

Fact Sheet – DBS Initiatives for SMEs & Corporates - COVID-19

To help businesses large and small cope with the COVID-19 situation, DBS has rolled out a range of initiatives along four key thrusts:

1) Supporting SMEs and corporates with short-term financing and cashflow needs		
DBS has introduced a range of liquidity measures to help businesses cope better with the COVID-19 situation.		
<ul style="list-style-type: none"> • [new] Collateral-free Digital Business Loan of up to S\$50,000, disbursed within 24 hours of loan acceptance. • [new] 50 free FAST transactions a month to promote reduced physical handling of cheques (up from 30 free FAST transactions a month). • Six-month principal repayment moratorium for SME property loans. • Extension of import facilities of up to 60 days to cope with supply chain disruptions. • Budget 2020 relief assistance for impacted businesses – collateral-free funding of up to S\$1,000,000 with flexible repayment period of up to five years. • Budget 2020 relief assistance for SMEs – collateral-free funding of up to S\$600,000 with competitive rates. 		Singapore
<ul style="list-style-type: none"> • Deduction of RMB loan interest charge for all MSME (micro, small and medium-sized enterprises) clients, by capping the interest rate at 1-yr loan prime rates as announced by PBOC on 20 Jan 2020. This will significantly reduce the cost of comprehensive financing for MSMEs. • Exemption of cross-border remittance fees for all IBG3 clients, existing and new. • MSME clients temporarily encountering difficulties in capital or liquidity may apply to extend existing loans. These clients will not be charged a penalty or compound interests nor will their credit ratings be affected. 		Mainland China

2) DBS – first Singapore bank to introduce comprehensive digital “contact-free” trade financing digital capabilities		
To minimise the need for couriers and clients’ employees to physically submit paper-based applications, DBS will be the first Singapore bank to introduce a comprehensive suite of “contact-free” trade financing digital solutions, eliminating the need for the manual processing of trade financing solutions.		
DBS IDEAL	Customers can access DBS’ Corporate Banking platform, IDEAL, to upload their applications and supporting documents for 11 everyday trade financing solutions: <ul style="list-style-type: none"> • Import Letters of Credit • Import Bills under Letter of Credit and Collection • Trust Receipts under Letter of Credit and Collection 	Singapore, Mainland China, Hong Kong

	<ul style="list-style-type: none"> • Banker's Guarantees / Standby Letters of Credit • Shipping Guarantee • Purchase Invoice Financing • Sales Invoice Financing • Pre-Shipment Financing • Supplier Finance • Distributor Finance • Accounts Receivables Purchase <p>Webinars and customised "teach-in" sessions to train clients on these digital solutions.</p>	
DBS DigiDocs	Fully digital payment and collection experience that enables the uploading of documents and automatic declaration with a single click, removing the need to submit physical documents at the bank.	Mainland China
DBS Digi Onboarding	Online service platform for suppliers to complete supply-chain financial services such as online verification, file creation, contract signing and application for financing. The remote service alleviates working capital pressure from businesses and suppliers, which in turn adds stability to supply chains. Successful applicants can receive funding within one working day, easing capital pressure for SMEs.	
DBS GlobalPay	Online cross-border payment service for clients with a USD account to make payments to accounts in over 160 countries and regions with over 120 currencies, enabling clients to actively engage with their foreign business partners. Both payer and payee will not be charged by the correspondent bank, meaning the payee will receive the payment in full.	
DBS PriorityPay	Expedited international transfers at preferential rates. Cross-border payments within the DBS network is exempt from cable or telex charges, and beneficiaries are credited in as fast as 10 minutes.	

3) Promoting lifelong learning and upskilling

DBS SME Academy training courses are moved online to ensure that businesses affected by the outbreak continue to upskill and remain competitive. DBS BusinessClass continues to roll out relevant bite-sized business content through its online and social medial channels.

Customers can access a range of training courses from cash management to accounting to brand management and marketing at www.dbs.com.sg/sme/businessclass/sme-online-academy.page

4) Providing financing support to enterprises on the frontlines of COVID-19

In China, DBS has activated multiple green channels for credit loan and remittance services to meet the sharply increased credit needs of many suppliers, manufacturers of medical raw materials and pharmaceutical companies. The credit financing is used to purchase supplies to meet the urgent needs of medical workers, patients and volunteers engaged in containing the situation.

Case Study 1 – Chongqing

Yibin Grace Group Company manufactures non-woven fabrics with a special kind of processed wood pulp for medical masks. The COVID-19 situation greatly increased the demand for the wood pulp and special pulp, and the company urgently needed funding to make purchases from abroad.

DBS China Chongqing Branch, based on the customer's existing credit line, expedited the review process for each transaction and in just two days, issued a bank acceptance bill worth CNY 30 million for special pulp production. With DBS' cross-border connectivity and capabilities, the bank opened a L/C for the customer, amounting to a total of USD 9.73 million, from the NRA account of the customer in Hong Kong, for the purchase of raw wood pulp.

Case Study 2 – Chongqing

The client, a key medical equipment manufacturer in Chongqing and a leading company in the wholesale and retail space for medicine and medical devices, was designated by the Chongqing Municipal Health Commission as a key enterprise for the distribution and delivery of medicine and medical equipment for the COVID-19 situation. DBS extended RMB 5 million worth of credit, on top of previously extended credit, as short-term working capital to the company and its subsidiaries in just two days with approval done via DBS' express channel. DBS optimised the credit requirements without compromising compliance and regulatory measures in order to support the client during the outbreak.

Case Study 3 – Beijing

The client, a leading retailer in China and one of the largest supermarket chains in Beijing, was designated as a Beijing Emergency Reserve enterprise by the municipal government. The company was assigned the crucial responsibility of purchasing masks, disinfectants and other preventive materials for residents in Beijing. DBS provided RMB 500 million in L/C to the client to support its purchasing needs, and exempted transaction fees for cross-border payments for the company's purchases for the necessary materials.

(End)