



	June 2016	June 2017	September 2018
Total Respondents	75	72	41

	June 2016	June 2017	September 2018
Respondents with customers in this county	29	29	13

Sales are primarily to	June 2016	June 2017	September 2018
Existing Customers	100%	97%	93%
New Customers	0%	3%	7%

Respondents extending credit to customers vs. those who do not	June 2016	June 2017	September 2018
Extend Credit	82%	93%	79%
Do Not Extend Credit	18%	7%	21%

Payment terms granted by those extending credit to customers in this country:	June 2016	June 2017	September 2018
0-30	27%	32%	27%
31-60	50%	44%	55%
61-90	18%	16%	18%
91+	5%	8%	0%

Average days beyond terms:	June 2016	June 2017	September 2018
	N/A	N/A	23.6

Payment methods used (multiple selections permitted):	June 2016	June 2017	September 2018
Wire Transfer	92%	100%	100%
EFT (seller initiated)	4%	7%	0%
EFT (buyer initiated)	12%	19%	15%
Check	19%	7%	0%
Credit Card	23%	15%	8%
Extended Payment Program or Progress Billing	8%	4%	0%
B.P.O. (Bank Payment Obligation)	0%	4%	15%
Letter of Credit	27%	37%	46%
Cash Against Documents	12%	15%	15%
Dated Draft	8%	4%	0%
*Other	0%	7%	8%

**\*OTHER**

June 2017	September 2018
<ul style="list-style-type: none"> <li>We run an online payment gateway, hence, we deduct immediately the commission from each online transaction.</li> <li>Based on order amount.</li> </ul>	<ul style="list-style-type: none"> <li>Post Dated Checks</li> </ul>

Payment Delays Are:	June 2016	June 2017	September 2018
Increasing	4%	7%	20%
Decreasing	0%	4%	20%
No Change	57%	78%	50%
No Payment Delays	39%	11%	10%

Causes of payment delays, open account:	June 2016	June 2017	September 2018
Billing Disputes	18%	30%	38%
Other Disputes	18%	9%	0%
Cash Flow Issues	6%	26%	25%
Inability to Pay	0%	4%	13%
Unwilling to Pay	18%	0%	0%
Customer Payment Policy	29%	14%	13%
Government Approval	0%	0%	0%
Regulatory Issues	0%	0%	0%
Foreign Exchange Rates	0%	4%	0%
Central Bank Issues	0%	9%	0%
Cultural Norms and Customs	11%	4%	0%
*Other	0%	0%	11%

**\*OTHER**

**September 2018**

- Currently due to change in the GST /SST there are delays due to lack of clarity. Specially some of the services where withholding tax is applicable. Also, customer pays once a month

**PRS Political & Economic Risk Forecast (Updated 05/01/18)**

18-month & 5-year political forecasts and probability for REGIMES most likely to hold power; risk ratings for TURMOIL (low to high), and RISK RATINGS (A+ least, D- most) for financial TRANSFER, direct INVESTMENT, and EXPORT to the country. If forecast has changed, the previous rating appears in parentheses. An asterisk (\*) means a nonincumbent regime. Most recent economic data and forecasts include a previous five-year average, a one-year forecast or estimate, and a five-year forecast average. REAL GROWTH of GDP and INFLATION are expressed as percentages, and CURRENT ACCOUNT figures are in billions of US dollars.

Country Regimes and Probabilities	Turmoil	Transfer	Investment	Export		Real GDP Growth	Inflation	Current Account
<b>Malaysia</b>					2013-2017	5.2	2.6	10.29
PH Coalition 60%	Moderate	A-	B+	A-	2018	5.0	2.9	7.10
PH Coalition 45%	Low	A-	B+	B+	2019-2023	4.8	3.8	5.60

Forecast provided by The PRS Group, Inc. [Click Here for More Information on the Political Risk Letter and other offerings.](#)

**Advice when doing business in this country:**

**September 2018**

- Advance payment for new customers
- Ensure clear guidelines are set in terms of expectation on invoicing requirements and payment timeline. Specially if you are dealing with government customer.
- Know your customer. Verify accuracy of order and shipping documents.
- We haven't experienced mayor problems with this account. Just make sure you have the right accounts payable contact information.
- Be persistent. Do your homework.
- Sell only LC Sight or CIA.
- Use security tools.

**June 2017**

- Make sure you really know your customer, credit application, really pull all information (credit and legal)
- Know the customer and if they are reselling to whom they are selling as it may affect their ability to pay

#### June 2017

- No issues at all in dealings with customers located in Malaysia.

#### June 2016

- Know your customer and be familiar with local laws.
- Obtain proof of customer viability before selling on credit. Expect payment delays.
- Take time to understand the business culture.
- Push for prepay via fed wire.
- Ensure you have the correct financial contact at your customer's location.
- Due diligence prior to credit sales is a must.