



## **MEDIA RELEASE**

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#### **MEDAC – PNS FIVE-YEAR PLAN FOCUSING ON FRANCHISE INDUSTRY DEVELOPMENT**

**Kuala Lumpur, February 1<sup>st</sup>** - Perbadanan Nasional Bhd (PNS), an agency under the Ministry of Entrepreneur Development and Cooperatives (MEDAC), in its five-year plan strategy is targeting a minimum of 5,000 financing approval to entrepreneurs which is expected to expand the franchise portfolio by **400 %** from **RM178 million** to **RM700 million**.

This is expected to create **18,000** jobs and contribute **RM4.4 billion** towards the Gross Domestic Product (GDP). While PNS gears its goals towards building an effective franchise ecosystem with a comprehensive value chain supported by digital technology, it will also empower the socio-economic development of Bumiputera through entrepreneurship.

MEDAC Minister, YB Dato Sri Dr Haji Wan Junaidi B Tuanku Jaafar said, franchising could help Bumiputera entrepreneurs in improving their socio-economic position, especially through PNS's Business-In-Transformation (BIT) programme that encourage entrepreneurs to expand their business through franchising.

Since 2005, PNS has disbursed total franchise financing of **RM463 million** to **2,529** entrepreneurs.

“The cooperation between MEDAC and PNS proves that ministries and agencies are able to create a network of cooperation which, in turn, produces more entrepreneurs adopting this business concept.”

“This effort encourages economic growth, especially for Bumiputera entities to venture into franchise business,” he said in a statement today.

PNS Chief Executive Officer, Mohd Hilaluddin Abd Shukor said the local franchise industry still has vast potential to be explored, and entrepreneurs, especially micro entrepreneurs, need to be bold in taking proactive steps to participate in the franchise industry to grow their business particularly in adapting digitalisation.

He said PNS, through the BIT programme, is focused on the development of the micro businesses in order for them to expand through the franchise methodology.

“BIT programme can facilitate potential entrepreneurs to widen their source of income and help boost the economic growth of the franchise industry post-Covid-19.”

“For this year, PNS will roll out 2 new project initiatives namely **‘Project Xcelerator’** and **‘Project Be Your Own Boss’** that aims to produce five (5) local franchise entrepreneurs and 1,000 franchisees in 2021. PNS is allocating **RM35 million** for these projects that are designed to strengthen the participation of Bumiputera entrepreneurs, youth, women and graduates by offering comprehensive trainings, guidance, financing, and market access,” he said.

“Under the Be Your Own Boss project, PNS offers two special programmes targeting women and youth known as **Successful Women Entrepreneurship Engagement Talent (SWEET)** and **Young Entrepreneurship Engagement Talent (YOUNITY)**,” added Hilaluddin.

To ensure the success of these new projects initiatives, PNS will be collaborating with several other ministries to potentially expand the program offerings namely Ministry of Youth and Sports (KBM) and Ministry of Women, Family and Community Development (KPWKM) via MEDAC’s ministry and agency strategic collaboration programmes.

According to Hilaluddin, the strategic collaborations between PNS and the two ministries are aimed at reaching out and empowering women and youth to become successful business owners.

“Under the BIT programme, PNS has 127 pre-franchise businesses in its incubator where they are nurtured to grow their business into becoming a successful notable home-grown franchise

brand. We hope that through Project Xcelerator, it will help to fast-track their progress into becoming a franchise business in less than one year,” he added.

Meanwhile PNS has supported a great number of local franchise brands such as Genius Aulad, Marrybrown, Menara Optometry, Asam Pedas Premier, Tealive, Smart Reader, Putu Bambu World with both franchisor and franchise financing to 157 outlets with a total financing amount of **RM30.5 million**.

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### **PERBADANAN NASIONAL BERHAD (PNS)**

Perbadanan Nasional Berhad (PNS) is an investment holding company established in 29 November 1969, owned by the Minister of Finance Incorporated (MOF Inc.) with the mandate to lead the development of the Malaysia's franchise industry.

Since the beginning of 2004, PNS has aim to lead the growth of the franchise industry in Malaysia and to increase the numbers of franchise entrepreneurs through their expertise by offering quality services and products as follows:

1. Franchise Financing Support for franchise businesses and entrepreneurs consist of all franchise business requirements including capital expenditure and working capital requirements;
2. Equity Financing Support to help increase numbers of Bumiputera Equity Ownership in the strategic franchise sector; and
3. Advisory services that include support of Bumiputera Entrepreneurs and Franchise Businesses to develop competitiveness in the business environment.

PNS also provides trainings and special schemes for franchisors and franchisees as well as welcoming franchise partners to Malaysia. In addition, PNS also offers other services such as Training, Retail Space, Investment & Property Financing (related to Franchise) and Equity Investment.

Based at the Menara PNS, Bangsar South City, PNS also has five corridor offices which are the PNS Eastern Corridor Office, PNS Northern Corridor Office, PNS Southern Corridor Office, PNS Sabah Corridor Office, and PNS Sarawak Corridor Office which are ready to carry out their duty in producing more franchisors and franchisees of international level.