

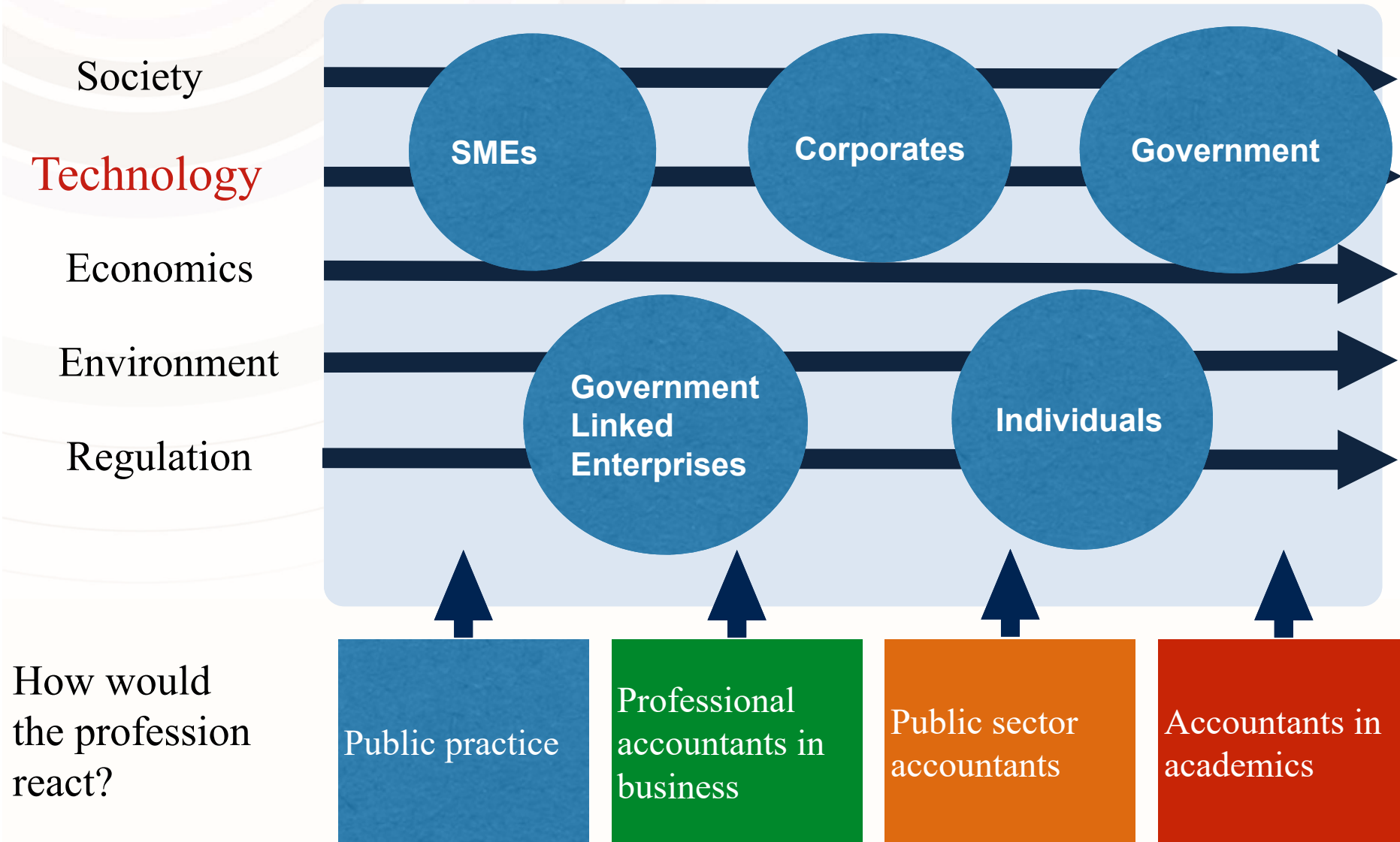
“The Relevance of SMPs for Accountability in the New Economic Era”

Be Significant and Meaningful Practitioners

Nik Mohd Hasyudeen Yusoff

How Change Drivers Influence Market and Stakeholders

The Market



Some Digital Economy developments in Malaysia as at August 2017

Equity Crowdfunding

32 Successful campaigns

>70% have women or youth founders

500K average initial funding targets for campaigns

Single largest raised of RM2.6M is a brick and mortar business for childcare

Fastest RM1M raised in 24 hours coming from their existing customers

25% funds raised from foreign investors mainly from Europe

RM 26 million successful raised since August 2016

>800 people participated in ECF so far

40% of investors <35 years old

All women founders gained great traction with mothers

Platform founded by millennials; investors with as little as RM50 accepted as shareholders

Secured follow on funding from VC firm Gobi Partners post ECF campaign

Peer-to-Peer Financing

418 Successful campaigns

17.2M successfully raised since early 2017

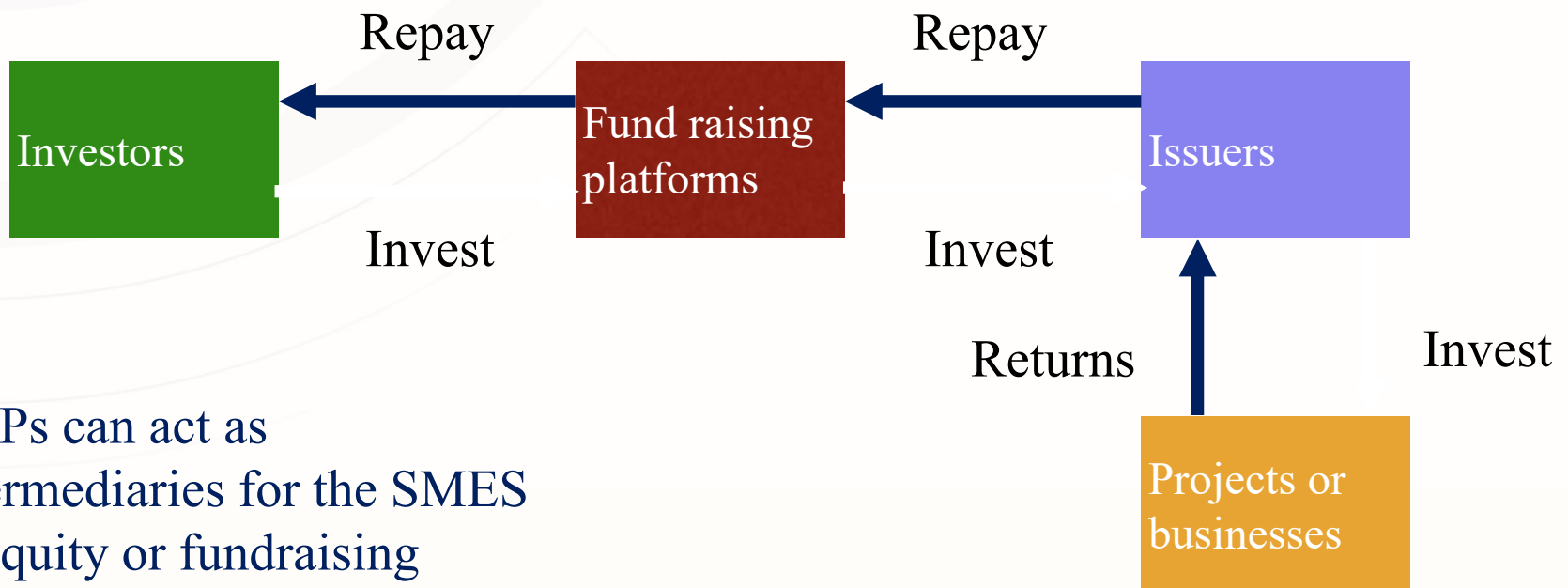
55 issuers benefitted from P2P

1HR fastest campaign was completed in 1 hour

Snapshot of issuers:
Wholesaler of vehicle parts, Distributor of fresh produce, F&B businesses, consumer goods, supplier of office supplies, service companies

Crowd-based funding platforms

Funds raise either as
equity or loans



SMPs can act as
intermediaries for the SMES
in equity or fundraising

Access to capital using fintech

Identification

- The business adviser:
- Understand the requirements of the funding platforms
 - Scout for SMEs which are growing and have the potential to meeting requirements
 - Identify the gaps for curation

SMEs with funding needs

Curation

- The business adviser:
- Work with the entrepreneur to enhance the SME including working on:
 - Strategy
 - Marketing and sales
 - Talents development
 - Process improvements
 - Financial management
 - Compliance with regulations

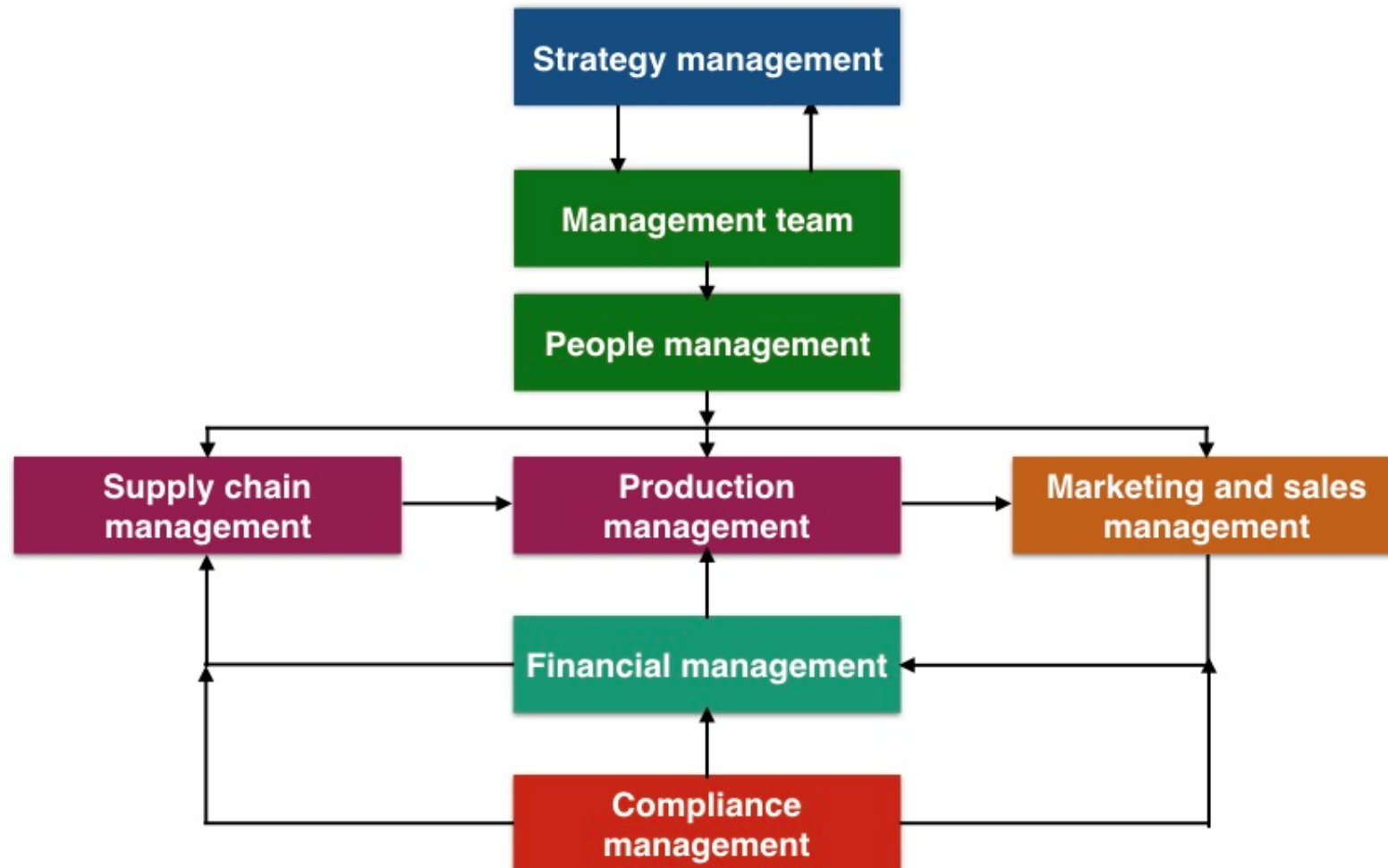
SMEs being prepared for fund raising

Fund raising

- The business adviser:
- Deal with the platform operator to help SMEs to raise funds
 - SMEs prepare relevant documents
 - Funds raised utilised by SMEs to expand business
 - Continue to guide SMEs to grow business and meet funding obligations

SMEs raise funds using platforms based on fintech

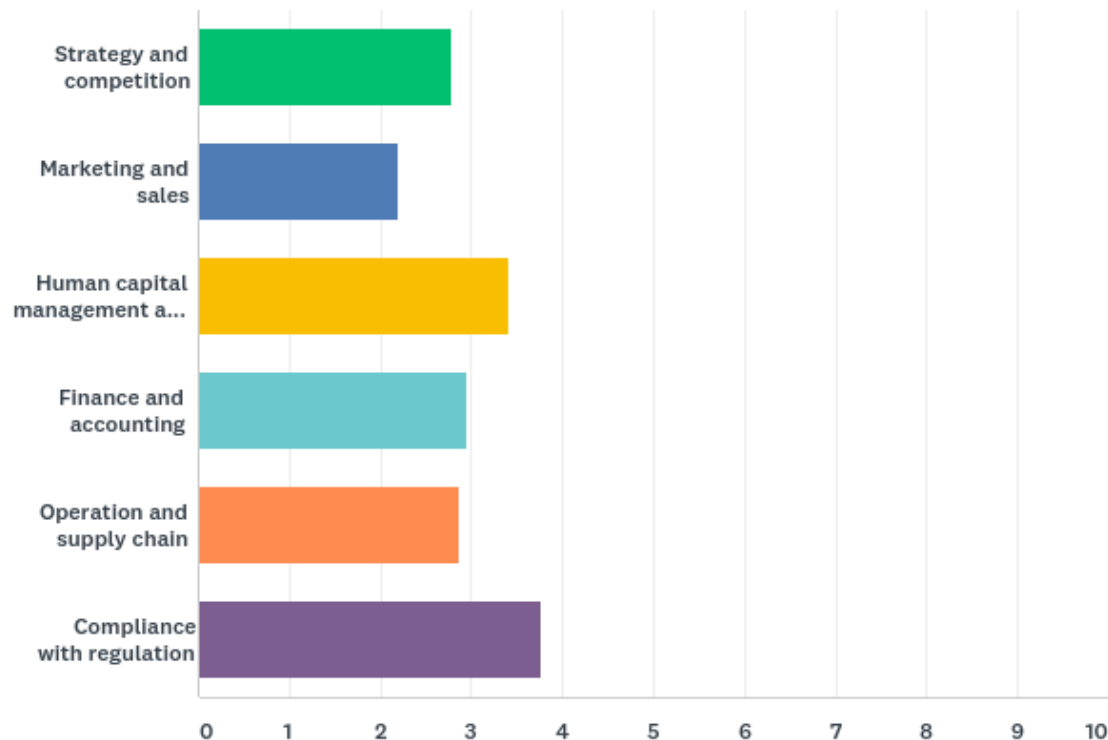
6 Disciplines of Corporate Practice



Challenges in managing SMEs

81 respondents, 78% from services sector and 37% in business less than 2 years
50-60 respondents answered questions in full

Which elements of your business are impacted by technology? (6 most impacted, 1 least impacted)





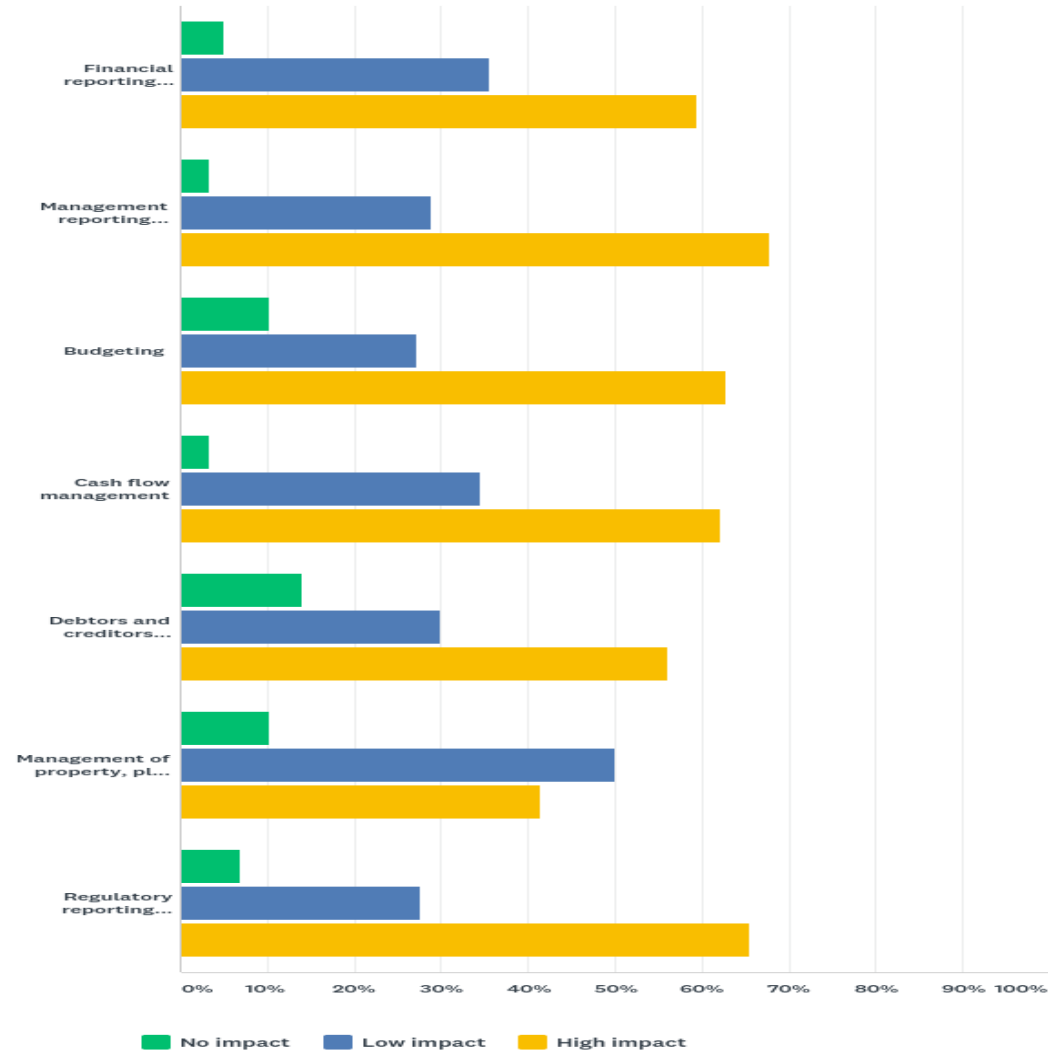
KEJAYAAN AKUNTAN PROFESIONAL
KEJAYAAN NEGERI

Challenges in managing SMEs



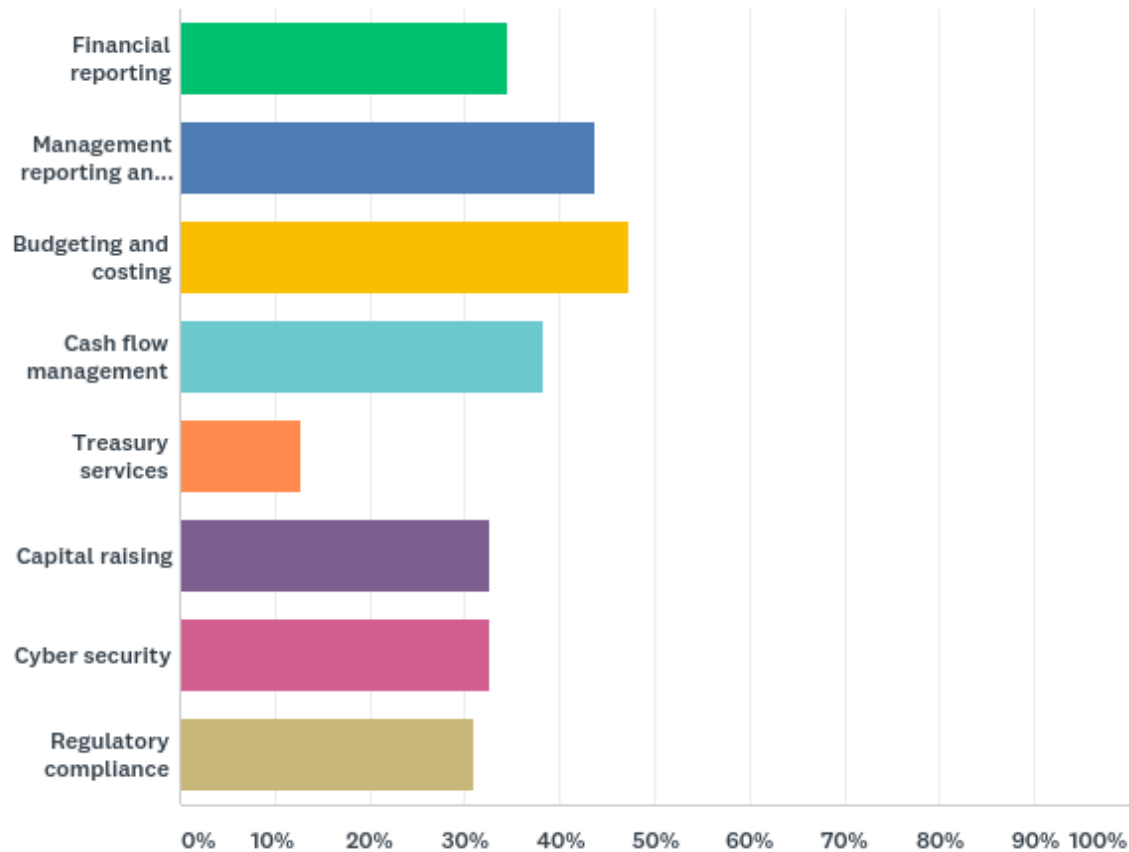
IKATAN AKUNTAN INDONESIA
Institute of Indonesia Chartered Accountants

Q6 Has technology impacted your



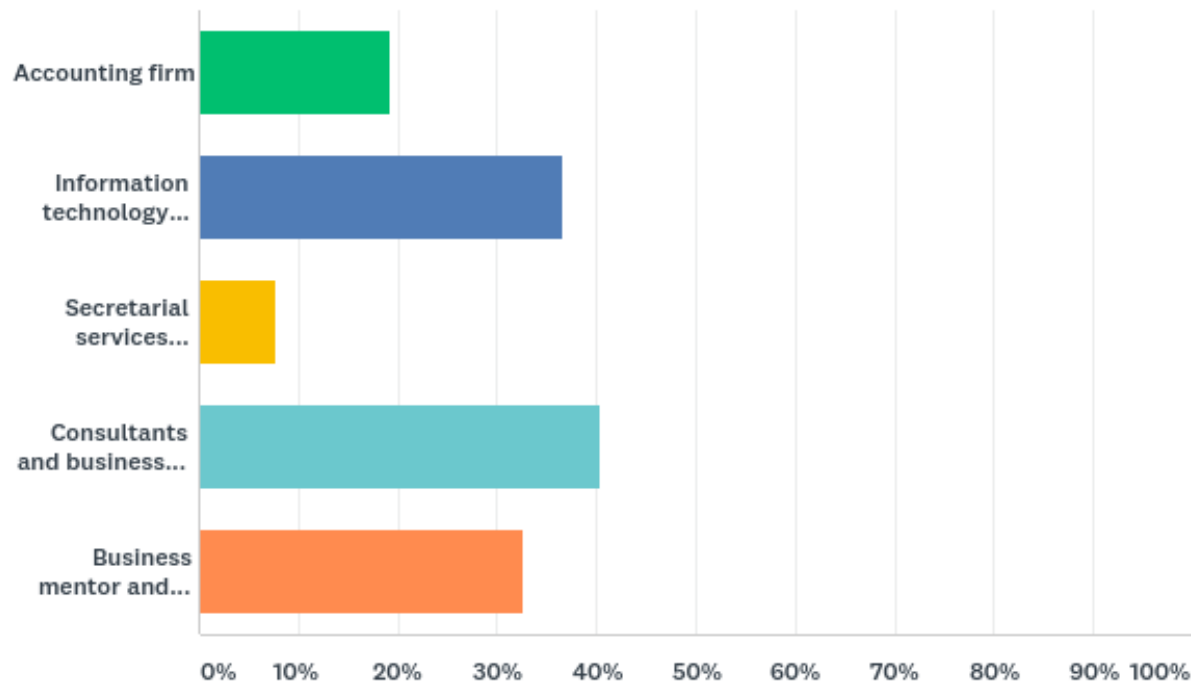
Challenges in managing SMEs

What are the areas where you wish the accounting firm serving you could serve you better?



Challenges in managing SMEs

Who presently provide you with advice and services relating to technology?



Capturing the Opportunities through **networks** and **technology**



Challenges in managing SMEs

My concluding observation:

- Core services of accountants in providing relevant information and compliance would continue to remain, ways may change and competition would be with firms using more technology
- As it would be easier for people to start businesses, services which help them to be sustainable would be more demanded
- Capital raising platforms would be more influential to assist SMEs and this would also provide greater opportunities for practitioners
- Should use technology to aggregate networks, capabilities and reach to clients, as what other business are doing