



# **2019 / 2020**

## **PERFORMANCE REVIEW**

WHERE SMART INVESTORS AND ENTREPRENEURS CONNECT

# FUNDAZTIC'S JOURNEY

A new era begins as the Securities Commission Malaysia (SC) greenlights peer-to-peer (P2P) financing in Malaysia on 3 November 2016. Fundaztic is the only fully-Malaysian start-up among the six registered platform operators announced.

**2016**

**2017**

Fundaztic soft launches on 7 July 2017 by hosting five investment notes with a total funding of RM530,000. The platform officially goes live two months later, giving users the unique opportunity to start investing with only RM50. The Smart Invest feature and mobile application are launched shortly after.

**2018**

Fundaztic improves its platform through strategic partnerships with CGC Malaysia, AXA Affin General Insurance Bhd, Easy Pay Transfers and OCBC Bank Malaysia. Instead of raising capital through venture capitalists in a bid to boost confidence in the platform, Fundaztic collaborated with leading ECF platform pitchIN to raise RM3 million in 38 minutes on 17 October 2018. A total of 3 million new shares were issued at RM1 per share through this exercise.

**2019**

Following the optimisation of Smart Invest, Fundaztic challenges and rewards its growing investor base through the 2019 Fundaztic Investor Portfolio Strategy Contest. Fundaztic dominates the P2P market with over 55 percent MSMEs funded as total disbursements exceed RM50 million within the first half of 2019. Strategic alliances with Lazada and Policy Street are also struck in the same period as the P2P sector heats up with the addition of five new platforms by the SC. This brings the total number of registered operators to 11 as of May 2019.

**2020**

Fundaztic becomes the first P2P operator to launch the e-Know Your Customer (e-KYC) feature and Secondary Market. The Malaysia Digital Economy Corporation (MDEC) and CIMB Bank are announced as new strategic partners while the credit engine is recalibrated using CTOS SME Score for better risk assessment. As part of the government's ePENJANA initiative to help MSMEs weather the economic repercussions of Covid-19, Fundaztic teams up with Lazada to offer e-commerce sellers interest-free financing. The company continues to command a 50 percent market share in P2P funding of MSMEs and remains on track to exceed RM100 million in disbursements by the end of the year.

## 2020

has not been the milestone year most of us were hoping for. We have all been affected by the pandemic and the ensuing 'new normal' in one way or another.

The situation for peer-to-peer (P2P) financing platforms has been particularly challenging given the varying degrees of difficulty faced by MSMEs that depend on alternative funding at a time of economic uncertainty.

At Fundaztic, the commitment to make funding a fantastic journey for all remains steadfast. Restructuring and rescheduling (R&R) solutions have been extended to our issuers in need to help them cope with the repercussions of the Movement Control Order (MCO). By easing their financial burden over a near-term period, we have managed to keep defaults under 3.5 percent per annum despite initial fears of greater volatility. We view this as an encouraging sign given current market conditions as Fundaztic is responsible for funding half the number of Malaysian SMEs in the P2P financing industry as of June 2020.

The SC has been equally supportive throughout these unprecedented times by increasing the funding matching ratio of its Malaysia Co-Investment Fund (MyCIF) from 1:4 to 1:2. By bolstering our liquidity, we are better equipped to help SMEs to not just stay afloat, but keep their businesses on the track of growth.

On the topic of growth, we have been actively developing new features to uphold Fundaztic's position as the go-to platform for P2P investment. We are proud to be the first P2P operator in Malaysia to bolster our platform with an e-KYC feature and Secondary Market to facilitate and regulate the trading of notes.

Our e-KYC enhancement speeds up the on-boarding process for new investors by incorporating optical character recognition (OCR) and facial recognition in the registration process. This is in line with Bank Negara Malaysia's (BNM) latest efforts to secure the digital space as more Malaysians look to the internet for financial services.

**"We are proud to be the first P2P operator in Malaysia to bolster our platform with an e-KYC feature and Secondary Market"**

Meanwhile, the Secondary Market makes it easier for everyone on the platform to diversify their investment while providing an exit tool in the event that emergency funds are required in these trying times. This should create an active trading market with the potential of attracting more high-net-worth and institutional investors to the platform.

Our optimism for an influx of new investors in the coming months is also fuelled by our effective interest rate, which continues to be in the healthy range of 15 to 23 percent (flat rate of 8 to 13 percent) per annum. With inflation and BNM's falling overnight policy rate (OPR), Fundaztic remains a strong option for higher returns. And we will continue to do our part in protecting your investments, with the most recent development in this area being the recalibration of our credit evaluation engine to CTOS SME Score for better risk assessment.

In doing what we can to keep Fundaztic attractive to investors and issuers alike, we have managed to shape a diverse and resilient digital marketplace that will continue to develop with the support of our strategic partners as well as the relevant regulators. Despite the curveball 2020 has thrown at us, we remain confident of exceeding a total disbursement of RM100 million by the end of the year. And we can only grow from there because a time of new challenges is also one of new opportunities.

This prospect of a brighter future largely exists because of all the hard work the Fundaztic team has put into nurturing the platform into what it is today. Their efforts are vital as we gear up for more developments in the coming months, and I cannot thank them enough.

**The journey has been great but it's far from over. Let's stay together for the exciting times ahead.**

**Calvin Foo,  
Acting CEO**







## Jeffrey Chew

### CHAIRMAN

Jeffrey Chew is the Founder and Non-Executive Chairman of Fundaztic.

Chew started his career at PwC before joining Citibank, where he took on various roles in customer relationship management, risk management, international offshore banking and product management.

He joined OCBC as Head of SME Business in 2003 and was subsequently promoted to Head of Business Banking. Chew was then appointed as the Director and CEO in 2008. In this capacity, he helmed the financial corporation in Malaysia for six years.

Chew is currently the Group CEO of Paramount Corporation Bhd.



## Michael Ooi

### DIRECTOR

Michael Ooi is a Co-Founder and Director of Fundaztic.

Backed by nearly three decades of legal experience, Ooi is well versed in conveyancing, banking, construction, joint ventures, mergers and acquisitions, contracts, corporate law and litigation.

Besides leading a law firm as Managing Partner, he has also served as an Independent Non-Executive Director for various Bursa-listed companies since 2003.

Initially a University of Malaya Economics graduate, Ooi obtained his Bachelor of Law (with Honours) from the University of London in 1990. A year later, he was called to the Malaysian Bar and was admitted as an Advocate & Solicitor of the High Court of Malaya.



## Gary Tan

### DIRECTOR

Gary Tan is a Co-Founder and Director of Fundaztic.

Tan boasts 30 years of experience in business and risk management with particular emphasis on SME lending. He pioneered the development of credit programmes and scorecards for Malaysian SMEs.

In 1997, he co-authored the country's first SME credit programme during his tenure with Citibank Malaysia. Tan later initiated the Programme Lending Department in RHB Bank which went on to develop the bank's SME Programme Lending Model (PLM).

During his tenure with OCBC Bank, Tan was instrumental in the development of Malaysia's first end-to-end SME lending model known as the Enterprise Mass Market Model.

## ABOUT FUNDAZTIC



Fundaztic is one of the pioneering peer-to-peer (P2P) financing platforms in the country that has been registered as a Recognised Market Operator with the Securities Commission Malaysia (SC) since 2016.

Wholly-owned by Peoplender Sdn Bhd, Fundaztic is founded and run by veterans of the finance, law and technology industries, with over 50 years of combined experience among them. Backed by this priceless insight, Fundaztic aspires to bridge gaps in the financing ecosystem by widening funding avenues for promising start-ups as well as micro, small and medium enterprises (SMEs).

Fundaztic aims to create a sustainable environment that benefits investors and issuers alike. Low-entry barriers allow investors to easily fund multiple notes for attractive returns while issuers gain access to quicker funding via a simple online application process, freeing up valuable time to focus on their businesses instead.

While traditional financing institutions demand hefty collaterals in exchange for credit, Fundaztic believes that all creditworthy businesses, no matter how small, deserve a chance at realising their dreams with P2P financing.

# P2P FINANCING AT A GLANCE

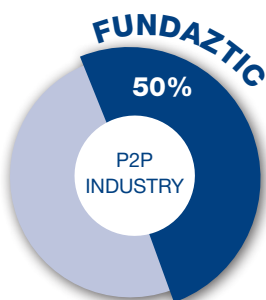
In 2016, Malaysia became the first country in ASEAN to regulate P2P financing following the announcement of six P2P financing platform operators – including Fundaztic – by the SC. Based on guidelines set by the SC, these operators must be incorporated under the Companies Act 1965 with a minimum paid-up capital of RM5 million. They are also required to provide a diligent risk scoring system and place all funds deposited by both investors and issuers into a third-party trustee account before making any disbursements.

These strict requirements help differentiate P2P financing from online crowdfunding as a regulated digital ecosystem for investors and issuers alike. Combined with investment barriers of as low as RM50 on platforms such as Fundaztic, the security of P2P financing allows aspiring businesses that typically struggle with conventional financing (i.e. bank loans) to secure funding in a matter of seconds through tech-savvy investors seeking an alternative to fixed deposits, unit trusts and the stock market.

Naturally, demand for fast and effective financing solutions provided by P2P platforms has boomed over the years. As of June 2020, P2P financing has contributed over RM798 million in alternative funding to over 2,200 new businesses and MSMEs in the country, with Fundaztic accounting for half the number of MSMEs funded via P2P. And the figure is expected to rise as the P2P landscape continues to develop in spite of unprecedented challenges surrounding the ongoing Covid-19 pandemic.

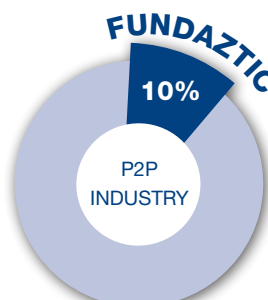
Today, the P2P financing sector has grown in number of registered operators and new features aligned with the SC and BNM's latest initiatives. Among them are secondary markets and e-KYC authentication, which Fundaztic introduced well ahead of the competition. Along with the benefits of new strategic partnerships, these features are expected to enhance the P2P experience for issuers and investors alike as the industry stays true to its objective of nurturing more savvy investors and successful businesses throughout the nation.

## FUNDAZTIC MARKET SHARE (as of 30 JUNE 2020)



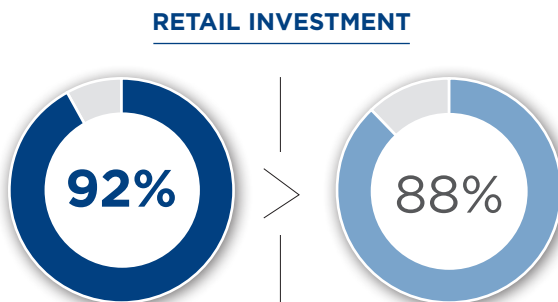
### SUCCESSFUL ISSUERS

FUNDAZTIC - 1104 Issuers  
P2P INDUSTRY - 2231 Issuers



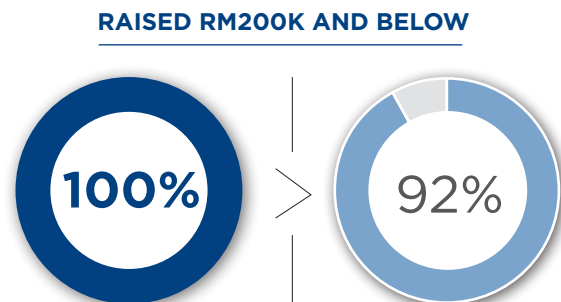
### TOTAL AMOUNT SUCCESSFULLY RAISED

FUNDAZTIC - RM82.544 mil  
P2P INDUSTRY - RM798.32 mil



**FUNDAZTIC**

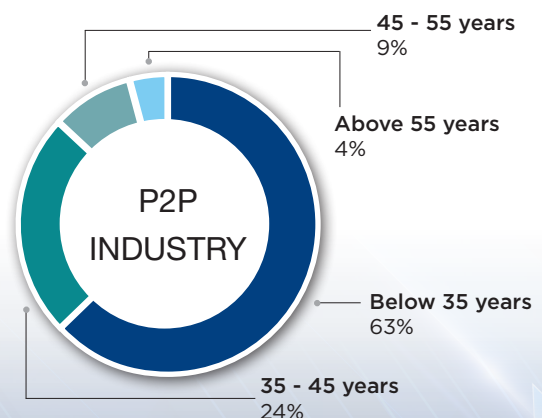
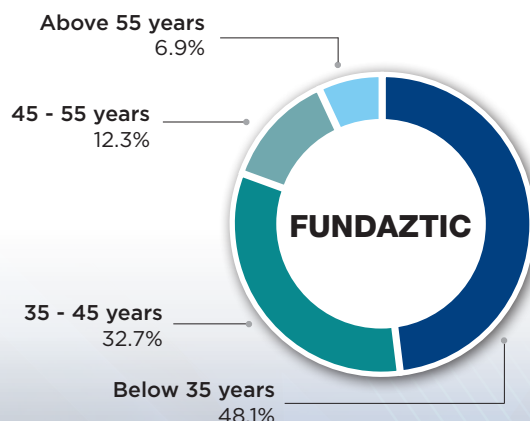
**P2P INDUSTRY**



**FUNDAZTIC**

**P2P INDUSTRY**

### INVESTOR AGE DEMOGRAPHICS



## MOST INVESTORS PER NOTE

653

## AVERAGE INVESTMENT PER NOTE

RM354

## AVERAGE INVESTORS PER NOTE

195

## SHORTEST TIME TO FULL FUNDING

20secs

As the P2P financing industry continues to develop at a rapid pace with new operators joining the fray, Fundaztic strives to maintain a user-friendly platform packed with features benefitting issuers and investors alike. We believe in providing all businesses registered with the SSM a gateway to fair financing regardless of their scale or industry, all while upholding the interest of our loyal investors.

### THE PERKS OF BEING A FUNDAZTIC INVESTOR

- Low platform management fee of 2% on monthly repayments
- Verified members can invest with as little as RM50 without any deposit
- Up to four times more ROI than fixed deposits with diversified investments
- Effortless acquisition and trading of notes with Smart Invest and Secondary Market
- Up to RM30,000 coverage on investments with Principal Protect

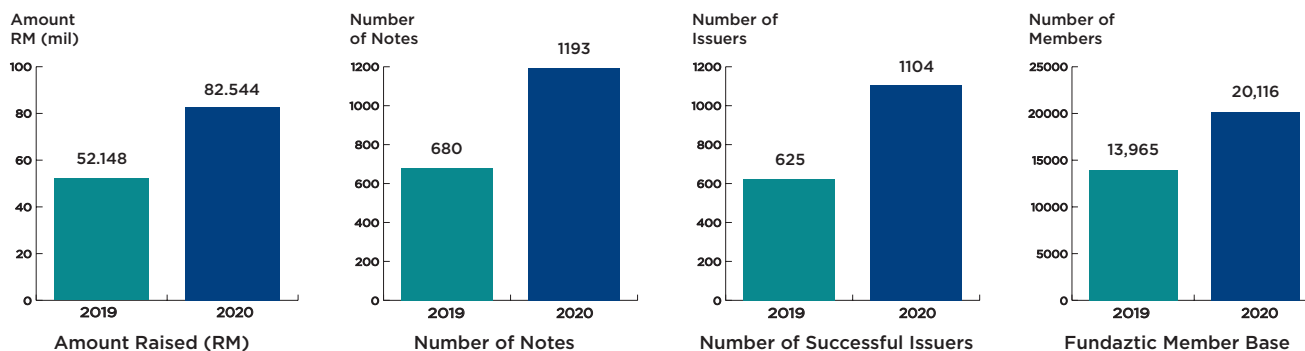
### FUNDING WITH FUNDAZTIC PAYS OFF TOO

- Low origination fee starting from 1% with interest rates starting from 8%
- MSME owners and entrepreneurs can raise up to RM200,000 in P2P funding
- Full-funding can be achieved within seconds using efficient app-based system
- Repayment periods of up to 36 months to facilitate better cash flow for issuers

*\*Achievements as of June 2020*

## YEAR-ON-YEAR GROWTH

Fundaztic's member base has stabilised along with the P2P financing industry in Malaysia. Although membership has only risen by 44% in the last 12 months, investments remain active and healthy with the growth in successful issuers and number of notes both exceeding 75% within the same period, which includes three months of caution and uncertainty in the market caused by the MCO.

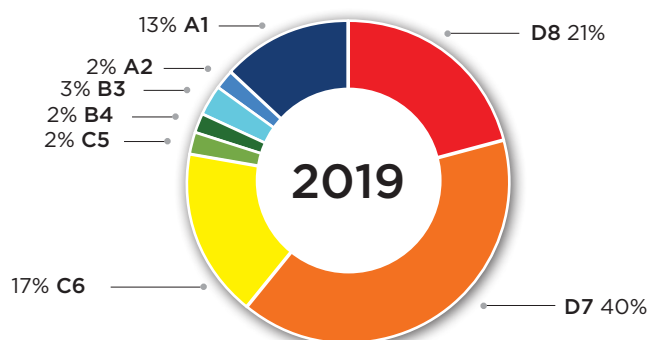


## MANAGING DEFAULTS

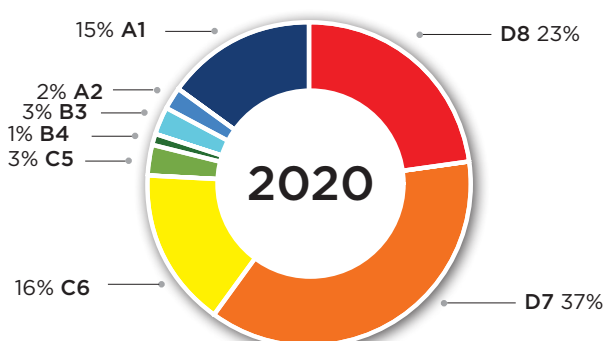
As a responsible investment platform, Fundaztic has always maintained transparency about non-repayment being a key investment risk in P2P financing. A combination of our interest rates, Write-Off/Bad Debts Management Policy, recalibrating to CTOS SME Score and Principal Protect are among efforts in place to mitigate and offset such risks. However, the recent MCO has proven to be the biggest test for these contingencies to date.

Despite the economic turbulence in the first half of 2020, Fundaztic has managed to keep defaults and write-offs below the 3.5% per annum mark (3.38% as of August 2020). This relatively low figure given the difficult climate reflects the effectiveness of the R&R initiatives extended to struggling issuers during this period. Additionally, improved recovery efforts have resulted in 20 percent of defaulted and written-off notes being successfully restructured or recovered to date. This helps minimise the impact on diversified portfolios (i.e. more than 100 notes) while preserving the profitability of their investments.

## NOTES DISBURSED BASED ON GRADES



Percentage of Notes based on Grades



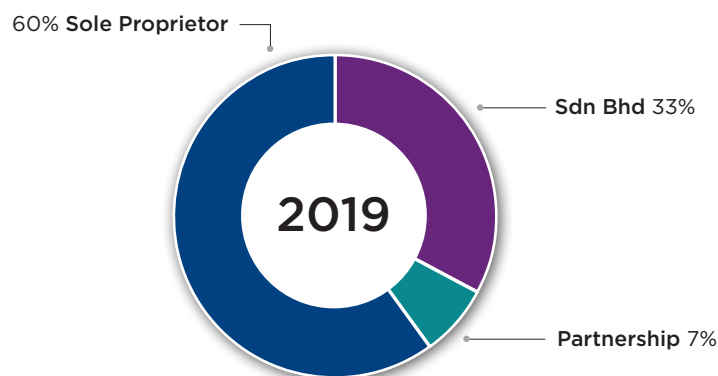
The core of investment opportunities at Fundaztic lies in the notes it hosts. The platform has maintained steady growth in this area, with the addition of 513 new notes to its portfolio within the last 12 months taking Fundaztic past the four-figure mark in terms of total notes hosted. This marks a growth of more than 75% in this sector. And the signs are equally promising on the disbursement front.

A total of RM82.5 million disbursed in 2020 adds up to a 58% increment over the RM52.1 million sum recorded in the same 12-month period in 2019. The slower rate of growth suggests a higher proportion of lower-value notes hosted in the past year. This is an indirect result of the Covid-19 crisis and ensuing MCO in the first half of 2020, as well as a reflection of Fundaztic's commitment to funding new businesses and MSMEs when it matters most.

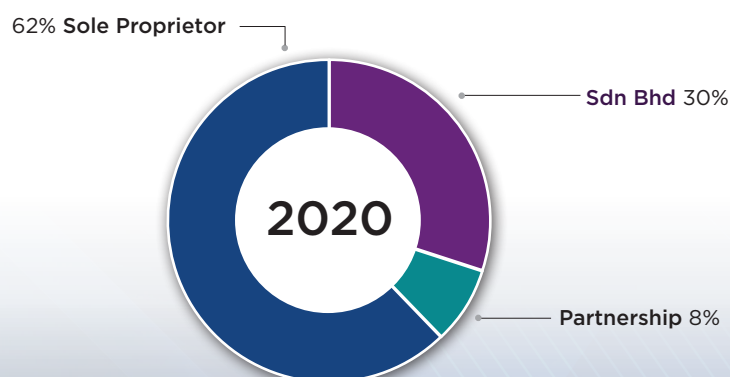
NOTES GRADE	NOTES DISBURSED			
	2019		2020	
	NO	RM (MIL)	NO	RM (MIL)
A1	85	5.763	178	10.590
A2	15	1.470	20	1.790
B3	21	1.850	34	2.655
B4	11	1.091	15	1.325
C5	16	1.415	32	2.515
C6	115	9.704	192	14.539
D7	271	21.232	446	32.808
D8	146	9.622	276	16.321
<b>TOTAL</b>	<b>680</b>	<b>52.148</b>	<b>1193</b>	<b>82.544</b>

\*Figures measured as of 30 June per respective year

## NOTES DISBURSED BASED ON ENTITY TYPE



Percentage of Notes based on Entity Type



The distribution of disbursement by entity type has stayed largely the same over the past two years, with sole proprietorships naturally making up the biggest portion of issuers, followed by private limited companies (Sdn Bhd) and partnerships.

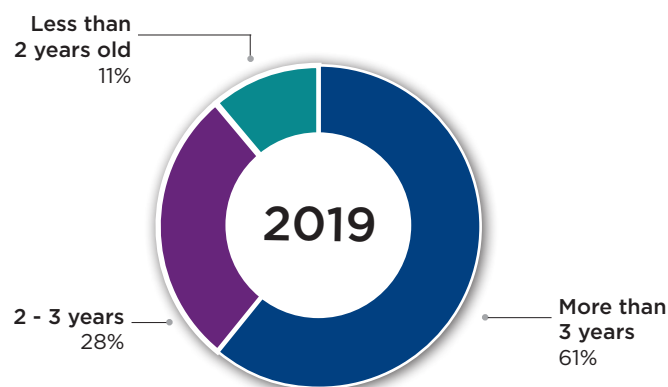
Although the percentage of private limited issuers has dipped marginally to 30%, the sector still accounts for 36% of Fundaztic's overall disbursements. With 137 new issuers in this category coming on board within the last 12 months alone, it is evident that larger and more established businesses continue to trust P2P platforms as a viable solution for their funding requirements.

ENTITY TYPE	NOTES DISBURSED			
	2019		2020	
	NO	RM (MIL)	NO	RM (MIL)
Sole Prop	410	28.373	734	46.019
Partnership	47	3.983	99	6.760
Sdn Bhd	223	19.791	360	29.765
<b>TOTAL</b>	<b>680</b>	<b>52.148</b>	<b>1193</b>	<b>82.544</b>

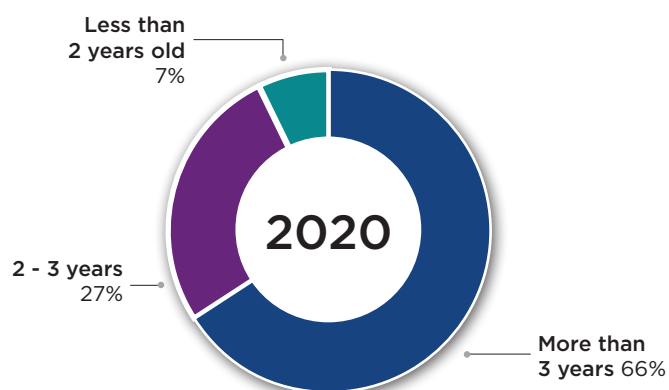
\*Figures measured as of 30 June per respective year



## NOTES DISBURSED BASED ON YEARS IN OPERATION



Percentage of Notes based on Years in Operation



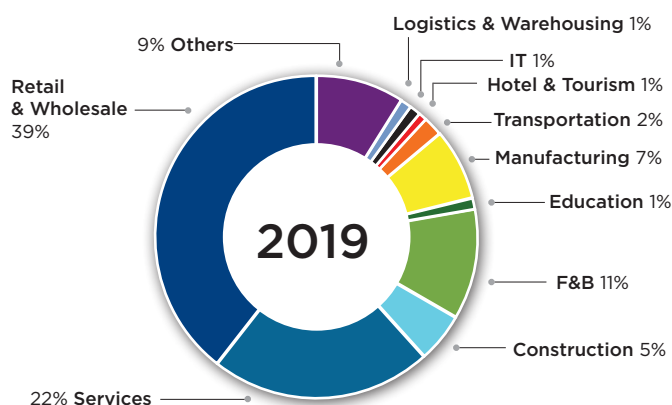
While P2P financing is often viewed as a strategic funding avenue for new businesses and young MSMEs, the percentage of disbursements to businesses that have been in operation for less than three years have dropped over the last 12 months, with more mature applicants (three years and older) charting a five percent growth in the market instead.

This is further validation of the alternative funding solutions Fundaztic offers to established businesses and larger corporations as opposed to conventional financing. The portion of funds disbursed to these experienced applicants has increased by 70% (compared to just 35% for the two younger demographics combined), indicating more widespread adoption of P2P financing among seasoned businesses in Malaysia.

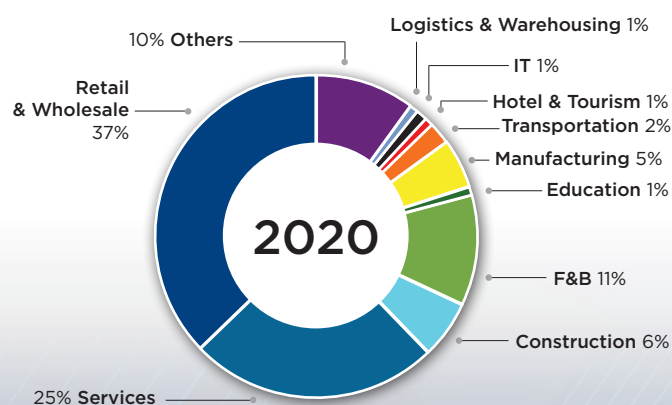
NUMBER OF YEARS IN OPERATION	NOTES DISBURSED			
	2019		2020	
	NO	RM (MIL)	NO	RM (MIL)
Less than 2 Years	74	4.118	87	4.360
2 - 3 Years	193	13.070	317	18.818
More than 3 Years	413	34.959	789	59.366
<b>TOTAL</b>	<b>680</b>	<b>52.148</b>	<b>1193</b>	<b>82.544</b>

\*Figures measured as of 30 June per respective year

## NOTES DISBURSED BASED ON INDUSTRY TYPE



Percentage of Notes based on Industry Type



As a financing platform, Fundaztic continues to appeal to a wide range of businesses, with disbursements in the tourism, transportation, IT and education sectors, among others. Service-based applications chart the most significant rise in disbursements (3%), which is in line with modern trends that increasingly favour skilled labour and digital services over traditional trade-based industries.

INDUSTRY TYPE	NOTES DISBURSED			
	2019		2020	
	NO	RM (MIL)	NO	RM (MIL)
Retail & Wholesale	262	19.932	436	30.776
Services	152	11.409	294	19.635
Construction	36	3.227	70	5.267
F&B	78	4.767	135	7.578
Education	6	0.545	14	1.001
Manufacturing	45	4.237	61	5.280
Transportation	14	1.011	23	1.599
Hotel & Tourism	9	0.740	14	1.043
IT	10	0.758	18	1.271
Logistics & Warehousing	6	0.497	12	0.812
Mining & Quarry	0	0	0	0
Government linked Company	0	0	0	0
Others	62	5.026	116	8.283
<b>TOTAL</b>	<b>680</b>	<b>52.148</b>	<b>1193</b>	<b>82.544</b>

\*Figures measured as of 30 June per respective year



# ISSUER TESTIMONIALS

Fundaztic gives my business financial freedom. With better cash flow, I do not need to hold back on business dealings. It is a lot simpler than getting a loan from the bank. I received my funds within three days from applying. The process is easy, fast and convenient, and I think other SME owners should consider using Fundaztic as it saves you plenty of precious time.

## NOTE 753

Beauty & Cosmetics



The P2P funds helped me expand my business with stock purchases and execution of business plans. The online application process was simple and I received my funds within two weeks. Fundaztic offers a fast and simple process compared to other platform and the team provided me with professional advice to assist my application. I will definitely recommend Fundaztic to business owners who want to achieve their financial goals.

## NOTE 1278

Healthcare



With the help of Fundaztic, we were able to access working capital faster and speed up our purchases and turnaround time. The application process was very easy with minimum paperwork, and we received our funds within a week from applying. The overall funding process was a lot better than traditional methods with banks.

## NOTE 1300

Security



fundaztic

The Fundaztic-MUV program helped us obtain a line of credit to buy used cars from MUV to keep our used car dealership well stocked. The three-month bullet payment allowed us to pay this off after we sold the cars. The overall application took me less than 10 minutes and the funds were disbursed within three days directly to my MUV account. Fundaztic's staff were productive and helpful throughout the process. The platform is very simple to use and is really helpful to overall business development.

## NOTE 1324

Automotive



My business has on-going financing with Fundaztic using the BizXcel plan. Securing P2P funds through the platform is very simple, and I was able to secure the funds within one week of application. The most memorable aspect of dealing with Fundaztic is the kind and helpful advice given by Jeff, a sales agent at the company. If you need financial help, look for Fundaztic because it's really as simple as ABC.

## NOTE 1315

Sanitary Ware



## Migration to CTOS SME Score

Fundaztic offers higher interest rates than most conventional investments because of our commitment to support MSMEs, new businesses and entrepreneurs who may experience difficulties securing funds from banks. While this might be interpreted as a high-risk, high-reward strategy, we go to great lengths to ensure that the businesses we finance are creditworthy such that any events of default or write-off occur due to genuine business failures instead of fraud.

Note grading is one of our methods of being transparent to our investors with regards to issuer creditworthiness. This has now been bolstered by the incorporation of the CTOS SME Score into our credit evaluation engine, which will allow investors to make more accurate assessments of the notes they are considering investing in. Scores ranging from 100 to 400 across six brackets are awarded to SMEs based on CTOS's assessment of their risk and profitability, allowing Fundaztic and our investors to make more informed decisions in a speedy manner, which in turns saves issuers plenty of precious time to run their businesses.



## Principal Protect

As of August 2019, every portfolio of 100 qualified notes amassed in Fundaztic within a 12-month period is automatically secured with Principal Protect. This feature is a capital protection scheme of sorts which provides coverage on principal investments of up to RM10,000 to offset defaults and write-offs. Elite members with investments totalling more than RM100,000 enjoy a higher coverage limit of RM30,000. However, only notes worth up to three times the average investment per note in a 100-note portfolio qualify for coverage.



Principal Protect is a seamless, built-in feature which does not require any application or opt-in measure on the user's end. Since the coverage is provided directly by Fundaztic, reimbursements are processed automatically without the need to submit any claims documents typically demanded by insurers. This is part of Fundaztic's commitment to its investors and the concept of P2P funding on a whole, which provides added peace of mind while encouraging the continued practice of investment diversification on the platform.

Principal Protect has provided coverage to 660 investors within only a year from its launch. As of 31 July 2020, a total of RM3,107.77 has been paid to 10 claimants. The relatively low number of claims is a reflection of the resilience of diversified portfolios on Fundaztic and the effectiveness of the platform's myriad of risk-mitigation contingencies.

## Secondary Market

The Malaysian P2P financing landscape has developed to a point where the trading of notes has become an attractive tool for investment in itself. To facilitate this, Fundaztic is the first P2P operator in the country to introduce a Secondary Market which allows members to trade notes between each other for greater flexibility in portfolio growth and management.

All Fundaztic members are eligible to trade in the Secondary Market. The only condition that needs to be met by notes selected for trading is for the remaining principal to be no less than RM5,000. Investors can sell this balance as a singular note (e.g. RM5,000) or multiple notes (e.g. 50 notes at RM100 each) at premiums or discounts which they can determine themselves. Only 1% in management fees is charged to the seller for all notes sold in the Secondary Market (the same fee applies to buyers effective 1 October 2020).

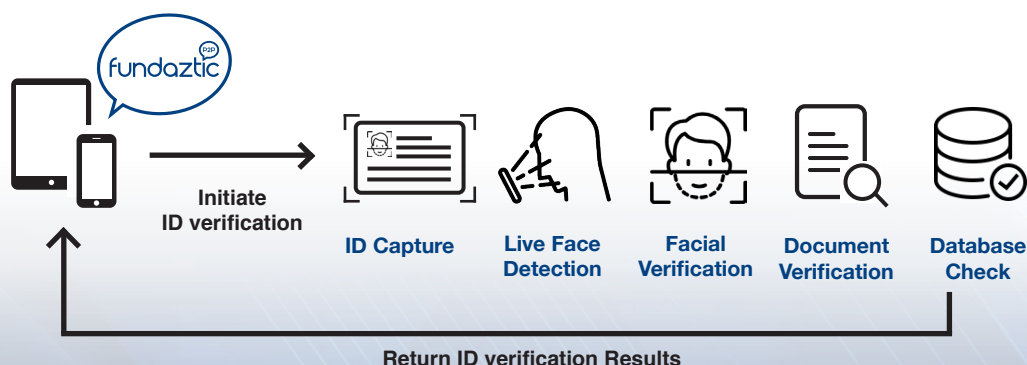


With most note tenures averaging around 30 months, the Secondary Market creates a pool of opportunities in which new investors can build a more resilient and diversified portfolio in a shorter time while offering existing investors the option for an early exit. This doubles up as a risk mitigation measure that makes it possible for investors to access additional funds in the event of emergencies.

## e-Know Your Customer (e-KYC)

Reliable identity verification is crucial in a digital platform on which credit is traded to eliminate the threat of fraudulent accounts. To achieve this, Fundaztic introduced an e-Know Your Customer (e-KYC) feature in 2020 which prompts all individual members to confirm their identities using optical character recognition (OCR) of identification documents and biometric verification via facial recognition as part of the registration process. Fundaztic is the first P2P platform in Malaysia to implement e-KYC, which is now widely used in digital banking and financial services worldwide.

In line with BNM's roadmap to a more secure digital financing space in Malaysia, e-KYC speeds up the on-boarding process of new members, thus allowing them to start their investment journeys earlier to the benefit of MSMEs waiting on new funds to take their homegrown businesses to the next level.







Fundaztic and the P2P financing landscape in Malaysia has come a long way since the SC first paved the way for the industry in 2016. As more MSMEs and new businesses embrace platforms like Fundaztic as an efficient, secure and viable method of funding their businesses, our market opportunities grow along with our responsibility to investors and issuers alike. Therefore, we continue to strive towards our objectives and grow even though 2020 has been a particularly challenging year thus far. Here are some of the noteworthy things to look forward to in the coming months.

## **Spreading Our Wings Across the Causeway**

Fundaztic already commands a 50-percent market share for P2P-funded MSMEs in Malaysia. While we remain committed to retaining and improving this local market share, the real opportunity for growth lies beyond our borders. Fundaztic has already received the approval from the Monetary Authority of Singapore and is looking to officially roll out the platform to our neighbours in the coming months. Demand for efficient, digital financing solutions is on the rise globally, and Fundaztic is looking into establishing a presence in other regional hubs such as Australia, Thailand and the Philippines following our expansion to Singapore.

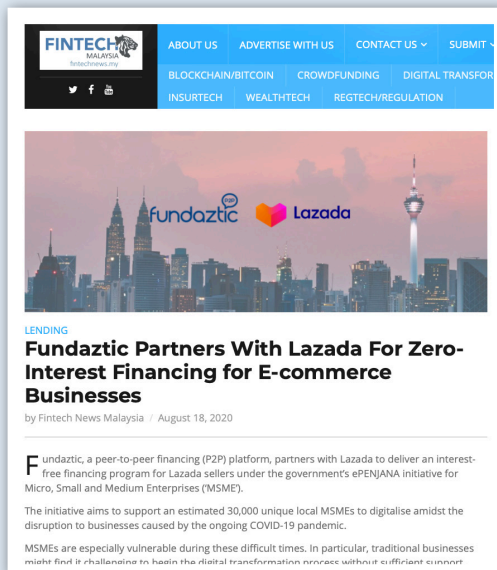
## **The RM100 Million Milestone**

As of 30 June 2020, Fundaztic has disbursed more than RM80 million to nearly 1,200 issuers after three years of operation. Of this total, RM30 million was accumulated within the previous 12 months despite the economic setbacks caused by the Covid-19 pandemic at the start of the year. Given the promising market performance, Fundaztic remains confident of achieving RM100 million in total disbursements to date before 2020 comes to a close.

## **Greater Innovation in Credit Evaluation**

Many new businesses and MSMEs turn to P2P platforms for funding because they lack sufficient credit history to secure loans from conventional financial institutions. However, credit history and creditworthiness are not always mutually exclusive. The challenge for Fundaztic is to identify issuers with the capability of fulfilling their financing tenure even if they are thin on credit history. To address this issue, we plan to work closely with our strategic partners to equip our credit evaluation engine with the intelligence to make more accurate assessments and predictions in the future.

# MEDIA COVERAGE



Fintech News Malaysia

<https://bit.ly/3hkDKOf>



**FOCUS**  
MALAYSIA  
Business & Beyond

**Fundaztic partners Lazada to offer zero interest financing to MSMEs**

By FocusM 3 days ago in Mainstream



PEER-to-peer (P2P) financing platform Fundaztic is partnering with Lazada to offer an interest free financing programme for Lazada sellers, under the government's ePenjana initiative for micro, small, and medium enterprises (MSMEs).

"Being a fully digitalised platform ourselves, we can understand the difficulties and

Focus Malaysia

<https://bit.ly/3aKsGXL>



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**Tech: Fundaztic the first to offer capital protection to P2P investments**

Liew Jia Teng / The Edge Malaysia  
October 11, 2019 14:00 pm +08



SINCE 2017, there have been 4,438 successful peer-to-peer (P2P) financing campaigns across 1,139 issuers, raising a total of RM377.16 million as at June this year.

That is not all, as funding raised has increased dramatically, rocketing 452% year on year to RM180.05 million in 2018 from RM32.6 million in 2017.

Notwithstanding the encouraging development of Malaysia's P2P financing industry over the last two to three years, defaults and write-offs remain an investment concern.

Last month, The Edge reported that a motor oil company that had raised capital through a P2P platform was on the brink of defaulting on a RM3.5 million debt. If that eventuates, it could be the single largest default in Malaysia's P2P financing industry thus far.

Fundaztic.com believes it is timely to introduce Principal Protect, which protects investors from capital losses if their investments are made as per conditions set.

Founding CEO and director Kristine Ng Wei Miem says Fundaztic is the first and only P2P platform that offers capital protection of its own. And the beauty of it is that it is free.



The Edge Markets

<https://bit.ly/3l81GpR>

Fintech News Malaysia

<https://bit.ly/32enMhQ>



LENDING

**Fundaztic Launches Malaysia's First Peer-to-Peer Financing Secondary Market**

by Fintech News Malaysia / July 21, 2020

Fundaztic a P2P financing platform operator, has officially rolled out their secondary market. This offers over 20,000 members of Fundaztic the opportunity to trade their existing notes with one another, this allows them to adjust their portfolio strategy and increase their flexibility in the management of their cash flow.

Against the backdrop of the current economic situation, the introduction of the secondary market is especially relevant for investors who may need to sell their notes to meet their cash flow need and to investors who may want to build broader, more resilient portfolios.

# FUNDAZTIC CASHBACK BONANZA

2020 may have gotten off to a turbulent start, but the Malaysian spirit is not easily deterred. In the spirit of Merdeka, Fundaztic has rolled out a cashback program running from 31 August 2020 to 31 December 2020 offering investors 1% cashback on their investments every month. Let's end the year on a positive note!

## HOW IT WORKS

1. A minimum investment of RM2,000 per month during the campaign period is required to qualify for the 1% cashback
2. The total cashback receivable per month is capped at RM200. This sum is credited as Fundaztic Bonus on the first week of the following month
3. Investments made using Fundaztic Bonus will also contribute to the monthly investment total
4. Qualified investors will be updated twice a week with their cumulative invested amount and relative cashback value



Scan the QR Code for more details about the Fundaztic Cashback Bonanza and follow us on social media to stay up to date with our latest campaigns.

<https://fundaztic.com/cashback-bonanza>



# CONTEST: FUND IT TO WIN IT

At the start of 2020, Fundaztic launched the Fund It to Win It competition to encourage investors to diversify their investments and grow their portfolios to earn Fundaztic bonuses and attractive prizes. On top of injecting a dash of excitement into the P2P investment experience, the competition also introduces an element of friendly rivalry among investors following the success of the Investor Portfolio Strategy Contest in 2019.



Scan the QR Code for more information about the Fund It to Win It Competition 2020. Stay tuned to Fundaztic for more exciting contests and prizes.

<https://fundaztic.com/fund-it-2020>





# MEMBERSHIP PERKS



Fundaztic takes pride in its members playing an integral part in the growth of Malaysian SMEs and the development of local businesses on a whole.

As a gesture of appreciation, investors who have successfully invested in 100 notes in Fundaztic will be rewarded with RM50. Additionally, rewards can also be earned by referring Fundaztic to friends and family during promotional periods.

Investors who have amassed RM50,000 in their account automatically become a member of Fundaztic's Elite Club.

Elite members gain access to exclusive and private events, strategic partners' products, private investment products and goal rewards. They also enjoy 5% rebate for investments (capped at RM200) made during their birthday and registration anniversary months.



*\*All rewards are awarded in the form of Fundaztic Bonus, terms and conditions apply.*



Scan the QR Code for more details about the Fundaztic Investor Rewards.

<https://fundaztic.com/rewards>



## STRATEGIC PARTNERS



## CHAIRMAN'S MESSAGE

2020 marks three years since Fundaztic went live in Malaysia. Since then, we have funded over 1,200 MSMEs and new businesses with the help of investors from all walks of life. More importantly, the credit portfolio we have built within that period has managed to withstand the unprecedented challenges brought on by the pandemic of the century.

With most investment notes ranging between 2.5 to 3 years in tenure, 2020 also marks a full cycle of funding for Fundaztic. The fact that many investors continue to yield over 10% in returns per annum (compared to less than 2% for fixed deposits) beyond this original cycle speaks volumes for the long-term sustainability of our business model. There were initial fears of a spike in defaults and write-offs during the height of the Covid-19 crisis, but I am relieved to see signs of recovery in defaulted notes from as early as June 2020.

Although the pace at which Fundaztic is growing may not be particularly earth-shattering, the platform is now a proven alternative against conventional investments as overnight policy rates (OPR) continue to drop. We have succeeded in building an efficient and reliable platform with 99% system availability while staying true to our objective of helping underserved businesses and inexperienced investors. Now that we are established in the local P2P financing industry, the time is right for Fundaztic to replicate this success beyond Malaysian shores.

Fundaztic has already secured a license from the Monetary Authority of Singapore (MAS) to operate across the causeway while plans are already in motion for the platform to widen its network to Australia. After all, most industries have been forced to go online by current economic trends and the internet is a place without borders. Digital financing is the way forward and we are determined to stay at the forefront of the industry.

**Jeffrey Chew**  
Chairman, Fundaztic



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