

In addition to offering a fully integrated value chain from trading and clearing, to settlement and depository services, SGX is also Asia's pioneering central clearing house. Headquartered in Asia's most globalised city, and centred within the AAA strength and stability of Singapore's island nation, SGX is a leading Asian counterparty for the clearing of financial and commodity products.

For more information, please visit www.sgx.com.