

microLEAP

Islamic & Conventional P2P
(Peer-to-Peer) Financing platform

Matthew Fernandez
Partner and COO

Regulated



RM80bil MSME funding gap in Malaysia*

Lack of access

Banks' credit criteria too stringent
Outreach to rural areas difficult

Cost vs Revenue per loan

Small loans are too expensive for banks
Banks target larger & more profitable loans

*Securities Commission Malaysia (SC)
2018

microLEAP aims to help plug that gap

Low Customer Acquisition Costs (CAC)

Focus on technology - application, KYC, payments, drawdown all online

Target the underserved

Increase Financial Inclusion by giving access to credit for microenterprises

Less Budget Constraints

Due to low cost we can reach and scale-up quickly


Malaysia ripe for Digital Financial Services

		2017	2018
Smartphone Penetration		75.9%	78.0%
		2016	2018
Internet Penetration		76.9%	87.4%

Source: Malaysian Communications & Multimedia Commission (MCMC) 2018









microLEAP Features

 Microenterprise / B40* focused: RM1,000 to RM50,000 Islamic & Conventional P2P financing, with more Islamic Financing products coming in 2021

 Minimum P2P investment of RM50 only

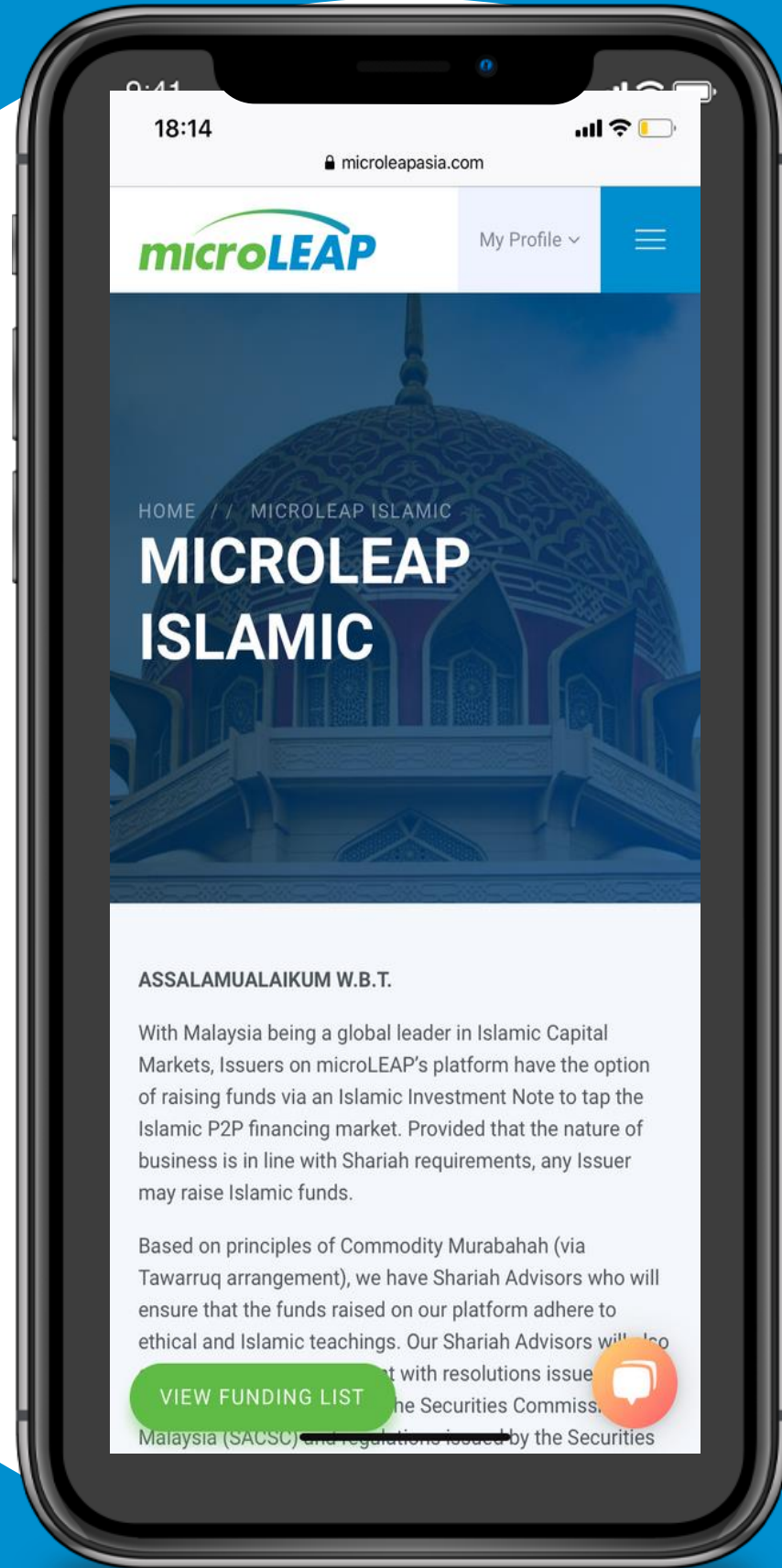
Safety of Investments

-  Funds held in Trust Accounts
-  All Issuers (borrowers) have a Guarantor
-  Issuers covered by Key Person PA Insurance - pay out to P2P Investors
-  Strict credit risk criteria - include psychometric testing
-  All Issuers must pass online video training
-  Regulated by the Securities Commission Malaysia



*B40: Bottom 40% Income Group

Differentiation



Islamic & Conventional

Unique in offering Islamic & Conventional P2P Financing

PA Insurance

Provide Personal Accident Insurance on key person – payout to P2P Investors

Debt & Accounting Training







Provide online video training on basic debt management & accounting

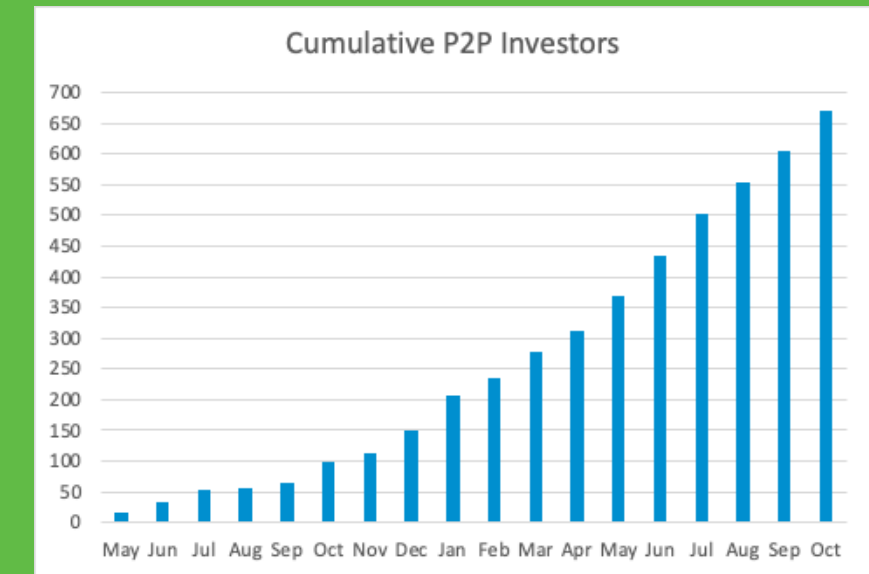
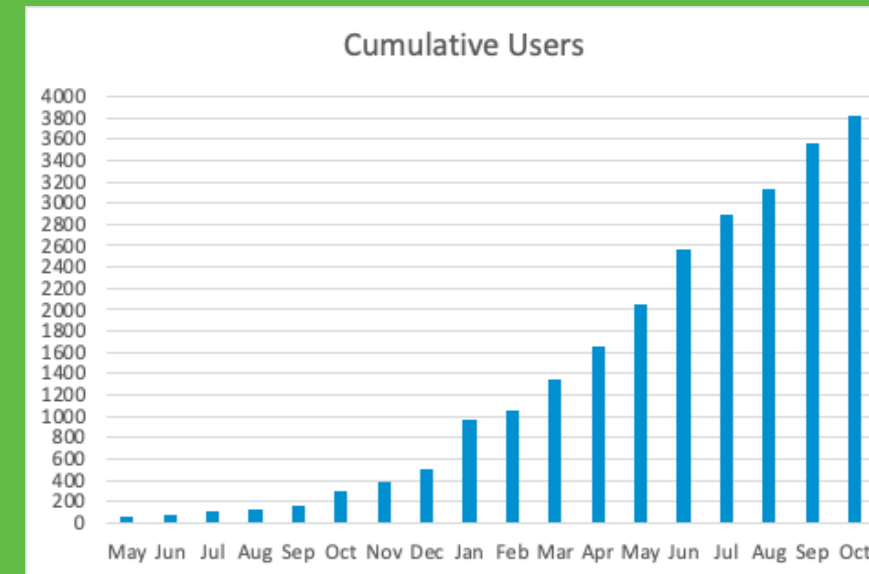
Group Financing

Digitising Grameen Model of Group Lending

Traction

As of 7th Dec 2020

 <p>NT-2007-00004 Mikaysha Enterprise Food & Beverage</p> <p>RM 19,000 24 Months@ 12% p.a Kuala Lumpur 13 Days Left</p> <p>100 % FUNDED</p>	 <p>NT-2007-00003 NORTH SILKSCREEN ENTERPRISE Services</p> <p>RM 15,000 24 Months@ 12% p.a Perlis 4 Days Left</p> <p>100 % FUNDED</p>
 <p>NT-2006-00002 HONG LIM TRANSPORTATION Logistics</p> <p>RM 30,000 12 Months@ 11% p.a Sarawak</p> <p>100 % FUNDED</p>	 <p>NT-2006-00001 DANISHA HOMEMADE COOKIES & CAKES Food & Beverage</p> <p>RM 40,000 36 Months@ 11% p.a Johor</p> <p>100 % FUNDED</p>
 <p>NT-2007-00002 URBAN CAPITAL VENTURES Services</p> <p>RM 50,000 24 Months@ 11% p.a Pulau Pinang 2 Days Left</p> <p>100 % FUNDED</p>	 <p>NT-2007-00001 Deltacs Enterprise E-commerce</p> <p>RM 50,000 36 Months@ 11.5% p.a Kuala Lumpur</p> <p>100 % FUNDED</p>



Registered Users
4,499

P2P Investors
756

Total Financing
Disbursed
Over RM 1 Million

Investment Notes
Funded
45

microLEAP Islamic

Based on Commodity Murabahah

Issuer's industry must be Shariah compliant

No Brokerage Fees

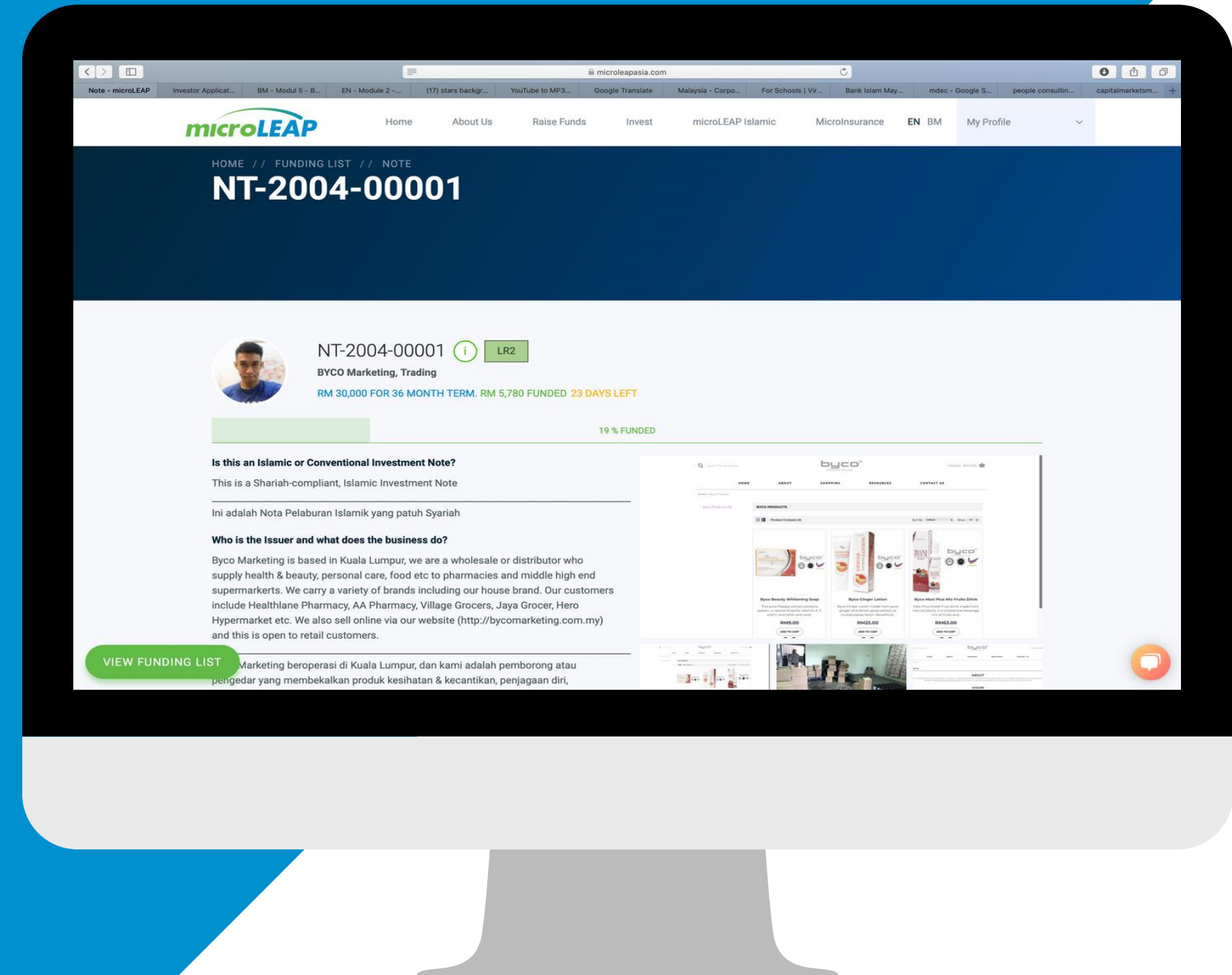
Commodity brokerage fees absorbed by microLEAP

Anyone can invest

Promote ethical P2P investments based on Shariah principles

Gharamah

Late penalty fees given to charity



astroAWANI

ENGLISHBERITAVIDEOFOTOLIVE

Kerjasama MTDC dengan pitchIN dan microLEAP bantu rangsang syarikat teknologi tempatan

Diterbitkan pada: Mei 12, 2020 20:55 (MYT) | Durasi: 2 min, 56 saat

Signing Ceremony

Memorandum of Understanding between MALAYSIAN TECHNOLOGY DEVELOPMENT CORPORATION and PITCH PLATFORMS SDN BHD and MICROLEAP PT

12 May 2020 | 10:00 am

Tunku Danry Nasraffudin

Ketua Pegawai Eksekutif MTDC, Datuk Norhalim Yunus berkata, usahasama ini bakal membantu lebih banyak usahawan tempatan yang aktif dalam membangunkan teknologi bagi industri 4.0 atau revolusi industri yang

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microLEAP

Masryef

LENDING

microLEAP Partners with Masryef Management House to Launch Shariah-Compliant P2P Financing

by Fintech News Malaysia / April 30, 2020

BUSINESS

BERNAMA.COMMALAYSIA PERNAHIN

microLEAP MTDC pitchIN Signing Ceremony

Memorandum of Understanding between Malaysian Technology Development Corporation and PITCH PLATFORMS SDN BHD and MICROLEAP PT

12 May 2020 | 10:00 am

RELATED NEWS

MPOB, True Trichoderma Technology collaborate in Canoderma control technology commercialisation

Moovy appoints Syed Zainal as non-executive chairman

MTDC signs MoUs with pitchIN, microLEAP

Recognition

Top 18 teams for UNCDF Financial Innovation B40 Challenge

Top 11 teams for 1337 Ventures Alpha Startups: Fintech Edition

Trophy

March 2019

Medal

July 2018

SPECIAL FOCUS

From left: Anis Azzah, microLEAP CEO, Matthew Fernandez, CEO, Finance Minister Lim Guan Eng, SC Chairman Datuk Syed Zaid Abbas and Tunku Danry Nasraffudin, Masryef CEO

SMALL STEPS, BIG IMPACT

With its focus on the micro-finance sector, microLEAP aspires to empower the 'smaller guys'.

From your small roadside food stall to your local retail unit in your small town, any funding amount, no matter how small, will have a stronger impact especially when it comes to micro-enterprises in the B40 segment.

This is the belief that has taken microLEAP on its peer-to-peer (p2p) lending journey to empower micro-enterprises who are largely underserved in terms of financial services.

As a microfinancing platform that is solely focused on B40 to lower M40 micro-enterprises, microLEAP turns the spotlight on the "smaller guys" who are looking for smaller amounts of funding and have found it difficult to access financing via banks and other intermediaries, while catering also to P2P investors who are looking for impact investments where a small amount of money can make a difference.

Smart investor sits down with microLEAP PLT chief executive officer Tunku Danry Nasraffudin Maszaffar to talk about the company's P2P journey, and the value-added services it offers to business owners.

Smart Investor: Congratulations on obtaining your license from the Securities Commission (SC). What services/financing solutions do you offer?

Tunku Danry Nasraffudin Maszaffar: Thank you. We are extremely grateful the SC sees value in our unique value proposition. As we are purely a microfinancing platform, via crowdfunding, P2P investors offer financing to issuers from as little as RM1,000 to a maximum of RM50,000 only.

On top of this, our platform caters to both investors looking to invest in Shariah-compliant notes as well as those who prefer to invest in Conventional

notes. We host investment notes from a minimum tenor of six months up to a maximum tenor of 36 months on our platform.

As microLEAP targets only micro-enterprises, what inspired you to support this particular category?

We at microLEAP want to make a difference in the lives of people that we are trying to assist. When we first set out on our P2P journey, we wanted to be in a space where small investments would have a large impact on people's livelihoods.

And that was where microLEAP was born, which is underpinned by our tagline: small steps, big impact. Any funding amount, no matter how small, will have a stronger impact on a micro-enterprise than it would on a medium-sized company, more so for micro-enterprises in the B40 segment which are largely underserved in terms of financial services.

For example, it makes no sense from a cost-to-revenue perspective for banks to cater to microfinancing, eg writing a RM1,000 loan, due to its high costs of branches and personnel.

As we are purely digital – from application, document upload, disbursement and collection amongst others – our customer acquisition costs are much lower than banks and we are completely set up to serve these micro-enterprises better.

In fact, we were one of the Top 18 teams that made it to the United Nations Capital Development Fund (UNCDF) Financial Innovation Lab B40 Challenge that looked to accelerate, mentor and provide training to innovative Malaysian fintech / tech companies that were looking to help the underserved.

Walk us through the process of how one can make an investment.

Our application process is very simple. Sign

apply. Once you've transferred funds online via our FPX payment gateway into your Available Balance, you are all set. Click on an investment note to read about the issuer and our credit rating rationale, and if you are happy with the returns then click to invest.

Investors must be 18 years old and above, and the minimum investment is only RM50. Even better, you have 24 hours to retract the investment should you have second thoughts.

To encourage users, we are gamifying our investment process and will be introducing the 'microLEAP League of Extraordinary Investors'. Investors will earn points for the total amount invested,

up online as a user on our platform, choose to become an investor and follow the easy steps to invest.

microLEAP

small steps, BIG IMPACT

**Introduction to
P2P Financing**

**How to Raise
Funds on
microLEAP**



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