EthisCrowd.com - Crowdfunding for Affordable Housing

Yousuf Sultan, Head of Infrastructure & Shari’ah at Ethis Ventures
Advantages of Financial Transactions Using Fintech

- More Convenient
- High Customer Experience
- More Automated
- User-Friendly
Main Types of Services Offered by Fintech

Crowdfunding

Mobile Payments

Trading Platforms

Money Transfer

Peer-to-Peer (P2P) Lending
P2P Crowdfunding is growing strongly in a number of countries, led by the US and China. Indonesia is one of the hottest P2P markets, with the financial services authority reporting that US$16 billion was funded in 2018.
The Islamic economy is a large global segment with 2 factors driving growth:

1. Adoption of technology especially through mobile
2. Increased awareness and understanding of Islamic principles

**Islamic Finance Asset Growth From 2012 and Projection till 2021 (US$ Mn)**

**Muslims projected to be fastest-growing major religious group**
Estimated percent change in population size, 2015-2060

<table>
<thead>
<tr>
<th>Religion</th>
<th>Percent Change (2015-2060)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muslims</td>
<td>+70</td>
</tr>
<tr>
<td>Christians</td>
<td>+34</td>
</tr>
<tr>
<td>Hindus</td>
<td>+27</td>
</tr>
<tr>
<td>Jews</td>
<td>+15</td>
</tr>
<tr>
<td>Folk religions</td>
<td>+5</td>
</tr>
<tr>
<td>Unaffiliated</td>
<td>+3</td>
</tr>
<tr>
<td>Other religions</td>
<td>0</td>
</tr>
<tr>
<td>Buddhists</td>
<td>-7</td>
</tr>
</tbody>
</table>

Source: Per Research Center demographic projections. See Methodology for details.
"The Changing Global Religious Landscape" PEW RESEARCH CENTER
Problems

Direct investments and charity in emerging nations and the Muslim world is broken

1. Incumbent financial institutions serve limited preferred segments, not the masses

2. Islamic finance has had little social or community impact, and is viewed with suspicion

3. Local capital flows are poorly organised, global flows lack intelligence and facilitation
Solution - Ethis Islamic Crowdfunding

Digital platform links funders globally to projects by providing transparency and timely reporting.

Ethis focuses on specific project types, countries and sectors to develop better screening intelligence and relationships.

True Islamic finance models based on universal ethics and with a focus on social impact and justice.
Baban Baye Permai
Subsidized Housing  West Sumatra, Indonesia
Raised: 26.82%
Goal: SGD $334,951.00
Projected Return: 10-11%
Duration: 9-10 Months
Time Remaining: 24 day(s) to go

Indomaret Warehouse 2
Construction  Bandung Region, Indonesia
Raised: 66.04%
Goal: SGD $554,000.00
Projected Return: 11-12%
Duration: 10-11 Months
Time Remaining: 35 day(s) to go

Pesona Prima Cikahuripan
Affordable Housing  West Java, Indonesia
Raised: 100.00%
Goal: SGD $274,923.00
Projected Return: 11-12%
Duration: 10-11 Months
Time Remaining: 0 day(s) to go
<table>
<thead>
<tr>
<th>Impact in numbers (S$)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growing Community</strong></td>
</tr>
<tr>
<td>26,000</td>
</tr>
<tr>
<td><strong>Countries Globally</strong></td>
</tr>
<tr>
<td>65</td>
</tr>
<tr>
<td><strong>Affordable Houses Built</strong></td>
</tr>
<tr>
<td>7,319</td>
</tr>
<tr>
<td><strong>People with a new Home</strong></td>
</tr>
<tr>
<td>29,276</td>
</tr>
<tr>
<td><strong>Total Value of Projects</strong></td>
</tr>
<tr>
<td>$52,798,091</td>
</tr>
<tr>
<td><strong>Crowd-investments Made</strong></td>
</tr>
<tr>
<td>$6,250,000</td>
</tr>
<tr>
<td><strong>Paid Out to Crowd-investors</strong></td>
</tr>
<tr>
<td>$1,640,347</td>
</tr>
</tbody>
</table>
Crowd-Investors

The Ethis community includes global and local

- Islamic Private Equity firms, Venture Capital
- Islamic foundations and community groups
- High networth individuals
- Angel investors

Our community of 26,000 from across the world has made more than 2,000 crowd-investment transactions to Indonesian campaigns. The majority of our investors are new to crowdfunding and first-time investors in Indonesia.
Ethis Crowd

Main Focus: Bridging finance for affordable housing development in Indonesia

Sub-focus: Working capital financing for infrastructure projects in Indonesia

Pilot: Bridging finance for commercial property development in Malaysia

Pilot: Bridging finance for commercial property development in South Africa
In the last couple of years, Indonesia’s economy has grown steadily. However, between 2015 – 2017 the GDP per capita increased from USD 3,827 to USD 4,130. Significantly more young and middle-class urban Indonesians will now afford to buy homes.
The world's fourth largest population, Indonesia has high demand and a massive shortage of houses. This housing crisis affects approximately 11.8 million Indonesians who do not have homes till today,
To cope with this housing shortage, the Indonesian government launched the One Million Homes programme in 2015. This programme targets to reduce the housing shortage from 11.8 million to only 6.9 million homes.

Note: 2016 and 2017 figures are based on projections
Source: Ministry of Finance
Singapore, Mar 2014
We started as a private Islamic investment club in Singapore that invested in SMEs and property.

Singapore, Jan 2016
We implemented a pilot model of matching funds directly to another Ethis entity, PT Ethis, in Indonesia.

Malaysia, Sept 2016
Secured RM5m capital requirement from local group, awarded a P2P financing license. Issues with this group led to our withdrawal in 2019.

Malaysia, Jul 2016
Launched GS beta platform, and formed partnerships with Islamic banks.

Malaysia, Feb 2018
EthisCrowd.com starts property CF. We implemented a pilot model of matching funds directly to another Ethis entity, PT Ethis, in Indonesia.

Today - 2019
Target launch of EthisCrowd.com global platform with Indonesia and Dubai in Q2 2019.
Leadership

Umar Munshi
Founder
- CEO, EthisCrowd
- Managing Director, Ethis Ventures M’sia
- Chairman, Islamic Fintech Alliance

Datuk Mohd Radzif
Chairman
- Corporate Transformation, Development Finance Leader
- Former MD, SME Bank (Malaysia)

Ronald Yusuf Wijaya
Founder
- CEO, Ethis Indonesia
- Advisor, Kapital Boost Indo
- President, Syariah Fintech Assn Indo

Maritz Mansor
COO
- Islamic Funds Manager and Legal Professional
- Former Head of Corp Services at Keppel DC REIT (Singapore)
Advisors and Global Partners

Mohd Al-Aidaroos
Dubai
Property Investor and Financier

Hendarin Sukarmadji
Indonesia
Islamic Banking Pioneer in Indonesia

Daud (David) Vicary
UK-Malaysia
Global Islamic Finance leader and influencer

Rehan Noor Pathan
Bahrain
Institutional investment advisor and entrepreneur

Dato’ Fadzli Yusof
Malaysia
Founding CEO of the first Takaful operator
Awards & Accolades

GIFA Award for Best Islamic Crowdfunding Platform 2016

Islamic Economy Award 2016 from the Crown Prince of Dubai

World Islamic Fintech Awards 2018 for Best Islamic Peer to Peer Finance Platform & Best Social Impact Islamic Fintech Platform
Ethis beat 2,000 applicants to be one of the winners of the US$100,000 ‘Innovation for Impact’ grant.

Ethis will be profiled in Expo Dubai’s promotional activities and featured in the World Expo 2020.
Performance of Indonesian Affordable Housing Campaigns

Successful
Completed with capital gain and profits paid out successfully to crowd investors. Returns range from 12% to 28% on an annualised basis.

Begging
Still under construction or development. On-time delivery cannot be guaranteed.

Funding failed but not disbursed to project. Pre-agreed charges or penalties were incurred. All investors' capital have been returned in full.

Failed
Campaigns that have faced insurmountable issues leading to project collapse. Subbotters, some or all investor capital may be lost.

Focus Country: Indonesia

Ethos Center, the largest emerging economy in the world after China and India. Foreign investment into Indonesia has been growing strongly. All more than 10% is your usual plus five years. It has also seen a significant increase in recent years. The country is becoming more investor-friendly, as real estate activity is still preferential and largely dominated by domestic investors.
Thank You

www.EthisCrowd.com