Introduction: Crowdo

• Launched: Commercially launched in 2013

• Vision: Region’s First Digital Financial Institution #UnlockYourPossibility

• Business Model: Artificial Intelligence-driven Online Marketplace for Lending and Investments

• Community: Emerging Asia Small Medium Enterprises x Global Investor Community

• Operations: Regional – Singapore, Indonesia and Malaysia

• Financial Institution Status: Licensed / Registered by the Monetary Authority of Singapore, Otoritas Jasa Keuangan, Securities Commission Malaysia
Problem Statement: SMEs / Entrepreneurs – Inefficient Access to Capital

Massive and Dynamic Micro Small Medium Size (MSME) Enterprise in SE. Asia

- 75 million # of MSMEs
- Up to 99% % of all business establishments
- Up to 97% % of all employment
- Up to 58% % of GDP contribution
- 700k / 1 million # of Go-Jek / Grab Drivers

Negligible to Hostile Financing Environment

- 40 to 45% Underserved; 8 to 10% Unserved
- Financing: Lengthy & complicated; High rejection rates
- Rampant predatory financing
Business Model and Innovation

Marketplace Dynamics

Issuers / Borrowers

Mission: Drive financial inclusion thru the innovative use of data to help un/der-served businesses establish credit profiles and gain access to a wide spectrum of Investors / Lenders

Crowdo Marketplace Principles

• Full Disclosures / Transparency
• Robust Transaction Infrastructure
• Lifetime Transaction Management

Investors / Lenders

Mission: Generate wealth creation opportunities through democratic access to investment opportunities that allow individuals to diversify their investment portfolio / advance their economic status

Underlying Technology Infra and Modules

Technology Adoption to Drive Innovation, Scalability AND Lower the Cost to Serve

- Artificial Intelligence -aided DD
- e-KYC
- Mobile / Web Applications
- Fully Digital LMS*
- Cloud-based Infra
- Virtual Account

* LMS: Loan Management System
Future Vision: Building a Regional Fintech Bridge for Alternative Financing

Regional Reciprocal Economic Exchange

“Credit Gap” Markets: Markets with insufficient local credit / capital to sufficiently finance local businesses

Economic stimulus via fresh credit and investment capital

Financial returns to reward lenders/investors participation

“Investment Markets”: (Low yield) Markets with individuals/entities to seeking investment diversification

1. Enhanced Investor Protection
2. Balanced Integration with Existing Financial Industry
3. Regional Regulatory Coordination

Key Enablers to Realize Regional Fintech Bridge
(1) Breakthroughs: Enhanced Investor Protection

Create an environment which reduces information asymmetry as well as boosts confidence in the alternative financing market to accelerate mass adoption (and increase credit access to SMEs)

<table>
<thead>
<tr>
<th>Enablers to Enhance Investor Protection via Alternative Lending</th>
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<tbody>
<tr>
<td><strong>Credit Data Access</strong></td>
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<tr>
<td>Level Playing Ground for Access to Borrower Credit Info</td>
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<tr>
<td>- Ability to access / contribute to Central Bank blacklists upon DD / based on performance</td>
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<td>- Access cross border data without local in-market entity</td>
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<tr>
<td><strong>Insurance / Guarantee</strong></td>
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<tr>
<td>Subsidies of Financial Costs for Protection Mechanisms</td>
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<tr>
<td>- Subsidy of insurance premiums</td>
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<td>- , or provide a guarantee on the loan</td>
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<td>- Incentivize insurance companies to participate in the industry</td>
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<td><strong>Secured Transactions/ Collateral Mgmt / Liquidation</strong></td>
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<tr>
<td>• Enabling the Use of a Wider Range of Movable Assets as Collateral</td>
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<td>• Collective Rights as a Creditor</td>
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<td>• Facilitate Purchase of Distressed Loans</td>
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(2) Breakthroughs: Balanced Integration with the Existing Financial Industry

Areas that Benefit from Integration with Conventional Finance

- Facilitate integration to aid ramp up of Fintech industry and mutual exchange of knowledge
- Pooling of User ID and Access for e-KYC purposes
- Distribution of Alternative Financing Products
- Financial Institution / Bank Balance Sheet investments into P2B Loans
- Referral and Graduation Program between Alternative and Conventional Operators
- Knowledge Sharing on Alternative and Conventional Credit Analysis
- Support to Facilitate Cost Competitive / Faster Cross Border Monies Handling

Areas that may Adversely Impact Fintech Performance thru Forced Integration

- Areas that may materially increase cost to serve and make transactions economically unviable
- Monies Handling via Bank Escrow
- Traditional Remittance Services
- Securities Handling via Trustee
- Mandatory bank account set up for users
(3) Breakthroughs: Realizing Regional Potential thru a Centralized Centre of Excellence

Major Regional Scalability Challenges

- **Regulatory Engagement:**
  - Market by Market
  - Different PIC by jurisdiction

- **Regulatory / Licensing Compliance:**
  - Regulation adopted to Fintech
  - Fintech fit into existing regulation

- **Cross Border Regulatory Support:**
  - Mostly insular domestic market perspectives

- A regional and centralized Fintech office / team to coordinate access to multiple markets
- Regional initiative(s) organized around cross border / regional themes
- Centralize repository for regulatory / legal know-how and information
Wrap-up

• Crowdo: Artificial Intelligence-enabled Online Marketplace for Lending / Investments

• Micro Entrepreneurs / SMEs – A Driving Force for Economic Activity. Credit and Capital Starved

• Breakthrough in Alternative Financing is in Creating a Regional Market and Ecosystem

• Opportunity to Introduce Well Defined and High Impact Initiatives to Build This Market

• (1) Enhancing Investor Protection; (2) Balanced Integration with Conventional FIs; (3) Regional Centre of Excellence

• Thank you!