

CCB Malaysia inks MoU with SealNet, CapBay and Labuan Digital Authentication Center Inc for Regional Single Window

Kuala Lumpur 14 July 2021 – Today, China Construction Bank (Malaysia) Berhad (“CCBM”) and China Construction Bank Corporation Labuan Branch (“CCBL”) (hereinafter collectively referred to as “CCB Malaysia”) have signed a Memorandum of Understanding (“MoU”) with SealNet Sdn Bhd (“SealNet”), Bay Supply Chain Technology Sdn Bhd (“CapBay”) and Labuan Digital Authentication Centre Inc (“DAC”) to collaborate together to build a comprehensive Regional Single Window (“RSW”).

Export-Import Bank of Malaysia Berhad (“EXIM Bank”), as the government-owned vehicle in stimulating and enhancing the competitiveness of Malaysian industries for exports and investments globally and a partner of the project, was invited to witness the ceremony. The MoU cloud signing ceremony was witnessed by First Secretary of Economic and Commercial Office of the Embassy of PRC in Malaysia, Ms. Yao Yi, Deputy General Manager of International Business Department of China Construction Bank Corporation (“CCB”), Mr. Wang Qijie, EXIM Bank’s Officer-in-Charge, Mr. Chin Chon Young and the signing of MoU was represented by Mr. Felix Feng Qi, CEO, CCBM and Principal Officer, CCBL while SealNet Sdn Bhd was represented by Dato’ Patrick Wong, Executive Director, CapBay was represented by Mr. Ang Xing Xian, CEO and Labuan Digital Authentication Centre Inc. was represented by their Director, Dato’ Tee Ting Cham.

RSW was mooted with the intention to promote international trade facilitation with major trading partner nations as well as to assist SMEs in export and import financing through an ecosystem approach. The RSW will be an AI-based trade facilitation digital platform that connects trade finance, insurance, and logistics in one single marketplace. To complement the RSW, CCB’s Smart Matchmaking Platform, CCB Match Plus, will integrate- domestic and international data, to facilitate the matching of cross border merchandise supply and demand. CapBay, working with all parties and EXIM Bank, will supplement the RSW ecosystem with e-Trade Financing platform to present Malaysian SMEs with better access to trade financing.

In this collaboration, SealNet will connect RSW to customers comprising importers, exporters, manufacturers and trade-related businesses. A digital logistic platform that provides one-stop cloud-based logistics and cross border services to ease trade processes, SealNet is positioned as the digital trade connector enabling ease in not only regional but global trade as well.

During the ceremony, EXIM Bank’s Officer-in-Charge Mr. Chin Chon Young stated, “This MoU signifies the start of an exciting development for the exporters and importers in Malaysia, as the Regional Single Window is designed with convenience and financial accessibility in mind, backed by digital technology. As the government's vehicle to drive the nation's import and export sector, we are honoured to witness this cooperation today and will continue to provide our support towards the success of this initiative.”

Mr. Wang Qijie, Deputy General Manager of International Business Department of CCB added, “CCB Malaysia would like to demonstrate strong support for Regional Single Window’s efforts to expand and strengthen its platform capability by offering our initiative to link CCB Match Plus B2B matchmaking platform with Regional Single Window. By having direct linkage, it would create a business value chain towards our customers where match made business in CCB Match Plus could flow through seamlessly to Regional Single Window for transaction execution”.

Dato’ Patrick Wong, Executive Director said, “With SealNet, we are looking to address the pain points that have hindered efficiency and contributed to unnecessary costs in the industry. SealNet is

intelligently built to bridge global supply chains and logistics to enhance efficiency of transport and trade facilitation mechanisms, to improve productivity of freight logistics industry, and provide a better electronic system for logistics and cross border trade. Customers, big and small, can have easy and secured access to SealNet's digital trade platform anytime, anywhere to enjoy time and cost saving, as well as operate in real time with data accuracy."

In 2020, Malaysia's total exported goods represent 26% of its overall Gross Domestic Product, compared to 22.1% in 2019. With the growing export trend, the Regional Single Window will further support and create a strong foundation to ease and cultivate additional trades within the region. Under the MoU, by leveraging on the expertise of the partners, the parties will collaboratively build a comprehensive trade financing credit model as the key component to support the e-Trade Financing platform. Collaborating partners also agree to work together in the area of linking CCB Match Plus to the RSW ecosystem, while CCB Malaysia will handle the clearings and settlements behind the scene. To illustrate, by leveraging on trade data available in the RSW ecosystem, businesses in Malaysia will be able to benefit from affordable financing and further grow the Malaysian economy.

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About China Construction Bank (Malaysia) Berhad and China Construction Bank Corporation Labuan Branch

China Construction Bank (Malaysia) Berhad is a wholly-owned subsidiary of CCB headquartered in Beijing, established in Malaysia on 1 October 2016 and officially commenced its business on 27 January 2017. CCBL has a full-fledged banking license, specialising in global credit facility, global cash management, global RMB solutions, trade finance, FinTech, infrastructure financing, wealth management, etc.

China Construction Bank Corporation Labuan Branch is a tier-1 branch of CCB, registered in the Labuan IBFC in Malaysia. CCBL obtained its Labuan banking license on 20 June 2019 and commenced its business on 3 September 2019. CCBL has a full-fledged commercial Labuan banking license granted by the Labuan FSA. Labuan FSA has further authorised CCBL to be the first digital bank and appointed CCBL as the designated RMB clearing bank in the Labuan IBFC.

Find out more about "CCB Match Plus", a smart matchmaking platform owned by China Construction Bank Corporation to assist the platform users to look for and match medical product suppliers and/or purchasers at <http://match.ccb.com>

About Export-Import Bank of Malaysia Berhad

The Export-Import Bank of Malaysia Berhad ("EXIM Bank") was incorporated on 29 August 1995 and is wholly-owned by the Government of Malaysia. The Bank has assisted a diverse range of Malaysian business in various sectors in their global ventures. EXIM Bank takes pride in meeting its mandated role of stimulating and enhancing the competitiveness of Malaysian industries for exports and investments globally via the provisioning of internationally and domestically competitive banking and insurance products and advisory services. The Bank also offers Shariah-compliant financing and Takaful instruments. For more information, visit www.exim.com.my

About SealNet Sdn Bhd

SealNet Sdn Bhd is involved in development, implementation, and operations of eServices for business and organisations in Trade Facilitation. The company develops and operates SealNet, a business-to-business ("B2B") web-based one-stop portal for total cargo and trade management services. Targeted at businesses in the trade facilitation and logistics sector, SealNet portal converges supply chain and cross border logistics processes to simplify cargo and trade management activities.

SealNet is a subsidiary of Dagang Net Technologies Sdn Bhd, a wholly-owned subsidiary of Dagang NeXchange Berhad ("DNeX"), which is listed on the Main Market of Bursa Malaysia.

About Bay Group Holdings Sdn Bhd

Bay Group Holdings Sdn Bhd ("CapBay", formerly known as CapitalBay) is an award-winning Multi-Bank Supply Chain Finance and Peer-to-Peer (P2P) Financing platform that helps SMEs grow and unlock cashflow trapped in their supply chain by providing financing solutions. Through our proprietary credit-decisioning model, businesses of all sizes can obtain short-term financing while banks and investors can participate in high-quality financing deals. Regulated by Securities Commission Malaysia.

The company was founded in 2016 by Malaysians with the intent of helping small businesses unleash their greatest potential. They struggle with cashflow and traditional lending models are unable to fulfil this funding gap. At CapBay, we provide smart financing to propel them forward, helping them seize every opportunity with confidence. Our cutting-edge technology and relentless focus on innovation transform the way business financing is done. Building on their trade and supply chain financing expertise, CapBay will be expanding their offerings to promote ASEAN cross-border trades.

CapBay has been awarded multiple awards and was recently recognized as "Fintech Startup of the Year" by "The Asset Triple A Digital Awards 2020"; the first Malaysian fintech to win such a coveted award since its inception in 2016 which recognises technological achievements spanning across Asia Pacific and the Middle East.

About Labuan Digital Authentication Center Inc (LDAC)

LDAC is "the recognised Self-Regulatory Organisation (SRO)" approved by Labuan Financial Services Authority (LFSA) to provide, support and promote strict compliance and safety in digitalization in the areas of banking, insurance, assets / fund management and e-commerce / trading.

LDAC will be implementing the digital authentication system that can effectively monitor suspicious activities in order to mitigate transactional risks and at the same time to support system stability which will also improve the overall AML / CFT compliance level in the region.

The LDAC digital verification / authentication services are fully compliant to latest international practices in particular with international regulators such as FTAF and APG as well as the relevant policy and guidelines of LFSA and Bank Negara Malaysia.

The digital authentication system of LDAC will carry out the following functions:-

1. e-KYB – know your business
2. e-KYC – know your customer

3. e-KYG – know your goods

4. Certification Authority – to achieve anti-spoofing, data-security and judiciary purposes.

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